

**New Medium-Term Management Plan**

# **Building the Future 2030**

## **~ Unlocking Sustainable Growth ~**

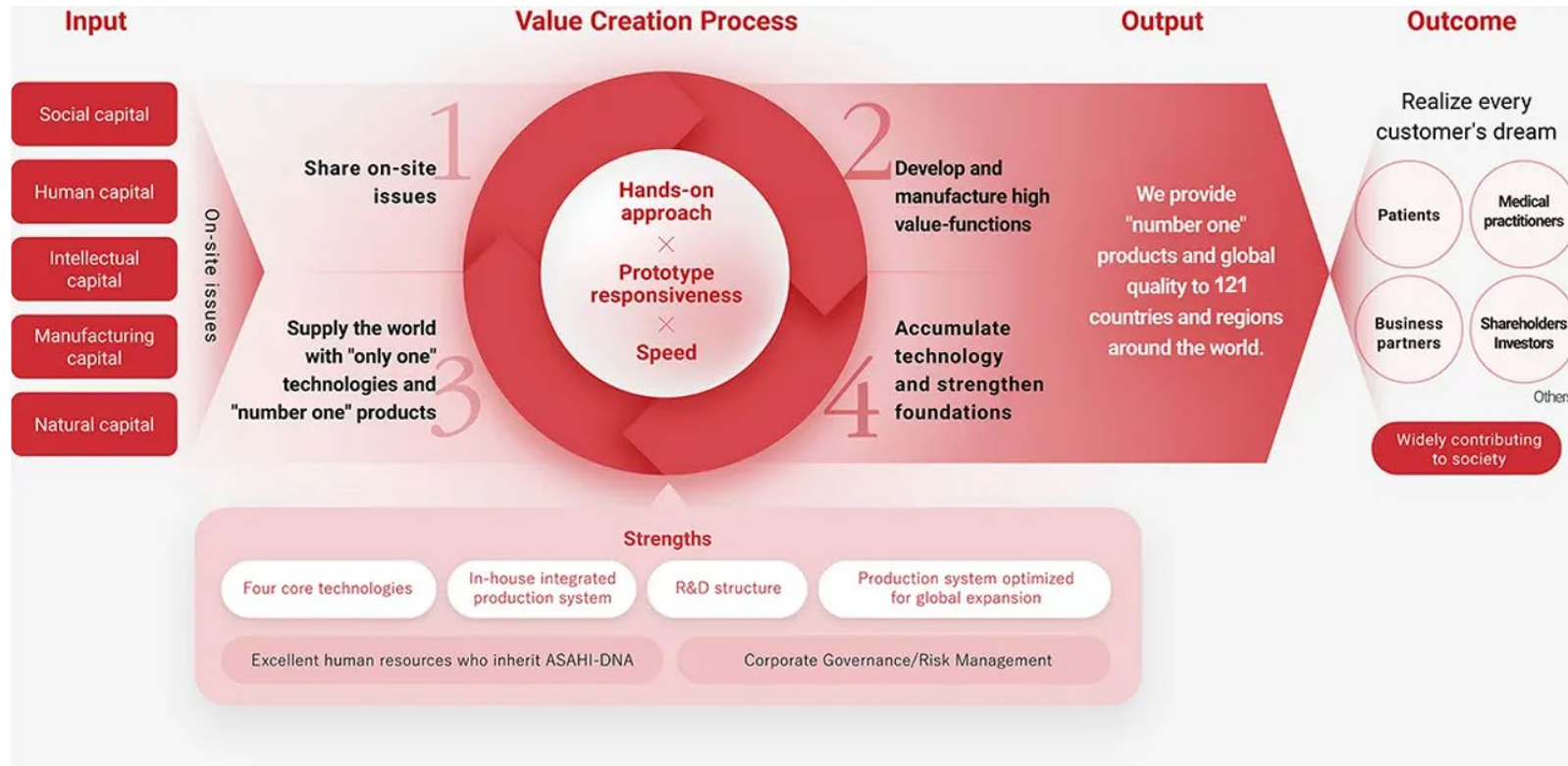
**August 14, 2025**

(Securities code:7747 Prime of Tokyo Stock Exchange and Premier of Nagoya Stock Exchange)

# Purpose

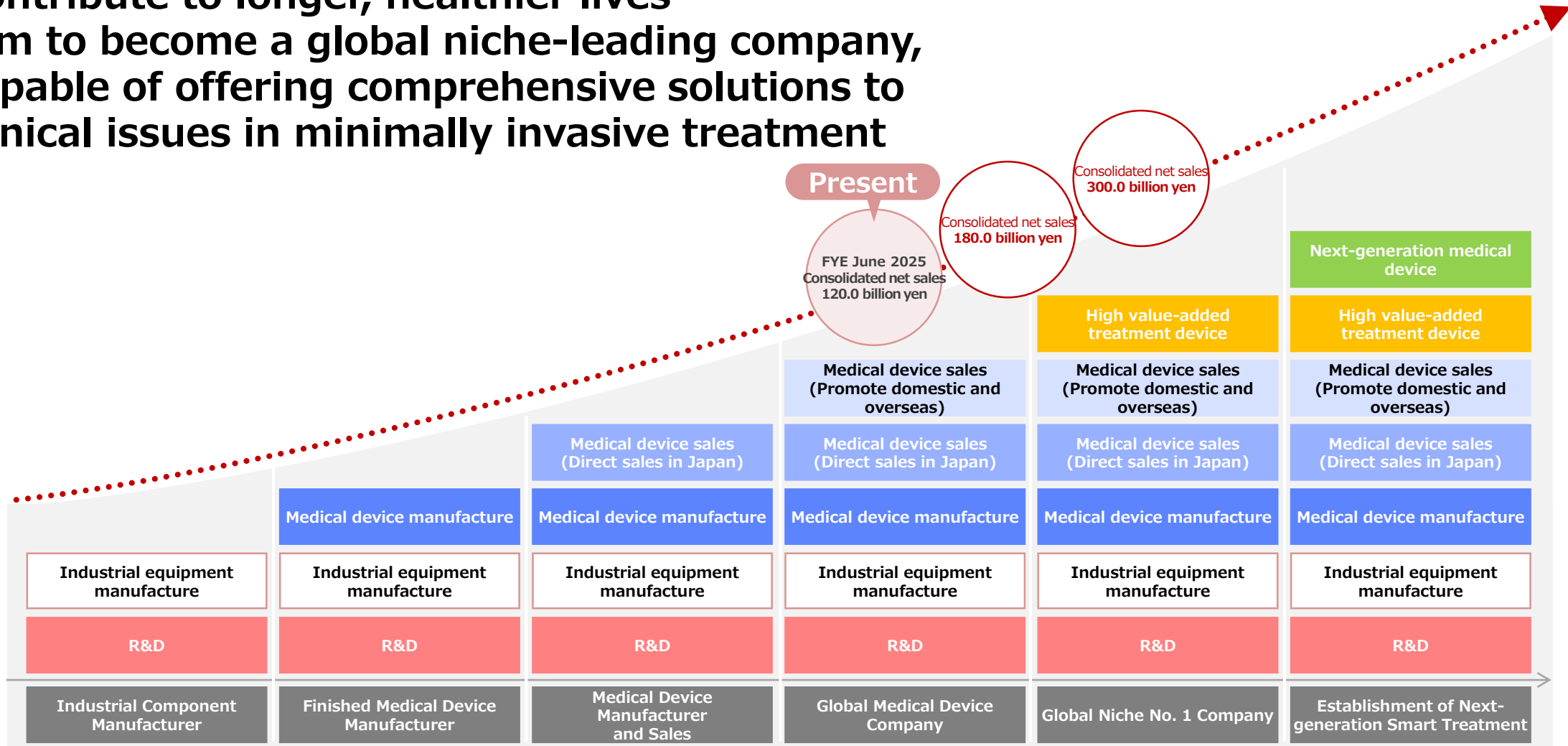
By continuing to challenge **the needs of physicians and business partners** around the world with our unique technologies, we will provide “number one” products of high added value with global quality and realize the dreams of customers around the world.

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 bold challenges.



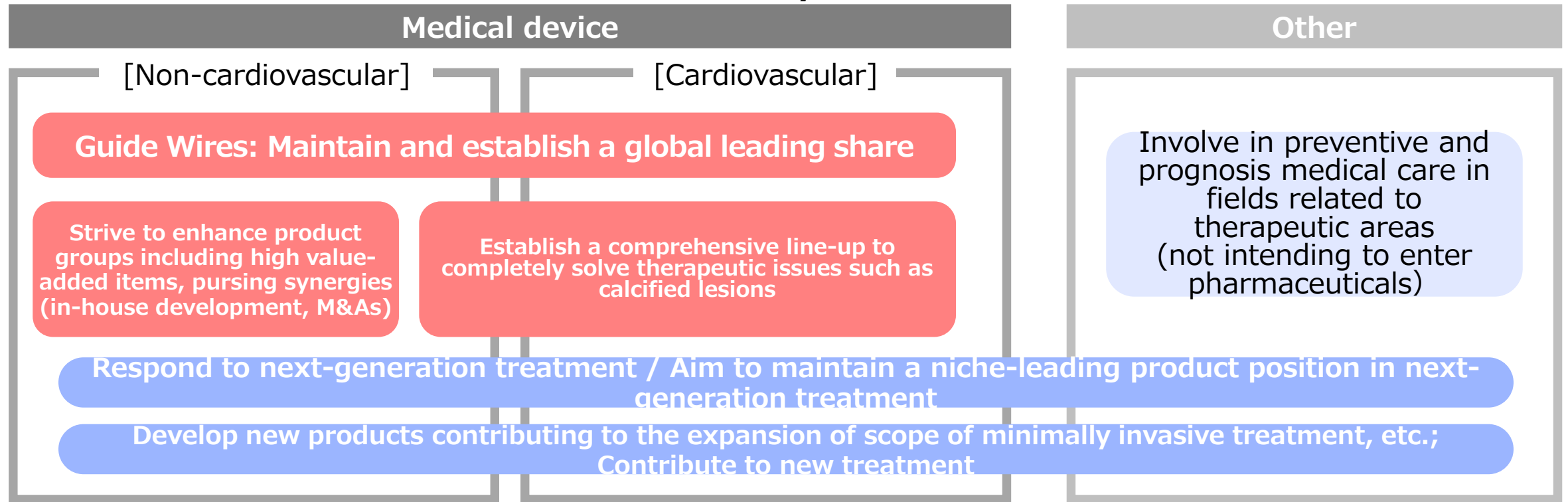
# Long-term Management Vision

Contribute to longer, healthier lives  
 Aim to become a global niche-leading company,  
 capable of offering comprehensive solutions to  
 clinical issues in minimally invasive treatment



# Long-Term Management Vision

**Our 2035 Vision** **Contribute to longer, healthier lives**  
**Aim to become the global niche-leading company, capable of offering comprehensive solutions to clinical issues in minimally invasive treatment**



Capability of accurately capturing issues in medical practice and embodying solutions, with keeping up with changes in KOL doctors

**Aim to become a company with net sales of 300.0 billion yen and operating profit margin of 30%**

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

## Priority Themes

Build a business portfolio to re-accelerate growth in the global market

Build a strong management foundation and strengthen profitability for sustainable growth

### [Basic Policy]

- Build a business portfolio for growth beyond consolidated net sales of 180.0 billion yen
- Strengthen profitability

Growth in the high value-added product field  
Global niche No. 1 Company

### Long-term vision

Net sales: 300.0 billion yen  
Operating profit: 90.0 billion yen  
OP margin: 30%

### Mid-Term Mgmt. Plan targets

Net sales: 180.0 billion yen  
Operating profit: 50.4 billion yen  
OP margin: 28%

(100 million yen)

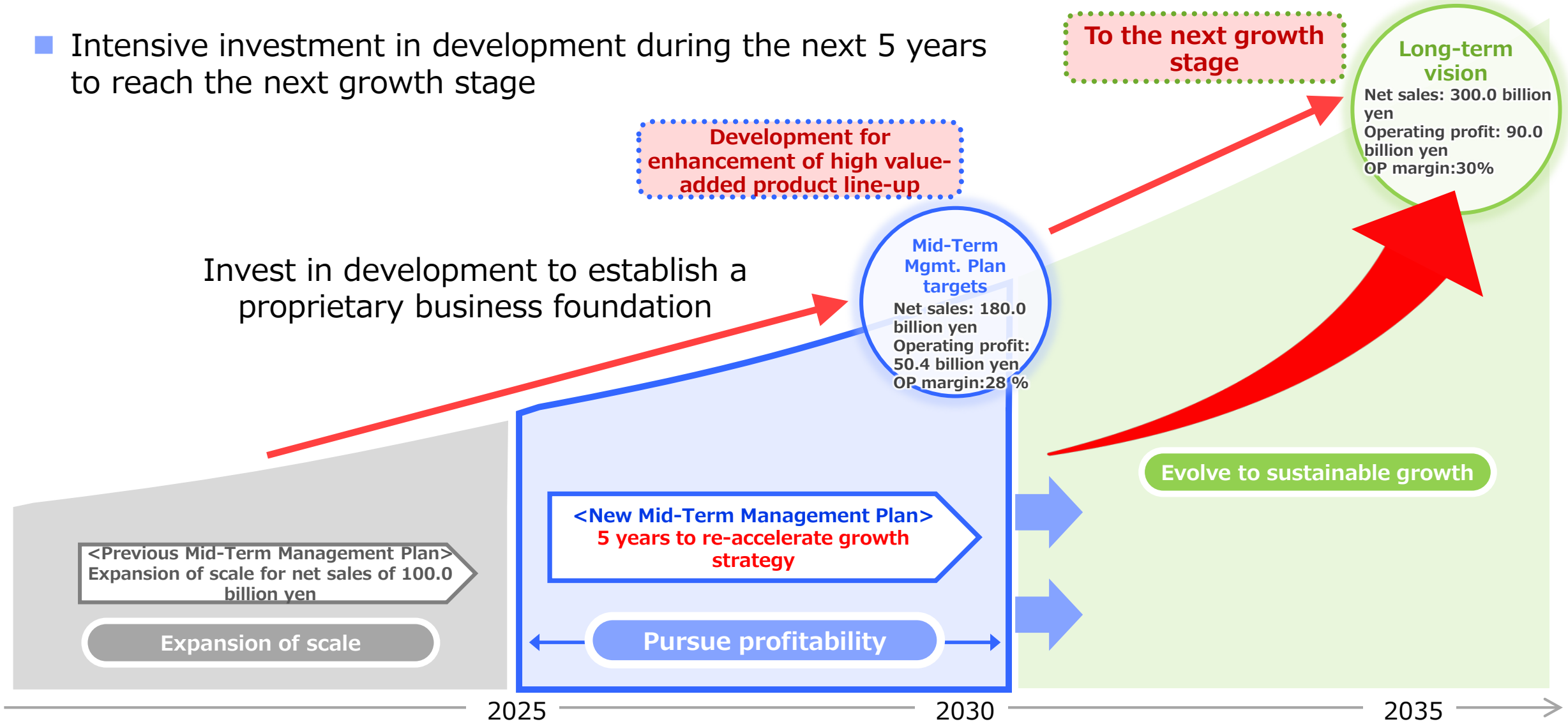


<New Mid-Term Management Plan>  
5 years to re-accelerate growth strategy

Contribute to longer, healthier lives  
Aim to become the global niche-leading company, capable of offering comprehensive solutions to clinical issues in minimally invasive treatment

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

- Intensive investment in development during the next 5 years to reach the next growth stage



# Review of the Previous Medium-Term Management Plan (actual rates)

(4 fiscal years : from FYE June 2022 to FYE June 2025)

(Unit: million yen)

	FYE June 2021 Results	FYE June 2025 Results	Increase
Net sales	61,507	120,025	+1.95 times
Gross profit margin	67.4%	67.7%	+0.3%
Operating profit	12,795	30,079	+2.35 times
Operating profit margin	20.8%	25.1%	+4.3%
FCF+dividends	-9,702	21,576	+31,278
ROE ( ): when excluding impairment losses	12.1%	8.4% (14.1%)	-3.7% (+2.0%)
ROIC	9.8%	13.1%	+3.3%

**\*Actual rates**

	Forex (yen)	US \$	EURO	Chinese yuan	BAHT
FYE June 2021		106.58	127.06	16.12	3.45
FYE June 2025		149.72	162.83	20.73	4.41

- **Achieved net sales and operating profit margin targets for FYE June 2026, one year ahead of the initial plan**
- **Increased net sales continuously with market share expansion** across all regions, **while navigating through difficult times for sales and production and with fluctuation of number of cases, due to the Covid-19 pandemic**
- **Increased gross profit margin** by reviewing adjustments to temporary excessive inventory **to appropriate level** as well as focusing on **production improvement** in the latter half of the period
- **Continued increase of operating profit and improvement in operating profit margin** through these measures

■ External environment: Weaker yen trend

■ Major achievement of sales/product strategies

- Grew in all regions

High growth achieved in China, where market growth was especially high, by improving the distributor network

- Shifted to strengthen the non-cardiovascular field, such as starting sales of peripheral-related products in the U.S.
- Launched ANSUR, a surgery support robot

■ Implemented M&A and recorded impairment losses

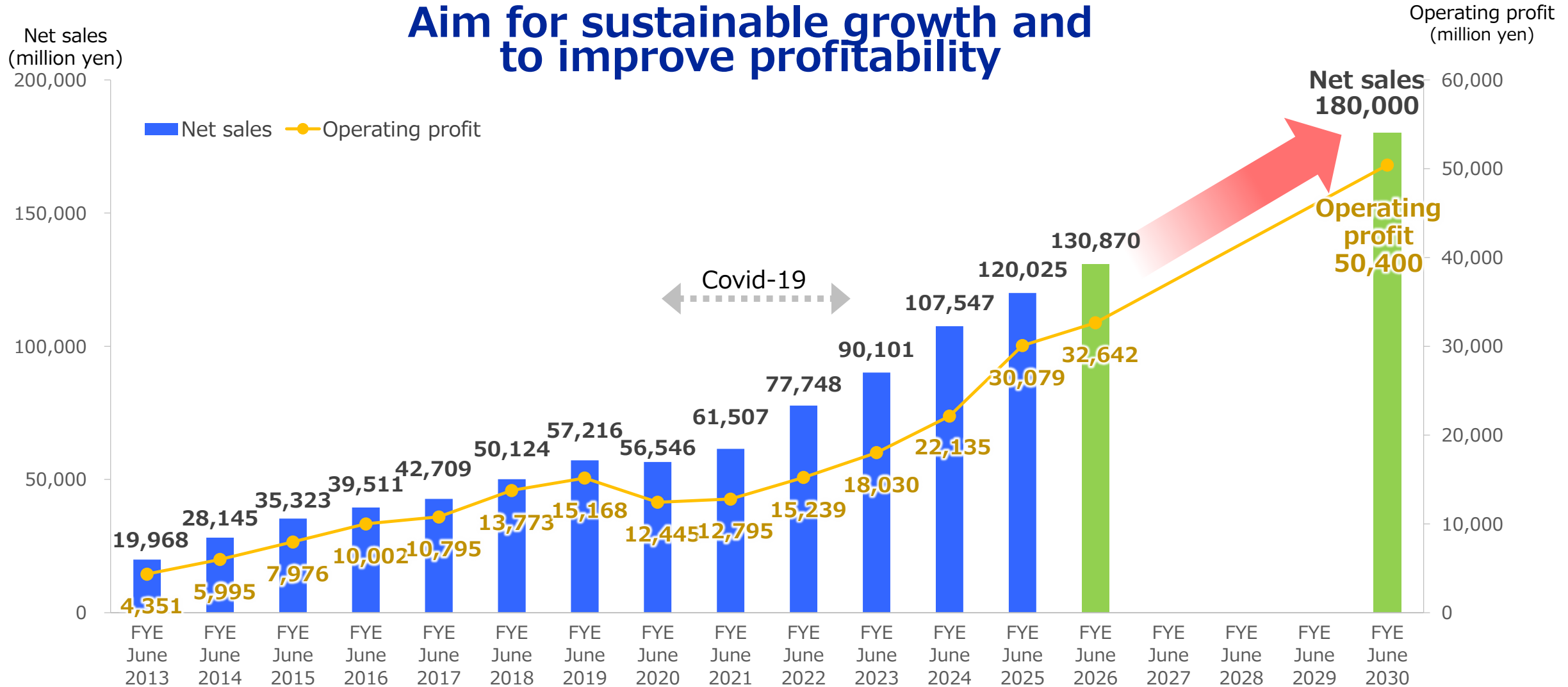
- Implemented M&A overseas and recorded impairment losses in certain deals

■ New organizational structure

- Appointment of a new President & CEO
- Strengthened the governance structure

# Performance Trend

**Aim for sustainable growth and to improve profitability**



# 1. Basic Policy

## Building the Future 2030 ~ Unlocking Sustainable Growth ~

Numerical targets for FYE June 2030

Net sales **180.0** billion yen / Operating profit **50.4** billion yen / Operating profit margin **28.0**%

### Priority Theme 1

#### Build a business portfolio to re-accelerate growth in the global market

- i) Maintain and reinforce a global niche-leading position in the cardiovascular field
- ii) Enhance sales strategy and product portfolio with an aim to become the global niche-leading company in the non-cardiovascular field
- iii) Create new businesses and enter the high value-added treatment device field

### Priority Theme 2

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

- i) Reinforce R&D and production system optimized for global expansion
- ii) Initiatives for increasing productivity
- iii) Build a management foundation aligned with business strategies

# Priority Themes under the Mid-Term Management Plan “Building the Future 2030”

## Building the Future 2030 ~ Unlocking Sustainable Growth ~

Numerical targets for FYE June 2030

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### Priority Theme 2

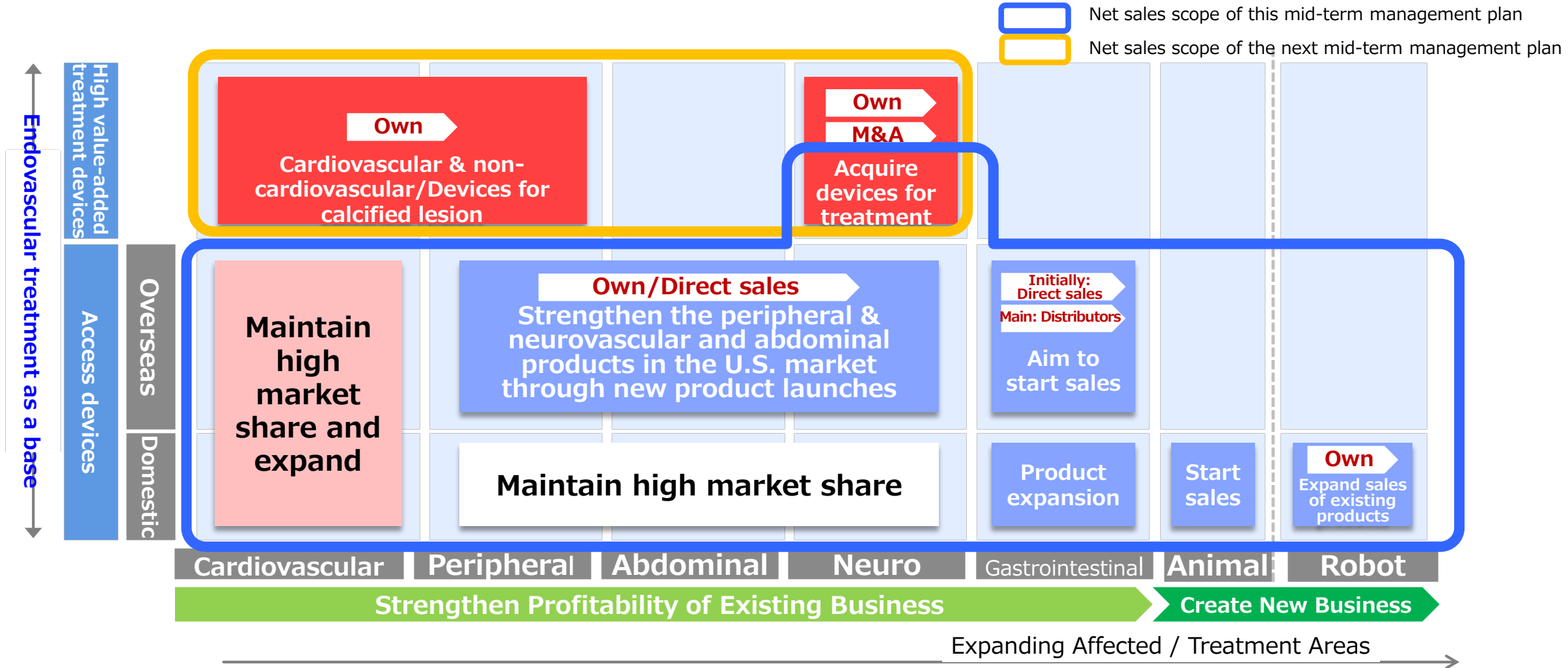
#### Build a strong management foundation and strengthen profitability for sustainable growth

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# New Strategy Diagram

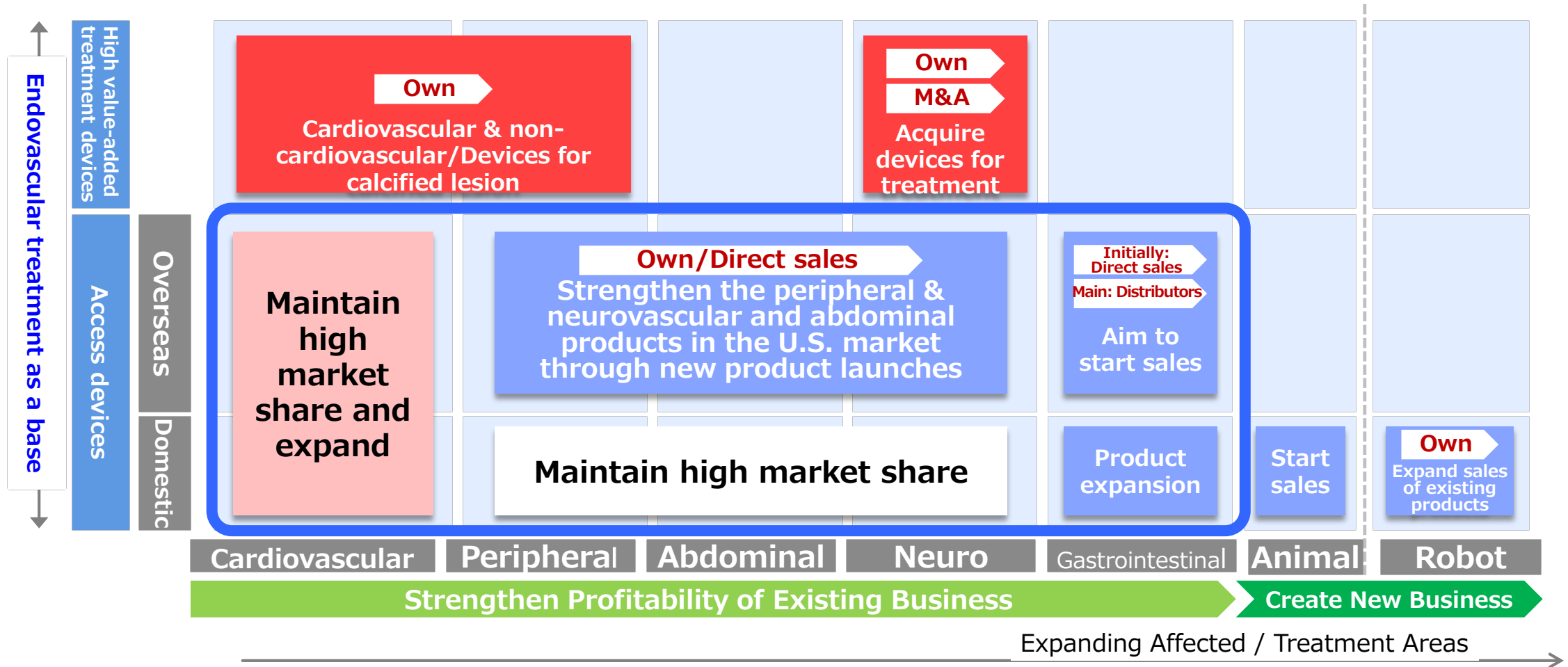
New Strategy

■ Expand into the high value-added treatment device field from access devices



# Maintaining and Expanding Existing Areas

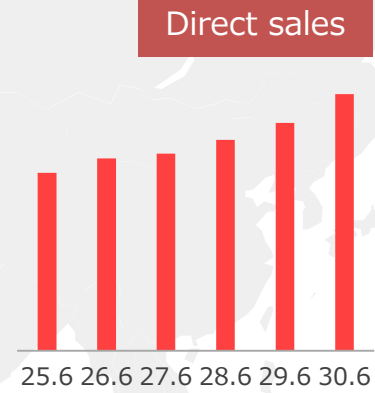
Capture new business opportunities supporting sustainable growth



# Growth strategies for each region

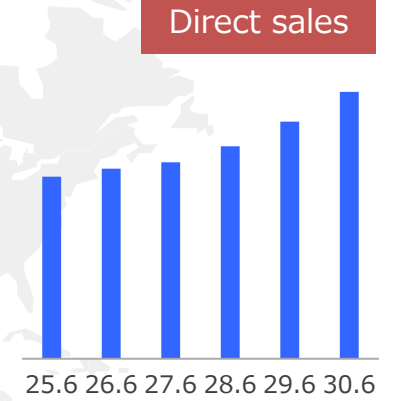
## Japan

- Maintain a leading market share and expand further 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 its volume
- Start sales of products for animal medical care
- Strive to maintain prices despite the assumed reimbursement price declines



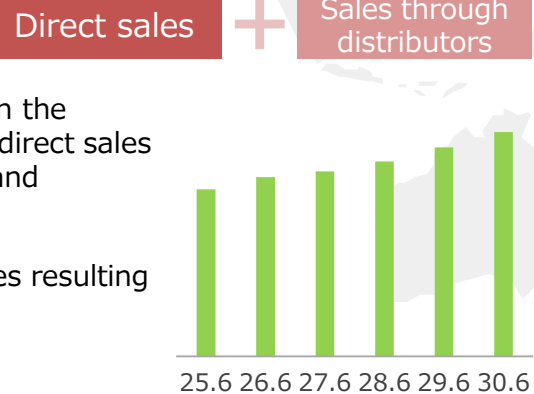
## U.S.

- Continue to increase market share centering on guide wires in the cardiovascular field
- **Maintain our direct sales structure** in both the cardiovascular and non-cardiovascular fields; Reinforce the sales structure
- Strengthen **peripheral/neuro/abdominal** products in the non-cardiovascular field; **Achieve high growth rate** by launching new products and reinforcing sales
- Start sales of gastrointestinal products



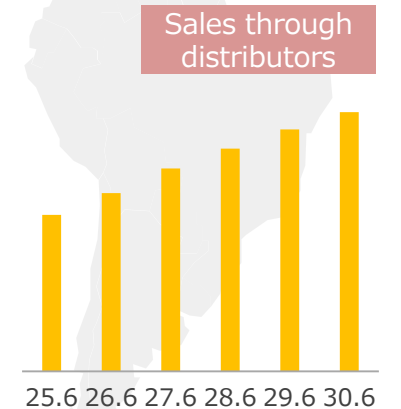
## Europe

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



## China

- Maintain continued high growth by **increasing share in the market with a high growth rate**, by utilizing the logistics platform
- 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 decline is absorbed by distributor policy, but there will be a risk of decline in the future

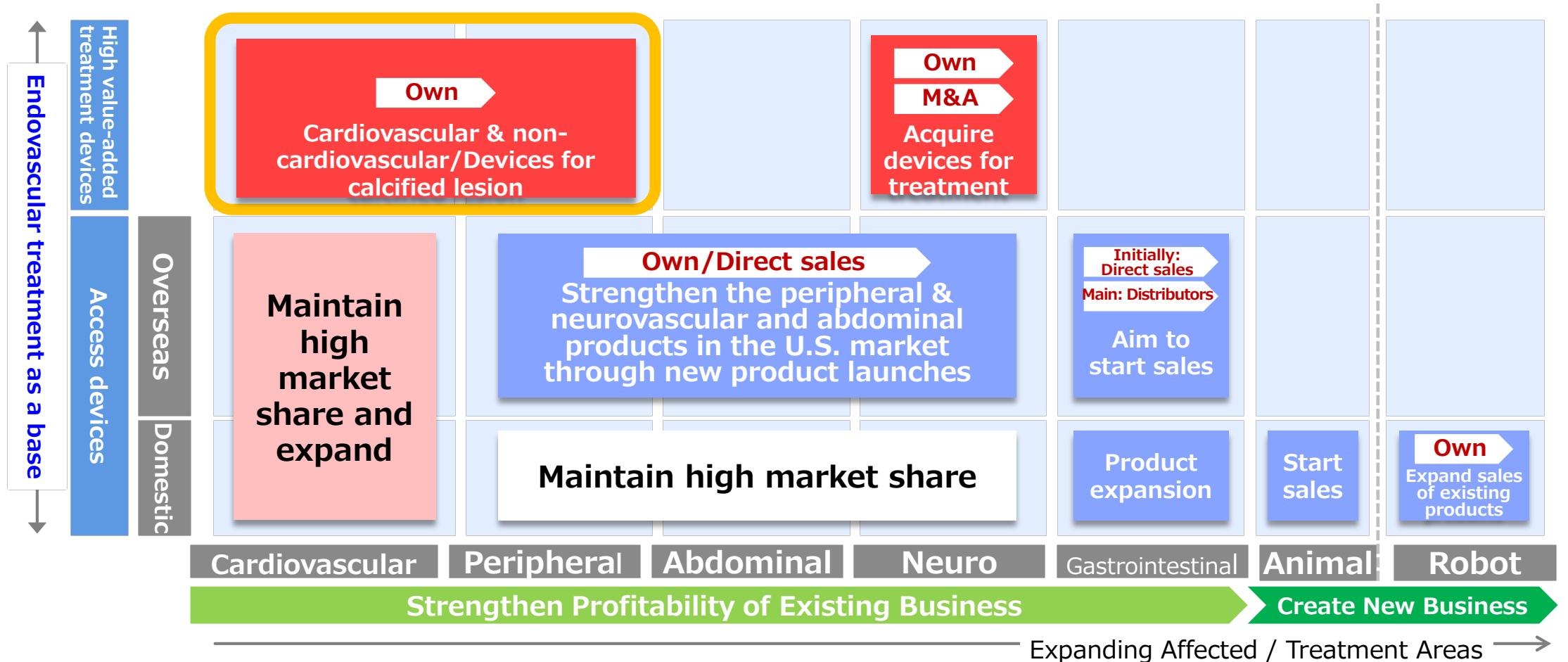


# High Value-added Treatment Device Strategies

Capture new business opportunities supporting sustainable growth

New Strategy

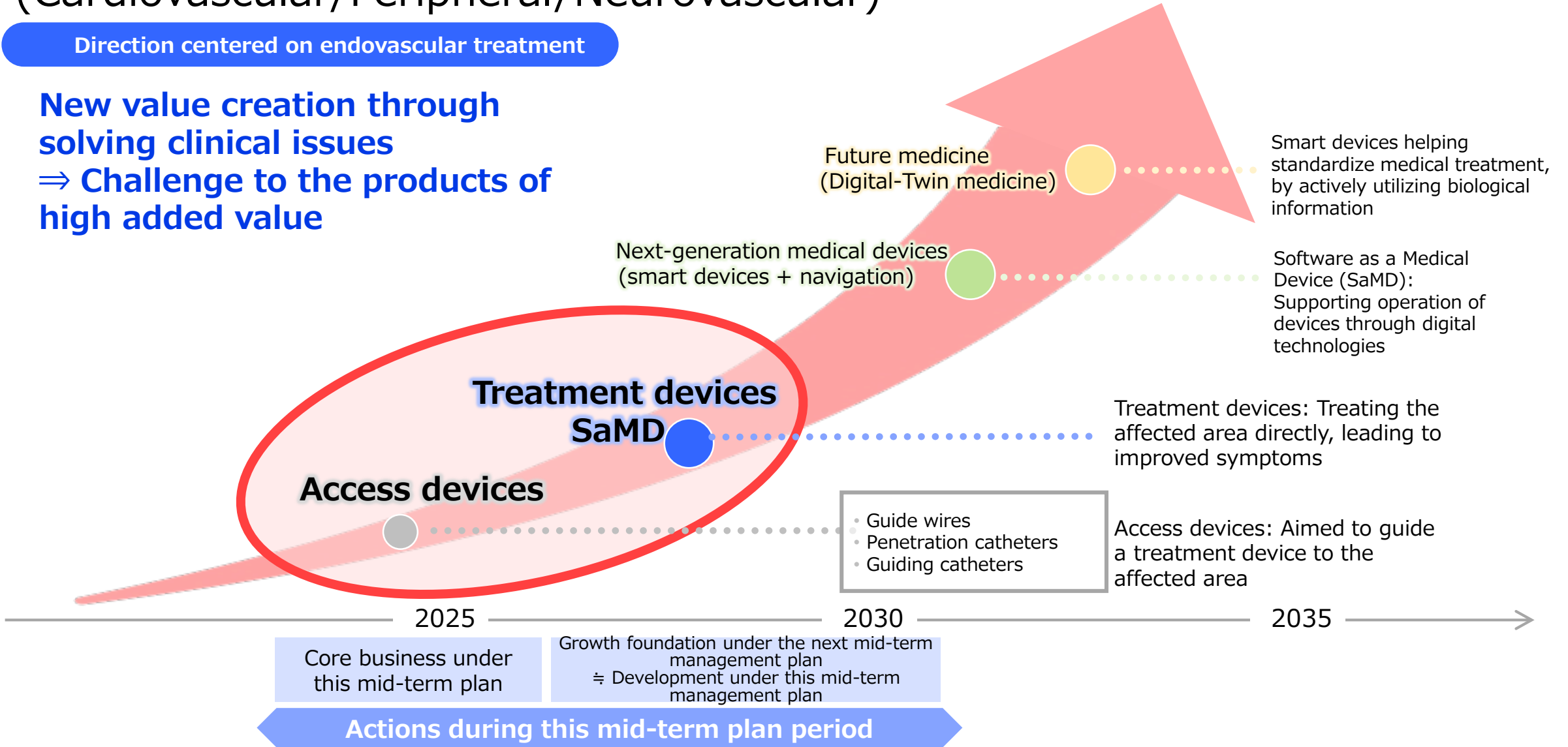
Expand into the high value-added treatment device field from access devices



# From Access Devices to Treatment Devices (Cardiovascular/Peripheral/Neurovascular)

Direction centered on endovascular treatment

New value creation through solving clinical issues  
 ⇒ Challenge to the products of high added value

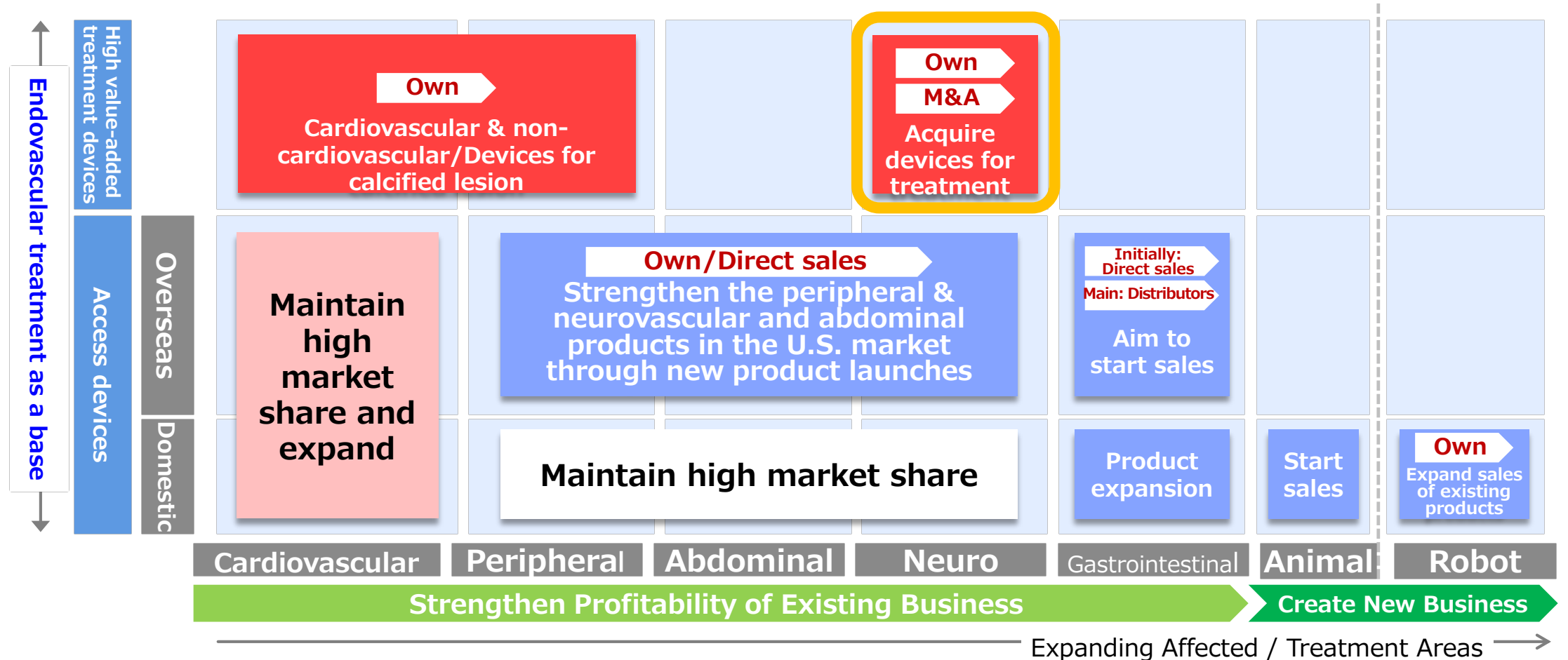


# High Value-added Treatment Device Strategies

Capture new business opportunities supporting sustainable growth

New Strategy

Expand into the high value-added treatment device field from access devices



# Reinforcement of Neurovascular Products

## Future vision

- Aim to expand shares in the overseas markets for guide wires and other access devices
- Enter the high value-added treatment device field

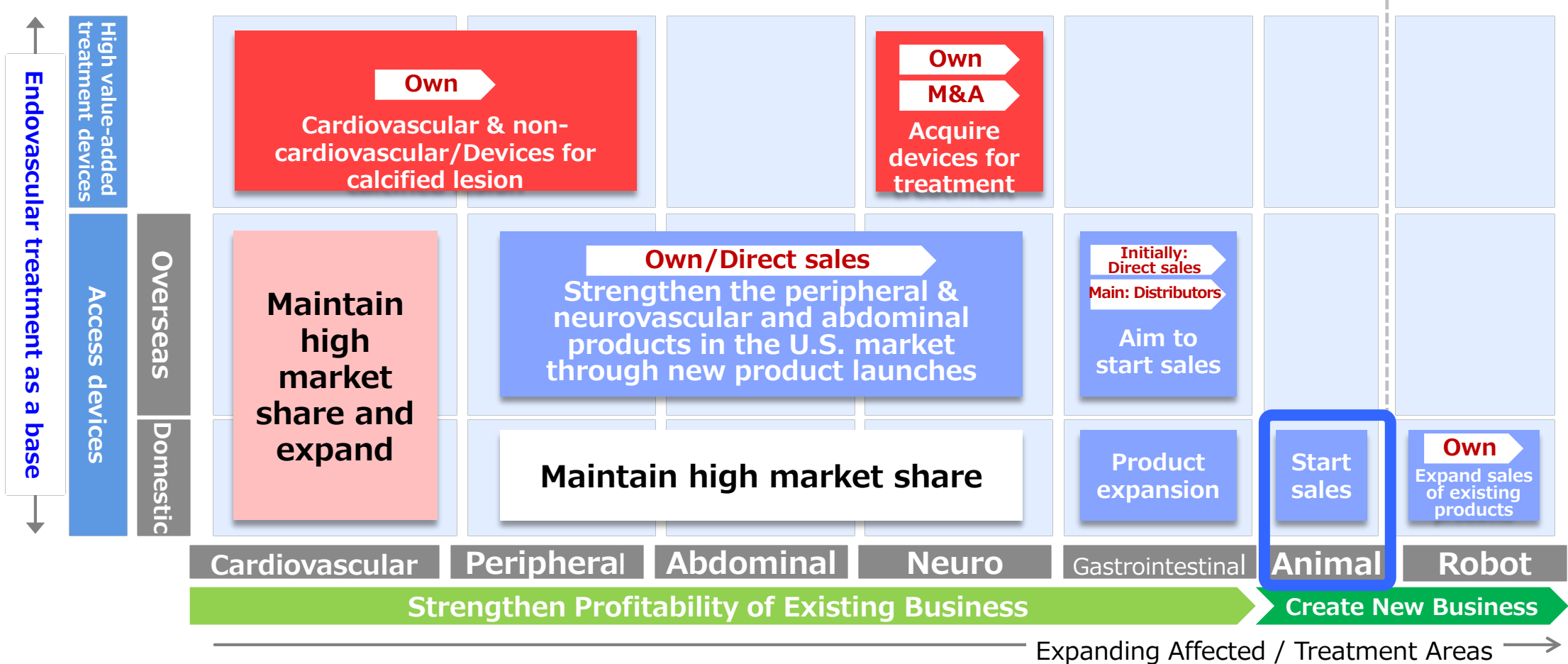


## Strategies

- Reinforce the access device line-up
- Reinforce sales by utilizing our sales structure
  - Japan: Maintain high market share utilizing direct sales structure
  - **U.S.: Reinforce direct sales structure; boost sales through enhanced line-up**
  - Europe: Expand share by utilizing sales through direct sales structure and distributors
  - China: Reinforcement utilizing structure of sales through distributors
  - Others: Reinforcement utilizing sales through distributors
- Strengthen in-house development aiming for entry into the high value-added product field and start sales
- Consider to collaborate with the other companies with a view to capital alliances and M&As, etc.

# Expansion into the Market of Medical Devices for Companion Animals

Capture new business opportunities supporting sustainable growth



# Value of Commercialization for the Company in the Market of Medical Devices for Companion Animals

Capable of meeting the needs for medical devices for small animal organs

[Creating a market] Proposing the minimally invasive treatment



Surgery-centric



## **Intervention therapy** (option)

- Change the effective lengths and kit existing guide wires / catheters

## **Expansion into endoscopy/laparoscopy-related products**

- Apply the existing guide wires / catheters to endoscopy

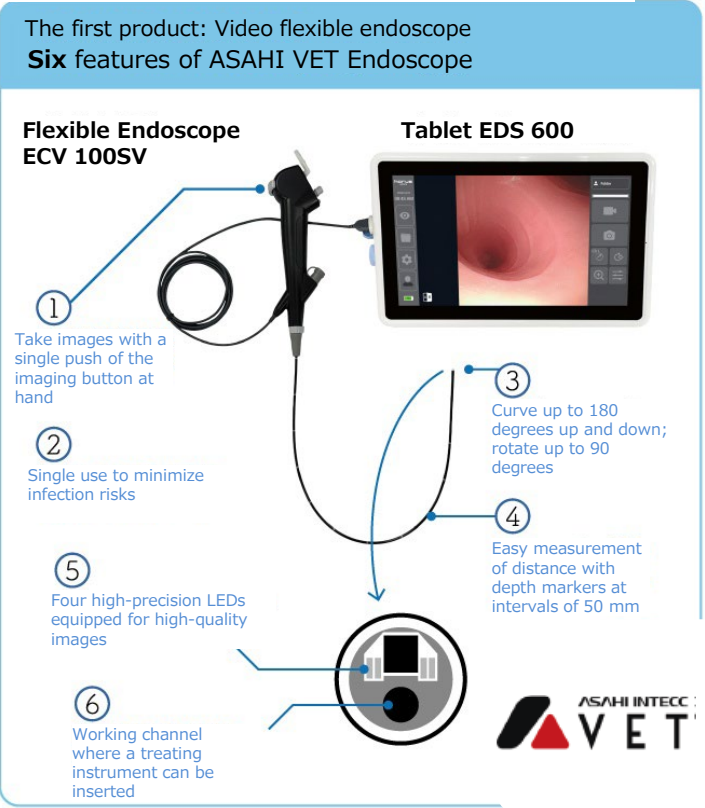
**[Asahi Intecc for the minimally invasive treatment for animals]**



# Development of Medical Devices for Companion Animals for Commercialization

**Enhance corporate value by proposing minimally invasive therapy/treatment for companion animals, by utilizing our technologies and products developed in the field of medical devices for humans**

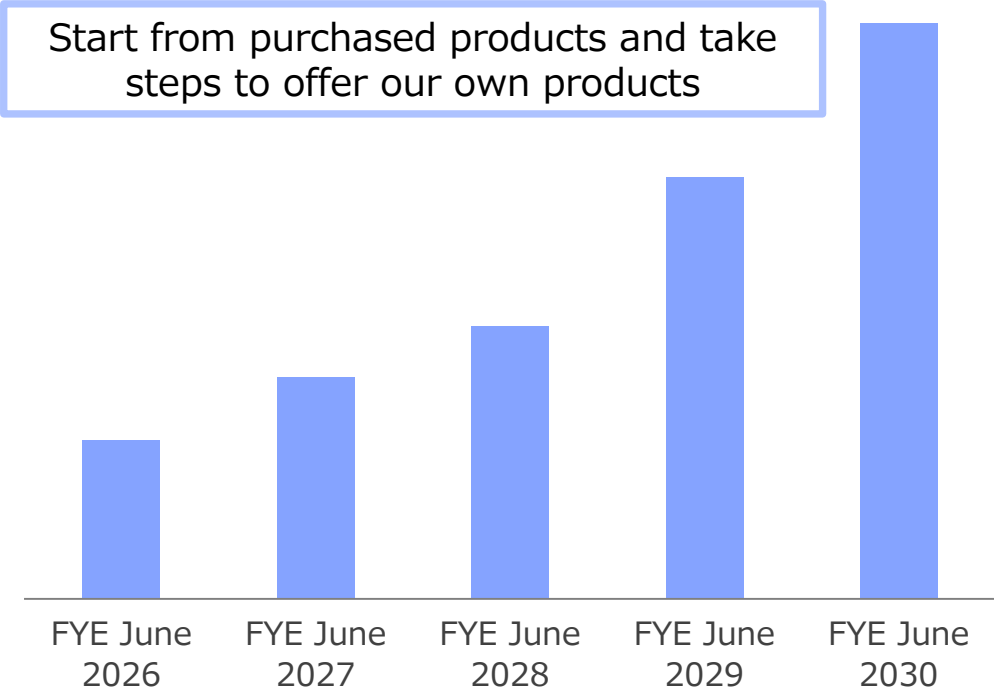
## Small Diameter Endoscope and Tablet



### Future Vision

- ① Offer safer and more effective medical care for animals
- ② Expand minimally invasive treatment options
- ③ Enhance medical technology for animals

### Plan of net sales for medical devices for companion animals Plan to launch endoscope-related products in stages



# Priority Themes under the Mid-Term Management Plan “Building the Future 2030”

## Building the Future 2030 ~ Unlocking Sustainable Growth ~

Numerical targets for FYE June 2030

Net sales **180.0** billion yen / Operating profit **50.4** billion yen / Operating profit margin **28.0%**

### Priority Theme 1

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# Development of R&D System Optimized for Global Expansion

R&D of high-precision processing techniques and manufacturing

Tohoku R&D Center



Product Development and Prototype manufacturing

Global Headquarters and R&D Center



State-of-the-art R&D

R&D-type company in the U.S.  
ASAHI Medical Technologies, Inc.  
(Former name: RetroVascular, Inc.)

R&D for the U.S.

ASAHI INTECC USA, INC.



CDMO

Rev. 1 Engineering, Inc.



Advanced technology development

Tokyo R&D Center



Product Improvement Development

Production Technology Development

ASAHI INTECC THAILAND CO., LTD.



Enhanced development function

**Development function including material changes was transferred to Thailand**

Material Development

Osaka R&D Center



Resin Development

Shizuoka R&D Center



Focus on development of high added-value

# Technology/Development Strategies: Creating Innovation

**Core technologies**

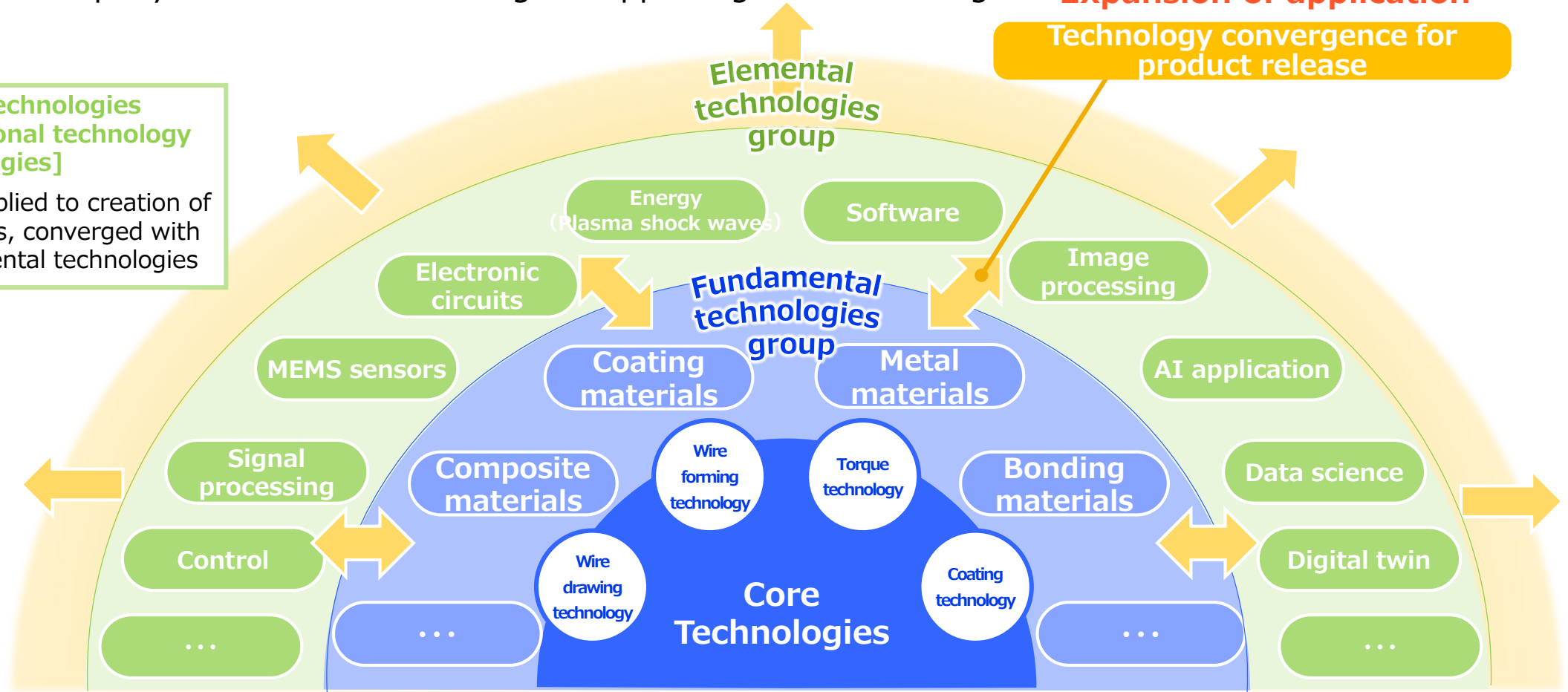
Technologies on which our technological development has been based since our foundation

**Fundamental technologies**

Company-wide shared technologies supporting core technologies

**Expansion of application**

**Elemental technologies**  
[Scope of divisional technology strategies]  
Technologies to applied to creation of individual products, converged with core and fundamental technologies



# Development of Production System Optimized for Global Expansion

- Reorganization of production bases for the purpose of improving production efficiency and decentralizing for BCP
- In areas where origination is required, consider establishing new production bases that are closely linked to the area, while considering regulations

## Development / Prototyping / Production transfer

### Japan

- Expand prototype line for passing on technology
- Construction of a new building is underway to strengthen R&D functions
  - <Global Headquarters and R&D Center >
  - <Tohoku R&D Center>



## Mass production / Increase production efficiency

### Hanoi Factory (Vietnam)

- Pursue production efficiency as "Mass production factory"
- Add the second factory is for further mass production



Second factory started operation in 2H of FYE June 2025

### Cebu Factory (Philippines)

- Pursue production efficiency as "Mass production factory"
- Streamlining to focus on production of PCI guide wires



<Medical Factory>



## Mass production / Increase production efficiency (planned for operation)

### China Factory (China)

- Plan to develop / manufacture products for the Chinese market
- Plan to start operation in December 2030



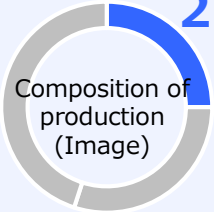
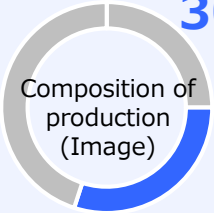
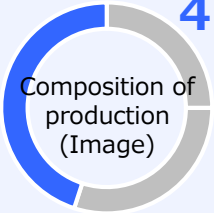
### Thailand Factory

- Shifted to new development base with roles of "Rolling-up development system" and "Smooth production transfer of development project," from conventional "Mass production / Trial production factory"



**Production capacity capable of up to net sales of 200.0 billion yen at our existing factories / facilities**

# Regarding the Impact of U.S. Tariffs

	Production ratio for the U.S. market (Present)	Normal tariff rate of the Trump policy
Thai Factory	 <p>25%</p> <p>Composition of production (Image)</p>	<p>36% ⇒ 19%</p>
Hanoi Factory	 <p>30%</p> <p>Composition of production (Image)</p>	<p>46% ⇒ 20%</p>
Cebu Factory	 <p>45%</p> <p>Composition of production (Image)</p>	<p>17% ⇒ 19%</p>

## Brand products

- Since the U.S. sales subsidiary is the importer, it will incur customs duties
- During the 90-day period of 10% tariffs from April to June 2025, the U.S. subsidiaries have built up inventory for the July to December 2025 period
- P/L impact is assumed:
  - **April-June 2025: No impact (as there is a 3-month safety stock)**
  - **July-December 2025: Tariff rate 10%**
  - **January-June 2026: Assumed as a normal tariff rate**
- **Impact on current fiscal year is assumed approximately 1billion yen**

## OEM products

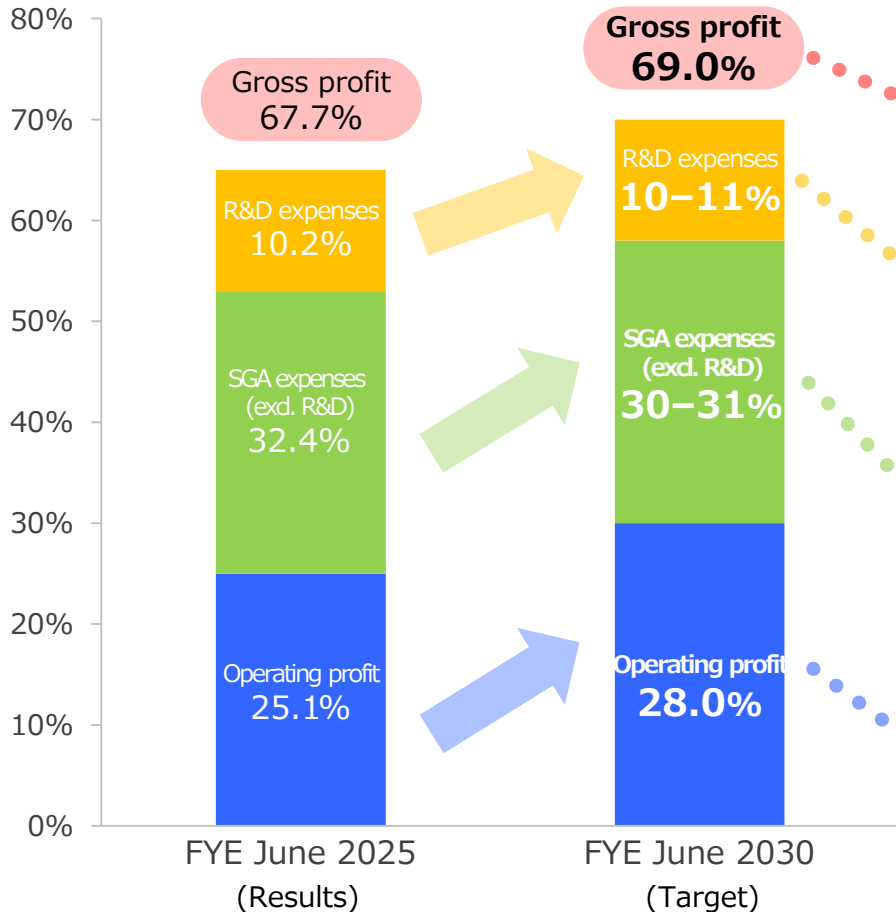
- The U.S. importer is our customer, the customs duties are borne by them
- Contractually, it is highly unlikely that our burden will increase in the future

## Device products

- The U.S. importer is our customer, the customs duties are borne by them
- Basically, it appears that we will not bear any costs; however, there is a possibility that the impact may change depending on negotiations with our customers

# Review of Profit Structure for Mid- to Long-Term

■ Gross profit margin ■ SGA ratio excl. R&D expenses ■ R&D expense ratio



## Profit Goal

**Operating profit margin of 28% through net sales growth, gross profit margin improvement, and cost structure reforms while increasing R&D expenses sufficiently**

■ Gross profit margin: **69%** for the mid-term management plan

- Improve through continued improvement of productivity, despite tariffs

■ R&D expenses ratio to net sales: **up to 11%** (upper limit 12%)

- Increase quality while suppressing costs by planning a shift from Japan to Thailand

■ SGA expenses (excl. R&D expenses) ratio to net sales: **up to 31%**

- Increase mainly due to investment in human resources; no large upfront investment

■ Operating profit margin to net sales: aim to **28% or higher**

- Improve through gross profit margin improvement and by controlling SGA

# Target Index

## Building the Future 2030 ~ Unlocking Sustainable Growth ~

### Numerical targets for FYE June 2030

Net sales  
**180.0** billion yen

Operating profit  
**50.4** billion yen

Operating profit margin  
**28.0%**

ROE  
(Return On Equity)

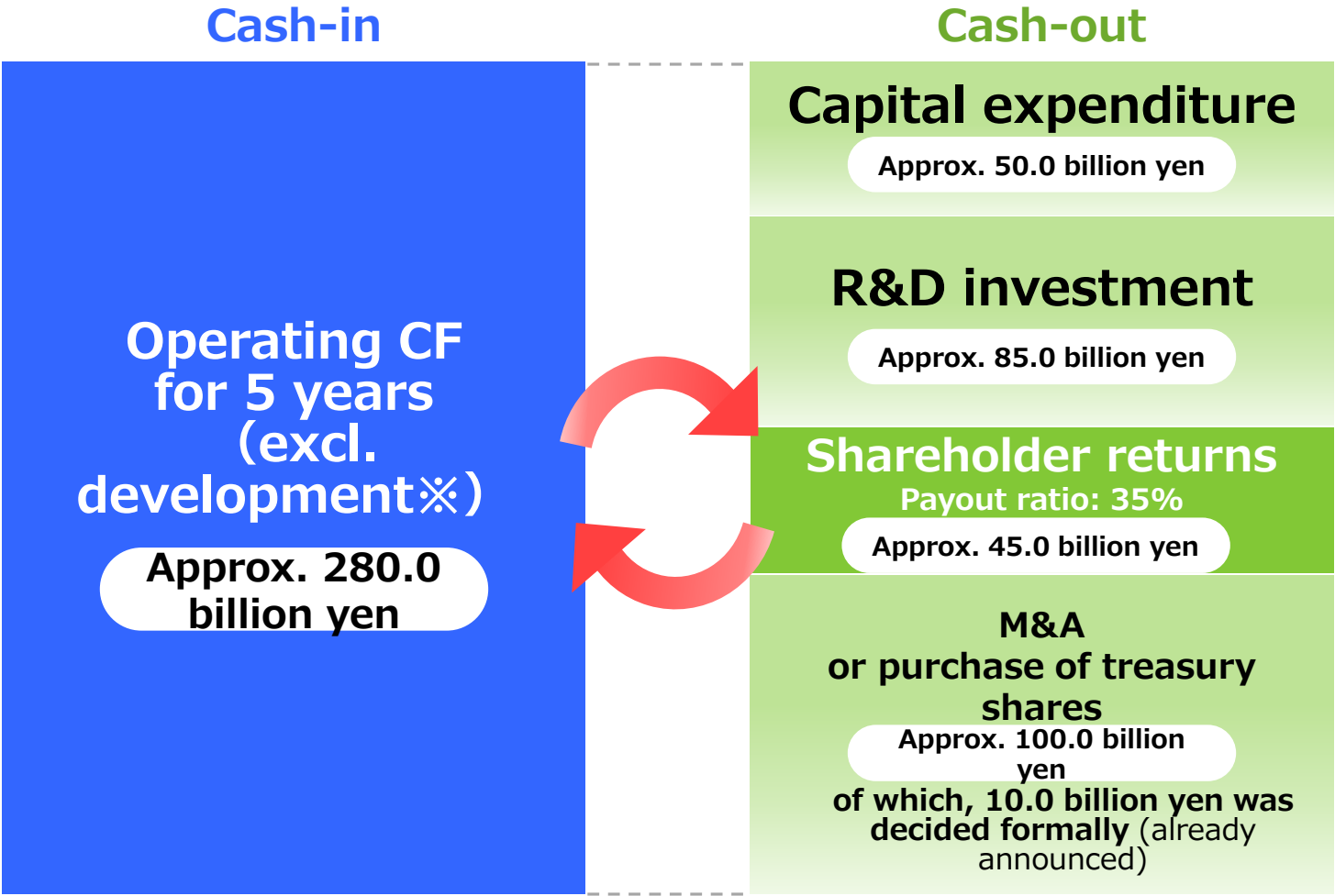
**16.0%**

ROIC  
(Return on Invested Capital)

**16.0%**

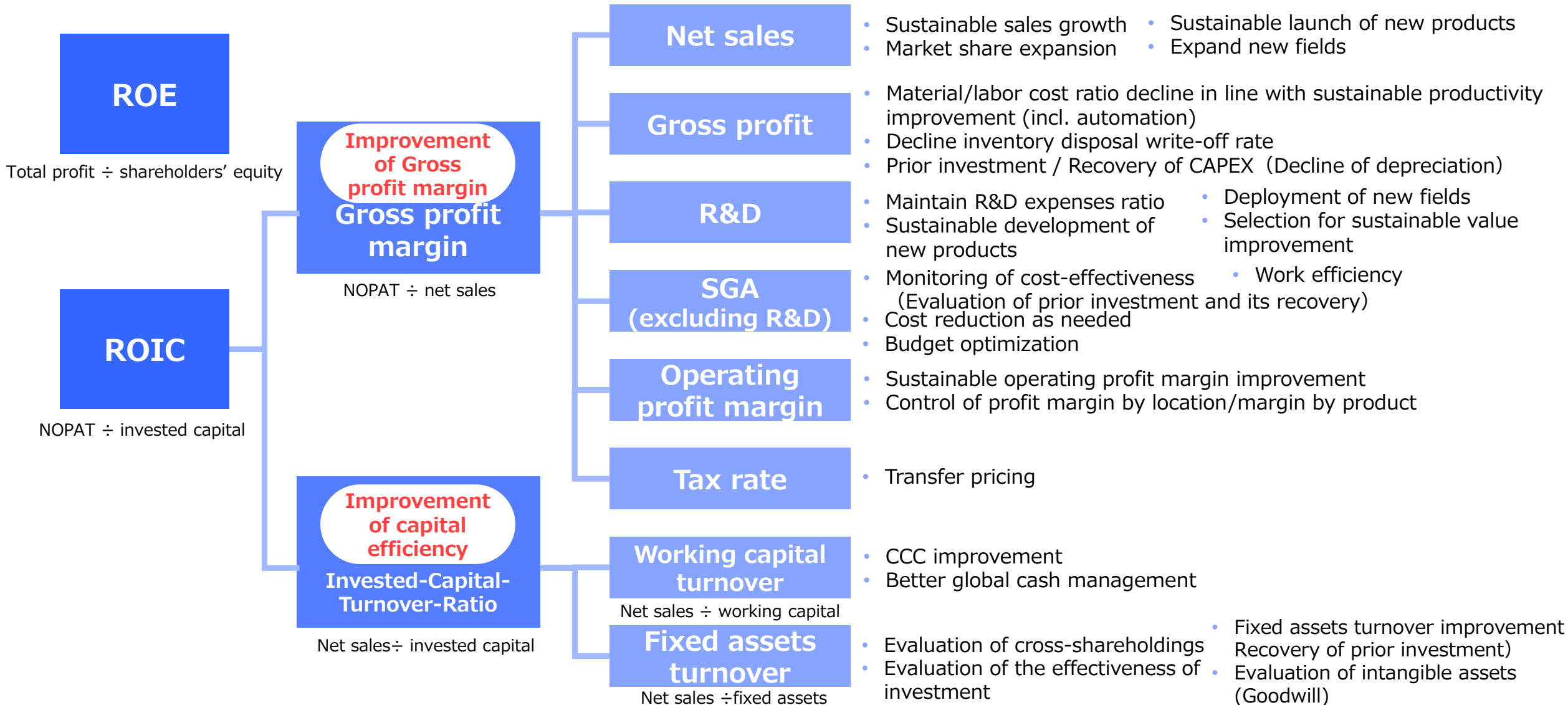
# Capital Allocation (Five-year cumulative total)

Implement decision-making and operations with an awareness of cost of capital and financial indicators



※ : Development costs are stated inclusive of depreciation expenses.

# ROE and ROIC



# Enhancement of Non-financial Information

2024

## ■ Published Integrated Report 2024

Contents include:

1. “Chairman and President in dialogue” marking the appointment of new President
2. Interviews with Executive Directors in charge of research and development
3. Discussion by young employees



## ■ Selected for the FTSE Blossom Japan Sector Relative Index



FTSE Blossom  
Japan Sector  
Relative Index

2025

## ■ To publish Integrated Report 2025 in 2025 (planned)

## ■ Maintain a B score in CDP evaluation

CDP2023 Climate change : B



CDP2024 Climate change : B



We are also working to strengthen non-financial information disclosure by enhancing the content of our Integrated Report and responding to ESG surveys

# Reinforce the Management Foundation, Supporting the Growth Strategy

**Growth Strategy**

**Reinforcement of  
the Management Foundation**

Optimize corporate governance

Promote DX

Promote sustainability

Reinforce organizational capability in  
sales/development/production/supply/quality/administration

Develop next-  
generation

Strengthen human capital

Strengthen the financial foundation

# Caution Regarding Information Presented

All forward looking statements contained herein, including revenue forecasts, outlooks, and strategic plans, are based on the best currently available data; however, risk and uncertainty are involved in these statements.

Please note that actual results may differ greatly from plans presented here.

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