



# Your dreams. Woven together.

Our mission is to realize our clients' wishes in a single ultra-fine wire.

# Corporate Philosophy & Purpose

## Corporate Philosophy

We will make efforts to help all of our customers achieve their dreams thereby contributing widely to society through providing “only-one” technologies and “number one” products to the world bearing safety and reliability in mind in the medical and industrial equipment fields.

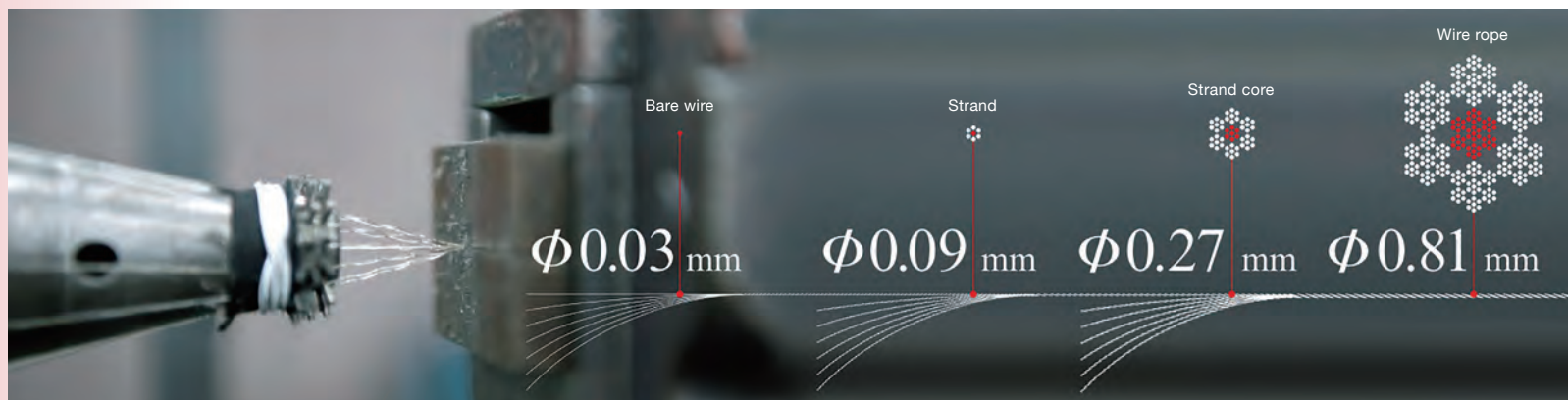
1. **Development of technology** is vital for us, thus challenging to create new technologies and products.
2. Based on the “**Customer First**” motto, we provide our customers with the best quality products and services.
3. We seriously **pursue good results** while pursuing happiness for both the company and individuals.

## Purpose

By continuing to address the needs of doctors and business partners around the world with our unique technologies, we will provide “number one” products of high added value with global quality and realize the dreams of customers around the world.

## Founding DNA Remains Unchanged

Advanced ultra-fine stainless steel wire rope manufacturing technology that continues to produce high-value-added products



A strand consists of six bare wires twisted around a 0.03 mm diameter base wire that is thinner than a hair. A strand core consists of six strands twisted around one strand. For example, a 0.81 mm wire rope is made by twisting 343 bare wires together.



# Asahi Intecc's Importance of Existence

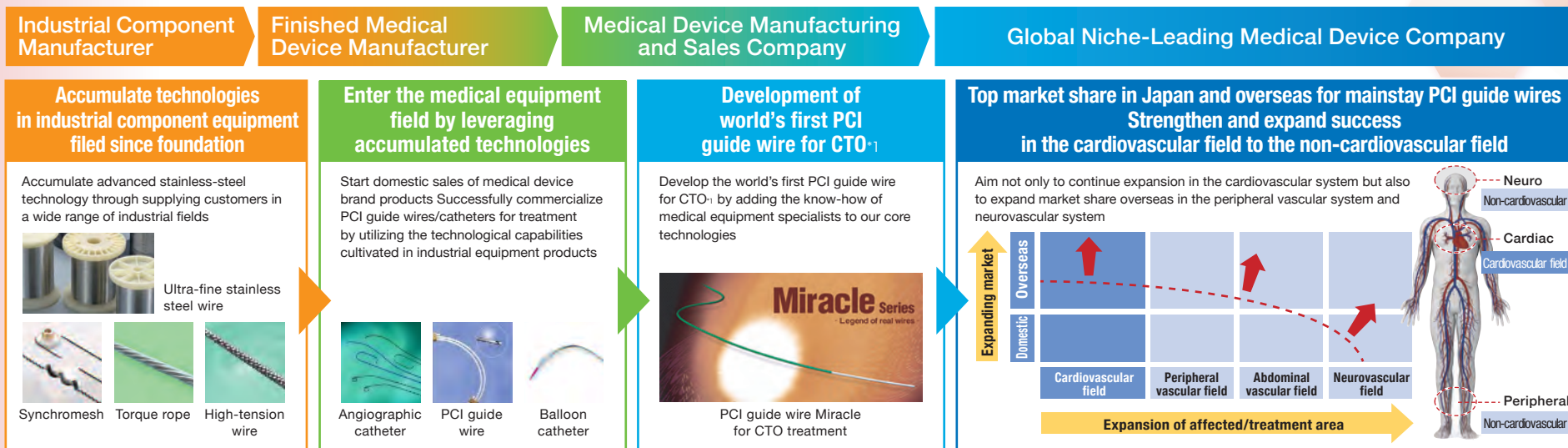
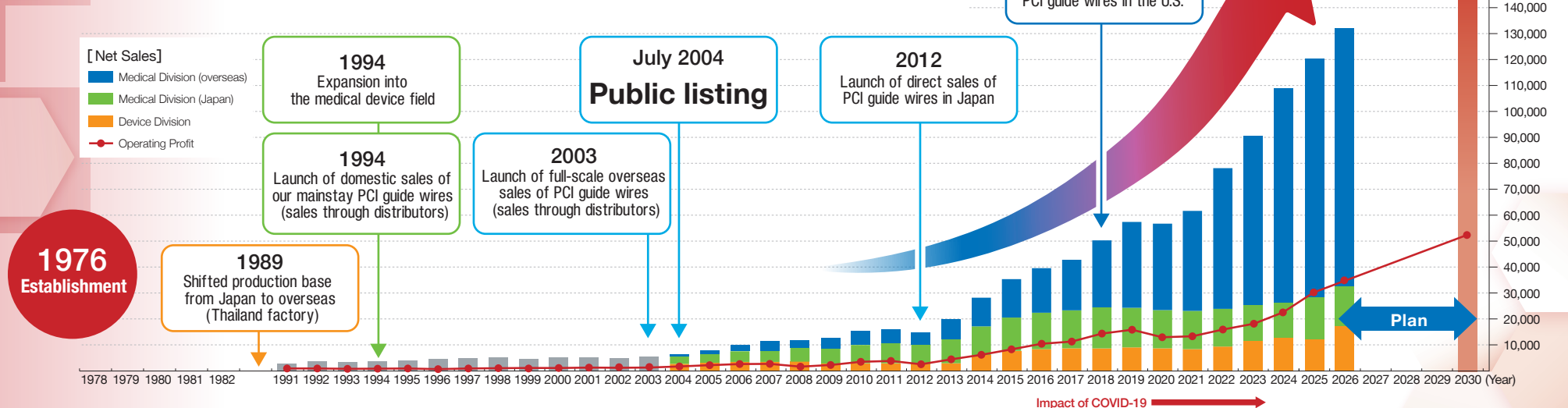
## Contribute to the future of medicine with our “only-one” technologies

Our mission is to realize our clients' wishes in a single ultra-fine wire.  
Our importance of existence is to continue to address the needs of doctors and business partners around the world with our unique technologies and to contribute to medical care and people worldwide.



# Our Growth Trajectory

We have expanded our business into the medical device field by utilizing our advanced ultra-fine stainless steel wire rope technology that we cultivated in industrial equipment at the beginning of our foundation.



<sup>\*1</sup> Chronic total occlusion (CTO): It means a lesion in which the blood vessels are completely blocked and left untreated for a long time. Among catheter treatment cases, it has been considered especially difficult to treat.

# Pursuing Profitability and Challenging the Future

2026 to 2030 in the new Medium-Term Management Plan, “Building the Future 2030”

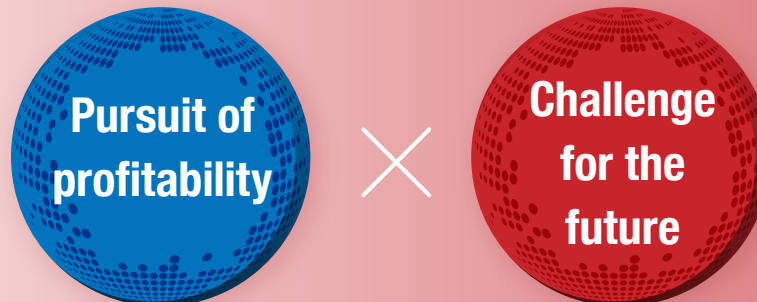
**Five years to accelerate growth strategy to lay the groundwork for the next challenge while strengthening our earnings base**

– Strategic compatibility during the payback period –

Asahi Intecc is entering **a payback period of strong profit growth**, thanks to its advanced technological capabilities and enhanced competitiveness of its existing businesses, through challenges and trial and error.

At the same time, we are continuing to **develop high-value-added products** that will support our future corporate value.

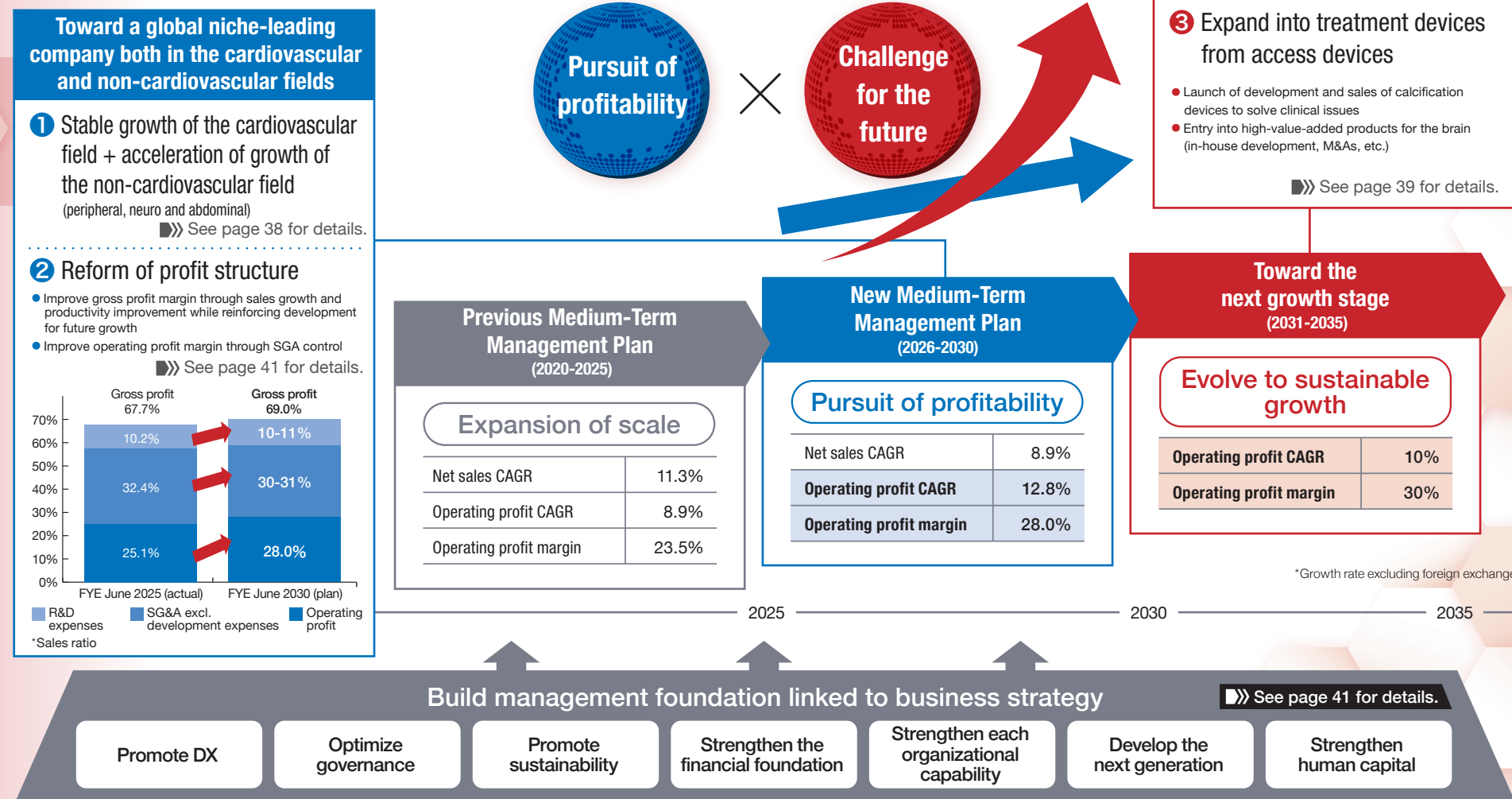
Create the future while increasing earnings –  
the stage of growth where we continually challenge ourselves; this is  
our current management stance.





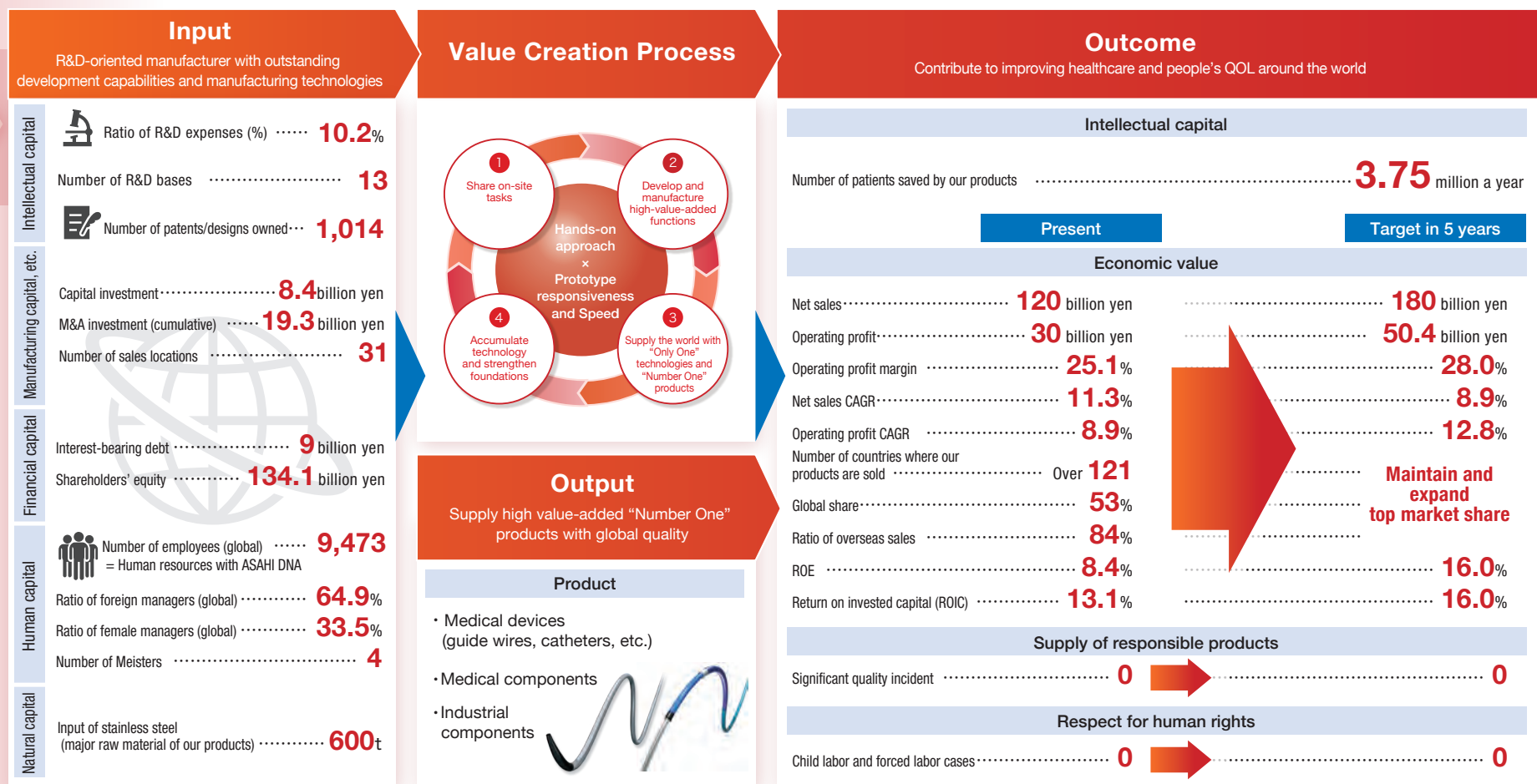
# Medium-Term Management Plan “Building the Future 2030”

We will pursue profitability and engage challenges for the future based on the two priority themes: building a business portfolio to re-accelerate growth in global markets, and a strong management foundation for sustainable growth and strengthening profitability.



# Value Creation Cycle and Indicators

We will engage in a virtuous cycle that promotes business and strengthens our foundation based on the technological capabilities developed and cultivated in the course of meeting the advanced needs of our customers, thereby contributing to the continuous improvement of corporate value and the promotion of a sustainable society as a whole.



# Integrated Report 2025 Contents



What is the position and concept of the newly announced Long-Term Management Vision and Medium-Term Management Plan?



## Chapter 1

### Message from Management

Analysts × Management Discussion: Part 1



What are Asahi Intecc's unique strengths and mechanism of value creation?  
What are the key issues in value creation?



## Chapter 2

### Value Creation Story



What will Asahi Intecc address over the next five years of the new Medium-Term Management Plan to accelerate growth strategy?



## Chapter 3

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



What will Asahi Intecc address as the financial strategy to achieve both stable growth and profitability?



## Chapter 4

### Financial Strategy

Analysts × Management Discussion: Part 2



What are the management foundation linked to business strategy and non-financial capital strategy?



## Chapter 5

### Sustainability Bolstering Non-Financial Capital



How are environmental and social efforts being promoted in pursuing the new Medium-Term Management Plan?



## Chapter 6

### Sustainability Environmental and Social

Interview with Officer in charge of Environmental Affairs



What is optimization of corporate governance for sustainable growth?



## Chapter 7

### Sustainability Governance

Dialogue between Outside Directors  
Interview with Outside Director



Performance and Company Information



## Chapter 8

### Performance and Company Information



# Integrated Report 2025 Editorial Policy

Although this integrated report is of greater volume than that of other companies, our basic policy is to provide a comprehensive range of information that is considered to contribute to investment decisions, based on matters of interest identified through meetings with investors, etc.

## History of the integrated report and its main contents

### Integrated Report 2022

Development toward the next generation and overview of finance through investor dialogue



### Integrated Report 2023

Organized our growth story from past to present through top analyst dialogue

### Integrated Report 2024

Chairman and president in dialogue, leadership of new president and introduction of young human resources supporting the organization



### Integrated Report 2025

Explanation of the new Medium-Term Management Plan that demonstrates strategic compatibility between recovery of profitability and challenges for the future

## Communication tools of Asahi Intecc

### Role of each medium

Principle-based (flexibility, substantiality)  
Pursue future prospect and uniqueness

Information related to a company's financial performance  
(business performance, financial condition, etc.)

**Integrated Report**



Information on environmental and social impacts

**Various policies are posted on sustainability website**

**Annual Securities Report**



Rule-based (standardization)  
Pursue comparability

### 〈Scope of reporting〉

Asahi Intecc Co., Ltd. and its consolidated subsidiaries

### 〈Reporting period〉

July 1, 2024 - June 30, 2025  
Information before and after the relevant period is included in part of the report.

### 〈Reference guidelines〉

- "International Integrated Reporting Framework" issued by the International Integrated Reporting Council (IIRC)
- "Value Co-creation Guidance" issued by the Ministry of Economy, Trade and Industry (METI)
- "Task Force on Climate-Related Financial Disclosures (TCFD) Final Report"

### 〈Contact for the Integrated Report〉

Asahi Intecc Co., Ltd. Corporate Strategic Office  
TEL: +81-561-56-1851

### 〈Editorial policy〉

This report is edited, on the assumption that the target readers are investors and shareholders, for the purpose of promoting enhancement of the corporate value of Asahi Intecc Group through the creation of unique value and to enable readers to gain a better understanding of our business and initiatives. The content of the report was edited and improved from the perspective of users who view it online from a tablet device or PC. The report comprehensively explains each business and management base from the integrated perspective of ESG.

### 〈Notes on forward-looking statements〉

Forward-looking statements in this report, such as earnings forecasts, are based on assumptions made as of December 26, 2025, the date of publication of this consolidated report, and are based on information currently available to our company and certain assumptions deemed to be reasonable. The company does not in any way guarantee the achievement of such statements. Actual results, etc. may differ materially from these forecasts owing to various factors.

Japanese version issued on December 26, 2025  
English version issued on February 13, 2026

# 01 Message from Management



Kenji Miyata

President & CEO

Asahi Intecc Co., Ltd.

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## 1-1 Message from the President

**We will fulfill our corporate social responsibility and contribute to the realization of a sustainable society to be a company that continues to grow.**

Thank you for reading our Asahi Intecc Group Integrated Report 2025.

I am Kenji Miyata, President & CEO of Asahi Intecc Co., Ltd. One year has already passed since I took office as President & CEO of the company.

Looking back on the past year, I feel that each day was filled with learning and challenges, supported by many people. For me, the past year was very intense and felt long.

Upon my appointment, I worked on formulating a new Medium-Term Management Plan. We were able to achieve our previous Medium-Term Management Plan one year ahead of schedule not only because of the efforts of each and every employee but also because of the warm support and understanding of our shareholders, business partners, and all other stakeholders, for which I would like to express my deepest gratitude.

In order to take advantage of this success for the next leap forward, we began formulating our next plan from an early stage.

**Kenji Miyata**

President & CEO  
Asahi Intecc Co., Ltd.





## 1-1 Message from the President

In formulating the new Medium-Term Management Plan, we held a series of frank discussions with senior management on what is needed for us to remain a growth company in the long term while carefully reviewing the past achievements and issues. In this process, I have demonstrated leadership and made it important for the entire company to work together to shape the future.

One of the major future themes is to improve profitability through increased productivity. Since joining the company, I have worked to establish a stable mass production system while maintaining high quality, which is the foundation of a *monozukuri* (manufacturing) company. We will continue to work diligently to improve productivity that we consider a key battleground.

As another important theme, our company will continue to take on challenges in the field of treatment devices in order to sublimate our technologies into a broader social value. We will leverage our technological capabilities cultivated in access devices to expand into fields where we can contribute more directly to patient

treatment. While treatment devices offer high added value, the competitive environment is challenging. Based on our company's unique technological strengths, we will flexibly consider collaboration with external partners, such as capital alliances and M&As, in order to accelerate further business growth.

We will also focus on solidifying our organization. An organization is made up of people. Even in a rapidly changing environment, we want to be a company with a solid foundation where employees can take on challenges assuredly. I am confident that these organizational strengths will strongly support our company's growth strategy.

Above all, to be a company that continues to grow, we want to be trusted by society at all times. Fulfilling our corporate social responsibility and contributing to the realization of a sustainable society is our mission and pride.

We will continue to make steady progress step by step with our employees.  
We look forward to your continued support.

Kenji Miyata  
President & CEO  
Asahi Intecc Co., Ltd.

宮田 寛次

1-2

## Message from the Chairman

**We are committed to the development of the medical industry as a bridge linking businesses by incorporating corporate values through management power and practical competence.**

I hope this message finds you in good health and would like to express my sincere gratitude to all. I would also like to extend my deepest gratitude for your continued support.

Since I have recently been sick, I retired from the position of President last year and became Chairman. I have been recuperating for a while, and I deeply apologize for the great concern I have caused you. Fortunately, I have regained my physical condition and expanded my activities in many ways.

At present, I am actively participating not only in meetings of the Board of Directors and the Management Executive Committee but also academic conferences in Japan and overseas to ascertain the needs of the frontline of the medical field and collect new technological trends. I am dedicated to supporting sales activities and on-site support by making use of my own past experience and network as well as the foundation of overseas sales and a global perspective that I have built over many years. I am further supporting the sustainable growth of our business in close cooperation with the president and other management. Through these activities, I will create an environment where each and every employee can grow with pride and a sense of challenge.

Again, I would like to express my sincere gratitude to the officers and employees who supported the company during this period, as well as to the shareholders who have unwavering trust in us. As Chairman, I will work hand-in-hand with everyone to continue to grow and improve our corporate value further.

Since my appointment in June 2025, I have been attending my duties as the vice president of the Japan Federation of Medical Devices Associations (JFMDA) and president of the Medical Technology Association of Japan (MTJAPAN). MTJAPAN is an industry organization concerned with medical devices centered on catheters. There are over 260 member companies, and the total sales of member companies are about 2 trillion yen, which accounts for about 45% of the Japanese medical device market (about 4.2 trillion yen). It is the largest organization in the JFMDA. The associations aim to contribute to the improvement of the health and welfare of the Japanese people and the development of the medical device industry by providing medical device technologies through superior innovation and a stable supply of medical devices and technologies not only for Japan but also other countries around the world.



Visit to Headquarters by U.S. KOL doctors (2025)



CCT 2025 (Japan)

Being in the position of assuming key posts in the two associations that lead the medical device industry in Japan, I aim to achieve the following:

1. Strengthen global competitiveness
2. Create innovation
3. Develop human resources
4. Stable supplies

I will serve as a bridge between member companies and the government and strive to further develop the medical device industry based on the above four pillars. In order for the Japanese medical device industry to lead the world, I think it is essential to not only create innovative medical devices but also deploy improved medical devices from Japan to the world based on domestic and overseas needs coming from the medical frontlines. Under the fundamental principle that "outstanding medical devices will be properly evaluated," I will, as an industry representative, strive to ensure that price evaluations are performed according to functions and values.

I sincerely ask for your continued support and courtesy.





1-3

## Analysts × Management Discussion over the New Medium-Term Management Plan: Part 1

### Challenging future growth with *monozukuri* (manufacturing) as our starting point

The content of the New Medium-Term Management Plan of the company announced in August 2025 is truly crossing solidity with challenges. It powerfully incorporates the challenges in new fields while steadily accumulating stable growth from existing businesses. In this discussion, honest opinions were exchanged with analysts about the direction the company is aiming for and the intention incorporated in the plan, and discussion was made in detail on the expectations for and evaluation of our company, as well as the changes that are taking place in the field.



Photo taken at Shinagawa Office, Asahi Intecc Co., Ltd.

**Mr. Hidemaru Yamaguchi**  
Managing Director  
Analyst, Citi Research  
Citigroup Global Markets Japan Inc.

**Mr. Motoya Kohtani**  
Senior Analyst  
Equity Research Division  
Mizuho Securities Co., Ltd.

**Ms. Tomoko Yoshihara**  
Executive Director  
Analyst, Research Division  
UBS Securities Japan Co., Ltd.

**Kenji Miyata**  
President & CEO  
Asahi Intecc Co., Ltd.

**Makoto Nishiuchi**  
Executive Director  
Asahi Intecc Co., Ltd.

**Mizuho Ito**  
Director & CFO  
Asahi Intecc Co., Ltd.

#### 1. Impression of the Medium-Term Management Plan

**Miyata:** Thank you very much for participating today despite your busy schedules. The opportunity to talk directly to you like this is very valuable to us. In this round table discussion, I would like to think about our future direction together with you while listening to your frank opinions and impressions about our Medium-Term Management Plan. So, I appreciate your cooperation.

**Ito:** Please allow me to also serve as moderator of this discussion. First, could you please give your honest impression of the new Medium-Term Management Plan announced in August?

**Mr. Hidemaru Yamaguchi:** Thank you. As for my honest impression, I felt that this Medium-Term Management Plan was very solid. The figures for five years and ten years are lined up. Stable profits will be generated with existing products in the first five years, followed by the introduction of new products; the word stable growth perfectly matches with this flow. However, from the outside, the plan is not as much of a full-on surprise as the previous plan, such as "the share will grow rapidly in the U.S." or "this product will dominate the market." While the plan is easy to understand, investors who expect explosive growth may be unsatisfied. I think it partly reflects the president's character, but the evaluation of the shift from growth to stable growth will be divided among investors. Personally, I think it is a good Medium-Term Management Plan because it is easy to understand and reassuring.



### 1-3 Analysts × Management Discussion over the New Medium-Term Management Plan: Part 1

**Miyata:** Thank you, Mr. Yamaguchi. Institutional investors have also evaluated that this is a down-to-earth medium-term management plan, and we are also conscious of this. We are also conscious of this. We are going to steadily plant the next



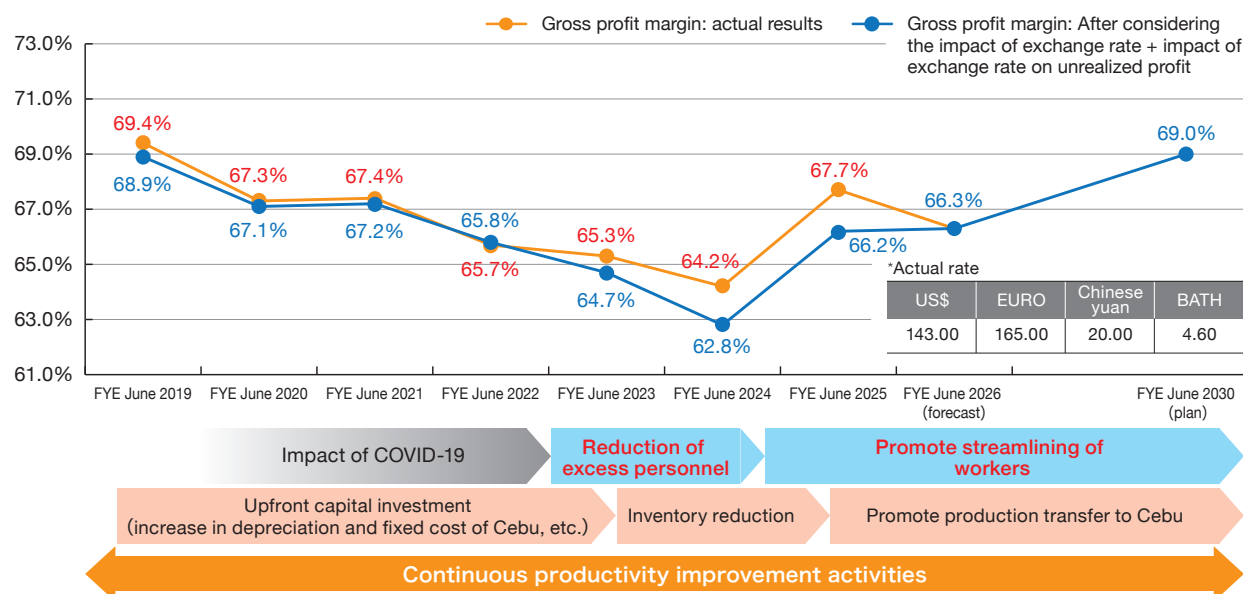
seeds of growth while aiming for stable growth.

I myself try to set realistic goals by listening to the voices of the sites and valuing the spirit of *monozukuri* (manufacturing), which is the starting point of our company. I hope that we are a company that will receive long-term support from our investors assuredly.

**Mr. Motoya Kohtani:** Thank you, President Miyata. The improvement in the gross profit margin being firmly shown in this Medium-Term Management Plan is data that makes me feel rest assured as an investor. There have been short-term issues such as a large amount of capital investment and loss (impairment loss) in some businesses in the past, but I have the impression that these issues are being addressed



#### Changes in gross profit margin (assuming same exchange rates in the new Medium-Term Management Plan) (as of August 2025 plan)



properly.

In addition, in the latter half of the plan, growth in areas other than the cardiovascular field — for example, the peripheral, neurovascular, and the abdominal — is expected. Particularly, I think it is good that the product lineup is expanded in the peripheral field and the growth story after FYE June 2030 is concretely seen.

Furthermore, as for expansion to treatment devices for calcified lesions, which is a new strategy, the company has set a very large goal of aiming at a 5% market share of about 600 billion yen in the world. I honestly think this may be an area where you feel the pressure, but it is a big challenge and a dream for the company. I'm looking forward to it. In any case, I highly evaluate for the company's stance of returning to the starting point and working for manufacturing and technological development steadily.

**Miyata:** Thank you. We have established this Medium-Term Management Plan as the first step for our vision in ten years. The medical device market itself cannot be realized without a long-term perspective, and I am also aware of the management's willingness to realize long-term growth and our *raison d'être*, including our social contributions.

## 1-3 Analysts x Management Discussion over the New Medium-Term Management Plan: Part 1

**Ms. Tomoko Yoshihara:** The KPI shown in this Medium-Term Management Plan — numerical values of sales, gross profit margin, operating profit, etc. which the company has set as targets — are not largely different from what I had assumed in advance, which makes me feel at ease. Since the figures and goals of the plan are realistic and set within a reasonable range, investors have a sense of trust that the company will proceed steadily.

On the other hand, it is also true that some investors seek the company to be aggressive, wanting a more offensive stance or for the company to show more bold growth strategies. Especially in the latter half of the plan, the time when the challenges for new products and technologies will take effect, there is a growing expectation of what new challenges your company will take on.

In addition, as a leading medical device manufacturer representing Japan, we strongly hope the company will further enhance its presence in the global market. Currently, medical device manufacturers in the U.S. and China are growing at a tremendous speed, increasing their market share and influence in the medical field around the world. Under such circumstances, the high technical capabilities and the high product quality of your company should be genuine “weapons”. I would like you to actively take on challenges looking at the next stage without being satisfied with past results.

**Miyata:** This Medium-Term Management Plan aims at balancing between proactive efforts to take on new challenges while maintaining profit growth. Our major theme is to balance between achieving profit growth and profit margin improvement and making necessary development investment.

**Ms. Yoshihara:** I feel this new Medium-Term Management Plan is different from the previous ones. Did you change anything about how to formulate it?

**Miyata:** Since this Medium-Term Management Plan is the first full-scale formulation of the plan after I became president, I was strongly aware of not only a top-down plan as in the past, but also formulating it throughout the entire organization. All of the directors of the company have always gathered together, and discussion has been held over many times. In the process, I saw anew on-site issues, the company's strengths, the future direction and other various things. I feel that we formulated the plan that made all of us feel that we can do this and feel convinced.” Of course, we well understand that there are issues and opinions as we heard today. We believe that the management plan does not end once it is formulated and that we will continue to make improvements by accepting your opinions and changes in the market. We will listen to the voices of investors and those inside and outside the company, and continue to make efforts to create a better company.



## 2. Market

### Chinese market

**Ito:** Next, I would like to ask you how you and the market see our net sales growth, especially the trends in the U.S. and Chinese markets.

**Mr. Yamaguchi:** China certainly has grown, but I also feel risks. I am also concerned about the move toward domestic production and the competitive environment. I have heard that your company is promoting the launch of a local factory to respond to the move toward domestic production, but looking at it from outside, it would be better to disseminate more information on how to control risks amid other companies struggling.

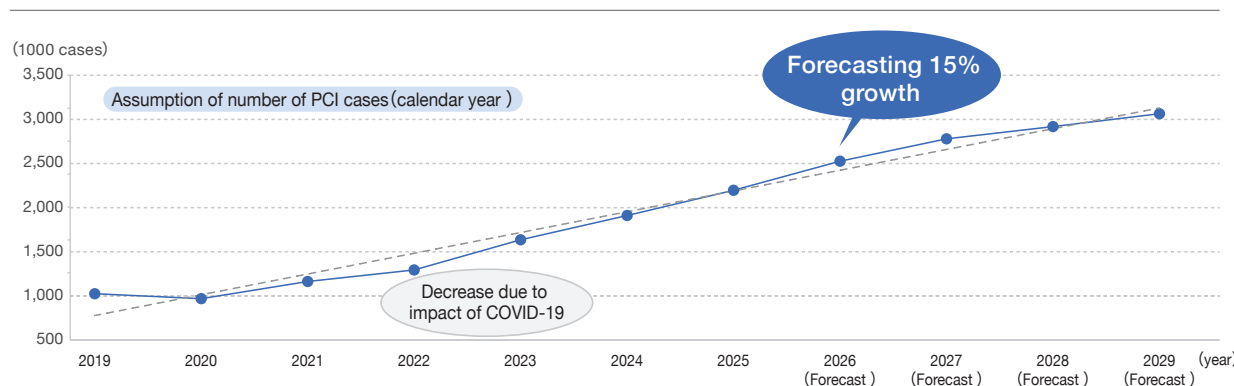
**Miyata:** Thank you for your suggestion. There is certainly a risk in the Chinese market, but we are working to respond the move toward domestic production by launching a local factory. In China, as you all know, there is a move toward domestic production (domestic preference policy). The Chinese market has about 1.9 million cases per year and its growth rate is about 15%, which is a major important market.

We are preparing to establish a factory to operate in 2030 in Nanning in China, which is close to Hanoi factory, our current main factory.

**Nishiuchi:** The medical practice in China varies by region, and the medical environment differs between large cities such as Shanghai and local cities. We focus on building relationships with local physicians, hospitals, etc., and strive to be chosen based on our product strength.

### 1-3 Analysts x Management Discussion over the New Medium-Term Management Plan: Part 1

#### Trend in the number of cases in the Chinese market (Source: Asahi Intecc)



**Miyata:** While responding to the move toward domestic production, we would like to promote differentiation based on our quality and technical capabilities.

**Mr. Kohtani:** Considering the demographic and pathological conditions, the markets of emerging countries are expected to expand in the future. Regulations and the competitive environment will change in China and India, but your technical expertise and your capability of responding to the local market should be strengths.

**Ms. Yoshihara:** The Chinese market will grow, but we need to pay attention to the competitive environment and the move toward domestic production. As an investor, I am concerned about whether the launch of a local factory and the quality control will be sufficiently implemented.

#### U.S. market

**Mr. Yamaguchi:** The share increased significantly also in

the U.S. for a certain period with guide wires, but recently, it seems to be a little stagnant. In addition, I have heard that your sales method has shifted from one-item sales as before and that the product lineup has been strengthened. It is also said that efforts are being made to strengthen the local sales system in the U.S. In reality, how are hospital-unit proposals made? I would also like to ask you about the reactions of doctors on site and your thoughts on future strategies.

**Nishiuchi:** In the U.S. healthcare market, there are major differences in the way of thinking and products used between doctors called "top doctors" who can treat difficult lesions, etc. with advanced technology and experience and local doctors, in particular, who perform general treatments. We have been considering product development and sales strategies with reference to the opinions of top doctors called KOL (Key Opinion Leader), but in fact, I do not think that alone is sufficient.

For example, concerning our main product, PCI guide wires, old types of wires made 30 years ago are still widely used in

the U.S.. Many of the top doctors use the latest technology and products, but there are still many who continue to use the old products they are used to.

For this reason, I think that even if a product is improved based only on the opinions of top doctors and promotion activities are carried out at academic conferences, the information is not sufficiently communicated to local doctors, and the actual needs of the entire market cannot be covered in some cases. So, I think it's important to approach more doctors, especially those working in local hospitals, directly. Specifically, we propose products for each hospital, gather on-site opinions to make use of them for product improvement, and accumulate steady activities. Through these efforts, we hope to make our company products available to more doctors throughout the U.S. market.



**Mr. Kohtani:** My opinion is related to the previous question of Mr. Yamaguchi, but I think that the U.S. market needs to consider strategies separately for cardiac treatment (cardiovascular) and other areas (non-cardiovascular). Particularly, in the cardiovascular field, bundling is progressing, while in the peripheral field, bundling may be difficult because of the limited product lineup.



## 1-3 Analysts x Management Discussion over the New Medium-Term Management Plan: Part 1

**Nishiuchi:** It is true that bundling is an impediment in the cardiovascular field, but in the peripheral field, we think that collective purchasing by the group purchasing organization (GPO) is more of a barrier than bundling. In the peripheral field, since manufacturers with an all-product lineup are limited, the scope of bundling is less likely to be expanded compared to the cardiovascular field.

However, in the U.S., there is a strong contract system where the GPO purchases products collectively, and it is difficult to make a proposal for individual hospitals and to have them adopt our products. For this reason, in the peripheral field, we will expand our product lineup and look for strategies tailored to local needs so that we can utilize the GPO system. We would like to gradually expand the possibilities of bundling and individual proposals while carefully listening to the on-site opinions.

We are also strengthening the nurturing of local staff and hospital-unit proposal activities. We have received opinions from doctors on-site that it is easy to use.



**Mr. Kohtani:** The non-cardiovascular field is highly competitive, and the challenge is to further increase the level of awareness of your company products and enhance the product lineup. I look forward to development tailored to local needs, including bundling and hospital-unit proposals.

**Ms. Yoshihara:** The U.S. market has different situations depending on the region. Therefore, I can feel relieved if I can have more concrete examples and information, such as why your company is chosen by the local medical front, bundling and hospital-unit proposals.

### 3. Production System and Utilization of DX/AI

**Ito:** Recently, we held a briefing session on production improvement at the Osaka R&D Center in response to the needs of institutional investors. Improvement in the gross profit margin is an important theme in the Medium-Term Management Plan, and the briefing session was conducted to make our investors feel convinced about its feasibility.

**Mr. Yamaguchi:** The technical briefing was really convincing. Usually, I often hear from the management and the person responsible for IR, but this time, the people who actually work on site directly gave explanations, and I was able to grasp precisely their ideas and activities for improvement in the field that are usually difficult to see. Recently, conversations tend to be focused more on cost reduction and gross profit



Technical briefing for institutional investors (at Osaka R&D Center)

margin, and I had some doubts as to whether it's possible to really improve it in the field. However, when people in the field explained in their own words, "We devise such a way," or "We have accumulated such improvements," I was able to feel that this is really being implemented in the field. What was particularly impressive was that overseas field staff also participated in the briefing session. In a global company, there is not much opportunity for local staff to talk directly about their efforts. Because of its freshness, the company's image has significantly changed, and I once again felt that practical competence is the strength of your company. If such briefing sessions are held more frequently, investors can understand the actual situation of your company more deeply, and I think the image viewed from the outside will change significantly. By directly listening to the voices in the field, the company's real strengths and the degree of seriousness on improvement that cannot be understood by figures alone will be communicated. So please continue to hold this kind of briefing.

### 1-3 Analysts × Management Discussion over the New Medium-Term Management Plan: Part 1

**Miyata:** Thank you. We started from the town factory and value the basis of manufacturing. Activities for doubling productivity and field-driven improvement took root, and the process efficiency using AI and DX has been progressing recently. Following the 2011 Thailand flood, we began activities to double productivity. We have now achieved more than four times greater efficiency. Abilities to make proposals and improvement activities on site are the strength of our company. Directors participate in quality meetings and productivity improvement meetings and are actively involved in the discussions. Every time, heated discussions are underway. AI is used to improve the efficiency of inspection processes and clerical work as well as for the parts that humans do not need to do. However, we believe that the final quality and the spirit of products achieved by human hands is very important. Going forward, we will continue to work on cost reduction and quality improvement while paying attention to the division of roles between human and AI.

**Nishiuchi:** The use of AI is promoted in two areas. One is to improve the efficiency for clerical work and organizing information, and the other is to utilize it on the production site. Accumulation of learning data is important, and we are continuing to expand it. In addition, we are exploring the use of AI and DX in the development area, particularly in material development, and new technologies such as quantum computing may be needed. AI has only a supporting role, and human judgment determines the final quality. In the future, we will continue to work on cost reduction and quality improvement, keeping the division of roles between humans and AI in mind.

**Mr. Kohtani:** AI and DX are not omnipotent, and they cannot



produce new values just by coordinating them. Ultimately, human experiences and instinct are important. In the development area, the issue is material development and the introduction of new technologies. Practical competence and improvement activities of your company should be strengths that support the development.

**Ms. Yoshihara:** The technical briefing was very impressive. I had heard that strengths of your company were practical competence and commitment to manufacturing, and I realized anew that the company has strengths that are truly backed by technology because people on the site specifically explained, in their own words, what kinds of technology and innovation they have. What was particularly impressive was the site is evolving with each visit. The work processes, facilities, and the content explanations were clearly updated compared to the previous visits, and I felt that such changes were linked to the motivation of people in the field. I got the message from the field staff, who talk about their efforts with confidence, that improvement had taken root as a culture of your company. It was also impressive that the utilization

of advanced technologies such as AI and DX was steadily progressing, not only for mere on-site improvements. In addition to improving the efficiency and quality control in the production site, I was told that AI and DX would be used in the future in the development area — for example, designing new medical devices and introducing technologies that have not existed before. This increased my expectations as an investor. By combining on-site wisdom with state-of-the-art digital technology, I feel that your company has the potential to further enhance its competitiveness. I am very excited about how new products and services using AI and DX will be created in the future and what impact they will have in the global market.



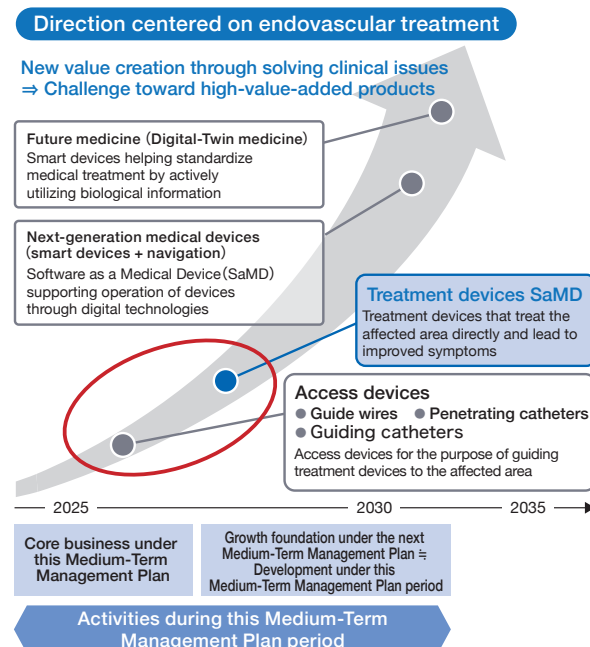
## 1-3 Analysts x Management Discussion over the New Medium-Term Management Plan: Part 1

### 4. Development / New Fields

#### (calcification, neuro)

**Miyata:** In this Medium-Term Management Plan, we have set up the challenge into new fields as a major pillar in addition to our existing core business areas. In particular, one of our next growth strategies is to develop and launch new high-value-added treatment devices for the calcified lesions and neurovascular field. We would like to bring completely new solutions to the world while making use of the technologies and practical competence that we have cultivated through guide wires.

#### From access devices to treatment devices (cardiovascular, peripheral, neurovascular)



**Nishiuchi:** Calcified lesions are actually a very deep subject related to a wide range of clinical issues, not only related to the conventional treatment of CTO (chronic total occlusion) but also bifurcation (bifurcation of blood vessels) and restenosis, etc. At present, many people in medical practice around the world say that calcification makes treatment difficult. So, we will not simply follow the lead of other companies, but develop multifaceted solutions based on our pathological understanding of why calcification occurs and how it can be essentially treated.

We aim to create a packaged solution that combines multiple devices, targeting not only CTO areas but also non-CTO calcified lesions. We will further strengthen our structure to support devices requiring clinical trials. Taking advantage of our global expertise and the opinions of local doctors, we plan to start rolling out products that do not require clinical trials within five years. As long as we take on new challenges, we will actively engage in clinical trials to enhance our global competitiveness.

**Ito:** These clinical trial and development costs are also included substantially in the Medium-Term Management Plan. We will proactively make investments for positive growth, but we will maintain a balanced plan so as not to impair profit growth. We intended to make the content of the plan satisfactory to investors in terms of both "aggressive" and "defensive" aspects.

**Mr. Kohtani:** I think that the neurovascular field needs a packaged development that combines catheters and other devices, unlike a world where we can be competitive only with guide wires like cardiac treatment. I think collaboration with American doctors will become more important than

ever, and building a global development system should be the source of future competitiveness. In order to contribute to a wide range of fields, such as stroke (stroke treatment), aneurysm, and rare diseases, I would like you to actively promote not only internal development but also external collaboration. I expect your company to launch new products with a sense of speed by hearing more from doctors on site.

**Ms. Yoshihara:** As an investor, I am very excited about your challenge into a new field. In particular, I believe that cooperation with local doctors and hospitals will become increasingly important in order to enhance your competitiveness in the global market. Your company's technological expertise and high quality are "weapons" that can be used in the world as well, so I would like you to actively endeavor to reach a higher level as planned. I am also looking forward to product development that takes advantage of the on-site voices and rapid market launch.



Continued on page 49.



# 02 Value Creation Story

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## 2-1 Purpose and Value Creation Process

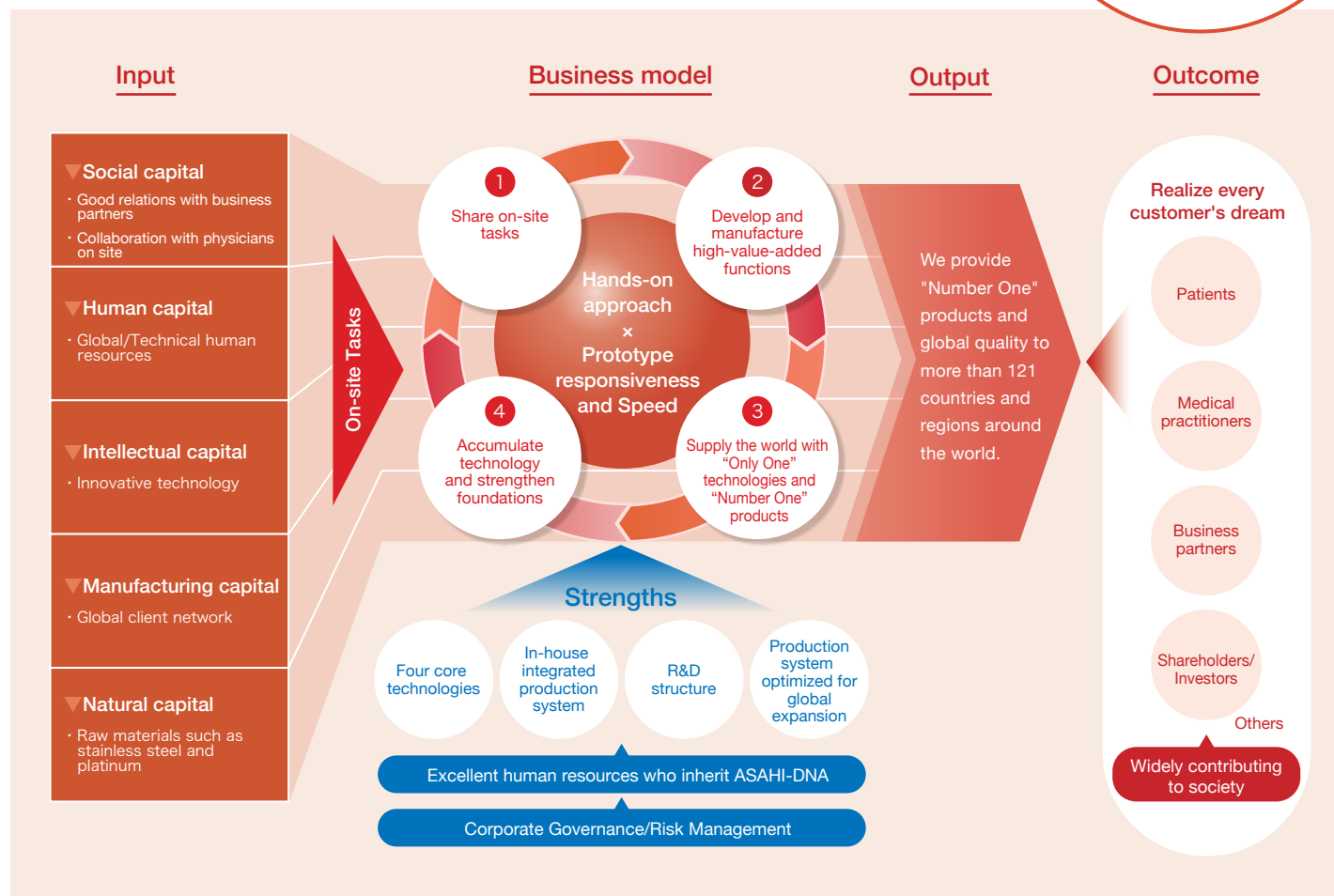
We will continue to be a global niche-leading company by challenging the needs of doctors and business partners with our unique technological capabilities.

**Contribution to extension of healthy life expectancy**

Company that can comprehensively solve clinical issues in minimally invasive treatment

### ●Purpose

By continuing to address the needs of doctors and business partners around the world with our unique technologies, we will provide high-value-added "Number One" products with global quality and realize the dreams of customers around the world. We aim to contribute to the sustainable development of society and remain a global niche-leading company by constantly looking at the global market and taking on bold challenges.



## 2-1 Purpose and Value Creation Process

We aim to grow our value over the long term by building relationships of trust with our various stakeholders and sharing the fruits of our activities.

### Asahi Intecc's Importance of Existence

Asahi Intecc Group's mission is to supply the world with "Only One" technologies and "Number One" products as an R&D-oriented company in the fields of medical devices and industrial components so that, based on safety and reliability, we realize dreams of all of our customers and contribute widely to society. In the medical devices field, we develop, manufacture, and sell minimally invasive treatment products that reduce pain by minimizing the size of wounds, which improves the quality of life (QOL) of patients and enables them to leave the hospital earlier, to thereby contribute to solving social issues in relation to people's health and medical care.

Recent progress of industrial and economic globalization requires proactive engagement of companies to solve global social issues such as the SDGs (the UN Sustainable Development Goals). As an R&D-oriented company, Asahi Intecc Group will continue to contribute to the world's medical and industrial fields by honing our unique technological expertise, and also strive to strengthen our management base from the perspective of ESG.

### Asahi Intecc's Stakeholders

We, Asahi Intecc Group, aim to grow our value over the long term by building relationships of trust with our various stakeholders and sharing the fruits of our activities.

### Asahi Intecc's Sustainability

Asahi Intecc Group believes that sustainability involves building relationships of trust with our stakeholders and applying our value creation process (a virtuous cycle of promoting businesses and strengthening foundations) to fulfill our mission, in order to establish our corporate brand, the Asahi brand.

Build relationships of trust with stakeholders



Address our value creation to fulfill our mission

Establish the Asahi brand (corporate brand)

Stakeholders	Our Relationship/Responsibility
Employees	Developing human resources and creating a fulfilling workplace
Patients/Doctors	Sharing on-site issues and co-creating value
Partners/Suppliers	Procuring sustainably
Local community	Supporting local community development as a corporate citizen
Global community	Solving social issues through business
Shareholders/Investors	Holding constructive dialogue
Natural environment	Reducing environmental burden



## 2-2 Business and Products

We develop, manufacture, and sell industrial equipment for the purpose of guiding treatment devices to the affected area, including guide wires that are essential for catheter treatment<sup>\*1</sup>, and medical devices mainly consisting of access devices<sup>\*2</sup>.

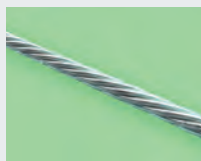
Device Division **11%**

Medical Division **89%**

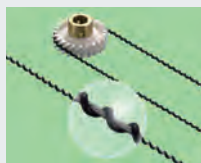
Industrial equipment  
field **4%**

Medical device field **96%**

Industrial  
components



Torque rope



Synchro mesh  
wire rope

Medical  
components

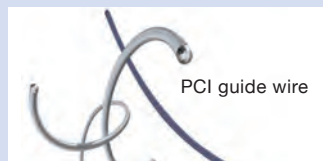


Cable tube



Wire rope

Own brand products and OEM supplies  
Access devices for treatment



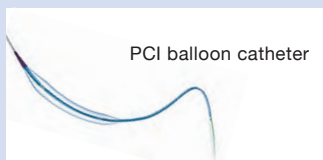
PCI guide wire

A PCI guide wire, inserted into a blocked or narrowed blood vessel, serves as a guide required to navigate medical devices such as the PCI balloon catheter and stents used for catheter treatment in the affected area.



PCI guiding catheter

A tube inserted into a blood vessel from the point between the puncture site and the entrance of the coronary artery. It safely navigates medical devices such as PCI guide wires and PCI balloon catheters to the entrance of the coronary artery.



PCI balloon catheter

A catheter used for opening up blocked or narrowed blood vessels. It is inserted into a blood vessel along a PCI guide wire, and it opens up the blood vessel inside by pumping up a balloon with a diameter of 1 to 5 mm placed on top.



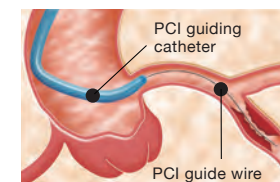
Penetration catheter

A catheter that assists a PCI guide wire in passing through a blocked blood vessel.

### What is PCI (percutaneous coronary intervention) treatment?

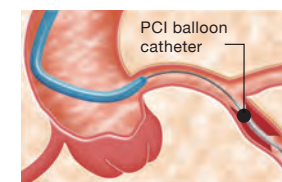
#### ① Passing through of PCI guide wire

A small-sized tube called a PCI guiding catheter and a PCI guide wire is fed through this tube.



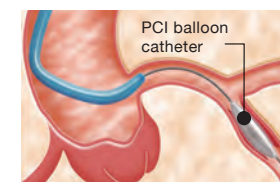
#### ② Insertion of PCI balloon catheter

Along with the PCI guide wire, a PCI balloon catheter is moved through to the point of the narrowed portion of the blood vessel.



#### ③ Dilatation of PCI balloon catheter

The balloon is dilated to push the blood vessel out from the inside.



#### ④ Removal of PCI balloon catheter

The narrowed portion is widened and blood flow improves.

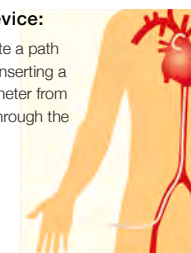


#### \*1 Catheter treatment:

A method where a small tube called a catheter is inserted through the wrist or groin to treat lesions in blood vessels. It is used for treatment in various fields and diseases because it can provide treatment without surgery such as thoracotomy, which makes it less painful for patients (minimally invasive) and enables them to return to normal social activities early.

#### \*2 Access device:

A device to create a path to the lesion by inserting a guidewire or catheter from a blood vessel through the wrist or groin.



At the time of establishment Present

## 2-3 Source of Competitiveness

The source of Asahi Intecc's competitiveness lies in its advanced and highly unique material processing technology based on four core technologies and its integrated production system from materials to finished products. In addition to this, our biggest advantages are the Asahi DNA hands-on approach that has remained unchanged since our founding, and our prototype responsiveness and speed, which cannot be imitated by other companies.

As an R&D-oriented company, Asahi Intecc has always achieved a high level of product manufacturing. Our basic policy since our founding has been to produce everything from raw materials to finished products in-house. We possess a number of material processing technologies that have been developed and cultivated in the course of meeting the advanced needs of our customers. In particular, the four core technologies of wire drawing technology, wire forming technology, resin coating technology, and torque technology are unique to our company and we combine them to create high-performance products. Our company, which was originally an industrial component manufacturer, entered the medical device business in 1994,

starting with the development, manufacture, and sale of PCI guide wire and catheters for vascular treatment as an area where these four core technologies can be utilized. Our advanced torque technology, in particular, provides a significant competitive advantage in faithfully conveying a physician's fingertip sensation to the guide wire. For our company, the major turning point was a request from a leading catheterization doctor to develop a PCI guide wire that could treat CTO lesions. At that time, it was said that treatment of CTO lesions through catheterization, rather than surgery, was not feasible, but our company continued to challenge that notion with our unique technology and, through repeated trial and error,

succeeded in developing the world's first PCI guide wire for CTO treatment.

The development of this guide wire product by our company has greatly improved the success rate of catheter treatments, and has triggered a new trend of catheter treatment from Japan in the medical industry led by Europe and America. We have developed our products in line with the voices of doctors at their sites. As a result, our company's products and technologies have become known around the world, thanks to the reports of successful treatment cases at medical conferences by physicians who have used our company products and their success overseas.



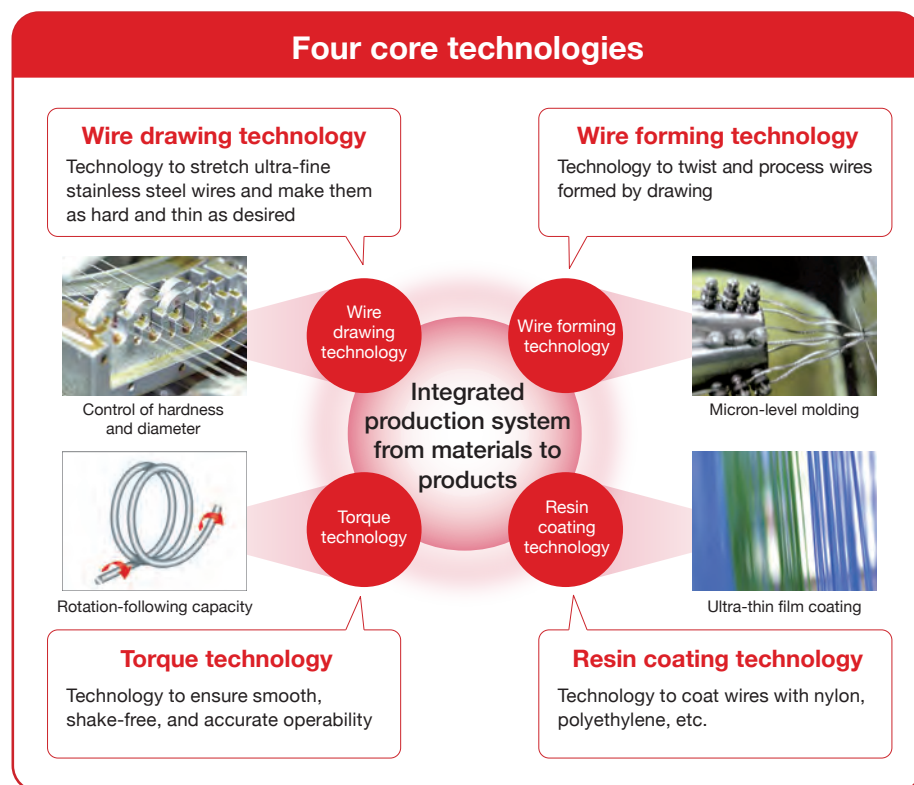
2-4

## Technological Innovation

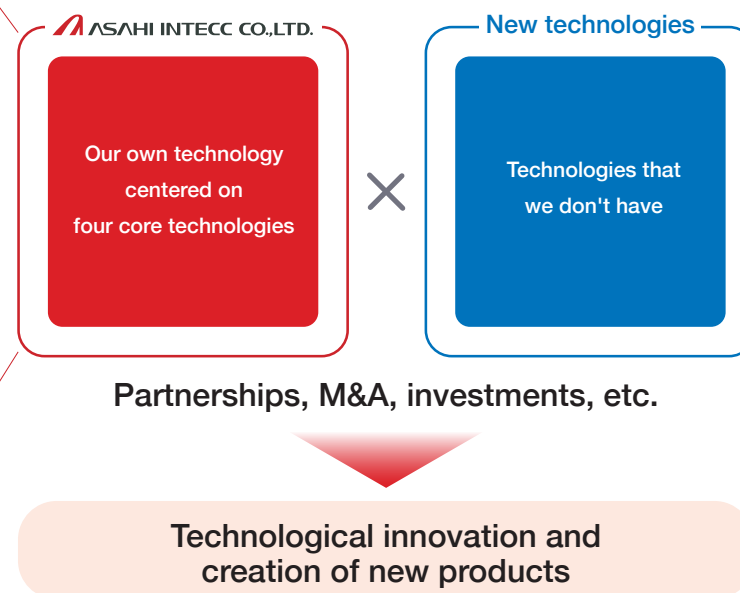
We combine four core technologies to create high-performance products.  
We aim to create new businesses through technological innovation by combining technologies gained from M&A and partner companies.

As an R&D-oriented company, Asahi Intecc Group has always achieved a high level of product manufacturing. What enables us to do that is a number of unique technologies that we have developed and cultivated in the process of responding to advanced customer needs. We

own four core technologies: wire drawing technology, wire forming technology, resin coating technology, and torque technology, and create high-performance products by combining them under a comprehensive production system from materials to products.



We aim to innovate technologies and create new products by combining new technologies gained from M&A and partner companies with Asahi Intecc's core technologies and medical devices.

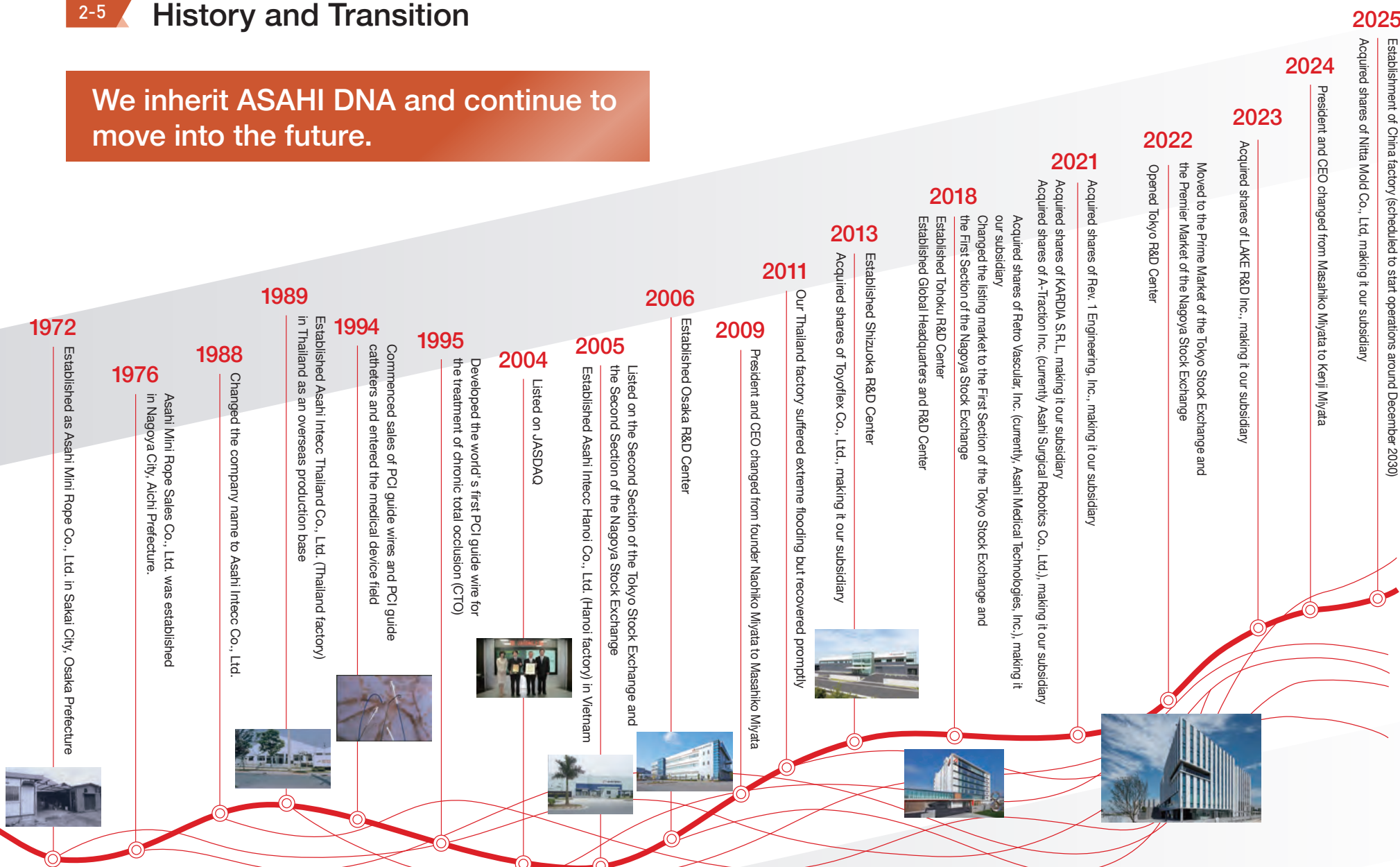




2-5

## History and Transition

We inherit ASAHI DNA and continue to move into the future.



## 2-5 History and Transition

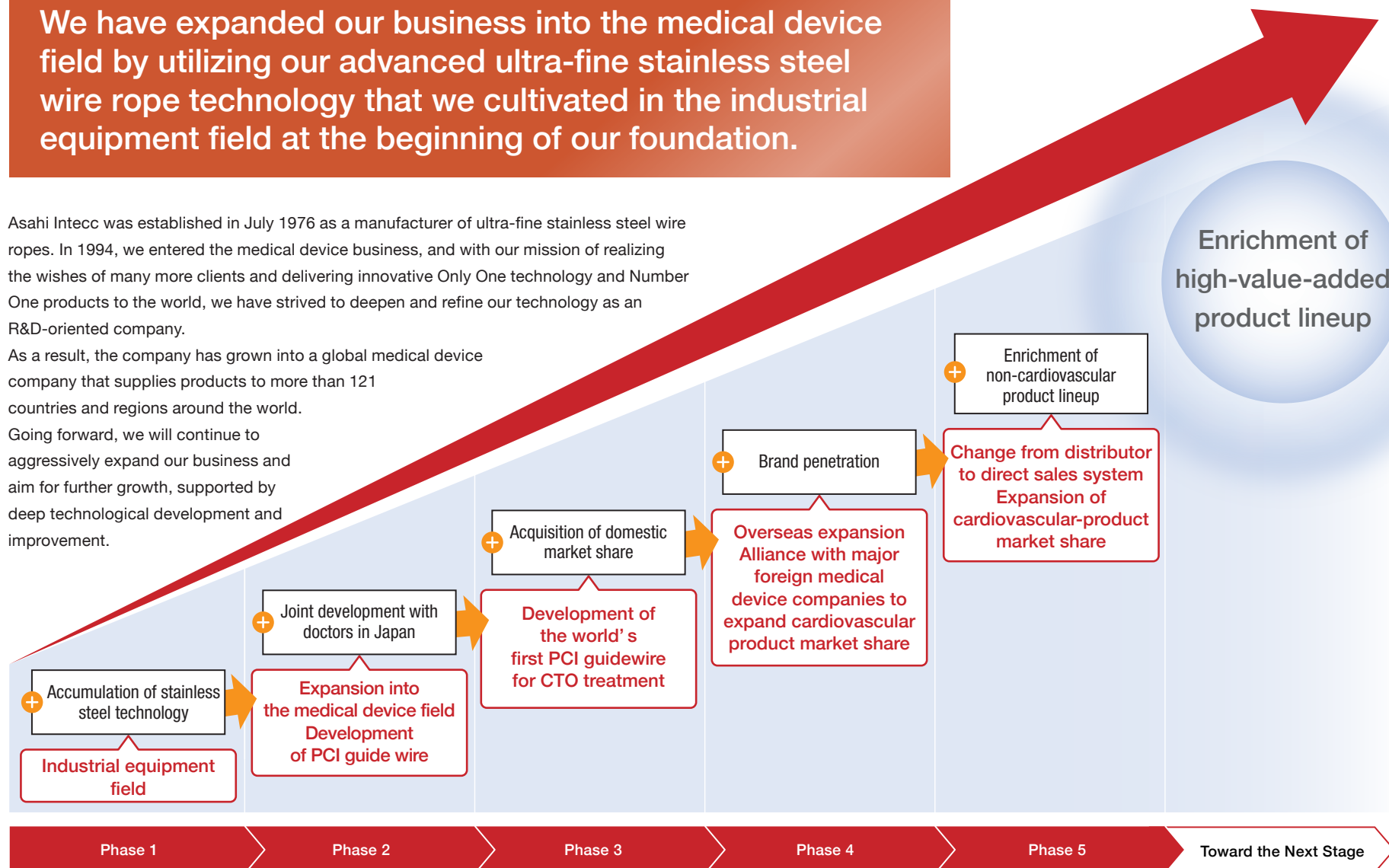
### Our Growth Phase

We have expanded our business into the medical device field by utilizing our advanced ultra-fine stainless steel wire rope technology that we cultivated in the industrial equipment field at the beginning of our foundation.

Asahi Intecc was established in July 1976 as a manufacturer of ultra-fine stainless steel wire ropes. In 1994, we entered the medical device business, and with our mission of realizing the wishes of many more clients and delivering innovative Only One technology and Number One products to the world, we have strived to deepen and refine our technology as an R&D-oriented company.

As a result, the company has grown into a global medical device company that supplies products to more than 121 countries and regions around the world.

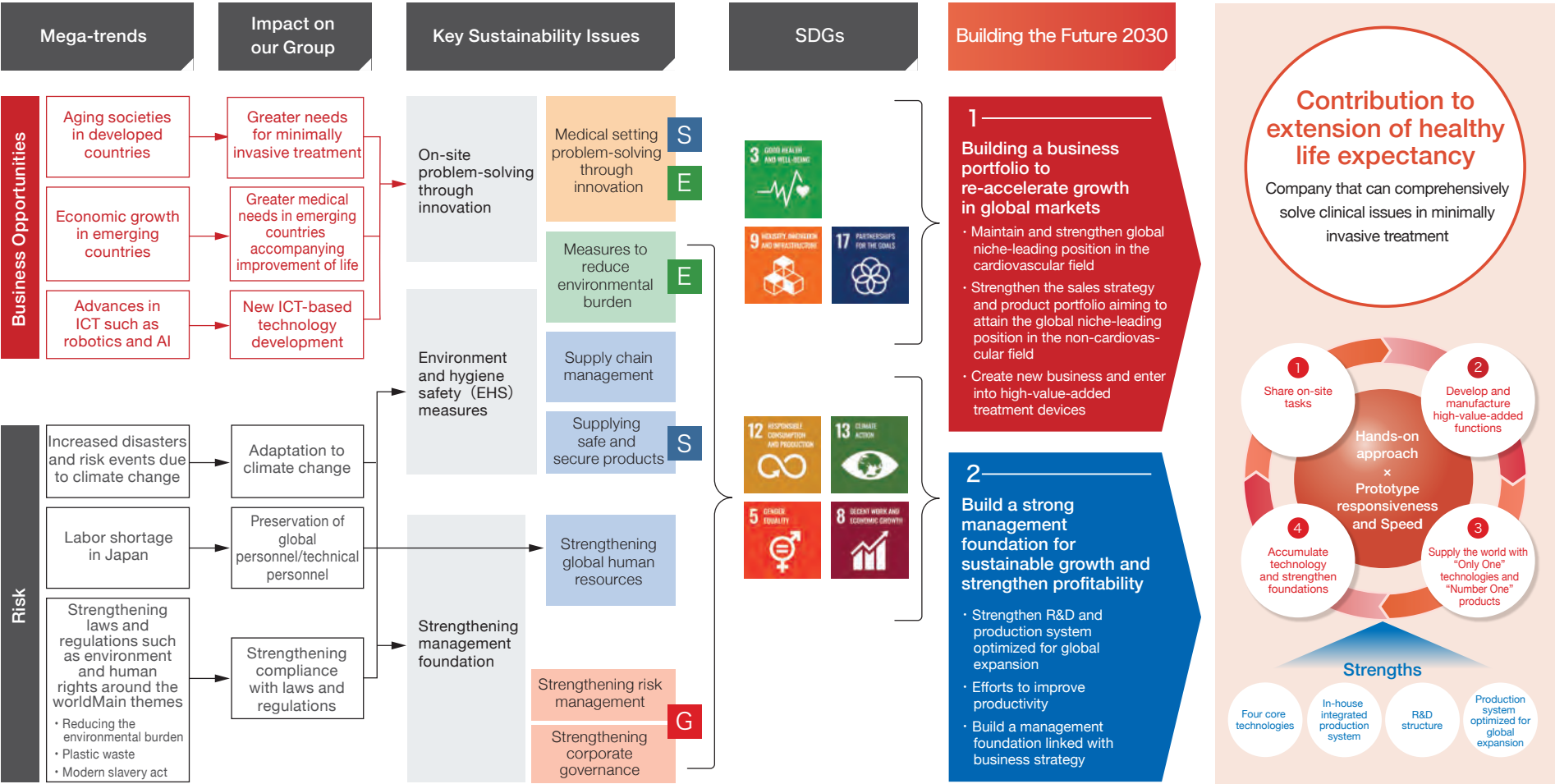
Going forward, we will continue to aggressively expand our business and aim for further growth, supported by deep technological development and improvement.



2-6

Environmental Awareness and Key Issues (Materiality)

Considering the impact that the changes in business environment may have on value creation of Asahi Intecc Group that aims to contribute to extension of healthy life expectancy, we have identified key issues (materiality).





2-7

## Initiatives and Progress on Key Issues (Materiality)

For the key issues (materiality), we aim to realize the sustainability of our Group and society by addressing both growth strategy and strengthening of the management base.

Key issues		Efforts	FYE 2025 results
On-site problem-solving through innovation	On-site problem solving through innovation (See page 54)	<ul style="list-style-type: none"> <li>●Developing products that reduce the physical, emotional, and economic burden on patients (Medical Division)</li> <li>●Developing products to meet customers' needs (Device Division) <ul style="list-style-type: none"> <li>• Cooperating with sites</li> <li>• Strengthening R&amp;D structure</li> <li>• Improving technical expertise (technical strategy / IP strategy)</li> <li>• Strengthening global production system</li> <li>• Promotion of DX</li> </ul> </li> </ul>	<p>Improving healthcare and people's QOL around the world</p> <p><b>Number of patients saved by Asahi Intecc's products (based on our estimate) : 3.75 million a year</b></p> <ul style="list-style-type: none"> <li>• Ratio of R&amp;D expenses to sales: 10.2%</li> <li>• Number of patents/design rights owned: 1,014</li> <li>• Capital investment: 8,447 million yen</li> </ul>
Environment and hygiene safety (EHS) measures	<b>E</b> Measures to reduce environmental burden (See page 81)	<ul style="list-style-type: none"> <li>●Promotion of efforts to reduce CO<sub>2</sub> emissions and use of renewable energy</li> <li>●Implementing environmental protection activities at each site, including community cleanup activities</li> </ul>	<ul style="list-style-type: none"> <li>• Scope 1 + 2 reduction targets → 30% reduction by 2030 compared to FYE June 2022</li> <li>• Scope 3 reduction target → Maintain the level of emissions per unit of sales for FYE June 2023</li> </ul>
	<b>S</b> Supply chain management (See page 94)	<ul style="list-style-type: none"> <li>●Compliance with laws, regulations and social norms based on "Asahi Intecc Group Procurement Policy"</li> <li>●Auditing suppliers to maintain stable supply and high quality</li> </ul>	Establishing a stable global supply system
	Supplying safe and secure products (See page 96)	<ul style="list-style-type: none"> <li>●Development of quality assurance based on the "Quality Policy" based on the Group's common policy</li> <li>●Acquisition of quality management system certification and acceptance of external audits</li> </ul>	<ul style="list-style-type: none"> <li>• Ratio of foreign managers (global) *1: 64.9%</li> <li>• Ratio of female managers (global) *1: 33.5%</li> <li>• Ratio of female managers (Asahi Intecc only) *2: 14.3%</li> <li>• Employment ratio of new female graduates in technical positions: 20.5%</li> </ul>
Strengthening management foundation	Strengthening global human resources (See page 65)	<ul style="list-style-type: none"> <li>●Response to large-scale disasters, BCP (Business Continuity Plan)</li> <li>●Strengthening information security</li> </ul>	
	Strengthening risk management (See page 124)	<ul style="list-style-type: none"> <li>●Human resources management (Penetration of human resources vision and human resource system reform)</li> <li>●Creating a fulfilling workplace (Health management and diversity promotion)</li> </ul>	Business continuity based on safety and trust
	<b>G</b> Strengthening corporate governance (See page 124)	<ul style="list-style-type: none"> <li>●Improving the effectiveness of the Board of Directors</li> <li>●Establishment of Nomination and Compensation Advisory Committee</li> </ul>	Enhancing diversity among directors (ratio of female directors: 16.7%)

**Goal**

**Contribution to extension of healthy life expectancy**  
Company that can comprehensively solve clinical issues in minimally invasive treatment

\*1 Calculated based on the managerial position criteria set forth in Asahi Intecc Group's rules and regulations. \*2 Calculated by applying the disclosure standards of the Annual Securities Report.

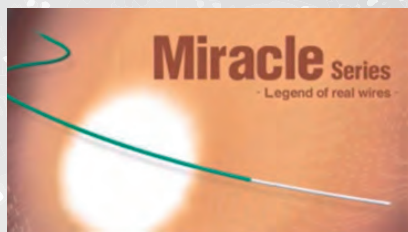
## Starting Point of Our Medical Business

– In honor of the great work of our former chief technical advisor, we offer our deepest condolences –

The development of our medical business would not have been possible without Mr. Masashi Momota, who was a chief technical advisor (serving the company from 1992 to 2022). Mr. Momota was known as a leading figure in the medical equipment field, having built a great track record in the development of guidewires and catheters for examination at a major medical equipment company. Against this backdrop, he joined our company in 1992. At that time, we were focusing on industrial equipment and had no past record in the medical field. Together with the present founder, Naohiko Miyata, he took on the challenge of launching a medical device business from scratch.



With Naohiko Miyata, founder



PCI guide wire Miracle for CTO treatment



A Japanese-Vietnamese dictionary with enhanced technical terms, created by Mr. Momota

### History of Mr. Momota

March 1992: Joined the company, Executive Director

December 1996: Senior Executive Director

July 2000: Senior Managing Executive Officer

August 2004: Chief Technical Advisor

August 2022: Resigned as Advisor to the company

October 12, 2025: Passed away at the age of 86



At a time when there was little knowledge of the medical field in the company, we learned everything from Mr. Momota: what medical devices are, how to communicate with doctors, and how to obtain evaluations from clinical site. From this, the foundation of the business was built. In particular, the method of quantifying what doctors say and connecting it to technological development as a theory was deeply rooted in our company's development culture, becoming a major advantage of the subsequent product lines.

Based on his knowledge and technical capabilities, Mr. Momota led the development of a number of products to innovate the medical practice, including Soft, Japan's first PCI guidewire for treatment, and Miracle, the world's first guide wire for CTO treatment. Our products opened up a new path for the treatment of highly difficult lesions, such as CTO lesions, and laid the foundation for a breakthrough in our medical business.

Mr. Momota also emphasized the importance of Japanese language education at the time of launch of the Hanoi factory and took the initiative in creating a Japanese-Vietnamese dictionary tailored to daily operations. He built a foundation for communication that transcends cultural and language barriers and has left a legacy of creating our current global monozukuri (manufacturing) system.

Mr. Momota's teaching and approach are still passed down to each and every engineer. Upon hearing of his passing, we would like to express our heartfelt gratitude for the great contribution he has made, and we would like to offer our deepest condolences.



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



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### 3-1 Long-Term Management Vision

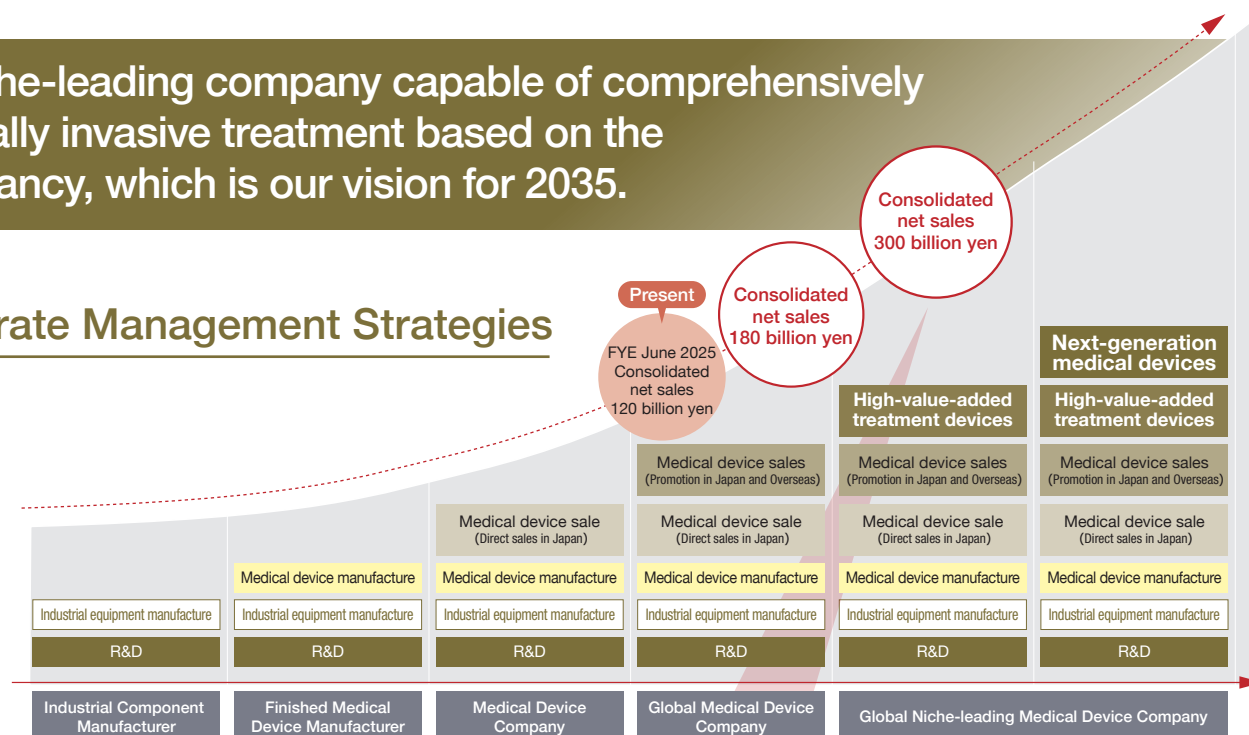
We aim to become a global niche-leading company capable of comprehensively solving clinical issues in minimally invasive treatment based on the extension of healthy life expectancy, which is our vision for 2035.

## Medium- and Long-Term Corporate Management Strategies

Asahi Intecc Group aims to become a global niche-leading company capable of comprehensively solving clinical issues in minimally invasive treatment with the mission of contributing to the extension of healthy life expectancy in our vision for 2035.

Based on our ability to appropriately capture and materialize issues in medical practice, we will aim to maintain a top global market share for our mainstay guide wire products in the cardiovascular field and establish a top global market share also in the non-cardiovascular field. In addition, we will seek synergies by establishing a lineup that solves treatment issues such as calcified lesions and expanding our product range, including high-value-added products, through in-house development or M&As.

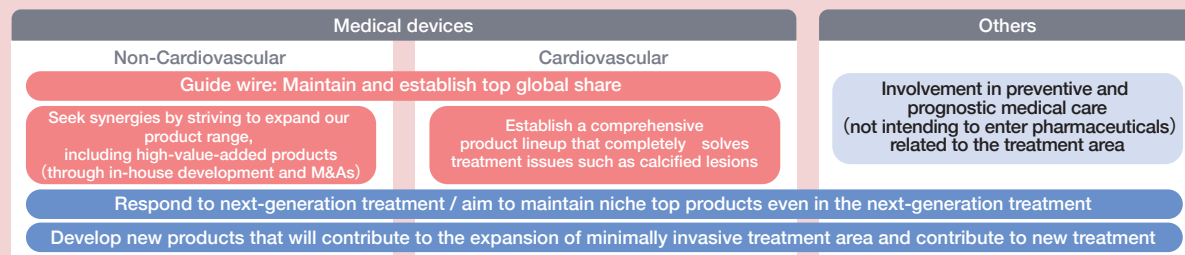
Our long-term goal is to achieve consolidated net sales of 300 billion yen and an operating profit margin of 30% in FYE June 2035.



#### Our vision for 2035

### Contribution to extension of healthy life expectancy

Aiming to become a global niche-leading company capable of comprehensively solving clinical issues in minimally invasive treatment



Capability of accurately capturing and materializing issues in medical practice while keeping up with changes in KOL doctors

**Aiming to become a company with net sales of 300 billion yen and an operating profit margin of 30%**

3-2

## Overview of Medium-Term Management Plan

Positioning the new Medium-Term Management Plan "Building the Future 2030" allocating five years to accelerate our growth strategy, we aim to achieve sustainable growth and improve profitability.

### Overview of Medium-Term Management Plan "Building the Future 2030"

In order to realize our vision for 2035, we have positioned the five fiscal periods from FYE June 2026 to FYE June 2030 in our new Medium-Term Management Plan "Building the Future 2030" as the "five years to accelerate our growth strategy." As a preparatory period for achieving consolidated net sales of 300 billion yen and an operating profit margin of 30% in FYE June 2035, ten years from now, we will work on the priority themes shown in the lower right corner, based on our basic policy of building a business portfolio and strengthening profitability. Since new businesses (such as high-value-added treatment devices) are expected to make a full-scale contribution to net sales from FYE 2031 onward, we will support growth by strengthening the profitability of existing businesses during the period of the relevant Medium-Term Management Plan.

By steadily advancing our growth strategy based on the Medium-Term Management Plan, we aim to expand our corporate value through the achievement of consolidated net sales of 180 billion yen and an operating profit margin of 28% by FYE June 2030.

#### Positioning of the new Medium-Term Management Plan "Building the Future 2030"

##### Basic Policy

- Build a business portfolio for further growth with consolidated net sales exceeding 180 billion yen
- Strengthen profitability



#### New Medium-Term Management Plan "Building the Future 2030" Basic Policy

### Building the Future 2030 ~ Unlocking Sustainable Growth ~

#### Numerical target for FYE June 2030

Net sales **180** billion yen / Operating profit **50.4** billion yen / Operating profit margin **28.0%**

#### Priority theme 1

##### Building a business portfolio to re-accelerate growth in global markets

- ① Maintain and strengthen global niche-leading position in the cardiovascular field
- ② Strengthen the sales strategy and product portfolio aiming to get the global niche-leading position in the non-cardiovascular field
- ③ Create new business and enter into high-value-added treatment devices

#### Priority theme 2

##### Build a strong management foundation for sustainable growth and strengthen profitability

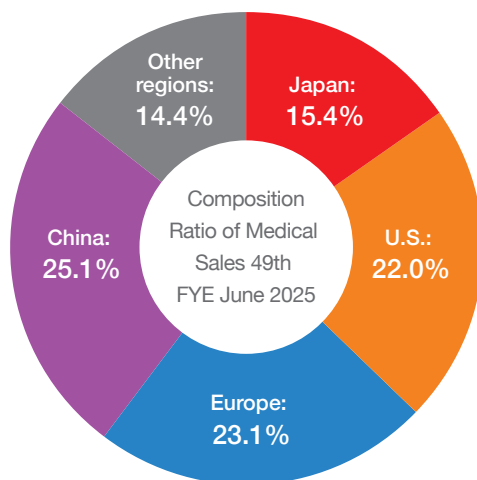
- ① Strengthen R&D and production system optimized for global expansion
- ② Efforts to improve productivity
- ③ Build a management foundation linked to business strategy

3-3

## Priority Theme 1 ①② Building a Business Portfolio to Re-accelerate Growth in Global Markets

In the cardiovascular field, we will maintain and strengthen our global niche-leading position. We will strengthen our sales strategy and product portfolio with the aim of getting a global niche-leading position in the non-cardiovascular field.

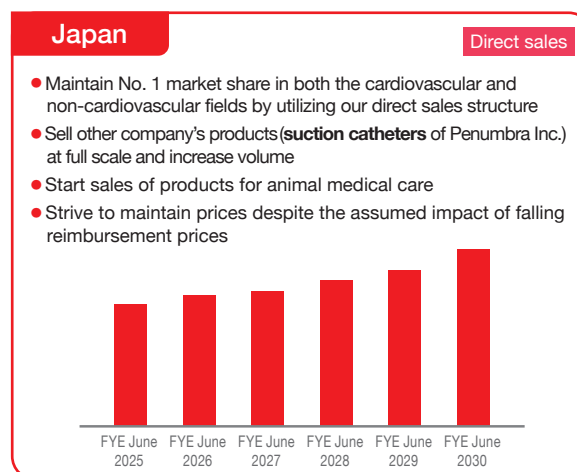
### Develop Global Market Strategically



Asahi Intecc Group currently sells products to more than 121 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.

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

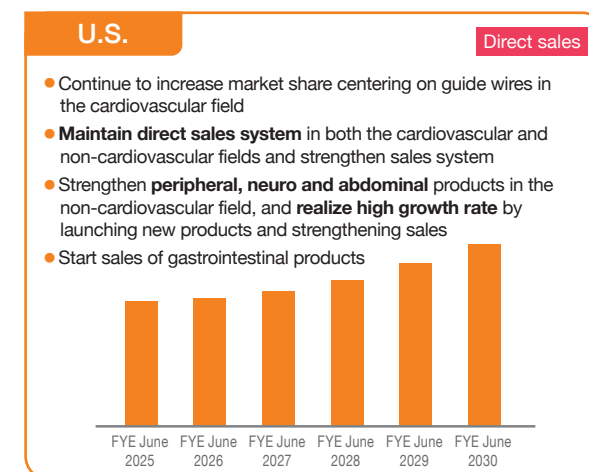
In Japan, we sell our own brand products directly to hospitals and other institutions, and we have a high share in both cardiovascular and non-cardiovascular products. In the non-cardiovascular field, we sell other companies' products through our direct sales system as well as strengthen our own brand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



- Maintain No. 1 market share in both the cardiovascular and non-cardiovascular fields by utilizing our direct sales structure
- Sell other company's products (suction catheters of Penumbra Inc.) at full scale and increase volume
- Start sales of products for animal medical care
- Strive to maintain prices despite the assumed impact of falling reimbursement prices

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

We sell our own brand 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.



- Continue to increase market share centering on guide wires in the cardiovascular field
- **Maintain direct sales system** in both the cardiovascular and non-cardiovascular fields and strengthen sales system
- Strengthen **peripheral, neuro and abdominal** products in the non-cardiovascular field, and **realize high growth rate** by launching new products and strengthening sales
- Start sales of gastrointestinal products



### 3-3 Priority Theme 1 ①② Building a Business Portfolio to Re-accelerate Growth in Global Markets

#### 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 earnings by expanding our market share.

#### 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.

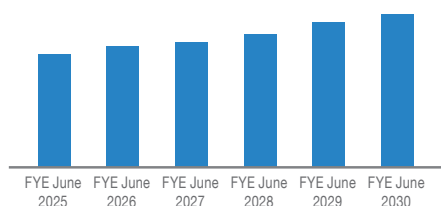
#### Continue to strengthen sales, focusing on emerging markets with growth potential

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.

#### Europe

Direct sales + Sales through distributors

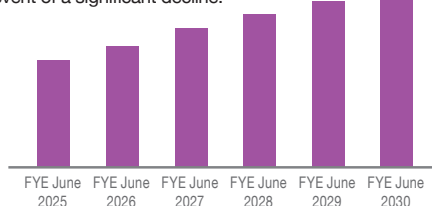
- Increase market share centered on the cardiovascular field by utilizing our direct sales system (France, Germany, Italy) and sales system through distributors
- Risk of delay in new product launches resulting from tighter regulations by MDR



#### China

Sales through distributors

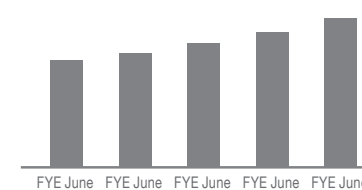
- Maintain continued **high growth through high market growth and increased market share** by utilizing logistics platforms
- Appropriate response to the centralized bidding system
  - ...Implement measures based on a comprehensive assessment of product strength, pricing policy, distributor policy, etc.
  - ...For the time being, price declines are absorbed by distributor policy, but there will be a risk of declines in the future in the event of a significant decline.



#### Other regions

Sales through distributors

- Continue to strengthen sales by leveraging the sales network of distributors
- Maintain and expand high market share of cardiovascular-products
- Continue to Increase market share of non-cardiovascular products

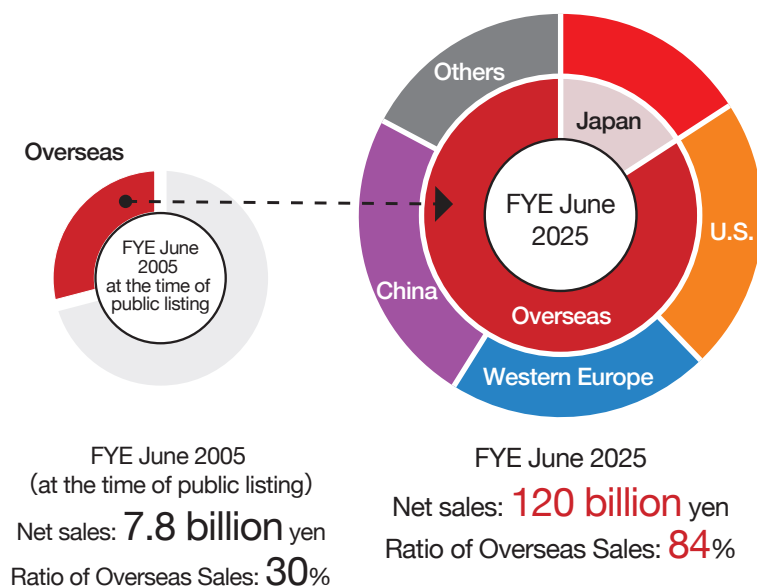


### 3-3 Priority Theme 1 ①② Building a Business Portfolio to Re-accelerate Growth in Global Markets

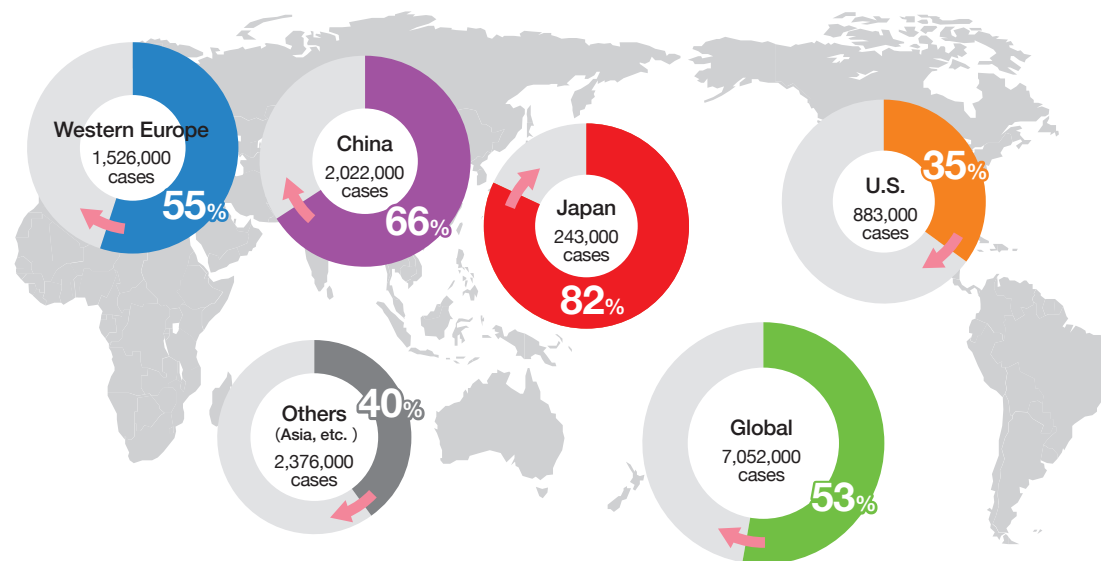
Holding a top market share for mainstay PCI guide wires with our outstanding development capabilities and manufacturing technology in the medical device field. We aim at sustainable growth in a market which continues to expand on a global scale, owing to the spread of minimally invasive treatments.

Markets surrounding catheterization are growing, which continues to expand significantly, primarily in emerging countries, owing to the spread of minimally invasive treatments. Asahi Intecc aims to achieve sustainable growth on a global scale by responding appropriately to such trends of the times and securing a stable supply of high-quality products essential for medical care.

#### Change over ten-year period



#### Market Share of Mainstay Product PCI Guide Wires



(FYE June 2025, Source: Asahi Intecc)

We have achieved the number one market share in all regions, including Japan, the United States, Western Europe and China, and continue to expand our market share. This shows that doctors have high confidence in our products.

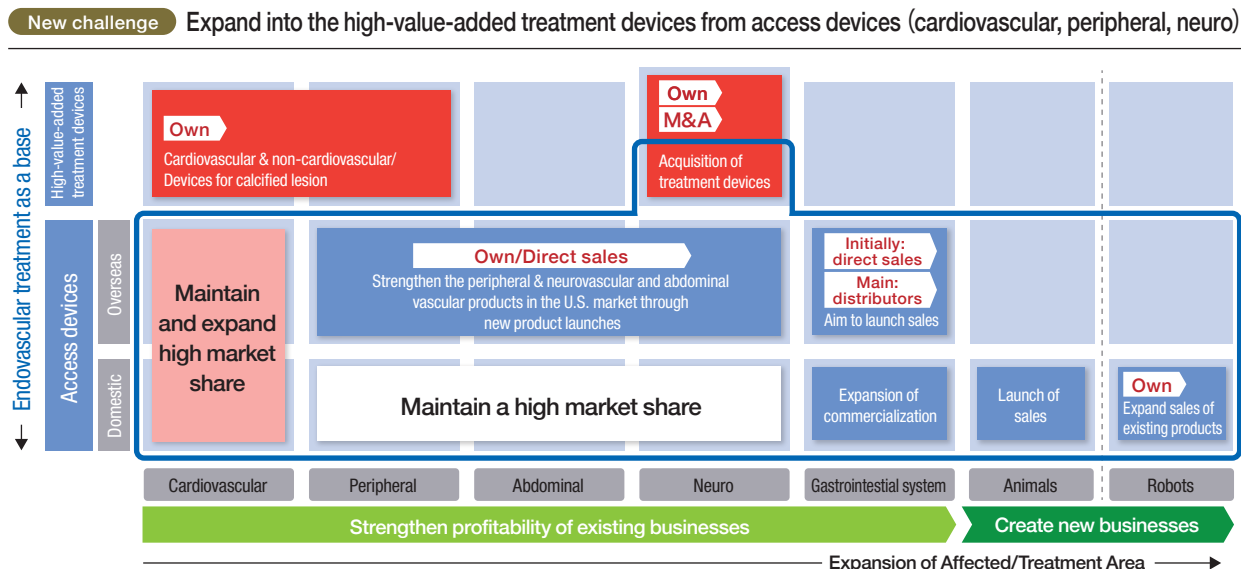
3-3 Priority Theme 1 ①② Building a Business Portfolio to Re-accelerate Growth in Global Markets

## ① Maintain and strengthen global niche-leading position in the cardiovascular field

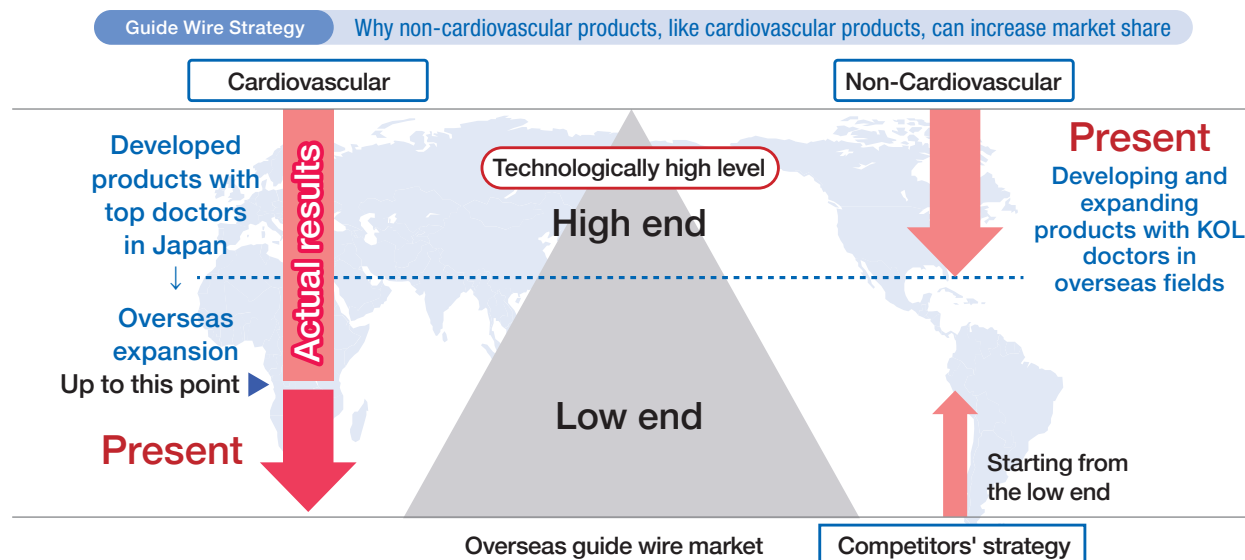
As for PCI guide wires and penetration catheters, our mainstay products in the cardiovascular field, we will solidify our "Number One" position through continued expansion of the comprehensive product lineup.

## ② Strengthen the sales strategy and product portfolio to get a global niche-leading position in the non-cardiovascular field

Going forward, we will continue to take measures to strengthen product deployment not only in the cardiovascular field, but also in the non-cardiovascular field such as peripheral blood vessels, cerebral blood vessels, gastrointestinal system, as well as the animal medical care and robotics(surgery). In the non-cardiovascular field, we will expand new products by laterally applying the technologies cultivated in the cardiovascular field. At the same time, we will strengthen our sales system, especially overseas, to gain market share on a global scale.



### Strategy for expansion into non-cardiovascular field



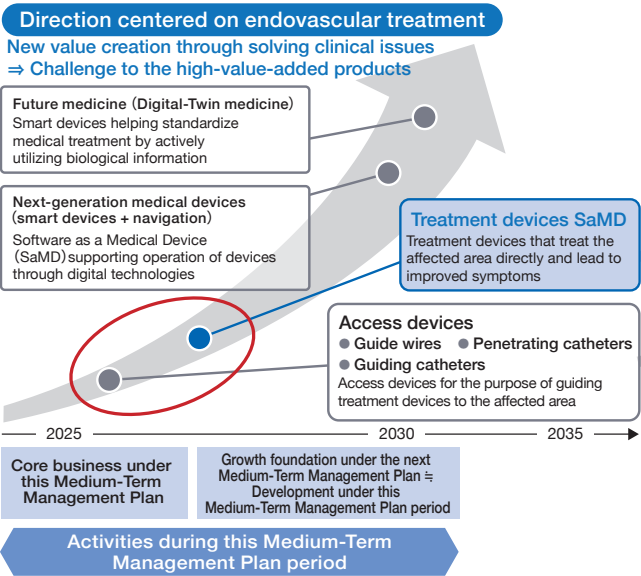


3-4

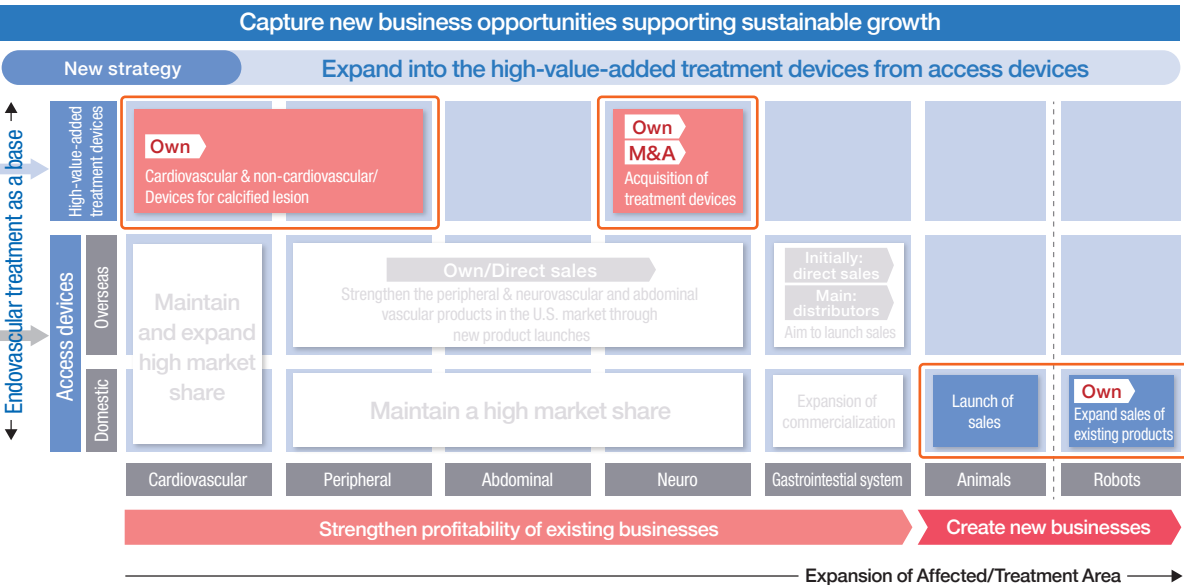
# Priority theme 1③ Challenging Treatment Devices in addition to Access Devices

Aiming to become a global niche-leading company capable of comprehensively solving clinical issues in minimally invasive treatment, we will take on the challenge of providing high-value-added products such as treatment devices that directly treat affected areas and lead to improved symptoms.

From access devices to treatment devices (cardiovascular, peripheral, neuro)



Positioning of high-value-added devices and new business areas in the strategy map



## To treatment devices in addition to access devices

In order to realize contributions to the extension of healthy life expectancy in our vision for 2035, Asahi Intecc Group aims to become a global niche-leading company that can comprehensively solve clinical issues in minimally invasive treatment and take on challenges of providing high-value-added

products.

In addition to the access devices centered on guide wires that have been provided in the non-cardiovascular and cardiovascular fields, we will seek synergies by striving to expand our product range, including high-value-added products such as treatment devices. We will also establish a comprehensive lineup to completely solve treatment issues such as calcified lesions.

We will respond to next-generation treatment and aim to

maintain niche top products even in the next generation of treatment.

We will develop new products that contribute to the expansion of minimally invasive treatment areas, contributing to new treatment.

In this way, we will equip ourselves with the capability of accurately ascertaining challenges in medical practice and embodying them by keeping up with changes in KOL doctors.

### 3-4 Priority theme 1③ Challenging Treatment Devices in addition to Access Devices

As a new field, we will work to enter into high-value-added treatment devices.

## Creation of New Businesses and Entry into High-Value-Added Treatment Devices

As part of our expansion of strategic products, we aim to expand into the field of high-value-added treatment products.

### Total solutions for calcified lesion treatment

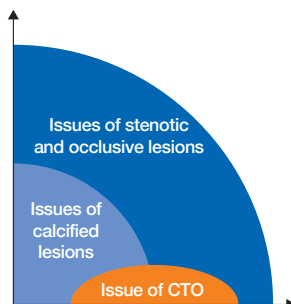
Regarding calcified lesions that are currently considered difficult to treat, we recognize that clinical challenges remain in both the cardiovascular and non-cardiovascular fields (peripheral).

Our Group has developed products capable of treating CTO lesions and others centered on the cardiovascular field that are considered to be difficult to treat, and have contributed to expanding the PCI treatment choices in the CTO field.

As an R&D-oriented company, we will continue to develop products that retain new functions using advanced technologies and contribute to the spread and development of minimally invasive treatments for clinical issues such as

### Relationship to CTO devices

- Calcification comes with CTO, but it also exists in cases other than CTO.
- Tackling calcification may lead to solving issues in the CTO treatment.



calcified lesions, including CTO lesions.

### Strengthening neurovascular products

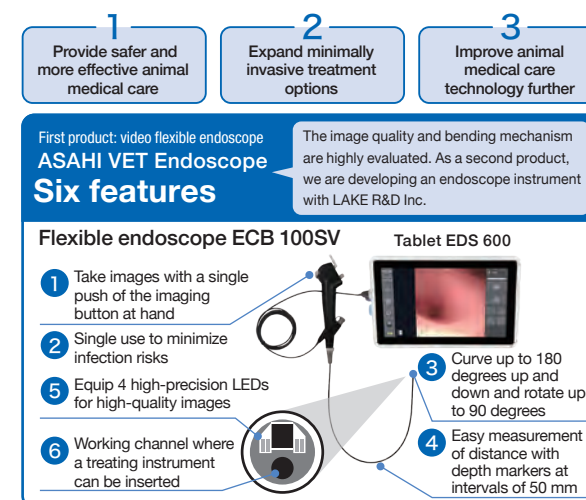
We will seek synergies by striving to expand our product range, including high-value-added products, mainly in the non-cardiovascular field (neurovascular). In addition to the development of our own products, we will make full use of technological alliances, M&As, and minority investments where necessary. We will be also more active in introducing new technologies from outside and promoting strategic alliance with leading partners.

### Expand into the market of medical devices for companion animals

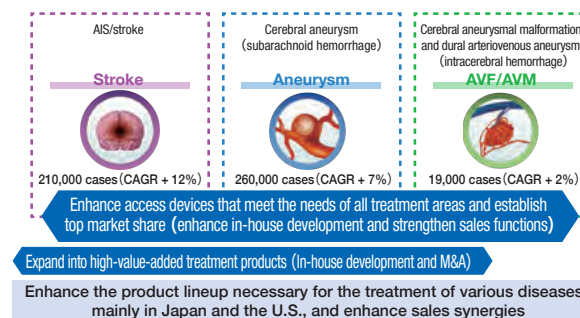
We have launched the companion animal medical device business. We will take on the challenge of developing new

products for animals by leveraging the technologies cultivated in medical devices for humans. Animal medical care plays an important role in protecting the health and lives of animals, and its need continues to grow. In order to protect the health of the precious members of families, the same as for humans, we make contributions by listening to the voices of people and working with Japanese veterinarians to find solutions. Please take a look at our dedicated website, which launched at the end of April 2025, for the latest information that is useful to doctors involved in animal medical care for their medical treatment and prescriptions.

### The future aims for medical devices for companion animals



### Development of new products in the cerebrovascular field

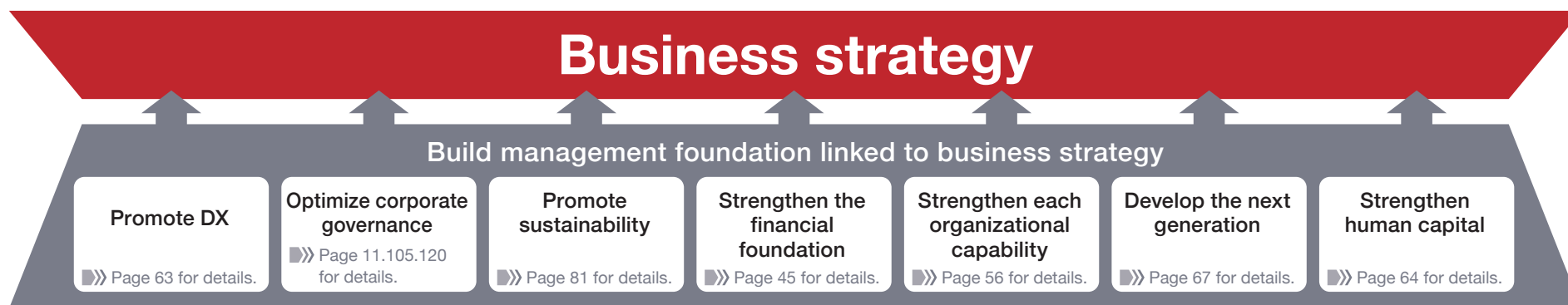


3-5

## Priority theme 2: Build a Strong Management Foundation for Sustainable Growth and Strengthen Profitability

Toward building a strong management foundation for sustainable growth and strengthening profitability, we will work on

- ① strengthening the R&D and production system optimized for global expansion,
- ② improving productivity and ③ building a management foundation linked to business strategy.



### ① Strengthen the R&D and production system optimized for global expansion

#### ② Efforts to improve productivity

We will expand the functions of our Thailand factory to focus on higher-value-added development regarding R&D systems and domestic development bases. »» Page 60 for details.

Regarding production systems and productivity improvement, we are building a global production system capable of meeting future net sales of 200 billion yen. We will work to further improve production efficiency through such measures as the transfers from our factories in Thailand and Hanoi to our Cebu factory. »» Page 62 for details.

### ③ Build management foundation linked to business strategy

In Building the Future 2030, we will implement concrete measures for the creation of sustained values centered on business strategies. At the same time, we will promote the financial strategy and non-financial strategy to strengthen the management foundation that supports the business strategies so that the corporate value and shareholder value will be enhanced.

The details of the financial strategy are explained in Chapter 4 Financial Strategy. As for the non-financial strategy, we will work on strengthening human capital, promoting DX, optimizing corporate governance, and promoting sustainability, etc. We strategically promote the non-financial strategy by establishing a system to promote sustainability initiatives and formulating basic

policies for each of the key sustainability issues.

Currently, company-wide initiatives are promoted centered on these seven key issues. Our approaches and initiatives related to sustainability are disclosed in the Integrated Report and on our website as needed.

In order to achieve continuous stable growth and expand corporate value, we believe that it is necessary to speed up decision-making and increase the transparency of management. As such, management has placed the enhancement of corporate governance as a priority issue and is working to improve corporate governance by focusing on the development of internal control systems, complying with laws, regulations, and the Articles of Incorporation, strengthening risk management, ensuring the timely and fair disclosure of information, and enhancing the executive officer system.



3-6

## Overseas Market Topics

Medical : Increase in Net Sales by Region

One of the major factors behind our company's high net sales growth is the increase in overseas net sales in the Medical Division.

In particular, we would like to introduce how managers in the rapidly growing U.S., European and Chinese markets have achieved this growth.



CCT (Japan)



SCAI (U.S.)



EURO CTO (Europe)

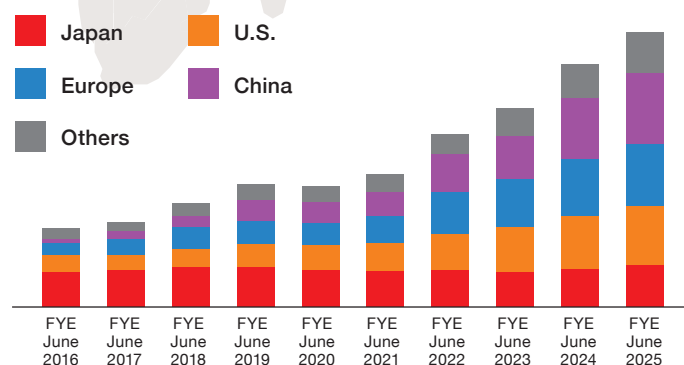


IEST (U.S.)



JSES (Japan)

### Trend in Medical Division Net Sales



Progress in the field that values trust enables the development and growth of the U.S. and European markets from scratch.

Since joining the company in December 2002, I have consistently been engaged in overseas sales, and have focused on expanding sales in the U.S. and European markets in particular.

To be honest, when I first joined the company, recognition of our company brand was low, and the sales network was not sufficient either. That is why we placed the highest priority on building trust in the field. Since 2003, we have invited Japanese doctors to hold live conferences and workshops locally. By directly communicating the superiority of our products and their proper use to local medical professionals, we did not just sell them, but strove to ensure that medical professionals, who have patients' lives in their hands, use our products assuredly.

A major turning point came in 2011, when we switched distributors in Europe. The decision to switch distributors from a large agency to community-based partners was a big challenge and a lot of pressure on me as a supervisor. However, as a result of our efforts based on the belief that being close to the field creates trust, our market share has grown significantly, and our PCI guide wires have established a solid presence in Europe centered on the SION Series. The relationship of trust with our distributors is now solid, and our direct sales business continues to grow steadily. Based on this success in Europe, we established a direct sales system in the U.S. market in 2018. The U.S. was an important market, which was an unavoidable challenge for our company. There were times when sales were difficult owing to restrictions on hospital visits during the COVID-19 pandemic, but as a result of continuing to work without forgetting our starting point of delivering valuable products to doctors and patients, the market share of PCI guide wires expanded to 35% from the 26% at that time. We are building a more solid foundation after going through hardships. Most recently, we have taken on the challenge of complying with the European Medical Devices Regulation (MDR), which came into force in 2021, and strengthening sales of non-cardiovascular products in the U.S. and European markets. These efforts are also based on our strong belief that we continue to be a trusted choice in the medical field.

This progress has been supported by our relationship of trust with the company chairman, who was the former president of our company and promoted the company's overseas expansion, senior management, local employees, and, above all, numerous doctors and distributors. It is with great pride and pleasure for me that our company brand has established deep roots in the U.S. and European markets through more than 20 years of challenges. I will continue to explore new fields and collaborate with the next generation of doctors in addition to expanding our market share in existing businesses.

In order to continue to be the most trusted partner for doctors and patients, we will not merely engage in product sales but promote differentiated sales promotion activities to contribute to enhancing the value of our company.



**Kazuaki Inukai**

Executive Officer  
Asahi Intecc Co., Ltd. ; and  
COO, ASAHI INTECC  
USA, INC.; and  
President & CEO,  
ASAHI INTECC EUROPE B.V.



### 3-6 Overseas Market Topics

#### Leap of the Chinese market built with a co-creation stance and growth foundation expanding into Asia

Since joining Asahi Intecc in 2008, I have been consistently involved in the expansion of the medical business in China and Asia.

In my previous job, I was engaged in the sale of medical equipment, mainly in the Chinese market, and I was fascinated by its dynamism and potential, which was the main reason why I decided to move to our company.

At that time, Asahi Intecc's Chinese market was on the verge of growth. In 2009, the company established a representative office in Beijing and started its own pharmaceutical registration business, which had previously been outsourced to distributors. In 2011, we established a local subsidiary and gradually regained control of the Asahi Intecc brand and sales promotion activities. In addition, we have been able to build our own nationwide sales network through a drastic reform of our supply chain management.

Although we started with a small market share, it increased dramatically through restructuring our distributor network and building our own sales network. Our relationship with distributors was not limited to sales. We have been working with each and every distributor through a stance of co-creating the market together while accumulating trust. I believe that this partnership based on trust is the source of our company's competitive strength unlike any other company.

At the same time, we are building strong relationships with top doctors in China and incorporating their voices into our strategy. These steady efforts have led to us gaining the top market share in China for mainstay products such as PCI guide wires and microcatheters (abdomen). Subsequently, we established sales bases in Singapore, India, and Taiwan, and developed a distributor policy and direct sales systems tailored to the characteristics of each market. We have strengthened our business base throughout Asia while respecting the cultures and business practices of each region.

Since the COVID-19 pandemic, countries have accelerated institutional reforms aimed at curbing healthcare costs. China, in particular, is undergoing major changes that will shake up the industry structure, such as volume-based procurement (VBP), the two-invoice system, the DRG/DIP system, and the promotion of shifting to domestic production. We saw this change not as a risk but as an opportunity to



#### Masaya Miyamichi

Regional Manager for  
Asia Asahi Intecc Co., Ltd.; and  
Director and General Manager,  
Asahi Intec Scientific (Beijing)  
Co., Ltd.



evolve, and decided to establish a new production base in Nanning City, China. In the future, we intend to build a new business model that integrates production and development, and to expand the value of Asahi Intecc to a wider field by further deepening our collaboration in lobbying activities for governments and medical authorities in various countries.

China remains one of the most dynamically changing markets in the world. My greatest asset is the experience of working with colleagues and partners to take on challenges and build trust and achievements in the growing market. I will continue to work with this attractive market with passion and without fear of change to solidify the market position of Asahi Intecc in the broader fields.



CCT2025 (Japan)



# 04 Financial Strategy

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- Capital Allocation
- Key Management Indicators
- International Taxation / Shareholder Return

## 4-2 Analysts × Management Discussion over the New Medium-Term Management Plan: Part 2 ..... 49





## 4-1 Financial Strategy

### Basic Approach to Financial Strategy

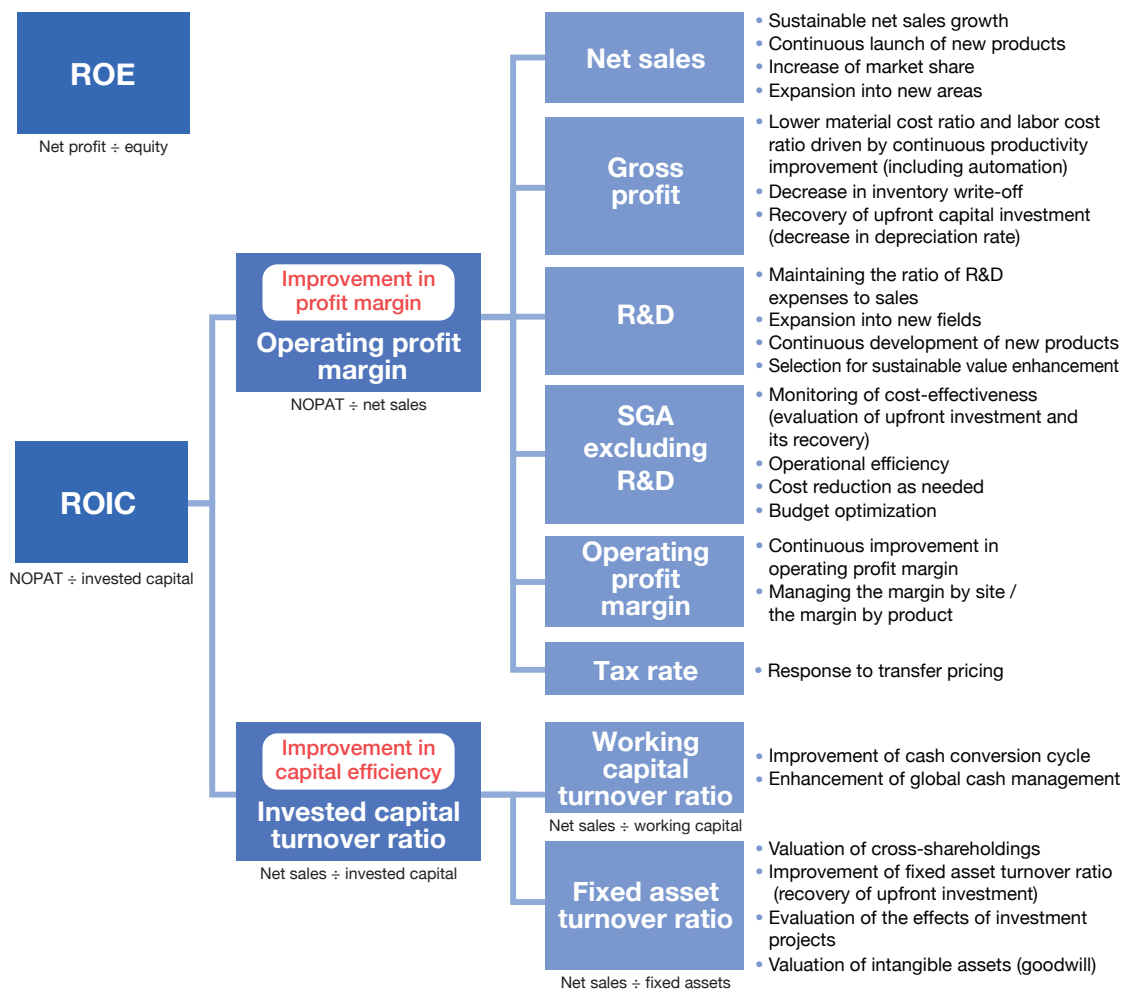
Our group will further strengthen the financial base by improving capital efficiency, etc. and aim to achieve sustainable growth and secure stable earnings by optimally allocating funds to aggressive growth investments and stable and continued shareholder returns, thereby increasing corporate value. We will also strive to contribute to all stakeholders by implementing management that is conscious of capital costs and maximizing corporate value. In order to realize returns that exceed the capital costs, we will improve return on capital (ROE and ROIC) using the ROIC tree and strengthen investment decision-making based on the capital costs.

### Key Management Indicators

Our group positions sustainable enhancement of corporate value as the most important management issue and has set a number of key management indicators as criteria for management decision-making and strategic planning. We place importance on target KPIs for net sales, operating profit, and operating profit margin as indicators for evaluating business growth and profitability. As for financial indicators, we have set return on equity (ROE) and return on invested capital (ROIC) as key KPIs from the perspective of capital efficiency. As for ROE and ROIC, which are financial indicators, we not only achieve a level exceeding the capital cost but also anticipate a further increase under the current Medium-Term Management Plan and aim to achieve a level of 16%.

These financial indicators serve as important information when formulating business strategies and making investment decisions, and they are also directly linked to improving shareholder value. However, they are not for the purpose of achieving short-term numerical values but are instead used as management indicators to verify whether each investment leads to a medium- to long-term competitive advantage and business growth. In terms of development investment, capital investment, and equity investment, we focus on future earnings opportunities and strengthening our foundation, and we are conscious of improving capital efficiency from a medium- to long-term perspective.

#### ROE • ROIC



## 4-1 Financial Strategy

### Approach to Capital Allocation and M&A

While keeping our long-term vision in mind, we work to materialize sustainable value creation centered on our business strategies in accordance with our Medium-Term Management Plan, Building the Future 2030 – Unlocking Sustainable Growth. At the same time, we aim to enhance corporate value and shareholder value by strengthening the management foundation that supports the realization of these goals.

Based on this policy, in addition to strengthening research and development, in the medical devices field, which is our strategic business area, we are actively investing in equity acquisitions, including M&As, and alliances to achieve medium- to long-term growth.

In pursuing this growth strategy, we emphasize the balance between the growth strategy and financial strategy, and have established capital allocation, which clarifies cash flow discipline and fund allocation policy for growth. This policy is reviewed flexibly in light of the current business environment and dialogue with institutional investors, and we strive to further improve our ability to generate funds and fund efficiency by using cash on hand and operating cash flow as the main sources of funds.

Our company's basic policy for capital allocation is to give top priority to development investment and capital investment, followed by stable dividends. As for surplus funds that arise after steadily implementing this capital allocation, we will give priority to strategic M&As and other growth investments in order to accelerate our growth strategy in line with the Medium-Term Management Plan. On the other hand, if appropriate investment opportunities are not found, we will flexibly consider shareholder return measures, including acquisition of treasury stock, to improve capital efficiency.

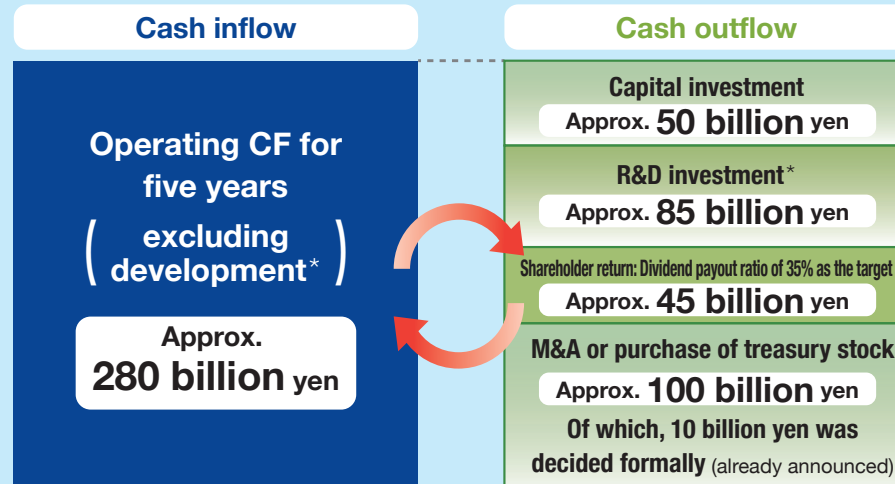
In fact, between May and October 2025, we bought back 6,301,300 shares of common stock for a total of approximately 14.99 billion yen in an effort to balance shareholder returns and capital efficiency improvement. Initiatives in the field of high-value-added treatment devices and development investment accompanied by clinical trials are positioned as important strategic investments for our company with an eye on medium- to long-term growth. Based on the assumption that these investments involve a certain level of uncertainty, we seek growth opportunities

while maintaining our financial soundness by controlling the size of our investments through a stepwise development process and by continuously verifying the technical rationality and marketability.

In addition, M&As are one of the means to realize the growth strategy based on the Medium-Term Management Plan, and targets areas that are highly compatible with our core technologies and existing businesses. At the present time, we do not anticipate any M&As for the purpose of entering into enclaved business areas.

#### Decision-making and operations that are conscious of capital costs and financial indicators

Period of Medium-Term Management Plan (FYE June 2026 to FYE June 2030)  
Five-year cumulative capital allocation



\*Development costs are stated inclusive of depreciation expenses.

## 4-1 Financial Strategy

# Response to Realization of Management That Is Conscious of Capital Cost and Stock Price

We position sustainable improvement of corporate value as the most important management issue and promote management that is conscious of capital cost and stock price in daily decision-making and business operations. Specifically, when making decisions on strategic investments, research and development investments, and capital investments, we evaluate profitability and efficiency based on capital costs, such as the net present value (NPV) method and the internal rate of return (IRR) method. Also, in formulating management plans and monitoring the progress

of Medium-Term Management Plans, targets are set with ROE, ROIC, and other capital efficiency indicators in mind, and improvement measures are considered and implemented when discrepancies from actual results occur. We periodically revise the weighted average cost of capital (WACC) taking into account risk-free rates and stock market trends, and disclose these revisions in the Integrated Reports and financial results briefing for institutional investors. In addition, in order to provide shareholders and investors with an appropriate explanation of the process of creating

corporate value, we disclose highly transparent information about the background of our management decisions and our efforts to improve capital efficiency. Through these initiatives, we aim to achieve sustainable growth with an awareness of capital costs while simultaneously enhancing shareholder value.

## WACC

### Changes in management indicators

	FYE June 2023	FYE June 2024	FYE June 2025	Supplementary comment	Medium-Term Management Plan Numerical target for FYE June 2030
Operating profit margin	20.0%	20.6%	25.1%		28.0%
ROE	10.4%	11.2%	8.4%	Temporary decrease due to an impairment loss in FYE June 2025 The ratio excluding impairment loss was 14.1%	16.0%
ROIC	9.0%	10.1%	13.1%		16.0%
WACC	5.5%	6.3%	6.7%	See the figure on the right	—

### Breakdown of capital costs

		FYE June 2023	FYE June 2024	FYE June 2025
Weighted average cost of capital	Sum of ① and ②	5.5%	6.3%	6.7%
① Weighted cost of equity	Share ratio (approx. 99%) x (a + b x c)	5.52%	6.28%	6.73%
Risk-free rate: a	Adjusted 10 year JGB interest rate average for five periods	0.14%	0.35%	0.63%
β value: b	Calculated based on the five-year average of five-year monthly beta and two-year weekly beta, and adjusted for future value calculation	0.913	1.000	1.033
Market risk premium: c	Matching the average cost of equity of Japanese companies with estimates from analyst reports of companies employing them	6%	6%	6%
② Weighted cost of debt	Debt ratio (approx. 1%) x cost of debt x (1 - corporate tax rate) Cost of debt: five-period average of SWAP five-year rate + spread (0.5%)	0.01%	0.01%	0.01%

## 4-1 Financial Strategy

## International Taxation

As we expand globally, international taxation is becoming increasingly important.

As for the taxation issues, with the support of outside experts such as tax accountants, we work in good faith to address tax issues and ensure transparency and credibility with tax authorities in the countries where we operate. With respect to transfer prices, we strive to manage them appropriately so that they become arm's-length prices by complying with local tax laws and OECD guidelines. For transactions with high transfer price tax risk, we reduce tax risk by utilizing the advance pricing agreement (APA) system.

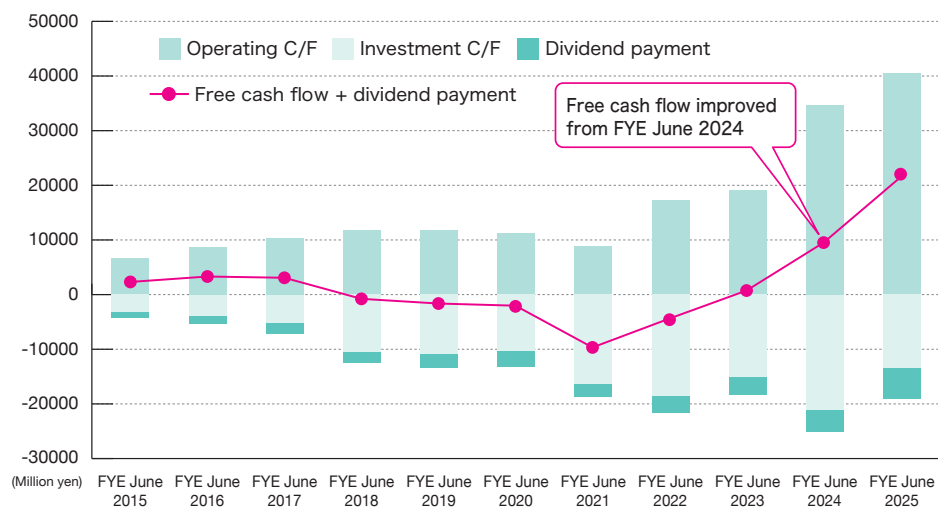
## Shareholder Return

We position sustainable improvement of corporate value as the most important management issue in developing our business on a global scale. We recognize that returning part of the results of our business activities to our shareholders is a key issue, and our basic policy is to pay stable and continuous dividends. Consolidated dividend payout ratio is set at 35%.

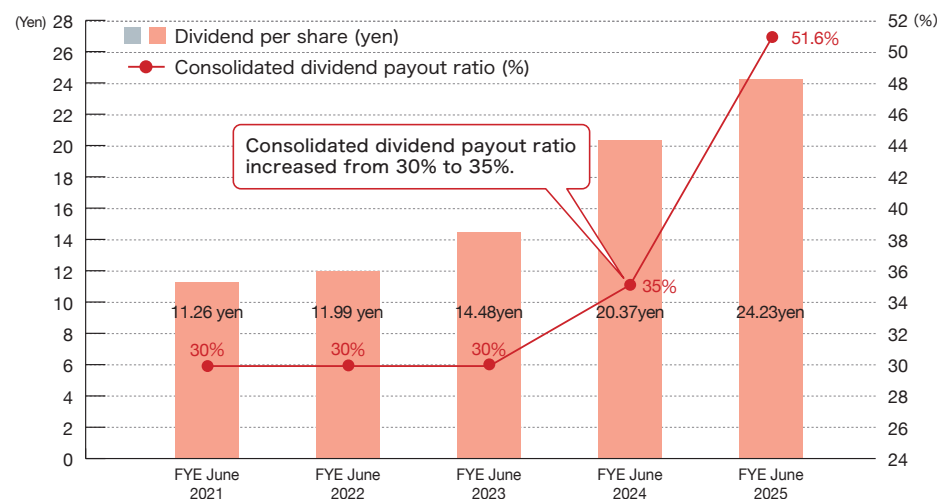
In FYE June 2025, net income decreased owing to the recording of extraordinary losses and other factors, but the payout ratio temporarily exceeded 50% because the dividend amount maintained the amount planned at the beginning

of the fiscal year. We will flexibly consider reviewing the shareholder returns based on the stability of cash flow and the outlook for business performance.

### Change in free cash flow + dividends



### Change in dividend per share and consolidated dividend payout ratio



\*For FYE June 2025, net income attributable to parent company shareholders decreased as a result of the recording of extraordinary loss, but the surplus dividend remains unchanged at 24.23 yen, as initially projected.



## 4-2

## Analysts × Management Discussion over the New Medium-Term Management Plan: Part 2

〈Continued from page 20〉

### 5. Growth Rate, Capital Allocation and Stock Price

#### Growth rate

**Ito:** First of all, what do investors think about the average 12.8% growth in operating profit that is proposed in the Medium-Term Management Plan? I would like to hear your assessment of our current situation and your opinion on the gap.

**Mr. Yamaguchi:** I think 12.8% is a sufficiently high growth rate. However, it is true that the expectations of the world are high. Foreign investors in particular tend to look for more aggressive numbers, and in the current global environment, even 12.8% is sometimes said to be not enough.

But realistically speaking, it's not easy to keep this growth rate steady at the scale of your company. Personally, I think the most important thing is to ensure that you can achieve it.

**Mr. Kohtani:** I have the same opinion. 12.8% is a sufficiently high level even on a global basis, and I think it is important to steadily achieve this goal. As an investor, I want to look closely at the long-term growth story, not just the short-term numbers.

**Ms. Yoshihara:** Some investors require more aggressive growth, but I think that implementing a realistic plan will lead to long-term trust. I believe that your company's approach to steadily building up business results deserves recognition.

#### Capital allocation

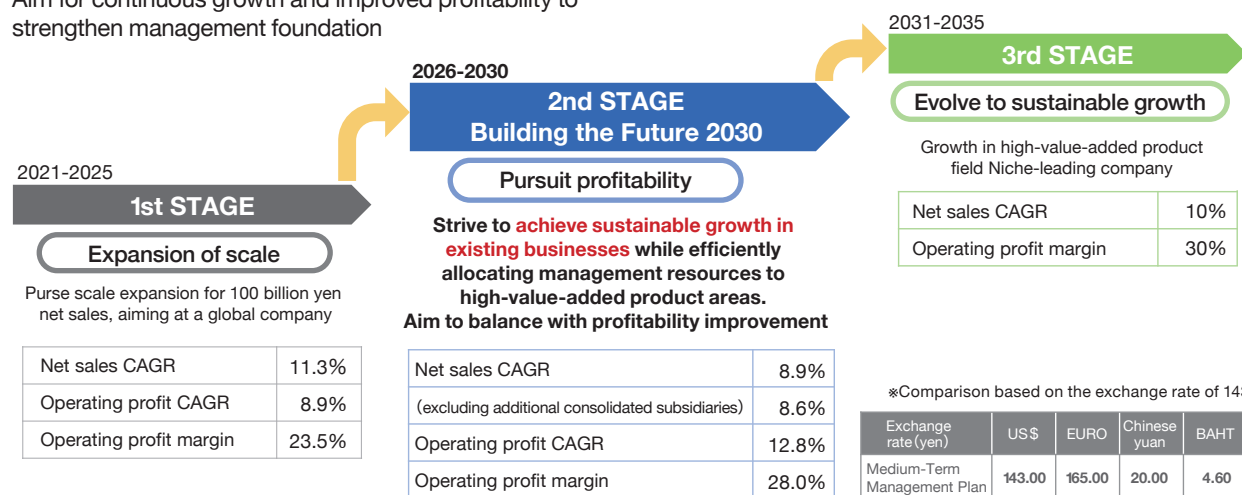
**Ito:** Next, could you tell us your opinion on capital allocation? In other words, how should the company's capital be allocated? Please tell us about your opinions on our current policy and future expectations regarding the acquisition of treasury stock, dividend policy, and investment for growth.

**Ms. Yoshihara:** I feel that the cash allocation is well-balanced. Acquisition of treasury stock and dividend policy are also reassuring for investors.

However, with regard to the use of surplus funds, I would like to see your willingness of more actively investing in growth and M&As. In particular, I would like you to proceed with growth investments and M&As while controlling the risks and assessing the scale and timing.

### Positioning of the new Medium-Term Management Plan "Building the Future 2030" (unified rate)

Aim for continuous growth and improved profitability to strengthen management foundation



#### 4-2 Analysts x Management Discussion over the New Medium-Term Management Plan: Part 2

**Mr. Kohtani:** I think that capital allocation should be changed flexibly according to the growth stage of the company. Now that cash flow is stable, it is important to actively allocate capital not only for the acquisition of treasury stock and dividends but also for growth investments and M&As. As an investor, I feel reassured that your company has firmly implemented its capital policy and has continued to provide stable returns to shareholders.

**Ito:** As stated in capital allocation, the surplus of 100 billion yen generated over the next five years is primarily intended to be used for growth investment such as M&As, but if there are no M&As, it will be used for treasury stock. As you pointed

out, it is important for our company to be able to maintain sustainable growth and a high growth rate, so we are giving top priority to using funds to achieve this.

#### M&A

**Ito:** As for M&As, our company has accumulated relatively small deals to date. However, now that the size of the company and its balance sheet and cash position are strong, I feel that we have gained the strength to take on larger deals. While reflecting on the past, as a matter of course, we intend to further accelerate the growth of the company by proactively undertaking a certain scale of deal.

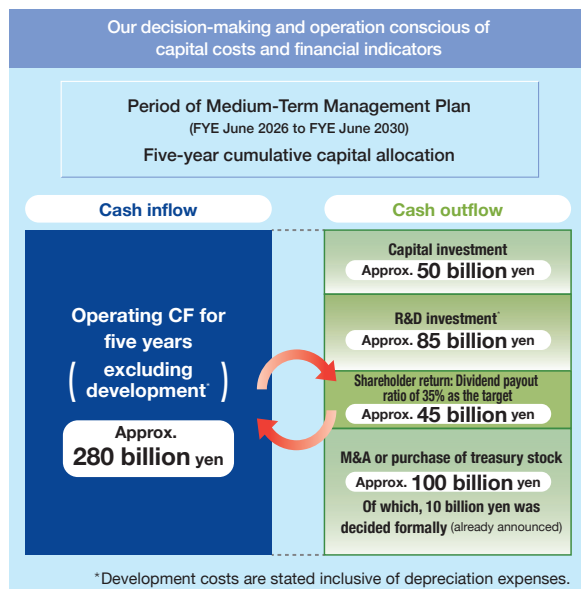
**Mr. Kohtani:** M&A certainly has its risks, but I think it is a great advantage that a company with technical capabilities like your company can access new technologies and markets faster by teaming up with venture companies in the U.S. and Europe. One strategy is to accumulate small deals as before, and in fact, major American companies are accumulating small deals and making big acquisitions at the right time. Since M&A has a big risk, I would like you to make decisions carefully and withdraw if necessary.

**Ito:** Thank you. As you pointed out, the majority of our deals were acquisitions of early-stage companies to grow them. The acquisition price range is low as early-stage companies, but it also comes with risk. Now that our company has grown in terms of size and strength, I think we can now afford to take on larger deals. I believe we can take a more cautious and flexible strategy, including not only acquiring early-stage companies but also other companies after evaluation for their products becomes clear to some degree. Going forward,

it would be good to pursue M&As with a firm focus on post-acquisition integration and synergy creation, while also working on large-scale deals as needed.

**Ms. Yoshihara:** My opinion is close to that of Mr. Kohtani. I would like you to proceed with M&As by controlling the risks while assessing the scale and timing. If you show us your willingness to take on larger deals according to the growth stage of your company, in addition to accumulating small-scale deals as before, my expectation will grow as an investor. Furthermore, by building a track record of M&As, I believe that your in-house know-how and organizational capabilities will be strengthened, and your global competitiveness will be enhanced. However, I would like you to select deals that make use of your company's unique technical capabilities and practical competence, not just blindly seeking scale.

**Mr. Yamaguchi:** M&A is a really difficult subject. If you look at American companies, there are a lot of cases where they acquired companies, but it didn't work out and impairment



## 4-2 Analysts x Management Discussion over the New Medium-Term Management Plan: Part 2

losses were recorded. In the case of your company, however, I think you have the advantage of being able to utilize your practical competence and technical capabilities and working closely with local staff and engineers at the acquired companies. With the current scale of your company, you should be able to take on a bigger challenge, not just accumulating small deals. However, as an investor, I would like to see post-acquisition integration and synergy creation, rather than just buy and end. I also look forward to hearing more specific information on how to proceed with M&As and what kind of deals you are targeting.

**Miyata:** Your opinions are very helpful. As you said, taking advantage of our past experience and reflection on M&As to date, we would like to proactively work on larger deals in accordance with the scale of our company in the future. Of course, we will thoroughly control risks and implement a strategy focusing on post-acquisition integration and synergy creation. We will proceed with flexible and strategic M&As to further accelerate company growth.

### Stock prices

**Ito:** Could you tell us your opinion on the current stock price trends and your future evaluation?

**Mr. Yamaguchi:** To be honest, MedTech as a whole is in a difficult situation with the current stock price (2,447 yen as of October 2025). Money is flowing into AI and bank stocks, while medical device and technology stocks are being sold off. It was the same in the old IT bubble. Pharma went up the moment the dot-com bubble burst. I think it's just such a phase. If your company achieves a steady 12.8% growth, I think the evaluation for your company will eventually

recover. I think the time will definitely come when there will be a premium on stable growth.

**Mr. Kohtani:** It is true that stock prices are tough now, but if stable growth continues like your company, the market will appreciate it eventually. As an investor, I want to look closely at the long-term growth story, not just short-term stock prices.

**Ms. Yoshihara:** I also think that stock prices are temporary. If your company steadily builds up its business results, the time will surely come when it will be appreciated. I'm not worried about it in the long run because right now the market money is just going to other sectors.

**Miyata:** Your opinions are very helpful. Although the current market environment is severe, I believe that the most important thing is to steadily build up our business results. We would like to pursue our efforts steadily.

## 6. Governance and Organizational Structure

**Ito:** What is your evaluation for our governance and organizational structure?

**Ms. Yoshihara:** Strengthening the functions of outside directors and the Nomination and Compensation Advisory Committee is reassuring. I would like you to continue to show that objective management is being carried out. Recently, there has been an increase in the number of healthcare companies actively appointing outside directors. I hope that your company will follow this trend and build a more transparent governance system.

**Mr. Yamaguchi:** From the outside, I still have the impression that your company's governance or organization is being operated by a small number of people. For better or worse, I think your company was viewed more like a private store. I understand that an executive officer system has recently been introduced. How will you communicate about the depth as an organization and the division of authority in the future?

**Miyata:** Thank you. We have introduced an executive officer system to promote the delegation and division of authority. We are moving to a system in which the Board of Directors decides a major direction, and executive officers are responsible for the business execution. We also work to strengthen the functions of outside directors and the Nomination and Compensation Advisory Committee, aiming for objective management. We will continue to strengthen our organization and build a highly transparent governance system. In addition, we will listen to the voices in the field and aim for growth throughout the organization.

**Mr. Kohtani:** I think the introduction of the executive officer system itself is an important point for the growth of the company and strengthening of governance. However, I have



## 4-2 Analysts × Management Discussion over the New Medium-Term Management Plan: Part 2



the impression that the number of executive officers has increased considerably in your company recently. I worry that too many people will make decision-making too slow or make the organization too complicated. In fact, when there are nearly 20 executive officers in the case of other companies, it is difficult to see who are making decisions. At your company, what are your views on the division of roles among executive officers, the speed of decision-making, and the transparency of governance? Also, if there is a system in place in which the opinions of outside directors are properly reflected in management, investors will feel secure in supporting the company. So, please let me know about this point.

**Miyata:** Thank you for your suggestion. Certainly, people tend to think that only the members who appear at briefings, etc. are the central figures of the organization, but in reality, many departments and personnel with necessary expertise work together behind it to support the company. Managers and teams function in each area, including manufacturing, development, sales, and management, and the organizational foundation is built up as a whole. We also work to strengthen the functions of outside directors and the Nomination and Compensation Advisory Committee, aiming for objective

management. We will continue to strengthen our organization and build a highly transparent governance system. In addition, we will listen to the voices in the field and aim for growth throughout the organization.

**Ito:** We have also increased the number of executive officers in response to the diversification of the fields and global expansion. However, we must avoid making decisions too late owing to an increase in the number of outside directors and executive officers. So, we will continue to make efforts to clarify the division of roles and authority, and improve the efficiency of the decision-making process. In addition, we always receive frank opinions from outside directors, and the vision for the company is always discussed among all directors. I believe that diverse opinions are reflected in management and the management of the Board of Directors and information sharing continue to be strengthened. Dialogue between outside directors (page 105), an interview with an outside director (page 117), and their frank opinions are included in this Integrated Report in a highly transparent manner. Please take a look.

**Miyata:** As for me, I think it is important to always listen to various opinions first. As for governance and organizational structure, we will continue to review our strategies flexibly through many dialogues with investors.

## 7. Earnings Forecasts and Future Prospects

**Mr. Yamaguchi:** I feel that the past earnings forecasts were ultra-conservative, but the recent earnings forecasts have been presented within a reasonable scope, which makes it easy for us, outsiders, to predict and makes us feel reassured. As an investor, I can follow forecasts feeling assured.

**Ito:** It is true that there are still issues to be addressed in the accuracy of forecasts, but we are working to improve our management for the accuracy of earnings forecasts by receiving improvement instructions from the company president in a top-down manner. We are gradually moving away from conservative revenues and high expenses at the site.

**Ms. Yoshihara:** I am also reassured as an investor that earnings forecasts are realistic. I hope you will continue to make accurate forecasts.

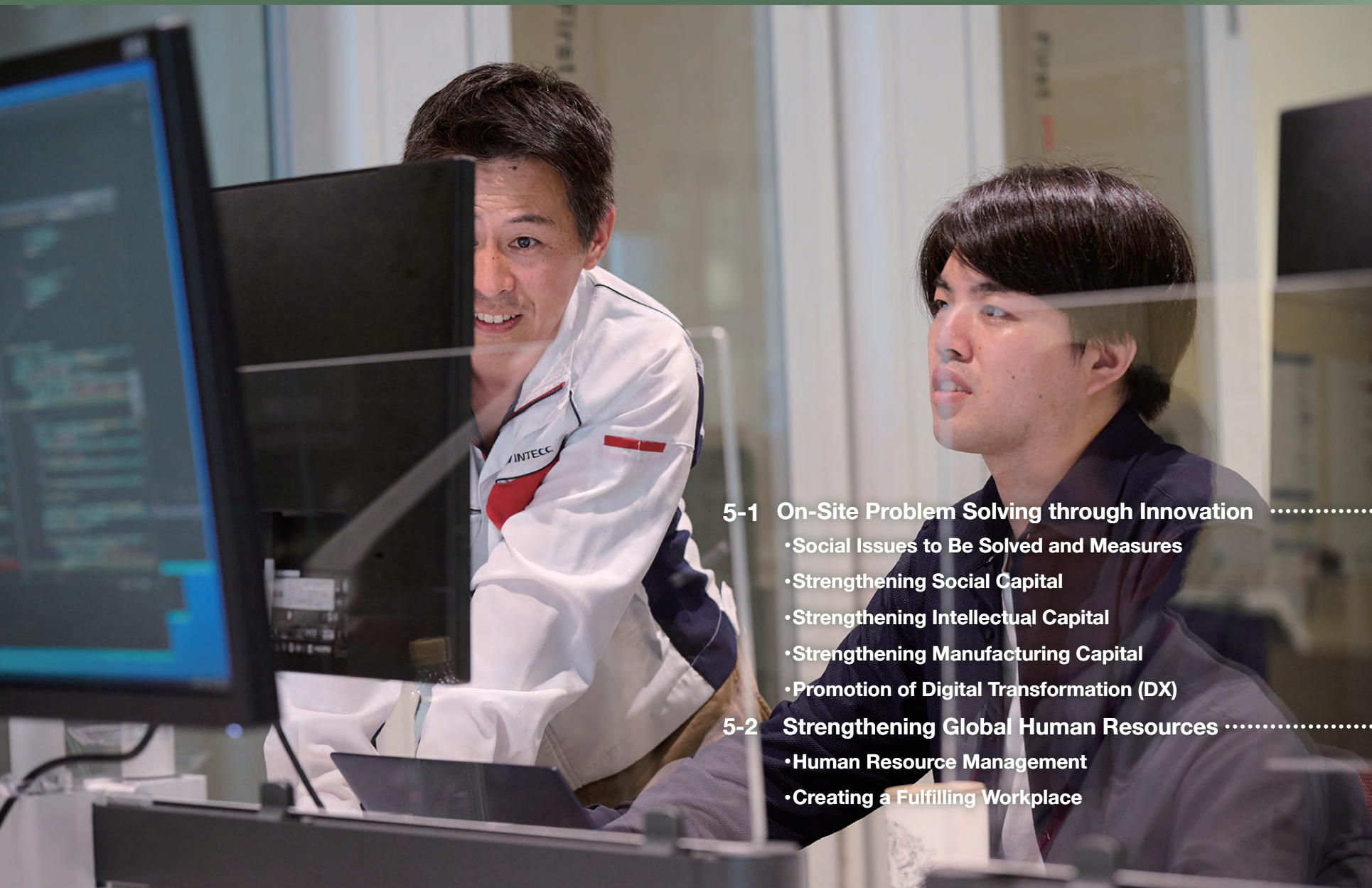
**Miyata:** Thank you for your valuable opinions today. We will reflect the opinions and requests we receive from you in our future management. I will continue to engage in dialogue with investors and strive to build a better company while valuing the voices of the filed. Thank you for your continued support.

**Investors:** Thank you very much. We look forward to the continued growth of your company.





# 05 Sustainability Bolstering Non-Financial Capital



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- Strengthening Social Capital
- Strengthening Intellectual Capital
- Strengthening Manufacturing Capital
- Promotion of Digital Transformation (DX)

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- Human Resource Management
- Creating a Fulfilling Workplace

## 5-1

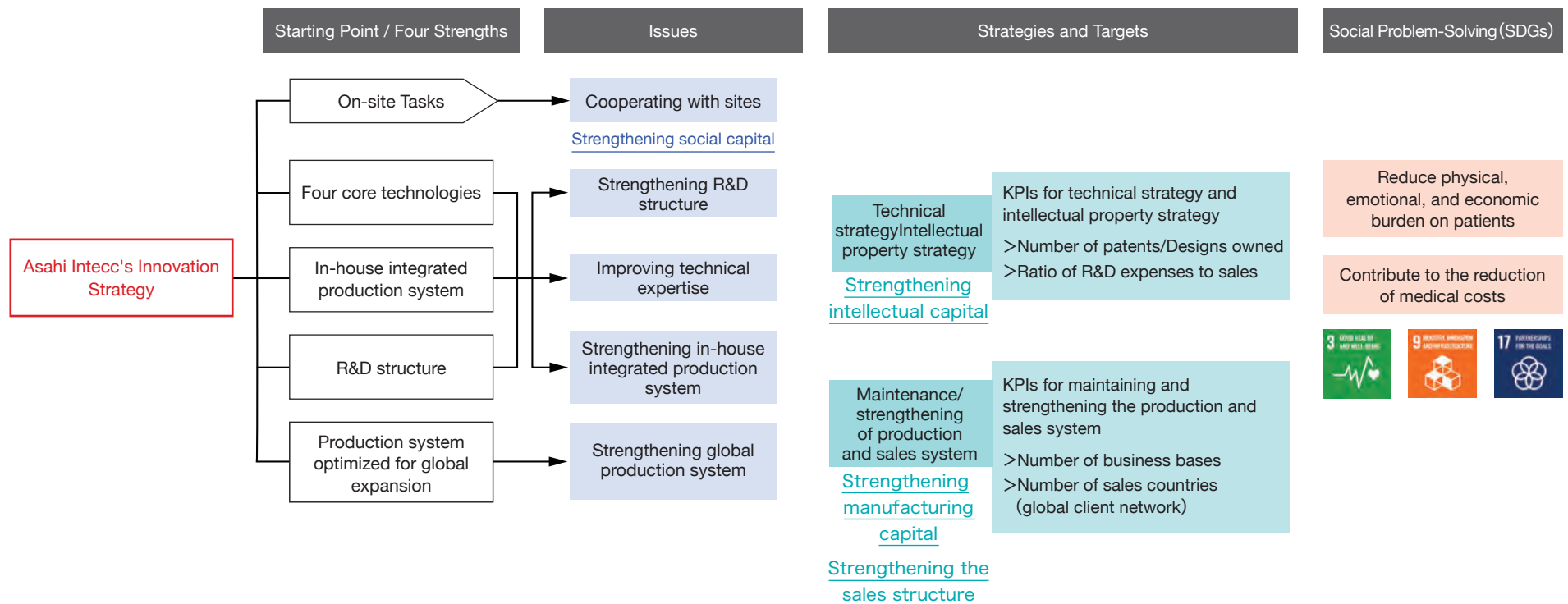
# On-Site Problem Solving through Innovation

We are working to further create innovation by bolstering non-financial capital.

## Basic Thinking

Our Group's innovation comes from our four strengths: advanced and highly unique material processing technology based on four core technologies, in-house integrated production system, R&D structure, and production system optimized for global distribution. Supporting these four strengths is our management foundation made up of

non-financial capital, including excellent human resources (human capital) who inherit the DNA of the company, as well as manufacturing capital, intellectual capital, and social capital. By bolstering this non-financial capital, our Group will work strategically to solve on-site issues for achieving greater innovation.



## 5-1 On-Site Problem Solving through Innovation

# Social Issues to Be Solved and Measures

## ① Social Issues Asahi Intecc Wants to Address

The starting point of business activities of our group is solving on-site issues. We aim to supply the world with Only One technologies and Number One products in the fields of medical devices and industrial components so that, based on safety and reliability, we solve on-site issues, realize dreams of all customers, and contribute to society as a whole.

### Solving of Social Issues (SDGs)

Reduce physical, emotional, and economic burden on patients

Contribute to the reduction of medical costs



## ② Specific Measures

Our group is working to address these social issues from both technological and product perspectives through our Medical and Device Divisions.

Developing products that reduce the physical, emotional, and economic burden on patients (Medical Division)

Developing products to meet customers' needs (Device Division)

Our group has developed and marketed products necessary for minimally invasive treatment such as PCI guide wires and penetration catheters, which have a high product advantage unmatched by other companies and are capable of CTO treatment, contributing to expansion of the PCI treatment choices in the CTO field. By always focusing on medical challenges and supplying products that meet doctors' needs, we are reducing the physical, emotional, and economic burden on patients by contributing to improvements in treatment success rates and to reductions in treatment durations through increasing choices at medical facilities. In addition, we share the on-site issues of our customers, including medical device manufacturers and industrial equipment manufacturers, and go back to the material level through repeated trial and error to develop and supply component products with high-value added functions. By doing so, we strive to satisfy customer needs.

In addition, we will take on the challenge of solving new social issues, such as the development of products that retain new functions using advanced technology to address clinical issues such as calcified lesions in the cardiovascular and peripheral vascular fields that are currently considered difficult to treat, and the development of new medical device products for companion animals that meet the needs of veterinarians by utilizing the technological capabilities we have cultivated in human medical devices.

In order to swiftly implement these initiatives, we have further enhanced the development functions at our Thailand factory and are gradually transferring some of the development functions currently performed at our domestic development

bases to our Thailand development base. By specializing our domestic development bases in high-value-added fields, we promote the efficiency and sophistication of our global R&D system. See page 60 for details.

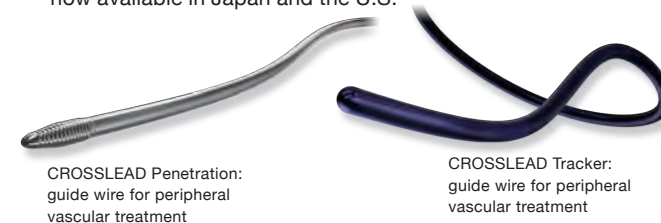
### Entry into new products, new technologies and new fields

Recently, we have established and promoted the new products and technologies described below, and also have taken on the challenge of entering new fields.

#### 【Medical Division】

Our group is working to further strengthen and expand treatment products in order to strategically develop global markets and expand affected/treatment areas. In particular, in the non-cardiovascular field, we are strengthening products in the peripheral vascular and cerebrovascular fields.

In the peripheral vascular field, we developed the CROSSLEAD Penetration and CROSSLEAD Tracker guide wires for peripheral vascular treatment as our main activities in FYE June 2025. The CROSSLEAD Penetration achieves a penetration performance superior to our conventional products and contributes to the expansion of guide wire options in situations where high penetration power is required. The CROSSLEAD Tracker uses a structure made of nickel titanium and stainless steel, enabling it to follow highly curved blood vessels below the knee and improve operability in narrowed blood vessels. Both products are now available in Japan and the U.S.



CROSSLEAD Penetration:  
guide wire for peripheral  
vascular treatment

CROSSLEAD Tracker:  
guide wire for peripheral  
vascular treatment



## 5-1 On-Site Problem Solving through Innovation

In the neurovascular field, we have developed the CHIKAI Nexus 014 guide wire for neurovascular treatment. With the aim of facilitating the selection operation of meandering peripheral cerebral blood vessels in particular, this product applies technology cultivated in the coronary artery field and achieves high operability by improving torque performance compared to conventional products. Sales have begun in Japan.

For the Branchor X guiding catheter for neurovascular treatment, we have obtained FDA approval and are currently preparing to launch it in the U.S.

On the other hand, with regard to the plasma wire system, which we have been developing for many years as a next-generation CTO penetration device in the cardiovascular field, we completed exploratory clinical trials last year and made preparations for confirmatory clinical trials but gave up development owing to business decisions. We will continue to explore new clinical needs for this technology and examine its wider applicability.

We are also working to develop and improve the ANSUR surgical support robot. The purpose of this robot is to enable a single machine to perform the roles of multiple assistants (holding and pulling forceps and operating an endoscopic camera) required for conventional laparoscopic surgery. Securing a stable field of view and gripping tissues using the robot is expected to improve the efficiency of surgery, reduce the burden on patients, and make social contributions such as solving the problem of surgeon shortage and improvement of work-life balance.

ANSUR received pharmaceutical approval as a medical device in February 2023 and is currently being introduced into clinical practice. To expand sales in the future, we continue to improve and develop ANSUR based on feedback from clinical practice.

In addition to these efforts, we are actively pursuing the development of high-value-added products and the challenge of solving social issues, including the development of new products for calcified lesions, the development of medical devices for companion animals, and the development of high-value-added products in the cerebrovascular area. See page 40 for details.

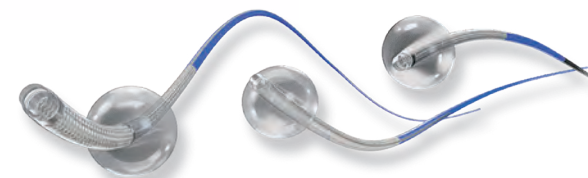
Our group will continue to leverage its non-financial capital, including its development personnel who have been closely involved in clinical practice, knowledge gained through

continuous dialogue with doctors, and advanced material processing technologies and R&D systems, to sincerely address issues facing medical practices and society, and to contribute to the advancement of medical care and the realization of a sustainable society through the creation of medical devices that improve treatment outcomes and reduce the burden on patients.



Laparoscopic surgery support robot

**ANSUR**



Branchor X series:  
balloon guiding catheter for neurovascular treatment



## 5-1 On-Site Problem Solving through Innovation

### 【Devices Division】

In Devices Division, we will advance our core technologies, develop new Only One products, and further develop and deepen technologies to develop high-performance, high-value-added technologies and products for use in a variety of fields.

In the medical components field, we are strengthening our metal and resin components. Our proprietary high-performance metal components are highly regarded, such as our “ACT ONE” hollow cable tubes, torque coil drive cables with excellent torque performance and high-speed rotational drives, and high-tension wire ropes with high-breaking strength and their assembly technologies. Utilizing these technologies, we are mass-producing and delivering components and additional processed products for major medical device manufacturers and industrial equipment manufacturers in Japan and overseas. For our resin components, we have developed our own technology to form the inner resin liner, the metal reinforcement layer, and the balloon components and resin tube components of catheters with high precision and thin film coatings. Additionally, Asahi Intecc possesses high-precision processing technology in its Devices Division for designing mechanisms that meet customers’ needs and realizing products that meet their design philosophy, in addition to metal and resin medical components. We are also working to expand and deepen our technologies through own facility customization and in-house manufacturing of jigs and tools.

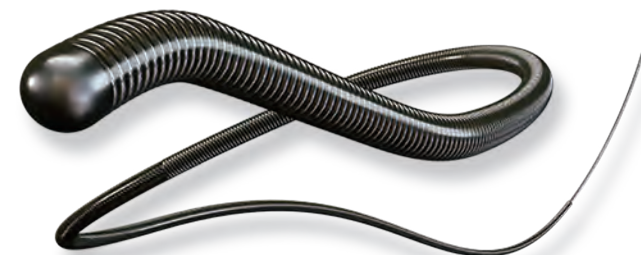
The technological development capabilities of this division also contribute to our brand enhancement of therapeutic products.

Our Medical Division has developed metal components for the guidewires of the coronary artery treatment CELHAWK, the peripheral vascular treatment CROSSLEAD 0.014, and the neurovascular treatment CHIKAI Nexus 014, as well as resin components for the abdominal and peripheral microcatheter Veloute 19 DM.

By flexibly accommodating designs and prototypes for a wide range of applications, the number of new projects is increasing, such as endoscope instruments and bodies and components for IVUS and OCT systems for medical equipment manufacturers, as well as OA equipment, home electrical appliances, shoelaces, fishing lines, etc. for industrial equipment manufacturers. Furthermore, we are focusing on product verification activities for each project when preparing for mass production.

In addition, we are developing and improving the tool unit (operative forceps) of the ANSUR surgical support robot in response to the needs of surgeons. At the same time, we are contributing to the development of new fields by incorporating the assembly manufacturing of the robot body into the Device Division and building a sales expansion structure.

In Devices Division, we will continue to leverage our non-financial capital, including our unique material processing technology, precision processing know-how, facility customization capabilities, and global production and development systems, to create value and achieve sustainable business growth in the medical and industrial equipment fields through the provision of highly functional, high-value-added components that meet diversifying and sophisticated needs.



CHIKAI Nexus 014:  
guide wire for cerebrovascular treatment

## 5-1 On-Site Problem Solving through Innovation

# Strengthening social capital

## Cooperating with sites

### Medical Division

In recent years, we have developed products matching the needs of medical practice by strengthening our joint R&D system with highly experienced top doctors in each medical field. We sign contracts with top doctors and medical institutions in cardiology, peripheral blood vessels, neurovascular, and gastrointestinal fields, and together develop products based on the needs we hear of in clinical settings.

We also do this overseas, establishing a development division in the United States and building a system for reflecting local doctors' needs in prototypes, as well as incorporating the needs of doctors at home and abroad in product development.

In the simulation room located at the Global Headquarters and R&D Center, which recreates an actual operating room, we have top Japanese and foreign doctors try out our Group's technologies and products on proprietary human models that reproduce clinical issues for each developed product, so we can immediately apply their desires and feedback to our product development.

We also conduct joint research with several universities, research institutes and hospitals in software research and development.

### Device Division

Our Group's origins lie in the manufacture and processing of ultra-fine stainless steel wire ropes. Currently, in addition to manufacturing and processing ultra-fine stainless steel wire ropes, we are highly regarded in the manufacture and processing of resin products, and products in the device business are widely used as components in the medical equipment and industrial equipment fields. We meet our customers' diverse needs by developing components to their unique specifications in response to their requests.



## 5-1 On-Site Problem Solving through Innovation

## Strengthening Social Capital

### Cooperating with Sites

Our group has signed contracts with top doctors and medical institutions in each field, and together we develop products based on the needs we hear about in clinical settings. In addition, by exchanging opinions with local doctors at conferences held around the world, we incorporate the needs of clinical practice into our product development.

**We will open new doors for minimally invasive treatments in response to the voices of doctors around the world.**

#### Cardiovascular Field



Prof. Dr. med. Kambis Mashayekhi  
MEDICLIN Heart Center Lahr



Asahi Intecc understood what was needed for a global company. In addition, the company understood the importance of an approach satisfying the needs of each professional. This is why they are developing the business in a way that is appropriate for markets around the world.



Lei Ge MD, PhD  
Fudan University Zhongshan Hospital



Without Asahi Intecc's products, it would be impossible to perform complex chronic total occlusion (CTO) treatments. Thanks to its dedicated devices newly launched in China, the success rate and effectiveness of treatment of complex PCI procedures has dramatically improved.

#### Peripheral Vascular Field



Jihad A. Mustapha, MD, FACC, FSCAI  
Marion Heart Associates, P.A. Ocala Florida



I have seen Asahi Intecc deliver its innovative technologies that defy conventional common sense. Asahi Intecc's unique technologies, such as wires and catheters, have dramatically changed the course and outcome for patients after treatment.



Craig Walker M.D.  
Cardiovascular Institute of the South



CTO and severe calcification are still major issues in peripheral vascular treatment, and the key to successful treatment is whether the original vascular lumen (true lumen) can be secured. Asahi Intecc's guide wire penetration catheters provide excellent torque control and strong support, reducing the likelihood of wire deviation from the vascular path. This makes it easier for doctors to maintain an appropriate route for difficult lesions, leading to higher success rates.

#### Neurovascular Field



Adnan H. Siddiqui, MD, PhD, FACS, FAHA  
Jacobs Institute



The strength of Asahi Intecc's technology lies in the manufacturing of wires. As it controls the entire manufacturing process in house, Asahi Intecc is able to be much more flexible than its competitors in coating, resin, and wire types and shapes.

#### Abdominal Vascular Field



Daisuke Abo, MD, PhD.  
Hokkaido University Hospital



The Veloute 19 DM (abdominal vascular product) solves the trade-off problem of conventional technology and brings new value to the user by realizing a new concept. We are confident that this is an outcome that can be achieved only because of its advanced technology, and that this product represents Asahi Intecc's innovation and solid capabilities.

#### Gastrointestinal Field



Hirofumi Kogure, MD, PhD.  
Nihon University Itabashi Hospital



Because Asahi Intecc has advanced guidewire technology, they have developed several new guide wires since entering the field of endoscopes, which we have experience using. I have the expectation that they make guide wires beyond our imagination.

#### ANSUR: Surgery Support Robot



Masaaki Ito, MD, PhD.  
National Cancer Center Hospital East



The major feature of this product is that it enables one surgeon to accurately perform surgeries to be performed by three surgeons. In fact, we have already performed over 20 surgeries using a surgical robot since it was released. I feel that this technology will surely be used in the future, not only in Japan but throughout the world.



**5-1 On-Site Problem Solving through Innovation**

## Strengthening Intellectual Capital 1

### Strengthening R&D Structure

#### About Our R&D

As an R&D-oriented company, our Group has positioned R&D activities as one of the most important management priorities since its founding.

Our group has advanced and highly original material processing technologies based on its four core technologies (wire drawing technology, wire forming technology, coating technology, torque technology). In addition, by establishing an integrated production system from raw materials to finished products, we are able to develop and manufacture products with our own unique materials and functions.

This is an unusual strength specific to our Group, including technology circulation in the medical and industrial equipment fields, and technology collaboration between research and development bases in Japan and overseas production bases, which is rarely seen among our competitors. Taking advantage of these unique capabilities, recently, we have strengthened the collaborative R&D structure with top

doctors in various fields with extensive experience at the medical site and developed products closely related to the medical frontlines. This integration is a major factor in differentiating ourselves from competitors in the medical device field and continuing to supply products with competitive advantages.

#### Measures to Strengthen/Improve Our R&D Structure

We promote the development of new products in close cooperation with 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. The material and processing technology research results cultivated in our Japanese R&D bases are integrated in this center to lead to advanced product development.

In addition, to diversify and strengthen our R&D functions, we have established the Osaka R&D Center for basic technology development, the Tokyo R&D Center for next-generation medical device technology development, the Shizuoka R&D Center for resin technology development, and the

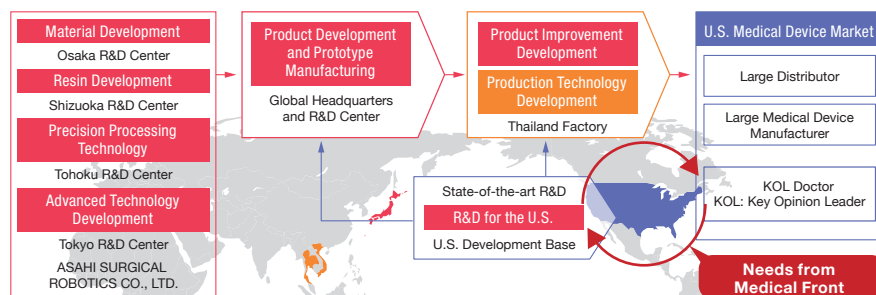
Tohoku R&D Center for precision processing technology development. In this way, we disperse risks while enhancing expertise at each base.

Overseas, Asahi Intecc USA, Inc., our consolidated subsidiary in the U.S. that serves as a sales base, has set up development functions to rapidly respond to needs and feedback from doctors for prototyping manufacturing and improvements.

In addition, we have set up a development division at ASAHI INTECC THAILAND CO., LTD., a consolidated subsidiary in Thailand, where the company's production base is located. The division is actively working to study product specifications and improve existing products. In the future, we will gradually transfer the development functions, such as material changes that are being implemented in Japan, to this Thailand development base (in the Thailand factory) to further strengthen the development structure of this base. By doing so, our domestic R&D base will specialize in high-value-added fields, and we will further enhance the efficiency and sophistication of our R&D system globally.

#### R&D System Covering Product Development from Upstream to Downstream

■ We strengthen our practical competence through the globalization of R&D systems, including prototyping.



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





## 5-1 On-Site Problem Solving through Innovation

# Strengthening Intellectual Capital 2

## Improving Technical Expertise (Technical Strategy/Intellectual Property Strategy)

### Measures to Strengthen/Improve Our Technical Expertise

In order to respond to rapidly changing market needs in a timely, precise fashion, we will continue to evolve our four core technologies, introduce new technologies and, through innovation based on synergy between core and new technologies, strengthen and improve our foundation of technical expertise.

With our four core technologies, we are constantly considering and working on how we can respond to new and sophisticated needs in the fields of medical devices and industrial components from new perspectives as well as how we can expand their applications to new materials or achieve new synergy between core technologies.

Furthermore, with technologies such as laser processing and precision processing, we strive to cultivate new core technologies. We have recently been promoting research into new underlying technologies such as sensors and plasma through external partnerships, proactively engaging in activities based on open innovation.

We are also combining and supplementing technologies to produce in-house synergy using these new technologies and our four core technologies.

### Intellectual Property Strategy

Asahi Intecc Group has established the intellectual property management rules to manage intellectual property. We protect the fruits of our new technology obtained by technical development as the foundation of our Group's activities

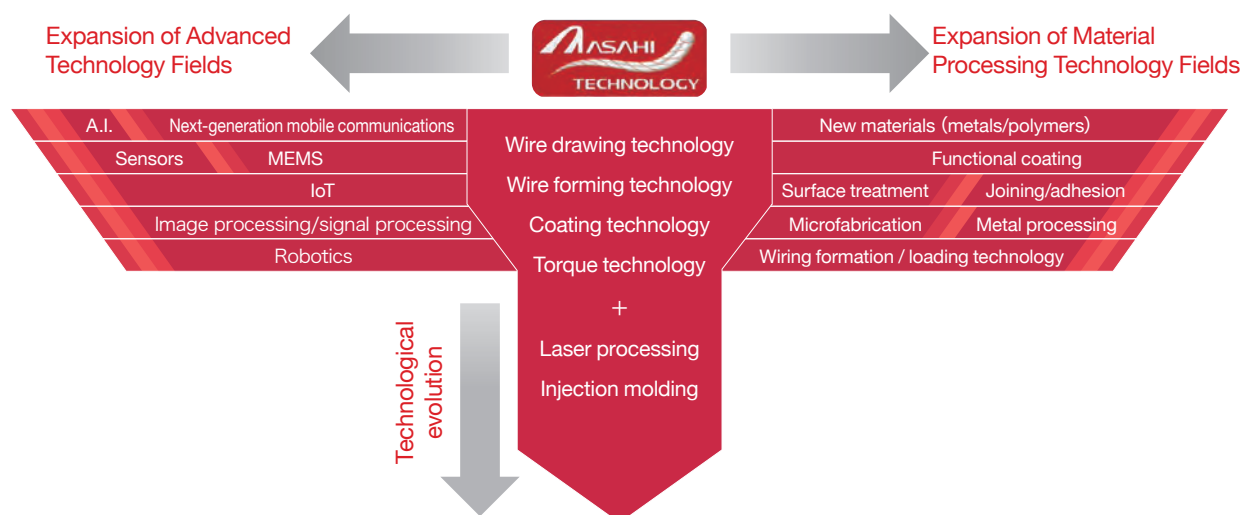
by applying for and obtaining patents. However, to avoid disclosing technologies in the patent application process, we have elected to keep our most important, most unique material processing technology inside the company and not apply for patents. On the other hand, in light of respecting the patent rights of other companies, all of our products are subject to patent clearance before they are put on the market.

As part of our efforts to strengthen and protect our company brand, we are actively involved in trademark and design registrations for products and technologies. As of the end of FYE June 2025, we held 1,014 patents and design rights worldwide.

### Actions for patent infringement and lawsuits

Our Group has built a system to catch patent infringements in a timely manner using a database dedicated for intellectual property that contains information on laws and regulations in countries around the world as the routine management system of intellectual property. Any infringement on intellectual property we own will be dealt with by the Intellectual Property Committee, chaired by the CEO, according to the management regulations.

### Evolution and Expansion of Our Group's Technology



## 5-1 On-Site Problem Solving through Innovation

## Strengthening manufacturing capital

### Measures to Enhance Production System

#### Production System

Our Group currently specializes in R&D and prototype manufacturing in Japan, while we have established the integrated production from materials to finished product in overseas factories (ASAHI INTECC THAILAND CO., LTD. [Thailand factory], ASAHI INTECC HANOI CO., LTD. [Hanoi factory], and TOYOFLEX CEBU CORPORATION [Cebu factory]). From the perspectives of risk management and BCP (business continuity plan), we are working to establish a system that enables all three factories to manufacture the same products so that in the event of one or more factories ceasing operation owing to local factors or otherwise, another factory can cover the majority of the lost production.

#### Measures to Strengthen/Improve Our Technical Expertise

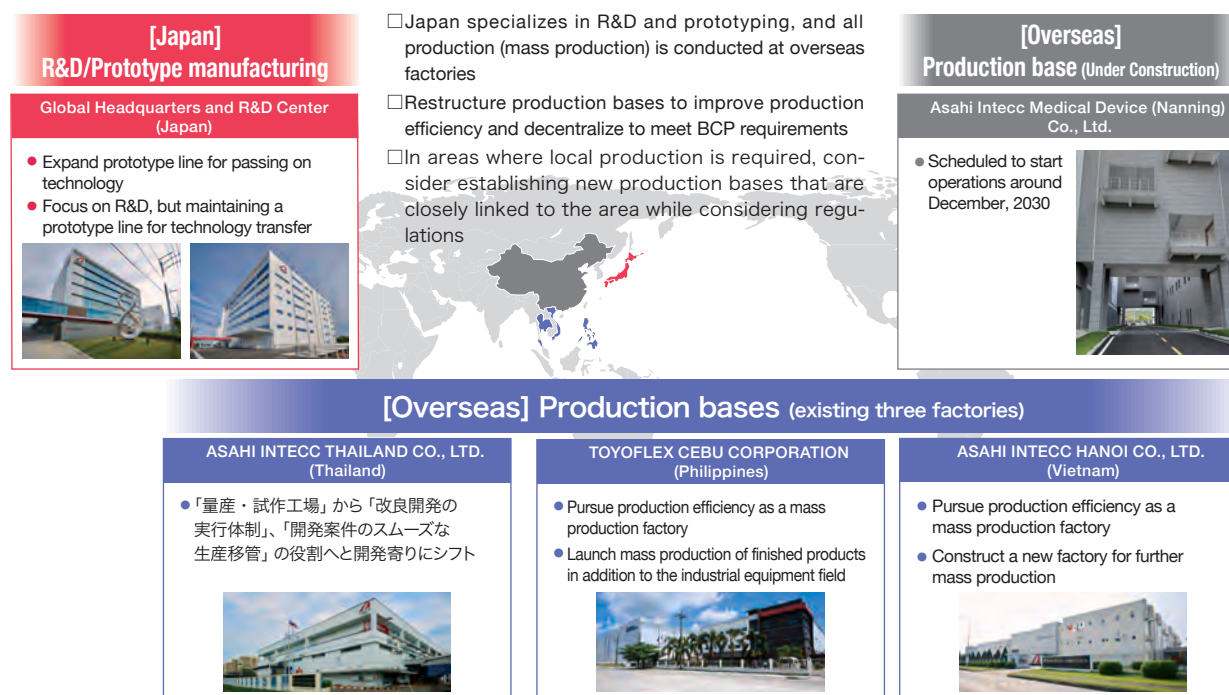
We continue to promote mechanization, labor force reduction, and automation in our mass production factories to further improve productivity and stabilize product quality. These activities are led by the engineers at each factory based on the expertise accumulated there. They include not only installing outside equipment but also prototyping, designing, manufacturing, and modifying core equipment and machinery at each base. The technical information learned from these activities is then shared among the bases (Thailand factory, Hanoi factory, Cebu factory, and Japan) to collaboratively strengthen and improve our technical expertise. We also continue to consider technologies compatible with IoT and are progressively implementing them at our mass production sites.

#### Measures to Enhance Production Platform

We have made numerous improvements to each overseas base (introducing equipment, machinery, and jigs, streamlining tasks, etc.) to improve productivity. Through these activities, we have enhanced our production platform. In addition, we have enhanced the Cebu factory's mass production system to promote the BCP (business continuity

plan). We have transferred production of the products manufactured at the Thailand factory and the Hanoi factory to the Cebu factory, increasing the number of products that can be manufactured there. For the transfer, we installed in the Cebu factory manufacturing equipment, machinery and jigs designed and built in the Thailand factory and the Hanoi factory, establishing a stable production line.

#### Global network of development and production (compartmentalization between Japan and overseas)



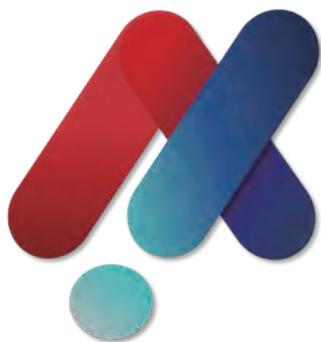
## 5-1 On-Site Problem Solving through Innovation

# Promotion of Digital Transformation (DX)

## Company-wide, cross-sectional promotion of DX

### Basic Policy for DX Promotio

Our group is promoting DX, internally referred to as AIX (Asahi Intecc Transformation), with the aim of transforming operations, business models, and corporate culture by leveraging data and digital technologies to further enhance the company's competitiveness. This initiative aims to contribute to our group's business growth and solving social issues through the promotion activities by focusing on two types of DX: CX (Customer eXperience), which enhances the value of products and services based on the needs of customers and society, and EX (Employee eXperience), which utilizes data and improves business processes based on the needs of employees.



DX internally referred to as "AIX"  
Asahi Intecc Transformation

### Development of AIX Promotion System

In order to effectively promote AIX, we introduced the position of the Chief Digital Officer (CDO) in FYE June 2023, and established the AIX Promotion Office in July 2023 to promote and strengthen company-wide, cross-sectional DX initiatives. The AIX Promotion Office works with existing organizations to support the promotion of individual projects, improve the IT environment, raise awareness within the company, develop human resources, and explore cutting-edge technologies in order to enable each organization to move forward with value creation and problem solving based on the hands-on approach. In addition, to formulate and promote the basic policy, strategy and action plan for DX for the entire company, the AIX Promotion Committee shares the status of activities across the Business Divisions once a quarter to make investment decisions and identify issues.

### Specific Initiatives to Promote AIX

In FYE June 2025, in terms of the CX, we are researching new technologies, developing new products, and conducting commercialization studies, centering on the R&D department. For EX, we are promoting the utilization of a company-wide data management infrastructure to promote the use of data. In addition, we are deploying a generated AI application environment at sites in Japan and overseas and using it in business operations. We are also developing a system for retrieval-augmented generation (RAG), an app version utilizing generated AI and proceeding with trials of extended use of in-house data.

In terms of human resource development, we are working to

improve business processes leading to higher productivity by supporting the development and retention of skills using generative AI, various data analyses, and no-code and low-code tools. With regard to human resource development related to the DX promotion, we consider the succession of "Challenge," "Practical Competence," "Self-Support," "Global Best," and "Creative Manufacturing Group," which are our DNA, as the basic policy and aim of improving DX literacy on a company-wide basis and further acquiring the digital skills of specialists who will be responsible for promoting DX. In FYE June 2025, the number of EX projects, including small-scale projects, exceeded 60, with a wide range of initiatives, including in-house data utilization, business use of generated AI, business automation using RPA, business application development, and construction of information dissemination sites.

We will continue to promote the development and utilization of new technology environments with a sense of speed. At the same time, through the promotion of AIX, we will continue to bring about innovation from the perspective of sustainability throughout the Group, promote value creation and problem solutions, and carry out reforms on a daily basis.



\*RAG environment: The system infrastructure for retrieving external knowledge and passing it to generative models to generate evidence-based answers.



## 5-2

## Strengthening Global Human Resources

We are working to strengthen our human resource base for global business expansion.

### Basic Approach

In 2013, Asahi Intecc Group formulated the Asahi Intecc (AI) Human Resources Vision, and we have been promoting value penetration and human resource development through the basic principles of “Challenge,” “Practical Competence,” “Self-Support,” “Global Best,” and “Creative Manufacturing Group,” which is our DNA.

In recent years, our group has been aiming for market expansion and growth on a global scale, and strengthening global human resources based on the AI Human Resources

Vision has become an urgent task in our international business development. To address this challenge, we have established the issues and goals as seen below from the perspectives of human resource management and cultivating a fulfilling workplace, with the aim of building a system that is suitable for a global company.

In order to pursue further growth in the future, we will develop human resources that understand diversity and that are capable of viewing things from a wide range of perspectives, thereby enhancing an organizational capacity that is suitable for a global company.

### Promotional Structure

To reinforce the initiative to strengthen our global human resources, we have established global human resource functions, thereby strengthening the support and cooperation of organizational development and human resources strategies (such as the establishment of various policies, recruitment, and human resource development), based on the penetration of Asahi Intecc’s DNA to Asahi Intecc Group’s companies and bases in Japan and abroad.

		Issues	Strategies and Targets		Actual Results for FYE June 2025	Goal
Strengthening global human resources	Human resource management	Penetration of human resources vision	Inheritance of ASAHI-DNA	Human resources for Fellow Course personnel (Asahi Intecc only) (persons)	3	—
			Fostering self-support	Practical competence improvement projects Number of registered groups (global) (groups)	47	—
		Reform of personnel system	Training global human resources	Number of foreign language training participants (Asahi Intecc only) (persons)	10	—
			Forming a creative manufacturing group	Ratio of R&D personnel (Asahi Intecc only) (%)	42.6	—
	Creation of fulfilling workplace	Creating safe and healthy workplaces	Health management Correcting long working hours	Average monthly overtime (Asahi Intecc only) (hours)	21.8	—
				Rate of taking paid leave (Asahi Intecc only) (%)	75.6	—
		Creating workplaces for a diverse workforce	Promoting the employment of people with disabilities	Employment ratio of people with disabilities (in Japan) (%)	2.76	—
				Promoting diversity	Promoting the success of women	Ratio of female managers (global) (%) <sup>*1</sup>
		Ratio of female managers (Asahi Intecc only) (%) <sup>*2</sup>	14.3			13% or more as of FYE June 2026
		Employment ratio of new female graduates (Asahi Intecc only) (%)	29.1			Maintain 25% or more
		Employment ratio of new female graduates in technical positions (Asahi Intecc only) (%)	20.5		Maintain 20% or more	
		Diversifying human resources	Ratio of foreign employees (global) (%)		82.8	—
			Ratio of foreign managers (global) <sup>*1</sup>	64.9	—	

<sup>\*1</sup> Calculated based on the managerial position criteria set forth in Asahi Intecc Group’s rules and regulations.

<sup>\*2</sup> Calculated by applying the disclosure standards of the Annual Securities Report.

## 5-2 Strengthening Global Human Resources

# Human Resource Management

## ① Measures for HR Vision Penetration

We are constructing an education and training system to promote value penetration and human resource development through the basic principles of “Challenge,” “Practical Competence,” “Self-Support,” “Global Best,” and “Creative Manufacturing Group,” which is our Group’s DNA. Position-based training provides staff members with training appropriate for each layer and required roles, and supports continuous growth of staff members. Particularly as an

R&D-oriented company striving for globalization in each field of sales, production, and development, we will focus more on engineer education and global education. The total number of annual hours of training offered to staff members is 11,813 hours, and the cumulative annual number of staff members receiving training is 2,420 in FYE June 2025.

### Human Resources Vision

	<div>ASAHI-DNA</div> <ul style="list-style-type: none"><li>• Viewpoint of ASAHI DNA</li><li>• Catch the Wave</li><li>• Speed × Decision × Response × Solidarity</li><li>• Three Actuals (Actual Place, Actual Material, Actual Situation)</li><li>• Hands-on Approach</li></ul>	Viewpoint of ASAHI DNA
<div>Global Best</div> <ul style="list-style-type: none"><li>• Contribution to Customers</li><li>• Pursuit of Best Practice on a Global Basis</li><li>• Only One×Number One</li></ul>	<div><div>Challenge</div><div>Challenge</div><div>Passion</div></div> <div><div>Dream</div><div>Realization of Dreams</div><div>Challenge Boldly</div></div>	<div>Creative Manufacturing Group</div> <ul style="list-style-type: none"><li>• Pursuit of Technical Skills and Expertise</li><li>• Meister Team</li><li>• Technological Innovation</li></ul>
<div>Asahi-Likeness / Viewpoint of Specialized Abilities</div>	<div>Self-Support</div> <ul style="list-style-type: none"><li>• Succeed as a Self-Supporting Person</li><li>• Self-Starting and Collaborative Organization, Self-Supporting Personnel Teamwork</li><li>• Pursuit of Performance: Contribution to Business Growth and Expansion of Business Performance</li></ul>	

## ① Inheritance of ASAHI DNA

To constantly manufacture products at a high level as an R&D-oriented company, Asahi Intecc Group considers the technologies and skills (know-how) that skilled technicians have cultivated as our assets, transmits them beyond the borders of generations and regions, and has established the AI Technology Academy for fostering human resources and business continuity and helping achieve improvements in added value to pass on these technologies to a wide range of people.

### 【Results】

■ 28 graduates from the Academy (as of the end of June 2025)



## 5-2 Strengthening Global Human Resources

### ②Fostering Self-Support

With the purpose of encouraging improvement and reform based on employees' own initiatives, various sites around the world have organized their own Practical Competence Improvement Projects, and these small groups independently establish their own activities and work to meet the targets. As of FYE June 2025, 47 groups are actively involved in this project, which involves voluntary improvements at manufacturing sites, mainly at overseas factories. In addition to result-oriented projects, such as newly implementing various methods and know-how in the development process, improving the efficiency in overseas manufacturing departments through process improvements, and optimizing inventory management, and projects that are deemed to have a high potential to impact the future have also received many awards. In recent years, there has been an increase in the number of activities aimed at promoting information sharing by visualizing vast amounts of data and diverse technologies in the value chain such as product development, manufacturing, logistics, and management. In addition, activities aimed not only at improving efficiency and streamlining but also at achieving a balance between



ASAHI INTECC EUROPE B.V.

quality and the environment have been born, and the intent of the Practical Competence Improvement Projects is steadily expanding.

Through these activities, we promote the development of human resources with high levels of ability to think for themselves and the strengthening of cooperative organizations, thereby fostering the self-support set forth in the human resources vision and contributing to the growth of business and the expansion of its performance.



ASAHI INTECC HANOI CO., LTD.



ASAHI INTECC USA, INC.

### ③Training Global Human Resources

We support smooth transfers overseas by providing language training to those who wish to or are scheduled to be transferred overseas and by strengthening their global communication skills and cross-cultural management. In addition, as part of our efforts to reinforce the development of global human resources, we are working to expand the Global Human Resources Development Program, including management skills for managers of the overseas bases. We offer training on the importance of diversity and how to get along with people from different cultures so that each employee engaged in overseas business and each employee who plays an active role at an overseas base can vigorously do his/her work with members with diversified backgrounds in our company.

### ④Forming a Creative Manufacturing Group

By promoting product development and manufacturing meetings with participation from all management and the R&D Division where employees can partake in free and easy discussions, we maximize the creativity and ideas of our employees and strengthen the human resources of the R&D Division. The ratio of employees in Asahi Intecc's Development Division is 43.6% (as of FYE June 2025), and we will strive to further expand the treatment area and develop the company's business by strengthening our R&D capabilities.

### ⑤On-Site Training by New Employees

Our company places importance on the *monozukuri* (manufacturing) site, and conducts one-week on-site training for all new employees at its Thailand factory after they have been employed for one year. We aim to optimize the group from a global perspective by understanding the actual production process regardless of department/division. During the COVID-19 pandemic, the on-site training was suspended owing to restrictions on overseas travel, but now it has gradually resumed and will continue to be held as a valuable opportunity to understand manufacturing.



ASAHI INTECC THAILAND CO., LTD.

## 5-2 Strengthening Global Human Resources

### ② Reform of Personnel System

Asahi Intecc Group puts emphasis on the following three points for human resources strategies toward strategic exploitation in the global market, establishment of our global R&D production development system, creation of new businesses, and establishment of our management foundation for sustainable growth.

- 1. Securing the human resources of management leaders to establish a strong management base**
- 2. Securing innovators to create new businesses and human resources with advanced technology and expertise**
- 3. Securing global human resources who can lead diverse human resources**

In order to achieve the above policy, we introduced a new personnel evaluation system in June 2020 as a measure to properly evaluate and motivate each employee.

The new personnel evaluation system consists of two evaluation classifications: One is competency (behavioral characteristics) evaluation defined in line with the AI Human Resources Vision; employees are evaluated as to how they change their behavior in their role in line with the AI Human Resources Vision. The other is performance evaluation; from the perspective of pursuing performance, evaluation will be reviewed based on target settings according to the role criteria for each class to improve the engagement of employees.

### ③ Development of Next-Generation Managerial Personnel

Since it is urgent for our group to secure human resources for management leaders in the future, we are promoting the discovery and development of human resources through training for executive candidates. The purpose of this training is to develop executive candidates who will be able to lead our group in the future. It is not just an input but practical, as it enables selected candidates to take on stretch assignments such as formulating management strategies.



Education by level			Engineer education	Global education	Self-help education
Executive coaching training			AI Technology Academy		
Training for personnel management	GM training TL training	Training for executive candidates		Training for the directors of overseas bases	E-Learning External training (e.g., MBA)
Technical training for each division		Training for business skills		Language training prior to being transferred overseas	
Training for freshman leaders				Overseas factory training	
Training for newcomers					

### ④ Establishment of AI Career Course: Career Paths for Special Professionals

We established the AI Career Course in July 2023. In addition to the conventional course (Management Course) aimed at fostering management leaders, we have established the Fellow Course, in which human resources outstanding in terms of skills and knowledge aim to become a fellow (special professional), with the aim of realizing a career path that matches the characteristics of human resources. As of June 2025, three technical personnel are assigned to the Fellow Course, and three persons further develop their skills and provide guidance to young human resources as a fellow.



## 5-2 Strengthening Global Human Resources

# Creating a Fulfilling Workplace

## ① Creating Safe and Healthy Workplaces (Health Management)

Securing the safety and health of working people is a social responsibility of the company and an important task to support sustainable growth. Our group is working to ensure the safety and health of our employees in all business activities and to create a comfortable working environment.

### Measures toward work-life balance

As part of our efforts to achieve a better work-life balance, we are working to reduce overtime hours, increase the paid leave utilization rate, and create an environment that allows for flexible work styles.

### ① Work-at-Home System (Teleworking)

The COVID-19 pandemic triggered the introduction of a teleworking system. Upon clarifying the rules for work attendance and treatment, we officially launched the work-at-home system in August 2021.

### ② Flextime System

The flextime system was introduced in July 2019 to improve the operational efficiency of employees and for work-life balance. The system started at some sites and was introduced at all sites in July 2024.

We will promote the flextime system so that employees can do their jobs comfortably.

### ③ Others

System for shorter working hours for childcare, slide working system, daycare use system Paid leave system that allows people to take paid leave on an hourly basis.

### Measures toward work-life balance

	FYE June 2023	FYE June 2024	FYE June 2025
Average monthly overtime (Asahi Intecc only) (hours)	24.4	23.9	21.8
Rate of taking paid leave (Asahi Intecc only) (%)	74.6	72.1	75.6
Flextime system Number of sites with flextime system (in Japan) (sites)	6	6	8
Voluntary turnover rate of regular employees (Asahi Intecc only)* (%)	6.1	6.5	5.1

\*Recruitment activities have increased with the end of the COVID-19 pandemic, and the turnover rate has increased. However, we recognize that our turnover rate is low compared to other companies' averages.

### Support for balancing medical treatment and jobs

To support employees that need cancer treatment, special work programs have been introduced. As of the end of FYE June 2025, 24 employees have used the system to continue working.

System	Special paid leave for cancer	Work schedule for rehabilitation period	Shorter hours for continued cancer treatment
Overview	Specially granted paid leave for up to 60 days when long-term treatment is necessary	After treatment, allows people to work on an hourly basis for up to one month after returning to work	Allows people to work on an hourly basis because of continued treatment

### Counselling service

We have introduced a counseling service for employees. In addition to the conventional medical consultation system conducted by an industrial physician from a medical perspective, individual employees are now able to easily consult with external specialists about their worries and concerns. There is total freedom with the content of the

consultation, including the workplace, family and relationship with friends, and we are promoting mental health care for employees.

### Setting up a training gym and distributing training videos

We have set up a training gym in our Global Headquarters and R&D Center to provide an environment for employees to use. In addition, we are promoting initiatives to improve employee health by distributing training videos internally by our company employees and fitness trainers to the entire group.



Training gym

### Cafeteria operation

The cafeteria established at our Global Headquarters serves not only lunch but also breakfast and dinner. Since our group has many employees who live alone or live away from home, we have created an environment where those employees can easily eat nutritious meals three times a day. In this way, we are working to improve the health of our employees through food, which is a fundamental aspect of health.



ANNEX building cafeteria



Global Headquarters and R&D Center cafeteria

## 5-2 Strengthening Global Human Resources

# ②Creating Workplaces for a Diverse Workforce

## Respect for human rights

### ①Basic Approach

Human rights are the most important and universal rights that every human being has, and at a time when human rights issues are becoming more and more of a concern, we believe that it is difficult to remain as a company that is needed in a global society without respect for human rights. As a global company contributing to healthcare around the world, Asahi Intecc Group will recognize the importance of respecting human rights in our business activities and earnestly work on preventing the occurrence of human rights issues and resolving them.

Our group has been taking measures and providing employee training to respect human rights for a long time. In May 2023, with the aim of spreading our view on human rights throughout the company and enhancing its effectiveness, we have formulated the Asahi Intecc Group Human Rights Policy with the approval of the Board of Directors.

\*See our website for details of the Human Rights Policy.

[Asahi Intecc Group Human Rights Policy](#)

### ②Participation in International Initiatives

Asahi Intecc signed the United Nations Global Compact (hereinafter referred to as “UNGC”), which is advocated by the United Nations, and was registered as a participant on May 15, 2023. We have continuously renewed our membership since then. We will contribute to the realization of a sustainable society by supporting and practicing the Ten Principles of the UNGC and further strengthening our commitment to sustainability. Details of UNGC-related

activities for FYE June 2025 are available on the UNGC website.

[UNGC Website](#)



### ③Education and Enlightenment

Regarding harassment, our directors and managers have received harassment training from external experts. In this training, all participants have submitted written pledges, and if discovered, harassment will be dealt with strictly in accordance with the rules for disciplinary action. See pages 72 and 129 for details.

### ④Correction and Relief

The ASAHI Group Compliance Hotline has been established as an internal reporting system for internal human rights issues such as harassment. In addition to the internal contact points for reporting and

consultation, we have established an external contact point attended by an attorney, and the name of any whistleblower and other information that could identify the whistleblower shall not be disclosed to parties related to the company without the consent of the whistleblower or reasonable grounds. At overseas bases, we have established a contact point for receiving consultation and reports at each base. See page 128 for details.

### ⑤Response to the Modern Slavery Act

Regarding matters related to the Modern Slavery Act, we constantly check legal and regulatory trends, including those overseas. We are working to establish a system that will allow us to respond without delay if implementation becomes mandatory.

### ⑥Approaches to Business Partners

Our group asks its suppliers and other business partners to respect human rights.

From FYE June 2022, our group has added items related to compliance with laws and social norms and environmental considerations to its conventional questionnaires for suppliers. As such, through our entire supply chain, we have been strengthening our efforts to respect human rights, such as by announcing our requests to suppliers that include human rights, the environment, and anti-corruption in FYE June 2025. We will continue to steadily implement measures to protect human rights by commanding a view of the entire supply chain.

See pages 70 and 71 for details.

## 5-2 Strengthening Global Human Resources

### ⑦ Human Rights Due Diligence

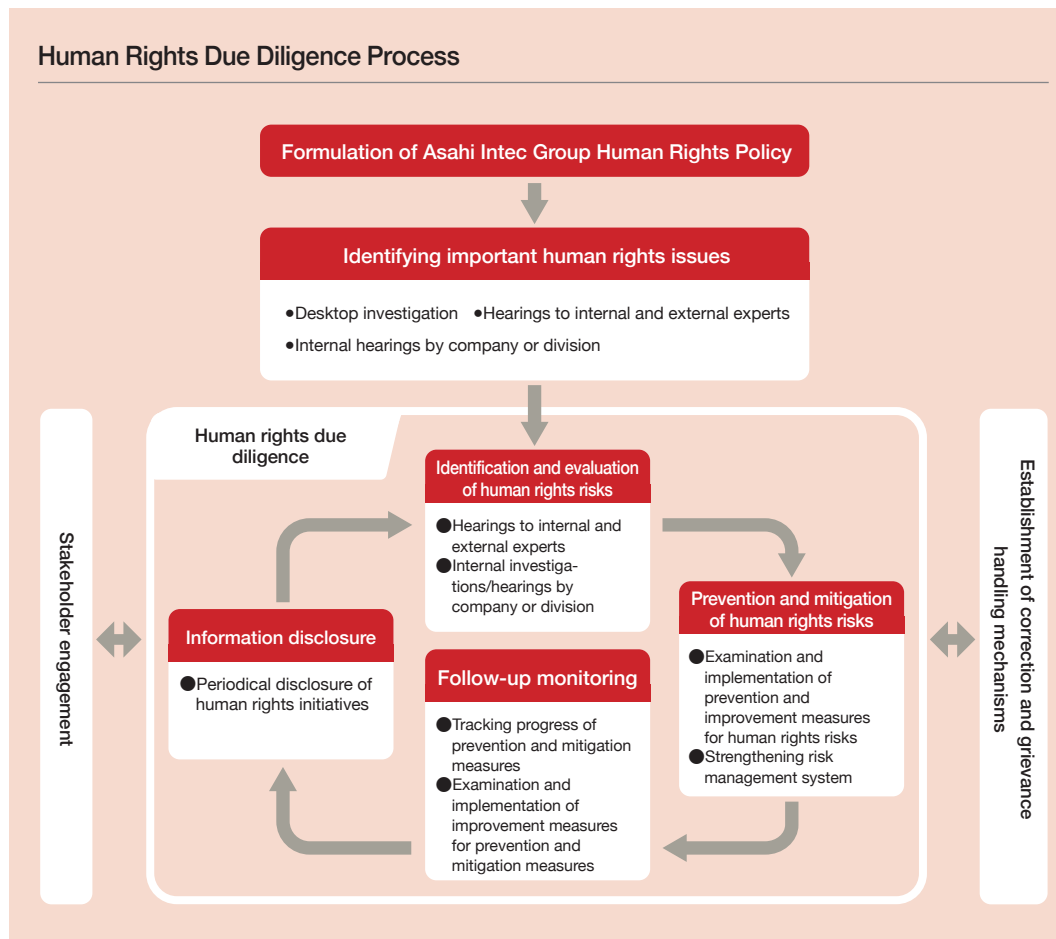
Asahi Intecc Group has established a mechanism for human rights due diligence to prevent or mitigate adverse impacts on human rights, by evaluating and identifying potential or actual risks and setting countermeasures for them. Regarding the planning and execution of human rights due diligence, we will refer to the procedures outlined in the United Nations Guiding Principles on Business and Human Rights, and proceed in stages from the items with the highest impact on society.

#### Promotional Structure

In FYE June 2023, Asahi Intecc Group has established the Human Rights Due Diligence Secretariat to strengthen the system for addressing human rights issues throughout the company. The Secretariat is composed of members from several departments, mainly the Legal Affairs Group, and is directed and supervised by the director and general manager of the Administrative Division.

In the event that human rights issues are identified during the due diligence process, they will be addressed in coordination with department heads from relevant companies in Japan and overseas.

#### Human Rights Due Diligence Process

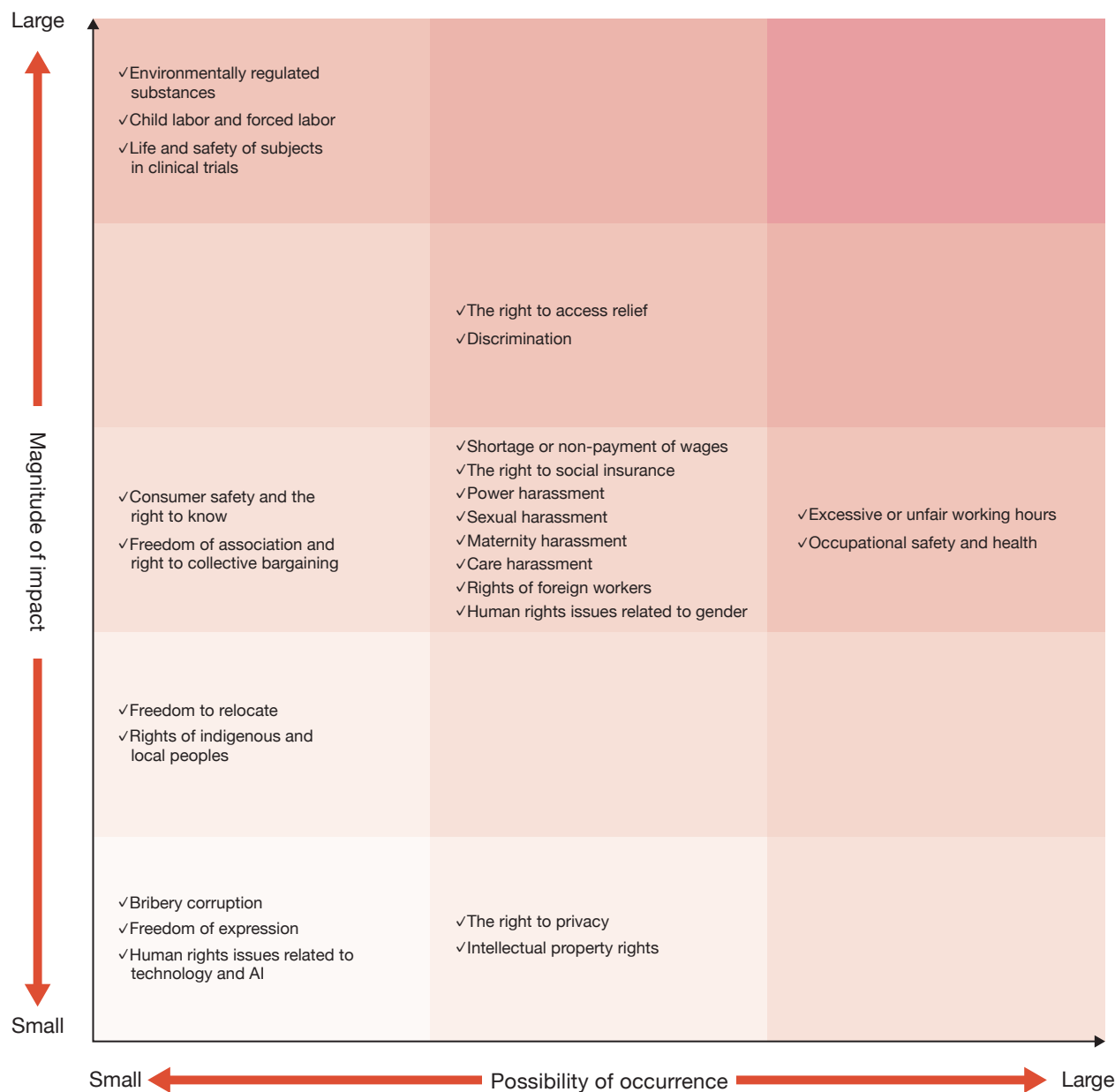


## 5-2 Strengthening Global Human Resources

### Risk Assessment

We have implemented the mapping for human rights issues that may be negatively affected by our group's business activities.

We consider these items to be the priority risk items to be dealt with in our group, and we will implement a detailed risk assessment based on the human rights due diligence process. We will work to solve problems for actual human rights risks and take measures to prevent the occurrence of the potential risks and mitigate their impacts.





## 5-2 Strengthening Global Human Resources

### Prevention of Harassment

Asahi Intecc Group has set the Asahi Intecc Harassment Prevention Policy for all employees and workers who work for our group, including full-time employees, part-time employees and temporary workers. In addition to providing education and implementing measures for harassment prevention on a regular basis, we have also established the internal reporting system.

See page 128 for details on the internal reporting system.



### Engagement with Employees

Asahi Intecc Group values opportunities of dialogue between management and employees so that our employees listen to the voices of upper management and voluntarily take actions to solve management issues. Company-wide meetings are held to convey the details of voting in regular management meetings directly to our employees. In addition, the in-house social networking service Asahigram and in-house publication AINET provide information to be shared between employees and upper management.



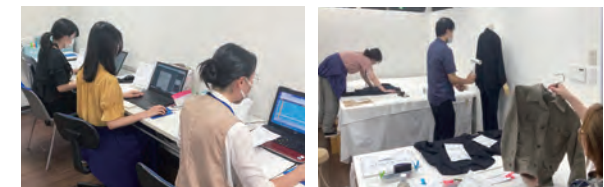
### Promoting the employment of people with disabilities

From the perspective of disability welfare, we aim to fulfill our corporate social responsibility and expand our contributions to society. In FYE June 2019, we made Ficus Co., Ltd., which is certified as a Continuous Employment Assistance Type A\* company, a wholly owned subsidiary, and by outsourcing a portion of Asahi Intecc Group's operations to Ficus, we have worked to expand the employment of people with disabilities. The employment rate of people with disabilities stands at 2.76% (FYE June 2025), ensuring the legally mandated rate of 2.5%. In addition, in July 2023, Ficus Co., Ltd. moved its head office near the station, and is steadily expanding its business scale while contributing to society as our unconsolidated subsidiary.

\*Continuous Employment Assistance Type A: Support services that conclude employment contracts, etc., to provide opportunities for employment and productive activities, as well as other training necessary for the improvement of knowledge and skills needed for employment to persons who are unable to be employed at ordinary businesses but capable of working under employment contracts.



It is conveniently located just a one-minute walk from Hongo Station on the Nagoya Municipal Subway.



Ficus Co., Ltd.

## 5-2 Strengthening Global Human Resources

### ③ Promoting DE&I (Diversity, Equity and Inclusion)

With the aim of increasing corporate value through the diversification of human resources, we, Asahi Intecc Group, are striving to create an environment in which individual employees can fully realize their potential regardless of nationality, race, gender, age, or disability. Moreover, with development on a global scale, we will proactively employ foreign nationals globally, which will lead to increased corporate value through the diversification of human resources.

We have established the Diversity Promotion Project to reform corporate culture and are working on increasing the ratio of foreign nationals, mid-career hires, and women in managerial positions in order to ensure diversity in the recruitment of core human resources. The ratio of foreign nationals and mid-career hires in managerial positions is currently high at over 50% each. We have not set any targets because we have already secured sufficient diversity.

#### Ratio of foreign employees / Ratio of foreign managers

	FYE June 2023	FYE June 2024	FYE June 2025
Ratio of foreign employees (global) (%)	86.2	84.0	82.8
Ratio of foreign managers (global)* (%)	65.9	60.5	64.9

\*Calculated based on the managerial position criteria set forth in Asahi Intecc Group's rules and regulations.

#### Ratio of mid-career hires in managerial positions

	FYE June 2023	FYE June 2024	FYE June 2025
Ratio of mid-career hires in managerial positions (global)* (%)	54.7	57.6	60.3

\*Calculated based on the managerial position criteria set forth in Asahi Intecc Group's rules and regulations.

#### Promoting the success of women

Asahi Intecc Group proactively promotes the success of women such as recruitment of female employees and appointment to managerial positions. We have arranged a system design where work and childbearing can be easily balanced by introducing a short-time work system, a flextime system, and a work-at-home system. In the survey of employees' attitudes, these measures have earned a reputation for being a comfortable work place for female employees. At Asahi Intecc Group, the ratio of women in management positions is relatively high at 33.5%, and we believe that the organizational culture of actively appointing women in managerial positions has taken root globally.

On the other hand, the ratio of women in management positions is 14.3% at Asahi Intecc, which shows that overseas employees have higher motivation to become a manager than Japanese employees. To reform such a corporate culture, we conducted panel discussions in which not only our female managers and employees participated but also female managers from other companies were invited. In the discussions, they talked about their experiences of how those who originally did not aim to become a manager have changed since becoming a manager, the benefits of becoming a manager, and the balance between family and work. By sharing their experiences, we encourage female employees to come into contact with new values and raise their awareness of managers.

The content of the panel discussions is distributed throughout the company using the internal e-learning system, and we also conduct surveys and solicit opinions from employees. The ratio of women in managerial positions is maintained at 30% or more for the entire group, and we have set the goal of exceeding 13% at Asahi Intecc.

#### Ratio of female employees / Ratio of female managers

	FYE June 2023	FYE June 2024	FYE June 2025	Goal
Ratio of female employees (global) (%)	76.2	73.7	73.8	—
Ratio of female managers (global)*1 (%)	36.3	35.8	33.5	Maintain 30% or more
Ratio of female managers (Asahi Intecc only)*2 (%)	12.0	12.3	14.3	13% or more as of FYE June 2026

\*1 Calculated based on the managerial position criteria set forth in Asahi Intecc Group's rules and regulations.

\*2 Calculated by applying the disclosure standards of the Annual Securities Report.

#### Gender pay gap

	FYE June 2023	FYE June 2024	FYE June 2025
Gender pay gap (Asahi Intecc only) (%)	61.1	61.2	62.2
Gender pay gap of regular workers*1	82.0	81.7	80.1
Gender pay gap of part-time and fixed-term workers*2	24.3	27.3	30.9

\*1 Although there is no difference in wages between men and women in the wage system and wage structure, the difference is attributable to the small proportion of female workers in the upper level of regular workers and the fact that the average length of service of women is about two years shorter than that of men.

\*2 Although there is no difference in wages between men and women in the wage system and wage structure, the difference in the wages of men and women, such as part-time and fixed-term workers, is attributable to differences in employment status based on employment contracts. Treatment of re-employment employees after retirement age is determined based on the job description and qualifications prior to retirement, which is a factor causing differences.

#### Employment ratio of new female graduates / Employment ratio of new female graduates in a technical position

	FYE June 2023	FYE June 2024	FYE June 2025	Goal
Employment ratio of new female graduates (Asahi Intecc only) (%)	26.5	33.3	29.1	Maintain 25% or more
Employment ratio of new female graduates in technical positions (Asahi Intecc only) (%)	21.9	33.3	20.5	Maintain 20% or more

## 5-2 Strengthening Global Human Resources

### Promotion of taking childcare leave

Our group recommends both male and female employees to take childcare leave.

In order to promote a culture in which both men and women can actively take childcare leave, we hold panel discussions among male and female employees who have taken childcare leave.

During the panel discussions, we encouraged our employees to get in touch with new values and overcome the hurdles of taking childcare leave, regardless of gender, by asking male managers with respect to the new values, knowledge, and experience they have gained through the experience of single childcare leave (a wife returning to work and a husband taking a leave of absence alone to become the full childcare provider), as well as female managers, to talk about their concerns during their leave of absence and when they return to work, and the support they wish to receive in balancing work and family life.

The content of the panel discussions is distributed throughout the company using the internal e-learning system, and we also conduct surveys and solicit opinions from employees. The ratio of men taking childcare leave is currently 68.0%, and we aim to maintain the rate at 50% or higher in the future.

#### Rate of taking childcare leave by male and female employees

	FYE June 2023	FYE June 2024	FYE June 2025	Goal
Rate of taking childcare leave by female employees (Asahi Intecc only) (%)	100.0	100.0	90.0	—
Rate of taking childcare leave by male employees (Asahi Intecc only) (%)	54.5	57.7	68.0	Maintain 50% or more

### Measures to promote diversity (LGBT)

Asahi Intecc Group respects the diversity of its employees and promotes an environment in which individual employees can work to be themselves.

In August 2023, we endorsed the Seto City LGBT Friendly Corporation System, which is being implemented by Seto City, home of our Global Headquarters and R&D Center, and registered with the system.

This system was introduced by Seto City to contribute to the promotion of understanding of LGBT and other sexual minorities, with the aim of realizing a society in which individuals respect human rights, recognize the diversity of sexuality, live to be themselves and succeed and thrive.

Our group will continue to develop an environment for a fulfilling workplace while striving to coexist with local communities in the future.



## 5-2 Strengthening Global Human Resources

# Voices of Those Who Have Taken Childcare Leave



Solo childcare, which I experienced many times, and balancing it with a managerial position supported by the system

**Keijiro Akutsu**

Team Leader, Legal Affairs Division, Asahi Intecc Co., Ltd.

I have been engaged in legal affairs in the administrative division, and have focused on corporate risk management, including the preparation and review of contracts and response to compliance. Since 2021, I have also been managing a team within the Legal Affairs Division. I started thinking about taking childcare leave by myself in 2018 when my third child was born. Until then, my wife took childcare leave, and with the help of our parents, we put our children into a nursery school and worked full-time. However, raising multiple children while working on a full-time basis was burdensome and caused great anxiety. Just around that time, a questionnaire about working styles was conducted in our company, and the system of short working hours was expanded. Shorter working hours are now available until a child reaches the fifth grade of elementary school, and the company has shown its willingness to support positively a balance between work and childcare. Taking advantage of the expansion of this system, I daringly consulted with my boss about childcare leave and shorter working hours after returning to work, and he replied that the department would willingly support me. Since then, I took childcare leave upon the birth of my third and fourth child and have also been working shorter hours. I feel that childcare leave has improved the balance of sharing housework and childcare, and more than anything, has deepened family ties. After returning to work, I am able to work flexibly, and it was during my short working period that I was assigned to a managerial position. I am able to maintain high motivation at work without being affected by family circumstances on my job evaluation. Recently, other male employees have also taken childcare leave and have been able to interact with each other as fathers. I feel that an environment is in place to choose childcare leave naturally. In the past, there were relatively few men taking childcare leave, but now there are more men pushing strollers on the streets and picking up and dropping off their children at nursery schools. Our company supports both men and women who strive for work and childcare. I hope that an environment where people can cherish time with their families while working becomes more widespread.



Panel discussion to increase the rate of childcare leave taken by male employees



The value of childcare leave experienced as a development leader

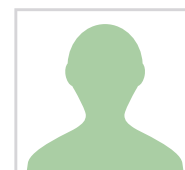
**Yuki Kato**

Team Leader, Medical Product Development Group, Asahi Intecc Co., Ltd.

Since joining the company, I have been involved in the development of guidewires and catheters. I am currently in charge of product development and management of members as a team leader of the guidewire development team in the Neuro and IVR Product Development Group.

I took two months of childcare leave to coincide with the birth of my second child. When I asked my boss about taking it, he readily agreed, and I remember him being rather caring and asking me, "Is two months enough?" In addition, the team members also willingly took over my duties during the leave, and I was able to take childcare leave with worry.

Through childcare leave, despite the short period of time, I was able to realize the difficulty and joy of childcare and gain a deeper understanding of the feelings of those who take childcare leave. This was an extremely valuable experience for me both privately and professionally.



Supported by a workplace where co-workers say "welcome back"

**Yuki Taki**

Business Development Group, New Business Development Division Asahi Intecc Co., Ltd.

After being assigned for about two years in the development section, I am currently in charge of mainly collaborative facilitation and interpretation work with a start-up company. In February 2025, I took two months of childcare leave for the birth of my second child. Guidance on the submission of various advance application documents and everyone's responses were quick and easy to understand, which was very helpful during a stressful time when my wife was expecting a baby. The childcare leave period was a time when I keenly felt the gratitude of being able to spend time with my family. Not only was I able to share the physical and mental burden of my wife, but I was also able to focus on the mental care of my eldest son, who was suffering from mental stress because my wife had to completely devote herself to the care of our second child. I think I spent a very meaningful time during that period. When I returned to the team, they greeted me "Oh, welcome back" in a homely atmosphere, and I was able to return to work with a calm mind. I'm so grateful.



## 5-2 Strengthening Global Human Resources

### Voices of Active Women



**Management that creates an environment where younger employees can continue to take on challenges with diverse expertise**

**Masako Manabe**

Group Manager, Clinical Development Group, Asahi Intecc Co., Ltd.

I am responsible for the system development and human resource development in the Clinical Development Division. The mission of the Division is to contribute to improving the quality of healthcare through scientific-evidence-based development in collaboration with members with diverse expertise. Our company has a system to support flexible working styles that enable sustainable career development while incorporating individual life events. Under the corporate culture of supporting the individual challenges regardless of gender, the major attraction is that cooperation and consultation among divisions are easy while maintaining discretion as manager. In the future, I would like to support a workplace where diverse human resources can demonstrate their abilities by creating a system allowing for younger employees to take on the challenge for their growth through their own initiatives, regardless of gender or life stage.



**Becoming a person who supports challenge and innovation as a female manager  
—Supported by a corporate culture that embraces challenges**

**Yumi Horio**

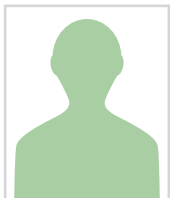
Team Leader, Import/Export Management Group, Asahi Intecc Co., Ltd.

As the leader of the team responsible for the import/export of products to overseas customers, I am involved in building a logistics system. I am always aware of reform as a leader, and I am working to build a more efficient and flexible system in the rapidly changing global market and logistics environment. As a manager, I try to support the growth of each of my subordinates, proactively create opportunities to take on new challenges and high goals, and closely follow the progress and the matters to be addressed for each individual. I feel that moving side-by-side with the team members on a daily basis has led to their growth, raising the level of the entire team and their revitalization. Our company has a culture in which everyone, whether male or female, can take on challenges, and there is also a system in place to support different life stages, such as childcare leave and family care leave. I expect those who aim to become managers to have a firm understanding of the company's vision and direction, chart their career paths, think about their roles and contributions, and act proactively.



## 5-2 Strengthening Global Human Resources

### Voices of Active Women



Applying my experience to current management as a pioneer of taking childcare leave

**Yuki Yoshioka**

Team Leader, Marketing Communication Team, Asahi Intecc Co., Ltd.

Since joining the company, I have belonged to the marketing department. At first, I produced product catalogs and other promotional materials while in charge of mainly clinical and academic areas in the cardiac field. After that, I was responsible for setting up the product website and creating "Ichiyaku Branding" guidelines to unify the brand of all products. Currently, I plan and manage international conferences held in Japan.

I took childcare leave for about one and a half years ten years ago. At that time, there were only a few people around me who had taken childcare leave and returned to work, so it was not common practice within the company. However, I decided to take a leave of absence until my child turned one year old, and after that, I worked hard to search for daycare so that I could return to work as soon as possible. Remote and flexible working systems offered by a company are important for mothers who are working while raising children. In our company, such systems have gradually been established, and the understanding for the systems and support of superiors and those around me were very encouraging.

I am currently in a management position, leading diverse teams that include members who work while raising children. I also want to make it important to create an environment where everyone can move forward without giving up their career while making use of the power and flexibility cultivated through childcare.



Warm words and a solid system that supported the return from long-term childcare leave  
—Supported by the reassurance of a nursery school next to my workplace

**Erina Noro**

Cash Management Group, Asahi Intecc Co., Ltd.

I joined the company in 2012 after graduating from commercial high school, and after two years of experience in the accounting group, I was assigned to the Cash Management Group in 2014. I was in charge of and had extensive experience in deposit and withdrawal processing, deposit management, accounts receivable management, and outstanding receivables management. During that time, I had also acquired business automation skills. I took childcare leave for two years from April 2023 to April 2025. I was provided with an environment where I could work from home during pregnancy before childcare leave, and consideration was also given to the content of my duties after returning from the leave. After returning from the childcare leave, even if I had to take a short break owing to my child's poor health conditions, there was a backup system in the department, which made it easy for me to take a break. Since I use a company-led nursery school near our head office, I have peace of mind because of its proximity.

I was nervous and anxious about returning to work, but thanks to the warm words of my superiors and people around me, I have been able to work positively on balancing childcare and work.



## 5-2 Strengthening Global Human Resources

# Voices of Global Human Resources

Asahi Intecc Group is striving to create an environment in which individual employees can fully demonstrate their abilities and be duly recognized for their achievements regardless of nationality, race, gender, age, or disability. Although there are many overseas bases in our Group, exchanges between local employees and between local employees and Japanese employees are also taking place proactively, creating a corporate culture in which all employees work together in the same direction regardless of their individual circumstances, such as nationality, race or gender. We will continue to respect diversity and promote the creation of an environment in which individual employees can work as they are, thereby increasing corporate value through the diversification of human resources.



**Strong presence and growth in the Chinese market through China-Japan collaboration and corporate culture**



**Yanjun Zhou**

Executive Vice President

ASAHI INTECC Scientific (Beijing) Co., Ltd.

When Asahi Intecc products first entered the Chinese market, the company where I used to work was fortunate to become the first commercial partner to collaborate with ASAHI INTECC. Personally, I joined Asahi Intec Scientific (Beijing) Co., Ltd. on January 1, 2018 and became a member of this family. Currently, as an executive vice president, I am responsible for all aspects of daily business operations, including product sales, marketing, bidding, and logistics. Thanks to the clear guidance and wise leadership of the president of our Chinese subsidiary (see page 43) and the close cooperation of our colleagues in each division, our day-to-day operations are efficiently managed, and this is the foundation for the Chinese subsidiary's stable growth. Coronary intervention surgery in China has been developing since 1984 and has undergone 41 years of evolution to date. Since its entry into the Chinese market, Asahi Intecc has established a leading position in product characteristics and advantages that other companies do not have, as well as in specific product areas within the industry. We are particularly proud of our guide wire products, which have established a

leading position in the Chinese domestic market.

Superior products are generated from the spirit of monozukuri (manufacturing) and are recognized by the market, but what is even more essential is corporate culture. Our employees have overcome day-to-day difficulties with specialized skills, effective collaboration and accurate decision-making. As a global company dedicated to specialized fields, our employees in Japan and China maintain effective communication and actively promote exchanges, further demonstrating our advanced capabilities as a global company.

There is an old Chinese saying, "Where there is a will, there is a way." Based on the unwavering vision of the president of the Chinese subsidiary, all of our employees will continue to make efforts to contribute to the development of Asahi Intecc Group.

## 5-2 Strengthening Global Human Resources

### Voices of Global Human Resources



Global quality assurance supported by a corporate culture and climate that respects true diversity



**Cynthia Valenzuela**  
Director, Quality Systems  
ASAHI INTECC USA, INC.

Since I joined ASAHI INTECC USA Inc in November 2018, I have taken on a progressive leadership role while leveraging my regulatory expertise and commitment to quality. In 2023, I also served as Director of Quality System and Quality Engineering, overseeing the administration of AIU's quality management system and each function of quality assurance, quality control and quality technology. I am proud that I have guided and nurtured the team and worked to ensure continuous improvement and company-wide compliance. As Director of the Quality Systems Department since June 2025, I have been focusing on continuously improving internal quality systems and document management, and instilling a quality-oriented culture throughout the organization. As for the corporate culture of Asahi Intecc Group, I feel that true diversity is at the core of our global organization. At our sites around the world, local employees lead culturally appropriate business operations, and our Japanese colleagues consistently embody Asahi Intecc's core values. This dynamism creates an inclusive work environment where people respect each other, everyone has a voice, and their ideas are taken seriously.

As for teamwork at Asahi Intecc, all employees work together toward a common goal. The slogan "Your Dreams. Woven Together." not only represents our mission to provide innovative, high-quality medical devices in a customer-oriented manner, but also represents the way we work within the company. Each employee aligns his or her own dreams and goals with the company's vision and makes every effort to contribute to patients and technological innovation through collaboration and mutual respect. I will continue to do my utmost to seek better quality and cultivate a better corporate culture.



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## 6-1

## Measures to Reduce Environmental Burden

We will promote measures to reduce the environmental burden and contribute to a sustainable society.

### Basic Thinking

Our Group contributes to society by working proactively to conserve the environment, aiming to harmonize our corporate activities, mainly in the design, manufacturing, and sale of medical devices and industrial equipment, with the global environment.

### Promotional Structure

Our group's activities to reduce environmental impact are promoted through both the governance of the Board of Directors and the voluntary improvement activities of each employee. The Board of Directors sets strategies and KPIs and oversees progress, while all employees carry out improvement activities in their daily work. Environmental considerations have taken root in the corporate culture.

#### Top-down promotion of environmental activities

Recognizing the importance of reducing environmental impact, our group is actively engaged in company-wide environmental conservation and protection activities, including obtaining environmental ISO certification and supporting TCFD Recommendations.

➔For specific measures, see "Environmental management" on the next page, "Information Disclosure based on TCFD Recommendations" on page 86, "Measures to Reduce Greenhouse Gas Emissions" on page 89, and "Measures to Conserve Natural Capital" on page 91.

#### Bottom-up promotion of environmental activities

All of our group's employees understand the importance of reducing our environmental burden and work proactively to conserve and protect the environment, including company-wide environmental activities.

➔For specific measures, see from "company-wide environmental activities" on the next page through "Measures to Reduce Greenhouse Gas Emissions" on page 89.

### Environmental Policy

Our Group has established the following policy with the aim of contributing to society by promoting environmentally conscious production activities and environmental conservation and protection in our business activities, which are mainly the design, manufacturing, and sale of stainless steel wire ropes, design and manufacturing of catheters and guide wires, and manufacturing and sales of metal wire rope processing equipment.

- 1 We will comply with relevant laws, regulations, and other agreed-to requirements.
- 2 We will accurately understand the impact of our business activities on the environment, perpetually set appropriate environmental objectives and targets, continually improve our impact on the environment, and engage in the following key activities to prevent environmental pollution and assure environment protection.
  - We will promote resource saving and energy conservation.
  - We will reduce, separate, and recycle waste.
  - We will provide products that take environmental conservation and protection into consideration.
  - We will thoroughly manage chemical substances.
  - We will utilize purchased goods useful for environmental improvement.
- 3 Through environmental education, we will raise the awareness of and support each employee in taking responsibility for environmental conservation and protection activities.
- 4 We will inform everyone who works for us of this environmental policy and share it publicly.

## 6-1 Measures to Reduce Environmental Burden

### Promotion of Environmental Management and Company-Wide Environmental Activities

#### Governance

For information on governance, see “Governance” under “Information Disclosure based on TCFD Recommendations” on page 86.

#### Environmental management (top-down promotion)

##### Obtaining ISO 14001 certification

Our group has established an environmental policy for each major base of the Device Division and obtained the international environment management system standard ISO 14001. On the other hand, for the Medical Division, although we have not acquired ISO 14001 certification, strict compliance and safety throughout the raw materials, packaging materials, secondary materials, and manufacturing processes are required by laws and regulations of the countries where relevant products are sold. These laws and regulations clearly specify the requirements for environmentally hazardous substances, and by complying with these regulations, we are able to ensure that we make necessary environmental considerations. For this reason, in the Medical Division, we do not set restrictions on the use of environmentally hazardous substances at the product design stage, but our environmental compliance is ensured through the management of chemicals adhering to the laws and regulations.

##### Implementation of environmental audits

At the business sites that have acquired ISO 14001 certification, we conduct regular internal audits to reduce environmental risks. We analyze the causes of problems identified in these audits and implement measures to prevent recurrence. In addition, we continuously check whether the measures are functioning properly and improve our environmental management.

→ For other measures, see “Information Disclosure based on TCFD Recommendations” on page 86, “Measures to Reduce Greenhouse Gas Emissions” on page 89 and “Measures to Conserve Natural Capital” on page 91.

**Status of ISO 14001 certification**  
(as of the end of FYE June 2025)



Asahi Intecc Co., Ltd.  
Osaka R&D Center



ASAHI INTEC  
THAILAND CO., LTD.



TOYOFLEX CEBU  
CORPORATION

#### Provision of environmentally friendly products

Our group considers the impact on the environment from the product design stage and selects materials and manufacturing processes with less environmental impact to realize a circular economy. We also contribute to the realization of a sustainable society by educating all employees of the importance of providing environmentally friendly products and by promoting voluntary efforts from the business forefronts.

Our group's guide wire has a unique structure that increases durability (resistance to deformation that maintains operability) during treatment by using our core technology. This reduces the number of guide wires used in a single operation, contributing to the reduction of medical wastes. In addition, our group's penetration catheters use a proprietary metal structure, the ACT ONE (multi-threaded coil), to increase the volume ratio of metal and reduce the amount of resin used compared with conventional products. This structure also contributes to the reduction of microplastics.

#### Company-wide environmental activities (bottom-up promotion)

##### Promotion of company-wide environmental activities

Asahi Intecc Group has launched the Asahi Sustainability Activity (ASA) as a global environmental initiative with the participation of all our group employees, with the aim of raising environmental awareness among them by setting “continuous company-wide promotion and penetration of ESG centered on the environment” in our Management Policy. In addition to raising employees' awareness for the environment through company-wide participation, we intend to accumulate ideas and know-how that are effective in reducing the environmental burden by sharing excellent activities, and to strengthen company-wide response capabilities to environmental problems.



##### Implementation of environmental education

As part of environmental activities with the participation of all employees, our group holds environmental education seminars every year, inviting outside lecturers with specialized knowledge. The purpose of the seminars is to raise the environmental awareness of employees actually involved in environmental activities. Topics covered include global trends in environmental regulations, the latest energy-saving and resource-saving technologies, carbon neutrality, biodiversity conservation, waste reduction, and regional contribution. We also introduce examples of other companies' efforts to improve the quality of our group's environmental activities. Seminars are distributed online so that they can be viewed on demand, and an e-learning system is in place to enable all employees to learn at any time. With this approach, we have created an environment in which employees at all business bases in Japan and overseas can continuously acquire environmental knowledge and utilize it in their daily work and community activities.



## 6-1 Measures to Reduce Environmental Burden

# Interview with Officer in Charge of Environmental Affairs

Matsumoto, the officer in charge of environmental affairs, will give an explanation about initiatives and the significance of promoting environmental management through an interview format.

## Promotional system for environmental management

Q: Under what kind of system are environmental initiatives promoted?

Asahi Intecc Group is promoting environmental management through both a top-down approach by management and a bottom-up approach by employees. The Board of Directors sets environmental goals linked to management policies, and each division develops a system allowing for voluntary action. In this context, my main role is the promotion of bottom-up activities. As a bottom-up activity, we are promoting the Asahi Sustainability Activity (ASA), in which all employees participate. Through this activity, we are performing a variety of improvements rooted in our daily operations, including energy conservation, resource recycling, and environmentally-conscious product design.

### Top-down Environmental improvement involving management decisions and investment

- Examine and implement strategic reduction measures
- Develop environmentally friendly products, etc.

Current  
activity

### Bottom-up Implementation and stabilization of environmental policy

- Propose and implement CO<sub>2</sub> reduction at the site level
- Propose and implement environment-conscious improvements, etc.

## Munechika Matsumoto

Senior Executive Officer  
Asahi Intecc Co.,Ltd.

Since joining the company in 1979, he has consistently been engaged in the Device Division and contributed to the development of stainless-steel components, the company's core technology. He became director of the company in 2016 and executive director in 2021. In September 2025, he became senior executive officer due to the retirement of a director. Recently, Matsumoto is promoting bottom-up environmental activities as an environmental officer.



At each site, a system is established in which each employee makes proposals, and new improvements are made there. The results of these activities are shared company-wide at the ASA results presentation meeting held once a year, and outstanding initiatives are awarded to raise employee motivation. Through this system, environmental activities are not merely measures to be taken internally but are stabilized as part of the corporate culture in which all employees partake.



ASA results presentation meeting



## 6-1 Measures to Reduce Environmental Burden



### Approach to climate change and CO<sub>2</sub> reduction

**Q: How do you position response to climate change in the management?**

We see climate change response as an important issue to achieve both sustainable growth and enhanced corporate value. In particular, reducing CO<sub>2</sub> emissions is a top priority, and we have set a target of reducing Scope 1 and 2 emissions by 30% compared to FYE 2022 level by 2030. We also aim to maintain the FYE 2023 level on a per unit sales basis for the entire supply chain (Scope 3).

These policies are being implemented through company-wide activities at the site level. By balancing bottom-up improvement proposals with management support, we are producing tangible results. For example, we are working to reduce the environmental impact in a manner suitable to each site such as introducing high-efficiency equipment at the manufacturing sites and promoting paperless operations in the administrative divisions.

### Specific initiatives and results

**Q: As bottom-up activities, what were the specific activities and results?**

About two and a half years after the company-wide implementation of environmental activities, 30 sites in Japan and overseas (about 90% of the total) participated, and a total of 639 improvement proposals were submitted. A variety of initiatives are being promoted on a voluntary basis, including energy and resource conservation, waste reduction, and awareness raising.

The introduction of a high-efficiency chiller system at the Thailand factory is a good example of management's swift approval and support for the proposal from the site, which

resulted in an annual reduction of approximately 2,600 tons of CO<sub>2</sub> emissions (approx. 5.4% of the company's total emissions).

In addition, activities to reduce the use of copy paper promoted at all sites resulted in a reduction of approx. 310,000 copies per month (approx. 2 tons of CO<sub>2</sub> equivalent) by reviewing printing settings and introducing electronic approval. This is the result of continuous efforts of individual employees in their daily work. In addition, employee-led cleanup volunteer activities are spreading in each region. Many employees participate in clean-up activities on local roads, rivers, parks, etc. and interact with the local community by wearing original bibs bearing our company logo. This embodies our social responsibility as a company and enhances the trust of the local community and brand value. These efforts can be said to be the symbolic result of all-employee participatory environmental management, which is born from the interaction between the on-site ingenuity and the upper management support.

### Challenges and learning in promotion

**Q: Were there any difficulties or areas of particular endeavor in promoting the activities?**

The compatibility of environmental performance with product quality, safety, and manufacturing costs is a major issue. Because medical devices require high quality and safety, switching to materials and processes with lower environmental impact requires careful consideration. For this reason, we have established a system to conduct research and development of new materials and manufacturing technologies by assessing their environmental impact from the design stage. As a result, we position environmental response not as constraints but as opportunities for



High efficiency chiller at Thailand factory



Environmental activities in Cebu



Original bibs with Asahi Intecc logo

## 6-1 Measures to Reduce Environmental Burden

new value creation. There were differences in infrastructure, cultural background, and cost awareness between domestic and overseas sites. In Japan, the concept of the 3Rs (Reduce, Reuse, Recycle) is widespread in education and social awareness, but in other countries, the depth and systems of environmental education differ from country to country. Nevertheless, our company's overseas bases, particularly in the EU, China, and Southeast Asia, are highly aware of the environment, and are actively engaged in voluntary improvements and community collaboration activities.

### Positive effects on management and business

**Q: What effects have environmental response had on the business and organization?**

Environmental activities have effects of improving employee engagement and other benefits. In particular, at the ASA results presentation meeting, the initiatives are shared across departments and regions, and a corporate culture in which all employees participate is established throughout the group. In addition, through volunteer activities and community collaboration, contacts with local residents have been established. I feel that recognition of the company as a trusted company and a company rooted in the community has expanded. These activities also serve as an opportunity for each and every employee to be proud of the company.

### External collaboration and future directions

**Q: How do you promote cooperation with external parties such as governments and local communities?**

We promote co-creation with local communities through

cleanup activities and tree-planting activities in cooperation with local governments and environmental education cooperation with local schools. We are also actively incorporating external support, such as the introduction of highly efficient facilities through administrative subsidy programs. Through these efforts, local communities, governments, and companies are working together to build a foundation for decarbonization.

### Future prospects

**Q: What do you think are the key themes for the future?**

In the future, we must further promote decarbonization throughout the supply chain and deepen cooperation with our business partners and subcontractors. As a responsibility of the manufacturing industry, we also aim to reduce the environmental impact of our products throughout their life cycles by adopting the use of materials with low

environmental impact and promoting the collection and reuse of products. At the same time, we will continue environmental education and enlightenment activities to pass on the all-employee participatory environmental management to the next generation.

### Significance of environmental management

**Q: Finally, what does environmental management mean for the Asahi Intecc Group?**

At our company, environmental management is a symbol of our culture in which all employees think and act on their own initiative. Upper management presents policies and resources, and the sites respond with creativity and execution. This interaction supports sustainable environmental improvement and value creation. We will apply the knowledge we have cultivated through this system to achieve both social value and business growth.



## 6-1 Measures to Reduce Environmental Burden

# Climate Change Adaptation Measures

## Information Disclosure based on TCFD Recommendations

As the impact of climate change intensifies year by year and public concern grows, companies are also required to take proactive measures. The Task Force on Climate-related Financial Disclosures (TCFD), established by the Financial Stability Board (FSB), requires companies to disclose information about climate change-related risks and opportunities in its final report released in 2017.

Based on our experience with past flood damage in Thailand and typhoon damage in Philippines, Asahi Intecc Group recognizes that addressing environmental issues, including climate change, is one of the critical challenges. Our Group declared our endorsement for TCFD Recommendations in August 2022. We will actively promote disclosure of information on climate change in accordance with the four themes (governance, strategy, risk management, and metrics and targets) defined by the TCFD.

## Governance

Our Group's basic policy is to actively engage in environmental conservation and to contribute to a sustainable society through our corporate activities in general, aiming to harmonize our corporate activities, mainly in design, manufacturing, and sale of medical devices and industrial equipment, with the global environment. In addition, our environmental efforts including climate change adaptation measures are set as one of the important issues of establishing management structure for sustainable growth in our Medium-Term Management Plan.

Our Group has established a system for the Board of

Directors to appropriately supervise important issues related to sustainability, such as climate change. In particular, important matters related to management risks and opportunities are reported by the Director in charge of Environmental Affairs and the Director in charge of ESG to all Directors, including outside directors, and are reflected in our Group's management strategy after discussion at the Board of Directors.

## Strategy

As the environmental burden on the earth increases, we believe that it is impossible to carry out corporate activities without realizing a sustainable society. In particular, for life-saving medical devices, we believe that disruptions to the supply chain and a decline in the ability to supply due to the intensification of global disasters are not only business risks but also social risks.

Our group's business activities may also be affected by future tightening of environmental regulations and increased risks of natural disasters caused by rising temperatures. Based on such environmental awareness, we conducted scenario analysis in accordance with the 1.5°C scenario (NZE 2050)\* presented by the International Energy Agency (IEA), the 2°C (and less than 2°C) scenario (SDS)\*, and the 4°C scenario (RCP 8.5)\* presented by the Intergovernmental Panel on Climate Change (IPCC), etc. See page 87 for details on scenario analysis.

\* Scenarios for limiting the global average temperature to around 1.5°C/2°C (and less than 2°C)/4°C above compared with levels prior to the industrial revolution.

## Risk management

Concerning the matters that have a significant impact on our Group's management, including climate change-related risks, the Board of Directors will discuss and examine risk assessment, countermeasures, and preventive measures, and manage the climate change-related risks that are assessed and identified. For risk management, each department implements measures to respond to risks. Climate change-related risks are recognized by the Corporate Strategic Office, and important risks are reported to the Board of Directors. We will continue to follow up on climate-related risks based on the TCFD Recommendations and will continue the establishment of a management system of climate-related risks, including collaboration with company-wide risk management.



## 6-1 Measures to Reduce Environmental Burden

### Analysis of impacts on climate change

In the 1.5°C scenario and the 2°C (and less than 2°C) scenario, transition risks are assumed such as tighter energy conservation regulations, introduction of carbon taxes and emissions trading, environmental regulations and price increases for key materials. In the 4°C scenario, physical risks such as supply chain disruptions and suspension of

operations at manufacturing sites due to disasters such as floods and typhoons are assumed to be particularly increased, and the increased risk of developing intravascular diseases could be an opportunity for our group to supply products that can contribute to improving the efficiency of the medical forefront. In order to deepen the analysis of the impact of climate change on our group's business and to

further study countermeasures, we conduct a quantitative assessment of the financial impact (estimated value) of climate change on our group relative to FYE June 2024. There is no major change in this situation for FYE June 2025. Based on these predictions, each group company conducts risk and opportunity analysis for each business field and shares it with the Board of Directors.

Risks/ opportunities	Important risks	Risks and opportunities in our group	Impact(period in which impact becomes obvious / financial impact / importance)			Countermeasures
Transition risks	Strengthened decarbonization policies and regulations	Risks of increased costs due to tighter regulations on greenhouse gas emissions and the introduction of carbon taxes and emissions trading*1	Medium term	1.5°C scenario: Approx. -1 billion yen (2030) 2°C scenario: Approx. -1 billion yen (2030)	Medium to large	<ul style="list-style-type: none"> <li>•Promotion of initiatives to reduce CO<sub>2</sub> emissions</li> <li>•Use of renewable energy</li> <li>•Switching to low-carbon alternatives</li> <li>•Lighter packaging</li> </ul>
		Risks of increased costs due to increase in infrastructure-related costs accompanied by various tighter regulations, including regulations on greenhouse gas emissions*2		1.5°C scenario: Approx. -900 million yen (2030)		
	Reduction of plastics, shift to materials with low environmental burden, and increase in material prices	Risks of rising prices of key raw materials*2	Medium term	1.5°C scenario: Approx. +700 million yen (2030) 2°C scenario: Approx. +100 million yen (2030)	Medium	<ul style="list-style-type: none"> <li>•Globalization of pharmaceutical organization</li> <li>•Strengthening research on new materials</li> </ul>
		Risks of increased R&D and SG&A expenses due to the search for new materials, changes in product design, and response to pharmaceutical issues		—		
	Reputation risk due to delayed response to climate change	Risks of a decline in corporate value due to a delay in responding to climate change, resulting in a decline in stakeholder evaluation	Medium term	—	—	<ul style="list-style-type: none"> <li>•Strengthening sustainability management</li> <li>•Enhancement of information disclosure</li> </ul>
Physical risks	Increased frequency and scale of meteorological disasters (heavy rain, floods, typhoons)	Risks that supply chain disruptions could disrupt the procurement of raw materials from suppliers and disrupt the supply from manufacturing subsidiaries to sales destinations*3	Long term	4°C scenario: Approx. -200 million yen	Small	<ul style="list-style-type: none"> <li>•Climate change risk assessment for suppliers</li> <li>•Conducting questionnaire for suppliers</li> <li>•Examination of alternative purchasing methods</li> <li>•Examination of alternative production and sales routes</li> </ul>
		Risks of inundation of the factory and equipment due to river flooding around the manufacturing site, resulting in temporary difficulties in operation*4	Long term	4°C scenario: Approx. -2.9 billion yen	Large	<ul style="list-style-type: none"> <li>•Climate change risk assessment at production bases</li> <li>•Diversification of production bases</li> <li>•Examination of measures for bases where large-scale inundation is expected</li> </ul>
		Risks of submergence and incapacity of manufacturing sites due to rising sea levels associated with rising temperatures*5		4°C scenario: Approx. -29.5 billion yen		
	Rise in temperature	Risks of increased maintenance and management costs for production facilities due to higher average temperatures	Long term	—	Small	<ul style="list-style-type: none"> <li>•Replacement of air conditioning equipment, etc.</li> </ul>
Opportunities	Increased risks of developing intravascular diseases	Opportunities to supply products that can contribute to increased efficiency at the medical workplace*6	Long term	4°C scenario: Approx. +4.8 billion yen (2050)	Large	<ul style="list-style-type: none"> <li>•Strengthened R&amp;D</li> </ul>

Note: In calculating the impact shown on the right, we used reasonable methods based on available information. However, research results, information, and data that are the sources of information for each scenario are those at the time of the scenario study, and the impact estimates analyzed and calculated based on these scenarios are inherently uncertain.

\*1: The impact is calculated on the assumption that our company will bear the carbon tax assumed in each scenario for its CO<sub>2</sub> emissions (SCOPE1 + SCOPE2) if no reduction is made from the CO<sub>2</sub> emissions for the FYE May 2025.

\*2: The impact is calculated on the assumption that the increase in power generation costs due to changes in the power supply mix resulting from the tightening of greenhouse gas emission regulations will be passed on to electricity fees.

\*3: The impact of a temporary suspension of operations by suppliers of major raw materials at their manufacturing bases due to river flooding is calculated based on the impact on our Company and the possibility of occurrence.

\*4: The impact of a temporary suspension of our operations at our manufacturing bases due to river flooding is calculated based on the impact and the possibility of occurrence.

\*5: The impact of inundation of our manufacturing sites due to rising sea levels caused by rising temperatures (maximum value if we did not relocate our factories) is calculated.



## 6-1 Measures to Reduce Environmental Burden

### Metrics and targets

In line with SBTi's 1.5°C-level reduction target\*, our group has formulated a medium-term CO<sub>2</sub> emissions reduction target of reducing CO<sub>2</sub> emissions (Scope 1 + 2) from our group's business activities by 30% from FYE June 2022 by 2030.

As for CO<sub>2</sub> emissions from the supply chain (Scope 3), we aim to maintain the level of FYE June 2023 by basic sales unit. In Scope 3, the majority are emissions in Category 1 (purchased products and services). However, since our group's main business is the manufacturing and sale of medical devices, it is more difficult than in other industries to make changes to purchased products. Therefore, we believe that it will be difficult to significantly reduce emissions. On the other hand, reducing CO<sub>2</sub> emissions is an important issue for our group to address, so we are working on the reduction not only in our group but also in cooperation with our suppliers throughout the entire supply chain.

### Scope1+ Scope 2

CO<sub>2</sub> emissions from our group's business activities decreased by 0.1% year on year for the group as a whole, and emissions per unit of sales decreased by 10.6%, as a result of energy-saving activities and improved production efficiency accompanying productivity improvements.

We believe that the volume of CO<sub>2</sub> emissions from our group's business activities is relatively small compared to the scale of its sales. However, in addition to improving the efficiency of manufacturing processes and energy conservation activities such as diligently saving electricity, we will consider and implement comprehensive initiatives, including the conversion to renewable energy in the future.

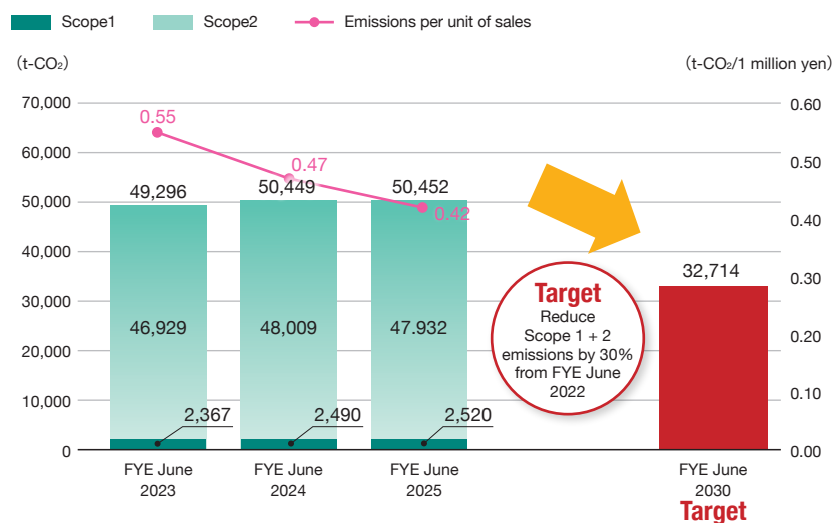
### Scope 3

Our group is working to reduce CO<sub>2</sub> emissions throughout its entire supply chain by, for example, conducting a questionnaire regarding environmental considerations for major suppliers and selecting more environmentally friendly materials after considering the impact on the environment from the design stage.

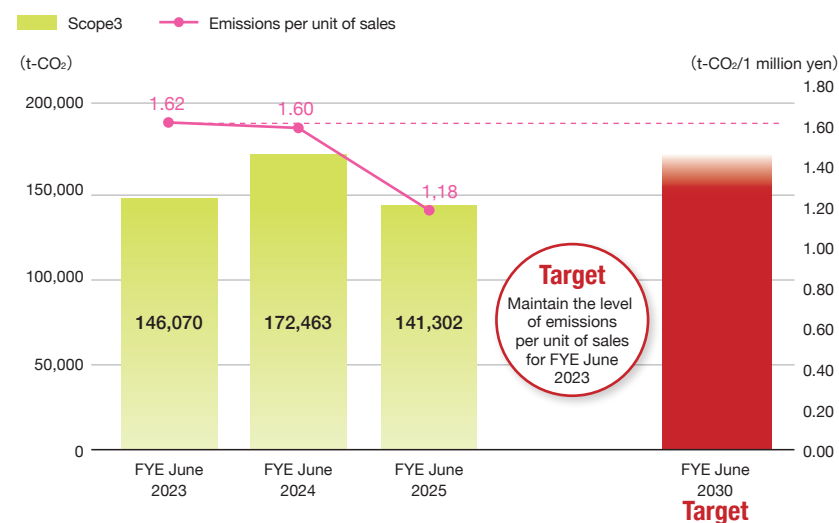
CO<sub>2</sub> emissions under Scope 3 decreased 18.1% year on year, and emissions per unit sales decreased 26.3% year on year. The main reason for this reduction is that in the previous fiscal year, Category 2 emissions temporarily increased significantly owing to the construction of the Research and Development Building.

➡ See "Non-Financial Summary" on page 137 for data by category.

### Scope 1 + 2 emissions



### Scope 3 emissions



## 6-1 Measures to Reduce Environmental Burden

### Measures to Reduce Greenhouse Gas Emissions

Although our group's business structure does not require the use of large amounts of energy, all of our business sites view the reduction of greenhouse gas emissions associated with their business activities as an important challenge and are working on energy conversion and energy efficiency (saving energy) with the aim of contributing to solving climate change issues.

#### Use of renewable energy

In order to shift to cleaner sources, our group has installed solar panels at its major overseas production plants in Thailand and Cebu, as well as at the Global Headquarters R&D Center in Japan, and is promoting the use of renewable energy. We will continue to actively consider the introduction of solar panels in Japan and overseas.

At present, the use of renewable energy is limited only to that generated by solar panels, but we will also consider proactively the procurement of electricity derived from renewable energy to further reduce CO<sub>2</sub> emissions.



Global Headquarters R&D Center

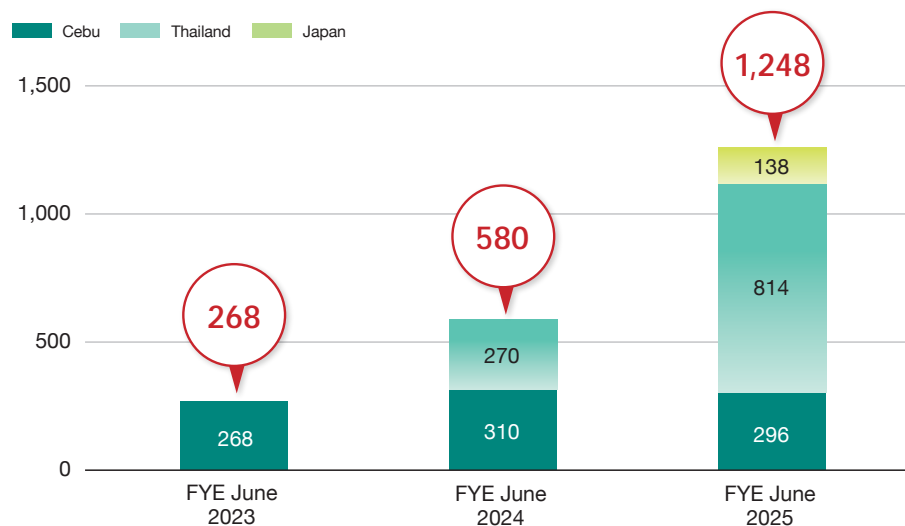


Cebu Factory



Thailand Factory

#### Amount of renewable energy generated at each site



#### Promotion of energy efficiency (saving energy)

Our group recognizes that reducing CO<sub>2</sub> emissions by reducing energy consumption in its business activities and improving energy efficiency is an important issue. We are promoting initiatives that prioritize the introduction of environmentally friendly equipment (green purchasing) and reduce power consumption by improving processes. When renewing or introducing new equipment, we evaluate not only the purchase price but also the energy consumption and life cycle cost, and select equipment with low greenhouse gas emissions, aiming to create continuous energy-saving effects.

#### Specific measures

- Introducing high-performance chillers, energy-saving boilers, high-efficiency motors, etc.
- Introducing LED lighting and automatic control (human sensor/timer)
- Reducing power consumption through process improvement
- Reducing logistics fuel consumed by domestic relays by sending products from overseas manufacturing bases directly to clients and agents
- Introducing machinery and equipment for automated power-saving (Hanoi Factory)
- Using low fuel consumption vehicles such as hybrids for company cars
- Ensuring that lights are turned off frequently
- Participating in environmental preservation activities at each site, etc.

## 6-1 Measures to Reduce Environmental Burden



Replacement with high-performance chillers  
(Thailand Factory)

### Promotion of environmentally conscious purchasing and resource conservation

Our group places importance on reducing resource consumption and promoting reuse in the procurement of office supplies and materials other than equipment. By actively adopting recycled materials and environmentally conscious purchasing (green procurement), we are promoting company-wide initiatives that lead to resource recycling and waste reduction.

#### Examples of our initiatives

- Change from plastic pallets to paper pallets
- Reuse of plastic cushioning materials
- Preferential use of environmentally certified products

These efforts are closely related to measures to conserve natural capital.

➡ See pages 92 for details.



Paper pallet



Reuse of plastic cushioning materials

## External Evaluation and Certification

### Selected for Inclusion in FTSE Blossom Japan Sector Relative Index

Our company was selected for inclusion in the FTSE Blossom Japan Sector Relative Index\* adopted by the GPIF in 2022. Going forward, we will further strengthen our ESG initiatives and information disclosure in line with the expectations of our stakeholders, and promote sustainability management that simultaneously enhances social value and corporate value.

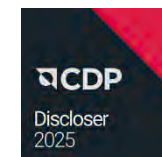


**FTSE Blossom  
Japan Sector  
Relative Index**

\*The index was compiled by FTSE Russell, a global index provider, and is designed to measure the performance of Japanese companies that demonstrate outstanding environmental, social, and governance (ESG) initiatives. As of June 30, 2025, 683 stocks were selected.

### Achieved B score in CDP2025 (climate change)

Our group received a “B” score in the CDP2025 Climate Change Questionnaire administered by the Carbon Disclosure Project (CDP), an international environmental non-profit organization. The B score corresponds to management level, where a company recognizes the risk and impact related to environmental problems and is planning and taking strategic actions to manage them, and is ranked third from the top among eight levels (A, A<sup>+</sup>, B, B<sup>+</sup>, C, C<sup>+</sup>, D, D<sup>+</sup>). We will continue to strengthen our sustainability initiatives, including those related to climate change, in order to maintain and improve our scores.



## 6-1 Measures to Reduce Environmental Burden

# Measures to Conserve Natural Capital

## Policy and Basic Thinking

Our group enjoys various benefits from natural capital through its business activities and may have various impacts on it. We recognize that considering and striving to maintain and conserve natural capital, including biodiversity, is an important environmental issue, and we will work to conserve natural capital through our business activities and social contribution activities.

## Governance

Our group's basic policy is to actively engage in environmental conservation and to contribute to a sustainable society through our corporate activities in general, aiming to harmonize our corporate activities, mainly in development, manufacturing, and sale of medical devices and industrial equipment, with the global environment. In addition, our environmental efforts, including measures to maintain biodiversity and natural capital, have been identified as one of the important issues under "Build a strong management foundation for sustainable growth" in our Medium-Term Management Plan.

Our group has established a system for the Board of Directors to appropriately supervise important issues related to sustainability, such as climate change. In particular, important matters related to management risks and opportunities are reported by the director in charge of environmental affairs and the director in charge of ESG to all directors, including outside directors, and are reflected in our group's management strategy after discussion at the Board of Directors.

## Information Disclosure Based on TNFD Recommendations

In addition to addressing climate change, our group has begun to consider how to address nature-related risks and opportunities in light of international trends in biodiversity and natural capital. In particular, we recognize that the TNFD\* Recommendations published in 2023 become increasingly important as a trend for international information disclosure, and we have set a target of disclosing nature-related information based on the TNFD Recommendations by around 2030.



\*Taskforce on Nature-Related Financial Disclosures: an international organization established to build a corporate risk management and disclosure framework for natural capital.



## 6-1 Measures to Reduce Environmental Burden

### Initiatives for Each Theme

#### Examples of community contribution and biodiversity initiatives

As part of its efforts to contribute to local communities and promote biodiversity, our group is actively promoting community-based environmental preservation activities by its employees and is conducting a variety of activities at its business sites in Japan and overseas. In Japan, our employees are actively involved in community cleanup volunteer activities at the Global Headquarters R&D Center, Osaka R&D Center, Nagoya Office, Shinagawa Office, and Tohoku R&D Center. In addition, we prepared original bibs with our company logo to enhance the sense of unity and awareness of our activities. Employees wear these bibs during cleanup activities, etc., which helps us increase the sense of unity about the measures at each site. The players and staff of our women soccer team, Asahi Intecc Loveledge Nagoya, are also making contributions to the local community as part of the domestic environmental activities at their training bases, such as cleaning the area around Asahi Intecc WOVEN FIELD and planting daffodil bulbs.

At the Cebu Factory, we are continuing our efforts to improve the local environment, including planting 500 trees for the purpose of regenerating local forests and preventing soil erosion, supporting school gardens using waste wood, providing vegetable seedlings and forage grass, and providing plastic containers that can be reused as rainwater tanks. These activities have produced multifaceted effects, such as reducing CO<sub>2</sub> emissions, reusing waste materials, utilizing rainwater, and supporting environmental education for children. Our group will continue to pursue environmental conservation activities rooted in local communities through cooperation between local communities and our employees at the domestic and overseas sites.

#### Donation to the Keidanren Nature Conservation Fund (KNCF)

Our group has donated to the Keidanren Nature Conservation Fund. The fund is used not only in Japan but also in various countries and regions, including the Asia-Pacific region, to support projects conducted by NGOs, etc. in various countries, such as natural resource management, environmental education, tree planting, and protection of rare animals. Through this donation, we will strive to realize a society that coexists with the natural environment and conserves biodiversity.



Volunteer cleaning activities at Osaka R&D Center, Makio River upstream, Izumi City



Cleanup activities by employees of Global Headquarters R&D Center at the riverbed in front of Seto City Hall



Planting daffodil bulbs by players of Asahi Intecc Loveledge Nagoya



Tree planting by employees of Cebu Factory



Sowing seeds in school gardens using waste wood

## 6-1 Measures to Reduce Environmental Burden

### Measures to reduce and recycle waste

Our group works to reduce waste and reuse resources in the following ways:

- Promoting digitalization of internal documents using IT systems
- Limiting printed distribution of meeting materials, etc.
- Recycling manufacturing materials (metals)    • Thoroughly separating garbage
- Reducing food waste in employee cafeterias at each site
- Reducing PET bottles (microplastics) by promoting the use of personal reusable bottles
- Participating in a vaccine program to collect PET bottle caps

Because the majority of the medical devices our group handles come into direct contact with patients' blood and other bodily fluids, they are all legally required to be disposed of as medical waste after use to prevent infection, making resource recycling and reuse difficult.

### Measures for thorough management of chemical substances

As a manufacturer of medical devices, our group places the highest priority on safety for the human body. As regulations prohibit the use of chemical substances that are harmful to the human body, we select chemical substances in our products and manufacturing processes rigorously. In addition, as we also supply products to the industrial equipment sector, it is our basic policy that our products do not have any impact on human health, regardless of use, and we manage chemical substances with safety in mind.

On top of that, we ensure the proper use, storage and management of chemical substances used in the manufacturing process in accordance with relevant laws and regulations such as the Fire Service Act, Industrial Safety and Health Act, Poisonous and Deleterious Substances Control Act, etc. We are also working to reduce the use of chemical substances and environmental impact by improving processes and examining alternative substances.

### Specific measures

- Monitoring information on substances subject to environmental regulations (RoHS Directive/REACH in Europe, environmental regulations in Japan)
- Limiting use of restricted substances in raw materials, secondary materials, and product manufacturing processes
- Monitoring storage amounts and facilities    • Putting people in charge of management
- Assessing risks related to the use of chemical substances and formulating management procedures
- Auditing waste disposal contractors • Regularly monitoring working environments
- Emergency response education and training

### Measures for water resources

In the production process of our group, there are few processes that use large amounts of water, and water is mainly used for limited purposes such as cleaning parts and cooling. Overall water consumption is therefore relatively low and the impact on water resources is not evaluated to be significant.

In this situation, we are continuously working to reduce water consumption at our production sites, which use relatively large amounts, through process improvements and equipment upgrades. At each business site, we are also making efforts to minimize environmental impact by thoroughly managing wastewater quality in accordance with local laws and regulations. All of our manufacturing sites are located in an area with a low risk of drought, etc., and we use appropriate water sources, such as tap water, industrial water, and groundwater, depending on the situation in each region.

We will continue to monitor the use of water resources in our business activities and take measures to conserve water and preserve water quality as necessary.

#### Tap water consumption

	FYE June 2023	FYE June 2024	FYE June 2025
Tap water consumption (1000 m <sup>3</sup> )	362	364	385

\* Excluding sales sites because water consumption of such sites is extremely limited and cannot be individually identified.





## 6-2

## Supply Chain Management

Promoting measures for sustainable procurement with business partners all over the world

### Basic Policy

Our Group aims to strengthen supply chain management (SCM) looking ahead to business continuity and sustainable value creation in the global market. In addition, our group determined the Asahi Intecc Group's Procurement Policy and has been strengthening compliance with laws and social norms. We value the partnerships we have built with our business partners and aim to strengthen our relationships further based on fair, impartial, and transparent transactions. Part of our group's social responsibility is the stable provision of high-quality medical care achieved by continuing to supply the world with Only One technologies and Number One products. To fulfill this role, we are engaged in measures for sustainable procurement in cooperation with business partners all over the world according to the Rules of Purchase Policy of Asahi Intecc.

### ①Asahi Intecc Group's Procurement Policy

In August 2024, Asahi Intecc Group revised the Asahi Intecc Group's Procurement Policy with the approval of the Board of Directors in order to value partnerships with suppliers and continue to provide superior products in the global market. The revised policy is published on the Asahi Intecc website together with the Requests to Our Suppliers, which contains specific requests to suppliers. Our group will work with suppliers to resolve sustainability issues throughout the entire supply chain. See our websites for details of "Asahi Intecc Group's Procurement Policy" and "Requests to Our Suppliers."

Asahi Intecc Group's Procurement Policy  
Requests to Our Suppliers

### ②Policy-Sharing / Explanation for Suppliers

We ask our business partners for compliance with laws and social norms, and fair and impartial transactions, as well as quality control. The response to these matters constitutes a part of the selection criteria of new suppliers.

We strive for stability in our product delivery by sharing short-term procurement information with major partners on a monthly basis and medium- to long-term procurement information with partners as needed for them to construct a secure delivery system.

<Major requests>

- Compliance with laws and social norms (e.g., respect for human rights such as prevention of forced labor and child labor, corruption prevention)
- Sound management system and impartial corporate activities
- Securing quality and safety, and a stable delivery system
- Adherence to delivery schedule and reasonable price, etc.



## 6-2 Supply Chain Management

### ③ Questionnaire and Audit for Suppliers

We regularly conduct the Forecast (Stable Delivery) Questionnaire for major partners to realize the quality and stable delivery required by medical facilities. Also, from FYE June 2022, we newly added items related to compliance with laws and social norms and environmental considerations to the questionnaire. As stated in the Chapter of Corporate Behavior, our group has been engaging in business activities that take human rights into consideration, such as the prevention of forced labor and child labor, and in environmentally friendly business activities. Through communication with our business partners, we are striving to make them understand our group's production and procurement policies.

We survey our business partners concerning the production plan and the status of quality control for components delivered to our group, and ask them for cooperation in an audit if a risk, etc. occurs.

We also conduct an on-site audit regularly and systematically for our business partners that manufacture quality-relevant components according to the Rules of Purchase Policy. An on-site audit specifically checks the details of regulations and standards, quality control systems, and the quality assurance process, frequency of and responses to defects, and preventive measures from the two aspects of quality control system and product quality.

### ④ Business Continuity Plan (BCP) of Procurement

Our group, procuring many valuable metals and reagents, puts efforts into the business continuity plan (BCP) of procurement for stable delivery of our products to our customers even amid large-scale disasters and pandemics. We constantly strengthen and improve the supply chain, optimize our inventory, etc. for stable procurement activities in any case by purchase from multiple sources of procurement for each product item, and insourcing for materials that are difficult to purchase from multiple sources, or components that are at high risk.

In addition, as a new measure started in FYE June 2021, we are conducting a questionnaire titled, the Requests for Cooperation for Survey of Business Continuity System for our major partners. We will use it to construct a BCP system for the entire supply chain.

### ⑤ Employee Education

The purchasing department attends classes by the Japan Fair Trade Commission (JFTC) and the Small and Medium Enterprise Agency to deepen its knowledge and understanding of the Act Against Delay in Payment of Subcontract Proceeds, etc. to Subcontractors (Subcontract Act), as well as to comply with laws and regulations. As for employee education, in addition to training for all managers, we provide in-house education for purchasing departments and other related specialized departments to understand and familiarize them with the details of the Subcontract Act.





## 6-3

## Providing Safe and Secure Products

### Basic Policy

In order to supply our customers with safe and secure products in a consistent manner, our group has established a quality policy that is shared across all of our bases. By striving to improve quality every single day, we aim for ever better global quality.

### Promotional Structure

#### ① Structure to Supply Safe and Secure Products

Our group has developed a structure to assure uniform quality across research, design and development, production, and sales based on the Quality Policy in order to reliably provide our customers with high-quality products and medical devices. In addition, we regularly undergo rigorous screenings by third-party certification bodies to obtain and maintain certifications such as ISO 9001 and ISO 13485. Furthermore, by complying with the stringent regulations in more than 121 countries and regions to which our group provides products, we have built a structure that ensures the quality products our customers require.

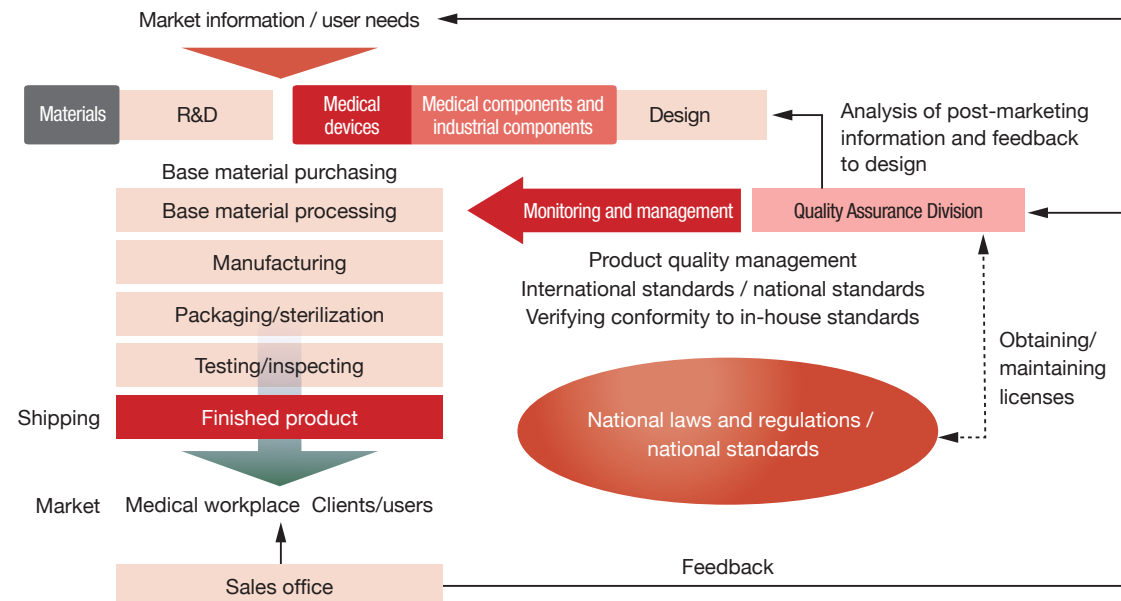
#### ② Approach to Quality Assurance Structure and Quality Management

Based on our four core technologies, our group has developed an integrated production system from raw materials to finished products. Medical devices in particular require precise specifications and quality in their materials, and the number of raw material manufacturers capable of steadily supplying materials that meet these standards is limited even on a global scale. Therefore, our group purchases base materials as far upstream as possible and

manufactures them in-house into near-ideal materials, components and, ultimately, the finished products. Moreover, in order to manage and ensure product quality, our group has Quality Assurance Division separate from the research, and design and development departments, production bases, and sales offices. This division inspects and tests our manufactured products to confirm that they conform to the required international, national, and in-house standards, and only the high-quality products that pass these inspections are shipped to market. In addition, an internal quality auditor certified by our rigorous internal certification system conducts internal and intra-group quality audits to regularly monitor the appropriateness of this manufacturing management and quality assurance structure, striving for

continuous improvement.

We have also established a dedicated department to constantly collect the latest post-marketing information for evaluation. We collect and evaluate a wide range of product information after launch and provide feedback on improvements to improve quality and new product designs.



## 6-3 Providing Safe and Secure Products

### Base Certification

Our group has obtained quality management system certifications by third-party certification bodies as shown in the table below.

For the latest information, see “Information on Certifications” in “ABOUT US” on our website.

### Quality Regulations

Our group has set documented quality regulations of the quality management system according to the Asahi Intecc Group Quality Policy (shared policy). Operations based on these quality regulations aim to promote high-level quality assurance, and to deliver products beyond the needs and expectations of customers in order to make contributions to society.

### Control of Quality Targets

We conduct activities to achieve the quality targets for each fiscal year according to the Quality Policy. Opportunities for periodic review involving upper management are made for the set targets to achieve improvements.

### Quality Reporting Structure

Our group appropriately monitors product quality by tracking all information on quality in the manufacturing process, from raw material manufacturing to final product shipping, in a timely fashion. Also, the Quality Assurance Division collects all customer feedback on quality for survey and analysis. By conveying this information to upper management as well as the manufacturing, research, and design

and development bases in a timely manner for use in process and product improvement, we have established a structure for supplying safe and secure products.

### Measures to Improve Quality

In our group, the Quality Assurance Division and each manufacturing base screen the material and product R&D and design processes from the very first stage, taking a third-party perspective. Doing R&D and design with a perpetual awareness of the manufacturing process and use as a marketed finished product helps solve problems with existing products, resulting in the development and manufacturing of higher-quality materials and products.

### Reception and Conduct of Quality Audit

Production business sites handling medical devices and the Quality Assurance Division in our group undergo regular audits by ISO, the administrative authority, and our customers. In addition, internal auditors conduct periodic and irregular audits; in FYE June 2025 we underwent 53 external audits and conducted 43 internal audits.

Status of Quality Management System Certification (as of the End of June 2025)

Base	Quality management system certification
Asahi Intecc Co., Ltd.	Medical Division • ISO 13485 / EN ISO 13485 • MDSAP
	Device Division • EN ISO 13485 / ISO 13485
ASAHI INTECC THAILAND CO.,LTD.	• ISO 13485 / EN ISO 13485 • ISO9001 • MDSAP
ASAHI INTECC HANOI CO.,LTD.	• ISO 13485 / EN ISO 13485 • MDSAP
TOYOFLEX CEBU CORPORATION	• EN ISO 13485 / ISO 13485 • MDSAP • ISO9001
Filmecc Co., Ltd.	• EN ISO 13485
ASAHI INTECC USA, INC.	• ISO 13485

## 6-3 Providing Safe and Secure Products

### Respect for Bioethics in Research and Development

In the research and development of medical devices, animal experiments may be necessary to confirm efficacy and safety. From the viewpoint of animal welfare and environmental conservation, our group strives to apply alternative methods unless animal experiments are necessary. Our group does not conduct animal experiments in-house but outsources them to an external organization. However, when outsourcing animal experiments, we do so after confirming that relevant laws, regulations and guidelines have been established by the outsourcee from the viewpoints of animal welfare and environmental conservation, as well as from the viewpoint of ensuring the safety of testers who conduct animal experiments, etc.

#### Cleanliness Level of Medical Division

Our Group is manufacturing the medical devices for our Medical Division in controlled areas in accordance with Class 7/8 of ISO 14644 series as international standards, etc. (cleanrooms and associated controlled environments).

#### Education/Training of Employees and Suppliers

Our group is building a proprietary system to manage employee skills and qualifications based on applicable regulations, standards, and in-house standards. We thoroughly ensure that only trained employees whose skills and qualifications have been confirmed are involved in developing, manufacturing, inspecting, and all other work on products for customers. Our group recommends that our base material providers also use such a skill/qualification management system, and regularly review and verify them. The number of in-house certified auditors who are allowed

to conduct internal audits and supplier audits in our group is 224 as of the end of June 2025.

#### Instruction on product use

In interventional radiology (IVR) such as PCI, sophisticated skills of medical workers to maneuver guide wires, catheters, and other equipment as well as catheters and guide wires which deliver operation at the proximal end to the distal end accurately are needed to reduce the burden on patients while maintaining the treatment's efficacy. Choosing the right products from among many options for the patient and body part to be treated is also important.

Our group provides detailed explanations on product use, selection, and care for maintaining the performance to distribution agents and medical workers in each country to help them use the products safely and effectively. We educate on IVR and use of our products through case studies and demonstrations by KOL doctors at academic conferences and seminars around the world on a day-to-day basis.

At our Global Headquarters and R&D Center, our group provides medical workers with training in an environment almost identical to a clinical setting using our simulation system and human models, recreating an actual operating room.

#### Quality assurance through the value chain [measures during development, design (testing), sale, use, and manufacture]

Based on the three actuals (actual place, actual material, and actual situation), our group conducts from the research and development of materials to the manufacture of final



products. Furthermore, having developed an optimal sales structure for over 121 countries and regions, we can rapidly collect feedback from the market, actively collect and analyze post-marketing safety information, and apply it to improve our processes and products, which enables us to constantly surpass market needs with our product development and reliable supply throughout the entire value chain. As a result of implementing these measures throughout the entire value chain, our group has been recognized for high-spec products and a large global market share based on unique technology. In 2020, we were chosen as one of the Global Niche Top 100 Companies (selected by the Ministry of Economy, Trade and Industry) for our indispensable role in the global supply chain.

## 6-4

## Social Contribution

### Asahi Intecc's Social Contribution

#### Approach to Social Contribution

Asahi Intecc Group believes that sustainability involves building relationships of trust with our stakeholders, applying our value creation process (a virtuous cycle of promoting businesses and strengthening foundations) to fulfill our mission, in order to establish our corporate brand, the Asahi Brand.

Our group believes that both local and global communities are valuable stakeholders. As a member of society, we will build relationships of trust with our stakeholders by supporting the development of local communities and society at all times.

#### Contributing to Society through Sports

Our group promotes initiatives that contribute to society at large, such as with sports to improve the quality of life of people and revitalize communities. Furthermore, by supporting athletes that perform on the world stage, our group also invigorates our organizational climate.

#### Concluded affiliation agreement and sponsorship agreement with professional golfers

As part of our CSR activities, our group engages in sponsorships to support athletes.

We concluded an affiliation agreement with professional golfer

Mayu Hattori from Nagoya as an athlete affiliated with Asahi Intecc and a sponsorship agreement with two professional golfers: Hiromu Ono from Gifu Prefecture and Lala Anai from Okazaki City in Aichi Prefecture.

We aim to revitalize the community by supporting local athletes and hope to contribute to the community.



Mayu Hattori



Hiromu Ono



Lala Anai

#### Agreement for naming rights and partnership with Asahi Intecc Loveledge Nagoya in Nadeshiko League (Japan Women's Football League)

In February 2022, we concluded the agreement for naming rights and partnership with the women's soccer team in Nagoya City, Asahi Intecc Loveledge Nagoya, which belongs to the Japan Women's Football League (Nadeshiko League), to support their activities. We also hire team members as our employees to support their activities as a player. The team of Asahi Intecc Loveledge Nagoya was established as Nagoya Grampus Junior Ladies in 1995. The name was changed to Nagoya FC Ladies in 1998, and the team was

then promoted from the Aichi Prefecture League to the Tokai League in 2004. The team was promoted to the Challenge League, Division 3 of the Japan Women's Football League (Nadeshiko League) in 2014. In 2017, the name was changed to the NGU Loveledge Nagoya, and was promoted to the Japan Women's Soccer League (Nadeshiko League) Division 1 in 2021. The team name was changed to Asahi Intecc Loveledge Nagoya in 2022. Moreover, the team won its first league title in 2025.



Ayumi Natsume



Fumina Shibayama



## 6-4 Social Contribution

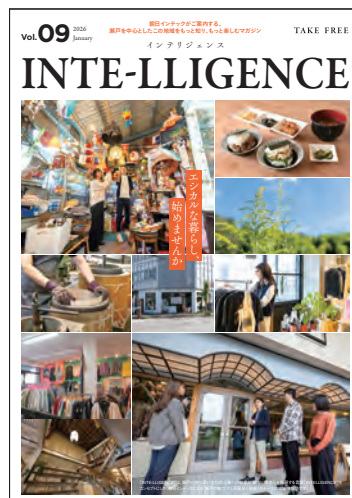
## Contributing to Local Communities

### Publishing regional information magazine INTE-LLIGENCE

Since January 2022, we have published INTE-LLIGENCE, a regional magazine that provides information on the area of Seto City. Based on the concept of rediscovering Seto's charms, this magazine is created with the hope of contributing to local revitalization, focusing on deep information that only our company employees who work in Seto City and live near Seto City know.

This magazine has been placed at public facilities in Seto City, financial institutions in Seto City, and railway stations (Owari-Seto Station, Shin-Seto Station, Owari-Asahi Station, Ozone Station, and Sakaemachi Station).

We plan to publish INTE-LLIGENCE every six months to contribute to the development of the community.



### Lecture at the Medical Device Industry Promotion Forum

In October 2025, at the Medical Device Industry Promotion Forum – Connecting Manufacturing Strength to Healthcare (sponsor: MUFG Bank, Ltd.; co-sponsor: MUFG Research & Consulting Co., Ltd.) held at STATION Ai, a startup support base, Director Kazuhito Ishihara gave a lecture.

This forum was held to promote the entry of local *monozukuri* (manufacturing) companies into the medical device field and to deepen industry-academia-government collaboration. Our company introduced its technology development efforts to support minimally invasive medical treatment and

commercialization examples through collaboration with the medical front.

Our important social mission is to contribute to improving people's health and quality of life (QOL) through the development of the medical device industry. This lecture was given as part of social initiatives to contribute to the advancement of medical technology and the revitalization of local industries through the sharing of knowledge across the industry.

Going forward, we will continue to promote sustainable value creation through co-creation with society as a monozukuri company that contributes to medical care.



Giving a lecture

## 6-4 Social Contribution

### Ground construction on the site of former Koseto Elementary School

We constructed the Asahi Intecc WOVEN FIELD for the training ground of Asahi Intecc Loveledge Nagoya at the site of former Koseto Elementary School in Seto City.

This facility will be used as a training base for Asahi Intecc Loveledge Nagoya and welfare facility for our employees, and will also be rented out to local residents to promote sports in the region. We will also use this facility as a base for various community contribution activities through sports, in cooperation with Seto City.



Moreover, In June 2024, Seto City, Asahi Intecc Loveledge Nagoya and our company concluded a comprehensive partnership agreement and an agreement on the use of facilities in the event of a disaster. When natural disasters such as earthquakes, heavy rains and typhoons occur or are predicted to occur, the facility is planned to be used as a temporary evacuation site for nearby residents. We will use this agreement as an opportunity to further promote community contribution activities.

### Environmental promotion activities with Asahi Intecc Loveledge Nagoya

#### ●Cleanup activities

As part of our environmental promotion activities, about 40 people, including Seto citizens, our company employees, and Asahi Intecc Loveledge players and staff, cleaned up the area around the Asahi Intecc WOVEN FIELD, which is used as the training base.



●Planting activities with Seto City Flower and Green Community Development Promotion Liaison Council  
People from Seto City Flower and Green Community Development Promotion Liaison Council, which engages in activities for realizing sustainable flower and green community development in Seto City, and players from Asahi Intecc Loveledge Nagoya plant daffodil bulbs every year in a number corresponding to the number of league wins in the Plenus Nadeshiko League Division 1 on the riverbed of Seto River.





## 6-4 Social Contribution

### Development of community volunteer cleanup activities at each business site

As part of its environmental protection activities, our group is actively promoting employee-led volunteer cleanup activities. Volunteer clean-up activities were carried out at many sites in our group this term, too. We created original bibs with the Asahi Intecc logo on them, and by utilizing these bibs, our activities are showing further expansion. We will continue to actively carry out environmental protection activities rooted in local communities.



Original bibs with Asahi Intecc logo



Around the Global Headquarters and R&D Center



Around Osaka R&D Center



Around Nagoya Office



Around Tohoku R&D Center



Around Shinagawa Office

## 6-4 Social Contribution

### Cosponsoring the Expo 2025 Osaka, Kansai Pavilion PASONA NATUREVERSE

Our company exhibited at PASONA NATUREVERSE, a pavilion operated by Pasona Group Inc. at the Expo 2025 Osaka, Kansai.

In order to convey the pavilion's theme "Thank You, Life" at the exhibition, we introduced in an easy-to-understand manner the medical device technology and the role of catheter treatment that our company has cultivated. Remote surgery which symbolizes future medical care and next-generation medical concepts were presented, allowing visitors to experience the value and future potential that our technology provides to the medical field. Exhibiting at the Expo was an opportunity to widely disseminate our philosophy of "delivering better medical care to the world" to society. The dialogue and feedback we received from visitors gave us valuable insights that will be used in our future business activities and value creation.



PASONA NATUREVERSE  
(photo provided by: Pasona Group)



Asahi Intecc Future Medical Care booth



Developed in conjunction with the Flying Operating Room  
(photo provided by: Pasona Group)

### Cosponsoring BALL PARK LAND in NISSEN 2024

Our company cosponsored BALL PARK LAND in NISSEN 2024 sponsored by Fingers Crossed.

We will contribute to the promotion of health and the spread of sports in the region and the sound development of youth by cosponsoring the events of this organization, which manages games that give playing opportunities for local players who are not fortunate enough to participate in games, and plans and manages events of experiencing new sports.

### Supporting Sonoligo Future

Our company is supporting Sonoligo Future provided by Sonoligo, a venture company from Nagoya University. Sonoligo Future is a project in collaboration with Nagoya City to provide a wide variety of cultural experiences free of charge to the children responsible for the next generation. In November 2025, we exhibited a full-scale model of the Hayabusa 2 asteroid explorer at the Toyota Auditorium of Nagoya University and held a special talk show by inviting a lecturer to convey the charms of space and technology. Through this event, we aim to inspire people to understand

the importance of having curiosity and the joy of research. We will continue to contribute to the sound development of youth by supporting this project.

### Sponsorship of the GIGI Project

Asahi Intecc supports the activities of gigi, a general incorporated association that carries out a project, led by singer Yo Hitoto, to deliver live songs in hospitals to energize people fighting illness and medical professionals who support patients.

In May 2025, a live performance was held at Aichi Cancer Center, where she sang songs for approximately 80 hospitalized patients and medical professionals. In the future, we will expand our activity bases beyond the Tokai region to all over the country, and through sponsoring this project, we will strive to contribute to improving the QOL of hospitalized patients and healthcare professionals.





# 07 Sustainability Governance



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## 7-1 Outside Director Dialogue

### Governance and Investment for Long-Term Growth

Amid the rapidly changing global business environment, there is a need for speedy decision-making accompanied by the on-site realities and the perspective of capital markets. Outside Director Taguchi, who has been involved in the management of the medical equipment industry for many years, and Outside Director Kusakari, who has seen many companies as an investor, talked about how Asahi Intecc should manage its business with these considerations in mind.

〈 Interviewer: Mizuho Ito, Director, CFO, Asahi Intecc Co., Ltd. 〉



**Takahiro  
Kusakari**  
Outside Director  
Asahi Intecc Co., Ltd.

**Akihiro  
Taguchi**  
Outside Director  
Asahi Intecc Co., Ltd.

#### Background to Appointment as Directors and Thoughts on Role

**Ito:** Could you each tell us about the background to your appointment as outside director and what roles you are aware of now?

**Taguchi:** I joined as an outside director of the company in September 2023. I worked for Olympus Corporation, which was in the same medical device industry. Through this connection, I received the offer to be an outside director. During my time at Olympus, I had extensive experience in the medical device business, from development to sales and M&A. In particular, I was involved in business reconstruction and governance reforms following the 2011 loss cover-up scandal. At that time, I was the general manager of the Development Division, but when the previous management resigned, I suddenly moved to the management side. While the company's survival was in danger, we faced various challenges, such as recovering internal and external trust, dealing with shareholders, and making the organization transparent.

In this situation, I received from frontline doctors an encouraging message saying, "The endoscope you make is

## 7-1 Outside Director Dialogue

saving patients' lives, so do your best," which I will never forget. Based on this experience, I now would like to support the sustainable growth of Asahi Intecc by being conscious of connecting sites with management.

**Ito:** Voices from the medical forefront become the driving force of management. This is an episode that is typical for Mr. Taguchi. How about you, Mr. Kusakari?

**Kusakari:** In my previous job, I invested in Asahi Intecc as an institutional investor, and from an investor's perspective, I have held frank discussions with the company about the business aspects of competitive advantage and future growth strategies, as well as the concept of capital policy and governance.

In particular, at the time of the issuance of stock acquisition rights (Sustainable FITs) in 2021, there was a lively exchange of views regarding the intention to raise capital and changes in corporate value assessment amid a high equity ratio. I strongly felt the importance of IR, such as how investors view a company and how it affects a corporate valuation. Later, when I was temporarily out of my role as an institutional investor, Asahi Intecc approached me directly. I have since returned to work as an institutional investor, but of course I have not invested in Asahi Intecc, and I firmly maintain ethical walls.

I am now conscious of bringing the perspective of capital markets to the Board of Directors as a bridge between management's thoughts and market views.

**Ito:** Regarding the issuance of stock acquisition rights (Sustainable FITs), we summarized the content of our in-depth discussions with institutional investors in the previous Integrated Report. We also had various discussions within the company about the issuance of the stock

acquisition rights (Sustainable FITs). After the issuance, we received some harsh opinions from institutional investors, and making use of dialogues with them, we have promoted measures such as including market participants as outside directors and making changes to capital allocation. As CFO, I am extremely grateful that outside directors understand the background and basis behind our statements, and support us.

### Management and Investment Decisions with Capital Costs in Mind

**Ito:** Management is expected to be mindful of capital costs, but do you think that this is being discussed sufficiently at the Board of Directors?

**Kusakari:** In fact, the Board of Directors is actively debating whether the investment is worth the cost of capital, and whether there is any expected value gap. The basis of discussions is that we, the outside directors, ask essential questions and the management gives us an explanation with supporting evidence. I feel that not only numerical data but also the thinking and attitude of explanation behind them are important. For example, when explaining an investment project, we thoroughly discuss not only the profit forecast but also why the investment is necessary, what the risks are, and how to collect a return on the investment.

**Taguchi:** Medical devices take a really long time from development to being adapted in the market. In addition to product development, approvals and regulatory compliance are also necessary, and even after commercialization, it will take even more time for it to become a de facto standard at medical sites. This is why investment decisions need to be



made with not only short-term results but also long-term capital efficiency in mind.

In terms of the capital costs, I feel that there has been a significant change in the thoughts of people at the site, especially over the past few years. In the past, even when they were told about inventory management and plant utilization rates, I think it was difficult for them to understand. However, thanks to the multifaceted points raised by the outside directors and the continued discussions, the concept of capital costs has become more prevalent, and we are now able to have fundamental discussions about why we need this inventory and how much we can reduce it.

It is a significant change that we can now discuss management of inventory and utilization rates from the perspective of how to optimize them for capital efficiency and long-term growth, rather than simply reducing costs.

### Story about Improvement in Inventory and Gross Profit Margin

**Ito:** I think this was a major change in that management and corporate executives can discuss issues from the same perspectives. I also feel that this kind of real interaction enhances the quality of management and that the deepening of



## 7-1 Outside Director Dialogue

the debate has led to the current investment for growth and risk-taking.

**Kusakari:** Yes, exactly. As a matter of fact, since I joined as an outside director, I have pointed out how to hold inventory and gross profit margin several times.

The medical device business deals with a wide variety of products in small quantities, and having stock is not a bad thing, as a supply interruption would have an impact on medical sites and patients. However, we should always discuss how far the company can optimize the inventory from the perspective of capital efficiency and gross margin.

In fact, by asking questions such as, “Does the company really need this inventory?” and “How can the company improve the gross profit margin?” at the Board of Directors, I think this has encouraged people at the sites to rethink their operation.

**Taguchi:** I feel the same way. Repeated comments from the outside directors enabled us to engage in substantive discussions. As a result, I feel that a culture has taken root in which the business forefront and management work together to optimize inventories and improve gross profit margins.



**Kusakari:** As an outside director, I have realized that the quality of decision-making across the company has improved by bringing in both the on-site realities and the perspective of capital markets.

### Sound Risk-Taking and the Challenge of Growth

**Ito:** What are your views on risk-taking for growth?

**Kusakari:** I think that healthy risk-taking means never neglecting to prepare for the future. The company should take on new technologies and markets while honing the strengths of existing businesses. In doing so, the company should actively utilize M&As and external alliances in areas where its own efforts are insufficient.

In fact, the Board of Directors has been discussing such issues as which part of the Medium-Term Management Plan this M&A will contribute to and to what extent the company can tolerate the risk of development investment. We have come to evaluate past impairment losses as a positive move and have adopted an attitude of learning from failures to move forward.

**Ito:** Mr. Taguchi, what is important about taking risks unique to the medical device business?

**Taguchi:** The medical device business is a business that should be steadily developed. Consistency with the Medium-Term Management Plan and long-term vision is the most important factor in making investment decisions. Asahi Intecc has drawn up a vision ten years in the future and laid out a concrete path for the next five years. While implementing the plan, check progress at milestones and make course corrections if necessary. This cycle is the basis of healthy risk-taking.

I think that, in addition to investment in development,



investment in human resources and global expansion will become increasingly important.

**Ito:** Think while running is necessary, but progress on a long-term path is exactly the attitude of current Asahi Intecc, isn't it?

I think these discussions on investment and risk taking have affected the atmosphere and relationships of the Board of Directors. Could you tell us about the actual discussions?

### Discussions, Diverse Viewpoints and Atmosphere of the Board of Directors

**Kusakari:** The operation of the Board of Directors is based on a frank exchange of opinions and a relationship of trust. Mr. Taguchi and I have different backgrounds and different angles of discussion, but I think our goals and issues are close. For example, in the discussion of inventory, I give opinions from the viewpoint of capital efficiency and gross profit, and Mr. Taguchi gives opinions from the viewpoint of the flow line of the site and quality control. Internal directors also face questions from



## 7-1 Outside Director Dialogue



different angles with sincerity and explain why they made such decision, which will deepen discussions. After meetings of the Board of Directors, I continue discussions with Mr. Taguchi sometimes on the way home, and I feel that frankness and trust improve the quality of discussions.

**Taguchi:** We keep open communication not only among the outside directors but also with internal directors. By bringing together different perspectives, such as those from the site and the market, I think that our discussions become richer and our decisions are more convincing.

**Ito:** You say that the conversation continues even after the meeting is over. It is because you have a relationship where you can talk honestly, isn't it?

I think what you just said will lead to an evaluation of the effectiveness of the Board of Directors. What do you think about the effectiveness in the first place? We believe that the effectiveness of the Board of Directors has been improved by actually discussing the nature of the Board of Directors, both inside and outside the Board of Directors, rather than through a questionnaire. What do you think? Also, in terms of effectiveness, are there any issues that need to be discussed additionally?

### Evaluation of Effectiveness of the Board of Directors and Future Challenges

**Taguchi:** I believe the effectiveness of the Board of Directors is high. I do not think that a simple survey alone is very meaningful in terms of evaluation. It is important that a culture that values actual results and changes has taken root, such as the current discussion among the directors. I think the strength of Asahi Intecc today is that different viewpoints deepen discussions and improve the quality of decision-making.

**Kusakari:** I think so, too. I feel that the board is just in transition right now. We are in the process of transitioning from an advisory board to a monitoring board, and while either one is not necessarily better, I think we should move to a monitoring board if possible.

Currently, the company has the Nomination and Compensation Advisory Committee alone, but I think there are some topics that need to be discussed further in the future, such as risk management and management succession plans. As long as the company has set ambitious goals in its Medium-Term Management Plan, changes in the execution system will be required, and I feel that the company needs to begin preparations for this.

**Taguchi:** What I feel the most is the so-called succession plan. Whether the Board of Directors or the Nomination and Compensation Advisory Committee should discuss it, I think a succession plan is an important topic for the Board of Directors. I also think there should be more discussion on human resources strategies related to that.

**Ito:** It seems that discussions on the transparency of the organization and the development of human resources for the future will become more and more important.

### Future Challenges and Prospects (Human Resource Development, Globalization, and Successor Development)

**Taguchi:** One of the major themes going forward is human resource development. With the expansion of overseas bases, the company needs to increase the number of people who can manage locally. It is important to develop global human resources in a systematic manner by establishing career development plans for the younger employees. Human resources strategy is a long-running theme, but it is essential for sustainable growth. I think this has already been developed within the company, but I feel there is room for more active discussion.



**Ito:** In fact, the executive side recognizes that this is a major issue, and each organization is already working on it through trial and error. However, from an outside perspective, it is difficult to see what is being done and how. I think it is important to have transparency that allows us to discuss things openly.

**Taguchi:** Succession plan should be thoroughly discussed by the Nomination and Compensation Advisory Committee, but the so-called human resources strategy — what kind of company Asahi Intecc wants to be and what kind of human

## 7-1 Outside Director Dialogue

resources it wants to develop — is as important as the business strategy.

The current Medium-Term Management Plan focuses on business strategy, but I feel that discussions on the company's future vision and human resources should also be more open. Human resource education is a very long-running topic. For example, in order to grow to a size of 300 billion yen in the future, it is essential to expand overseas bases. The company must cultivate human resources who can be entrusted with local operations. It is important to develop global human resources systematically from a young age by establishing career development plans.

This human resources strategy is a very important theme for the management of the company, but I feel that there is little discussion on it by the Board of Directors.

**Kusakari:** In connection with the development of successors, I believe it is important to deepen discussions not only within the Nomination and Compensation Advisory Committee but also within the entire Board of Directors to prepare for the future management structure. In addition, with regard to human

resources, the other day at a dinner meeting with members of the Board of Directors, I heard an episode about how the Medium-Term Management Plan was incorporated into the business sites, and I felt that the things that had been dictated in the head up until now were gradually permeating the sites. However, it is difficult to see these efforts from outside, so I think it would be better if more explanations and information were given. Also, when it comes to building relationships with overseas doctors and opinion leaders, institutional investors have pointed out that the company excessively relies on the chairman. In fact, I have been told that there should be more diverse efforts by establishing doctor relations in an organized manner, but what is the actual situation?

**Ito:** Such misunderstandings often occur not only in doctor relations but also in IR activities themselves. Management is an operation of organizations. Supported by underpinning organizations, the company can make IR effective. With the company now having grown to such a large scale and content, it is not possible for an individual to bear all the responsibility. I think the public perceives the person giving

the explanation as being responsible for everything, which leads to a superficial view of image first. On the other hand, the president is aware of such misunderstandings, and he works to convey the true state of the company by expressing more opinions from the sites and organizational efforts in IR. At any rate, we would like to further deepen discussions on human resource strategies, succession plans, and global human resource development.

**Kusakari:** You are right. In order to improve the quality of management, I think it is essential for future growth to deepen discussions on the three issues of strategy, organization, and human resources together.

**Ito:** Lastly, do you have any message for those who read this report?

**Kusakari:** I would like to show shareholders how Asahi Intecc is increasing corporate value through the steady implementation of the Medium-Term Management Plan. I want all employees to take pride in the fact that Asahi Intecc supports medical care around the world and take on the challenge of expanding their roles in the face of globalization.

**Taguchi:** Asahi Intecc has grown significantly over the past 20 years as a manufacturer of medical devices. The company is one of the few medical device manufacturers in Japan that can compete globally, and I believe it has the potential to achieve sustainable growth in the future. As an outside director, I would like to contribute to the successful implementation of the new Medium-Term Management Plan with an eye to the long-term vision 10 years ahead.



7-2

## Message from Former Outside Director

### “Edgy Company” Spirit and Evolving Board of Directors

Asahi Intecc has continued to evolve, including in terms of the structure of its Board of Directors, based on the philosophy of “being an edgy company,” as articulated by former Outside Director, Kiyomichi Ito. Mr. Ito, who was deeply involved in this process as an outside director for more than a decade, had made tremendous contributions to the company, including expressing frank opinions from time to time and leading discussions. Mr. Ito’s perspective has been a great asset to Asahi Intecc, as he frankly raised issues that could only be seen from an independent standpoint and continued to refine the way the Board of Directors operates. Please find below Mr. Ito’s message, based on his more than 10 years of experience as an outside director, about the challenges the Board of Directors faced, the path of evolution, and expectations for the future.



**Kiyomichi Ito**

Former Outside Director  
Asahi Intecc Co., Ltd.

In 1974, he joined Toyota Motor Corporation and served as president of its overseas subsidiaries. After his retirement, he worked as a professor at Chukyo University School of Management. He served as outside director of the company from 2013 to September 2025 and retired in September 2025.

I served as an outside director of Asahi Intecc for over a decade.

I am proud to say that I contributed to the enhancement of Asahi Intecc’s value, albeit in a small way, by being involved in the strengthening of governance and the advancement of decision-making from diverse perspectives from an independent standpoint. On the other hand, I realized that the system of outside directors has some structural issues.

One of them is the issue of “building a roof atop the roof (doing something useless),” meaning that a large number of outside directors causes the Board of Directors to repeat discussions that have been accumulated by the executive team, resulting in slower decision-making.

Another is the issue of “being isolated without help” of outside directors, which cannot be ignored. Conversations and information that comes to our eyes and ears during our daily work are more useful than we can imagine in making decisions. However, because outside directors have limited opportunities to interact with the people within the company on a daily basis, it is difficult for them to have access to information that can be used to make decisions. At times, outside directors find themselves in a situation where they are almost isolated without any help. In addition, compared to the company’s

internal staff who have been involved in the industry for many years, outside directors inevitably have a certain amateurish side. This is an issue that needs to be addressed honestly. At Asahi Intecc, rather than denying these issues, we faced them head-on and engaged in a series of discussions and practices to utilize the strengths of outside directors to make improvements.

I think that the clear division of duties, with the Board of Directors responsible for setting the medium- to long-term direction and monitoring progress, and the executive team responsible for carrying out day-to-day operations, is one solution to the issue of “building a roof atop the roof.” By narrowing down the scope of coverage, information provision and prior lectures have been well aligned for each theme, and a system has been steadily established to supplement the “amateurish side” of outside directors.

In addition, efforts have been made to create an environment that avoids the issue of being isolated without help, and opportunities for non-formal dialogue have increased, such as meetings with outside directors and director training camps. As a result, the chemistry of diverse opinions has grown into a place and opportunity for new suggestions and ideas.

Of course, Board of Director’s innovation is only halfway there. The current medium- to long-term plan, which serves as the core of the reform of the Board of Directors, focuses on earnings targets, but it is expected to clarify specific measures in a more easily understandable manner. I also believe that it is necessary for the company to more clearly and flexibly incorporate in the Medium-Term Management Plan the direction and goal setting of the soft aspect of what kind of company it wants to be, and the strengthening of human resource development, which is the key to achieving its goals.

As the business environment changes on a daily basis, the ideal form of the Board of Directors must evolve accordingly. I sincerely hope that Asahi Intecc will always face these challenges head-on and, by making use of the frank viewpoints of outside directors, continue to move forward steadily toward a better Board of Directors and, ultimately, a better company.

## 7-3 Corporate Governance

### List of Directors

#### Internal Directors



① Masahiko Miyata,  
Chairman and Director

② Kenji Miyata,  
President & CEO

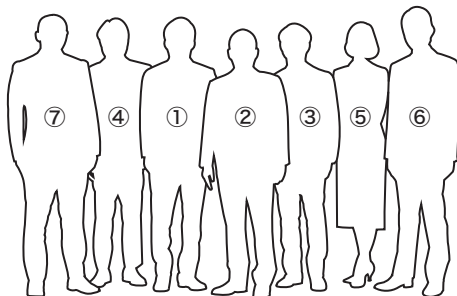
③ Makoto Nishiuchi,  
Executive Director

④ Yoshinori Terai,  
Director

⑤ Mizuho Ito,  
Director

⑥ Kazuhito Ishihara,  
Director

⑦ Shinjiro Otani,  
Director

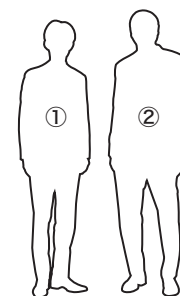


#### Outside Directors



① Takahiro Kusakari,  
Outside Director

② Akihiro Taguchi,  
Outside Director



① Ryuji Tomida, Outside Director  
(Audit and Supervisory Committee Member)

② Ryoko Fukaya, Outside Director  
(Audit and Supervisory Committee Member)

③ Shigeki Moriguchi, Outside Director  
(Audit and Supervisory Committee Member)





## 7-3 Corporate Governance

### List of Directors and Executive Officers (after Resolution at the General Meeting of Shareholders Held on September 25, 2025)



Chairman and Director

**Masahiko Miyata** (Born on March 15, 1967)

Having served as President & CEO since 2009, Mr. Masahiko Miyata has driven the company's group management and appropriately fulfilled the role of enhancing the company's corporate value with his global management perspective, speedy decision-making, and good relationships built with medical professionals, business partners, and other stakeholders. He has been elected as Director in expectation of his further contributions going forward, given his oversight of the Group's entire business and his promotion of balanced management.

November 1994	Joined the Company	March 2006	President & CEO of CompassMed Integration Co., Ltd.
December 1995	General Manager of Planning Office, Supervisory Division Director	August 2006	Director of ASAHI INTECC HANOI CO., LTD. (current position)
March 1999	Director, General Manager of Corporate Planning Department	June 2007	CEO of ASAHI INTECC THAILAND CO., LTD.
	Executive Director	September 2009	President & CEO
	Assistant to General Manager of Medical Division	July 2016	President & CEO of Filmecc Co., Ltd.
	General Manager of Production Engineering Department	April 2023	Director of Filmecc Co., Ltd. (current position)
July 2000	General Manager of Medical Division	September 2024	President & CEO of Magnaire Co., Ltd. (current position)
September 2001	Senior Executive Director	June 2025	Chairman and Director (current position)
September 2003	Director of ASAHI INTECC THAILAND CO., LTD. (current position)		Chairman, Medical Technology Association of Japan (current position)
	March 2004 Executive Vice President and Representative Director		Vice Chairman, Japan Federation of Medical Devices Associations (current position)



Executive Director

**Makoto Nishiuchi**  
(Born on August 15, 1964)

Since joining the company, Mr. Makoto Nishiuchi has consistently been engaged in the Medical Division and contributed to the development of medical devices. With his abundant experience and track record in the R&D and technology-related fields, he currently works as Deputy General Manager of the Medical Division and is appropriately fulfilling the role of enhancing the Company's corporate value. He has been elected as Director in expectation of his further contributions going forward.

October 2005	Joined the Company
July 2008	Deputy Group Manager of Medical Research and Development Group, Medical Division
May 2010	Group Manager of Research and Development Group, Medical Division
July 2015	Executive Officer
July 2016	Director of ASAHI INTECC USA, INC. (current position)
January 2017	Chief Research and Development Officer, Medical Division
October 2017	Senior Executive Officer
July 2018	Director of RetroVascular, Inc. (currently Asahi Medical Technologies, Inc.) (current position)
September 2018	Director (current position)
July 2019	General Manager of Medical Brand Business Unit of Medical Division (current position)
July 2022	Chief Digital Officer (current position)
July 2024	Deputy General Manager of Medical Division
September 2024	Executive Director (current position)
	General Manager of Medical Business Division (current position)



Director

**Yoshinori Terai**  
(Born on September 13, 1963)

Mr. Yoshinori Terai has been engaged in the overseas sales unit for medical devices for many years and has contributed to the company's global development. Leveraging his broad perspective and extensive network, he currently serves as General Manager of the New Business Development Division and is appropriately fulfilling the role of enhancing the company's corporate value. He has been elected as Director in expectation of his further contributions going forward.

October 1998	Joined the Company
July 2004	President & CEO of ASAHI INTECC USA, INC. (current position)
November 2006	Director of RetroVascular, Inc. (currently Asahi Medical Technologies, Inc.)
September 2008	Executive Officer
September 2013	Director (current position)
July 2019	General Manager of New Business Development Division (current position)
February 2020	Director of ASAHI INTECC EUROPE B.V. (current position)
July 2020	Supervisor of Global Sales and Marketing of Medical Brand Business Unit of Medical Division
	Director of ASAHI INTECC Deutschland GmbH (current position)
June 2021	President & CEO of Filmecc USA, Inc. (current position)
July 2021	President & CEO of Pathways Medical Corporation (current position)
	Director of Rev.1 Engineering, Inc. (current position)
April 2023	Director of Magnaire Co., Ltd. (current position)
December 2023	President & CEO of Asahi Medical Technologies, Inc. (current position)



President & CEO

**Kenji Miyata** (Born on July 16, 1970)

Mr. Kenji Miyata has been engaged in the Device Division for many years and is well versed in production technology for stainless steel processing, the source of the company's technology. He has assisted the President & CEO in overall management as Executive Vice President and COO as well as promoted the reconstruction of acquired companies and shown leadership in the Medical Division in recent years. He assumed the position of President & CEO on September 1, 2024. He has been elected as Director in expectation of his further contributions going forward.

April 1993	Joined the Company	July 2015	President and Director of ASAHI INTECC HANOI CO., LTD.
January 1997	Executive Vice President and Director of ASAHI INTECC THAILAND CO., LTD.	September 2015	Executive Vice President and Director
July 1997	Director	July 2016	General Manager of Quality Assurance Division
August 2002	Deputy General Manager of Device Division		Chairperson and Director of ASAHI INTECC HANOI CO., LTD. (current position)
October 2004	General Manager of Quality Assurance Department	September 2016	Executive Vice President and COO
July 2006	Director of ASAHI INTECC THAILAND CO., LTD.	July 2017	Director of TOYOFLEX CEBU CORPORATION (current position)
July 2009	General Manager of Device Division	July 2018	Director of FICUS Co., Ltd.
September 2010	Director of GMA Co., Ltd.	July 2020	General Manager of Device Business Division
July 2011	Executive Director	May 2022	Director of walkey Inc. (current position)
September 2013	President & CEO of ASAHI INTECC GMA Co., Ltd.	September 2022	Director of Filmecc Co., Ltd.
	President & CEO of TOYOFLEX CEBU CORPORATION"		Director of Nihon Chemical Coat Co., Ltd.
January 2015	President & CEO of ASAHI INTECC THAILAND CO., LTD. (current position)	January 2023	President & CEO of LAKE R&D Inc.
	Director of ASAHI INTECC HANOI CO., LTD.	July 2024	General Manager of Production Division
		September 2024	President & CEO (current position)



Director

**Mizuho Ito**  
(Born on September 8, 1973)

As General Manager of the Corporate Strategic Office, Ms. Mizuho Ito has been engaged in finance, accounting, IR, and M&A projects for many years. She is currently serving as General Manager of the Administration Division, leading efforts to strengthen the function of the Head Office as head of the company's corporate unit, and is appropriately fulfilling the role of enhancing the company's corporate value. She has been elected as Director in expectation of her further contributions going forward.

May 2003	Joined the Company
May 2005	Deputy General Manager of Corporate Strategic Office
September 2008	General Manager of Corporate Strategic Office (current position)
April 2012	Auditor of ASAHI INTECC SCIENTIFIC (Beijing) Co., Ltd. (current position)
December 2013	Group Manager of Accounting Group, Administration Division
July 2015	Executive Officer
July 2016	General Manager of Administration Division (current position)
	Auditor of ASAHI INTECC J-sales, INC. (current position)
September 2016	Director and CFO (current position)
July 2021	Director of A-Traction Inc. (currently ASAHI SURGICAL ROBOTICS CO., LTD.) (current position)
April 2023	Director of Magnaire Co., Ltd. (current position)
April 2025	Auditor of Asahi Intecc Scientific (Beijing) Co., Ltd. (current position)

## 7-3 Corporate Governance

### List of Directors and Executive Officers (after Resolution at the General Meeting of Shareholders Held on September 25, 2025)



Director  
**Kazuhito Ishihara**  
(Born on June 24, 1961)

Since joining the company, Mr. Kazuhito Ishihara has consistently been engaged in the Medical Division and contributed to the development of medical devices. With his abundant experience and track record in the R&D and technology-related fields, he currently works as Executive Officer and Deputy Supervisor of Research and Development of the Medical Brand Business Unit of Medical Division and is appropriately fulfilling the role of enhancing the Company's corporate value. He has been elected as Director in expectation of his further contributions going forward.

February 2018	Joined the Company
February 2018	Supervisor of Medical Research and Development, Medical Division
September 2018	Executive Officer
September 2019	Deputy Supervisor of Research and Development of Medical Brand Business Unit of Medical Division (current position)
September 2019	General Manager of Clinical Development Office of Medical Division
July 2024	Deputy General Manager of Research Division (current position)
September 2024	Director (current position)



Director  
**Shinjiro Otani**  
(Born on September 9, 1975)

Since joining the company, Mr. Shinjiro Otani has been involved in a wide range of fields, including accounting and finance, overseas plant accounting, production management, management of acquired subsidiaries, and human resources. Currently, he serves as Executive Officer, General Manager of President's Office, and Group Manager of Human Resources Development Group, and is appropriately fulfilling the role of enhancing the company's corporate value. He has been elected as Director in expectation of his further contributions going forward.

November 2002	Joined the Company
July 2016	Director of Toyoflex Corporation
July 2021	General Manager of President's Office (current position)
May 2022	Auditor of walkkey Inc. (current position)
July 2023	Group Manager of Human Resources Development Group (current position)
September 2024	President & CEO of LAKE R&D Inc. (current position)
	Director of Ficus Co., Ltd. (current position)
January 2025	Director of Nitta Mold Co., Ltd. (current position)



Director (Outside)  
**Takahiro Kusakari**  
(Born on March 14, 1979)

Mr. Takahiro Kusakari has served as a Fund Manager and Chief Investment Officer at an investment trust management firm, and his experience in corporate analysis through dialogue with numerous companies has led him to make recommendations mainly for improving the company's corporate value. He has been elected as Outside Director in expectation of his further contributions to strengthening the supervision of business execution through accurate advice based on his extensive experience in corporate analysis going forward.

July 2007	Joined SBI Real Marketing Co., Ltd.
October 2008	Joined Sawakami Asset Management Inc.
November 2010	Fund Manager of Sawakami Asset Management Inc.
January 2013	Chief Investment Officer of Sawakami Asset Management Inc.
June 2015	Director and Chief Investment Officer of Sawakami Asset Management Inc.
July 2022	Joined Sawakami Holdings, Inc.
September 2022	Outside Director of the Company (current position)
March 2023	Joined Japan Catalyst, Inc.
June 2023	Director and Co-President of Japan Catalyst, Inc. (current position)



Director (Outside)  
**Akihiro Taguchi**  
(Born on January 26, 1958)

Mr. Akihiro Taguchi has supervised the management of the company and offered suggestions for improving the company's corporate value, based on his ample experience and broad insight of the medical industry, including serving as President and Representative Director of Olympus Medical Systems Corp. He has been elected as Outside Director in expectation of his further contributions to strengthening the supervision of business execution through accurate advice based on his extensive experience in corporate management going forward.

April 1980	Joined Olympus Optical Co., Ltd. (currently Olympus Corporation)
June 2010	Corporate Executive Officer of Olympus Corporation
April 2012	Senior Corporate Managing Officer of Olympus Corporation President and Representative Director, Olympus Medical Systems Corp.
April 2013	Outside Director of Sony Olympus Medical Solutions Inc.
April 2015	Head of Sales & Marketing Group and Business Management Officer of Medical Business of Olympus Corporation
June 2015	Director and Senior Corporate Managing Officer of Olympus Corporation
April 2019	Executive Officer and COO of Olympus Corporation
April 2020	Executive Officer and CTO of Olympus Corporation
July 2022	Adviser of HCL JAPAN LTD. (current position)
August 2022	Independent Director of SATORI ELECTRIC CO., LTD. (current position)
September 2023	Outside Director of the Company (current position)

### Directors Who are Audit and Supervisory Committee Members



Audit and Supervisory  
Committee Member (Outside)  
**Ryuji Tomida**  
(Born on April 3, 1975)

Mr. Ryuji Tomida has expertise and ample experience as a lawyer and appropriately fulfills the duties of an Outside Director who is an Audit and Supervisory Committee Member by providing advice for and checking on the company's business execution from the perspective of a legal expert. He has been elected as Director in expectation of his further contributions going forward.

October 2001	Registered with Nagoya Bar Association (currently Aichi Bar Association)
	Joined Higashi Sakura Law Firm
April 2006	Part-Time Lecturer at Law Department, Nagoya University of Economics
December 2006	Nagoya Municipal Advisor (current position)
October 2007	Opened Tomida & Yamauchi Law Firm (currently Yomei law office)
April 2010	Member of Research Office of Aichi Bar Association
April 2011	Part-Time Lecturer at Aichi Law School
May 2011	Member of Japan Federation of Bar Associations Inquiry System Committee (current position)
April 2013	Member of Kasugai City Information Disclosure & Personal Information Protection Committee
April 2016	Vice President of Aichi Bar Association
September 2018	Outside Director of the Company (Audit and Supervisory Committee Member) (current position)
April 2020	General Manager of Aichi Bar Association Inquiry Research Office
December 2021	Public Interests Member of Aichi Prefectural Labour Relations Commission (current position)
June 2024	Member of Aichi Prefectural Land Expropriation Commission (current position)
December 2025	Chairperson of Aichi Prefectural Labour Relations Commission (current position)



Audit and Supervisory  
Committee Member (Outside)  
**Ryoko Fukaya**  
(Born on May 12, 1973)

Ms. Ryoko Fukaya appropriately fulfills the duties of an Outside Director who is an Audit and Supervisory Committee Member such as monitoring the Company's overall management using her expertise and ample experience as a certified public accountant and providing advice for and checking on the company's business execution. She has been elected as an Outside Director who is an Audit and Supervisory Committee member in expectation of her further contributions going forward.

October 1999	Joined Chuo Audit Corporation
April 2003	Registered as a Certified Public Accountant
August 2007	Joined KPMG AZSA LLC
April 2011	Opened Ryoko Fukaya Accounting Office
June 2016	Secretary of Tokai Association, the Japanese Institute of Certified Public Accountants
March 2017	Registered as a Certified Tax Accountant
June 2019	Chairwoman of the Public Relations Committee of the Japanese Institute of Certified Public Accountants Tokai Association
	Auditor of Fuji Logitech Holdings, Inc. (current position)
November 2021	Outside Director of the Company (Audit and Supervisory Committee Member) (current position)
September 2022	Auditor of Incorporated Educational Institution Sugiyama Jogakuen (current position)
April 2023	
July 2023	Part-Time Lecturer at Graduate School of Management, Kyoto University (current position)
August 2023	Member of The Specialist Committee of Investigation and Research Committee, Japanese Institute of Certified Public Accountants (current position)



Audit and Supervisory  
Committee Member (Outside)  
**Shigeki Moriguchi**  
(Born on July 23, 1957)

Mr. Shigeki Moriguchi is deemed appropriate to fulfill the duties of an Outside Director who is an Audit and Supervisory Committee Member such as providing advice for and checking on the company's business execution, using his wide-ranging knowledge of overall corporate management based on ample experience at financial institutions, think tanks, and consulting firms. Accordingly, he has been elected as an Outside Director who is an Audit and Supervisory Committee Member.

April 1981	Joined The Tokai Bank, Ltd. (currently MUFG Bank, Ltd.)
March 2001	Deputy General Manager of Operations Planning Division of UFJ Holdings, Inc. (currently Mitsubishi UFJ Financial Group, Inc.)
November 2006	Member of the Board, General Manager of ShinNagoya Ekimae Branch of The Bank of Tokyo-Mitsubishi UFJ, Ltd. (currently MUFG Bank, Ltd.)
June 2011	Managing Executive Officer of Mitsubishi UFJ Research and Consulting Co., Ltd
April 2019	Managing Director of Aichi-ken Credit Guarantee Corporation
June 2021	Part-time Audit & Supervisory Board Member of Credit Guarantee Servicer Inc.
April 2022	Advisor of Aichi-ken Credit Guarantee Corporation
September 2022	Substitute Audit and Supervisory Committee Member of the Company
September 2024	Outside Director of the company (Audit and Supervisory Committee Member) (current position)













### List of Executive Officers

(as of October 1, 2025)

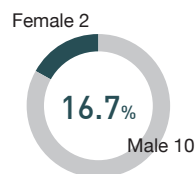
Tadakazu Kato, Senior Executive Officer  
Munekika Matsumoto, Senior Executive Officer  
Yuichi Iizuka, Senior Executive Officer  
Yo Nobuta, Senior Executive Officer  
Ippei Yûgawa, Executive Officer  
Kazuo Chiba, Executive Officer  
Yasuyuki Kawahara, Executive Officer  
Hideki Tamura, Executive Officer  
Tomoya Eguchi, Executive Officer  
Gen Nakashima, Executive Officer  
Tatsuji Higashi, Executive Officer  
Kazuaki Inukai, Executive Officer  
Yoshifumi Takahashi, Executive Officer  
Takeshi Matsumoto, Executive Officer

## 7-3 Message from the Chairman

### Skills Matrix

												
	Masahiko Miyata	Kenji Miyata	Makoto Nishiuchi	Yoshinori Terai	Mizuho Ito	Kazuhiro Ishihara	Shinjiro Otani	Takahiro Kusakari	Akihiro Taguchi	Ryuji Tomida	Ryoko Fukaya	Shigeki Moriguchi
Position	Internal Directors							Outside Director		Outside Director (Audit and Supervisory Committee Member)		
Outside and Independent Directors	29 years and 9 months	24 years and 5 months	7 years	12 years	9 years	1 years	—	3 years	2 years	7 years	3 years	1 years
Term of Office	●	◎(Chairperson)	●	●	●	●	●	●	●	●	●	●
Board of Directors	●	●			■(Observer)		■(Observer)	●	●	●	●	●
Nomination and Compensation Advisory Committee	●	●						●		◎(Chairperson)	●	
Skills Matrix	Management	●	●	●		●		●	●			●
	R&D/Clinical development		●			●	●		●			
	Manufacturing technology	●			●							
	Sales & marketing	●		●	●	●		●	●			●
	Industry knowledge – medical devices		●				●		●			
	Industry knowledge – industrial devices		●	●		●						
	Quality assurance & pharmaceutical				●		●		●			
	Finance & accounting		●		●						●	●
	Risk management & legal affairs		●				●			●	●	●
	Personnel management & human resource development	●		●						●		●
	DX・IT	●	●		●		●					
	Overseas experience				●	●			●			
	M&A	●	●			●				●	●	
	Equity market				●			●	●			
	Sustainability & ESG							●				
Qualification										Lawyer	CPA, CTPA	

#### Ratio of male and female directors at Board of Directors



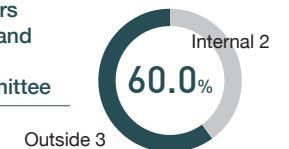
#### Ratio of outside directors at Board of Directors



#### Ratio of independent outside directors at Audit and Supervisory Committee

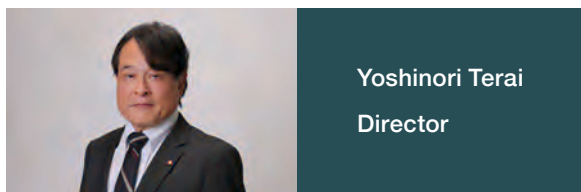


#### Ratio of independent outside directors at Nomination and Compensation Advisory Committee



## 7-3 Corporate Governance

# Message from Directors



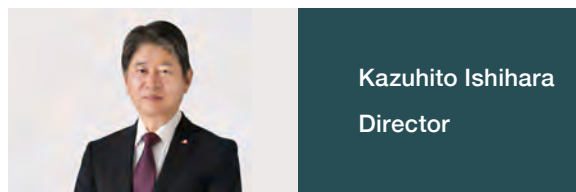
**Yoshinori Terai**  
Director

As head of new business development, I would like to create products and services that meet the unmet needs of patients and clinical professionals, and build a system to monetize innovation.

The focus areas are animal medical care and smart medical device development. In animal medical care, we will focus on minimally invasive treatments by using endovascular, endoscopic and percutaneous approaches, and create solutions that minimize the burden on animals in a safer and faster manner.

In the area of smart medical devices, we will accelerate co-creation with physicians, veterinarians, research institutes, and startups, and work to develop devices that combine next-generation sensors and energy technologies based on our know-how accumulated over the past 50 years.

Asahi Intecc has deep-rooted DNA that values technological exploration and challenge. I believe that respecting this culture and passing it on to future generations will drive innovation and bring minimally invasive treatment to the next level.



**Kazuhito Ishihara**  
Director

In line with the Medium-Term Management Plan, which was recently announced, the R&D division will explore and solve unmet medical needs, in addition to life-cycle management of existing products.

We will go back to the basics of medical device development, which is “To which diseases, to which doctors and patients, and in what form (target product profile) we should deliver our products?” and evolve the development process.

In order to expand this activity globally, the R&D organization will undergo a transformation toward the development of a new stage. Deeper consideration and selection of the right and unrivaled technology will be the key. As part of this effort, we will deepen our core technologies and actively develop unprecedented software and incorporate seeds of energy devices to prepare for the realization of commonplace medical care in 10 years from now.

In addition, as the division in charge of government affairs, we will expand the scope of our activities so that the company can contribute to society for the future of the medical field in Japan, which continues to face a crisis.



**Shinjiro Otani**  
Director

I was appointed as a new director at the General Meeting of Shareholders in September 2025 and am in charge of the Human Resources Development Division.

For more than 20 years, I have been engaged in a wide range of business at our company, including accounting and finance, operation of overseas production plants, production management, PMI of acquired subsidiaries, and human resources.

Based on this experience, I feel a deep sense of significance and pride in the fact that our company, as an R&D-oriented monozukuri (manufacturing) company, is committed to its own technologies and integrated production system, helps to save the lives of patients around the world through its medical device products, and supports the product performance of many customers through its industrial component products.

I am also convinced that each and every employee who makes every effort with this sense of mission is the source of value creation and our company's greatest strength.

As a director in charge of human resources, I am determined to meet the expectations of our stakeholders by evolving an environment and systems that enable employees to exercise their full potential with pride and achieve sustainable corporate growth.



## 7-3 Corporate Governance

## Message from Directors



**Ryuji Tomida**  
Outside Director  
(Audit and Supervisory  
Committee Member)

This is my eighth year as an Audit and Supervisory Committee member. During this time, I have visited many sites to audit and had the opportunity to talk directly with many people. The role of the Audit and Supervisory Committee is to audit the execution of duties by directors, so we visit inspection sites for this purpose. In reality, however, we can get a lot of information from the people working on-site and learn a lot about the company's culture and climate. Outside directors, including Audit and Supervisory Committee members, carry out their duties in order to fulfill the mandate of shareholders entrusted to them from a position of a certain distance from the execution of management, so if they make an opinion without knowing the culture and climate of the company, it may not fit in at all and may end up being out of place. To prevent that from happening, I would like to maintain our independence and deepen our understanding of the company and the people working there. During the fiscal year under review, when the new Medium-Term Management Plan is formulated and a new step is taken, I conduct on-site inspections to confirm the progress of the new management plan, and at the same time engage with a large number of people to conduct in-depth audits.



**Shigeki Moriguchi**  
Outside Director  
(Audit and Supervisory  
Committee Member)

One year has passed since I was elected as an Audit and Supervisory Committee member (Outside Director) in September 2024. During this period, I have gained a deeper understanding of the company's current situation and confirmed with my own eyes whether its governance and internal controls are functioning appropriately through visits to domestic and overseas bases for audits, interviews with executive departments (directors and officers), and discussions at the Board of Directors and Audit and Supervisory Committee.

The company possesses irreplaceable assets; the advanced technology that has cultivated over many years and abundant human resources, and the customers and patients who wait for the company's products around the world. In addition, the company is aiming for further growth under the new Medium-Term Management Plan starting this fiscal year, and it is expected to make efforts to achieve this goal. In light of these circumstances, I would like to fulfill my responsibilities as an Audit and Supervisory Committee member (outside director) so that the company can achieve sustainable growth and steadily increase corporate value based on a solid management structure by leveraging the knowledge and experience I have gained through my work at financial institutions and consulting firms.

\* Those who appear in featured interviews are not included in "Message from Directors."

## 7-3 Corporate Governance

## Interview with Outside Director

## — Toward sound and transparent management supported by diverse perspectives —

Amid major changes in the business environment, sound and transparent management that supports sustainable growth is becoming increasingly important. In this interview, we asked Ms. Ryoko Fukaya, Outside Director and Audit and Supervisory Committee member (hereinafter, “Fukaya”), who looks at corporate management from both theoretical and practical perspectives, about the role the Board of Directors should play and the strengthening of governance.

We interviewed her from a practical perspective about creating a mechanism to enhance the quality of discussions at the Board of Directors, cooperation among Outside Directors, and organizational support systems.

The interview also touched on the New Medium-Term Management Plan “Building the Future — 2030,” and the changes in decision-making brought about by diversity. The content suggests the evolution of governance in our company.

〈 Interviewer: Mizuho Ito, CFO, Asahi Intecc Co., Ltd. 〉



**Ryoko Fukaya**

Outside Director  
(Audit and Supervisory  
Committee member )  
Asahi Intecc Co., Ltd.

### Background of Appointment and Research

#### Activities in Academia

**Ito:** Thank you for taking time out of your busy schedule today. First, let me ask you about your career as Outside Director, Ms. Fukaya. I understand that you are continuing your research activities at the Graduate School of Kyoto University while accumulating experience as a certified public accountant.

**Fukaya:** Yes. I have been involved in corporate finance and accounting as a certified public accountant, but recently I have also been studying corporate finance from an academic perspective. I place great importance on looking at corporate management from both theoretical and practical perspectives.

**Ito:** I believe that your theoretical and practical perspectives and experience have led to your activities as an Audit and Supervisory Committee member at our company. Could you also tell us about the background to your appointment?

**Fukaya:** I was elected as a substitute Audit and Supervisory Committee member at the Annual General Meeting of Shareholders held in September 2020, and was officially elected as an Audit and Supervisory Committee member at the Annual General Meeting of Shareholders held in September 2022. I was recommended by an Outside Director at that time and was approached as a person with expertise in finance and accounting. I understand that the company wanted to add diverse perspectives to the Board of Directors.

### Stance and Discussion at the Board of Directors

**Ito:** From what viewpoint do you express your opinions at the meetings of the Board of Directors?

**Fukaya:** My basic stance is rooted in the principles of the Corporate Governance Code. From a position of an Audit and Supervisory Committee member, I am always conscious of how to ensure the soundness and transparency of

## 7-3 Corporate Governance

management. At the meetings of the Board of Directors, I place importance on whether the decision-making process is thoroughly discussed and whether the perspectives of stakeholders are reflected. Audit and Supervisory Committee members do not exist to criticize management, but to promote sound discussions. No one necessarily wants to deny or criticize, but everyone shares the desire of making the company better. Based on this premise, I try to hold constructive and forward-looking discussions.

**Ito:** Certainly, the attitude of dialogue rather than criticism changes the atmosphere of a board meeting.

**Fukaya:** I think so. In particular, discussions on finance and accounting tend to focus on numbers, but I am conscious of looking at the background behind the numbers. The numbers are the results, and what matters is the decision-making process beyond them. I am always thinking about the point of how non-financial factors are linked to corporate value and how the short term and long term are balanced.

**Ito:** It's really difficult to balance the short term and long term.

**Fukaya:** Yes. The long term as envisioned by the founding family and the long term as viewed by shareholders have different time horizons, even though they use the same words. I believe it is also an important role of the Board of Directors to understand these differences and act as a bridge between them.

### Themes of Focus as Audit and Supervisory Committee Member

**Ito:** As Audit and Supervisory Committee member, what themes are you focusing on?

**Fukaya:** The change of president in September 2024 was a major milestone for the company. The transition was made smoothly according to the succession plan, and the management is now stable. However, one year has passed since the replacement, and it is time for the organization to adjust to the new structure. So, I am paying attention to any changes that are difficult to see or burdens. We don't have any specific problems at this point, but I think we need to continue monitoring with a healthy level of alertness. The new Medium-Term Management Plan "Building the Future 2030" announced in 2025 marks a major turning point for the company. Based on our growth to date, we will enter the phase of improving profitability and restructuring the business portfolio simultaneously. Growth can sometimes cover up issues, but I see the next five years as a time to bring such issues to light and lay the foundations for sustainable growth.

**Ito:** I see. It's a balance between offense and defense.

**Fukaya:** That's exactly right. If the challenge shrinks, growth stops. How to balance defense and offense is the key to management. How can we optimize investment for growth, return to shareholders, and strengthen our financial base with the ability to generate free cash flow increasing? I think capital allocation decisions will determine the future corporate value.

### Cooperation among Outside Directors and Strengthening of Governance

**Ito:** How do you cooperate with other Outside Directors?

**Fukaya:** Cooperation among Outside Directors is extremely important in enhancing the quality of governance of the

Board of Directors as a whole. The depth of discussion will be greatly enhanced not only at the Board of Directors meetings but also at various meetings by sharing the awareness of the issues beforehand. In particular, Outside Directors were involved from an early stage in the process of formulating the Medium-Term Management Plan, and we returned to the starting point of thinking from the vision the company wants to be. In addition to setting numerical targets and measures, we repeated discussions by sharing our perspectives on how the company can contribute to society.



**Ito:** You have a very open relationship among Outside Directors.

**Fukaya:** Yes, I think so. Because of this relationship, it is easy to express candid opinions. As a result, I feel that discussions by the Board of Directors have become more constructive and effective.

### Status of Evaluating the Effectiveness of the Board of Directors and Support System by Administration Division

**Ito:** How do you feel about the effectiveness of the Board of Directors?

## 7-3 Corporate Governance



**Fukaya:** In order to enhance effectiveness, it is not enough to establish systems and mechanisms alone. The awareness of each director and the quality of discussions are of paramount importance. The decision-making by the executive side has been organized through the establishment of the Management Executive Committee, and it allowed the board to focus on medium- and long-term issues. It is a major revolution. In addition, documents and minutes of Management Executive Committee meetings are now shared with Outside Directors in a timely manner, resulting in a great improvement in information access. When I have a point of concern, I often contact you directly, as the head of the Administration Division, and you always respond politely and promptly. I also hold timely meetings with other senior members of the Administrative Division as necessary, and I feel that an organizational response is being taken.

**Ito:** Thank you very. Actually, I think there are still many things that need to be improved. On the other hand, I cannot do anything just by myself, and it is important for us to establish a system to deal with information as an organization so that information is not confined to individuals.

**Fukaya:** Information is shared openly as an organization without relying on specific individuals. Such a system is a

major force supporting the effectiveness of the Board of Directors.

### Capital Efficiency and KPIs: As a Bridge between Theory and Practice

**Ito:** Is there anything you are particularly aware of when discussing capital efficiency and KPIs?

**Fukaya:** I have looked at many companies and feel that numbers are just the results. Management's judgment and efforts are always behind this. That's why I place great importance on looking at numbers not for an evaluation but for a starting point of dialogue. On the other hand, while I study corporate finance in academia, I make use of the theory. However, I do not rely solely on theory, but always consider a topic in light of the actual situation of a company. Finance theory is nothing more than a model based on assumptions, and it is verified and refined in the course of going back and forth with practice. Therefore, I am conscious of not only measuring management by numerical values, but also deciphering the intention behind those numbers.

### Diversity and Women's Participation

**Ito:** Compared to the time when I was the only female member of the Board of Directors, I feel that the discussions at and atmosphere of the Board of Directors have changed a little with the addition of another female member, Ms. Fukaya. For example, my opinion from the perspective of women is considered as a viewpoint derived from my attributes, not just an opinion as an individual. As Outside Director, what do you think about that, Ms. Fukaya?

**Fukaya:** I am very happy and encouraged by the fact that you feel that way, Ms. Ito. Diversity is not just about the composition of members, but it affects the quality of decision-making. Having more than one woman makes it easier for opinions to be seen as one of a variety of viewpoints rather than just individual thoughts. I feel that having a multiple number of females means a lot in the sense that one person cannot achieve diversity. In addition, diversity is not limited to gender, but when people of different nationalities, specialties, and generations stimulate each other, organizational flexibility is generated. I believe that fostering a corporate culture where we respect each other's differences and take advantage of each other's strengths is the company's way of growing.

### Future Aspirations

**Ito:** Lastly, please tell us your future aspirations.

**Fukaya:** This is my fourth year as an Audit and Supervisory Committee member, and I feel that I have been able to maintain an external perspective while understanding the internal situation. In understanding the internal situation, I have the opportunity to talk directly with employees at each site. This is a valuable opportunity for me to understand the on-site situation and the direction of management. Our company is now in a critical period of laying the foundations for sustainable growth. How free cash flow can be leveraged and how it is reallocated to investment for growth, shareholder returns and strengthening the financial base. As an Audit and Supervisory Committee member, I would like to further deepen constructive dialogue among the Board of Directors while ensuring the soundness and transparency of management.



## 7-3 Corporate Governance

## Corporate Governance Policy and Structure

### Basic Policy

In order to achieve continuous stable growth and expand corporate value, we believe that it is necessary to speed up decision-making and increase the transparency of management. As such, management has placed the enhancement of corporate governance as a priority issue and is working to improve corporate governance by focusing on the development of internal control systems, complying with laws, regulations, and the Articles of Incorporation, strengthening risk management, ensuring the timely and fair disclosure of information, and enhancing the executive officer system.

### Promotional Structure

Asahi Intecc has adopted the system of a company with an audit and supervisory committee to further strengthen its corporate governance starting with the enhancement of the supervisory and monitoring functions of the Board of Directors and members of the Board as well as to increase corporate value over the medium to long term through these efforts. By appointing a number of outside directors and granting voting rights at the Board of Directors' meetings to directors that are Audit and Supervisory Committee members, who are all outside directors, we have determined that supervisory and monitoring functions have been strengthened, that this will further enhance and strengthen the corporate governance structure, and that it will contribute to the continuous improvement of our corporate value.

Our Board of Directors consists of nine directors (excluding directors who are Audit and Supervisory Committee members) and three directors who are Audit and Supervisory Committee members, and of the twelve directors, five directors (41.7% of the total number of directors) are outside directors who are considered independent directors that have no conflict of interests with general shareholders as required by the Tokyo Stock Exchange.

### Board of Directors

Asahi Intecc's Board of Directors consists of a total of twelve members, including nine directors excluding directors who are Audit and Supervisory Committee members (Chairperson/President & CEO Kenji Miyata, Chairman and Director Masahiko Miyata, Executive Director Makoto Nishiuchi, Director Yoshinori Terai, Director Mizuho Ito, Director Kazuhito Ishihara, Director Shinjiro Otani, Outside Director Takahiro Kusakari and Outside Director Akihiro Taguchi) and three Directors who are Audit and Supervisory Committee members (Outside Director Ryuji Tomida, Outside Director Ryoko Fukaya, and Outside Director Shigeki Moriguchi). The Board of Directors has the function of deliberating and deciding on important matters such as management policies and supervising the execution of operations, with emphasis on speediness, efficiency, and transparency in management. The Board of Directors meetings are held once a month as a regular meeting, and extraordinary meetings are held flexibly as necessary.

### Audit and Supervisory Committee

Asahi Intecc has an Audit and Supervisory Committee as it is a company with an audit and supervisory committee. The Audit and Supervisory Committee consists of three Audit and Supervisory Committee members, who are Outside Directors (Chairperson/Outside Director Ryuji Tomida, Outside Director Ryoko Fukaya, and Outside Director Shigeki Moriguchi), which audits the legality and appropriateness of decision-making by Directors regarding the execution of their duties, the establishment and operation of internal control systems, and the methods and results of audits by accounting auditors, and evaluates and decides whether or not to appoint or dismiss accounting auditors. In order to further enhance the independence of the Audit and Supervisory Committee, all members of the Audit and Supervisory Committee were appointed from independent Outside Directors. In addition, in case the statutory number of Directors who are Audit

and Supervisory Committee members is insufficient, one Director who is a substitute Audit and Supervisory Committee member was appointed.

### Nomination and Compensation Advisory Committee

Our company has a Nomination and Compensation Advisory Committee.

The structure of the Nomination and Compensation Advisory Committee shall be composed of three or more members who are directors selected through resolution by the Board of Directors, and the majority of the members shall be selected from among independent outside directors, and such independent outside directors shall include at least one director who is an Audit and Supervisory Committee member. The Nomination and Compensation Advisory Committee consists of a total of five members: Chairperson/Outside Director Ryuji Tomida, Chairman and Director Masahiko Miyata, President & CEO Kenji Miyata, Outside Director Takahiro Kusakari and Outside Director Ryoko Fukaya. The Nomination and Compensation Advisory Committee deliberates on the composition of the Board of Directors, policies and standards for the selection and dismissal of directors, and basic policies and compensation amounts for directors (excluding directors who are Audit and Supervisory Committee members) in response to the Board of Directors' consultation, and reports the results of its deliberations to the Board of Directors.

### Management Executive Committee

Our company has introduced an executive officer system to clarify responsibilities for business execution and speed up the decision-making process. The Management Executive Committee, consisting of executive directors and executive officers, meets once a month to discuss important issues related to business operations and to share information across the company by reporting the results of business operations.

## 7-3 Corporate Governance

The executive directors are Chairman and Director Masahiko Miyata, President & CEO Kenji Miyata, Executive Director Makoto Nishiuchi, Director Yoshinori Terai, Director Mizuho Ito, Director Kazuhito Ishihara, and Director Shinjiro Otani. The executive officers are Tadakazu Kato, Munechika Matsumoto, Yuichi Iizuka, Yo Nobuta, Ippei Yugawa, Kazuo Chiba, Yasuyuki Kawahara, Hideki Tamura, Tomoya Eguchi, Gen Nakashima, Tatsuji Higashi, Kazuaki Inukai, Yoshifumi Takahashi and Takeshi Matsumoto.

### Status of Election of Directors

In accordance with Asahi Intecc's rules and regulations, the Nomination and Compensation Advisory Committee shall deliberate on the matters requested by the Board of Directors, have a discussion based on the report to the Board of Directors, and then the Directors shall be determined at the General Meeting of Shareholders upon the nomination of candidates by the Board of Directors. The nomination of Directors shall be based on their performance in their respective areas of responsibility, their ample expertise and insight into corporate management, and their specializations. In accordance with Asahi Intecc's rules and regulations, the election or dismissal of executive directors and Directors shall be decided at Board of Directors' meetings. Of these, the election or dismissal of executive directors shall be examined and decided based on the report of the Nomination and Compensation Advisory Committee. Furthermore, in the unlikely event that the dismissal of a Director is objectively deemed appropriate owing to violation of laws, regulations, and the Articles of Incorporation, etc. or owing to significant damage to Asahi Intecc's corporate value, the Nomination and Compensation Advisory Committee shall deliberate on the matter requested by the Board of Directors. Thereafter, the matter shall be sufficiently deliberated at a Board of Directors' meeting and then be proposed to the General Meeting of Shareholders, where the matter shall be settled.

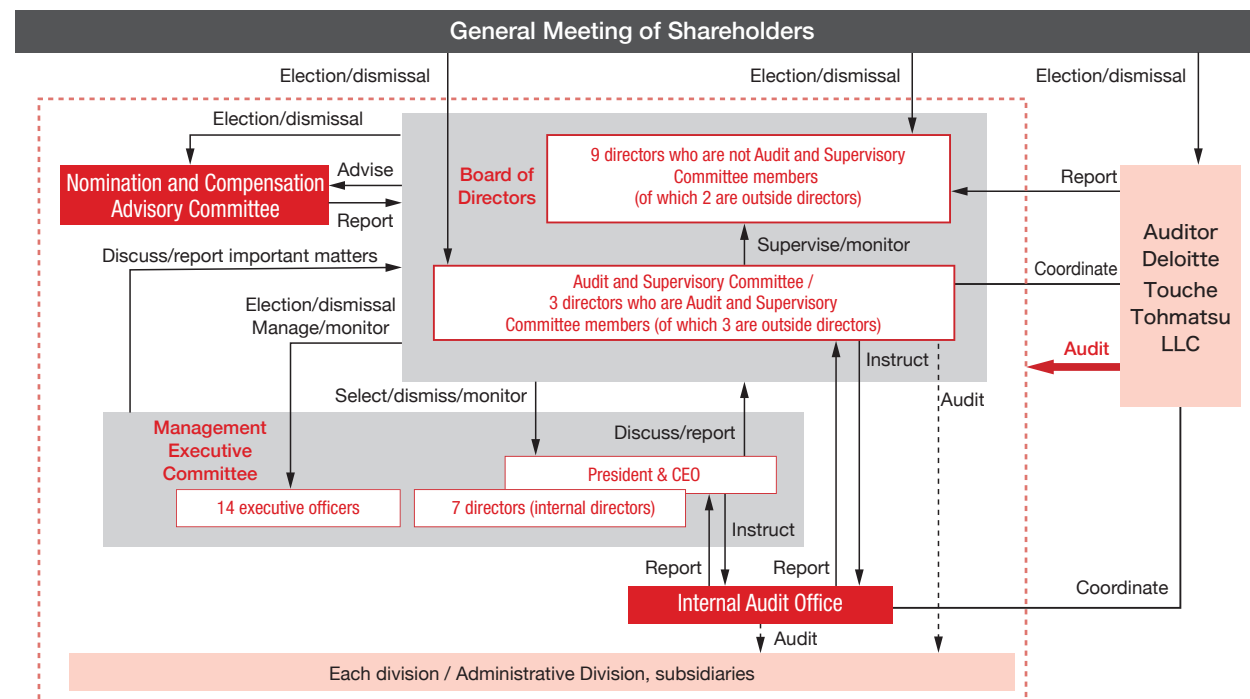
### Status of Evaluating the Effectiveness of the Board of Directors

Asahi Intecc believes that the Board of Directors as a whole has been effective because its Directors, who have diverse experience and knowledge, examine each proposal from a variety of perspectives, and because the structure ensures that matters pointed out by Outside Directors, which includes Audit and Supervisory Committee members, are reflected in the resolutions.

In terms of analyzing and evaluating the effectiveness of Board of Directors' meetings, from the perspective of improving the functions of the Board of Directors, the operations and proceedings of the Board of Directors are discussed when necessary at Board of Directors' meetings and among Directors, and improvements are made to the operations, etc., of the Board of Directors and other matters as appropriate, and Asahi Intecc has confirmed that the Board of Directors is effective in its current form and operations.

### Corporate Governance Structure

As of October 2025



## 7-3 Corporate Governance

### Remuneration of Directors

#### Details of the Policy for Determining the Amounts of Remuneration of Officers or the Method of Calculating the Amounts, and the Method of Determining Said Policy

At the 40th Annual General Meeting of Shareholders held on September 28, 2016, the total annual amount of director remuneration was determined to be a maximum of ¥1,000 million (including not more than ¥100 million for outside directors) for directors (excluding directors who are Audit and Supervisory Committee members), and a maximum of ¥40 million for directors who are Audit and Supervisory Committee members, and each director's remuneration is determined pursuant to the following policy within the limits of this total amount. The Board of Directors of the company has passed a resolution on the following policy. The Board of Directors of the company has confirmed that the method of determining the details of individual remuneration of directors (excluding directors who are Audit and Supervisory Committee members) pertaining to the fiscal year under review, as well as the content of the determined remuneration, are in line with the following policy.

#### 1) Policy on Determining the Overall Remuneration of Directors (excluding Directors Who Are Audit and Supervisory Committee Members)

The remuneration of directors (excluding directors who are Audit and Supervisory Committee members) shall be determined by the Board of Directors upon receiving reports from the Nomination and Compensation Advisory Committee (composed of three or more members who are directors selected through resolution by the Board of Directors, and the majority of the members shall be selected from among independent outside directors, and such independent outside directors shall include at least one director who is an Audit and Supervisory Committee member) so that the total amounts of the base remuneration, the portion of performance-linked remuneration (director bonuses commensurate with short-term results), and the portion of remuneration for share purchase (linked to improvements in long-term performance) fall within the total amount of remuneration determined by a General Meeting of Shareholders resolution. In FYE June 2025, the Board of Directors requested the above to the Nomination and Compensation Advisory Committee and received the report on the result deliberated at the committee.

2) Policy on Determining the Amounts of the Portion of Base Remuneration and the Portion of Remuneration for Share Purchase (Linked to Improvements in Long-Term Performance), Which Are Components of Remuneration of Directors (excluding Directors Who Are Audit and Supervisory Committee Members)

As for the portion of base remuneration and the portion of remuneration for a share purchase (linked to improvements in long-term performance), the payment amount shall be determined in consideration of a director's position, duties, tenure, and the state of the Asahi Intecc Group.

#### 3) Policy on Determining the Amount of Portion of Performance-Linked Remuneration (Director Bonuses Commensurate with Short-Term Results), Which Is a Component of Remuneration of Directors (excluding Directors Who Are Audit and Supervisory Committee Members)

The portion of performance-linked remuneration (director bonuses commensurate with short-term results) is paid in consideration of each director's position, duties, and tenure, provided that the consolidated performance of Asahi Intecc is expected to significantly exceed the sales and profit plans disclosed to the public, using a portion of the excess as the source of remuneration.

#### 4) Policy on Determining the Timing of Remuneration of Directors (excluding Directors Who Are Audit and Supervisory Committee Members)

The portion of base remuneration and the portion of remuneration for a share purchase (linked to improvements in long-term performance) are paid monthly. If the portion of performance-linked remuneration (director bonuses commensurate with short-term results) is to be paid, the payment is made once a year within three months from the end of the fiscal year.

**Director remuneration** Total amount of remuneration, etc., by type of director, total amount of remuneration, etc., by type of remuneration, and number of eligible directors

FYE June 2025

Type of director	Total amount of remuneration, etc. (million yen)	Portion of base remuneration	Portion of remuneration for share purchase	Portion of performance-linked remuneration	Number of eligible directors (person)
Director (excluding Audit and Supervisory Committee members and Outside Directors)	396	362	34	—	8
Director (Audit and Supervisory Committee members) (excluding Outside Directors)	—	—	—	—	—
Outside Directors	48	43	4	—	7
Total	444	405	38	—	15

(Note 1) Portion of remuneration for share purchase is remuneration which is linked to improvement in long-term performance.

(Note 2) Portion of performance-linked remuneration is director bonuses commensurate with short-term results.

## 7-3 Corporate Governance

### 5) Policy on Determining the Ratio of Portion of Base Remuneration, Portion of Remuneration for Share Purchase (Linked to Improvements in Long-Term Performance), and Portion of Performance-Linked Remuneration (Director Bonuses Commensurate with Short-Term Results), Which Are Components of Remuneration of Directors (excluding Directors Who Are Audit and Supervisory Committee Members), in Individual Remuneration of Directors

The ratio of remuneration is determined by the Board of Directors (president and representative director, who has been delegated in accordance with 6) below) upon receiving reports from the Nomination and Compensation Advisory Committee. In FYE June 2025, the Board of Directors requested the above to the Nomination and Compensation Advisory Committee and received the report on the result deliberated at the committee.

### 6) Policy on Determining the Content of Individual Remuneration of Directors (excluding Directors Who Are Audit and Supervisory Committee Members)

The president & CEO, who has been delegated the authority by the Board of Directors, determines the amounts of the portion of base remuneration, the portion of remuneration for share purchase (linked to improvements in long-term performance) and the portion of performance-linked remuneration (director bonuses commensurate with short-term results) paid to each individual, in compliance with the basic policy passed by a resolution of the Board of Directors upon receiving reports from the Nomination and Compensation Advisory Committee. The reason for the delegation to the president & CEO is that the president & CEO, who is in a position to oversee the business execution of the entire company and maintain a complete picture of the company's performance, is best suited to evaluate each director. In FYE June 2025, the resolution of the above basic policy was made based on the report of the committee in

response to a request from the Board of Directors.

### 7) Remuneration of Directors Who Are Audit and Supervisory Committee Members

Remuneration for Directors who are Audit and Supervisory Committee members is determined through negotiations by Directors who are Audit and Supervisory Committee members, within the limits of total amount of remuneration determined by a General Meeting of Shareholders resolution.

### Director Training (Internal and Outside Directors)

Asahi Intecc provides appropriate opportunities to attend seminars required for directors (excluding those who are Audit and Supervisory Committee members) to perform their duties. In addition, if there are important legal amendments, systemic changes, etc., the relevant departments will provide them with appropriate information while opportunities to attend external seminars will also be provided at the expense of Asahi Intecc. Directors who are Audit and Supervisory Committee Members endeavor to acquire knowledge continuously by becoming members of the Japan Audit & Supervisory Board Members Association, etc.

Moreover, at meetings, etc., where all Directors are present, training and discussions take place on Asahi Intecc's management, human resource system, compliance, ESG, insider trading policies, risk management, etc.

### Successor Training (Succession Plan)

Concerning matters related to the succession plan, the Nomination and Compensation Advisory Committee deliberates on the appropriateness of the plan and periodically reviews

candidates, etc., and reports the deliberation results to the Board of Directors and submits opinions when necessary. In September 2024, a successor candidate who had been nurtured through a succession plan was appointed as the new President of our company. We are continuing to nurture new successor candidates.

### Governance of Asahi Intecc Group

As of December 2025, our group is composed of Asahi Intecc, ten domestic subsidiaries (five consolidated subsidiaries and five non-consolidated subsidiaries), and sixteen overseas subsidiaries (all consolidated subsidiaries).

In accordance with Asahi Intecc's and its subsidiaries' regulations on administrative authority and rules for managing related parties, each subsidiary is required to, depending on the content, receive Asahi Intecc's approval or report on matters, including matters related to management policies and management strategies, budgets, business performance, important decisions, litigations, other necessary matters, etc. In addition, Asahi Intecc promotes an integrated approach to risk management and compliance management by dispatching Asahi Intecc's directors or employees to subsidiaries as directors, to ensure compliance with laws, regulations, and other rules, and each subsidiary's director reports monthly to Asahi Intecc's director and general manager of the Administration Division concerning the existence and details of any matters causing significant damage to subsidiaries, any violations of laws, regulations, or the Articles of Incorporation, or any other important matters concerning compliance, as well as the existence and details of disputes and administrative actions. Furthermore, important matters discussed at the subsidiaries' Board of Directors' meetings are reported monthly to Asahi Intecc's Board of Directors.



## 7-4 Risk Management

### Basic Policy

In order to ensure the continuation of operations based on safety and reliability, our Group has established a company-wide risk management system that correctly identifies risk factors related to our Group's business activities, and continuously examines and implements measures to reduce the likelihood of occurrence of such risks and to minimize losses in the event of occurrence of such risks.

### Promotional Structure

Asahi Intecc's Board of Directors has established various rules and regulation such as crisis management rules and rules for managing related parties, etc., in order to prevent risks that could significantly impact our Group's operations and to manage losses that have occurred, and it has also established a risk management system that spans across the entire Group.

Regular risk management concerning our Group's day-to-day operations are carried out appropriately within the scope granted to each department in accordance with the regulations on administrative authority. In addition, each department in the Administration Division verifies and confirms the risk management status of each division of our Group based on their expertise and knowledge of each business process. Each department is supposed to report any problems to the Board of Directors.

### Response to Large-Scale Disasters

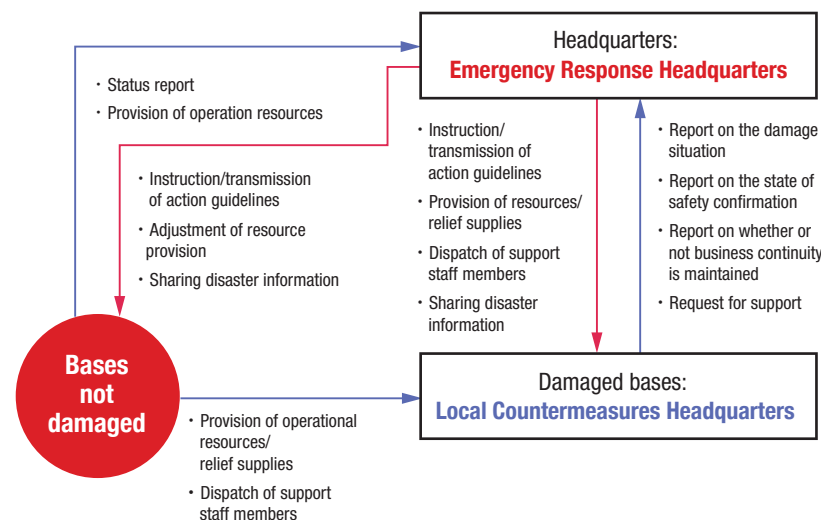
#### Basic Thinking

Our Group aims to rapidly become an international company by developing and stably supplying products that consistently exceed the expectations and the needs of the market by establishing the highest levels of reliability and safety and by contributing to medical care around the world.

In normal times, our group will plan and implement countermeasures against risks such as large-scale disasters and pandemics. In the event of an emergency, the highest

priority will be given to ensuring human lives and safety, and we will continue to provide relief and support in the affected areas and supply products stably.

#### Roles of Emergency Response Headquarters



#### 〈Emergency Response Headquarters〉

In the event of an emergency, such as a disaster, in our group, the Emergency Response Headquarters headed by the president & CEO shall be responsible for crisis management in accordance with the crisis management rules, in order to ensure quick and appropriate response. By establishing a centralized information communication system, etc., we will protect the safety of the employees and the local community while endeavoring to stably supply products.

## 7-4 Risk Management

### Business Continuity Plan (BCP)

Our Group is proceeding with formulating the Asahi Intecc Group BCP (Business Continuity Planning) with the aim of continuity/early restoration of our business activities and the system of delivery of our products to our customers in case of emergency. We define tasks to realize continuity/early restoration of priority operations and essential tasks for corporate operations for each group, and take measures in the case of emergency based on this planning.

#### BCP Basic Policy

1. Give top priority to securing the safety of each person.
2. Assess the damage situation and strive for early restoration to normal operation activities of the company to minimize effects on our customers.

### BCP (Business Continuity Plan) for Production Bases

As part of our Group's BCP (Business Continuity Plan), production diversification is underway at the Thailand Factory, the Hanoi Factory, and the Cebu Factory.

In addition to moving forward with the production transfer from the Thailand Factory to the Hanoi Factory, production transfer is also underway from the Hanoi Factory to the Cebu Factory. Concerning the transfer, manufacturing facilities, equipment, and jigs designed and manufactured at the Thailand Factory and the Hanoi Factory will be introduced to the Cebu Factory, establishing a stable production line.

Our Group is required to build a system for stable delivery of our products under any circumstances as a duty of a medical device manufacturer, which brings products involved in the lives of patients to society.

### Disaster Prevention Handbook



## 7-4 Risk Management

### Information Security Basic Policy

#### ① Basic Policy

In order to deal with the information security risks that are becoming increasingly serious day by day, in addition to complying with laws and regulations, guidelines, and other societal norms concerning information security, we have implemented information security measures necessary to protect Asahi Intecc's customers and business operation based on the perspectives outlined below.

#### ② Information Security Risk Management System

Our group has appointed a chief security officer to promote an information security system, manage risks concerning information security, and ensure the organization-wide implementation of various measures, and the entire company works towards information security.

### Initiatives to Strengthen Information Security

#### Implementation of Information Security Measures

Our Group has established its Information Security Regulations and implements human, organizational, and technical measures to reduce the risk of information asset leakage, alteration, loss, and information system outages due to cyber-attacks, damage to facilities, and communication problems. To respond to increasingly sophisticated and diverse information security risks in recent years, we periodically review our measures, appropriately prioritize the risks that could occur, and continue to implement security measures.

#### Information Security Training

As part of information security training, our Group provides group training when employees join the Company and distributes regular security education content utilizing E-learning, with the purpose of fostering a sense of ethics and security awareness. Furthermore, we aim to maintain and improve security awareness by implementing targeted attack email training and regularly disseminating information about incidents that have occurred either inside or outside of the Company that could serve as lessons, as well as the latest trends in suspicious emails and viruses that are mainstream in the public domain. Going forward, we will continuously add security training content and expand types and frequencies of training to enhance the content of the information security training that our Group has provided to date.

#### Incident Response

Our group has introduced a mechanism to monitor and

block the occurrence of cyber-attacks, ransomware, information leaks, etc., and has developed the necessary systems for incident response (CSIRT) in advance, such as the reception of incident occurrence, support for response, and consideration of measures to prevent recurrences. In order to limit the spread of damage and the occurrence of secondary damage, our group continually reviews the necessary systems and procedures to enable prompt and effective incident response, and continuously enhances its ability to respond to incidents.

#### Internal Audit

Internal audits are conducted regularly to ensure information security. We specifically emphasize audit results concerning the handling of personal and confidential information, and we have a system in place to follow up on the completion of improvement measures when improvement is deemed necessary.

#### Human Measures

##### ● Establishing a system for responding to information security incidents

Establish a CSIRT (Computer Security Incident Response Team) system to collect and analyze vulnerability information, respond to incidents, and share information and collaborate with internal and external organizations

##### ● Implementation of information security training

Implement company-wide targeted attack email training and training in anticipation of incidents

#### Technical Measures

##### ● Enhancing PC/server security

**Measures against computer viruses:** Introduce a mechanism to constantly monitor all servers and PCs for suspicious activities and immediately shut them down if detected

**Development of backup environment:** Establish an environment to recover data for important servers in the event that data is erased or encrypted

##### ● Enhancing internet security

**Web filtering:** Develop a mechanism to block access to suspicious and malicious websites such as fraudulent websites

**E-mail countermeasures:** Develop a mechanism to detect and reject suspicious and fraudulent e-mails

##### ● Enhancing network security

Develop a mechanism to restrict access to the internal network

**7-4 Risk Management**

## Reference: Risk Model

### Examples of Possible Risks

The chart to the right shows a wide range of risks, including risks that could impact investor decisions. Statements about the future in the text are based on the judgments made by our group as of the end of FYE May 2025 and can be associated with the seven key issues of sustainability.

		Key Issues
① Medical Field	Legal Regulations	Supplying safe and secure products
	Health Care Reforms	Supplying safe and secure products
	Quality Control System	Supplying safe and secure products
	Dependence on Specific Products	On-site problem-solving through innovation
	Dependence on Sales in Specific Regions	Strengthening risk management
	Response to Technological Innovation	On-site problem-solving through innovation
	Purchase from Specific Suppliers	Supply chain management
② Industrial Field	Customer Specification	
	Competitive Landscape	On-site problem-solving through innovation
③ Common Issues in Each Field	Overseas Business Development	Strengthening risk management
	Dependence on Overseas Production	Supply chain management
	Price Increase in Raw Materials	Supply chain management
	Intellectual Property Rights	On-site problem-solving through innovation
	Natural Disasters and Large-Scale Disasters	Strengthening risk management
	Impact of Epidemics and Infectious Diseases	Strengthening risk management
	Risks due to Climate Change	Measures to reduce environmental burden
④ Company-Wide Matters	Foreign Exchange Risks	
	Equity Risks	Strengthening corporate governance
	Acquisition Risks	Strengthening corporate governance
	Impairment and Valuation Loss Risks	Strengthening corporate governance
	Information Security	Strengthening risk management
	Risks on Securing Human Resources	Strengthening global human resources
	Human Rights Risks	Supply chain management



## 7-5

## Compliance

## Basic Policy and Action Guidelines

In order to realize sustainable contributions to society over the long run through the delivery of our one-and-only technologies and number one products, which are found in our Group's mission, we believe that it is essential to have the trust of society and all stakeholders, including clients, business partners, development partners, employees, and shareholders, regarding compliance with laws and other rules. This is indicated in the Charter of Corporate Behavior: "Asahi Intecc shall comply with all laws and regulations, international rules, and the spirit of these rules, regardless of their origin, whether domestic or international, and shall act in a socially sensible manner."

## Promotional Structure

Under the supervision of the director and general manager of the Administration Division, the Legal, General Affairs, and Human Resource Divisions are responsible for understanding the information contained in laws and regulations, considering the impact that these could have on business operations, reflecting this upon internal regulations, disclosure items, and

operational procedures, and implementing company-wide awareness and education.

## Internal Reporting System

Our group has established the ASAHI Intecc Group Compliance Hotline for the early detection of violations of laws and regulations, the Articles of Incorporation, the Charter of Corporate Conduct, and internal rules, as well as inappropriate acts such as harassment, in order to correct them and prevent their recurrence. This system covers the entire global region where our group operates, and we are working to create an environment where all employees can use the system with peace of mind.

In addition to the existing internal contact points, we have established an external contact point staffed by lawyers to ensure independence and neutrality. Reports and consultations can be made from either contact point. The name of whistleblowers or information that could identify them is not disclosed unless their consent is given or there is a justifiable reason, and we strive to thoroughly protect whistleblowers so that they are not disadvantaged.

Based on internal reporting regulations, the Compliance Committee, which consists of several members, including the general manager of the Administration Division, the general manager of the Human Resources Division, the General manager of the Internal Audit Office, takes the lead in investigating and responding to reports. When conducting an investigation, the committee will conduct a fair and prompt fact-finding process, taking the utmost care to ensure that whistleblowers and related parties are not adversely affected. If a violation is found from the investigation, corrective measures and measures to prevent recurrence are appropriately considered and implemented.

For cases involving directors or executive officers, the company will take actions with the involvement of outside directors and directors who are members of the Audit and Supervisory Committee to ensure the transparency of the decision-making process.

The whistleblowing information received through this system is reported to directors who are Audit and Supervisory Committee members of the company, depending on the importance of the content, and important matters are reported to directors as necessary to strengthen supervision and governance at the management level.

We have also set up consultation and reporting hotlines at our subsidiaries and branches, including overseas bases, and we are working to ensure a globally unified level of compliance by adhering to the laws and regulations of each country and region. In addition, directors who are also Audit and Supervisory Committee members continuously monitor the Internal Reporting System to improve its effectiveness.

## Compliance Training

We provide training to new graduates and mid-career hires that are joining the Company to ensure compliance with regulations on personal information, corporate secrets, and insider trading. We also provide training to business personnel on specific topics such as the basics of contracts, subcontracting laws, laws and regulations concerning sales, debt collection, and confidentiality agreements. In addition, we provide group training to those involved in operations regarding specific topics that require special attention, such as EU competition laws and compensation rules for health care professionals. Furthermore, for all employees, we distribute e-learning content in which explanations are provided on basic knowledge of contracts, procedures until conclusion of a contract, and compliance and control

**企業行動憲章**

**企 業 理 念**

朝日インテック株式会社

**企業行動憲章**

朝日インテック株式会社は、以下の10原則に基づき、国の内外を問わず、全ての法律、国際ルール及びその精神を遵守するとともに、社会的良識をもって行動する。私たちは、公正な競争を通じて利益をおよぼすという経営理念であると同時に、広く社会にとって有用な存在であるよう努める。

- 製品安全の確保、環境保全及び個人情報・顧客情報の保護に十分配慮しつつ、社会的に有用な製品・サービスを開発・提供し、顧客などの満足と信頼を獲得し、もって国民生活の向上および経済・社会の発展に貢献する。
- 地域問題への取り組みは、人類共通の課題であり、企業の存在と活動に必要であることを認識し、地球環境問題、資源の持続可能な利用・消費の観点に立ち、事業活動全般にわたって自主的・積極的に行動する。
- 株主をはじめ、社会と広くコミュニケーションを行い、企業情報を積極的かつ公正に開示する。
- 従業員のめりと意気込みを実現し、安全で働きやすい環境を確保するとともに、従業員の多様性、人格、個性を尊重する。
- 良き企業市民として、積極的に地域社会活動などを支援する。
- 市民社会の秩序や安全に脅威を及ぼす反社会勢力及びその関係者と厳格に対峙する。
- 国際的な事業活動にあたっては、国際ルール及び現地の法律並びにそれらの精神を遵守するとともに、その国の文化や慣習を尊重し、現地の発展に貢献する。
- 政治・行政との健全かつ正常な関係を保つ。
- 関係法令を厳格に遵守し、社会的規範にもとらることのない、誠実な企業活動を遂行し、公正、透明、自由な取引と競争を行う。
- 経営トップは、本憲章の精神の実現のための、率先垂範して関係者への周知徹底と社内体制の整備を行うとともに、本憲章に反する事象が発生したときには、自ら問題解決にあたり、迅速かつ的確な情報公開を行い、再発防止に努め、徹底な処分を行う。

## 7-5 Compliance

with regulations on insider trading. In FYE June 2025, we provided employees of the company and its domestic subsidiaries with e-learning training on business and human rights.

### Appropriate Relations with Healthcare Professionals

We have established internal rules on payments to medical institutions, etc. that clarify standards in accordance with relevant laws and regulations, such as the Fair Competition Code Concerning Restriction on Premium Offers in the Medical Devices Industry and the National Public Service Ethics Code, and the Legal Division ensures compliance with these internal rules prior to all payments to healthcare professionals, etc.

In addition, in accordance with the Japan Federation of Medical Devices Associations' Transparency Guidelines for the Medical Device Industry and Its Relationships with Medical Institutions and Other Organizations, we publicly disclose payments to healthcare professionals. In Europe, the company, as a member of the MedTech Europe Code, conducts marketing activities in compliance with the ethical standards thereof and discloses information on the payment of educational grants to healthcare organizations. With regards to overseas payments to medical professionals, etc., we follow industry rules such as the Mecomed Code of Ethical Business Practice, Apac-Med Code of Ethical Conduct for Interactions with Health Care Professionals, and the AdvaMed Code of Ethics on Interactions with Health Care Professionals, and disclose the payment information in accordance with the United States' Physician Payments Sunshine Act and France's Bertrand Law.

### Monitoring of Domestic and Overseas Related Companies

Asahi Intecc's Directors or employees are dispatched to subsidiaries as Directors to ensure compliance with laws, regulations, and other rules, and each subsidiary's Director reports monthly to Asahi Intecc's Director and General Manager of the Administration Division concerning the existence and details of any violations of laws, regulations, or the Articles of Incorporation, or any other important matters concerning compliance, and the existence of disputes or administrative dispositions. In addition, planned visiting audits to subsidiaries by Directors who are Audit and Supervisory Committee members and visiting audits by the Internal Audit Office are conducted systematically.

### Respect for Human Rights (1) Harassment/ Discrimination Prevention

Our Group advocates in the Charter of Corporate Behavior that "We shall achieve the feeling in our employees of being free of pressure and affluence, secure safe and comfortable environments for them, and respect the diversity, personalities, and individual characters of employees," and we respect the human rights of each employee and prevent discrimination and harassment.

As harassment and discrimination are socially impermissible acts of unjustly harming an individual's dignity, we are working to prevent them. Regarding harassment, our Directors and managers have received harassment training from external experts, all participants have submitted written pledges, and when discovered, it will be dealt with in accordance with the rules for disciplinary action. In addition,

since June 1, 2022, the contact point established in the Human Resources Division has been integrated in the ASAHI Intecc Group Compliance Hotline that is an internal reporting contact point, in order to create a contact point system that makes it easier for users to understand as a contact point for all forms of harassment.

### Respect for Human Rights (2) Prevention of Forced Labor and Child Labor

Our Charter of Corporate Behavior states that "In our international business activities, we shall comply with international rules, local laws, and their spirit, respect the culture and customs of the country, and contribute to the development of the local community," and we are committed to business activities that take human rights into consideration, including the prevention of forced labor and child labor.

From FYE June 2022, our Group has added items related to compliance with laws and social norms to its questionnaires that have been conventionally implemented for suppliers. As such, we, through our entire corporate activities, are taking measures that take human rights into consideration, such as the prevention of forced labor and child labor.

### Respect for Human Rights (3) Formulation of Human Rights Policy.

Our Group formulated the Asahi Intecc Group Human Rights Policy in May 2023 with the approval of the Board of Directors. This policy was formulated in order for the Asahi Intecc Group to respect human rights in its business activities and fulfill its responsibilities in society.

## 7-5 Compliance

As a company concerned with human life and safety, we support and respect the United Nations Guiding Principles on Business and Human Rights and strive to investigate and prevent important human rights issues that need to be addressed, such as the prohibition of modern slavery, prevention of discrimination and harassment, appropriate management of employee working conditions, occupational health and safety, compliance with laws and regulations concerning environmentally controlled substances and hazardous substances, and protection of the rights of human subjects in clinical trials. In FYE June 2025, we have published our requests to our suppliers, including those related to human rights, the environment, and anti-corruption measures, and asked our business partners to respect human rights. In accordance with the Human Rights Policy, we have also begun conducting human rights due diligence (efforts to identify, prevent and mitigate negative impacts on human rights) on the above issues.

For details of Asahi Intecc Group Human Rights Policy and Requests to Our Suppliers, see our website.

Asahi Intecc Group Human Rights Policy/  
Request to Our Suppliers [↗](#)

## Dealing with Antisocial Forces

Our group's Charter of Corporate Behavior clearly states that compliance with laws and regulations is fundamental to our activities. In accordance with this Charter, Asahi Intecc's basic policy is not to have any relationship with antisocial forces that pose a threat to social order and safety, and all directors and employees are thoroughly informed of this. As part of this policy, as a basic rule, all contracts with new business partners in Japan include an article regarding

the elimination of antisocial forces, and memorandums of understanding on the elimination of antisocial forces are concluded with long-standing business partners. In addition, the legal division oversees the collection of information concerning measures against antisocial forces and takes appropriate measures in a resolute manner by consulting with experts such as attorneys and the police as needed in cooperation with the general affairs division.

## Corruption Prevention

Our Group formulated the Asahi Intecc Group Anti-Bribery Policy in May 2024 with the approval of the Board of Directors. This policy was formulated to comply with the laws and regulations of each country and to conduct fair, transparent, and free trade and competition while corporate

activities are conducted worldwide. In order to implement this policy, while bribery is obviously prohibited, we also examine and confirm that this is the case to ensure that inappropriate payments are not made, such as payments to public or quasi-public servants based upon requests or contracts to obtain permission. In addition, we have also obtained anti-bribery pledges from its overseas distributors.

See our websites for details of the Asahi Intecc Group Anti-Bribery Policy.

Asahi Intecc Group Anti-Bribery Policy [↗](#)





# 08 Performance and Corporate Information

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## 8-1 Financial Summary

(Consolidated)

	40th Fiscal Year FYE June 2016	41st Fiscal Year FYE June 2017	42nd Fiscal Year FYE June 2018	43rd Fiscal Year FYE June 2019	44th Fiscal Year FYE June 2020	45th Fiscal Year FYE June 2021	46th Fiscal Year FYE June 2022	47th Fiscal Year FYE June 2023	48th Fiscal Year FYE June 2024	49th Fiscal Year FYE June 2025 (Current Fiscal Year)
Net sales (million yen)	39,511	42,709	50,124	57,216	56,546	61,507	77,748	90,101	107,547	120,025
Operating profit excluding goodwill amortization, etc. (million yen)	10,004	10,797	13,774	15,317	12,595	12,944	16,893	19,934	24,168	31,689
EBITDA (million yen)	12,291	13,350	16,660	18,778	16,794	17,764	22,712	26,742	31,856	40,225
Operating profit (million yen)	10,002	10,795	13,773	15,168	12,445	12,795	15,239	18,030	22,135	30,079
Operating profit margin (%)	25.3	25.3	27.5	26.5	22.0	20.8	19.6	20.0	20.6	25.1
Ordinary income (million yen)	9,521	10,941	13,740	14,833	12,310	13,196	16,326	17,635	21,968	29,563
Net income attributable to parent company shareholders (million yen)	6,907	7,725	10,042	11,237	9,178	9,984	10,857	13,106	15,808	12,737
Comprehensive income (million yen)	4,126	9,490	10,623	11,335	9,251	10,753	17,297	16,280	22,873	9,375
Total assets (million yen)	50,286	63,246	72,104	84,358	93,729	115,427	155,127	172,644	191,614	193,187
Net assets (million yen)	32,263	44,659	53,599	65,450	71,975	92,938	121,130	134,300	151,961	151,354
Equipment investment (million yen)	3,836	5,169	8,183	9,702	11,361	11,764	8,933	14,456	12,570	8,447
Depreciation and goodwill amortization (million yen)	2,286	2,552	2,886	3,460	4,198	4,819	6,439	7,513	8,464	9,190
R&D expenses (million yen)	3,886	4,496	5,052	6,036	6,579	7,524	8,869	9,723	11,662	12,248
Net assets per share (yen)	127.47	173.11	207.34	251.37	276.13	349.18	439.80	487.12	556.71	558.31
Earnings per share (yen)	27.31	30.43	38.88	43.29	35.25	38.25	40.01	48.25	58.20	46.92
Equity ratio (%)	64.1	70.6	74.3	77.6	76.8	80.5	77.0	76.6	78.9	77.9
Return On Equity (ROE) (%)	21.3	20.1	20.4	18.9	13.4	12.1	10.2	10.4	11.2	8.4
Return on invested capital (ROIC) (%)	-	-	-	16.4	11.4	9.8	9.1	9.0	10.1	13.1
Price earnings ratio (x)	45.5	42.0	53.9	61.3	87.0	69.4	51.2	58.3	38.8	48.7
Cash flows from operating activities (million yen)	8,622	10,257	11,717	11,720	11,166	8,920	17,302	19,138	34,708	40,543
Cash flows from investing activities (million yen)	- 3,841	- 5,268	- 10,537	- 10,849	- 10,389	- 16,327	- 18,703	- 15,135	- 21,222	- 13,434
Cash flows from financing activities (million yen)	- 4,552	1,598	- 3,749	267	- 850	10,110	11,368	- 2,342	- 13,878	- 8,107
Cash and equivalents, end of period (million yen)	12,935	19,992	17,494	18,777	18,554	21,358	32,321	34,884	35,658	53,200
(Reference) Consolidated dividend payout ratio (%)	27.5	25.0	25.0	25.0	25.0	30.0	30.0	30.0	35.0	51.6
Number of employees/consolidated (persons)	5,545	6,220	6,998	7,810	8,761	9,409	10,435	10,187	9,371	9,473

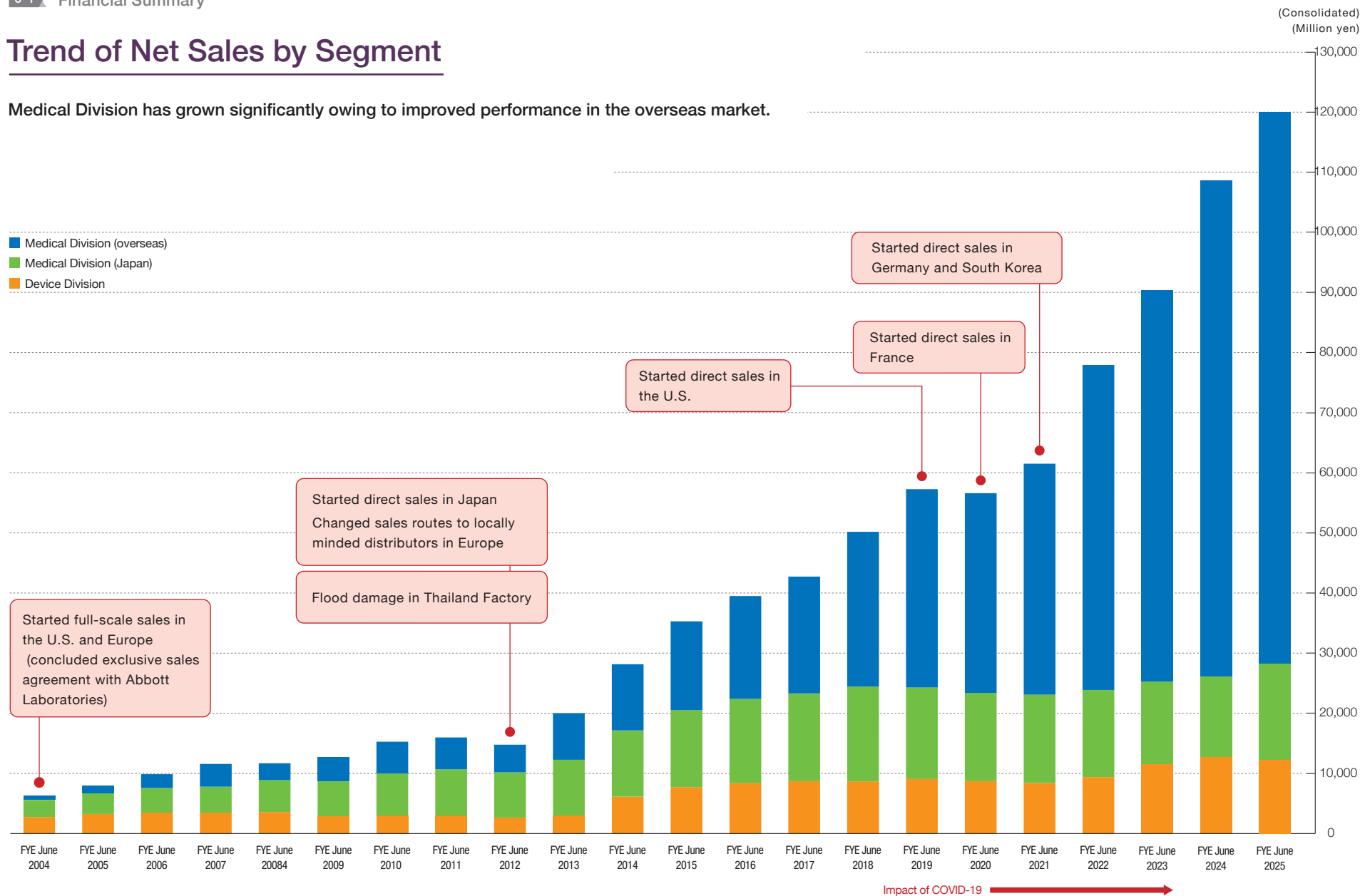
- The company conducted a two-for-one split of its common shares on August 1, 2015; January 1, 2018; and July 1, 2019. Accordingly, the net assets per share and net profit per share are calculated on the assumption that such split of shares was conducted at the beginning of FYE June 2016.
- Return on invested capital (ROIC) is calculated based on the following formula. ROIC is not disclosed for the 42nd fiscal year or earlier.  

$$\text{ROIC} = \text{net operating profit after tax} / \text{invested capital} [\text{interest-bearing debt} + \text{shareholders' equity (average of beginning and ending balances)}]$$

8-1 Financial Summary

# Trend of Net Sales by Segment

Medical Division has grown significantly owing to improved performance in the overseas market.



## 8-1 Financial Summary

## Net Sales and Operating Profit

Net sales totaled 120,025 million yen (an increase of 11.6% year on year), mainly due to strong sales in the Medical Division both in Japan and overseas thanks to continued market share expansion.

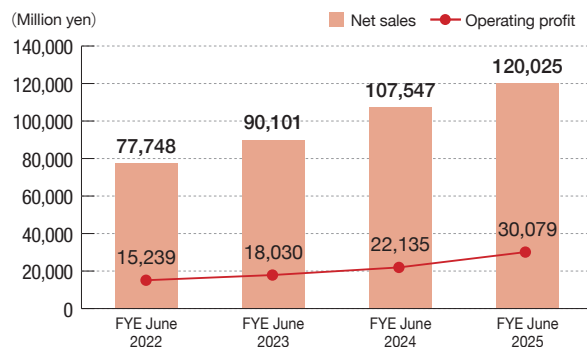
Gross profit totaled 81,235 million yen (an increase of 17.6% year on year) due to the increase in gross profit margin from the increase in net sales and productivity improvement, while there were negative factors such as the appreciation of the Thai baht.

Operating profit was 30,079 million yen (an increase of 35.9% year on year), despite an increase in selling, general and administrative expenses, such as an increase in sales-related expenses mainly associated with reinforcement of sales in the non-cardiovascular field in the U.S. and new fields in Japan and an increase in R&D expenses.

Ordinary income was 29,563 million yen (34.6% increase year on year) as a result of the increase in subsidy income despite an increase in exchange losses.

Profit attributable to parent company shareholders was 12,737 million yen (a decrease of 19.4% year on year) as a result of the recording of extraordinary losses such as impairment loss.

### Net Sales and Operating Profit



\*Effective from FYE June 2025, general and administrative expenses for certain consolidated subsidiaries have been included in corporate expenses. Comparative information has been reclassified accordingly starting from FYE June 2024.

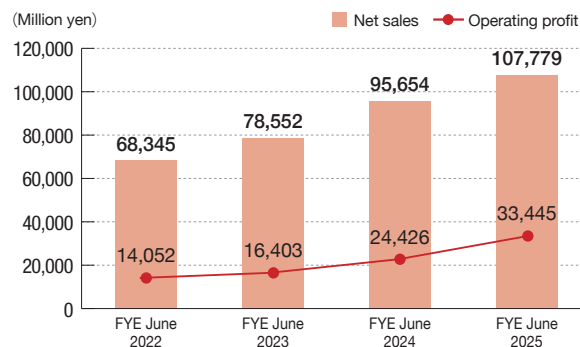
## Net Sales by Business Segment and Operating Profit

### ① Medical Division

In the Medical Division, net sales was brisk and increased owing to continued growth of market share in all regions. In the domestic market, peripheral vascular products (imported purchased products) and neurovascular products were also highly evaluated in the non-cardiovascular field, in addition to the strong performance in the cardiovascular field, resulting in an increase in net sales. In the overseas market, net sales increased in both cardiovascular and non-cardiovascular fields. In the cardiovascular field, net sales performed very strongly in all regions, primarily for PCI guide wires and penetration catheters. In the non-cardiovascular field, net sales increased owing to the strong performance of neurovascular products in the Chinese market and abdominal vascular products in the U.S. market despite a decline in OEM transactions in the U.S.

As a result, net sales totaled 107,779 million yen (an increase of 12.7% year on year). Segment profit amounted to 33,445 million yen (an increase of 36.9% year on year).

### Medical Division Net Sales and Operating Profit

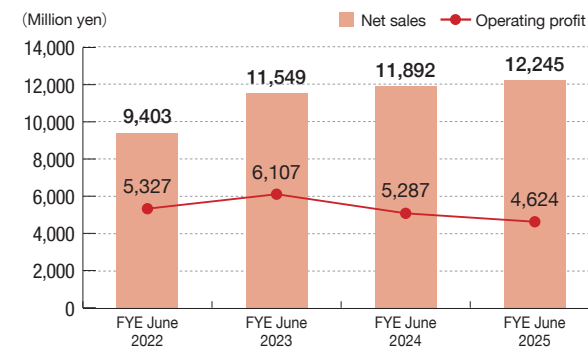


### ② Device Division

In the Device Division, net sales increased owing to an increase in medical components, despite a decrease in industrial components. As for medical components, net sales increased mainly owing to increases in transactions of cardiovascular inspection catheter components for Asia. Net sales from industrial components decreased owing to decreases in leisure-related transactions in the overseas market, while domestic and overseas machinery and construction-related transactions increased.

As a result, net sales totaled 12,245 million yen (an increase of 3.0% year on year). Segment profit amounted to 4,624 million yen (a decrease of 12.5% year on year) due to a decrease in intersegment transactions.

### Device Division Net Sales and Operating Profit



## 8-1 Financial Summary

### Consolidated Balance Sheet

(Million yen)

	Previous Fiscal Year (FYE June 2024)	Current Fiscal Year (FYE June 2025)
<b>Assets</b>		
Current assets		
Cash and deposit	35,658	54,200
Bills/accounts receivable	17,676	15,767
Electronically recorded monetary claims – operating	1,913	2,026
Securities	3,000	—
Merchandise and finished goods	9,282	9,408
Work in process	12,298	8,785
Raw materials and supplies	7,763	6,458
Others	7,609	7,004
Allowance for doubtful accounts	- 505	- 291
Total current assets	94,696	103,359
Fixed Assets		
Tangible fixed assets		
Buildings and structures	46,109	49,407
Accumulated depreciation	- 14,523	- 16,884
Buildings and structures, net	31,585	32,523
Machinery, equipment and vehicles	36,239	36,847
Accumulated depreciation	- 25,683	- 28,008
Machinery, equipment, and vehicles, net	10,555	8,838
Land	7,257	7,301
Construction in progress	4,207	3,758
Others	14,463	15,851
Accumulated depreciation	- 7,940	- 9,190
Others, net	6,523	6,661
Total tangible fixed assets	60,129	59,082
Intangible assets		
Goodwill	6,910	110
Others	10,048	5,485
Total intangible assets	16,959	5,595
Investments and other assets		
Investment securities	15,185	19,389
Shares of subsidiaries and associates	220	335
Deferred tax assets	989	1,779
Others	3,538	4,384
Allowance for doubtful accounts	- 105	- 739
Total investments and other assets	19,828	25,149
Total fixed assets	96,917	89,827
Total assets	191,614	193,187

(Million yen)

	Previous Fiscal Year (FYE June 2024)	Current Fiscal Year (FYE June 2025)
<b>Liabilities</b>		
Current liabilities		
Bills payable/accounts payable	2,289	2,655
Electronically recorded obligations – operating	625	424
Short-term debt	5,615	2,387
Account payable – other	4,038	1,805
Accrued corporate tax, etc.	2,683	4,789
Provision for bonuses	2,700	2,868
Others	11,542	12,924
Total current liabilities	29,494	27,856
Fixed liabilities		
Long-term debt	1,087	6,633
Deferred tax liabilities	4,643	1,929
Provision for retirement benefits for Directors (and other officers)	19	19
Retirement benefit liability	2,851	2,943
Asset retirement obligations	17	197
Lease obligations	1,502	2,078
Others	36	174
Total fixed liabilities	10,157	13,976
Total liabilities	39,652	41,833
<b>Net assets</b>		
Shareholders' equity		
Capital stock	18,860	18,860
Capital surplus	21,779	21,779
Retained earnings	90,742	97,947
Treasury stock	- 7	- 4,453
Total shareholders' equity	131,375	134,134
Accumulated other comprehensive income		
Valuation difference on available for-sale securities	2,689	2,008
Foreign currency translation adjustment	17,142	14,315
Re-measurements of defined benefit plans	9	99
Total accumulated other comprehensive income	19,841	16,424
Non-controlling interests	744	795
Total net assets	151,961	151,354
Total liabilities and net assets	191,614	193,187

### Consolidated Statements of Income

(Million yen)

	Previous Fiscal Year (FYE June 2024)	Current Fiscal Year (FYE June 2025)
Net sales	107,547	120,025
Cost of sales	38,494	38,789
Gross profit	69,053	81,235
Selling, general, and administrative expenses		
Freight-out	2,748	2,949
Provision of allowance for doubtful accounts	169	58
Salaries and bonuses	11,280	12,926
Director remuneration	767	694
Bonuses for Directors (and other officers)	246	—
Provision of allowance for bonuses	1,291	1,458
Retirement benefit expenses	479	441
Depreciation	2,943	3,002
R&D expenses	11,662	12,248
Others	15,329	17,376
Total selling, general, and administrative expenses	46,917	51,155
Operating profit	22,135	30,079
Non-operating income		
Interest income	102	115
Dividend income	91	128
Subsidy income	79	918
Others	242	239
Total non-operating income	515	1,401
Non-operating expense		
Interest expenses	226	214
Foreign exchange loss	379	1,455
Others	77	247
Total non-operating expense	683	1,918
Ordinary income	21,968	29,563
Extraordinary gain		
Gain on sale of investment securities	21	23
Reversal of allowance for doubtful accounts	—	100
Total extraordinary gain	21	123
Extraordinary loss		
Impairment loss	—	9,244
Loss on valuation of investment securities	99	1,068
Loss on valuation of shares of subsidiaries and associates	—	210
Provision of allowance for doubtful accounts for subsidiaries and associates	—	477
Provision of allowance for doubtful accounts	100	—
Others	0	31
Total extraordinary loss	199	11,031
Profit before income taxes and others	21,789	18,655
Income taxes – current	5,630	9,147
Income taxes – deferred	263	- 3,284
Total income taxes	5,893	5,863
Net income	15,895	12,792
Profit attributable to non-controlling interests	87	54
Profit attributable to parent company shareholders	15,808	12,737



## 8-1 Financial Summary

### Consolidated Statement of Comprehensive Income

(Million yen)

	Previous Fiscal Year (FYE June 2024)	Current Fiscal Year (FYE June 2025)
Net income	15,895	12,792
Other comprehensive income		
Valuation difference on available-for-sale securities	656	- 680
Foreign currency translation adjustment	6,274	- 2,826
Re-measurements of defined benefit plans	45	90
Total other comprehensive income	6,977	- 3,417
Comprehensive income	22,873	9,375
(Breakdown)		
Comprehensive income attributable to parent company shareholders	22,684	9,323
Profit attributable to non-controlling interests	188	51

### Consolidated Statements of Changes in Shareholders' Equity

Previous Fiscal Year (FYE June 2025)

(Million yen)

	Shareholders' equity					Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Re-measurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of current period	18,860	21,727	78,867	- 7	119,448	2,033	10,867	- 36	12,864	1,987	134,300
Changes during the period											
Dividends of surplus			- 3,933		- 3,933						- 3,933
Profit attributable to parent company shareholders			15,808		15,808						15,808
Acquisition of treasury stock				- 0	- 0						- 0
Purchase of shares of consolidated subsidiaries		52			52						52
Net changes in items other than shareholders' equity						656	6,274	45	6,977	- 1,243	5,733
Total changes during the period	—	52	11,824	- 0	11,927	656	6,274	45	6,977	- 1,243	17,660
Balance at the end of the period	18,860	21,779	90,742	- 7	131,375	2,689	17,142	9	19,841	744	151,961

### Current Fiscal Year (FYE June 2025)

(Million yen)

	Shareholders' equity					Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Re-measurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of current period	18,860	21,779	90,742	- 7	131,375	2,689	17,142	9	19,841	744	151,961
Changes during the period											
Dividends of surplus			- 5,533		- 5,533						- 5,533
Profit attributable to parent company shareholders			12,737		12,737						12,737
Acquisition of treasury stock				- 4,446	- 4,446						- 4,446
Purchase of shares of consolidated subsidiaries		—			—						—
Net changes in items other than shareholders' equity						- 680	- 2,826	90	- 3,417	51	- 3,365
Total changes during the period	—	—	7,204	- 4,446	2,758	- 680	- 2,826	90	- 3,417	51	- 607
Balance at the end of the period	18,860	21,779	97,947	- 4,453	134,134	2,008	14,315	99	16,424	795	151,354

### Consolidated Statements of Cash flows

(Million yen)

	Previous Fiscal Year (FYE June 2024)	Current Fiscal Year (FYE June 2025)
Cash flows from operating activities		
Profit before profit taxes and others	21,789	18,655
Depreciation	8,464	9,190
Impairment loss	—	9,244
Increase (decrease) in allowance for doubtful accounts	273	427
Increase (decrease) in provision for bonuses	837	216
Increase (decrease) in retirement benefit liability	261	418
Interest income and dividend income	- 193	- 244
Interest expenses	226	214
Amortization of goodwill	1,255	955
Loss (gain) on valuation of investment securities	99	1,068
Increase (decrease) in trade and other receivables	- 2,345	1,166
Increase (decrease) in inventories	4,456	3,540
Increase (decrease) in trade and other payables	- 973	190
Increase (decrease) in accounts payable	563	- 851
Increase (decrease) in advances received	4,346	1,679
Increase (decrease) in accrued income	- 337	- 110
Others	1,289	992
Subtotal	40,014	46,756
Interest and dividends received	185	249
Interest paid	- 167	- 248
Income taxes paid	- 5,323	- 6,213
Cash flows from operating activities	34,708	40,543
Cash flows from investing activities		
Purchase of securities	- 3,000	—
Proceeds from redemption of securities	2,000	3,000
Purchase of investment securities	- 8,334	- 14,325
Proceeds from sale of investment securities	61	8,041
Purchase of tangible fixed assets	- 9,877	- 8,096
Purchase of intangible assets	- 667	- 482
Others	- 1,403	- 1,571
Cash flows from investing activities	- 21,222	- 13,434
Cash flows from financing activities		
Net increase (decrease) in short-term debt	- 6,500	- 1,000
Proceeds from long-term loans payable	1,500	8,500
Repayment of long-term loans payable	- 3,202	- 5,182
Dividends paid	- 3,933	- 5,533
Purchase of treasury shares	- 0	- 4,446
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	- 1,355	—
Repayments of lease obligations	- 385	- 446
Cash flows from financing activities	- 13,878	- 8,107
Effect of exchange rate change on cash and cash equivalents	1,164	- 1,459
Increase (decrease) in cash and cash equivalents	773	17,542
Cash and cash equivalents at beginning of period	34,884	35,658
Cash and cash equivalents at end of period	35,658	53,200

## 8-2 Non-Financial Summary

### CO<sub>2</sub> Emissions (Scope 1 + Scope 2)

	FYE June 2023	FYE June 2024	FYE June 2025	Goal
Scope1(t-CO <sub>2</sub> )	2,367	2,490	2,520	—
Scope2(t-CO <sub>2</sub> )	46,929	48,009	47,932	—
Total	49,296	50,499	50,452	30% reduction by 2030 compared to FYE June 2022*
Emissions by basic sales unit (t-CO <sub>2</sub> /1 million yen)	0.55	0.47	0.42	—

\*Reduction target based on 1.5°C level of SBTi

### CO<sub>2</sub> Emissions (Scope 3)\*

	FYE June 2023	FYE June 2024	FYE June 2025	Goal
Scope3(t-CO <sub>2</sub> )*	140,915	172,463	141,302	—
Emissions by basic sales unit (t-CO <sub>2</sub> /1 million yen)	1.56	1.60	1.18	Maintain the level of FYE June 2023

\*As it was discovered that there were some errors in the past calculations for some of Scope 3 (Category 3), the calculations of previous fiscal years have been reviewed. Our company responded based on the advice of external experts. However, as a result of a review of the calculation process, it was found that there were differences in the understanding of the scope of Category 3, and the company revised the calculation process accordingly.

Magnitude of impact: FYE June 2022: + 670 t-CO<sub>2</sub>  
FYE June 2023: + 6,467 t-CO<sub>2</sub>,  
Emissions by basic sales unit: + 0.07

### Tap Water Consumption

	FYE June 2023	FYE June 2024	FYE June 2025
Tap water consumption (1000 m <sup>3</sup> )	362	364	385

\*Excluding sales sites because water consumption of such sites is extremely limited and cannot be individually identified.

### CO<sub>2</sub> Emissions (Scope 3)

	Contents	FYE June 2024	FYE June 2025	Calculation method
Category 1	Purchased goods and services	95,762	92,489	Calculated by multiplying the amount of materials and services purchased by each emission intensity
Category 2	Capital goods	50,119	22,257	Calculated by multiplying the amount of capital goods purchased by the emission intensity
Category 3	Fuel-and-energy-related activities not included in Scope 1 or 2	6,516	6,541	Calculated by multiplying the amount of fuel purchased and energy consumption by each emission intensity.
Category 4	Transportation and distribution (upstream)*	2,700	2,902	Calculated by multiplying the transportation ton-km of purchased materials and other logistics costs borne by the Company by emission intensity for each transportation method
Category 5	Waste generated in operations	—	—	Calculated by multiplying the consignment amount of waste treatment by the emission intensity for each type of waste
Category 6	Business travel	233	249	Calculated by multiplying the number of employees by the emission intensity
Category 7	Employee commuting	4,175	4,205	Calculated by multiplying the number of commuters divided by work type and city group by each emission intensity
Category 8	Leased assets (upstream)	—	—	Not to be calculated because the Company does not hold applicable leased assets
Category 9	Transportation and distribution (downstream)*	12,642	12,264	Calculated by multiplying the transportation ton-km of sold products, etc. (those not covered by the Company's own expenses) by the emission intensity for each transportation method.
Category 10	Processing of sold products	81	130	Calculated by multiplying each type of sold intermediate product weight by the emission intensity
Category 11	Use of sold products	—	—	Not to be calculated because there are no applicable products
Category 12	Disposal of sold products	235	266	Calculated by multiplying the consignment weight of waste treatment in sold products by the emission intensity
Category 13	Downstream leased assets	—	—	Not to be calculated because the Company does not hold applicable leased assets
Category 14	Franchises	—	—	Not to be calculated owing to lack of franchise agreement
Category 15	Investments	—	—	Not to be calculated, because there are no applicable investments
Total		172,463	141,302	

\*From the calculation this time, we have defined the upstream as the delivery to the production plant and the downstream as the product shipment from the production plant, and the past portions have been revised.

## 8-2 Non-Financial Summary

### Employee Data

	FYE June 2023	FYE June 2024	FYE June 2025
Number of employees/consolidated (global) (persons)	10,187	9,371	9,473
Female	7,762	7,020	7,084
Male	2,425	2,351	2,389
Medical Division	6,188	5,773	5,778
Device Division	3,425	3,062	3,171
Company-wide (common)	574	536	524
Number of employees (Asahi Intecc only) (persons)	1,016	1,088	1,196
Female	291	329	376
Male	725	759	820
Medical Division	607	646	715
Device Division	293	314	342
Company-wide (common)	116	128	139
Length of service (Asahi Intecc only) (years)*	7.3	7.2	7.2
Female	6.0	5.8	5.8
Male	7.8	7.9	7.9
Average age (Asahi Intecc only) (years old)	36.7	36.9	37.1
Average annual salary (Asahi Intecc only) (10,000 yen)	628	650	695

\* The short length of service is due to the large number of mid-career hires.

### Indicators regarding Work-Life Balance

	FYE June 2023	FYE June 2024	FYE June 2025
Average monthly overtime (Asahi Intecc only) (hours)	24.4	23.9	21.8
Rate of taking paid leave (Asahi Intecc only) (%)	74.6	72.1	75.6
Voluntary turnover rate of regular employees (Asahi Intecc only)* (%)	6.1	6.5	5.1
Number of sites with flextime systems (sites)	6	6	9

\*We recognize that our turnover rate is very low compared to the average of other companies.

## Technology-Related Data

### Number of Patents/Designs Owned

	FYE June 2023	FYE June 2024	FYE June 2025
Number of patents/designs owned (global)	806	938	1,014

### Indicators regarding Diversity Promotion

	FYE June 2023	FYE June 2024	FYE June 2025	Goal
Ratio of female employees (global) (%)	76.2	73.7	74.8	–
Ratio of female managers (global)*1 (%)	36.3	35.8	33.5	Maintain 30% or more
Ratio of female managers (Asahi Intecc only)*2 (%)	12.0	12.3	14.3	13% or more as of FYE June 2026
Employment ratio of new female graduates (Asahi Intecc only) (%)	26.5	33.3	29.1	Maintain 25% or more
Employment ratio of new female graduates in technical positions (Asahi Intecc only) (%)	21.9	33.3	20.5	Maintain 20% or more
Gender pay gap (Asahi Intecc only) (%)	61.1	61.2	62.2	–
Gender pay gap of regular workers*3	82.0	81.7	80.1	–
Gender pay gap of part-time and fixed-term workers*4	24.3	27.3	30.9	–
Rate of taking childcare leave by female employees (Asahi Intecc only) (%)	100.0	100.0	90.0	–
Rate of taking childcare leave by male employees (Asahi Intecc only) (%)	54.5	57.7	68.0	Maintain 50% or more
Ratio of foreign employees (global) (%)	86.2	84.0	82.8	–
Ratio of foreign managers (global)*1 (%)	65.9	60.5	64.9	–
Ratio of mid-career hires in managerial positions (global)*1 (%)	54.7	57.6	60.3	–
Employment ratio of people with disabilities (in Japan) (%)	2.57	3.05	2.76	–

\*1 Calculated based on the managerial position criteria set forth in Asahi Intecc Group's rules and regulations.

\*2 Calculated by applying the disclosure standards of the Annual Securities Report.

\*3 Although there is no difference in wages between men and women in the wage system and wage structure, the difference is attributable to the small proportion of female workers in the upper level of regular workers and the fact that the average length of service of women is about two years shorter than that of men.

\*4 Although there is no difference in wages between men and women in the wage system and wage structure, the difference in the wages of men and women, such as part-time and fixed-term workers, is attributable to differences in employment status based on employment contracts. Treatment of re-employment employees after retirement age is determined based on the job description and qualifications prior to retirement, which is a factor causing differences.

### Ratio of Male and Female Employees by Type of Employment (as of the End of FYE June 2025)

	Male	Female	Total
Ratio of male and female employees by type of employment (Asahi Intecc only) (%)	63.5	36.5	100.0
Regular employees	60.5	23.3	83.8
Reemployment after retirement age	2.5	0.4	2.9
Fixed-term contract employees	0.2	0.7	0.9
Part-timers	0.3	12.1	12.4

### Indicators regarding Human Resources Vision

	FYE June 2023	FYE June 2024	FYE June 2025
Number of Meisters (Asahi Intecc only) (persons)	5	5	4
Number of registered groups for practical competence improvement projects	155	152	47
Number of foreign language training participants (Asahi Intecc only) (persons)	10	8	10
Ratio of R&D personnel (Asahi Intecc only) (%)	43.5	42.6	43.6

### R&D Expenses

	FYE June 2023	FYE June 2024	FYE June 2025
R&D expenses (million yen)	9,723	11,662	12,248
Ratio of R&D expenses (%)	10.8	10.8	10.2

## 8-3 Company and Stock Information

### Company Profile

Trade Name ..... ASAHI INTECC CO., LTD.

Date of Establishment ..... July 8, 1976

Capital Stock ..... 18,860.79 million yen (as of end of June 30, 2025)

Number of Employees ..... Consolidated: 9,473 persons /  
Asahi Intecc Co., Ltd.: 1,196 persons  
(as of June 30, 2025)

Stock Listing ..... Tokyo Stock Exchange Prime Market  
Nagoya Stock Exchange Premier Market

#### Contents of Main Business

- ① Development, manufacturing, and sale of minimally invasive treatment products used mainly in endovascular treatment (guide wire, catheter)
- ② Development, manufacturing and sale of components in medical field and industrial field

### Matters regarding Shares of Asahi Intecc (as of June 30, 2025)

Total Number of Authorized Shares ..... 800,000,000 shares

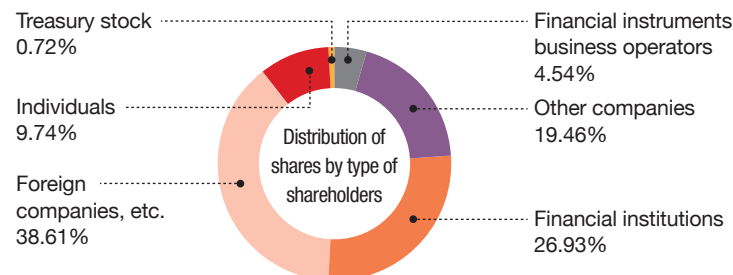
Total Number of Issued Shares ..... 271,633,600 shares  
(including 1,964,677 shares of treasury stock)

Number of Shareholders ..... 16,153 persons

#### Major Shareholders (Top 10)

Name of shareholder	Number of shares held (shares)	Shareholding ratio (%)
The Master Trust Bank of Japan, Ltd. (trust account)	37,821,100	14.02
Bo-en Holdings Co., Ltd.	23,084,032	8.56
Custody Bank of Japan, Ltd. (trust account)	20,099,300	7.45
THE CHASE MANHATTAN BANK, N.A. LONDON	7,774,829	2.88
JP MORGAN CHASE BANK 385632	7,633,190	2.83
Y. K. ICSP	7,200,000	2.66
JPMorgan Securities Japan Co., Ltd.	7,000,753	2.59
STATE STREET BANK AND TRUST COMPANY 505001	6,936,772	2.57
HI-LEX Corporation	5,878,600	2.17
Masahiko Miyata	5,820,900	2.15

\*Shareholding ratio is calculated after deducting treasury stock (1,964,677 shares).





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