



## Chapter 2

# Value Creation Story

Value creation story

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## 2-1 | Raison d'Etre

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 Raison d'Etre

Asahi Intecc Group's mission is to supply the world with one-and-only 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 and contribute to society as a whole.

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.

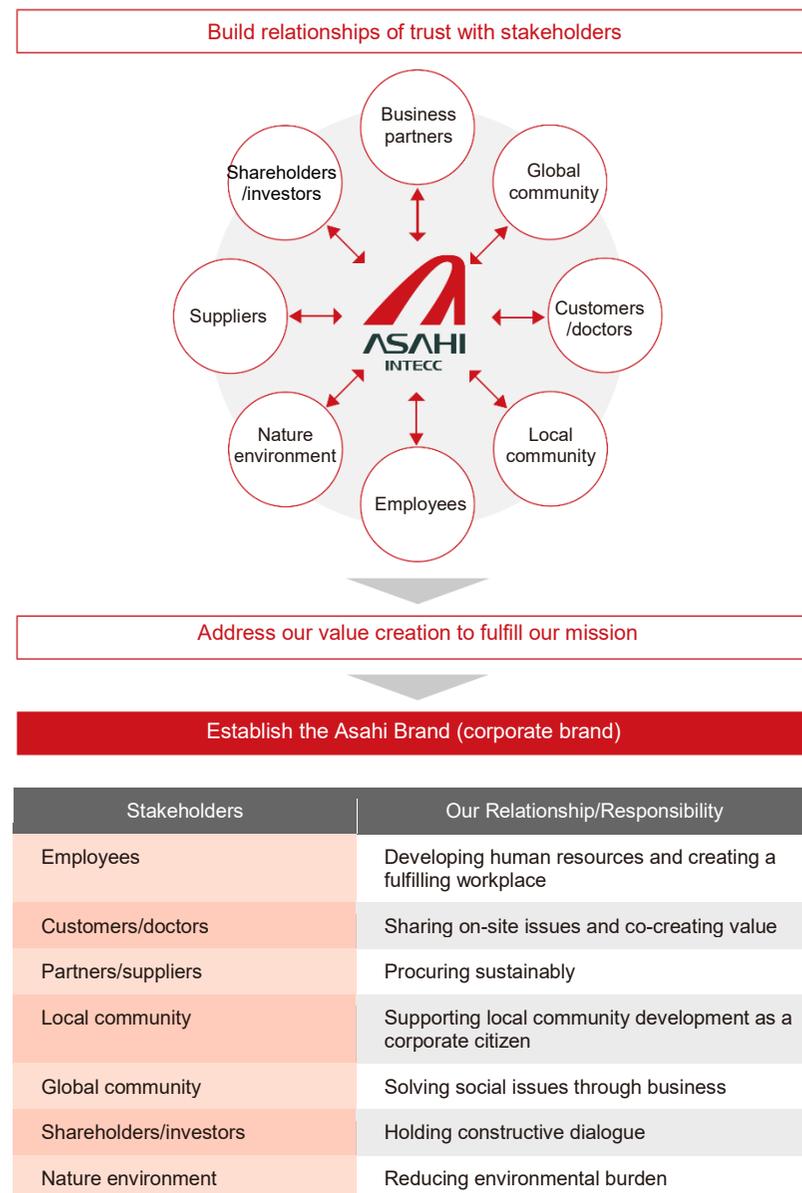
Recent progress of industrial and economic globalization requires proactive engagement of companies to solve global social issues such as the SDGs (sustainable development goals). As an R&D-oriented company, Asahi Intecc Group will continue to contribute to the world's medical and industrial fields by 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, 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."



## 2-2 | Growth History

Asahi Intecc has grown from an industrial component manufacturer to a global medical device company.

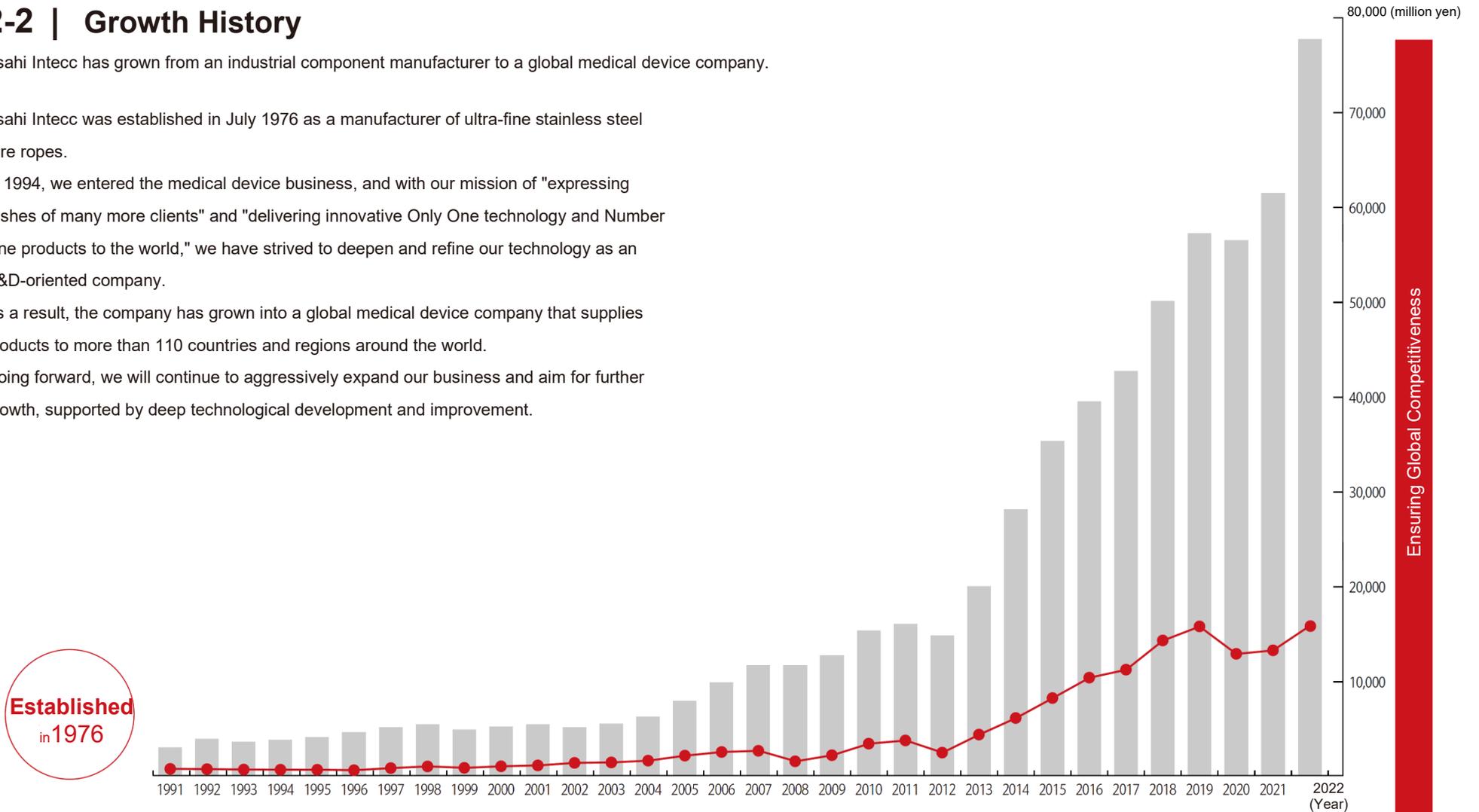
Asahi Intecc was established in July 1976 as a manufacturer of ultra-fine stainless steel wire ropes.

In 1994, we entered the medical device business, and with our mission of "expressing 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 110 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.

■ Revenue ● Operating income



Established in 1976



Ensuring Global Competitiveness

## 2-3 | Source of Competitiveness

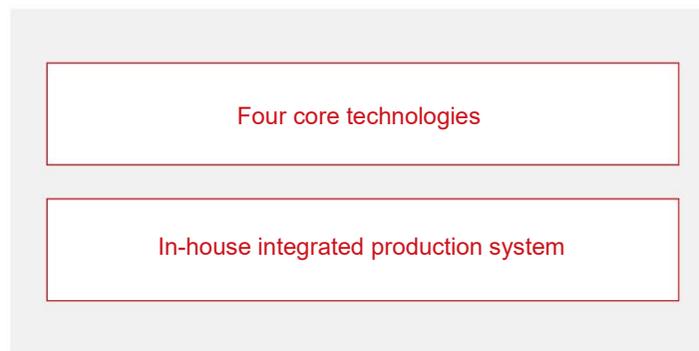
The source of Asahi Intecc's competitiveness lies in its advanced and highly unique material processing technology based on four core technologies and its integrated production system from materials to finished products.

In addition to this, our biggest advantages are Asahi DNA “hands-on approach” that has remained unchanged since our founding, and our “speed” and “prototype responsiveness,” 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 4 core technologies can be utilized. Our advanced torque technology, in particular, provides a significant competitive advantage in faithfully conveying a doctor's fingertip sensation to the guide wire. For our company, the major turning point was a request from a leading catheter 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

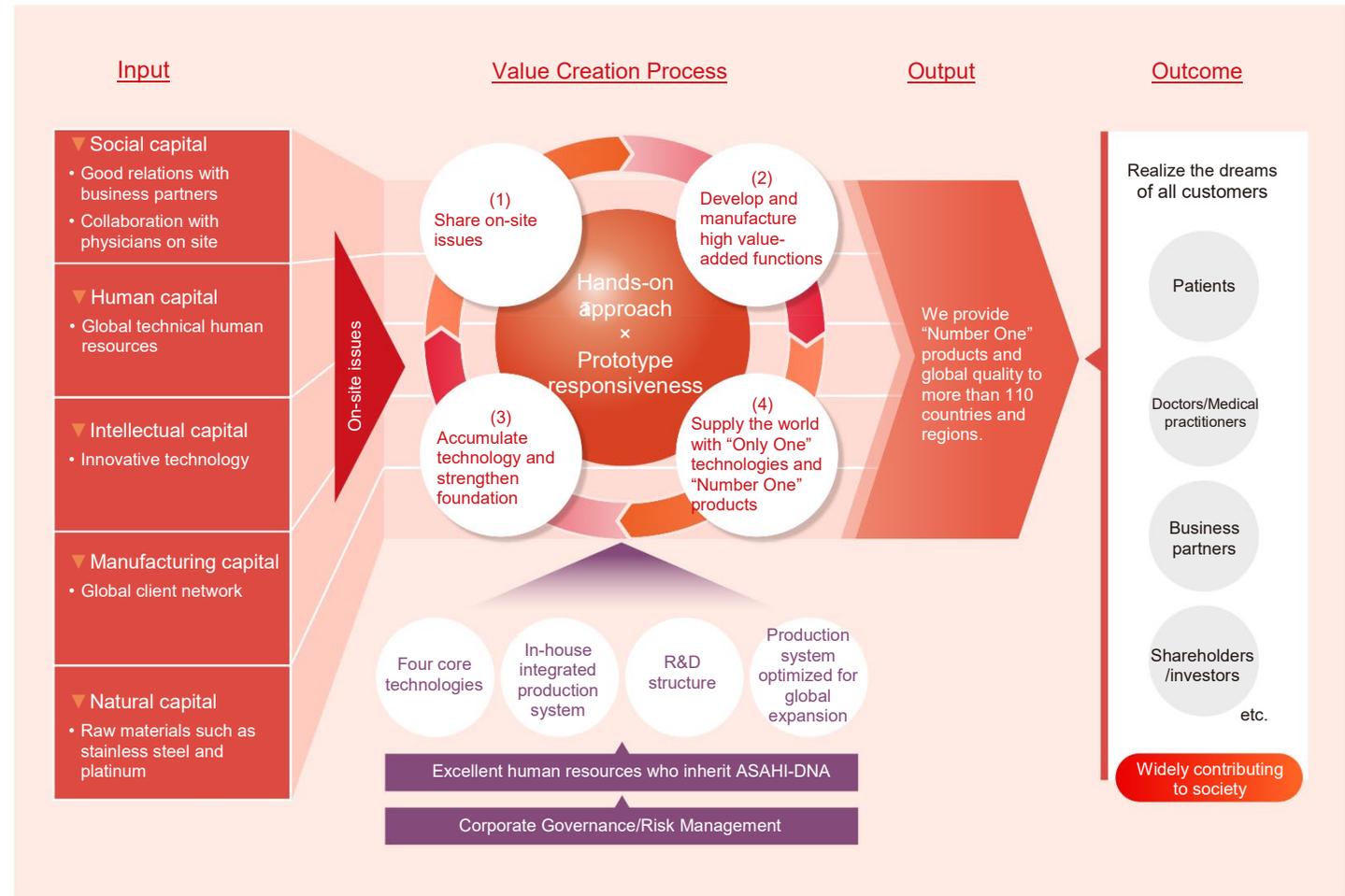
company continued to challenge it with our unique technology and, through repeated trial and error, succeeded in developing the world's first PCI guide wire for CTO treatment. The development of this guide wire product by our company has greatly improved the success rate of catheter treatment, and has 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 doctors who have used our company products and their success overseas.



## 2-4 | Value Creation Process

By continuing to take on the challenge of solving problems on site, we will provide "Number One" products of high added value with global quality and realize the "dreams" of customers around the world.

The starting point of our value creation is our "hands-on approach" and our "prototype responsiveness." We will 1) share an understanding of the people on the ground by diligently listening to doctors and clients, 2) develop and manufacture high value-added functions by repeating a trial-and-error process to the point where we even reevaluate the material being used, and 3) deliver number one products with one-and-only technologies to the world. Thus, continuously striving to solve on-site issues creates high-added value and leads to realizing our customers' "dreams." Moreover, accumulating new technologies through efforts with on-site thinking and strengthening technology bases enable us to try to solve new issues. This series of events is what makes up Asahi Intecc's unique value creation process.



## 2-5 | Environmental Awareness and Important Issues

In view of the impact that changes in business environment may have on Asahi Intecc Group, we have examined key issues regarding sustainability.

We aim to realize sustainability of society and the Asahi Intecc Group by addressing these key issues in terms of both growth strategy and strengthening of the management base.

