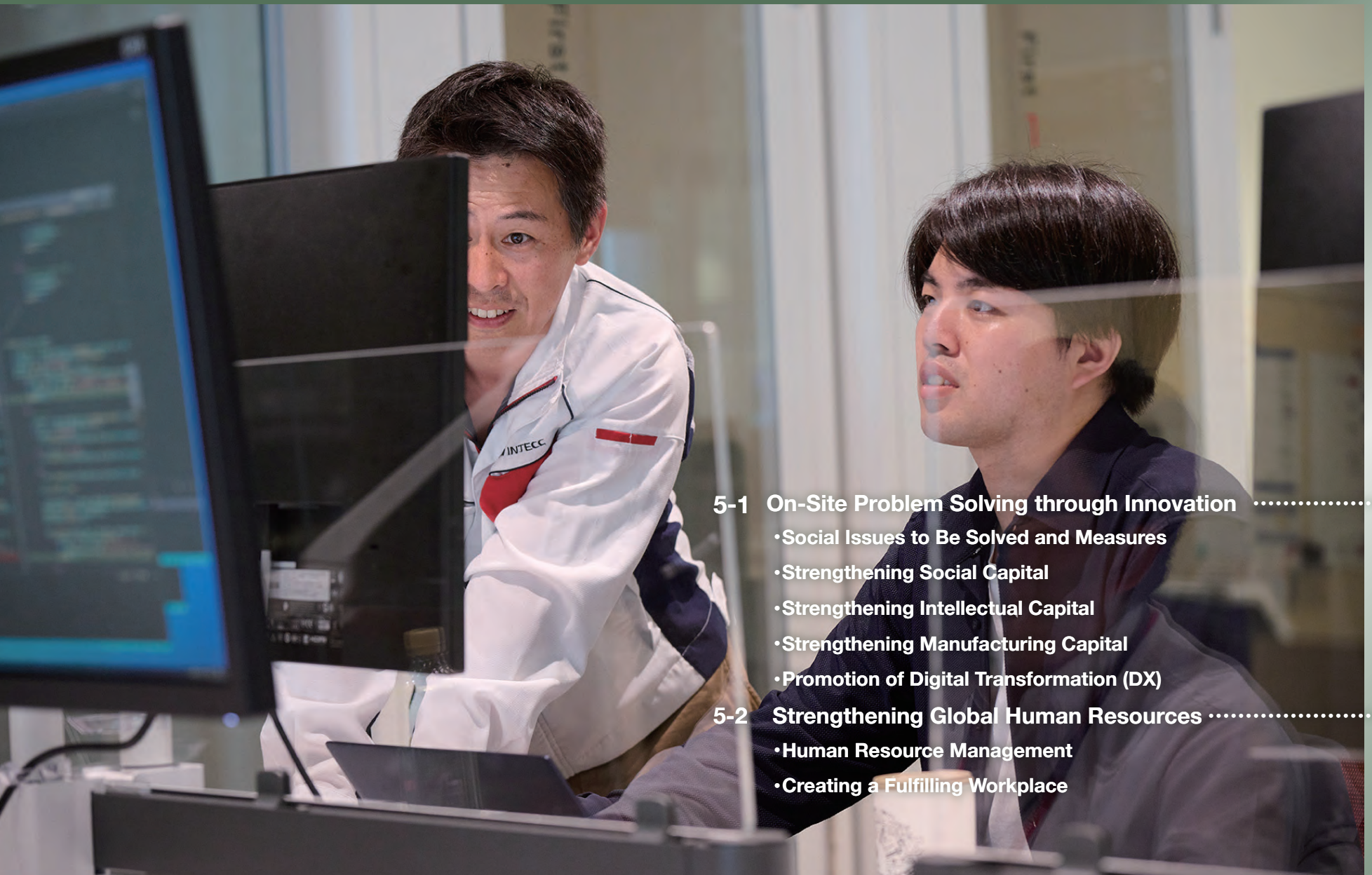
05 Sustainability Bolstering Non-Financial Capital



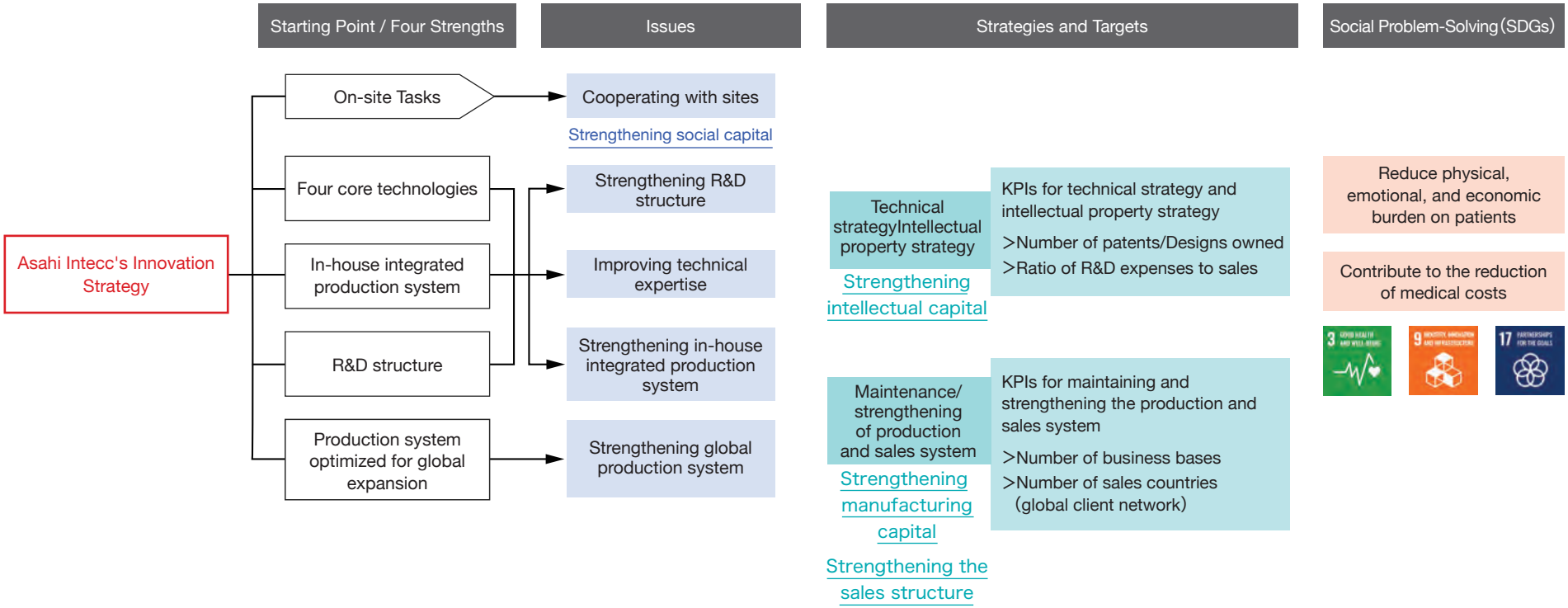
5-1

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.



Social Issues to Be Solved and Measures

❶ 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

❷ 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】

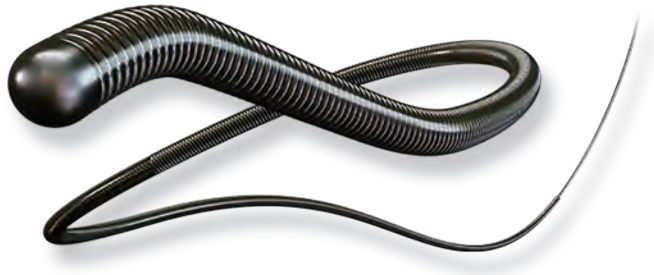
In Devices Division, we will advance our core technologies, develop new Only One products, and further develop and deepen technologies to develop high-performance, high-value-added technologies and products for use in a variety of fields.

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.

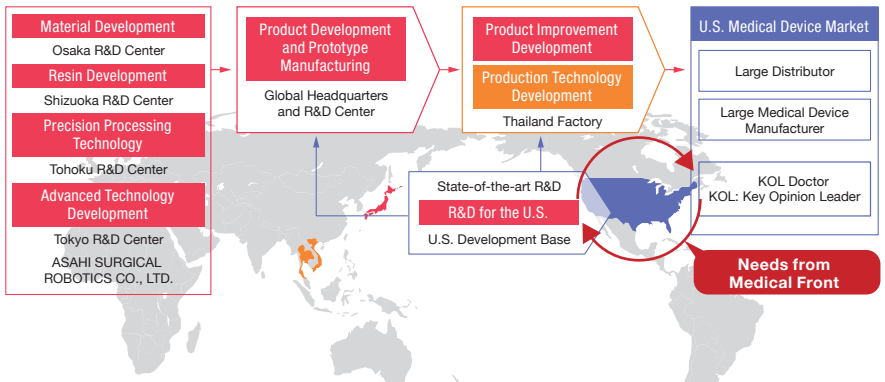
In addition, to diversify and strengthen our R&D functions, we have established the Osaka R&D Center for basic technology development, the Tokyo R&D Center for next-generation medical device technology development, the Shizuoka R&D Center for resin technology development, and the Tohoku R&D Center for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

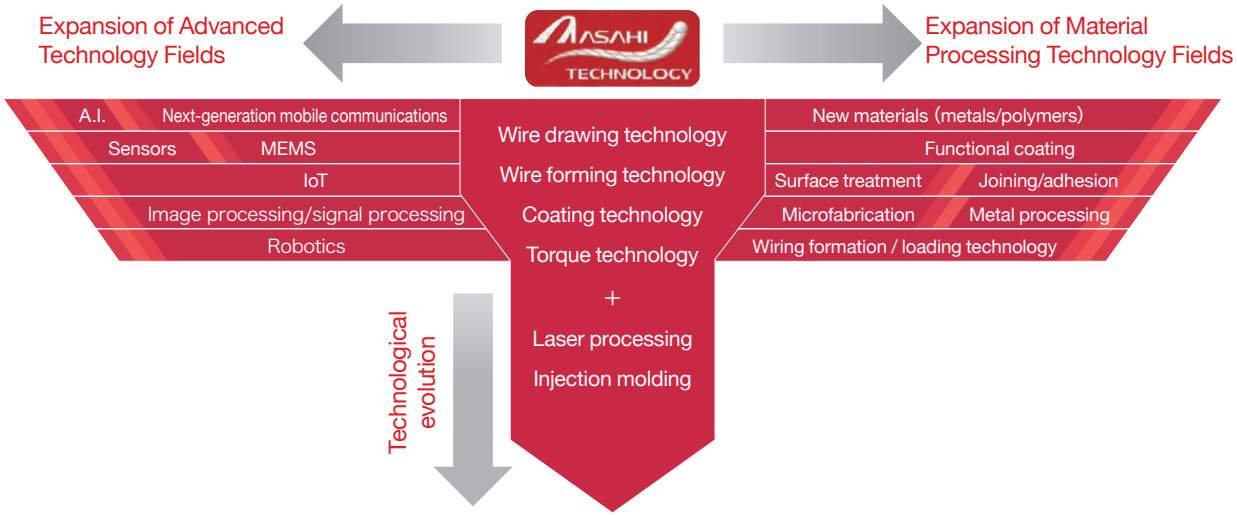
Asahi Intecc Group has established the intellectual property management rules to manage intellectual property. We protect the fruits of our new technology obtained by technical development as the foundation of our Group's activities by applying for and obtaining patents. However, to avoid disclosing 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)

[Japan] R&D/Prototype manufacturing

Global Headquarters and R&D Center (Japan)

- Expand prototype line for passing on technology
- Focus on R&D, but maintaining a prototype line for technology transfer


- ☐Japan specializes in R&D and prototyping, and all production (mass production) is conducted at overseas factories
- ☐Restructure production bases to improve production efficiency and decentralize to meet BCP requirements
- ☐In areas where local production is required, consider establishing new production bases that are closely linked to the area while considering regulations

[Overseas] Production base (Under Construction)

Asahi Intecc Medical Device (Nanning) Co., Ltd.

- Scheduled to start operations around December, 2030

[Overseas] Production bases (existing three factories)

ASAHI INTECC THAILAND CO., LTD. (Thailand)

- 「量産・試作工場」から「改良開発の実行体制」、「開発案件のスムーズな生産移管」の役割へと開発寄りにシフト

TOYOFLEX CEBU CORPORATION (Philippines)

- Pursue production efficiency as a mass production factory
- Launch mass production of finished products in addition to the industrial equipment field

ASAHI INTECC HANOI CO., LTD. (Vietnam)

- Pursue production efficiency as a mass production factory
- Construct a new factory for further mass production

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.