



MEIDEN
Quality connecting the next

MEIDENSHA REPORT 2025

REPORT
2025



Meidensha's CO₂ reduction targets received SBT certification.



Meidensha was recognized as 2025 Health and Productivity Management Organization (White 500) in the large enterprise category.



Meidensha was granted Platinum Kurumin certification by the Minister of Health, Labour and Welfare.



Meidensha received the highest Eruoshi certification (Level 3) from the Minister of Health, Labour and Welfare.

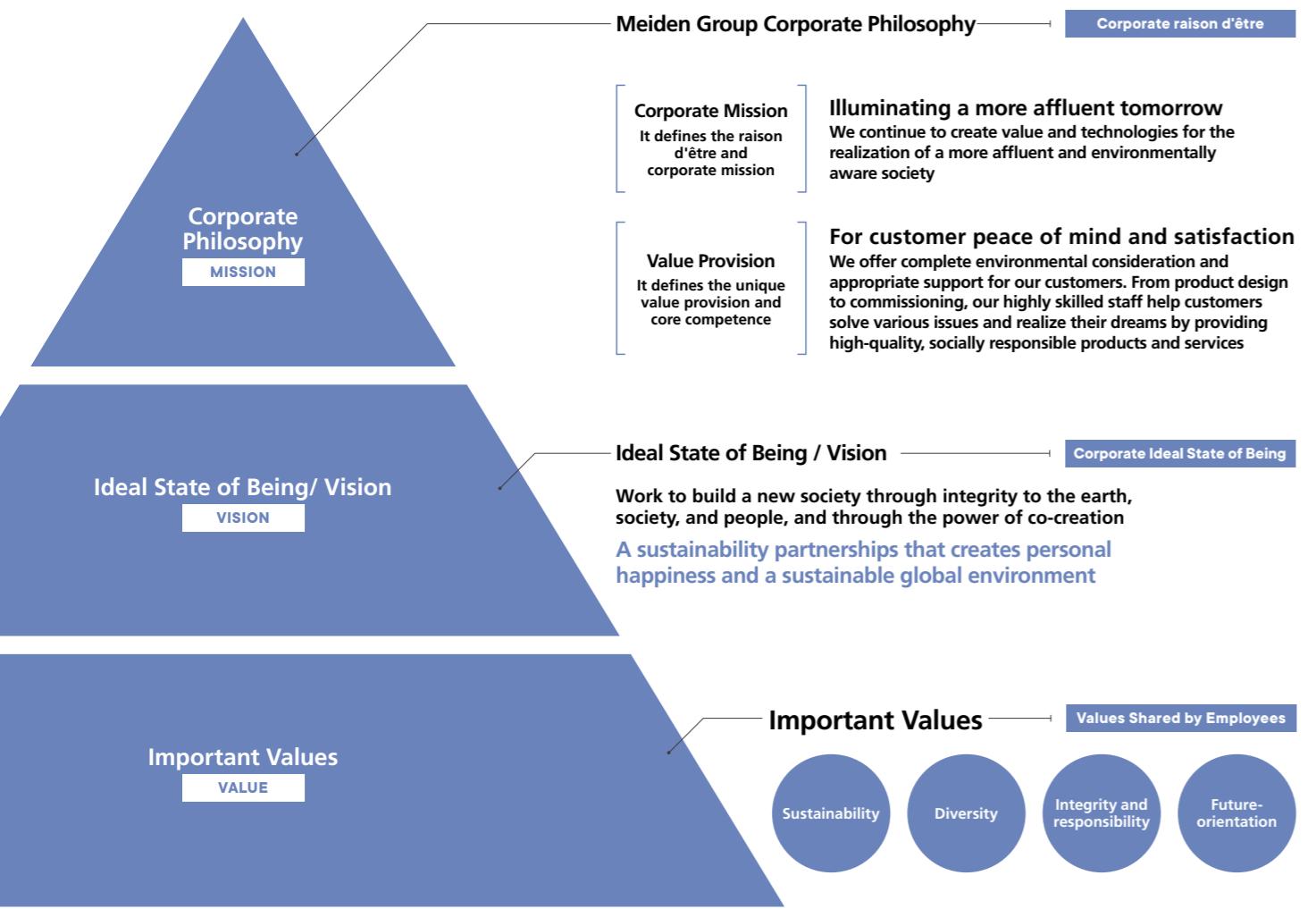


MEIDENSHA CORPORATION

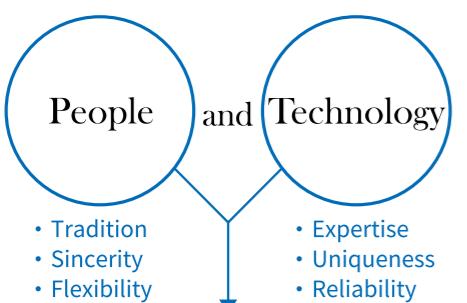
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Meiden Group Corporate Philosophy



MEIDEN
Quality connecting the next



“Quality”

Corporate Slogan

(Expressing the corporate philosophy in a single phrase)

For us, our "quality" is not only about the quality of our products and services. There are two things that make our quality: "people" and "technology." People at Meiden strengthen ties with customers around the world by being truthful and flexible. Meiden Group technology contributes to society with truly original products and reliable services created with expertise. These two attributes make Meiden's unique quality, and create new connections with the future. Making connections with our customers, society, and people living in it. These connections will expand, and the power we have built will become the energy for the next generation.

For the peace of mind and joy of our customers, and the precious lives of people beyond them, Meiden Group quality will connect with a more prosperous tomorrow. This is our never-changing mission.

Editorial Policy

The content of this report is determined after reporting to and consultation with the Board of Directors. With regard to the content of the reports, we work to collect, analyze, and distribute information that meets our stakeholders' expectations and is of interest to our stakeholders through daily public relations, IR activities, and interviews with each department.

In Meidensha Report 2025, we have endeavored to carefully compile the information necessary for dialogue with our stakeholders, presenting in an accessible manner the Meiden Group's value creation toward our envisioned future, the growth strategies outlined in Medium-term Management Plan 2027 launched in fiscal 2025, and our initiatives to strengthen the management foundation that supports these growth strategies. We hope this report brings you on board with our vision of the society that the Meiden Group hopes to realize, and we look forward to watching waves of co-creation gain momentum toward the realization of a more affluent tomorrow.

We hope this report helps enhance and enrich our dialogue with stakeholders.

Preparation and Approval Process, and Responsibility for the Meidensha Report

In drafting this report, we refer to the International Integrated Reporting Framework proposed by the IFRS Foundation and the Guidance for Integrated Corporate Disclosure and Company-Investor Dialogues for Collaborative Value Creation Ver. 2.0 proposed by the Ministry of Economy, Trade and Industry, etc.

The content of the report is based on opinions and questions received from stakeholders on a daily basis, and we drafted it by working with each organization to convey information in a manner that is easily understood from a long-term general perspective, in order to realize the Meiden Group's ideal state of being. I have confirmed that the drafting process and content are correct and proper.

Since 2013, Meidensha has issued the Meidensha Report as an integrated report. It is a communication tool for all stakeholders, including shareholders and investors, to understand the Company. Going forward, we will use the report as a tool for dialog and sincerely face our stakeholders to work to sustainably increase corporate value.

Representative Director, President and Executive Officer: Akio Inoue

Disclaimer

In addition to past and current facts about the Meiden Group, this report contains forecasts for the future based on plans, outlooks and business policies and strategies in effect at the time of publication. These forecasts are our assumptions and judgments as based on information available at the time they were stated and may differ from actual business activity results and events in future owing to changes in conditions.

Report Media

The Meiden Group informs its stakeholders of its attitude and initiatives relating to social responsibility through the two media of the Meidensha Report (print edition and web edition) and Meiden Group Sustainability (web edition).

Meidensha Report print edition and web edition

A comprehensive collection of financial information concerning the Meiden Group and nonfinancial information such as initiatives that contribute to improving corporate value and management strategies.



<https://meidensha.disclosure.site/en>

Editorial Policy

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Message from Management

Contributing to the Creation of a Prosperous Society Through Growth & Challenge

Representative Director,
President and Executive Officer
Akio Inoue

Growing Energy Needs and the Meiden Group's Obligations

The world currently sits at an unprecedented turning point, as demographic changes drastically impact social structures and revolutionary technologies represented by generative AI and EVs completely transform both industry and our ways of life. Along with these changes, geopolitical risks are deepening political divisions and entire supply chains face restructuring from increased uncertainties around energy resources and equipment procurement across the board. These vastly interconnected changes drastically increase the social significance of 'power' and the need for stable procurement. As a company involved in social infrastructure at this modern crossroads, we at the Meiden Group recognize the importance of our obligations. While some in the US government may view partial changes to their policy as a change in momentum away from sustainability, abnormal weather events are becoming the norm worldwide and we have no option but to double down on initiatives that address environmental issues before we see threats to the very foundation of our livelihood. As a company, we will not be swayed by short-term trends, but will set our sights on the long-term and recognize that our corporate obligation is to continuously contribute to the sustainability of society and the world at large. We believe that this obligation represents our raison d'être as a company that has worked to support social infrastructure for over a century.

Looking back on Medium-term Management Plan 2024

Bolstered by the tailwind of a positive ordering environment, we achieved our FY2024 targets, reaching a record high 301.1 billion

yen in net sales and 21.5 billion yen in operating income. This performance was led in particular by the Power Infrastructures Business Group (operating income 7.9 billion yen) accurately capturing the strong domestic and overseas power demand and the Field Service Engineering Business Group (operating income 9.9 billion yen) answering customers' growing maintenance needs.

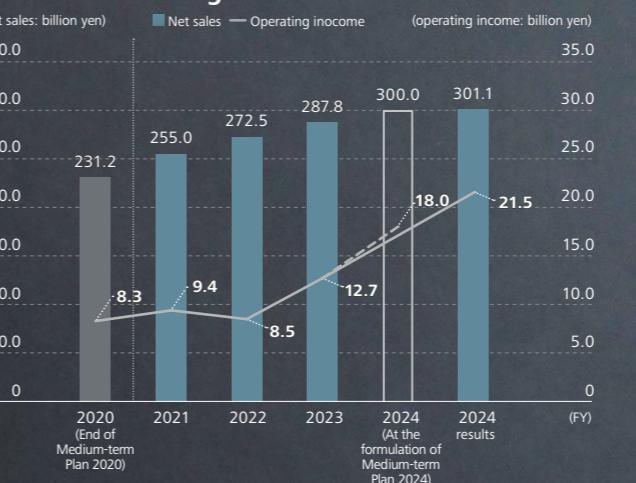
Our business environments saw drastic changes during the period of Medium-term Management Plan 2024, which began in FY2021.

In particular, results from the overseas T&D business far surpassed assumptions as global power demands grew, the use of data centers expanded rapidly, aging power transmission and distribution equipment required updating, and demand for eco-friendly products swelled following more stringent environmental regulations. As a company, we responded quickly to such market demands and the overseas T&D business grew thanks to actions such as proactively revising business strategies in Singapore and strengthening business activities in India based on growing renewable energy demands. In Japan, in addition to increased demands for power companies via the introduction of a revenue cap system, we achieved steady growth through increased demand for maintenance services and increased introductions of one-stop services that led to definitive results that linked with the tailwind from the market environment.

However, we faced an unexpected headwind from the rapid rise of Chinese EV manufacturers increasing competitiveness and a temporary slump in the semiconductor marketplace. In response to these environmental changes, we responded flexibly and revised our strategy by reducing costs, transferring personnel between sites, moving manufacturing of some parts to other plants, and optimizing production as a whole to achieve steady overall growth. This, however, brought to light issues pertaining to our business foundation. One of these was employee engagement. Our response to this period of robust ordering increased the workload of every employee, but it was not accompanied by improvements to systems or workplace conditions. We believe that the route to sustainable growth lies in facing the situation earnestly and revising our foundational strategies while applying the experience gained into managing future businesses.

 Value Creation Through Our Business P.25-44  Strengthening of Human Capital P.57

Performance trends in Medium-term Management Plan 2024



Creating the Future through Growth & Challenge: An Overview of Medium-term Management Plan 2027

Based on our experiences to date, Medium-term Management Plan 2027 looks to further strengthen our ability to respond to changes while accelerating initiatives aimed at continued value creation.

The theme of Medium-term Management Plan 2027 is "Growth & Challenge." This emphasizes our commitment over the three-year period to simultaneously achieve the "Growth" that significantly expands our scope of business by steadily capturing strong current demand and the "Challenge" that pursues the evolution of our business model to achieve discontinuous growth in the future. We've published targets for FY2027 of 370 billion yen in net sales, 25 billion yen in operating income, 10.0% ROE, and 8.0% ROIC. These targets serve as milestones to achieve the company's stated raison d'être, "For customer peace of mind and satisfaction," at larger scales and in higher dimensions. Our plan to make this a reality consists of three timeframes: Products (short-term), Business (medium-term), and Technology (long-term).

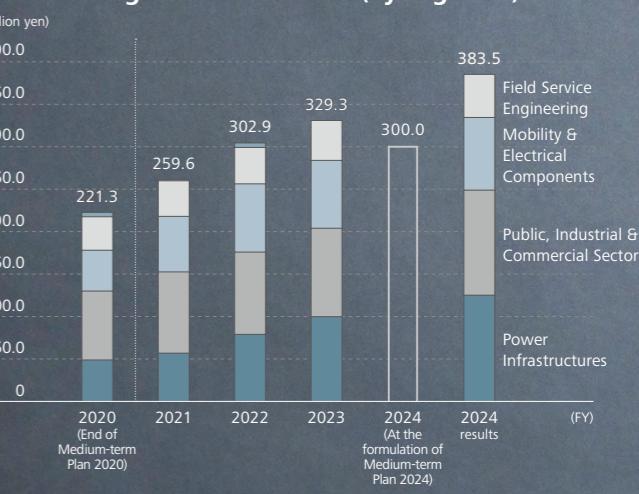
The product strategy prioritizes bolstering our supply capabilities to respond to growing social demands, while increasing our production capacity and shortening lead times through R&D and facility investments at an unprecedented scale.

The business strategy emphasizes the service business, in addition to equipment system sales, in an effort to strengthen solution-oriented value provision centered on the MEIDEN CONNECT platform, which accumulates customer and product data by connecting Meidensha products to the network.

The technology strategy works to develop next generation technologies in the three domains of POWER, CHEMI, and CYBER, based on targeted research rooted in projections of society in the year 2040.

 Medium-term Management Plan 2027 P.15

Order trends in Medium-term Management Plan 2024 (by segment)



Fortifying a Business Foundation that Supports Growth Strategies

Without a solid business foundation, these grand objectives of "Growth" and "Challenge" are nothing but pipe dreams. Our competitiveness naturally comes from "People" and "Technology," and we consider the solutions that emerge when these two combine to be our greatest strength. Our people have the skills to identify issues for worksites and the ability to uncover the true nature of a customer's needs through dialogue. Our technology possesses both the high-level planning and development skills rooted in the knowhow we have collected over our long history and the implementation skills designed for site operations. Through dialog with customers, we have accumulated various practical intellectual assets such as technical information, operational data, and a variety of knowledge including indicators of future needs and issues. Customers present our sales teams with issues to potentially solve, and our technical departments explore features that would address the issue. Additionally, we gather data daily from maintenance and service sites, such as how products and facilities are actually used and what results they deliver. This method of accumulating knowledge at the source connects directly with future equipment designs and technological developments. It is no mere database, but something we call our unique "value chain" that we create alongside customers. It is essential that we evolve the business foundation that supports the execution of our strategies so that our competitive edge is not an ephemeral idea but something that leads to continual growth. And so, we will work with unrivaled determination to fortify the business foundation based on "Green strategy," "Human capital," and "Internal DX" to properly execute this mid-term plan.

Deepening of our green strategy promotes decarbonization and corporate growth through initiatives like a 50% reduction in Scope 1 and 2 emissions by FY2030 and other items set forth in the Third Meiden Environmental Vision that align with the 1.5°C scenario.

 Progress on the Third Meiden Environmental Vision p.53

Strengthening of human capital sets a goal of "Creating an environment for mutual growth through an organization that attracts individuals and a diverse workforce whose dreams and aspirations overlap" and works to reduce work loads via DX, actively utilize exceptional overseas personnel, and revise the evaluation and compensation systems. It sets a goal of three or more female officer class employees and five or more non-Japanese presidents of local companies by FY2030.

 Strengthening of Human Capital p.57

Acceleration of internal DX aims to increase productivity across the company by creating databases that connect office and site information, centralizing management of manufacturing processes, and using AI and generative AI to revolutionize business operations.

Advancing Management that Recognizes Capital Costs

Generating returns that surpass capital costs is essential for increasing shareholder value. Ensuring profitability that

exceeds the capital cost is a fundamental principle of our investment decisions, and our current 70 billion in capex came after careful scrutiny returned an outlook for a 25% growth potential from 300 billion yen in net sales to 370 billion yen, and we decided to move forward with our investment after determining that such growth was attainable. Our targets of 10.0% ROE and 8.0% ROIC are not simple numerical targets, but things that embody a management deeply concerned with investment efficiency. As we increase profits through growth investment, we will continue achieving these targets by further expanding the scope of business. Particularly for investments into the power and semiconductor fields, where global demand continues to grow, we will emphasize allocation of investments into clear drivers of growth and maximize shareholder value.

As for shareholder returns, our basic policy is a payout ratio of 30%. This is based on our policy of maintaining the payout ratio at an appropriate level for our current growth stage while expanding the scope of business by allocating funds with an emphasis on growth investment, and achieving increased dividends as a result. Even at a payout ratio of 30%, we are confident that growing net sales by 25% will allow us to return more dividends to shareholders. In a state of steady future growth, we employ the optimal return policy for the growth stages under the premise of increasing the payout ratio. We also review our investment policy as needed in a timely manner from the perspective of investment efficiency with the objective of increasing overall shareholder value.

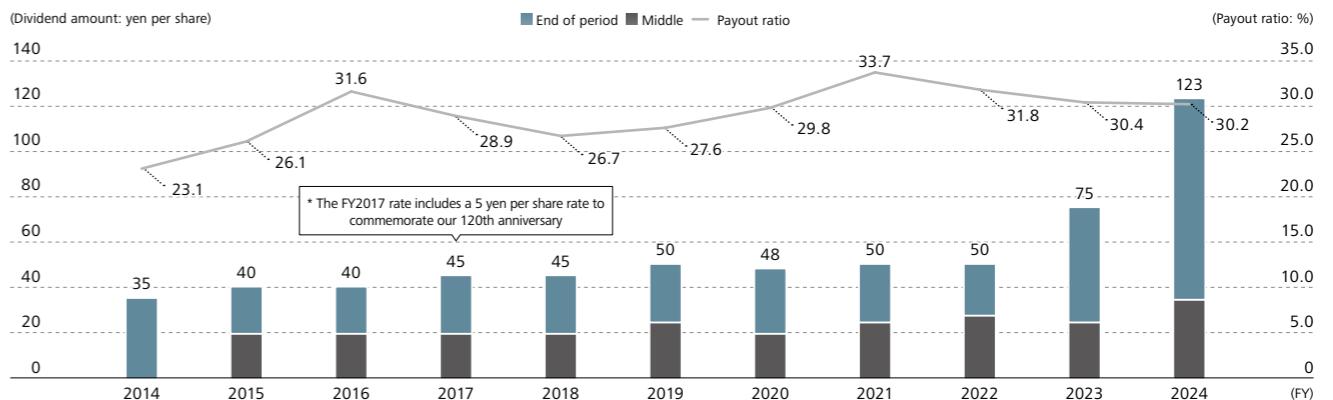
Achieving Medium-term Management Plan 2027 and Beyond

Currently, increased power needs around the world have created an unparalleled demand for our technologies and expertise. The expanding use of data centers, the spread of EVs, the growing utilization of renewable energy, and more are dramatically transforming the environment with regard to power, which is precisely why the achievements and knowledge base we have created with customers over the years provide us with a true competitive advantage. Technological revolutions born from dialogues with customers, our accumulated operational data from sites, and backcast-driven technological developments all generate value based in reality, not fantasy.

We consider reviewing our role as a company and continuously re-examining the ideal states of our businesses as these environmental changes unfold as necessary for sustainable growth. As we carefully examine the balance between the humans and technology that are the source of our value creation and the future of every business department, we will invest management resources into fields where we can demonstrate our strengths while incorporating flexible options into our perspectives - including collaborations with outside parties - and build a business portfolio for domains with the potential to expand into new growth.

I am committed to leading our management team to achieve Medium-term Management Plan 2027 and our Vision for 2030. The target of 370 billion yen was merely

Trends in Dividends



a milestone, and we are now building the foundation for further growth.

We will work to make significant progress based on the foundation set by Medium-term Management Plan 2027 towards the goal of increasing corporate value in the medium- and long-term after FY2027.

The Meiden Group has an obligation to society: "the indispensable existence of an abundant society." We are more than just an electrical equipment manufacturer. As a company that exists for the world and is tasked with supporting social infrastructure, the future need for our products and services is the reason for our existence.

To Our Stakeholders

In our conversations throughout the year, we have sensed a growing expectation for us to increase corporate value. As

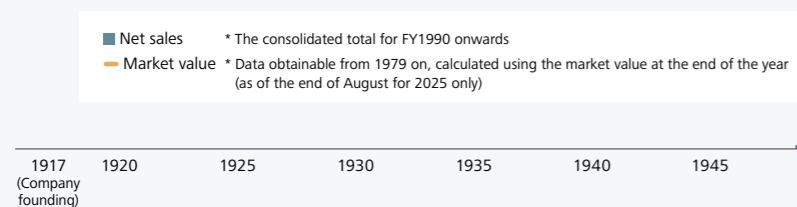
interest grows in investment efficiency indicators like PBR and others, we acknowledge that management's foremost responsibility is to connect the capital entrusted to us by our shareholders and investors to the continuous growth of our corporate value. We plan to disperse risk and increase overall efficiency by not only consolidating company businesses to increase efficiency, but by also laterally deploying our technical expertise and the customer base we have built over our long history. We will continue to propel our current good performance further and will constantly challenge ourselves as we grow even more in the future.

Moving forward, we will progress hand-in-hand with all of our stakeholders in line with our corporate philosophy, while creating a sustainable society and increasing corporate value. You have our deepest thanks for your ongoing support and guidance.



The Meiden Group's History of Value Creation

Since our founding in 1897, Meidensha has developed a plethora of technologies, products, and services focused on the field of social infrastructure and contributed to society's continued development, while continuing our diligent pursuit of manufacturing. Our commitment to quality in manufacturing, curiosity, and willingness to take on new challenges all stem from the spirit of our founder, Hosui Shigemune, who yearned to "enrich society through the power of electricity." He had a strong vision to create a more prosperous world through business, aiming to enrich the lives of many people with his products while continually refining his skills. This is our mission as an electrical equipment manufacturer and the reason we exist.



Contributing to power and social infrastructure



In 1897, Hosui Shigemune founded Meidensha as a small factory at a time when Japan still relied heavily on foreign imports for industrial equipment. We devised our own method for designing induction motors in 1905 and the following year began manufacturing motors in earnest. Ever since, we have produced electric motors, generators, transformers, and more while contributing to the development of manufacturing equipment and power infrastructure.

Examples of Meiden Group's value creation for "Illuminating a more affluent tomorrow"



Our first production 1-HP three-phase induction motor. The start of "the motor expert Meiden."

1964



A mobile 30-MVA Scottconnection transformer, one of the largest in Japan. Supported the launch of the Tokaido Shinkansen.

Promoting manufacturing and supporting advancement



In the 1970s, we pivoted from volume operations to quality operations in accordance with changes in social trends, and reformed into a heavy electrical equipment manufacturer. Developing metal Zinc oxide surge arresters and growing a reputation for delivering the dynamometers used in Japan's booming automobile manufacturing and remote monitoring equipment for the rail and water treatment sectors, we contributed to developing manufacturing and improving everyday life, with market value soaring in the 1980s.



We supplied one of the largest anechoic chambers in Japan to the Japan Automobile Research Institute for automobile noise testing. This contributed greatly to the development of Japan's automotive industry.



1976

From Meidensha Japan to Meiden global



As the domestic business environment became saturated, we focused on developing overseas business to solidify future business growth. In addition to the localization of business operations centered on bases in Southeast Asia that began in the 1960s, we began expanding our business into new areas with mergers and acquisitions in the 2010s—adding businesses in India and Germany—and the foundation of a plant in North America in 2020.



1994

We developed an overhead catenary system inspection tool for railway businesses using Meidensha's proprietary image analysis technologies. This system was able to inspect and verify the wear state of overhead catenary systems in real time.

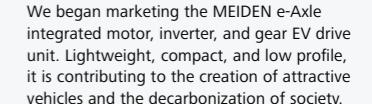


2004

We developed vacuum capacitors leveraging the expertise we accumulated through more than 40 years of vacuum circuit breaker production. We began supplying VCs to semiconductor manufacturing equipment and other power supply manufacturers.



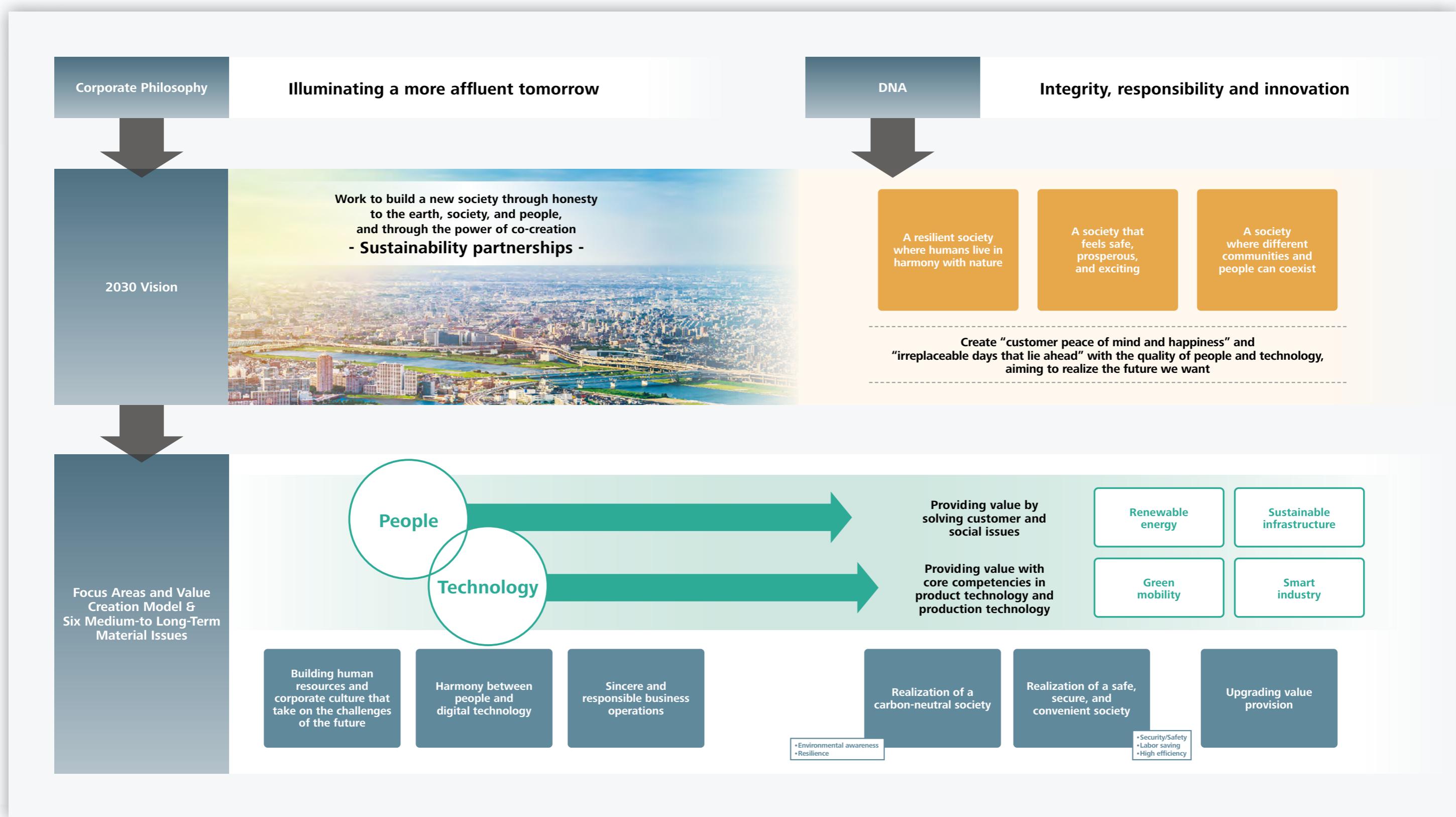
2023



We began marketing the MEIDEN e-Axle integrated motor, inverter, and gear EV drive unit. Lightweight, compact, and low profile, it is contributing to the creation of attractive vehicles and the decarbonization of society.

Meiden Group Value Creation Process

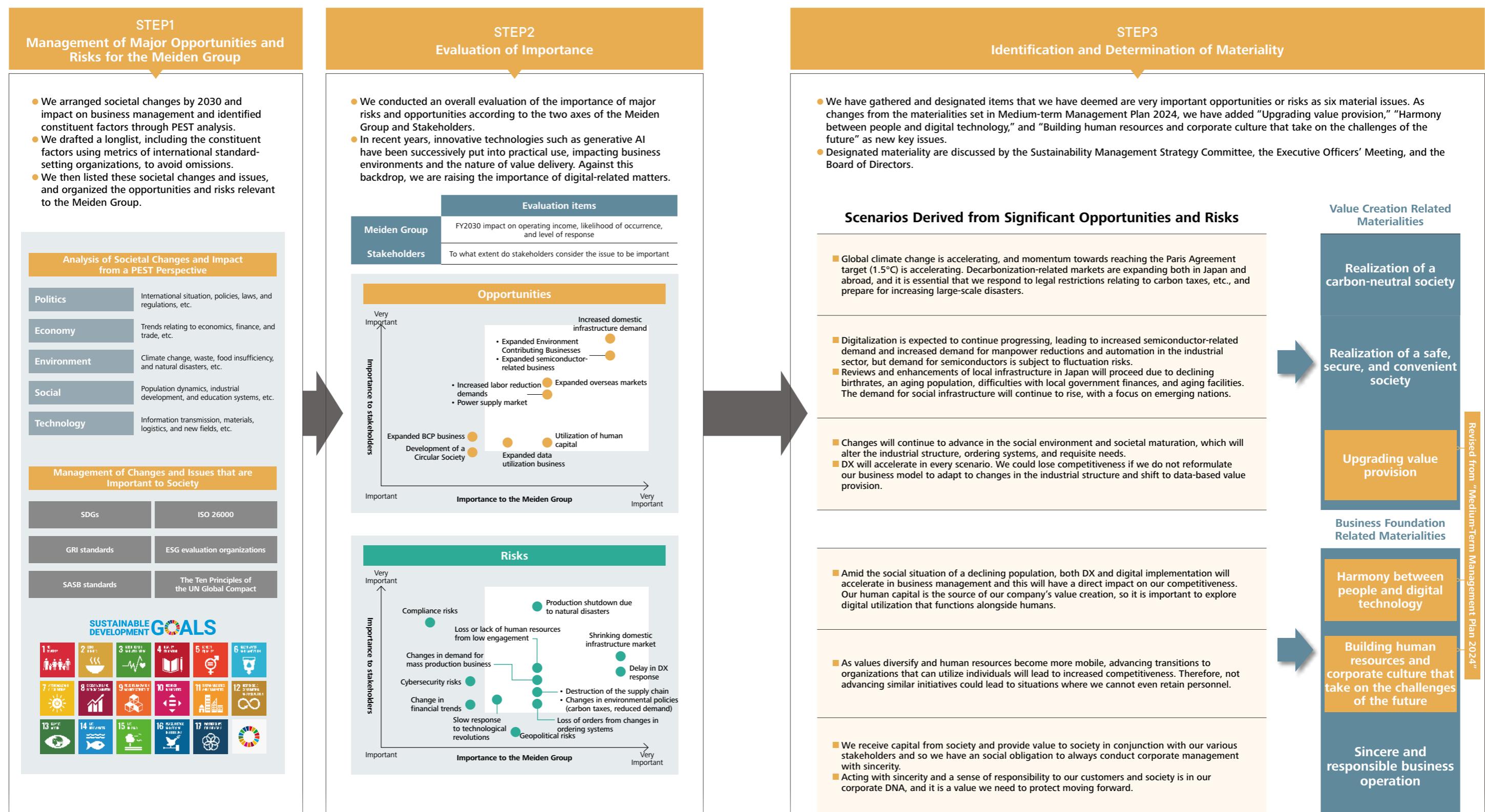
The Meiden Group will reform its value creation processes to realize its ideal society and 2030 ideal state of being/vision, with the aim of achieving a sustainable society and sustainable growth of the Meiden Group.



Major Issue (Materiality) Identification Process

We identified medium- to long-term materialities by backcasting from our vision for 2030.

The Meiden Group will tackle the creation of a new society through addressing our materialities, working to realize a sustainable global environment and the well-being of people.



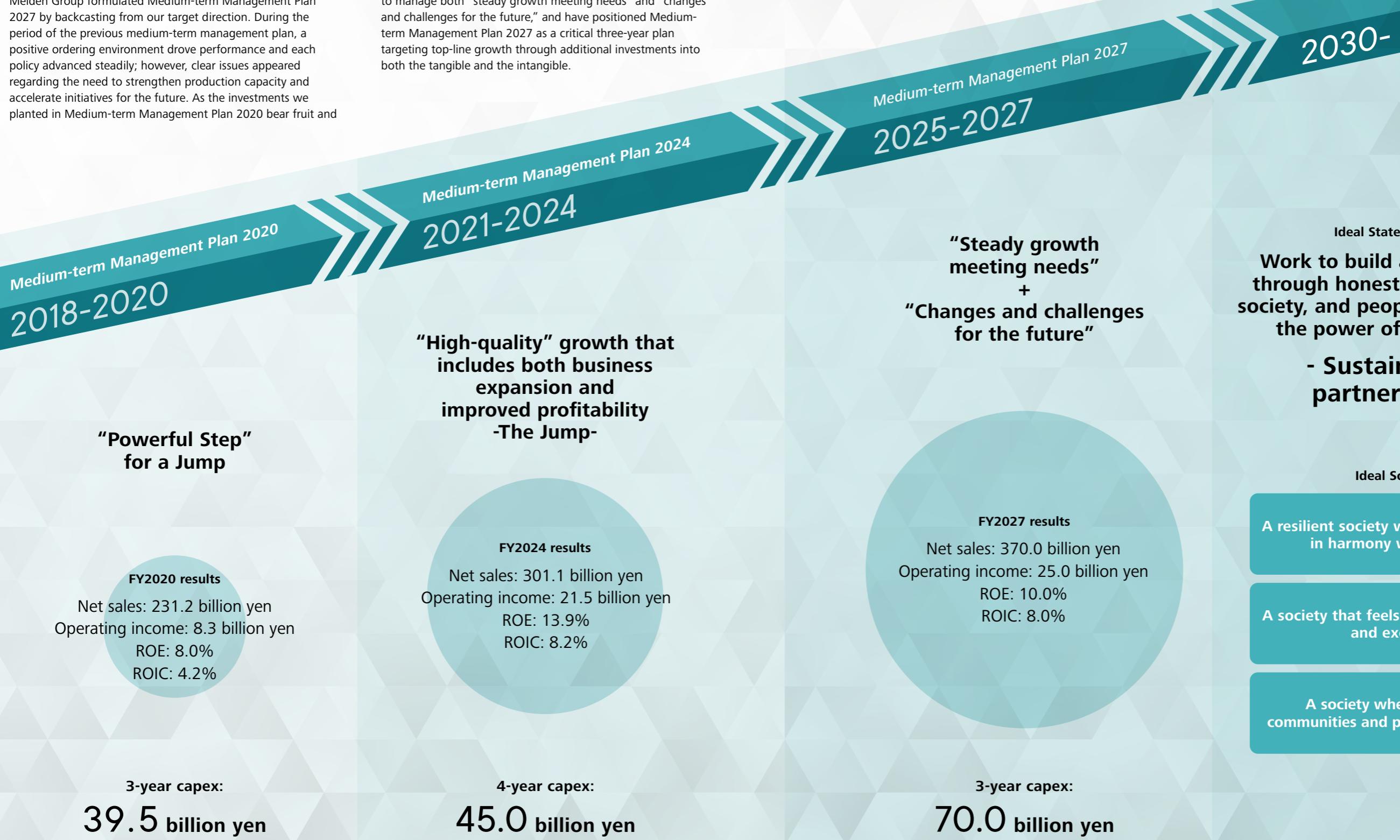
Materiality and Medium-term Management Plan 2027

Materiality	Meiden Group Direction	Major KPIs*1 [parentheses denote internal targets]	Related Strategies	Medium-term Management Plan 2027	Final FY Target	FY2024 (results)
Value Creation Related Materials	Realization of a carbon-neutral society	<ul style="list-style-type: none"> Accelerate the expansion of decarbonization within the company and environment-contributing businesses centered on the Third Meiden Environmental Vision that aligns with the 1.5°C scenario standard in order to move towards achieving "a resilient society where humans live in harmony with nature" and the Paris Agreement. As we act to expand environment-contributing businesses, we will contribute to decarbonization around the world. 	<p>Scope 1 + 2 reduction rate (compared to FY2019) Scope 3 (all categories) reduction rate (compared to FY2019)</p> <p>[Amount of contributions to GHG reductions from environment-contributing businesses]</p>	Management foundation supporting growth strategy: Deepening of green strategy	Scope 1 + 2: 40% reduction	Scope 1 + 2: 15% reduction
					Scope 3 (all categories): 20% reduction	Scope 3 (category 11): 11% reduction
						Contributions to GHG reductions: 4.414 million tons CO ₂
	Realization of a safe, secure, and convenient society	<ul style="list-style-type: none"> Expand our product systems and solution businesses toward reconstructing regional infrastructure and respond to the growing need for infrastructure updates and maintenance in order to build safe and secure social infrastructure. Also strengthen overseas businesses to respond to growing overseas infrastructure needs. Work on expanding sales while improving the technologies that are our core competencies in the motor drive business and semiconductor-related businesses to respond to the growing need for digitalization as well as labor reduction and automation. 	<p>1. Net sales of renewable energy and sustainable infrastructure*2</p> <p>2. Net sales of green mobility and smart industries*3</p>	<p>Growth strategy 1: Products Growth strategy 2: Business Growth strategy 3: Technology</p>	1. Net sales: 274 billion yen	1. Net sales: 232.3 billion yen
		<ul style="list-style-type: none"> To not insist on traditional value provision methods, but shift to flexible value provision that aligns with the changes of the era and in manufacturing. Accelerate transformations in business models and shift toward data-driven value provision. 	<p>Number of regional issue solution models formed</p> <p>[Net sales for MEIDEN CONNECT]</p>		2. Net sales: 95 billion yen	2. Net sales: 72 billion yen
	Upgrading value provision	<ul style="list-style-type: none"> To maintain continuous manufacturing among a positive ordering environment, increase production capacity and develop measures that increase productivity using styles where people and digital technologies coexist. Also renew, integrate, and improve legacy systems in order to accelerate data-driven business. 	<p>Improved production capabilities (compared to FY2023) Reduced lead times (compared to FY2023)</p> <p>[Steadily renew core systems, maintain data-related foundations and utilization tools]</p>	<p>Growth strategy 1: Products</p> <p>Management foundation supporting growth strategy: Accelerating internal DX</p>	<p>• Production capacity: Up 25%</p> <p>• Lead time: Down 50%</p>	
Business Foundation Related Materials	Harmony between people and digital technology		eNPS*4 (Meiden Group Japan)		*eNPS: -65.0% (Meiden Group Japan) (4% improvement compared to FY2024)	eNPS: -69.0% (Meiden Group Japan)
			Number of female officer class (inside officers)		• Female officer class (inside officers): At least 3 (FY2030)	Female officer class (inside officers): 1
			Number of non-Japanese presidents of local subsidiaries		• Non-Japanese presidents of local subsidiaries: At least 5 (FY2030)	Non-Japanese presidents of local subsidiaries: 2
	Building human resources and corporate culture that take on the challenges of the future		[Improved group risk management system]		*1 Reviews and scrutiny of selecting policies and specific KPI values are ongoing. *2 Net sales of renewable energy and sustainable infrastructure ... Net sales of Power Infrastructures + Public, Industrial & Commercial Sector + Field Service Engineering (aggregate)	
		<ul style="list-style-type: none"> One of the critical engines to achieving our vision is "accelerating initiatives for the future," therefore, advance transformations to a value co-creative company through changes in both personnel and organizations. Have diverse human resources with pride and passion and aim to create a foundation and corporate culture where employees can work with peace of mind. 	[Compliance training attendance rate]		*3 Net sales of green mobility and smart industries ... Net sales of Mobility & Electrical Components *4 eNPS: NPS® (Net Promoter Score) for employees. NPS® is a registered trademark of Bain & Company, Fred Reichheld, and Satmetrix Systems.eNPS is listed as percentages. Our eNPS score pertains to Meidensha and related companies inside Japan (except EAML Engineering CO., LTD. and MEIDEN UNIVERSAL SERVICE LTD.) Our eNPS score is the number of "Promoters (%)" minus the number of "Detractors (%)" who answered the question "Would you recommend your current company to a friend or acquaintance as a place to work?" on an employee engagement survey.	
	Sincere and responsible business operations		[Number of communications to and meetings with stakeholders]			

Medium-term Management Plan 2027

To achieve the form and vision we have set for 2030, the Meiden Group formulated Medium-term Management Plan 2027 by backcasting from our target direction. During the period of the previous medium-term management plan, a positive ordering environment drove performance and each policy advanced steadily; however, clear issues appeared regarding the need to strengthen production capacity and accelerate initiatives for the future. As the investments we planted in Medium-term Management Plan 2020 bear fruit and

we look to achieve significant growth for 2030, we will work to manage both "steady growth meeting needs" and "changes and challenges for the future," and have positioned Medium-term Management Plan 2027 as a critical three-year plan targeting top-line growth through additional investments into both the tangible and the intangible.



Looking Back on Medium-term Management Plan 2024

We faced a major change to the business environment during the period of Medium-term Management Plan 2024. Aging facilities increased the demand for renewals and the implementation of renewable energy in the domestic power market, while the introduction of a revenue cap system stabilized maintenance. Overseas markets boomed as demand for eco-friendly products grew, particularly in developed countries. We believe that these trends will continue for a while. However, the Social Infrastructure Systems Business was greatly impacted by long delivery times and the rising price of materials brought on by global inflation, but we saw signs of improvement in FY2024 thanks to the development of replacement products and new procurement sources. Also, while the end of subsidies and a saturated demand for early adopters

caused sluggish growth in the EV marketplace, we predict that the movement towards decarbonization will continue.

In this environment, we exceeded targets with 18 billion yen in operating income and a 10% ROE, while achieving record highs for orders, net sales, and operating income in FY2024. On the financial side, compared to FY2021, the first year of Medium-term Management Plan 2024, our equity ratio rose from 35.1% to 40.7% and our net D/E ratio improved from 0.34 to 0.10, which created a solid financial base. However, improving efficiency, such as addressing a temporary worsening of inventory turnover caused by strategic inventory buildup, will be important issues going forward.

Financial and Non-Financial Indicators

Profitability		Efficiency		Non-financial indicators (environment)	
FY2024 target	Net sales: ¥300 billion Operating income: ¥18 billion	FY2024 target	ROE: 10.0% ROIC: 8.0%	FY2024 target vs. FY2019	Scope 1+2: 6% reduction Scope 3 Category 11: 6% reduction
FY2024 Result	Net sales: ¥301.1 billion Operating income: ¥21.5 billion	FY2024 Result	ROE: 13.9% ROIC: 8.2%	FY2024 Result	Scope 1+2: 15% reduction Scope 3 Category 11: 11% reduction
	Achieved		Achieved		Achieved
Financial soundness		Shareholder returns		Non-financial indicators (human capital)	
FY2024 target	Net D/E ratio: 0.25–0.30	Dividend payout ratio	Stable at 30% level	FY2024 target	eNPS: 10% improvement compared to FY2021 Female officer class (inside officers) : 1 Non-Japanese presidents of local subsidiaries : 3
FY2024 Result	Net D/E ratio: 0.10	Result (Reference) Total dividends over four years: ¥13.6 billion	FY2021: 33.7% FY2022: 31.8% FY2023: 30.4% FY2024: 30.2%	FY2024 Result	eNPS*: 2% deterioration Female officer class (inside officers) : 1 Non-Japanese presidents of local subsidiaries : 2
	Achieved		Achieved		Partially achieved

*eNPS applies to Meidensha and MEIDEN ENGINEERING CORPORATION.

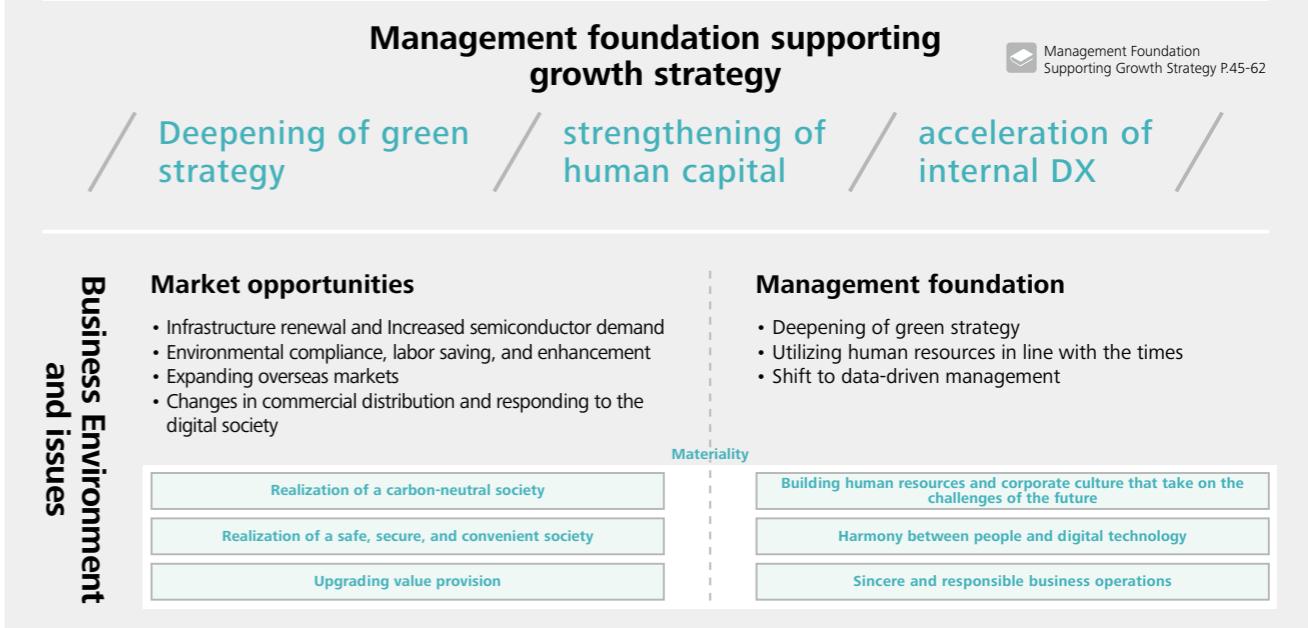
Main Achievements and Issues

	Main achievements	Main issues
Basic Policy 1 Realization of high quality growth	Orders increased for the four consecutive years Overseas orders expanded, mainly for Power Infrastructure Operating income surpassed ¥20 billion Increased sales of high value-added products such as Vacuum interrupter contributed	Strengthening production capacity and further improvement of productivity Capex and operational efficiency improvements aimed at obtaining further orders Improving profitability of growth businesses Business operations in the EV components business, etc. also based on market conditions Responding to changing market needs Environmental performance, digital integration, and response to changes in ordering patterns
Basic Policy 2 Promoting sustainability management	Accomplished the Second Meiden Environmental Vision Increased the share of renewable energy procurement in Japan and promoted energy conservation and electrification Progress in initiatives to utilize human resources in line with the times Implementation of human resource development system updates, MY Vision initiatives, etc.	Consistency with and further initiatives for the 1.5°C scenario Accelerating the transition from SF ₆ gas and toward renewable energy, and further improving LCA Improving employee engagement Improving the workplace environment and evaluation/compensation systems in a busy work environment
Basic Policy 3 Promotion of management ambidexterity	Cultivating awareness and a culture for new Businesses Implementation of MAST Project, MEIAN Challenge, etc.	Monetization of new business themes Semiconductor processes, remote motor monitoring, etc.

Strategies for Realizing Value Creation



Value Creation Through Our Business P.25-44



Management Foundation Supporting Growth Strategy P.45-62

Approach to the Policies Inside Medium-term Management Plan 2027

To achieve our 2030 target of becoming a "Sustainability Partnerships," the Meiden Group drafted Medium-term Management Plan 2027 for future marketplaces so that we can respond to infrastructure renewals and increased semiconductor demand, environmental compliance, labor saving, and enhancement, expanding overseas markets, and changes in commercial distribution and responding to the digital society.

To address the issues in our management foundation of deepening our green strategy, utilizing human resources in line with the times, and shifting to data-driven management that remain from the previous medium-term plan, we plan to maximally utilize our core competencies of product technology and core technologies that are company strengths and steadfastly resolve these issues in this medium-term management plan. We will continue to grow while responding to changing markets as we contribute to improving social infrastructure and realize a sustainable society through changes and challenges for the future.

The Three Growth Strategies and Strengthening the Management Foundation that Supports Them

We have positioned Medium-term Management Plan 2027 with the concepts of "steady growth meeting needs" and "changes and challenges for the future" as critical components of the next three years. During this period, we look to achieve continued growth and discontinuous growth in existing businesses and advance the three growth strategies in the "Growth & Challenge" keywords while strengthening the management foundation that supports them.

A strategy for growth through increased production capacity, improved product capabilities, and greater manufacturing productivity

To increase competitiveness and respond to vigorous demand in highly competitive domestic and overseas markets, we have proposed a growth strategy that relies on increased production capacity, improved product capabilities, and greater manufacturing productivity. Over three years we will spend a combined total of 26 billion yen or more overseas and domestically in capital investments in the areas of Power & Energy, Railway, Electronics Products, and more to increase production capacity and rebuild locations overseas.

Within Japan, we are seeing markets change with increased demand for Power & Energy and railway equipment, growing demand for semiconductors following the rapid rise of generative AI, and more. In addition to increasing our capacity to produce products that can respond to those demands, we will reduce costs by adjusting factory layouts, increasing productivity through automation and labor-saving initiatives, and reducing lead times as we strive to improve profitability. We also plan to further expand the scope of business bolstered by the tailwind of increased power demand around the world by increasing the production capacity of global bases in Power T&D.

Implementation Item

Increase production capacity of Power & Energy, Railway, Electronics Products, etc.

Japan: Expansion of equipment in Power & Energy, Railway, Electronics Products, etc.
For Power & Energy, we will add production equipment at our transformer factories to respond to the growing trend toward power transmission and distribution networks accompanying increased power demands for data center facilities and the introduction of renewable energy, in addition to the introduction of the revenue cap system. Full-scale operations will begin after FY2028, and will increase production capacity by 1.5 times compared to FY2024 levels. For Railways, we will enhance equipment to increase production capacity—including improvements to production efficiency—as we are receiving numerous orders for railway in Japan and high-speed railway overseas following the recovery of investment after the COVID pandemic.

For Electronics Products, we will bolster manufacturing facilities and expand production floorspace for vacuum capacitors to increase production output 1.3 times over current levels amid forecasts of medium-term growth in the semiconductor market from the growing demand for AI and data centers.



Numazu Works transformer factory

Primary KPIs

Indicator	Primary KPI	
Amount of capex in Power & Energy, Railway, Electronics Products, etc.	Japan	At least 13 billion yen
	Overseas	At least 13 billion yen
Production capacity		Improve 25% (compared to FY2023)
Lead times		Reduce by 50% (compared to FY2023)

Implementation Item

Updates to products and systems that utilize featured technologies

Strengthening eco-friendly products

Demand for eco-friendly products is growing rapidly in the power marketplace. The transition to transformer equipment with a low environmental footprint is accelerating in Japan as demand grows for power transmission and distribution networks from upgrades to aging facilities and the introduction of renewable energy, and overseas markets experience the demand to switch to SF₆ gas-free products.

We will embrace these market environments and proactively increase the handling capacity of the vacuum interrupters and vacuum circuit breakers that are our forte. We will also contribute to reducing burdens on the environment by continuing to make EV-related products smaller and more efficient in response to the global electrification of mobility, and focusing on developing and expanding sales of building electrification components within the construction machinery field, where usability has been improved thanks to advancements in electrification technologies.

SF₆ gas-free vacuum circuit breaker

Strengthening Advanced and Labor-saving Technologies

We help our customers solve problems and make their facilities more efficient by continually improving our technologies and introducing labor-saving ideas. To respond to the growth in semiconductor production, we are actively developing pulse power supplies for semiconductor manufacturing equipment. This will allow us to support quality improvements and technological revolutions in the semiconductor manufacturing process.

Also, by introducing smart security technologies for infrastructure facility maintenance management, we will transition from conventional systems that rely on human oversight for maintenance to preventative safety systems that utilize IoT and AI technologies. This will improve maintenance reliability and make maintenance work more efficient.

Additionally, as the expansion of renewable energy makes predicting fluctuations in power generation more critical, we will strengthen load prediction technologies and help power systems operate more steadily.



Image of a remote monitoring screen



Pulse power supply

Implementation Item

Accelerate DX (Data Infrastructure Development and Utilization) to Improve Productivity and Reduce Lead Times

DX and Production Process Improvement Tailored to Manufacturing Methods

We streamline DX and production process to suit manufacturing methods based on the Meiden Monozukuri (Manufacturing) Standards to work toward the goals of increasing productivity and halving lead times.

Systems and Equipment

We help establish an "order receipt to shipment" series of production information infrastructures for the systems and equipment business to automate production management and streamline design.

Creating systems that link design and test data helps automate part of the test process.

These actions create highly competitive manufacturing systems that increase the value we provide to customers.



A transformer being built in India

Mass Production

Introducing a preventative maintenance system that understands equipment conditions improves utilization rates by preventing unexpected equipment failures. Using IoT sensors and AI technologies to constantly monitor equipment conditions and predict the optimal maintenance schedule enables customers to plan maintenance work accordingly.

Furthermore, introducing a system of automated equipment and mixed production strengthens the ability to support high-mix low-volume manufacturing. Creating flexible manufacturing lines creates efficient manufacturing systems that respond to fluctuations in demand and prompt responses to customer needs.

Developing New Services by Unearthing New Markets and Transforming Business Models

We will proactively work to uncover new areas of demand and overseas markets while breaking free from conventional business models focused on selling equipment so that we can transition to value-provision style services.

We plan to expand the Power T&D Business in North American, Indian, and Singaporean markets in anticipation of their respective growth, while also introducing SF₆ gas-free eco-friendly products into European markets following the introduction of new SF₆ gas regulations. As the semiconductor field continues its push towards miniaturization and layering, we will also strengthen our position by expanding sales of the highly profitable vacuum capacitors in the North American market and partner with semiconductor manufacturers to develop new technologies.

We are also expanding our business domains and the data utilization business with an emphasis on customer experience value as a key component of transforming our business model. In the data utilization business, we will focus on customer

experience value and offer data-driven, value-added services to create long-term partnerships with customers and achieve continuous growth. By expanding our business domains, we look to transcend equipment sales and evolve into a service provider in multiple fields.

Primary KPIs

	FY2027 plan			
	Power Infrastructures	Public, Industrial & Commercial Sector	Mobility & Electrical Components	Field Service Engineering
Orders	111.0 billion yen	115.0 billion yen	100.0 billion yen	54.0 billion yen
Net sales	111.0 billion yen	113.0 billion yen	95.0 billion yen	50.0 billion yen
Operating income	10.5 billion yen	3.5 billion yen	3.5 billion yen	9.5 billion yen

Implementation Item 1 Development of New Overseas Markets in Power T & D, Railways, and Semiconductor-related Fields

Overseas Infrastructure

We will proactively open new markets for Power T&D and Railways.

In Europe, we expect environmental regulations to accelerate with the introduction of SF₆ gas regulations in 2028, and plan to operate in the market by emphasizing the superiority of our eco-friendly (SF₆ gas-free) products. Also, Southeast Asia and South Asia are set to add large-scale railway projects and we will strengthen development into these growing markets.

We will differentiate ourselves from competitors in these markets through the eco-friendly technologies we have cultivated and our high reliability, and look to expand our market share. Additionally, to achieve continuous business growth, we will examine establishing regional production systems and coordinating with regional partners for the future while creating systems that can promptly and efficiently respond to customer demands.



Singapore Mass Rapid Transit (MRT)

Semiconductor-related

In semiconductor-related fields, we will actively develop new overseas markets amidst a background of technological transformation.

The miniaturization and advanced layering of semiconductors will drive the creation of new market opportunities and present a favorable opportunity to grow business by utilizing our technical capabilities. Also, while competition to innovate intensifies between manufacturers of semiconductor equipment, we will strengthen and expand sales of our highly competitive semiconductor-related products, particularly our vacuum capacitors, into the North American market.

We are also examining building R&D centers near customers in order to respond quickly to market demands and work closely with customers. Doing so will allow us to accurately grasp regional technological trends and promptly develop products that meet customer requirements, expanding business and increasing our competitiveness in semiconductor-related markets.



Vacuum capacitors

Implementation Item 2 Diversification of value delivery methods in line with changes in the market environment

Accelerating Data Utilization in Business

The accelerated adoption of digitization and the diversification of customer needs have given rise to market environments that conventional, equipment sales-focused business models cannot easily accommodate. To respond to these changes, we are accelerating our efforts to implement data utilization in business that pursues customer experience value.

Specifically, connecting Meidensha products to a network, aggregating the collected data from products in the cloud, and then utilizing and developing it for O&M support and business provision will allow us to go beyond simply offering products by providing a comprehensive set of services. MEIDEN CONNECT sits at the nexus of this initiative.

MEIDEN CONNECT is a data accumulation platform for the visualization and analysis of customer and product data. This

system enables smart maintenance, improves utilization rate, helps achieve optimization and efficiency, and more, generating new value that contributes to the success of our customers' businesses while creating continuous market competitiveness.



Expansion of Business Areas

To respond to changes in the market environment and the diversifying range of customer needs, we will achieve continuous growth by generating new value that surpasses conventional business areas.

Becoming a water infrastructure comprehensive engineering company

[Building a one-stop system \(equipment installation, operation and maintenance management, and servicing\)](#)

In the water infrastructure field, we aim to move beyond the conventional provision of equipment and transition to a water infrastructure comprehensive engineering company. By creating a one-stop system that provides everything from equipment installation through to operations and maintenance management and even extending to servicing, we will provide customers with a comprehensive set of solutions. This complete service system will achieve value creation through the entire water infrastructure lifecycle and contribute to creating sustainable social infrastructure.

Establishing our status as an EV testing service provider

In the mobility T&S field, we aim to establish our status as an EV testing service provider amongst the rapid expansion of electrification in mobility. By providing comprehensive testing services that accommodate the sophistication and diversification of EV-related technologies, we will support development and product quality assurance for automobile and parts manufacturers. In doing so, we will establish our position as a critical partner in the growing areas surrounding the EV marketplace and generate new business opportunities.

Participation in Smart Compact City (urban development)

In the railways field, we look to expand our reach from providing traditional railway systems to participating in smart compact cities (urban development). In the development of sustainable cities centered on railway infrastructure, we will contribute to urban development that both reduces burdens on the environment and enhances quality of life through improvements to energy efficiency in railway-related locations, construction of regional disaster prevention systems, development of new services that utilize digital technologies, and more. Through these initiatives, we will generate new value by moving from a simple infrastructure provider to a partner in comprehensive urban development.

Emergence from equipment sales and evolution to a service provider

In the hydropower field, we are looking to break free from equipment sales with the goal of becoming a comprehensive hydropower generator provider that covers everything from products and service provision through to power station operations and O&M. In addition to lower costs through equipment standardization and miniaturization, we will realize smart maintenance, expedite cooperation with other companies, address conventional issues such as high startup investment costs and the burden of maintenance management, and accelerate the development of underdeveloped potential hydropower sources.

Research and Development for a Society Two Decades in the Future

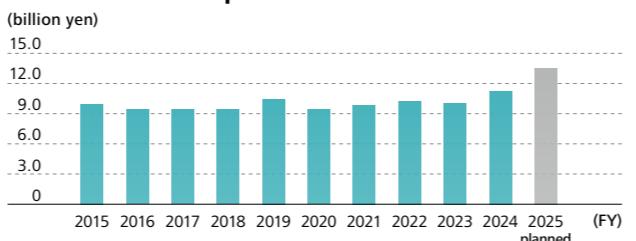
We will utilize technology development that anticipates future social changes to continuously reassert our competitive position. Taking this idea as our central axis, we advance "targeted research" and focus on developing technologies that will act as the wellspring of future competitiveness.

Targeted research clearly defines technological trends for attention and has established three pillars of focus, "Direct current & high frequency," "Power chemtronics (electrochemistry X power electronics)," and "Digital twin O&M." These technological fields require ten to twenty years from research and development to social deployment, representing fields that we predict will fill important social roles twenty years from now, and areas with high affinity for our current business domains.

Research and development clearly describes the society we

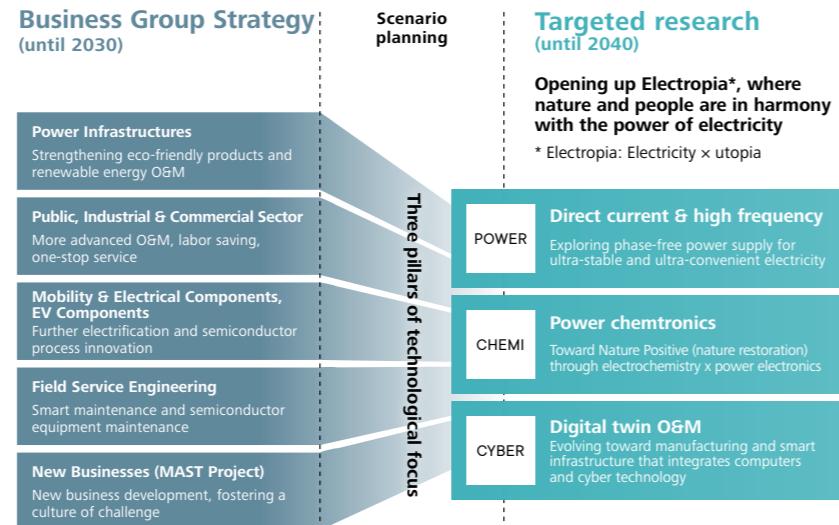
want to create, and systematically organizes the systems and components required to create that society. Beyond that, by working to concentrate acquisition of the core technologies where we exhibit our strengths particularly well, we can create innovative solutions that meet the needs of future markets.

Trends in R&D expenses



Acceleration of Directional Research

We work to strengthen "targeted research" to ensure future competitiveness. In doing so, we clearly depict the future society we want to create, and work to obtain the new core technologies required to achieve that end. Different from conventional technological development, this defines research themes derived from an image of an ideal society, and works to develop revolutionary technologies through shared value creation with partner companies and research institutions. Through this style of targeted research, we create technological foundations that anticipate social needs twenty years in the future and achieve ongoing growth.



Future-focused Themes

We promote targeted research under the slogan of "Opening up Electropia, where nature and people are in harmony with the power of electricity" and aim to restore and preserve the natural environment (nature positive) through stable power supplies and electrical technologies, and connect that with digital technologies to create next-generation infrastructure.

As for specific themes, the area of "Direct current & high frequency," includes prototyping and evaluating AC/DC converter SST systems, the area of "Power chemtronics" contains setting up CO₂ electrochemical reduction and recycling systems, and the area of "Digital twin O&M" includes establishing AI detection and analytic technologies using multimodal sensing.

Intellectual Property Strategies

Our specific initiatives involve strengthening ties between R&D Divisions and Business Units and advancing efficiency in intellectual property activities. We will achieve efficiency in intellectual property activities and create a system that applies generative AI to link patents and products. Also, to expand business opportunities connected to intellectual rights, we will expand requirement diagrams to include the form of use for our technologies and products and promote the acquisition of rights. Through these actions, we aim to build an intellectual portfolio that supports sustained growth by developing a wellspring of competitive strength from the simple acquisition of intellectual property rights.

Medium-term Management Plan 2027 Numerical Targets for All Companies

Financial and Non-Financial Indicators

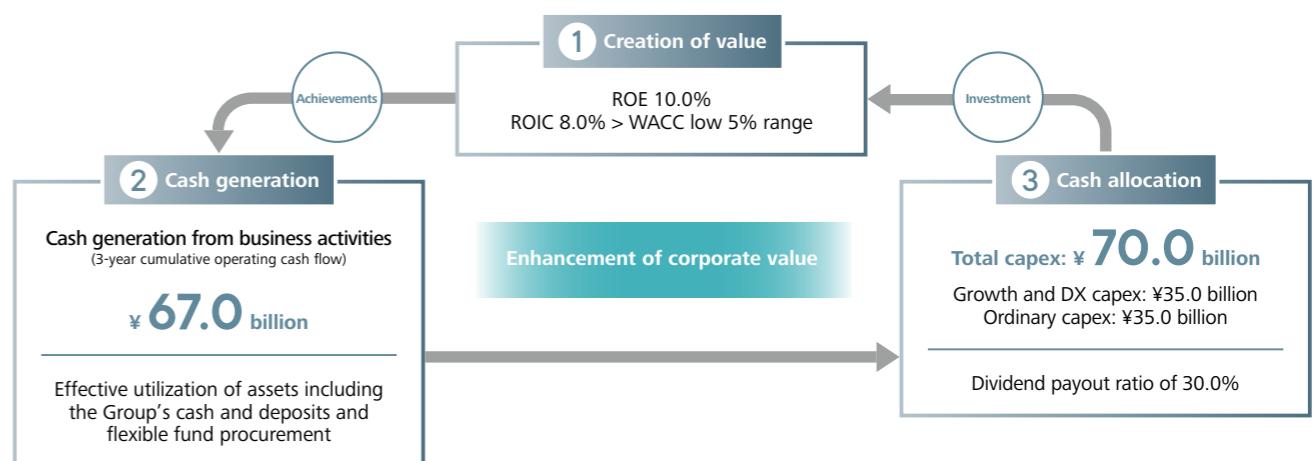
	FY2024 (Result)	FY2025(Plan)*1	FY2027(Plan)*1
Financial	Orders	¥383.5 billion	¥340.0 billion
	Net sales	¥301.1 billion	¥335.0 billion
	Operating income	¥21.5 billion	¥20.0 billion
	ROE	13.9%	—
	ROIC*2	8.2%	—
	Net D/E ratio	0.10	—
	Capex	¥11.9 billion	Accumulated 3-year total: ¥70.0 billion (of which growth capex and DX capex: ¥35.0 billion)
	R&D expenses	¥11.2 billion	Accumulated 3-year total: ¥43.0 billion
	Scope1+2*3	(15%)	(30%)
Non-Financial	Scope3*3	(11%) (Category 11)	(20%) (All categories)
	eNPS*4	(69.0%)	(65.0%)
	Female officer class (inside officers)	1	3 or more (FY2030)
	Non-Japanese presidents of local subsidiaries	2	5 or more (FY2030)

*1. Planned exchange rate: ¥140/USD *2. ROIC = Operating income after tax / (Interest-bearing debt + shareholders' equity) *3. Scope 1, 2 and 3: Compared to FY2019 results *4. eNPS: Employee Net Promoter Score. NPS® is a registered trademark of Bain & Company, Inc., Fred Reichheld, and Satmetrix Systems, Inc. eNPS is stated as a percentage. Furthermore, eNPS applies to Meidensha and domestic affiliates(excluding EAML Engineering CO.,LTD. And MEIDEN UNIVERSAL SERVICE LTD.).

Management Conscious of Cost of Capital and Stock Price

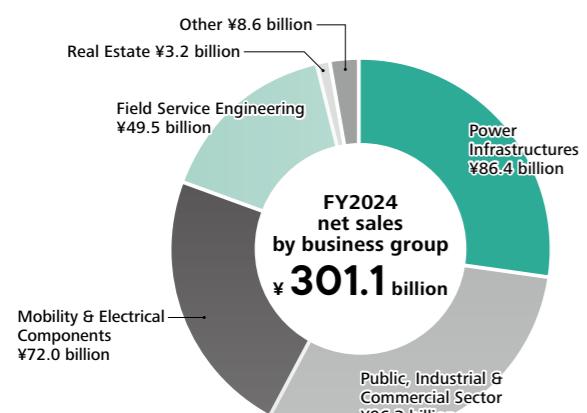
To achieve both optimal capital efficiency and continuous growth, we promote management that is conscious of capital costs and our stock price. From the perspective of fiscal soundness, we strive to increase capital strength into large capex using a guideline of 0.20 to 0.30 for our net D/E ratio. In our investment strategy, we focus capex to businesses with

high expectations for growth, and promote efficient capex allocation through strict evaluations based on profitability and growth. Also, to increase capital efficiency, we work to maximize shareholder value and reduce holdings of assets with little relevance to our businesses.

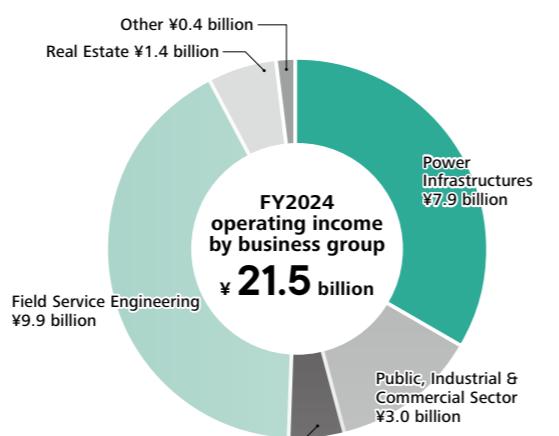


Create value and reinvest the cash generated to create further value

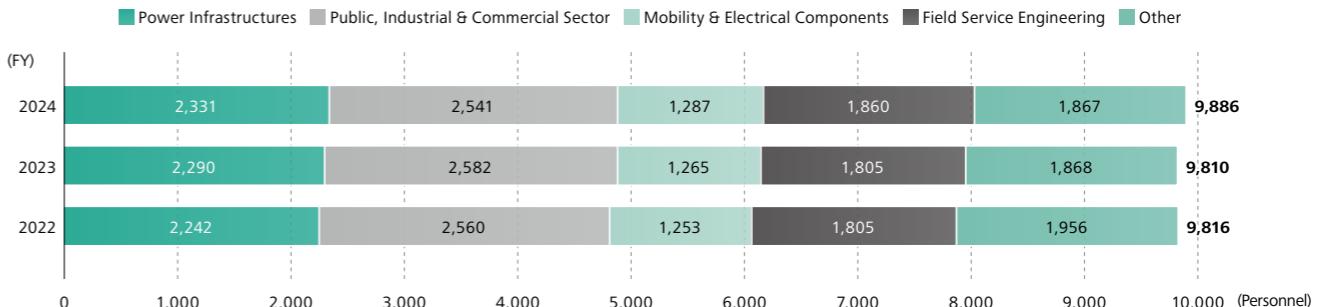
The Meiden Group at a Glance



*The relative composition of the pie chart does not include "company-wide or excluded"



Trends in the number of employees by group



Power Infrastructures Business Group

Value provision

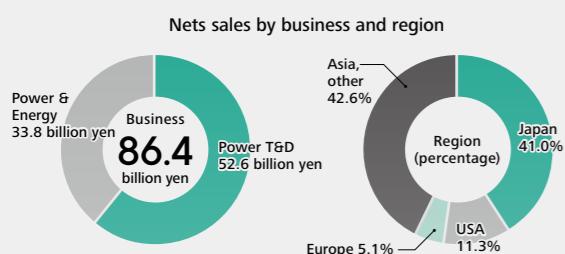
Realizing green, safe, and stable electricity provision

FY2024 performance

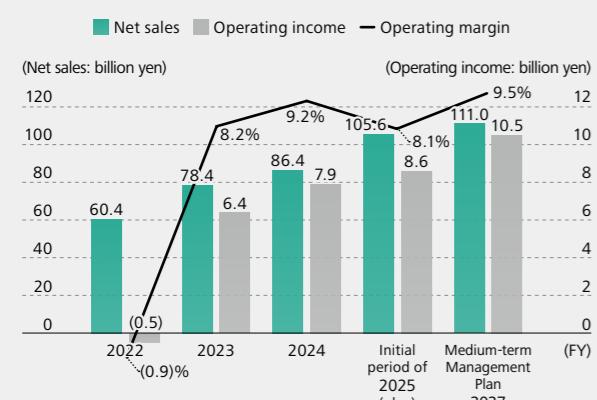
Both net sales and operating income recorded record highs. Overseas T&D Business saw increased revenue and profits driven by an increase in demand, particularly among western countries, and increased profitability in Singapore. The Domestic Power & Energy Business saw increased revenue and profits thanks to increased demand for projects from power companies.

Main Products and Services

Generators, power T&D products (transformers, switchgear, surge arresters, etc.), power generation, transmission, and distribution systems, monitoring and control systems, hydroelectric power generation equipment, energy systems



Trends in net sales and operating income



Public, Industrial & Commercial Sector Business Group

Value provision

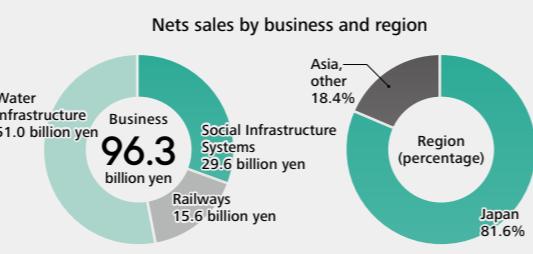
Contributing to building sustainable infrastructure

FY2024 performance

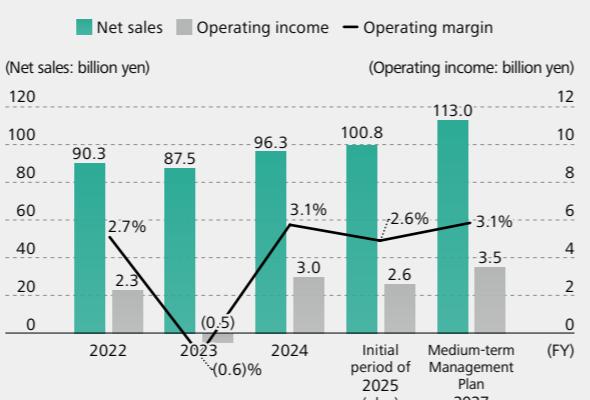
Construction delays postponed the sales recording period for the Social Infrastructure Systems Business and the Water Infrastructure Business, but decreases in profitability caused by rising material costs improved and both revenue and profits increased. The Railways Business saw a slight reduction in overseas projects, but cost improvements in Singaporean large-scale projects resulted in decreased revenue and increased profits.

Main Products and Services

Power generation, transmission, and distribution systems, supervisory control systems, UPS, railway systems, water infrastructure systems, drinking water and sewage treatment maintenance and management, ceramic flatsheet membranes



Trends in net sales and operating income



Mobility & Electrical Components Business Group

Value provision

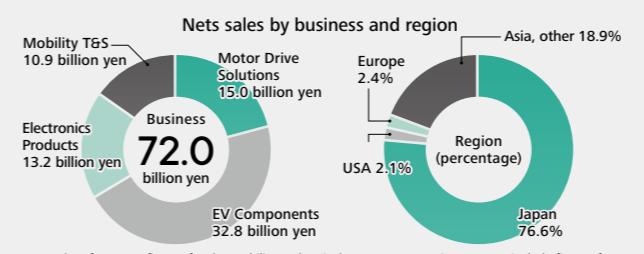
Contributing to the realization of cutting-edge technology and technological innovation for mobility

FY2024 performance

The Motor Drive Solutions Business experienced a decrease in orders primarily in the transportation field, and the EV Components Business saw a decrease in both domestic and overseas orders for vehicles that incorporate our products, resulting in decreased revenue and profits for both businesses. However, both the Electronics Products Business and Mobility T&S Business saw a gradual recovery in demand, and revenue and profits increased.

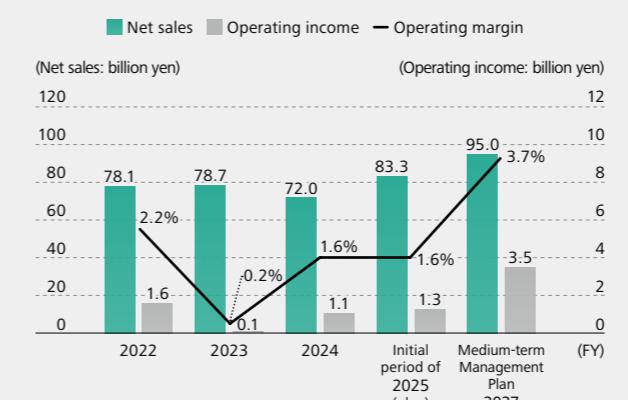
Main Products and Services

Motors, inverters, EV drive systems, vacuum capacitors, industrial PCs, pulse power supplies, automobile production testing systems, elevator traction machines, automated guided vehicles



*External performance figures for the Mobility & Electrical Components Business Group include figures from the EV Components Business Group

Trends in net sales and operating income



Field Service Engineering Business Group

Value provision

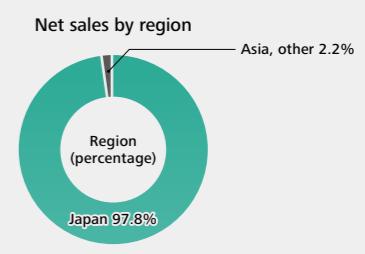
Realizing a secure and safe society through maintenance services

FY2024 performance

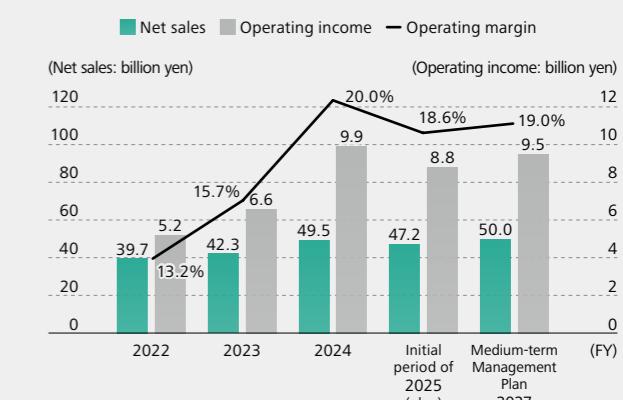
The robust demand for maintenance services continued domestically and was complemented by an increase in project sales that were ordered in the fiscal year to achieve record highs for both net sales and operating income.

Main Products and Services

Maintenance, inspection, maintenance consulting, preventative maintenance, corrective maintenance, maintenance management, operation management, breakdown maintenance, overall diagnosis, life-extending treatment, renewal plans



Trends in net sales and operating income





Power Infrastructures Business Group

Seeking further growth by improving production capacity and efficiency to meet strong demand in Japan and overseas

Managing Executive Officer & Strategic Group Leader, Power Infrastructures Business Group

Shinichiro Kon

Management Indicators

FY2024 result

Orders

125.8 billion yen

FY2027 plan

111.0 billion yen

Net sales

86.4 billion yen

FY2027 plan

111.0 billion yen

Operating income (Operating margin)

7.9 (9.2%) billion yen

FY2027 plan

10.5 billion yen (9.5%)

Results and Challenges in the Previous Medium-Term Management Plan

Results

- Turned a profit at the U.S. and Indian bases. Improved profitability in Singaporean and German bases
- Grew sales of eco-friendly products and developed high-voltage products
- Improved profitability by normalizing utilization at domestic factories

Challenges

- Expanding facilities to meet production burden and upgrading aging facilities
- Promoting DX for greater production efficiency
- Securing engineers in production and development

Opportunities

- Expanded business opportunities for our distinctive products due to stricter environmental regulations in Europe, decarbonization plans in North America, and increased demand for updating
- Expanding demand for planned updates to aging facilities in the wake of the new revenue cap system in Japan
- Increased investment in energy storage systems due to greater demand for hydroelectric and wind power to boost the ratio of renewable energy in Japan and to strengthen the ability to regulate the grid

Risks

- Major changes in geopolitical risks, exchange rates, national trade and investment policies, etc.
- Delayed sales and compromised profitability in large projects
- Market changes due to risk of withdrawal of environmental policies
- Intensifying competition for orders due to competitors' increased capital expenditure

Strengths

- Long-standing track record in delivering products to electric power companies in Japan and maintenance capabilities of domestic bases
- Competitiveness of eco-friendly products and optimal cost and supply capabilities, including at overseas bases
- System compatibility offered by power conversion products, including storage batteries and grid-connected systems
- O&M insights related to renewable energy sources (hydroelectric/wind)

Growth Strategies in Medium-term Management Plan 2027

In Japan, we will concentrate our resources in the three areas of hydroelectric power generation systems, substation equipment, and power storage systems to become a comprehensive provider of small and medium-sized hydroelectric power generation, increase production capacity mainly at our transformer factories, and strengthen our system proposal capabilities through strategic partnering with storage battery manufacturers, respectively. At overseas bases, we will develop 245kV vacuum circuit breakers for North America and cultivate new markets for vacuum circuit breakers in Europe. We will seize the tailwind of the business environment and implement a growth strategy that leverages the technological superiority of the Meiden



Water turbine generator

Growth Strategy 1

Strengthening Equipment and Product Capabilities, Improving Efficiency of Production Processes Through DX



Expanded transformer factory test area

Growth Strategy 2

Cultivating New Overseas Markets and Expanding Business Fields

Overseas, we will take the opportunity of the introduction of the F-gas Regulation in the European market, which will start in 2028, to expand sales of our vacuum circuit breakers, which are eco-friendly products, in Europe. In the U.S., we have added a 123 kV model to our lineup of vacuum circuit breakers, and furthermore, we have doubled our production capacity by expanding our factory building to accelerate the spread of our vacuum circuit breakers. In India, where we have been growing sales of transformers to meet rising demand for renewable energy, we aim to achieve sustainable growth by increasing production capacity by 20% and expanding our business domain through participation in the Power Grid Corporation of India, Ltd.

Resolving Materiality Through Business Strategy

Realization of a carbon-neutral society

1 Cumulative shipments of SF₆ gas-free vacuum circuit breakers in North American and Canadian markets exceeded 1,500 units

FY2024 results

Upgrading value provision

2 Evolving into a hydropower service provider handling everything from product provision to O&M and electricity sales through co-creation with local governments, etc.

Action in MTMP 2027

Realization of a safe, secure, and convenient society

3 Supporting India's industrial boom with a stable power supply through participation in Power Grid Corporation of India Limited

Action in MTMP 2027

TOPICS

Delivered VSG-PCS to Hahajima, Ogasawara Islands: Stabilizing the Grid on Renewable Energy Introduction with Virtual Sync

Meidensha delivered an inverter for energy storage systems with virtual synchronous generator functionality (VSG-PCS) to TEPCO Power Grid, Incorporated on Hahajima Island in the Ogasawara Islands. VSG-PCS will be utilized in the microgrid demonstration experiment that started in August 2025 to achieve 100% renewable energy generation on Hahajima. As the introduction of renewable energy expands, the decline in frequency stability due to reduced inertia in the power system has become an issue, especially in island areas where there is a high dependence on synchronous generators. VSG-PCS contributes

to the stabilization of grid frequency by achieving inertial force¹ and synchronizing power² equivalent to that of a synchronous generator with an inverter. Meidensha will continue to support greater renewable energy introduction and stable power supply in island areas through the delivery of VSG-PCS.

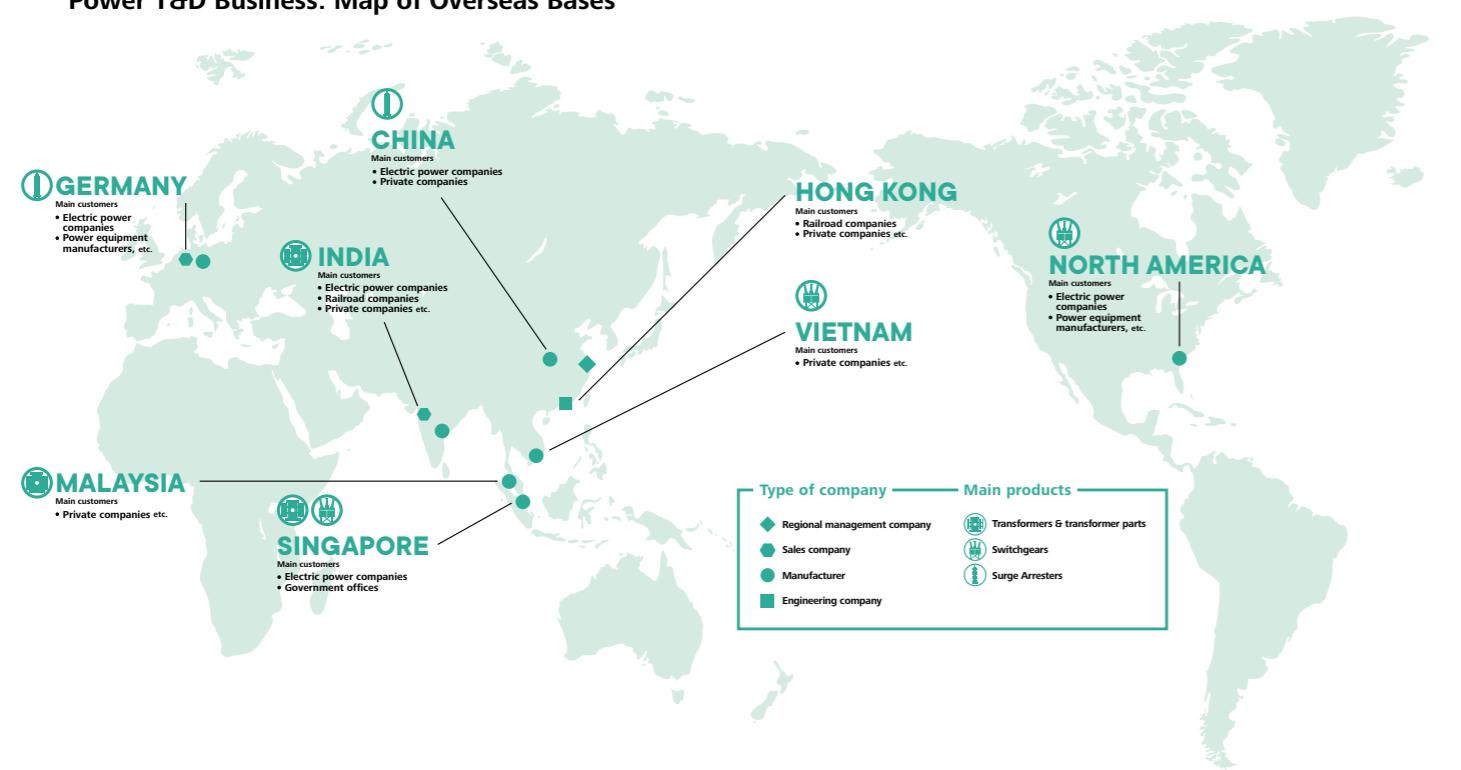
¹ The force with which the power system tries to maintain the frequency. The greater the inertial force, the smaller the frequency fluctuation (amount and speed of change) when the supply-demand balance is disrupted in the power system.

² Resilience to restore the synchronous generators to their original state when they are operating in parallel and there is a system disturbance affecting the synchronization state.

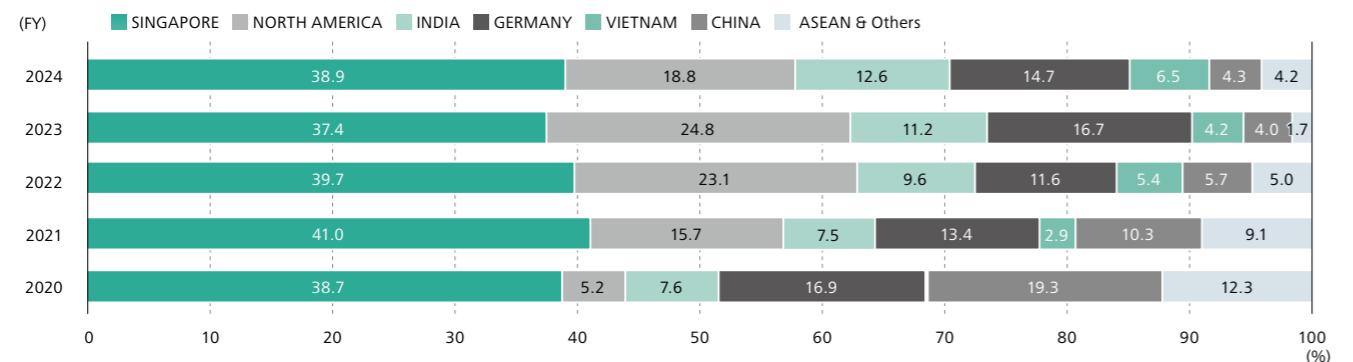
Development of the Overseas Power T&D Business

The Meiden Group's Overseas Power T&D Business began in the mid-1960s. Since that time, we have been supplying high-quality substation equipment to meet the demand for modernization of electric power infrastructure, mainly in Southeast Asia, through local production for local consumption business development that is rooted in our communities. Since the 2010s, we have also established production bases in Europe and North America, where we have strengthened our competitiveness by developing products with low environmental impact and collaborating with local sales partners. Recently, the rapid growth in demand for electric power due to the spread of AI and the expansion of data centers has created an urgent need to enhance electric power facilities worldwide, and new business opportunities are expanding. Going forward, we will continue to contribute to the creation of a sustainable electric power infrastructure through our global perspective and community-based business activities.

Power T&D Business: Map of Overseas Bases



Overseas Sales Ratio by Region (Breakdown of Power T&D Business)



SINGAPORE

MEIDEN SINGAPORE PTE.LTD., a transformer and switchgear manufacturer with a local factory, has developed alongside electric power companies since its establishment in 1975. As a nation centered on the finance industry, Singapore requires the world's highest level of power quality to meet the growing demand for IT-related investment, making it a key mission to consistently address these needs. Although we expect a temporary lull in sales due to factory relocation in 2028, we will continue to win facility upgrade projects while flexibly supporting specification requests by leveraging our strategy of specializing in the medium voltage field and our long-established track record of strong performance.

In FY2024, we received orders for SF₆ gas-free switchgears, and we expect to see more replacement of existing equipment with eco-friendly products in the future. We will strengthen our design and development functions and aim for sustainable growth through both technological innovation and service improvement.



INDIA

MEIDEN T&D (INDIA) LIMITED is an important base for enhancing the international competitiveness of the transformer business amid India's rapid economic growth and expanding demand for electric power. Our aim is to establish a brand of both high quality and cost competitiveness by leveraging our strengths in step-up transformers for solar and wind power generation, in which we have the top share in India, and in Scott-connection transformers for electric railways, in which we have a large share in Japan. In order to support the Indian high-speed rail project for which we received an order in FY2024 and the expansion of orders in India, we will expand our production capacity by approximately 1.2 times through optimization of production processes and capital investment. Furthermore, we are aiming to enter the North American market by establishing a global export base for transformers. We will drive the growth of the transformer business by strengthening our competitiveness in both domestic Indian demand and global markets.



NORTH AMERICA

MEIDEN AMERICA SWITCHGEAR, INC. continues to expand its business amid demand for the replacement of aging equipment and heightened environmental awareness in the North American market. We differentiate ourselves with eco-friendly products that leverage our strength in vacuum technology, such as SF₆ gas-free vacuum circuit breakers (VCBs) and vacuum interrupters (VIs).

To maintain our position as a pioneer in high-voltage VCBs/VIs and expand our business, we aim to build a highly profitable structure in VCBs by improving the accuracy of production planning and carrying out cost reductions, and to secure stable orders by introducing 123 kV models. For VIs, we aim to achieve a record-high business scale by FY2027 through a recovery of orders for existing models and the cultivation of new customers. During the period of Medium-term Management Plan 2027, we will strengthen our production capacity through capital investment and achieve sustainable growth leveraging our environmental performance and high quality.



GERMANY

TRIDELTA MEIDENSHA GmbH is a German manufacturer of surge arresters, with cumulative deliveries of over five million units in more than 120 countries worldwide so far. Here, our growth strategies are technological innovation and market expansion. On the technology side, we will further expand production capacity by 1.3 times (40 million euros per month), which was 1.5 times higher than the previous capacity, by improving production efficiency, and strengthen competitiveness through shorter delivery lead times and cost reductions. As for market strategy, we plan to enter the North American market in FY2025 with compact arresters that utilize filament winding technology, for which demand is increasing amid measures to establish business continuity plans (BCP). In addition, we plan to expand our production capacity beyond Medium-term Management Plan 2027. We will continue to expand our market share and build partnerships in Europe, while leveraging our extensive sales network to drive the growth of the surge arrester business.



SF₆ Gas-free Vacuum Circuit Breakers Supporting Sustainable Infrastructure

Expanding F-gas*¹ regulations prompt our foray into a new market

- Related Material Issues
- Realization of a carbon-neutral society
- Realization of a safe, secure, and convenient society

History of VCBs at the Meiden Group

The Meiden Group has consistently developed innovative products leading the world in vacuum circuit breaker (VCB) technology. In the late 1970s, we began developing circuit breakers using SF₆ gas as the insulating medium and vacuum interrupters, and were the first company in the world to commercialize circuit breakers and switchgears for special high voltages (72/145 kV), and in the 1980s we successfully developed a 204 kV switchgear.

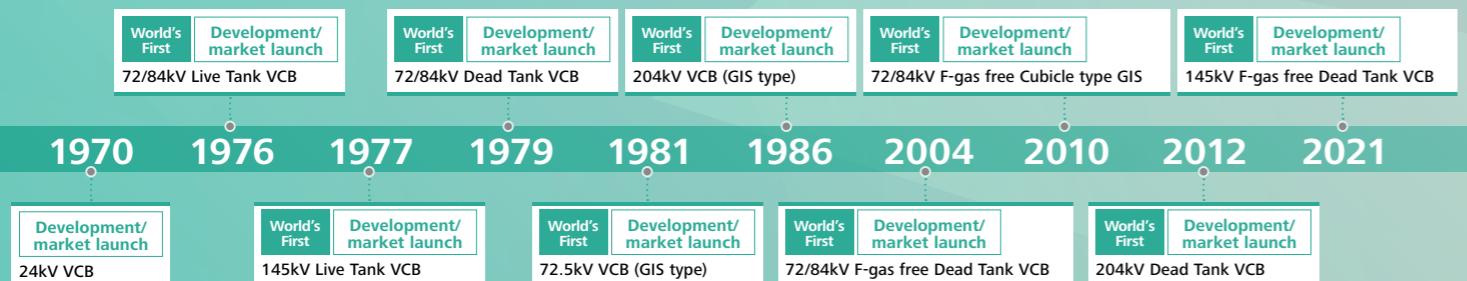
Subsequently, in response to the designation of SF₆ as a greenhouse gas (GHG) in the Kyoto Protocol from the 1997 COP3², we shifted our development efforts to provide an eco-friendly option.

Against this backdrop, in 2004, Meidensha developed and began delivering an SF₆ gas-free 72/84 kV Ecotank-type VCB with dry air insulation, ahead of its competitors. In 2021, we completed a 145 kV Ecotank-type VCB, making us the first company in the world to commercialize and market an Ecotank-type VCB with a voltage exceeding 100 kV. Currently, our SF₆ gas-free VCBs have accumulated a delivery record of more than 4,000 units to electric power companies in Japan and abroad.

*1 F-gases (fluorinated gases) are synthetic gases which have extremely high global warming potential and can also lead to PFAS contamination, such as SF₆, C₂F₅N, etc.

*2 Third Conference of the Parties to the United Nations Framework Convention on Climate Change

VCB's Track Record of World-fists

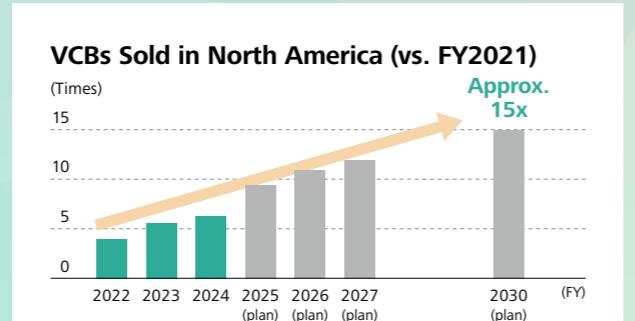


Since the establishment of MEIDEN AMERICA SWITCHGEAR, INC. in 2020, the Meiden Group has sold a cumulative total of over 1,500 SF₆ gas-free VCBs in the U.S. and Canadian markets, achieving steady growth. This success is due in part to stricter environmental regulations. The California Air Resources Board (CARB) is phasing out equipment using SF₆ gas beginning in 2025, and the New York State Department of Environmental Conservation (NYSDEC) has proposed similar regulations.

In response to these changes in the market environment, we expect demand for eco-friendly VCBs to further increase in the future, and we are planning to expand our product lineup under our Medium-term Management Plan 2027. We will achieve

further growth in the North American market through innovative technological capabilities and eco-friendly products.

Cumulative orders received
Over 2,000 units
Total number of customers
Over 100 companies



Growth Strategy in North America



Following North America, Europe is now restricting the purchase of equipment that uses SF₆ gas, accelerating the replacement of this equipment. Therefore, expectations are rising for higher voltage and higher capacity VCBs using dry-air insulation, which has an extremely low environmental impact. In addition to the existing 72.5 kV and 145 kV models, we have launched a 123 kV Ecotank-type VCB in 2025, and intend to complete development up to a 168 kV model by the end of the Medium-term Management Plan 2027 and bring it to market. Subsequently, we will work on the development of 245 kV models to quickly respond to the market's need for higher voltages.



123 kV Ecotank-type VCB

Since Live Tank circuit breakers are the mainstream outside of Japan and North America, F-gas free Live Tank VCB to be developed for Europe is expected to grow sales in other regions as well.

Through this strategy, we aim to achieve sustainable growth with environmental regulation compliance in tandem with market expansion.



Live Tank circuit breaker

During the period of Medium-term Management Plan 2027, the Meiden Group will work to cultivate new markets, specifically by expanding VCB sales in the European market.

Europe consumes more than three times the amount of electricity that Japan does, making it an enormous market, and with the ban on the use of gases with a GWP* of 1 or higher taking effect in 2028, there is an urgent need to comply with environmental regulations. At this time, there are only a limited number of competing manufacturers of VCBs, and we intend to harness our competitive advantage to make our foray into the European VCB market.

Even more noteworthy is the possibility of expanding global sales of zero-GWP circuit breakers, starting with Europe.

*GWP (global warming potential): A relative measure of the impact of greenhouse gases on global warming relative to carbon dioxide (CO₂). GWP levels are indexed to CO₂ (GWP 1). SF₆ gas is equivalent to GWP 23,500, while dry air is GWP 0.

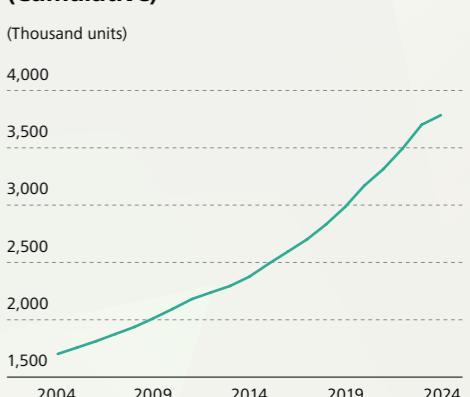
TOPICS

Expanding Sales of Vacuum Interrupters

Meidensha's vacuum interrupters (VIs) have a rich history of more than half a century, beginning with research from 1965. In 1974, we successfully developed ceramic interrupters with our proprietary technology, resulting in products that were miniaturized, mass-produced, and cost-efficient. So far, we have produced a cumulative total of over three million units, and boast world-leading technology levels. In recent years, demand for VIs for reclosers (switchgears for distribution lines) that make it easy to interrupt fault currents and reclose circuits has been increasing in the U.S. as a result of enhanced distributed power supplies and the shift to micro-grids. Combined with the environmental superiority of not using SF₆ gas, our VIs have an excellent opportunity to expand sales.



Vacuum Interrupters Produced (Cumulative)





Public, Industrial & Commercial Sector Business Group

Aiming to improve profitability by capturing firm demand and increasing production capacity

Senior Managing Executive Officer & Strategic Group Leader, Public, Industrial & Commercial Sector Business Group

Satoshi Momenya

Management Indicators

FY2024 result

Orders
125.3 billion yen
FY2027 plan 115.0 billion yen

Net sales
96.3 billion yen
FY2027 plan 113.0 billion yen

Operating income (Operating margin)
3.0 (3.1%) billion yen
FY2027 plan 3.5 billion yen (3.1%)

Results and Challenges in the Previous Medium-Term Management Plan

Results

- Record-high orders due to concentrated allocation of sales resources to high-growth markets and key customers
- Received orders for large-scale overseas projects. Reinforced support and management system from Headquarters
- Shortened lead times and boosted productivity by integrating data between sales, engineering, manufacturing, and construction divisions in the Water Infrastructure Business

Challenges

- Securing headcount and improving productivity to steadily generate earnings from an abundant backlog of orders
- Strengthening ability to support public-private partnerships (PPP) such as widespread cooperation projects and concessions
- Cost reductions measures and resulting selling prices in response to increases in product and construction costs, such as surging raw material prices and rising labor costs

Opportunities

- Growing interest and demand for energy-saving and eco-friendly products and services
- Steady level of public investment in Japan through demand for new construction and upgrading of equipment in social infrastructure, home defense, etc.
- Sustained demand for urban rail in Asian countries
- Increasing trend of widespread cooperation projects among local governments and public-private partnership (PPP) projects, etc.

Risks

- Loss of opportunities to receive orders because engineers are occupied with projects that overrun their schedules
- Delay in reflecting material and labor cost increases in selling prices
- Scheduling overruns for large projects
- Intensified market competition due to the growing trend of performance-based ordering

Strengths

- Ability to develop products and propose systems that are close to customers
- Total services from system and plant design to maintenance and management, and a wealth of experience in large-scale projects
- Engineering capabilities over the entire life cycle, from maintenance and management to maintenance, repairs, servicing, and equipment upgrading

Growth Strategies in Medium-term Management Plan 2027

We will increase productivity and profitability by concentrating our management resources in areas where demand is expected to grow in each business field.

In the Public, Industrial & Commercial Sector Business, we will focus on both profits and securing maintenance stock, while deepening cooperation with maintenance service units.

In the Railways Business, we will steadily execute and manage the progress of the Indian high-speed rail project for which we received an order in FY2024, and continue to aim to receive orders for large-scale overseas projects.

In the Water Infrastructure Business, we will introduce new technologies such as AI and strengthen external partnerships, with a view to expanding public-private partnerships.

Growth Strategy 1

Electric Railway Systems: Developing Signal Monitoring Technology

By combining AI technology with our technology of overhead catenary system inspection equipment, which Meidensha was the first in the world to put to practical use based on image analysis and which has been adopted by many railroad operators, we are developing a railroad diagnosis system that enables monitoring of equipment conditions, from the various fittings that make up a train line to signal equipment. This system can be installed on a wide range of trains, from commercial cars to maintenance cars, and contributes to the reform of work styles of railroad operators and safe operation of railroads by digitizing inspections that have until now relied on manual labor.

Growth Strategy 2

Water Infrastructure: Establishing a Comprehensive Engineering System

As the business environment changes drastically due to the financial difficulties of local governments and a shrinking workforce, there is an urgent need to secure human resources and establish regional cooperation. To address this situation, we will secure new human resources and reduce costs by strengthening cooperation not only with the Meiden Group but also with local companies, and aim to build a comprehensive engineering system with one-stop services for equipment, construction, operation, maintenance, and management.



Distribution boards are commonly ordered products in the public, industrial, and commercial sectors

Resolving Materiality Through Business Strategy

1 Realization of a safe, secure, and convenient society

Signed contract for Japan's first Water PPP Level 3.5 in a comprehensive private sector outsourcing project for the Fujisan Industrial Waterworks Project's pumping station upgrade

FY2024 results

2 Realization of a safe, secure, and convenient society

Strengthening activities to win orders for hardening and upgrading of aging infrastructure such as roads and government facilities

Action in MTMP 2027

3 Realization of a carbon-neutral society

Reinforcing order and performance management for large electric railway projects to relieve traffic congestion in emerging countries

Action in MTMP 2027

TOPICS

New Substation Equipment Order for India No.1 High Speed Rail Line

Meidensha and its local subsidiary, MEIDEN T&D (INDIA) LIMITED (MTD), have received an order from India-based Larsen & Toubro Limited for substation equipment to be used in India's first high-speed rail project.

For this project, Meidensha and MTD were awarded a contract for substation equipment for a total of 45 posts, including 12 substations, for the construction of

a 508-kilometer line between Mumbai and Ahmedabad. Meidensha will manufacture the changeover switches and distribution boards, while MTD will manufacture the transformers. Meidensha and MTD also delivered a total of 287 transformers for the dedicated freight railroad between Delhi and Mumbai, awarded in 2017, and intend to leverage this knowledge in production and project management.



Mobility & Electrical Components Business Group

Striving to recover earnings by capitalizing on the further growth of the semiconductor market and electrification in a broad range of industries

Executive Vice President & Executive Officer, Strategic Group Leader, Mobility & Electrical Components Business Group

Masahiko Suzuki

Management Indicators

FY2024 result

Orders
86.7 billion yen
FY2027 plan 100.0 billion yen

Net sales
72.0 billion yen
FY2027 plan 95.0 billion yen

Operating income (Operating margin)
1.1 (1.6%) billion yen
FY2027 plan 3.5 billion yen (3.7%)

*Mobility & Electrical Components Business Group figures include those of the EV Components Business Group.

Results and Challenges in the Previous Medium-Term Management Plan

Results

- Motor Drive Solutions Business: Improved profitability due to the introduction of new mass-produced machines and the effect of price revisions
- Electronic Products Business: Achieved record-high net sales due to sales expansion activities and improvements in productivity and quality
- Mobility T&S Business: Achieved record-high orders and improved profitability due to demand for vehicle testing and full-turnkey demand for dynamometer equipment as a result of the progress of electrification

Challenges

- Motor Drive Solutions Business: Shortening product development lead time for timely market launch
- Electronic Products Business: Strengthening development and production systems to provide products and services in a timely manner
- Mobility T&S Business: Higher costs and longer delivery times associated with manufacturing to customer specifications

Opportunities

- Motor Drive Solutions Business**
 - Increasing need for electrification and labor-saving
- Electronic Products Business**
 - Observation of future expansion of semiconductor demand amid evolution of generative AI
- Mobility T&S Business**
 - Increased demand for renewal of chassis dynamometers for electric vehicles

Risks

- Motor Drive Solutions Business**
 - Decrease in demand due to customers' shift to in-house component production
- Electronic Products Business**
 - Temporary cooling or delayed recovery in the semiconductor market
- Mobility T&S Business**
 - Shrinking market for testing equipment for ICE vehicles, etc.
 - Lull in capital investment demand

Strengths

- Motor Drive Solutions Business**
 - Diverse products utilizing motor drive (motor control) technology
- Electronic Products Business**
 - Ownership of high-value-added products utilizing distinctive technology
- Mobility T&S Business**
 - Ability to meet customers' needs backed by extensive delivery experience

Growth Strategies in Medium-term Management Plan 2027

Motor Drive Solutions Business

In the motor drive/industrial vehicle field, we aim to establish a new business pillar with high-power, high-response motor drive technology that combines high durability and reliability. In the transportation field, we will focus on the clean and semiconductor fields and strengthen sales of robot-mounted and low-floor AGVs.

Electronic Products Business

In order to acquire the ability and speed to keep pace with the evolution of cutting-edge processes, we will strengthen our sales, R&D, and production systems, aiming to become an indispensable manufacturer for cutting-edge processes that anticipates customers' wants.

Mobility T&S Business

We will focus on products with a high market share and competitiveness, and promote measures to reduce costs and secure stable parts and materials. We are also working on high-growth development areas that will lead to future growth.

Growth Strategy 1

Developing Mass-produced Component Devices for Construction Machinery and Marine Vessels

We will work toward the electrification of industrial mobility equipment such as construction machinery, marine vessels, and agricultural machinery and expand sales through the development of existing core technologies and technological synergies with EV drive units.

In addition, we will standardize specifications based on our understanding of market needs through marketing and promote the common use of design components and equipment to achieve efficient production of multiple products.

Growth Strategy 2

Establishing Status as an EV Testing Service Provider

Based on our high market share of chassis dynamometers, we will expand our business into battery evaluation, a growing market for electrification testing, and provide solutions for more efficient and labor-saving vehicle testing.

Growth Strategy 3

Growing Production Capacity for Vacuum Capacitors (VCs)

Demand is expected to grow over the medium term due to the expansion of VC sales to top semiconductor equipment manufacturers.

In addition to making a series of capital investments to increase production capacity, we will also promote labor saving and quality enhancement through mechanization and automation.



Ultra-low floor lift-type AGV with the lowest floor in the industry



Capital investment is planned for VCs such as these in the current Medium-term Management Plan period

Resolving Materiality Through Business Strategy

1 Realization of a carbon-neutral society

Developing the market for the electrification of marine vessels and agricultural machinery

Action in MTMP 2027

2 Realization of a carbon-neutral society

Made our first delivery of battery charging and discharging equipment for EVs and HEVs

FY2024 results

3 Realization of a safe, secure, and convenient society

Launching sales of low-floor AGVs to meet needs in the logistics field

Action in MTMP 2027

TOPICS

Testing Solutions for the Era of Electrification

The electrification of mobility has increased the need for faster vehicle development with greater labor saving. To meet these needs, we are accelerating the development of application software and ancillary equipment to be linked with our mainstay chassis dynamometers.

Through the commercialization of charging and discharging equipment, we also entered the market for battery testing

equipment, dealing with a key component of electric vehicles.

This will allow us to add battery testing to our existing vehicle component testing, such as for e-Axes and motors, and to integrate systems with finished vehicle testing, with the aim of establishing ourselves as a provider of EV testing services, including thermal management solutions.

Vacuum Capacitors Supporting Semiconductor Manufacturing

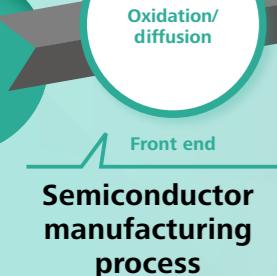
A value creation story of fusing tradition and innovation in proprietary technology

Supporting Semiconductor Production Lines with Reliable Vacuum Technology

Vacuum capacitors (VCs) are high-performance capacitors with extremely low energy loss thanks to vacuum insulation technology. Our variable vacuum capacitors, whose capacitance can be controlled over a wide range of 10 times or more, are widely used in the field of high-frequency technology (RF technology), including semiconductor manufacturing equipment (etching equipment, CVD equipment, etc.).

Meidensha began developing VCs in 1990, utilizing vacuum technology cultivated through

The rapid spread of generative AI and other technologies has led to a significant increase in demand for graphics processing units (GPUs), which combined with an increase in demand for semiconductor memory, has led to greater demand for semiconductor manufacturing equipment. In addition, as manufacturers produce semiconductors with finer patterns and more layers, VCs required for plasma process control must be both smaller and more powerful. Going forward, we expect demand to continue growing along with technological advances in semiconductor manufacturing equipment.



Major Meidensha Products Used in Each Process



Vacuum Capacitors (VC)

Incorporated into high-frequency power supplies for plasma generation for semiconductor manufacturing equipment (etching/CVD equipment, etc.).



Pulse Power Supplies

A device that outputs instantaneous high power for periods as short as microseconds or nanoseconds. Such devices are used for pumping excimer lasers, which provide the light source for lithography equipment.



Pure Ozone Generators

Equipment that liquefies and accumulates ozone and continuously supplies high-purity ozone gas. Utilizing pure ozone and ethylene technology, it enables ashing (resist stripping) and other processes after high-dose ion implantation.



Industrial Switching Hubs

Switching hubs specialized for industrial applications. These offer a wide operating temperature range of -20 to 55°C, optimized for implementation in equipment and facilities.

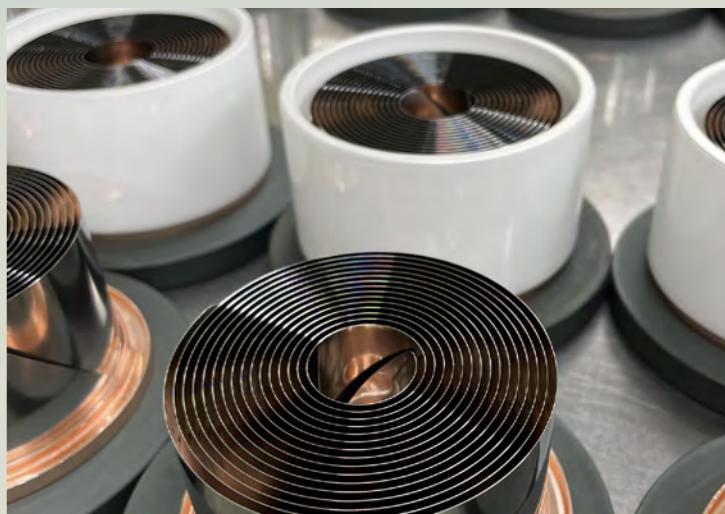
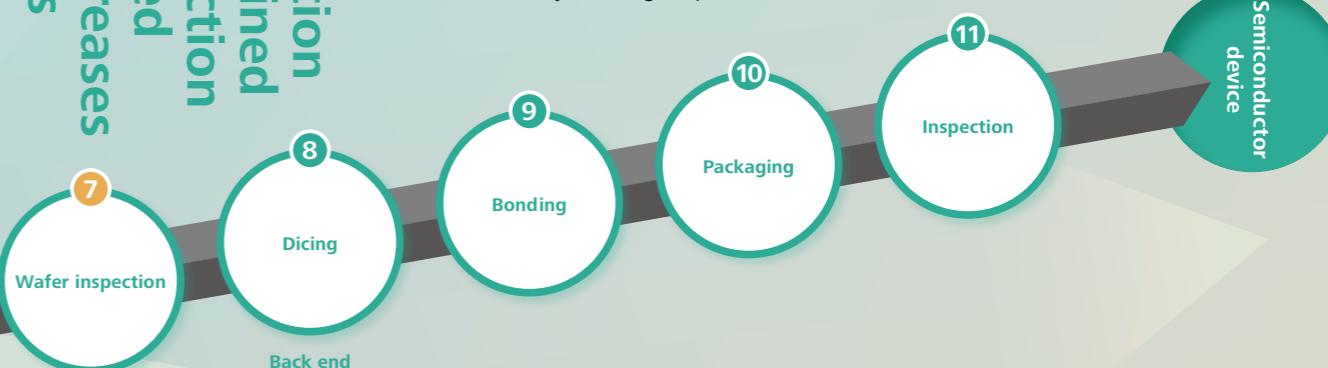
Greater Production Capacity, Combined with Loss Reduction from Streamlined Production, Increases Competitiveness

In our growth strategies in Medium-term Management Plan 2027, we will aggressively invest in facilities and equipment to meet the growing demand for VCs.

To strengthen our competitiveness, we will expand our production capacity to 1.3 times the current level by enhancing our facilities and expanding our manufacturing areas. In addition, we will promote digitization and automation to save labor, and create comfortable work environments by reducing simple

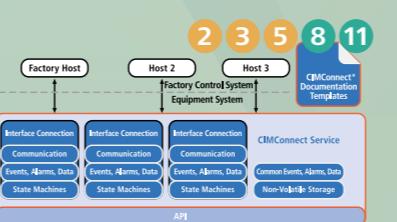
tasks, and securing human resources. Using mechanization and automation to eliminate elements of instability from manual labor will lead to stabilization of manufacturing quality and higher product performance.

Furthermore, we will establish a quality system preferred by our customers by improving product reliability and reducing risk as a result of stronger in-process inspections and an established traceability system.



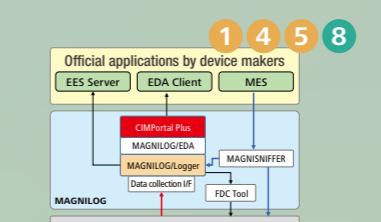
Our Direction for Future Development

Under Medium-term Management Plan 2027, we will strengthen our R&D structure for semiconductor-related products, including VCs, and aim to build a system to provide strong products in a timely manner. With respect to VCs, we are working toward technological innovation in materials, structures, and manufacturing methods and the creation of new concept products in order to achieve further miniaturization and higher performance. In addition, we will contribute to technological innovation in semiconductors by strengthening our product capabilities. This will be done by establishing technical bases that can engage with customers' production and development processes to ensure rapid and appropriate product deployment.



Host Communication Systems

Communication software embedded in semiconductor manufacturing equipment. These solutions help to generate input data for equipment health checks, utilization rate checks, and error determination systems. It can also be applied to the EDA industry standard.



Data Logger Systems

Software that collects various sensor and event information regarding semiconductor manufacturing equipment. These solutions help to generate input data for equipment health checks, utilization rate checks, and error determination systems. It can also be applied to the EDA industry standard.



Industrial Controllers

Compact industrial PCs designed for equipment embedding. New models have been developed over multiple generations using the latest CPUs and operating systems. External dimensions have been maintained over several generations, and these controllers are in use in several semiconductor manufacturing devices.



EV Components Business Group

Striving to strengthen our business foundation through effective utilization of assets and technological superiority

Executive Vice President & Executive Officer, Strategic Group Leader, EV Components Business Group

Koji Niikura

* EV Components Business Group figures are included in those of the Mobility & Electrical Components Business Group.

Results and Challenges in the Previous Medium-Term Management Plan

Results

- ▶ Expanded number of models with our products thanks to growing orders for Japanese automakers
- ▶ Launched an integrated motor-inverter unit to the market
- ▶ Established new domestic and overseas production bases (Nagoya, China)

Challenges

- ▶ Obtaining stable orders for rear motors, small e-Axes, etc., and normalizing production
- ▶ Expanding product offerings and shortening development sprints by developing customer spec-driven derivative models from standard models
- ▶ Improving quality by strengthening project management and increasing productivity through predictive maintenance of facilities and inventory optimization

Opportunities

- Rising environmental awareness, regulations in various countries
- Creating a new supply chain following automaker reorganization
- Growing needs for 4WD electric vehicles and compact electric vehicles
- Advancing investments in charger infrastructure and other initiatives to accelerate popularization

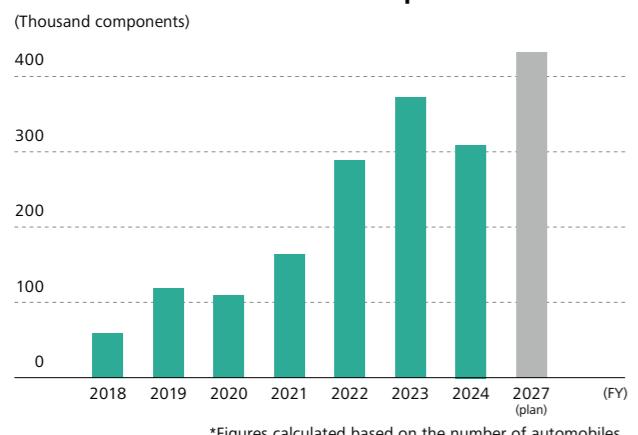
Risks

- Increasing commoditization in the electric powertrain sector
- Shifting balance of market share in global automotive competition
- Supply chain disruption due to tightening of tariffs in the U.S. and other countries
- Decreasing sales volume of vehicles equipped with Meidensha products

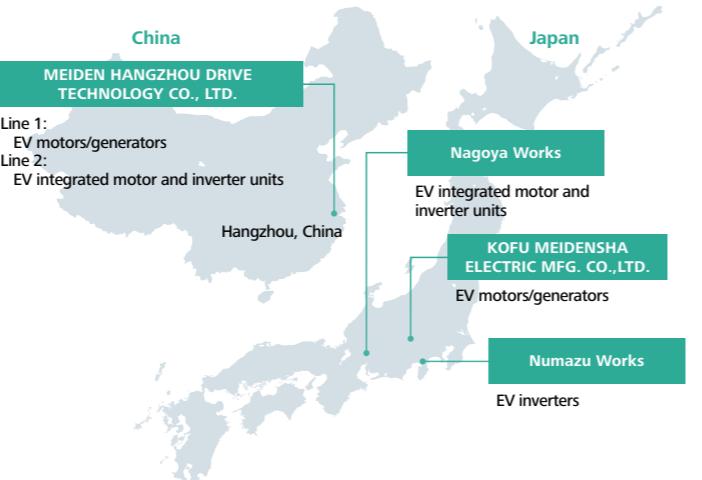
Strengths

- Flexible production lines differentiating in quality, cost, and delivery (QCD) and a proven track record as a pioneer of EV drive units for mass production
- Control technology and design development capabilities, including motor and inverter software
- Balance of customization to meet customer specifications with mass-production benefits

Sales of EV Drive Components



Items Produced at Each Base



Growth Strategies in Medium-term Management Plan 2027

Q (Quality)

Quality assurance for the entire supply chain, strengthening project management from design to production

C (Cost)

Introducing integrated mechanical and electrical equipment with variable cost reduction of 30% and other cost reduction activities in design and manufacturing

D (Delivery [Supply/Production])

Improving equipment productivity through predictive maintenance, improving material productivity through inventory optimization, etc.



Ultra-compact e-Axle concept model

The electrification of cars (EV shift) has been fueled by growing environmental awareness in many countries and by subsidy measures, but these effects have now run their course and the growth rate of battery electric vehicles (BEVs) has slowed somewhat on a global basis. On the other hand, the trend toward electrification, including PHEVs and HEVs, is expected to continue toward 2030.

The Meiden Group is aiming to achieve sales of 70 billion yen and the No. 1 share of the rear motor/compact car market in FY2030, and to continue to receive orders from existing customers and to make inroads with new Japanese automaker customers.

Under Medium-term Management Plan 2027, we will optimize our business by reviewing our product portfolio, and by shifting to a proposal-based sales approach, we will establish a stable production load and a foundation that will generate stable profits. In addition to a shift to proposal-based sales, our basic strategy is to promote priority measures in the areas of Q (quality), C (cost), and D (delivery; more specifically supply and production).

Growth Strategy 1

Developing Derivative Models from Standard Models (Shift to Proposal-based Sales)

While leveraging our strength of flexibly adapting to customer specifications, we will continue to shift to a proposal-based sales approach that proactively proposes optimized performance and cost to customers. Specifically, we will develop a standard model for each output band, creating more compact models through higher rotation speeds in integrated mechanical and electrical equipment. These standard models will then become the basis for newly-developed derivative models such as those specialized for greater efficiency or greater cost. This will enable us to offer a wider range of product proposals, improve our ability to respond to customer needs, and shorten delivery times by enabling development harnessing standard models.

Resolving Materiality Through Business Strategy

1 Realization of a carbon-neutral society

1 Expanding sales of BEV/PHEV products that do not emit CO₂ while driving

FY2024 results

2 Realization of a safe, secure, and convenient society

2 Exploring expanded product applications in non-EV mobility fields as a long-term goal

Action in MTMP 2027

3 Upgrading value provision

3 Developing derivative models from standard models (shift to proposal-based sales)

Action in MTMP 2027

TOPICS

World's First Motor Drive via SiC Power Module with a Built-in SiC CMOS Drive Circuit

In joint development with the National Institute of Advanced Industrial Science and Technology (AIST), Meidensha has jointly developed the world's first motor drive using a silicon carbide complementary metal-oxide semiconductor (SiC CMOS) power module. Though conventional SiC power devices already offer high energy-saving performance, they pose the risk of malfunction due to noise. Therefore, they have only been used in extremely slow switching operations and have not been able

to demonstrate their full potential.

The newly-developed drive method replaces SiC power modules with SiC CMOS power modules, unlocking high-speed switching with reduced noise, thereby reducing energy loss to approximately one-tenth of previous levels. With this technology, we aim to improve the efficiency and competitiveness of EV drive motors and industrial motors.



Field Service Engineering Business Group

Leveraging digital technologies and investing in human resources to capture robust maintenance demand and take on the challenge of creating new value propositions

Senior Managing Executive Officer & Strategic Group Leader, Field Service Engineering Business Group

Tatsuki Mochizuki

Management Indicators

FY2024 result

Orders
51.4 billion yen
FY2027 plan 54.0 billion yen

Net sales
49.5 billion yen
FY2027 plan 50.0 billion yen

Operating income (Operating margin)
9.9 (20.0%) billion yen
FY2027 plan 9.5 billion yen (19.0%)

Results and Challenges in the Previous Medium-Term Management Plan

Results

- Record performance was achieved through capturing firm demand for maintenance services
- Grew the semiconductor equipment maintenance business through expansion of domestic service bases and distributor sales of semiconductor production equipment
- Proactively developed solution proposals that focus on energy conservation and GHG reduction by integrating products and maintenance services

Challenges

- Rectifying high field workload conditions and increasing employee engagement
- Passing on skills and securing young talent to address aging workforce both internally and at subcontractors
- Further advancing field DX and smart maintenance using digital technology

Opportunities

- Increased demand for maintenance services provided by manufacturers amid a declining working-age population and other factors
- Rising awareness of preventive maintenance due to stronger BCP measures by companies, local governments, and others
- Expanding needs for smart maintenance associated with DX promotion
- Increase in business opportunities for related maintenance services in Japan and overseas due to semiconductor market growth

Risks

- Increased difficulty in securing technical service personnel
- Rise in material costs, labor costs of subcontractors, etc.
- Obsolescence of some materials needed to repair products with long expected service lives

Strengths

- Life cycle engineering from product delivery to maintenance services
- Extensive maintenance stock and maintenance service data
- Proposal capability, technical capability, and a maintenance service system to solve customers' issues

Growth Strategies in the Medium-term Management Plan 2027

In the heavy electric equipment maintenance market, an area with expected growth, we will execute the following strategies in response to the growing shortage of technical service personnel in the industry as a whole.

- ① Strengthening proactive investment in human capital, recruiting and training professional human resources, and creating a facilitative working environment
- ② Further advancing smart maintenance utilizing digital technology to enhance preventive maintenance and strengthen remote monitoring systems
- ③ Establishing an efficient service delivery system and increasing the value of services provided through DX measures across divisions and collaboration within the Group and with other companies

Growth Strategy 1

Strengthening products related to smart maintenance

We will strengthen product development with an emphasis on labor savings and reduction of environmental impact by leveraging the product technologies and field insights we have cultivated over many years. In addition to conventional environmental solutions for extra-high-voltage facilities, we will deploy smart maintenance for other products such as high- and low-voltage panels and emergency power generation equipment, and expand remote monitoring and preventive maintenance systems using sensors and measuring devices. We will continue to contribute to the development of a sustainable society by simultaneously addressing human resource issues and creating new added value.



24/7/365 support for customer facilities

Growth Strategy 2

Strengthening the Semiconductor Manufacturing Equipment Maintenance Business

In the semiconductor manufacturing equipment maintenance business, for which further demand growth is expected, we will strengthen the foundation of our service bases in Japan and work to achieve full-scale entry into overseas markets through collaboration within the Group and with other companies. In addition, we will expand our maintenance stock and further develop life cycle engineering, which is one of our strengths, by strengthening our resident services to customers' facilities, in addition to distributor sales of semiconductor manufacturing equipment launched in the previous Medium-term Management Plan.

Resolving Materiality Through Business Strategy

Upgrading value provision

1 Promoting smart maintenance for high-/low-voltage panels and emergency power generation equipment

Action in MTMP 2027

Realization of a carbon-neutral society

2 Reduced environmental impact from customers' facilities by strengthening one-stop services

FY2024 results

Building human resources and corporate culture that take on the challenges of the future

3 Conducted practical training for 58 participants with scenarios for customer facilities through the Manabi-ya technical education center

Action in MTMP 2027

TOPICS

Establishing Maintenance Services with Digital and AI Technologies

As the demand for maintenance services provided by manufacturers increases amid labor shortages, the shortage of maintenance service personnel is a major issue for the Meiden Group. In parallel with strengthening recruitment and training, it is important to both streamline and evolve our maintenance services by harnessing digital technology. Under Medium-term Management Plan 2027, we will strengthen development aimed at transforming maintenance services. Specifically, we will develop remote maintenance services that combine digital twin technology with augmented reality (AR) and virtual space

(the Metaverse) to create 3D models of customer facilities. In addition to the construction of a 24/7 equipment monitoring system and condition based maintenance (CBM) using AI and IoT technologies, we are also working on the implementation of easy inspections and first response using robots and drones. By establishing advanced maintenance services that break away from the traditional dependence on human resources, we will provide added value to our customers and achieve sustainable business growth.

Evolution of Maintenance Services to Meet the Needs of the Field

Facility Management to Support Infrastructure Security and Reliability

Related Material Issues

- Realization of a carbon-neutral society
- Realization of a safe, secure, and convenient society
- Upgrading value provision



Meiden Engineering's technical service staff supporting the safety and security of electrical equipment at customer machine stations

Strengths of the Meiden Group's Maintenance Services

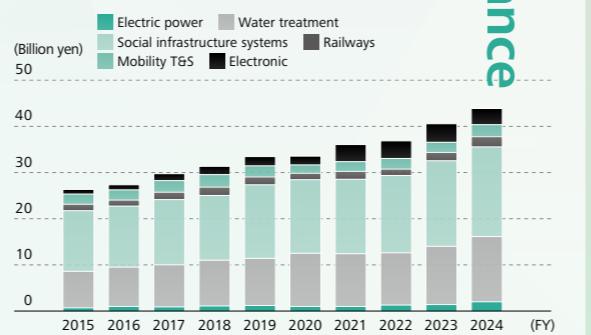
The strength of the Meiden Group's Field Service Engineering Business lies in its community-based service system, which is based on 35 service locations in Japan and a delivery record to 8,000 companies nationwide. In addition, our abundant knowledge and insights in Meidensha products are shared throughout all of our locations, and we have the ability to respond quickly and accurately to

the aging of facilities and the need to extend their service lifespans. From early on, we have focused on preventive maintenance, evolving from time-based maintenance (TBM) to condition-based maintenance (CBM) and even risk-based maintenance (RBM), and using our advanced on-site capabilities and life cycle engineering to solve problems from a perspective where we "walk in the customer's shoes."

Currently, the market environment for the Field Service Engineering Business is changing dramatically. Despite the aging of infrastructure facilities, demand for new construction is decreasing due to tight municipal finances caused by a declining population, while the need to extend the service lifespan of existing facilities is increasing. In areas outside of social infrastructure, the value of maintenance provided by manufacturers has been increasing in recent years, including predictive and preventive maintenance due to a shortage of technical service personnel and growing demand for smart security using drones and robots. Furthermore, the importance of our maintenance and upkeep work is increasing as environmental awareness is

leading to stronger trends toward energy conservation, GHG emission reduction, and renewable energy. Therefore, there is a need to strengthen maintenance services for facilities and equipment.

Ten-Year Order Trend by Sector



*The above figures are for Meiden Engineering alone

Technical service personnel with extensive product knowledge and support capabilities

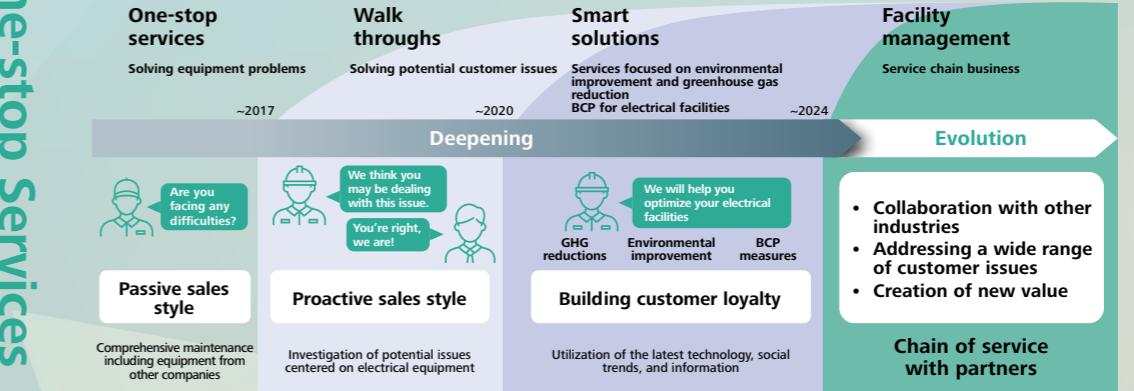
Growing Maintenance Needs

Since 2015, the Meiden Group has been providing one-stop services under a differentiation strategy providing comprehensive solutions for customers' facilities, including those provided by other companies, from issue discovery to resolution. This service has now grown to account for approximately 30% of the Field Service Engineering Business Group's sales.

Through free diagnostics, walk-throughs, and smart security through the use of digital technology, we identify potential issues for our customers and provide comprehensive solutions, including environmental impact

Deepening Our One-stop Services

Business Strategies for Facility Management



The sustainable development of the Field Services Engineering Business requires urgent attention to human resources. Currently, the Meiden Group faces a serious problem of an unbalanced workforce, with a shortage of maintenance service technicians in their 20s and 30s, but a large number of them in their 40s.

To address this issue, we are strengthening our efforts to secure human resources by hiring new graduates and mid-career professionals, as well as enhancing education via practical maintenance training using actual electrical equipment and digital technology such as augmented reality (AR) and virtual space (the Metaverse) to quickly develop human resources and pass on skills.

We are also working to establish maintenance technology using digital technology. In addition to providing remote

reduction and BCP support.

As infrastructure downsizing continues due to population decline, cross-industry partnerships will lead to stronger competitiveness. In addition to maintenance and inspection, we aim to establish a system that comprehensively manages the entire facility for our customers, from equipment management to operation management.



Maintenance technology training using actual equipment



GX Green extra-high voltage substation equipped with IoT sensors

Securing Human Resources and Utilizing Digital Technology



Message from the Officer in Charge of Finance

Growth & Challenge to Increase Corporate Value

Toward sustainable growth through improved capital efficiency and strategic investments

Managing Executive Officer **Hitoshi Miyake**

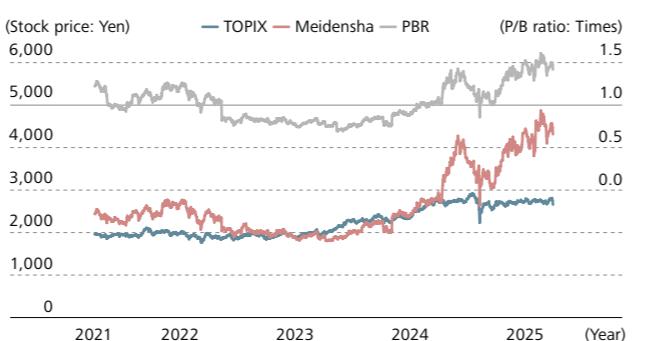
1. Review of Medium-term Management Plan 2024

In Medium-term Management Plan 2024, we set forth a policy of high-quality growth for achieving both business expansion and profitability, while also promotion of ambidextrous management to capture the major changes of the times. We have also been focusing on carrying out sustainability management with the aim of building a management foundation that can realize sustainable growth, with ESG at the core of our management. As a result of strengthening proposals in existing businesses and improving manufacturing efficiency, operating margin improved, and both return on equity (ROE) and return on invested capital (ROIC) in the final year of the plan far exceeded the final target.

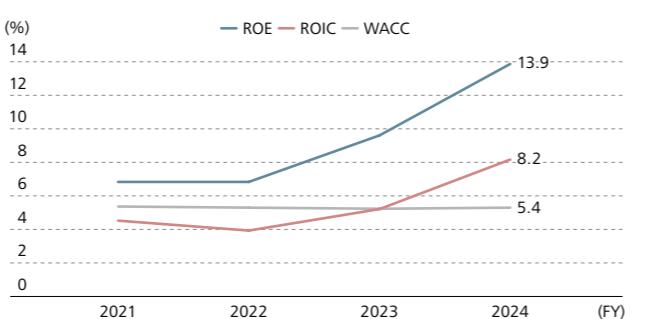
These factors have been well received by the market, evidenced by our rising stock price since 2021, even outperforming the Tokyo Stock Price Index by more than 40% as of the end of FY2024. The price-to-book (P/B) ratio, which was previously below 1x, has remained stable over 1x, and we believe that confidence in our capital efficiency and financial strategy is increasing.

The areas in which we operate, such as electric power, social infrastructure, mobility, and semiconductors, are growth areas directly linked to social issues, and the industry as a whole is expected to undergo structural expansion. Therefore, we recognize that linking growth expectations to strategies will lead to a higher price-to-earnings (P/E) ratio. To this end, we recognize that it is an important task to clearly draw up and present to the market a concrete vision of our future based on the technologies and strengths we possess. Furthermore, we must more diligently present our capital allocation policy based on ROIC and strategic

Stock Price and P/B Ratio



ROE / ROIC / WACC



investments in intangible assets such as human capital and DX to shareholders and investors, and how they will lead to improved corporate value.

2. Capital Policy in Medium-term Management Plan 2027

In light of these circumstances, we have adopted the theme of "Growth & Challenge" in Medium-term Management Plan 2027, and will promote management that balances short-term capital efficiency improvement and fostering medium- to long-term growth expectations. Among them, improving ROIC is at the core of our capital efficiency management, and we regard it as an important measure to more efficiently utilize our equity

by enhancing the quality of investment decisions and asset management, which will also lead to sustainable improvement of ROE.

On the other hand, in order to improve the P/E ratio, we recognize that in addition to improving profitability and capital efficiency, it is necessary to strategically present to the market a medium- to long-term story of how we envision the future

and how we will seize opportunities in the growth areas that our businesses occupy. At the core of these efforts is fulfilling our growth strategies, including M&A, new businesses, and the development of future technologies, which are being considered in stages with the aim of optimizing the business portfolio and strengthening competitiveness in growth areas. The direction and progress of the strategy will be communicated at the appropriate timing.

Thus, we view the maximization of capital efficiency with a focus on ROIC and the presentation of a medium- to long-term vision from clearly-established growth strategies as two axles driving in tandem to enhance corporate value. Under Medium-term Management Plan 2027, we plan growth and DX capex of 35 billion yen and ordinary capex of 35 billion yen, financed by operating cash flow and asset sales. In making these investments, we will emphasize both strategic significance and quantitative return in order to realize our vision, and will

rigorously evaluate the profitability of each investment based on return, using a given hurdle rate. Through these investment decisions, we will achieve both sustainable growth and capital efficiency.

With regard to capital structure, while maintaining financial soundness at the A- rating level, we will consider flexible financing and recapitalization as options to maintain stable dividends and concentrate funds on businesses with room for growth. We will continue to monitor the progress of Medium-term Management Plan 2027 and set the hurdle rate based on market interest rate trends to make appropriate investment decisions and sustainably increase corporate value.

Efforts to Improve the P/B Ratio (Price-to-Book Ratio = Corporate Value)

Main improvement measures		Action items
ROE improvement	Strengthening profitability and improving investment efficiency	<p>Strengthening earning power</p> <ul style="list-style-type: none"> Improvement in production capacity and productivity Improvement in the cash conversion cycle (CCC)
	Improving investment efficiency	<ul style="list-style-type: none"> Concentration on investment in businesses with high growth potential; evaluating projects based on profitability and growth potential with a set hurdle rate Acceleration of return on investment
	Investing for growth	<ul style="list-style-type: none"> Pursuit of sustainable growth, both organic through stable growth of existing businesses, and inorganic through M&A and other methods
	Optimizing capital structure	<ul style="list-style-type: none"> Net D/E ratio between 0.20 and 0.30 to maintain financial discipline
	Shareholder returns	<ul style="list-style-type: none"> Balancing stable and continuous dividend payments with growth-driven medium- to long-term shareholder value improvement based on a payout ratio of 30% while increasing net income through growth investments
	Increasing expected growth rate	<ul style="list-style-type: none"> Striving for steady growth in response to needs and changing for/challenging the future with growth strategies based on the three pillars of products, businesses, and technologies Evolution of a corporate value enhancement cycle that links cash generated by investments to further growth investments
P/E ratio improvement	Development of new domains	<ul style="list-style-type: none"> Fostering of new products and businesses, developing targeted research Solution design practice in collaboration with local governments and partners
	Increasing non-financial value	<ul style="list-style-type: none"> Expansion of human and intellectual capital Strengthening corporate governance Promotion of the Third Meiden Environmental Vision and acceleration of in-house DX
Improving stakeholder engagement		<ul style="list-style-type: none"> Enhancement of IR activities through expansion of disclosed information, etc.

Initiatives for ROIC Improvement and Growth

As mentioned above, improving ROIC is a core measure in our capital efficiency management, which directly results in improved ROE. First, we will visualize the profitability and invested capital of each business through ROIC management, balancing these two elements with selective investment guaranteed by business growth potential as another criterion. In addition, at manufacturing sites, we will improve cash generation through cost reductions and enhancement of production capacity, promoting efficient use of invested capital. This will improve both profitability and capital efficiency with an ROIC orientation, leading to a sustainable increase in ROE.

Corporate Governance > Basic Policy and Current Status of Cross Shareholdings P.68

ROIC Tree

Company-wide KPIs	Managed Items	Major Measure Examples
Operating margin	Cost of sales	Reducing design man-hours by utilizing similar drawings
Profitability	SG&A	Reducing and streamlining routine tasks using RPA and generative AI
Efficiency	Net sales	Accelerating investment in production bases to increase production capacity and build up order backlog
	Accounts receivable	Reducing risk through contracts, rapidly collecting payment, and acquiring advance payments
	Inventories	Inventory strategy that balances efficiency and stable supply
Invested capital turnover ratio	Non-current assets	Selecting investment projects based on hurdle rates and strengthening investment return tracing

Initiatives for P/E Ratio Improvement

We see our response to social issues such as the transition to carbon neutrality and rapid digitalization as areas that will generate new demand and market opportunities. In Medium-term Management Plan 2027, we have identified four promising markets corresponding to these areas: renewable energy, sustainable infrastructure, green mobility, and smart industry. We will steadily implement growth strategies that combine profitability and differentiation in products and businesses, two of our three growth strategy pillars. In addition, we are flexibly exploring strategic investments that contribute to accelerating growth, such as M&A and new business creation, separately from the aforementioned 70 billion yen. Here, we will work to achieve non-continuous growth with flexible financing and revision of financial strategies as options at our disposal, depending on the situation. In our M&A over the past decade, we have acquired a transformer manufacturer in India and an arrester manufacturer in Germany, mainly for the purpose of expanding the Overseas T&D Business. This has grown to a scale where it plays an important role in supporting strong performance by the Power Infrastructures Business Group. Going forward, we will continue to incorporate both organic and inorganic growth to enhance our corporate value.

International M&A Deals from 2014 to 2024 (Power Infrastructures Business Group)

Year Announced	Company Name	(Current) Company Name	Business Overview	Location	Net Sales Growth Rate During the Medium-term Management Plan 2024
2014	Prime Electric Limited	MEIDEN T&D (INDIA) LIMITED ¹	Manufacture and sale of transformers	India	265.4%
2015	TRIDELTA Überspannungsableiter GmbH	TRIDELTA MEIDENSHA GmbH	Manufacture and sale of lightning arresters for electrical and railway applications, and peripherals for lightning arresters	Germany	151.2%
2020	Vietstar Industry Corporation	VIETSTAR MEIDEN CORPORATION ²	Manufacture and sale of switchboards and sheet metal products	Vietnam	291.4%

¹ Completed 100% acquisition in 2021.² Acquired majority stake in 2021; equity stake as of July 2025 is 69.7%.

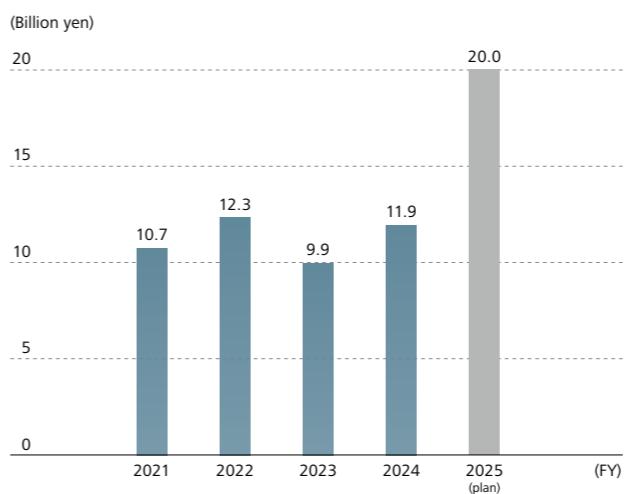
With respect to technology, the remaining growth strategy pillar, we plan to spend 43 billion yen on R&D over the next three years. There, in parallel with the deepening of existing technologies, we will promote the MEIDEN CONNECT initiative, which aims to accelerate the data utilization business, as well as engage in directional research. Directional research is a technology development initiative to co-create value by envisioning the desired future 20 years from now and acquiring new core technologies. Its three areas of focus are direct current & high frequency, power chemtronics (electrochemistry & power electronics), and digital twin O&M. Development will proceed with respect to the concretely defined core technologies for each area.

In addition, as a foundation for sustainable value creation, we will focus on deepening our green strategy, strengthening human capital and steadily promoting internal DX, as well as further strengthening corporate governance. At the same time, with the aim of raising market expectations for sustainable growth and the creation of co-created value, we will strive to enhance our dialogue with shareholders and investors, disclosure information in investor relations activities, and activities to incorporate external opinions into management.

significance, and ensure that capital is allocated with ROIC in mind.

In terms of growth investments, we will focus on investing funds in focus areas for Meidensha, such as carbon neutrality, smart infrastructure, and semiconductor-related areas. Specifically, we will increase the overall speed and quality of decision-making through process optimization using IoT and AI in manufacturing, as well as through streamlining indirect operations by standardizing and automating operations in procurement, accounting, human resources, and other areas. Furthermore, in the sales and service area, we will strengthen

Capex Trends

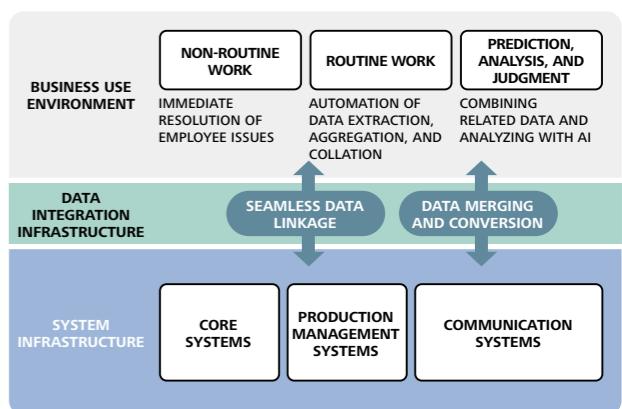


our abilities to make proposals to and support customers by utilizing digital technology, aiming to maximize opportunities to earn profit.

Regarding ordinary Capex, in addition to the upgrade of aging facilities, we will focus on production-related investments aimed at enhancing production capacity and competitiveness. We will also emphasize investment in human capital, our most important asset, to create a more comfortable work environment and enhance our ability to create value through improved employee engagement.

Acceleration of internal DX

Organically linking management and operational information to promote more effective and efficient management



3. Cash Allocation Policy

Approach to Cash Generation and Distribution

Our policy is to strategically allocate the cash we generate to investments for growth and returns to shareholders while maintaining both capital efficiency and financial soundness. Our cash generation sources will be enhanced profitability of existing businesses, as well as ROIC-conscious capital management, and furthermore, efficiency improvement through DX-based operational reforms. Through these efforts, we will maximize operating cash flow and optimize assets, which will also enhance our equity.

The cash generated will be used preferentially for reinvestment in growth areas where we can leverage our strengths to enhance medium- and long-term profitability and competitiveness, thereby achieving sustainable corporate growth. As a result, we will enhance our corporate value and contribute to our shareholders and other stakeholders.

Through cash allocation from a medium- to long-term perspective, we will enhance the quality of management and trust from the market.

Investment Policy: Growth Investments and Ordinary Capex

Under Medium-term Management Plan 2027, we plan to make strategic investments totaling 70 billion yen in order to further enhance corporate value and achieve both profitability and future growth. Of this amount, more than 26 billion yen is planned to be invested in the expansion of production facilities and the restructuring of bases in Japan and overseas. In executing these capex projects, we will select individual investments based on both quantitative evaluation and strategic

Shareholder Return Policy

We are now entering a full-fledged growth phase, where business opportunities are expanding in areas we have been focusing on for some time. To ensure that we seize these opportunities and further strengthen our future earnings base, we will aggressively pursue strategic growth investments from a medium-term perspective. Our view is that this will increase market capitalization and ultimately lead to further returns to our shareholders.

4. Shareholder and Investor Dialogue Policy

We regard dialogue with shareholders and investors as an important activity that connects management with capital markets. Through dialogue, we will deepen the market's understanding of our financial strategy and growth policy, and incorporate expectations and hints obtained into management decisions to achieve more convincing and transparent management. In particular, we intend to continue to diligently present our approach to capital allocation and the balance between growth and returns.

As the officer in charge of finance, my responsibility is the use of capital in and of itself with a view to improving corporate value over the medium-to long-term, rather than merely

allocating funds, while taking into account such dialogue. I am firmly convinced that an effective financial strategy based on ROIC and cash flow will enhance our ability to generate profits and corporate sustainability in the future, resulting in returns to shareholders in the truest sense.

Going forward, I will continue to take the feedback we receive from our shareholders and investors seriously, fulfilling my responsibility to expand Meidensha's growth potential from a financial perspective and contributing to long-term value creation. I sincerely appreciate your continued support and guidance.

Climate change-related information disclosure based on TCFD recommendations

Attitude

For many years, the Meiden Group has been aware of the major problem of climate change, and has worked to solve this problem through business. With regard to TCFD*, we endorsed the TCFD recommendations in June 2019, we began considering risks and opportunities according to the TCFD framework in 2020, and we are promoting the incorporation of this in our strategies.

* TCFD: Task Force on Climate-related Financial Disclosures established by the Financial Stability Board (FSB).



Governance / Risk Management

Governance

In response to the issue of climate change as it relates to economic policies and the global situation, Meiden Group has tasked the manager in charge of promoting sustainability, an individual with superb insight honed through experience both within and outside the Group, with general implementation, while the Corporate Policy Planning Group's Sustainability Management Promotion Division uses its expertise on environmental policy and technology to formulate and enact strategies, create countermeasures for each category, and promote monitoring.

Furthermore, the Sustainability Management Strategy Committee and the Sustainability Management Promotion Committee handle all general matters involving sustainability and these two committees explore potential strategies for decarbonization. The manager in charge of promoting sustainability and the Sustainability Management Promotion Division both report on the content of meetings twice annually to the Board of Directors, and the Board oversees the validity

of plans and strategies as well as the state of implementation. Alongside these efforts and as a way of managing the progress of environmental activities within the Group, the Meiden Group Environmental Committee, which is chaired by a production manager, meets quarterly to uncover issues within the Company, set environmental goals, devise action plans, and discuss emergency responses in order to promote and monitor the deployment of concrete policies for environmental management.

Risk Management

To manage sustainability-related risks, the Sustainability Management Promotion Division, which is charged with promoting sustainability management, operates centrally with relevant departments to extract risks. The details of those risks are incorporated into all the risks managed by the Governance Headquarters, which simultaneously manages a variety of risks, including those related to climate change.

Strategy

Analysis of Climate Change Scenarios

The Sustainability Management Promotion Division analyzes climate change scenarios in conjunction with the Accounting and Financing Group, the Corporate Governance Management Group, the Sales Planning & Administration Group, and other related internal groups. The examination process is divided into four parts, with analysis and evaluations conducted annually. At the same time, major factors that could impact business are identified, and identified risks, opportunities, and evaluations are reflected in our business strategy.

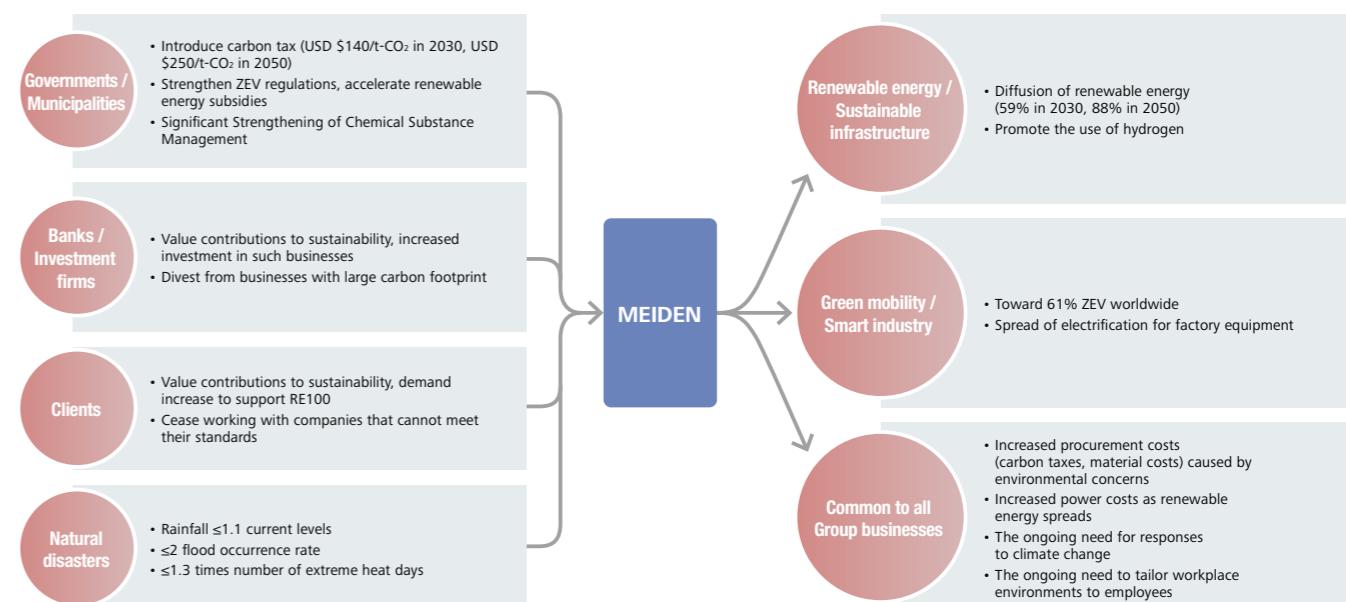


STEP 1 Defining Scenario Types

As recommended by TCFD, we selected multiple warming scenarios, including a scenario of less than 2°C, and conducted analysis accordingly. Based on the two scenarios of decarbonization (RCP1.9) and global warming (RCP4.5 and RCP8.5), we have compiled specific scenarios and global outlooks to accommodate each scenario using management frameworks, such as five forces analysis, based on internationally published data from the IEA, IPCC, etc., as well as numerical data published by Japanese government institutions, etc. We are reconstructing the global outlooks, scenarios, and numerical premises in the medium-to long-term forecasts from the current consolidated fiscal year through to 2050, the final fiscal year of the Meiden Group's long-term environmental targets.

	Temperature range	Relevant scenario	Provider
Decarbonization scenario	Less than 1.5°C	NZE2050	IEA
		RCP1.9	IPCC
Global warming scenario	2.5 to 4.0°C	STEPS	IEA
		RCP4.5	IPCC
		RCP8.5	IPCC

Decarbonization scenario (RCP1.9) Broad growth in renewable energy and power marketplaces, with broad future development even as the shift to EV slows



STEP 2 Factor Analysis of Climate Change-related Risks and Opportunities

We identified risk and opportunity factors associated with climate change based on global outlooks for each scenario, while also referring to the risk and opportunities listed in the TCFD recommendations, then separated them by relevant scope both by business domain and for the Meiden Group as a whole before setting out timelines for specific risks and opportunities and the effects they will generate.

Defined timelines for evaluated climate-change related risks

	Defined period	Related strategic and planning period
Short term	The 3-year period between FY2025 and FY2027	The period pertaining to the environmental strategies, implementation plans, and FY2027 targets listed in Medium-term Management Plan 2027
Medium term	Until FY2030	The period pertaining to the environmental strategies, implementation plans, and FY2030 targets listed in the Third Meiden Environmental Vision
Long term	Until 2050	The period pertaining to the national targets for Japan and the Meiden Group's long-term environmental targets

Transitory Risk in Meiden Group's Major Focus Areas and Those Common to the Group (Opportunities and Risks Primarily in the Decarbonization Scenario)

Major focus area / Common to Group	Risk/Opportunity factor	Social scenario	Opportunity / Risk for the Company	Period of effect	Target business / product / location
Renewable energy Sustainable infrastructure	• Expanded government subsidies • Acceleration of technological development • Transition to a decentralized society	Expanded renewable energy ratio	Opportunity Expanded renewable energy business	Short- to long-term	Wind, hydroelectric, solar generation, energy storage related
	• Momentum for GHG emission reductions • Power companies shift toward decarbonization	Restrictions on chemical substances such as SF ₆	Opportunity Expanded Power T&D business		SF ₆ gas-free products, eco-friendly products
Smart industry Green mobility	• Momentum for GHG emission reductions • Expanded government subsidies	Decarbonization of the transport sector	Opportunity Expanded EV-related business		EV business, Battery storage-related
Common to Group	• Change in stakeholder mindset	Increased customer demand for being carbon-free	Opportunity Increased demand for eco-friendly products and services	Medium- to long-term	eco-friendly products and services
	• Increased regulation	Introduction of a carbon tax	Risk Increased procurement and manufacturing costs		All companies
	• Expanded renewable energy ratio	Increased cost of industrial electricity	Risk Increased power procurement costs		

Material Risks common to all Meiden Group companies (Risks Primarily in the Warming Scenario)

Acute / Chronic risk	Risk / Opportunity factor	Social scenario	Risk for the Company	Period of effect	Target business / location
Acute risk	Rise in abnormal weather	Increased flood events	(Risk) Operations suspended, supply chain destroyed, Increased flood response costs	Short- to long-term	Manufacturing sites
Chronic risk	Rise in average temperatures	Worsened labor condition	(Risk) Increased site personnel costs		Manufacturing, maintenance, Construction Business Units

STEP 3 Business Impact Evaluation

We evaluated the impact on business based on the global outlooks for each scenario set out in Step 1 and the opportunities and risks defined in Step 2. During this process, we screened for matters with a particularly large impact on businesses by focusing on the two axes of "impact on operating income" and "likelihood of occurrence in an event" that are the target of the FY2030 milestones set out in the Third Meiden Environmental Vision, and then conducted detailed analyses of these matters. We assessed market order values (values before countermeasure involvement) based on the rate of market growth in each scenario for each large-impact item. These were quantitatively calculated using partial assumptions, and items with unachievable calculations were organized qualitatively.

Evaluation axes for selection of risks and opportunities (FY2030)

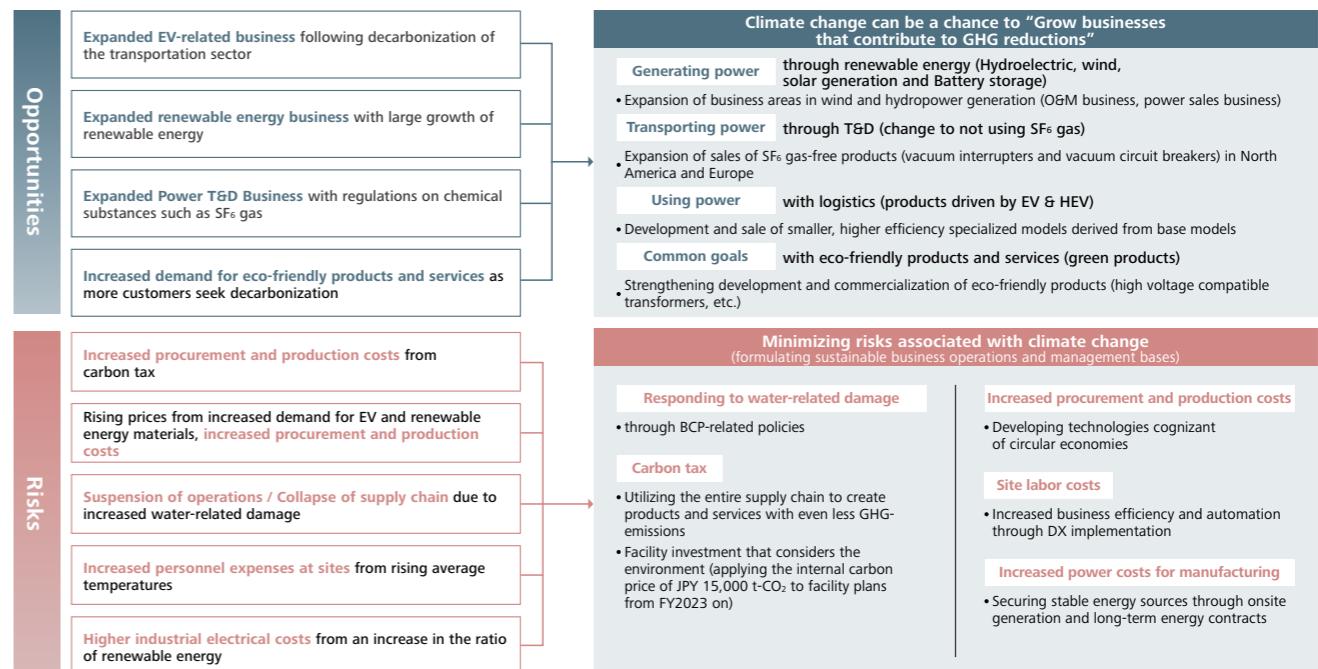
Impact on operating income (estimate)	Very large	±10 billion yen or more
	Large	±1 billion yen or more
	Medium	±0.1 – 1 billion yen
	Small	±less than 0.1 billion yen
likelihood of occurrence in an event in FY2030	Large	High probability of occurrence
	Medium	Occurrence is possible, but cannot be predicted with confidence
	Small	Only occur in the scenarios

Opportunities and risks for our Company	Target Business / Product / Location	Calculation formula	Impact on FY2030 operating income Decarbonization scenario (RCP1.9)	Global warming scenario (RCP4.5, 8.5)
Decarbonization of the transport industry	Expanded EV-related business	EV business/Battery storage-related Recent average sales × ZEV stock growth ratio	Large	Small
Expanded renewable energy	Expanded renewable energy business	Wind/Hydroelectric/Solar generation/Battery storage-related Recent sales × growth rate of domestic renewable energy	Small	Small
Restrictions on chemical substances such as SF ₆ gas	Expanded Power T&D business	SF ₆ gas-free products/Eco-friendly products Recent sales of relevant products × VCB market growth rate	Medium	Medium
Increased customer demand for being carbon-free	Increased demand for eco-friendly products and services	Eco-friendly products and services * Cannot calculate at this time because eco-friendly products standards are being revised	—	—
Introduction of a carbon tax	Increased procurement and manufacturing costs	All companies 2030 Scope 1, 2 emissions × carbon tax 2030 Scope 3 Category 1 emissions × carbon tax	10.6 billion	N/A
More water-related disasters	Suspension of operation/Collapse of supply chain Increased costs to respond to water-related disasters	Production sites Assumed cost of each incident in 2030 using Ministry tools × occurrence rate in each scenario, etc.	Large	Large
Worsening working environments	Increased personnel expenses at sites	Manufacturing/Maintenance/Construction service business units Number of site personnel in 2030 × medical and health-care costs	Small	Small
Increased cost of industrial electricity	Increased power procurement costs	All companies Power usage in 2030 × rising cost of industrial power	Medium	Medium

Rate of occurrence Large Medium Small

STEP 4 Consideration of Response Measures

Based on the market order values calculated in Step 3, we considered strategies to grasp opportunities and measures to mitigate risks according to the Company's situation.



Metrics and Targets

In November 2021, the Meiden Group pledged to reach RE100 by 2040 and carbon neutrality by 2050 as our long-term targets. In FY2021, we also released the Second Meiden Environmental Vision with upwardly revised GHG emission reduction targets for scopes 1, 2, and 3 by FY2030 as medium-term targets. We then formulated the Third Meiden Environmental Vision with new targets that correspond to the 1.5°C scenario as part of Medium-term Management Plan 2027 that began

in FY2025 and also set targets for FY2027, the final year of the Medium-term Management Plan, as short-term targets. To date, our Scope 3 reduction targets have been applied to reduction targets for Category 11 "use of sold products," the category with the highest emission levels, but the Third Meiden Environmental Vision set new reduction targets for all categories. Additionally, these targets were certified by the SBT (Science Based Targets) initiative in March 2025.



the Third Meiden Environmental Vision targets (each target and achievement as compared to FY2019 values)

	FY2024 Plan	FY2025 Actual	FY2025 Plan	FY2027 Plan	FY2030 Plan
Emissions from business activities (Scope 1+2)	6% reduction	15% reduction	30% reduction	40% reduction	50% reduction
Other companies' emissions related to business activities (Scope 3)	6% reduction (Category 11)	11% reduction (Category 11)	20% reduction (all categories)	30% reduction (all categories)	

Future Path

Although we have identified the growth opportunities and risks facing the Meiden Group through analysis of scenarios based on the TCFD recommendations, in most instances, calculation of impact is merely a rough estimate, and further precision is needed. Furthermore, we are promoting response to climate-related metric categories across multiple industries in the TCFD recommendations, which require new disclosure.

We have also incorporated some sustainability-related indicators into the evaluation standards for determining director compensation (except Audit and Supervisory Committee Members and outside directors) and are currently exploring integrating environmental indicators into future incentive packages in order to increase the effectiveness of advancing sustainability management.

Progress on the Third Meiden Environmental Vision

Updated Targets to Align with the 1.5°C Scenario

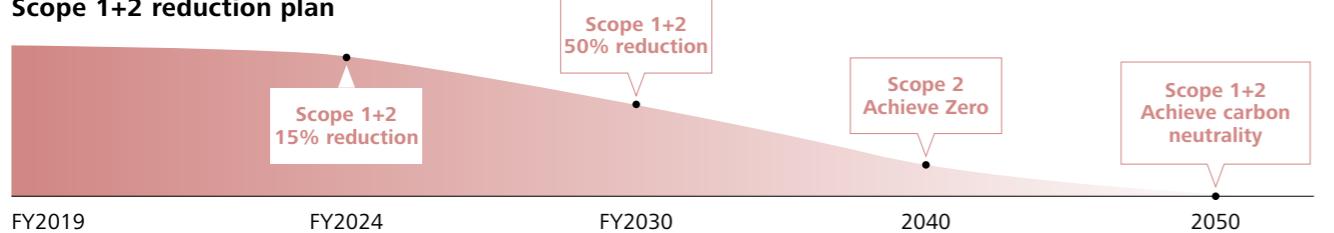
In Medium-term Management Plan 2027, the Meiden Group announced the Third Meiden Environmental Vision with updated greenhouse gas emission reduction targets in line with the 1.5°C scenario. Scope 1 and 2 targets were greatly increased over previous values as we move towards achieving carbon neutrality by 2050, with a 40% reduction by FY2027 and a 50% reduction by FY 2030 compared to FY2019 levels. We supplemented these improved targets with strategic initiatives to achieve them.

The applicable range for Scope 3 has been expanded, with the most emission-heavy Category 11 "Use of Sold Products" that was our previous target now complemented by reduction targets in all categories alongside efforts to decarbonize the entire supply chain. Through this comprehensive approach, the Meiden Group intends to do more than just reduce its own direct and indirect emissions, but to also reduce the

environmental burden of its entire value chain. Additionally, in March 2025, these targets enabled us to renew our SBT certification and we will continue to advance such highly effective initiatives rooted in solid scientific foundations.

	Second Meiden Environmental Vision	Third Meiden Environmental Vision
FY2030 targets	Scope 1+2 30% reduction	50% reduction
	Scope 3 Category 11 15% reduction	All categories 30% reduction
2040 targets	Achieve RE100	Scope 2 Achieve Zero
2050 targets	Scope 1+2 Achieve carbon neutrality	

Scope 1+2 reduction plan



Transition plan for becoming carbon neutral

Emissions category	GHG reduction measures	FY2024	FY2025	FY2026	FY2027	FY2028-2030
Emissions from business activities (Scope 1, 2)	Replacing SF ₆ gas (replacement with dry air, etc.)		Electric testing	SF ₆ gas-free (drying)		
	Capex		Toprunner transformers (power receiving and transforming equipment)			
			Update older equipment (Use LED lighting, update air conditioning)			
			Improved energy efficiency (heat pumps)		Utilize low temperature heat sources	
			Factory energy management systems			
			Electric boilers, Non-CO ₂ boilers			
	Renewable energy procurement (non-fossil fuel certificate, power menu, etc.)	Procure renewable energy and partially use solar at Tokyo, Numazu, Ota, and Kofu		Procure renewable energy at Nagoya		
			Affiliated companies within Japan			
		Use solar energy in the USA and Vietnam	Procure renewable energy and partially use solar at overseas factory sites		Affiliated overseas companies	
	Switching company-owned cars to electric vehicles	Gradually acquire EVs/hybrids		Entire fleet EVs/hybrids		Freight, etc.
Emissions from other companies involved in business activities (Scope 3)	Supplier support		Supply chain engagement (Scope 3 calculation assistance)			
	Eco-friendly product design		Compact, high-efficiency SF ₆ gas-free			
			Three elements of green products (reduce GHGs, promote the 3Rs, and eliminate hazardous substances)			
			Promote LCA activities			

Decarbonization of Factory Units: Scope 1, 2

The Meiden Group decarbonizes factory units both in Japan and abroad through proactive equipment investments and energy-saving initiatives. Specifically, we are reducing Scope 1 emission levels by improving heating source efficiency through boiler equipment optimization and the elimination of SF₆ gas in vacuum interrupter production line testing equipment. Additionally, we are updating aging lighting and HVAC equipment and introducing a factory energy management system (FEMS) to reduce our energy use and "visualize" energy reductions.

Medium-term Management Plan 2027 advances the dual strategies of expanding sales of SF₆ gas-free equipment and eliminating SF₆ gas from testing processes based on forecasted growth in production at each base driven by positive ordering environments. We also continue energy-saving activities using internal carbon pricing to accelerate reductions in Scope 1 and 2 emissions.

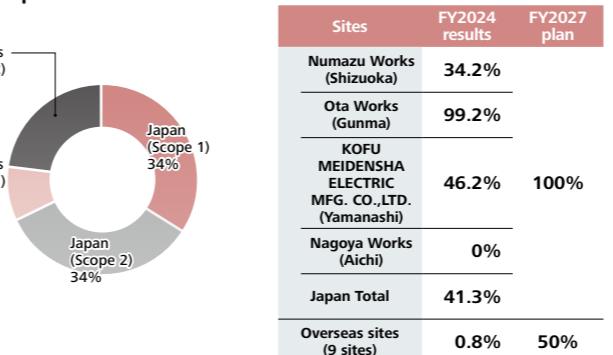
Improving Renewable Energy Ratio Groupwide: Scope 2

The Meiden Group is promoting the introduction of renewable energy under company-wide leadership. Currently, we are procuring renewable energy across multiple sites, ranging from our production facilities to offices of group-related companies. In fiscal 2024, our renewable energy adoption ratio in Japan reached approximately 42%.

In anticipation of future increases in renewable energy prices, we are considering on-site solar power generation in addition to external procurement. At the Hachiryu Wind Power Station in Akita Prefecture, owned by our affiliated company M-Winds Inc., we postponed replacement investment in 2023 due to soaring material costs. Going forward, in addition to electricity sales operations, we are exploring the utilization of our own power sources and are considering reinvestment during the "Medium-term Management Plan 2027" period.

To reduce Scope 2 emissions, we are targeting 100% renewable energy adoption at four major domestic sites and 50% at nine overseas sites by the end of FY2027. Through these initiatives, we expect to achieve approximately 70% reduction in Scope 2 emissions compared to FY2019 levels.

FY2024 Percentage of Scope 1 and 2 emissions



Supplier Engagement: Scope 3 (Category 1)

The Meiden Group works to reduce Category 1 "Purchased Goods and Services" emissions through supplier engagement. We support our business partners registering and obtaining certification in the Ministry of the Environment's EcoAction 21 program and also help introduce environmental management systems throughout the value chain. Since FY2023, we have been working with the Organization for Small & Medium Enterprises and Regional Innovation, Japan to conduct carbon neutral seminars and visualize CO₂ emissions.

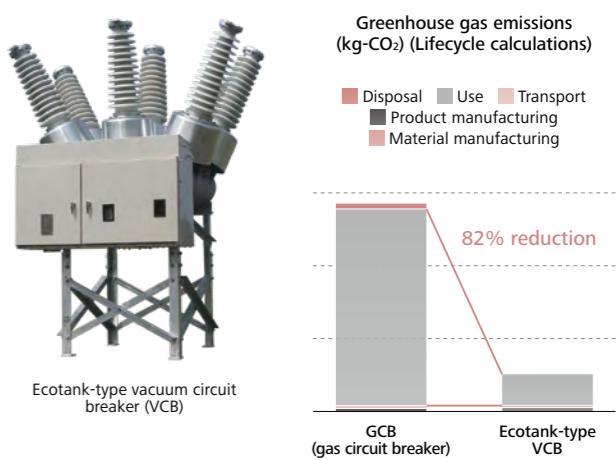
Particularly with our small- and medium-sized suppliers who face difficulties in responding to decarbonization due to worker shortages and lack of knowhow, we actively support reducing and visualizing CO₂ emissions resulting from energy use from material procurement through to the manufacturing process. We have helped 24 companies to date and plan to help another seven in FY2025, with the goal of reducing category 1 emissions by 5% compared to FY2019 levels.

Promoting Lifecycle Assessment (LCA) Activities: Scope 3 (Category 11)

Scope 3 Category 11 entails emissions in the product use stage, which links directly with customer Scope 1 and 2 emissions. We develop and expand sales of low-carbon, eco-friendly products and services that target the entire lifecycle, from material procurement through to use and disposal, so that we can connect to the decarbonization of not only our company and our customers, but also society as a whole.

The Meiden Group promotes lifecycle assessment (LCA) activities. By "visualizing" product emissions from source materials through to disposal, we can develop products with low environmental burdens and plan to reduce Category 11 emissions by 22% compared to FY2019 levels through these activities.

Example of reducing CO₂ emissions in the lifecycle of an eco-friendly product



Using Business to Contribute to a Carbon-free Society

Promoting the introduction of eco-friendly products

- Industry's first ester-insulated transformer to obtain SuMPO EPD environmental labeling program certification -

An ester oil transformer developed by Meidensha acquired certification in SuMPO EPD, an environmental labeling program operated by the third-party organization Sustainable Management Promotion Organization (SuMPO). This is the first ester oil transformer in the industry to obtain this certification.

As an environmental product declaration (EPD) in accordance with the ISO 14025 standard, SuMPO EPD is a disclosure framework based on international standards for a product's environmental impact. We received this certification for the multifaceted evaluations on the environmental impact of this ester oil transformer throughout its entire lifecycle, using information on GHG emissions, resource circulation, and its impact on air and water systems.

Our ester oil transformer reduces environmental burdens by replacing the mineral oil traditionally used as the insulating coolant with plant-based ester oils such as palm, canola, or soybean oil. Visualizing greenhouse gas emissions contributes

to increasing the accuracy of customer Scope 3 emissions calculations and identifying areas for improvement towards decreasing emission levels throughout the supply chain.

The Meiden Group will continue to develop and release eco-friendly products and contribute to achieving a sustainable society.



The SuMPO EPD certified ester oil transformer

Using our technological strengths to expand the use of wind power

Meidensha launched its Wind Power Generation Business in 2003. At first, the business sold wind turbines built overseas and manufactured generators and other equipment, but it now focuses primarily on O&M (operations and maintenance) for approximately 80 wind turbines. Also, the subsidiary M Winds Co., Ltd. has launched a wind power sales business and operates three wind farms across Chiba, Akita, and Ishikawa Prefectures that generate a total of 51 MW of power. In 2024, we signed a O&M consultancy agreement with the German company Deutsche Windtechnik. Through this agreement we will receive technical resources and expertise on multi-brand responses for onshore wind farms and with the goal of creating a complete maintenance and continuity service system for Japan that does not rely on overseas manufacturers.

On the technical innovation side, we developed original receptors* to protect fan blades and other equipment from lightning strikes and began demonstration projects for domestic offshore wind farms. These lightning protection receptors are made from a composite alloy of heat resistant solid solution particles and copper and significantly inhibit receptor wear from lightning strikes, thereby reducing the risk of damage to blades. This improves power generation volumes and reduces maintenance costs, helping to address issues specific to offshore wind power.

*Receptor: Installed on the tip of the blade, this component attracts and receives lightning, thereby protecting the blade and related equipment. This configuration diverts the lightning current through a down-conductor inside the blade, then through the nacelle and tower to dislodge it into the ground.

By combining knowhow accumulated through operations, international partnerships, and our unique technological developments, the Meiden Group significantly supports the diffusion of wind power generation required to achieve a carbon-free society.



Hachiryu Wind Farm (Akita Prefecture)



Rod receptors

Tip receptors

Deployment of a power storage system business to support the diffusion of renewable energy

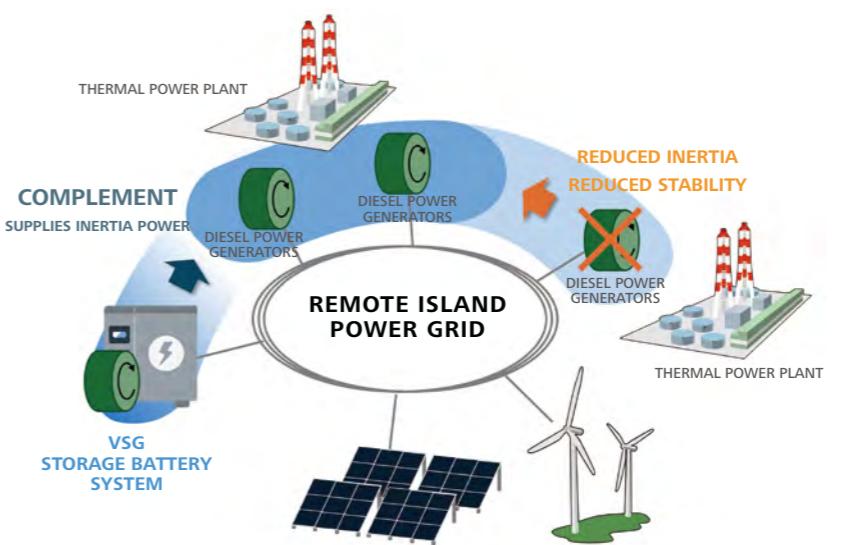
As photovoltaic and wind power generation is introduced at an ever faster pace around the world, demand for power storage systems that support stable power supplies grows. The spread of renewable energy requires securing the ability to adjust supply and so the power storage market is expected to grow significantly in the future as renewable energy becomes more widespread.

Meidensha provides storage battery systems optimized to any need by combining lithium-ion, NAS, lead, redox flow, and various other battery types. Optimized control via an energy management system (EMS) achieves scheduled operations for storage battery charge/discharge, load-following control, backflow prevention, and more to create the best control for photovoltaic and storage batteries.

As a company with a wealth of operational experience running approximately 200 sites since 1996, we provide a full

range of services for systems, from planning to maintenance. We saw a carryover of demand for our momentary voltage sag compensator as a product that protects equipment against damage caused by recent increases in lightning conditions.

In FY2023, we worked with Tokyo Electric Power Company Holdings, Inc. on the joint development of inverters for battery energy storage systems with virtual synchronous generator functions (VSG-PCS), becoming the first domestic manufacturer to bring such a product to market. This product provides inertia and synchronizing power that compares to conventional synchronous generators and is expected to counterbalance reduced stability in power grids they expand the ratio of power derived from renewable energy sources. It will contribute to stabilizing power grids and realizing a carbon-free society in view of the opportunities presented by this growing market.



Using Business to Contribute to a Circular Society

Achieving the targeted circular society with technology that decomposes harmful PFAS

Meidensha worked with Chuo University, the Institute of Science Tokyo, and Kanazawa University to "develop a PFAS self-concentrating rotating disk plasma decomposition and detection system" in the NEDO (New Energy and Industrial Technology Development Organization) cutting-edge research program.

Per- and polyfluoroalkyl substances (PFAS) are widely used in the semiconductor and communications fields, but they do not decompose easily in nature and are harmful substances that can contaminate water sources. Conventional processing technologies face issues with post-processing residual matter and high energy use.

This research aims to develop groundbreaking decomposition equipment using plasma technology and completely detoxify PFAS. We are tasked with utilizing the technology of the pure ozonated water generators and pulse power supplies we have acquired as well as developing the pre-processing technologies and plasma power generators.

An important focal point is the goal of achieving a chemical recycling process that recovers fluoride after PFAS decomposes. This will enable the detoxification of a harmful substance while creating circular use of a critical resource, thereby contributing greatly to the creation of a circular society. We have scheduled a 3-year period for researching the essential technologies beginning in FY2025 and aim for its practical application in the field.



Right: Ultra-high concentration and high-purity pure ozonated water generator
Left: Pure ozone generator



Pulse plasma

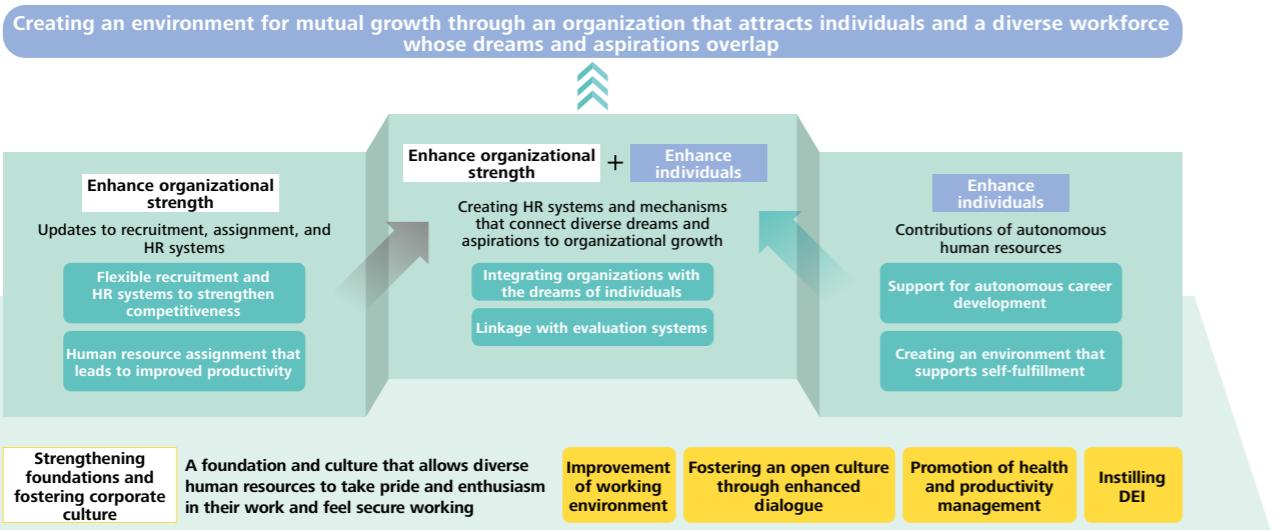
Strengthening of Human Capital

Strengthening the Human Capital that is the Source of Our Value Creation

The Meiden Group acknowledges that human resources are the source of our value creation and works to improve them. Medium-term Management Plan 2027 proposes a system to continue creating new value via human resources and technology, presenting "Creating an environment for mutual growth through an organization that attracts individuals and a diverse workforce whose dreams and aspirations overlap" as the basic policy for our human resource strategy while establishing a system for mutual

growth via the avenues of "Enhance organizational strength" for the management strategy, "Enhance individuals" founded on trends in human resources, and the interweaving of individuals' dreams and aspirations with the organization. Also, as the foundation that supports these ideas, we will focus on fostering corporate culture that allows diverse human resources to take pride in their work, feel enthusiastic about it, and work securely.

Resolving human resource issues in business strategy and shifting to a more contemporary approach to human resource utilization



KPIs for strengthening of human capital

Primary KPIs	KPI advancement	Target value	Details of primary initiatives
Number of female officer class (inside officers)	1 0 FY2022 1 FY2023 1 FY2024	FY2030 At least 3	<ul style="list-style-type: none"> Provide opportunities to gain experience through transfers or assignments to other divisions Conduct a new female leader training program to systematically train female managers and create a network of female peers
Number of non-Japanese presidents of local subsidiaries	1 1 FY2022 1 FY2023 2 FY2024	FY2030 At least 5	<ul style="list-style-type: none"> Conduct coaching programs to enhance the management skills of candidates for management of overseas subsidiaries Conduct group training on organization development in collaboration with multiple overseas subsidiaries and the business planning department in Japan
eNPS (employee engagement)	-68.3% -69.8% FY2022 -69.0% FY2023 FY2024	FY2027 -65.0%	<ul style="list-style-type: none"> Use E-PROJECT to create a workplace where employees can work securely with pride and enthusiasm Promote one-on-one meetings to align My Vision/My Challenge with daily work duties and create a system that links employee ambition with evaluations

Enhancing Organizational Strength

To steadily execute our management strategy and continuously increase corporate value, it is essential that we enhance our organizational strength by increasing productivity throughout the organization and respond to global changes. Particularly as we tackle the structural issue of worker shortages resulting from a decline in the working population and extreme changes in the external environment, we must reshape conventional talent

Enhancing Individuals

As we diversify working styles and perspectives, the relationship between the Company and employees will also change drastically. The conventional organizational approach which displays a one-sided directionality for the employees to follow will falter as self-directed work where individuals themselves proactively learn, think, and choose to create their career gains importance. Under this environment, it is critical that we as an organization support extracting employees' latent motivation and desire for growth. As specific support measures, we are working to utilize the strengths of each individual, provide training opportunities that align with values, organize conversations to foster career self-reliance, establish systems that support learning, and

allocation and organizational management frameworks, and seek increasingly flexible and strategic organizational plans. To respond to this issue, we are advancing initiatives toward achieving optimal human resource placement in accordance with strategies and human resource visualization. Additionally, we are reviewing our personnel treatment system to support employee growth and the drive to challenge themselves, and increase performance.

more. It is also crucial that we transition our management style from an administrative style to a supportive style.

Enhancing individuals means more than creating working styles that satisfy individuals, it also leads to growth for the entire organization. We are advancing this initiative strategically and view it as an essential step for the continued long-term growth of our business in these ever-changing times.

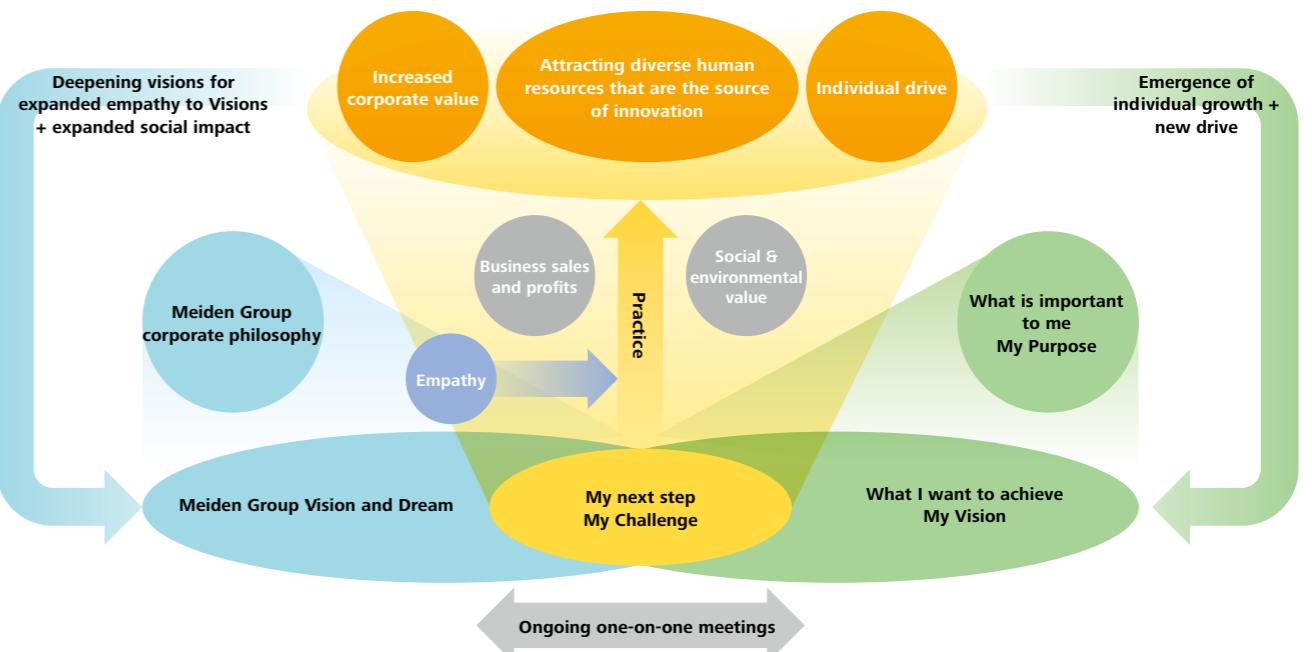


An employee consults with a career consultant

Creating Systems and Mechanisms that Connect Diverse Dreams and Aspirations to Organizational Growth

In order for organizations and individuals to grow together, it is critical to build HR systems and mechanisms that connect the dreams and aspirations of both and align their capabilities in the same direction. Layering the organization's desired directionality with the thoughts and perspectives of each and every employee heightens understanding and the will to contribute to the organization, which leads to

increased engagement. Moving forward, we will continue to advance the My Vision/My Challenge initiatives to extract individual ideas and desires for growth, as well as initiatives to create structures that link each challenge to evaluations. By using these and other such policies to advance continued on-site dialogues, we aim to increase the eNPS (employee engagement) we put forward as a KPI.



HR System that Supports Growth

For the strengthening of human capital, we introduced a new personnel treatment system in FY2025. The new system's basic policies are "transition to a system that better responds to results and roles" and "create a fair, just, and competitive HR system rooted in diverse working styles and perspectives." In order to achieve HR management that can continue the mutual growth of individuals and the organization, we periodically evaluate and continuously review whether our HR system can respond to changes in management environments and the labor market, the diversification of individual perspectives and working styles, the impacts of rising prices on employee lives, and more.

Transition to a HR system that better responds to results and roles

We reviewed our promotion system in order to strengthen the link between treatments and results and roles at work,

Creating Environments that can Utilize Diverse Human Resources

The Meiden Group promotes DEI in an effort to create environments where a diverse range of employees can both utilize their unique abilities and personalities and work with enthusiasm.

Conducting female leader training program to advance gender diversity

In FY2024, we launched a program aimed at strategically nurturing female leaders and creating internal and external networks of female peers. In this program, candidates with the potential to become future leaders are selected from each site and then provided with opportunities to clarify their career image and leader ideal through panel discussions and workshops with female employees from other companies and sessions with support directors. At the end of the program, participants create detailed action plans for organizational

E-PROJECT for Strengthening of Human Capital

In FY2025, we created E-PROJECT to transform into "an organization that allows diverse human resources to take pride and enthusiasm in their work and feel secure working."

This project connects management, staff business units, and worksites so that they can share their target state, information, and a sense of issues to address while implementing countermeasures as a cohesive unit. It aims to facilitate work and motivate employees while simultaneously implementing relevant responses from a safe and secure foundation alongside motivation. With an emphasis on on-site dialogue, issues and causes are identified through conversations between directors and employees, analysis of employee opinion surveys, and more, then sites and the relevant department work together to address issues. The objective is to improve employee engagement by having all employees feel pride for their work while providing safe working environments.

which will lead to employee drive and desire for growth. In the revision, we eliminated age-related restrictions and promotions exams, and introduced a system that can promote exceptional human resources with superb abilities and skills in the early stages of their career. Through this we expect to achieve appropriate evaluations of employees who deliver exceptional results and increase employee motivation.

Create a fair, just, and competitive HR system rooted in diverse working styles and perspectives

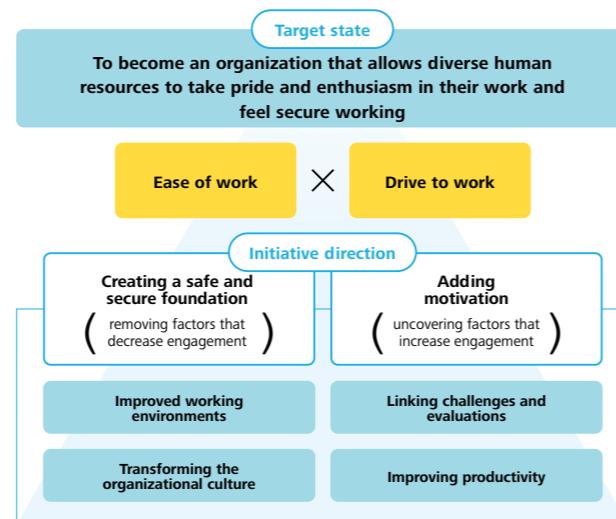
To create a mechanism that can build careers rooted in diverse working styles and perspectives, we introduced HR system that can select a transferable range in accordance with each individual's conditions. Moving forward, we aim to create HR systems and environments that can utilize a diverse range of human resources to respond to the needs of every working style.

management and then link them with practicing organizational management. Participants in this program return as role models in future fiscal years, expanding the network of female peers and giving rise to ongoing growth and a cycle of positive support.

Working style that leverages Individual Strengths -Promoting employment of people with disabilities-

In FY2024, our special subsidiary company, MEIDEN UNIVERSAL SERVICE LTD., began a new business for factory sites and created a worksite that utilizes people with disabilities to act as a case study. In the future, we will use this worksite as an example to strengthen symbiotic systems while simultaneously creating more active environments that unravel new career opportunities.

E-PROJECT



TOPICS

Initiatives aimed at localizing management at overseas subsidiaries

The Meiden Group cultivates local staff at overseas subsidiaries as candidates for executive positions and steadily increases the number of local nationals employed in management positions. One human resource development measure is our coaching program. This system was introduced at our Thai subsidiary in FY2021 and is contributing to both developing leadership in the next generation of management and within the organization itself. Participants in the program changed their mindset to one of proactively engaging in the business and in FY2024 one participant was promoted to director. The same program began in Indonesia in FY2024 and is accelerating localization of management.

Local company CEO

Germany

TRIDELTA MEIDENSHA GmbH

Stephan Hilmer
CEO



Local company CEO

Thailand

THAI MEIDENSHA CO., LTD.

Pornthewa
Wanakhachornkrai
Director



The coaching program gave me leadership skills and helped me grow tremendously as an individual.

In particular, learning about the importance of setting goals and methods for effective communication allowed me to make more precise judgements in my day-to-day duties. This growth has had a ripple effect at THAI MEIDENSHA CO., LTD. and has increased productivity and cooperation among the entire team.

We will work to increase our corporate culture and performance in the future and contribute to creating an even more solid corporate foundation.



Click below for a video introducing TRIDELTA MEIDENSHA GmbH
youtube.com/watch?v=Tts-6WVfzh0&feature=youtu.be

Respect for Human Rights

Thoughts on human rights

Since it was founded, the Meiden Group has created and supplied a variety of technologies, products, and services, with a focus on electrical equipment that supports social infrastructure, and contributed to the sustainable development of society.

Respect for human rights is the foundation of our business activities to realize our corporate philosophies of "illuminating a more affluent tomorrow" and "for customer peace of mind and satisfaction." Through its business activities, the Meiden Group will create a joyful and sustainable society for everyone, and comply with international human rights norms as indicated by the Meiden Group Corporate Code of Conduct.

In 2022, Meidensha signed a statement of support for the United Nations Global Compact and was registered as a participating company.

We also support the National Action Plan on Business and Human Rights (2020-2025) formulated by the Japanese government in 2020, and through its implementation, we strive to promote responsible corporate behavior with regard to respect for human rights.

Specifically, we identify, prevent, and mitigate potential human rights risks and impacts in our activities, including those in our supply chain, and disclose how we address them on an ongoing basis.

The Meiden Group Human Rights Policy

As a policy for the concrete implementation of the above ideas, we have made the Meiden Group Human Rights Policy available in three languages (Japanese, English, and Chinese). In addition, we are working to ensure that it becomes ingrained in all employees through our human rights training.

Further, for the sake of both internal and external stakeholders, we regularly revise the Group's Sustainable Procurement Guidelines, which include human rights considerations, to reduce human rights risks in our supply chain, and these guidelines are distributed to our business partners.

The Meiden Group Human Rights Policy and Sustainable Procurement Guidelines can be found on our website. <https://meidensha.disclosure.site/en/themes/96>

Promotion Framework

Twice a year, human rights progress reports are presented to the Board of Directors as part of Meidensha's framework for promoting sustainability management. Due diligence for human rights is conducted by the Human Rights Promotion Department, which comprises primarily of the Sustainability Management Promotion Division, Human Resources

Management Group, Corporate Governance Management Group, and the Procurement Group. Reports on specified and evaluated risks arising from human rights due diligence are provided to the Sustainability Management Promotion Committee and the Sustainability Management Strategy Committee, as well as to the Executive Officers' Meetings and the Board of Directors via the Risk Management Committee. Incidents of harassment are reported and supervised at regular meetings of the Compliance Committee, and the nature of such incidents is also reported to management.

Relief and Remedy

The Meiden Group has established separate consultation hotlines available to internal and external stakeholders. Internally, we have established the Compliance Hotline and the Harassment Consultation Hotline. Externally, we have established the Compliance Whistleblowing Hotline (for compliance issues) and the Workplace Harassment Hotline (for harassment issues), which all stakeholders (including individuals and local residents) can access through a contact form on our company website. In accordance with national guidelines, we accept anonymous consultations and ensure that whistleblowers are not subject to any disadvantage. Information received is reviewed, and investigations are conducted by the Compliance Committee, the Harassment Prevention Committee, and other relevant bodies, working with external organizations as necessary. When we confirm that human rights impacts have occurred, we are committed to providing remedies to affected parties and taking corrective actions in accordance with our Group Code of Conduct and other guidelines.

Human Rights Due Diligence

Risk Assessment and Impact Assessments

The Meiden Group practices human rights due diligence based upon international regulations such as the UN's Guiding Principles on Business and Human Rights in order to identify, manage, prevent, and mitigate human rights risks in our business activities for all stakeholders.

In FY2023, we conducted human rights risk impact assessments of all company employees in order to survey human rights risks (4,825 people surveyed, a 68.2% response rate).

In FY2024 we expanded the survey range and conducted impact assessments for all employees of our domestic subsidiaries (4,460 people surveyed at 17 domestic subsidiaries, a 72.2% response rate).

In FY2024, we also conducted impact assessments on human rights and occupational safety and health for our primary suppliers. (377 companies surveyed, for a 70.3% response rate.)

Assessment Results

Based on the results of these risk assessments and impact assessments, we extracted issues regarding human rights, evaluated and mapped the level of impact, and then identified

seven areas from the table below as high risk categories that signified prominent human rights issues.

Extracted human rights issues	Risk assessment result	Related stakeholder
Discrimination in employment conditions and benefits	Low	• Procurement suppliers, Business partners
Discrimination in opportunities and evaluations	Low	• Procurement suppliers, Business partners
Equal pay for equal work	Low	• Procurement suppliers, Business partners, Employees
○ Harassment	High	• Employees, Local residents
Adequate compensation and payment of a living wage	Low	• Procurement suppliers, Business partners
○ Excessive work and long working hours	High	• Procurement suppliers, Business partners / Transport business partners, Employees
○ The right to enjoy safe and healthy working conditions	High	• Procurement suppliers, Business partners, Packaging and loading business partners / Transport business partners, Employees
○ Forced labor practices	High	• Procurement suppliers (palm-oil related) • Procurement suppliers (conflict minerals related), Business partners (conflict minerals related)
○ Child labor practices	High	• Procurement suppliers (palm-oil related) • Procurement suppliers (conflict minerals related), Business partners (conflict minerals related)
○ The right to education	High	• Procurement suppliers (palm-oil related) • Procurement suppliers (conflict minerals related), Business partners (conflict minerals related)
The right to privacy	Low	• Employees, Local residents
The right to enjoy an adequate living standard and a healthy body	Low	• Employees
Impacts on local residents' lives	Low	• Procurement suppliers, Business partners, Procurement suppliers (palm-oil related), Local residents
○ Consumer health and safety	High	• Customers

Initiatives to Address Identified Human Rights Issues

Moving forward, we will recognize these prominent human rights issues as critical and urgent issues to address and conduct more detailed surveys, then strengthen our responses to prevent or reduce the negative impact of impediments upon

Actions to Date and Future Countermeasures

Prominent human rights issue	Related stakeholder	Current state of primary action	Main countermeasure to strengthen future conditions
Harassment	Employees	<ul style="list-style-type: none"> Established a Harassment Consultation Hotline (internal and external reports) Harassment Prevention Committee collects information and responds Disclose the number of reports (website) Operate a Compliance Committee and appointed a compliance manager Conduct harassment training 	<ul style="list-style-type: none"> Conduct anger management training (all employees) Conduct unconscious bias training (all employees) Hold hearings with affiliated companies on harassment countermeasures
Excessive work and working hours	Employees	<ul style="list-style-type: none"> Introduced a notification system to prevent working over 40 overtime hours Periodic checks on overtime hours Established a pathway to report excessive work hours to management, and instructed and trained relevant departments 	<ul style="list-style-type: none"> Improve employee work management literacy Introduce a notification system to prevent overtime hours (to the relevant employee and department heads) Encourage workers to take annual paid leave Provide training on improving appropriate work management
	Transport business partners	<ul style="list-style-type: none"> Conduct surveys Secure drivers and workers so that, in principle, workers don't work excessively long shifts 	<ul style="list-style-type: none"> Fortify management systems
	Employees	<ul style="list-style-type: none"> Conduct workplace health and safety patrols, measure working environments, hold periodic checkups Health and safety training (new assignment training, foreman training, special training as required by laws) Safety awareness training (improving danger sensitivity) Safety Promotion Center to prevent employees from forgetting past incidents Incident occurrence reports, cause exploration, and recurrence prevention measures Prevent similar incidents through lateral dispersion of disaster information Understand risks from near-miss incidents via related risk assessments 	<ul style="list-style-type: none"> Integrate AI into security cameras to eradicate unsafe behavior Improve and enrich the safety information management system Create a system to quantitatively evaluate improvements to employee danger sensitivity
	Business partners / Packaging, loading, and transport business partners	<ul style="list-style-type: none"> Conduct surveys Conduct safety education and consult on JISHA health and safety results Trace evaluation and wait times by verifying and inspecting operational management (transport) Hold safety events and conduct shared patrols 	<ul style="list-style-type: none"> Use SAOs to verify supplier and business partner information, and review evaluations of severity and chance of occurrence. If results indicate that guidance is necessary, review and implement countermeasures based on our Sustainable Procurement Guidelines
Forced labor practices	Procurement suppliers (conflict minerals related)	<ul style="list-style-type: none"> Investigate conflict minerals Issue, collect, and disclose CMR sheets 	<ul style="list-style-type: none"> Company investigations: Strengthen treatment of non-responsive companies, improve response rate (update information for companies that have already responded) Product investigations: Create an investigation system and provide support for investigations in each department
Child labor practices	Business partners (conflict minerals related)		
The right to education	Customers	<ul style="list-style-type: none"> Prepared standards and processes linked to a QR map Laterally disclose cases of defects and share information on actions to improve quality Verify and propose technologies required to address the cause of defects Conduct defect reclamation tracing Supplier guidance (production management conditions, items and methods for testing) Unified management of information disclosure through PR, IR, and communications PR activities that account for diversified views 	<ul style="list-style-type: none"> Establish a system to catch signs of defects (statistical product quality management) Strengthen supplier assessments Promote rotation of technical and expert employees between factories and development business units Adequately and promptly announce information by continually improving danger management broadcast capabilities as a crisis management initiative

human rights. We will also continue to conduct periodic impact assessments of our stakeholders and review human rights risks. By doing so, we will continually revise and prevent human rights issues and ensure the human rights of all stakeholders.

Corporate Governance

Basic Approach

Under our Corporate Mission of "illuminating a more affluent tomorrow" and our Corporate Philosophy of providing value "for customer peace of mind and satisfaction," our group has set forth our Ideal State of Being/Vision for 2030 as "Work to build a new society through integrity to the earth, society, and people, and through the power of co-creation – Sustainability Partner –." Our group takes the basic stance that we maintain fair and steady business activities with respect for people and the global environment, operate businesses focusing on profit while constantly pursuing new technology and high quality, and endeavor to give back to society.

In order to implement this basic stance, we formulated the "Basic Policy to Improve the Governance to Secure Fair Business Practices" at the regular Board of Directors meeting held in May 2006. In addition, we revised this basic policy at the regular Board of Directors meeting held in July 2022, as a result of a revision of the officer system to further clarify the division of roles between executive functions (executive officers) and so-called supervisory functions (directors and the Board of Directors).

We will work to further improve the fairness, efficiency, and transparency of management by promoting initiatives to enhance corporate governance in accordance with the Corporate Governance Code.

Message from the Chairperson of the Board of Directors

Representative Director, Chairperson & Senior Officer

Takeshi Miida



In the two years since I assumed the role of Chairperson of the Board of Directors, I have supported the company's continuous growth and increased its corporate value on the basis of the company's target state and management strategy while simultaneously working to fulfill the Board of Directors' responsibilities of improving profitability, capital efficiency, and other roles as stated in the Corporate Governance Code and improving the effectiveness of the Board of Directors.

Specifically, I have focused on enriching and deepening discussions among the Board. Previously, we had numerous issues to discuss and question and answer sessions around explanations from the executive side required considerable time, which prevented us from securing adequate time for discussion. We also recognized that discussions on critical management issues were required in the early stages, before the executive departments formalized policy, and so established the On-site Meeting in December 2023, a separate meeting from Board of Directors meetings that includes outside directors in a free discussion, and began trials of discussion on strategic topics.

On-site Meetings in FY2024 focused on the critical topic of policies for the next medium-term management plan, with in-depth discussions on the strategic direction and recognized issues such as productivity, business, R&D, DX, and human capital. Exchanging opinions with outside directors ahead of time enabled adequate deliberations in Board of Directors meetings, which I feel allowed for Medium-term Management Plan 2027 to reflect a wide range of perspectives.

To improve the quality of discussions within a limited amount of time, this fiscal year we narrowed the agenda, incorporated efficient reporting methods, and set an agenda that permitted in-depth discussions of highly pressing topics such as the medium- and long-term corporate strategy, revisions to our business portfolio, and more. I believe that this created time for discussions on critical issues and led to higher quality decision-making.

Also, as the Chairperson, I work to clarify the points for discussion and advance the meeting while obtaining the understanding of all Board members. Moving forward, I will use post-meeting reflection and conversations with outside directors to improve my ability to listen and facilitate, thereby further increasing the Board's efficiency.

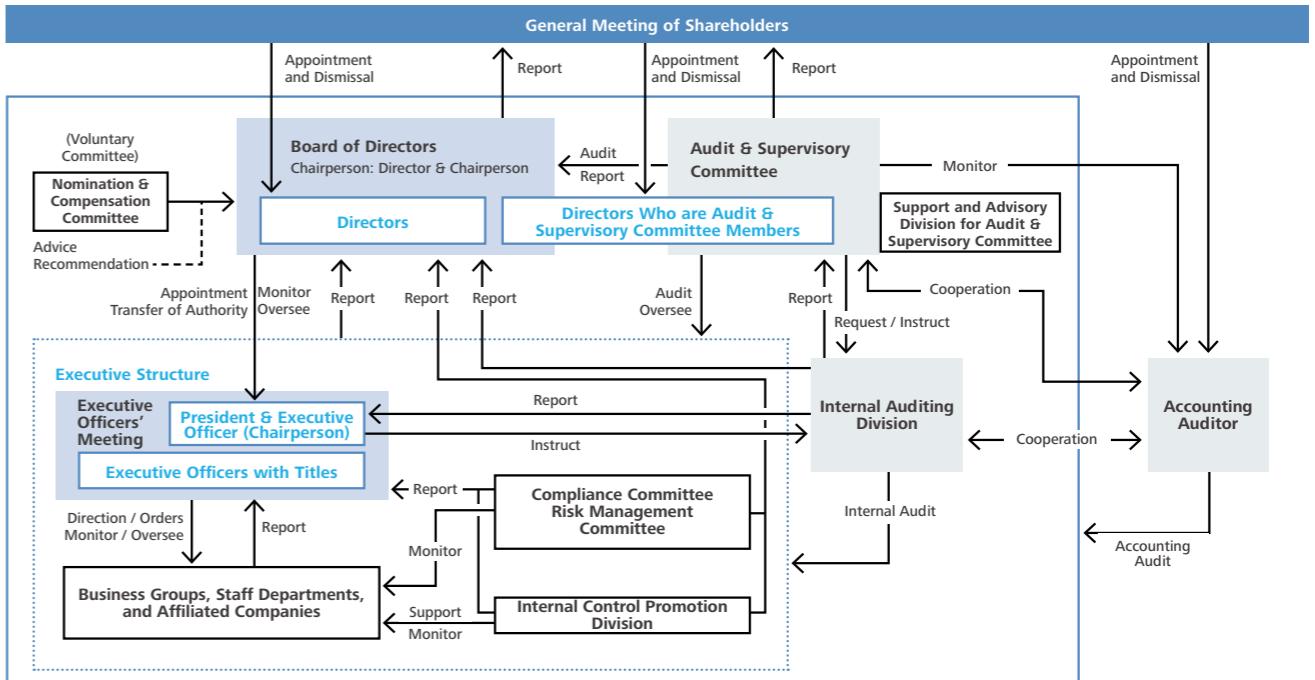
For the Board of Directors to fulfill its roles as trustee and expositor to shareholders, I believe that we must engage in highly effective supervision of management from an independent position. As the Chairperson, my primary responsibility is to clarify the company's target state and steer the company strategically, while working to advance initiatives like the composition of the Board of Directors, engagement in discussions, delegations of authority to the executive departments, strengthening the connection between supervision and executive departments, further enhancing information sharing with outside directors, and more while leading discussions in Board of Directors' meetings.

Corporate Governance Structure and Initiatives

We are a company with an Audit & Supervisory Committee, and we aim to further strengthen corporate governance in the following areas.

- (a) We further enhance the supervisory functions of the Board of Directors through use of legal authority, such as directors that are Audit & Supervisory Committee Members holding voting rights at meetings of the Board of Directors and having the right to present a position statement relating to nomination and compensation of directors at General Shareholder's Meetings.
- (b) We further enhance discussions on management strategies, etc. by transferring the Board of Directors' meeting to a monitoring type, since a portion of the Board of Directors' authority to make decision on business execution has been transferred to the Director & President and Executive Officer (Executive Officers' Meeting).
- (c) We aim to further promote separation of supervisory and executive functions by making changes to increase legitimacy in June 2022, and combining it with the transfer of authority mentioned in (b) through the introduction of an executive officer system in June 2003, and a system for election of executive officers who are responsible for a flexible and agile business execution system by the Board of Directors, based on the Articles of Incorporation.

Corporate Governance Structure



1 The Company's Board of Directors

In principle, the Board of Directors convenes on a regular monthly basis and holds ad-hoc meetings as necessary, to discuss major executive matters, business issues, and management issues related to our business execution. In FY2024, the Board of Directors held 13 meetings, and the attendance rate was 100% for all directors.

① Composition of Board of Directors

To ensure sufficient discussion of management issues, the number of directors is stipulated to be no more than 15 (10 directors who are not Audit & Supervisory Committee members and 5 directors who are Audit & Supervisory Committee members).

Our Board of Directors consists of 10 directors, including 4 who are Audit & Supervisory Committee members. The 10 directors also include 6 outside directors (of which 3 are members of the Audit & Supervisory Committee), all of whom satisfy our criteria for determining the independence of outside directors and the requirements for independent directors as defined by the Tokyo Stock Exchange. This means that independent outside directors make up a majority of the Board of Directors, ensuring the effectiveness of the supervisory functions of the Board of Directors and that objective and independent opinions are fully incorporated into the company's management.

Regarding the appointment of directors, it is the basic policy to ensure the diversity of the Board of Directors as a whole based on the abilities, insight, and experience of individual directors and to assign appropriate human resources that contribute to the enhancement of our corporate value.

It is also our policy to ensure the diversity and balance of the Audit & Supervisory Committee as a whole based on the knowledge and experience of accounting, financial, and legal matters etc., of directors who are members of the Audit & Supervisory Committee.

② Activities of the Board of Directors

The matters handled by our Board of Directors comprise items for resolution, items to be reported, setting agendas for Board of Directors' meetings, matters for cooperative discussion involving performance evaluations, and Board operations. The Board actively exchanges opinions on matters involving the company's management issues, strategies, and corporate governance while drawing on the knowledge of the outside directors to execute its supervisory functions. Meidensha held irregular "On-site Meetings" consisting of all directors (nine meetings in FY2024). Created in FY2023, these meetings let directors fluidly exchange opinions and discuss issues, strategies, and other matters important to the company that impact management in the early stages. Matters discussed in On-site Meetings are reflected in the execution of business on the executive side and link to decisions and reports from the Board of Directors.

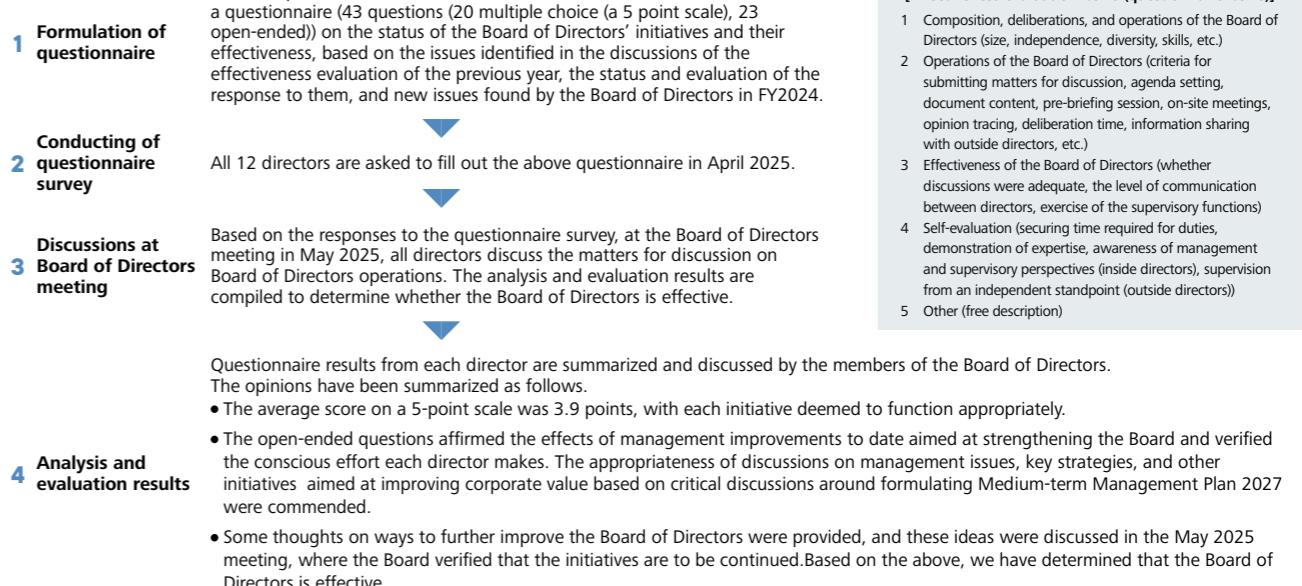
Major topics discussed by the Board of Directors in FY2024 included the following.

Topic	Summary of discussions at Board of Directors meetings
Examinations geared toward formulating Medium-term Management Plan 2027	Held discussions in FY2024 with an emphasis on formulating Medium-term Management Plan 2027. On-site Meetings drew upon the knowledge and experience of directors to discuss business strategies, management and marketing strategies, production and procurement strategies, DX strategies, R&D and IP strategies, human capital and personnel strategies, and other aspects of Medium-term Management Plan 2027, then used the opinions voiced there as the basis of examinations on the executive side, which was later discussed again at Board of Director meetings. This process facilitated discussion on the critical themes for Medium-term Management Plan 2027. These discussions led to the creation of Medium-term Management Plan 2027, which was released in May 2025.
Strengthening internal controls and audit functions	To further strengthen internal control functions and audit functions within the Meiden Group, we exchanged opinions on reorganizing the system for increased effectiveness, and reconfirmed each function and role of the Audit & Supervisory Committee, the Support and Advisory Division for the Audit & Supervisory Committee, the Internal Control Promotion Division responsible for internal controls as the second line of the Three Defense Line, and the Management Auditing Division that is the third line of the Three Defense Line.
Anti-takeover measures	Directors joined study sessions with external experts regarding anti-takeover measures. After confirming updated conditions and examples, multiple discussions were held on the importance of the advance-warning style of anti-takeover measures active within the company. This topic will continue into FY2025 as a critical management theme to be verified in discussions.
③ Participation of Outside Directors in Board of Directors' Meetings	
Participation in the agenda	
Our outside directors review materials provided to them roughly 5 business days prior to a Board of Directors meeting and attend a briefing held roughly 3 business days prior to the meeting to develop an understanding of the matters submitted for discussion, with explanations from the Executive Vice President and selected executive officers to gain an understanding of each issue from various perspectives and check any unclear points in advance of the meeting. Notably, as a prerequisite for the monitoring and supervisory functions of the Board of Directors, materials for important meetings such as the Executive Officers' Meeting and other important committee meetings provided by the Secretariat of the Board of Directors are checked as needed.	
At Board of Directors' Meetings, multifaceted discussion occurs, based on the broad perspective of managers, the knowledge of technicians, and the high-level specialization of experts, etc. The outside directors participate in deliberations by actively making statements, etc., in particular concerning policies and measures to deal with risks, and cautions when monitoring, etc.	

① Major issues and status of efforts to increase effectiveness as discussed in previous fiscal year

Major issues in FY2023	Status of efforts in FY2024
1 Improve operations of the Board of Directors to further enhance the Board's supervisory functions	In addition to biannual discussions on management issues and topics to be discussed in Board of Directors' meetings introduced in FY2023, directors confirm the agenda for the next two meetings at monthly Board of Directors' meetings so they can flexibly adjust agendas in line with the progress of discussions. Additionally, due to the limited time available at the monthly briefings, to enrich discussions at Board of Directors' meetings, we had been selecting the topics that require prior explanation from the topics for the Board of Directors' meetings, but have now introduced advance explanatory videos to vastly improve operations and expand the number of topics receiving prior explanation. Also, as stated in the section describing the activities of the Board of Directors, we have engaged to further improve the supervisory system through discussions on strengthening the Meiden Group's internal control system and the Board's audit functions.
2 Consider the skills matrix based on medium- and long-term management strategies	As described above, the Board of Directors used On-site Meetings to engage in intense discussions on the formulation of Medium-term Management Plan 2027. Based on these discussions, we revised the skills categories required by the Board of Directors and consulted with the Nomination & Compensation Committee to establish the skills categories for achieving Medium-term Management Plan 2027.

② FY2024 analysis and evaluation of effectiveness



[Effectiveness evaluation items (questionnaire items)]

- 1 Composition, deliberations, and operations of the Board of Directors (size, independence, diversity, skills, etc.)
- 2 Operations of the Board of Directors (criteria for submitting matters for discussion, agenda setting, document content, pre-briefing session, on-site meetings, opinion tracing, deliberation time, information sharing with outside directors, etc.)
- 3 Effectiveness of the Board of Directors (whether discussions were adequate, the level of communication between directors, exercise of the supervisory functions)
- 4 Self-evaluation (securing time required for duties, demonstration of expertise, awareness of management and supervisory perspectives (inside directors), supervision from an independent standpoint (outside directors))
- 5 Other (free description)

Issues and Future Initiatives

Major issues in FY2024	Initiatives in FY2025
1 Improve the operations of the Board of Directors to further enhance its supervisory functions	We are reviewing the importance of ongoing initiatives towards improving Board operations in order to further enhance the Board of Directors' supervisory functions. To further improve agenda setting, in FY2025 we will refine efficiency in explanation and reporting methods so that directors can spend more time engaged in critical discussions of the most pressing topics, and will also work to improve operations with a focus on improving agenda setting.
2 Bolster communication between outside directors and executive officers	We are formulating measures to further revitalize communication between the company's outside directors and the executive in charge of business execution in an effort to further deepen the connection between Board of Director On-site Meetings and initiatives for business execution, and cultivate a shared understanding towards increasing corporate value.

Based on the above, we will continue working to increase the effectiveness of the Board of Directors.

③ Nomination & Compensation Committee

Meidensha has established a voluntary Nomination & Compensation Committee as an advisory body to the Board of Directors. Its purpose is to ensure management transparency and strengthen accountability regarding nominations (appointments and dismissals) and compensation of directors.

Activities of the Nomination & Compensation Committee in FY2024 can be found on our website: <https://meidensha.disclosure.site/en/themes/102>

Message from the Head of the Nomination & Compensation Committee

Director & Audit & Supervisory Committee Member (Outside Director)

Keiko Hayashi

I assumed the position of Head of the Nomination & Compensation Committee in June 2025. Before taking this role, I worked with numerous publicly traded companies via accounting audits and other activities while also working to promote DEI at multiple organizations. Through that work I recognized the importance of utilizing a diverse range of human resources. Based on that experience, I monitor the progress of initiatives aimed at diversification in the Board of Directors and within the Group, including management positions, while contributing to promoting diverse human resources and fostering a corporate culture that promotes innovation. As a member of the Nomination & Compensation Committee, I will assess the requisite qualifications for leaders in the next stage and select those who can motivate a diverse range of human resources and drive innovation, all while looking to achieve Medium-term Management Plan 2027, which started in FY2025, and setting my sights on the non-continuous growth expected to come after its completion. I also support the formulation of a succession plan for growth and will focus my efforts on supervision. Moving forward, I will continually monitor the effectiveness of the entire compensation system, including evaluations on the effectiveness of items like compensation linked to the enPS introduced in FY2024, and aim to realize an incentive design that contributes to increasing corporate value and medium- and long-term growth.



4 Board of Directors Selection Policy and Appointment and Dismissal Process

Based on the basic policy for ensuring a balance between the diversity of the Board of Directors as a whole and its expertise and experience, as described in ① Composition of Board of Directors above, we select individuals who will help strengthen the decision-making and supervisory functions of the Board of Directors. The Board of Directors consults with the Nomination & Compensation Committee (a voluntary committee), with independent outside directors as the main members and chair, then the Board of Directors nominates candidates by resolution. Finally, nominations are submitted to the General Meeting of Shareholders.

In the event that a director is found to be in violation of laws and regulations or the Articles of Incorporation, or to have significantly deviated from the policy for the appointment of directors, the Board of Directors will take the necessary procedures for dismissal after consulting with the Nomination & Compensation Committee.

5 Successor Planning

Meidensha formulates a successor plan for the CEO and selects multiple potential successors that satisfy certain requirements from the pool of directors and executive officers with titles. Because selected candidates must cultivate the requisite qualifications and skills to create sustainable growth and increase corporate value, we conduct continuous candidate monitoring and formulate growth plans through opportunities to accumulate diverse experiences, interviews with outside directors, and more. Additionally, CEO selection employs a transparent process where candidates are designated in consultation with the Nomination & Compensation Committee, then the Executive Officers' Meeting and the Board of Directors review each candidate and select the successor.

6 Executive Officer System and Executive Structure

Meidensha introduced an executive officer system in June 2003 in order to streamline the Board of Directors, as well as to accelerate management decision-making and to enhance supervisory functions. At the same time, we sought to reinforce the functions

of the Board of Directors by promoting the separation of the decision-making authority and supervisory function from the business performance function held by the Board of Directors.

Based on the Articles of Incorporation, executive officers selected by the Board of Director's Meeting assume responsibility for the execution of specified tasks within the scope of authority transferred by the Executive Officers' Meeting and the President and Executive Officer, and nimbly perform executive functions under the supervision of the Board of Directors, in accordance with the Meiden Group's management policies determined by the Board of Directors.

The Executive Officers' Meeting, which comprises Executive Officers with Titles, is created for executive decision-making, and decides matters based on the rules of internal approval, as well as matters for which consultation from a full-company perspective is required.

Furthermore, apart from the meeting body to make decisions, we established review meetings and strategy meetings to serve as advisory and internal bodies, and with regard to important management matters, we created a system wherein thorough discussion and deliberation are conducted prior to decision-making, and follow-up strategy and planning and improvement initiatives are conducted following decision-making.

Summaries and key points of proceedings at the Executive Officers' Meeting and other internal bodies are reported at the regular meeting of the Board of Directors for the month as a report on business execution. This helps to ensure and improve the effectiveness and supervisory functions of the Board of Directors.

Decisions on business execution matters not submitted to the Executive Officers' Meeting for discussion are made by executive officers who have authority over business execution and strive to execute operations proactively and flexibly.

In addition, the Board of Directors delegates part of its business execution authority to executive officers via the directors, and the executive officers are required to submit a report on the status of business execution to the Board of Directors at least once every 3 months, which helps ensure that the Board of Directors can supervise effectively.

7 Audit & Supervisory Committee

Our Audit & Supervisory Committee consists of 4 directors who are Audit & Supervisory Committee members (including 3 outside directors and 1 full-time inside director).

Message from the Head of the Audit & Supervisory Committee

Director & Audit & Supervisory Committee Member
(Standing Audit & Supervisory Committee Member)

Seiji Kato



Outside Directors joined Standing Audit & Supervisory Committee Members in FY2024 audits of the execution of duties of executive officers and the diverse range of perspectives increased audit effectiveness. Also, discussions and mutual understanding between the audit side—including Outside Directors—and the executive side were productive.

We created an interim audit report containing audit results and shared the content of that report with all directors, not just auditees. I believe that doing so will prove useful in improving the future format of audits and executive supervision, and help with decision-making. The full audit of the execution of duties will be compiled at the end of the fiscal year and will summarize findings on each item of organization, human resources & DEI, production, compliance, and subsidiaries. This will be reported to the Board of Directors and these items will factor into formulating medium-term management plans. The Board of Directors listens to the recommendations put forth in the report and proposes specific improvements to the executives, so I believe that audit results can drive management effectively.

Creating a managerial environment that can take risks appropriately is essential for the "Growth & Challenge" listed in Medium-term Management Plan 2027, and I support management from the audit side as an Audit & Supervisory Committee Member.

The Audit & Supervisory Committee audits the directors' execution of duties and confirms from a fair, unbiased, and objective standpoint the basic policy regarding the development of internal control systems and the status of their development and operation.

As a general rule, the Audit & Supervisory Committee is held once a month prior to the Board of Directors' Meeting. This is to enable the Audit & Supervisory Committee to form its positions on matters to be discussed at the Board of Directors' Meeting before the meeting is held. In case there is a quarterly audit report from the accounting auditor, the Audit & Supervisory Committee is held twice a month. In FY2024, each meeting lasted an average of roughly 90 minutes, and there were 73 agenda items for the year.

In addition, we established the Support and Advisory Division for Audit & Supervisory Committee exclusively to aid the Audit & Supervisory Committee. It has 5 members with HR and general affairs, legal, intellectual property, finance, sales, production engineering, factory, quality assurance, overseas business planning, and internal auditing experience (as of March 31, 2025).

8 Internal Auditing

① Organization and Overview

Meidensha has established the Internal Auditing Division (16 members as of March 31, 2025).

As an organization under the direct control of the President and Executive Officer, the Internal Auditing Division is independent from other executive lines. It conducts internal audits to check the effectiveness and efficiency of business operations, the reliability of financial reporting, the status of compliance with laws and regulations, and the maintenance of assets, covering Meidensha and all Meiden Group companies in Japan and overseas. After conducting these audits, the division follows up with the audited departments in writing or in person to improve the effectiveness of internal audits.

In addition, the division comprises individuals with diverse experience in business and promotes initiatives that strengthen systems such as advocating that individuals obtain qualifications, starting with internal auditor certification.

Regarding relationships with internal control divisions, the Internal Control Promotion Division which is a specialized division establishes risk management systems that integrate the entire Meiden Group and promotes enhancement of internal control systems, the Audit & Supervisory Committee and Internal Auditing Division monitor internal control systems, and the Internal Control Promotion Division, Audit & Supervisory Committee, and Internal Auditing Division work together to enhance the effectiveness of internal control.

② Method of audits, status of implementation, and audit reporting

In FY2024, the internal audits were mainly conducted by 2 methods.

At Meidensha, the company-wide risks confirmed by the Risk Management Committee were reassessed from the perspectives of the Internal Auditing Division, and risk-based audits targeting the highest-priority risk areas were conducted in 14 divisions

selected based on risk factors focused on by management and other risks.

We standardize audits in subsidiaries using audit standardization tools that improve audit standards in order to ensure risk comprehensiveness.

In FY2024, we applied these standards to seven domestic subsidiaries and eight overseas subsidiaries, and have conducted an audit of every subsidiary between FY2021 and FY2024.

The Internal Audit Regulations stipulate that internal audit results are to be reported to the President & Executive Officer, the Board of Directors, the Executive Officers' Meeting, and the Audit & Supervisory Committee.

In FY2024, reports were presented monthly to the President & Executive Officer, semiannually to the Board of Directors and the Executive Officers' Meeting, and 11 times to the Audit & Supervisory Committee. Internal audit reports are also sent to the members of the Executive Officers' Meeting and standing Audit & Supervisory Committee members each time one is issued.

9 Strengthening Group Governance

The Meiden Group is working to continuously strengthen group governance by developing basic policies based on the "Basic Policy regarding Establishment of a System to Ensure the Appropriateness of Business Activities" at each Meiden Group company, establishing a regulatory framework, and implementing the PDCA cycle.

In FY2024, The Group Company Internal Control Committee is held twice a year to share with domestic subsidiaries information on important top risks for the Meiden Group as discussed by the Risk Management Committee for domestic subsidiaries and the progress of risk management at each company. In addition, by verifying and reviewing the consistency between the company's decision-making policies and those of each related company, we maintain the division of roles in business group controls and the scope of responsibility between each division.

Furthermore, to strengthen internal control throughout the Meiden Group, we conducted internal audits of 7 domestic subsidiaries and 8 overseas subsidiaries to confirm the status of internal control development and operation, and visited 2 overseas subsidiaries to foster a common understanding of the importance and challenges of strengthening governance and compliance. Additionally, new subsidiary CEOs receive training to obtain perspective as a director in order to improve the effectiveness of management and supervisory functions and strengthen the subsidiary's Board of Directors.

10 Basic Policy and Current Status of Cross-Shareholdings

Our basic policy is to hold cross-shareholdings that contribute to enhancing our corporate value and consider selling those that no longer seem reasonable to own for the purpose to maintain and expand transactions and to secure and strengthen medium- to long-term cooperative relationships with partners and fellow alliance members, taking account of market conditions and other factors.

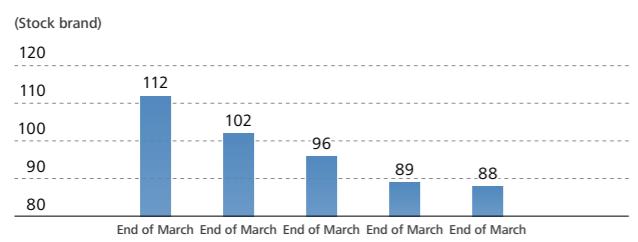
Under this policy, we decide in an annual Board of Directors' meeting to keep or reduce its current holdings of listed stocks

based on a comprehensive assessment of whether the ratio of each stock's return (dividends, related trading profits, etc.) to market value meets the target cost of capital, policy factors, and so on.

In FY2024, of the 89 listed and unlisted stocks held as of March 31, 2024 (balance sheet amount: 26,280 million yen), we sold our entire holdings of one listed stock, decreased one unlisted stock due to dissolution, and increased one listed stock through a new acquisition via membership in a golf club, resulting in the number of stocks held to 88 as of March 31, 2025 and a decrease in our balance sheet amount to 23,221 million yen. This represents 16.3% of consolidated net assets as of March 31, 2025. Additionally, the company does not hold any deemed shares.

Based on the basic policy mentioned above, in FY2025, we will review cross-shareholdings and advance appropriate responses while staying cognizant of securing resources for continued value creation connected to the growth strategies and investment strategies detailed in Medium-term Management Plan 2027.

Reduction in the number of cross-shareholdings in the past 5 years



Directors' Compensation

Directors compensation policy

i. Level and System of Compensation

The level of compensation of Meidensha's directors is determined based on external objective compensation market data, economic conditions, industry trends, and Meidensha's business circumstances, etc. Giving consideration to this level, the content of the director's compensation system is determined in the form of internal regulations on director's compensation after consultation and confirmation by the aforementioned voluntary Nomination & Compensation Committee, chaired by an outside director.

ii. Composition of Compensation

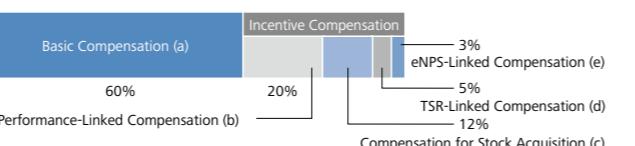
(a) Directors (excluding Audit & Supervisory Committee members and outside directors)

Compensation of directors (excluding Audit & Supervisory Committee members and outside directors) is based on an annual salary system with performance-linked compensation and comprises basic compensation (a) and incentive compensation according to position. Of these, incentive compensation comprises performance-linked compensation (b) as a short-term incentive and compensation for stock acquisition (c), TSR (total shareholder return)-linked compensation (d),

and eNPS-linked compensation (e)*1 as medium- to long-term incentives.

*1 eNPS: Net Promoter Score (NPS®) for employees. NPS® is a registered trademark of Bain & Company, Fred Reichheld, and Satmetrix Systems.

Target Proportion of Each Type of Compensation (if 100% of targets were achieved)



(b) Directors and Outside Directors Who Are Audit & Supervisory Committee Members

Directors and outside directors who are Audit & Supervisory Committee members only receive basic compensation on annual salary system basis.

iii. Incentive Compensation System

(a) The performance indicator for calculating performance-linked compensation as a short-term incentive is decided after the annual general meeting of shareholders for the relevant fiscal year. It is decided based on the operating income of the previous fiscal year to raise awareness of the need to improve performance, especially profitability, each fiscal year. The performance-linked compensation indicator varies from 0 to 140 depending on the degree to which targets were achieved, with perfect achievement counting as 100.

Operating income for FY2023 was 12.731 billion yen compared to the target of 10 billion yen, which represents an achievement rate of 127%.

Calculation Formula



(b) Meidensha provides compensation for stock acquisition, TSR (total shareholder return)-linked compensation, and eNPS (Employee Net Promoter Score)-linked compensation as medium- to long-term incentives to sustainably increase corporate value and further promote the alignment of interests among directors (excluding Audit & Supervisory Committee members and outside directors) and shareholders.

① The amount of compensation for stock acquisition is determined for each position based on internal rules on officers' compensation. The amount is contributed to the Officers' Shareholding Association to acquire shares.

② The TSR-linked compensation indicator generally fluctuates between 80 and 120 depending on relative TSR² (the ratio of the Company's TSR at the end of the latest fiscal year to the TSR of the TOPIX benchmark including dividends corresponding to the Company's TSR calculation period); for reference, when the relative TSR is 1, the indicator is 100.

In FY2023, our TSR was 211.6% compared to a TSR for TOPIX including dividends of 196.2%, for a relative TSR of 107%.

Calculation Formula



*2 Relative TSR = Company's TSR as of the final business year-end date ÷ TSR of TOPIX (including dividends) corresponding to the Company's TSR calculation period

③ The eNPS-linked compensation indicator generally fluctuates between 60 and 140 depending on the increase or decrease in the eNPS score; for reference, the eNPS score for the final business year calculated from the results of the annual employee awareness survey exceeds the score for the previous business year³, the amount to be paid is 100.

Additionally, FY2024 was the fiscal year we first introduced eNPS-linked compensation, so we paid TSR-linked compensation standard amount by position in accordance.

Calculation Formula



*3 When change in eNPS score is greater than 0 but less than 1

iv. Compensation Determination Procedures

Details of the compensation system and the amount of compensation (including the rules that it is calculated in accordance with the standards of the compensation system and is within the compensation limits decided at the General Meeting of Shareholders) are confirmed and deliberated from an objective point of view by the voluntary Nomination & Compensation Committee.

Specific details of the amount of compensation for each individual director (excluding Audit & Supervisory Committee members. Hereinafter the same shall apply in this section.) are delegated to the President & Executive Officer (the "President"), who is a director, based on a resolution of the Board of Directors. The reason for this delegation is that, as the person with the highest responsibility for the execution of Meidensha's business operations, the President is best suited to evaluate each director while maintaining a bird's-eye view of Meidensha's overall performance. To ensure that the President exercises this authority properly, the Board of Directors establishes procedures for the President to consult and obtain confirmation of the draft in advance from the voluntary Nomination & Compensation Committee. Moreover, the President's decision on the details of individual compensation for each director must consider the details of such confirmation or report, and the Board of Directors has also respected such reports and determined that the details of compensation for each individual director (excluding Audit & Supervisory Committee members) are in line with the decision-making policy.

Compensation for directors who are members of the Audit & Supervisory Committee is determined by the same committee within the compensation limit decided at the General Meeting of Shareholders. An appropriate amount is set to reward the services of committee members, taking into consideration whether they are standing or non-standing and the nature of their respective auditing duties.

Directors' Compensation (FY2024)

Classification	Total Amount of Compensation, etc. (millions of yen)	Total Amount of Each Type of Compensation, etc. (millions of yen)		Number of People
		Basic compensation	Incentive compensation	
Directors (excluding Audit & Supervisory Committee members and Outside Directors)	245	154	90	5
Outside directors (excluding Audit & Supervisory Committee members)	43	43	—	4
Directors who are Audit & Supervisory Committee members (excluding Outside Directors)	28	28	—	2
Outside directors who are Audit & Supervisory Committee members	31	31	—	4
Total	349	258	90	15

Notes

1. Amounts are rounded down to the nearest 1 million yen.
2. The totals above include 1 director and 2 director and Audit & Supervisory Committee members (including 1 outside director) who stepped down from their positions at the end of the 160th Ordinary General Meeting of Shareholders held on June 25, 2024.
3. The amount of compensation, etc. for directors (excluding Audit & Supervisory Committee members and outside directors) does not include employee salaries for directors who concurrently serve as employees.

Dialogues with Shareholders and Investors

Basic Approach

When any shareholder wishes to discuss with Meidensha's ideas that will contribute to the medium- to long-term improvement of our corporate value, our policy is that our management will engage in such dialogue to the extent possible.

Results of Conversations with Stakeholders

Examples of Dialogue-Driven Actions

① Manage the relationship with the director skill matrix and the Medium-Term Management Plan 2027

Shareholders opined about the importance of the relationship between each director's skills and the medium-term management plan and noted that a system linking the skill matrix and the medium-term management plan would make this easier to understand.

Based on this feedback, we held discussions on the aims of the Medium-Term Management Plan 2027 and revised the skill matrix to align with it.

② Continued discussions on the continuation of anti-takeover measures

Numerous investors asked for updates on our approach to anti-takeover measures while grasping the current state of the world.

In FY2024 we held study sessions with outside experts on anti-takeover measures for directors, and after verifying the most recent situation and examples, held multiple meetings on the importance of proactive anti-takeover measures introduced within the company. In FY2025 we will continue to hold meetings on this crucial operational matter.

Board of Directors

as of July 2025

Executive Officers

Chairperson & Senior Officer Takeshi Miida | President & Executive Officer Akio Inoue | Executive Vice President & Executive Officer Masahiko Suzuki | Koji Niikura | Senior Managing Executive Officers Tatsuki Mochizuki | Satoshi Momenya | Akio Ikemori
 Managing Executive Officers Hiroshi Itoke | Hideki Miyazawa | Katsumi Watanabe | Katsuyuki Watanabe | Hiroshi Takahata | Hiroshi Miyake | Munekazu Shiratori | Shinichiro Kon | Masami Ogawa
 Executive Officers Kuniteru Yamaoka | Katsumi Shimamura | Takehisa Koganezawa | Hirokazu Fukudome | Noriyoshi Suzuki | Akira Hayashi | Yuko Kojima | Makoto Shiojiri | Naohito Komuro | Takuya Ito | Yasuyuki Nishio | Masayuki Inagi
 Hiroaki Wakui | Katsumasa Yamaguchi

Meidensha's Board of Directors (Skill Matrix)

	Takeshi Miida Representative Director Chairperson and Senior Officer Chairperson of the Board of Directors	Akio Inoue Representative Director President and Executive Officer	Masahiko Suzuki Representative Director Executive Vice President and Executive Officer	Hiroji Adachi Director (Outside Director)	Manabu Kinoshita Director (Outside Director)	Kumiko Shirai Director (Outside Director)	Seiji Kato Director and Audit & Supervisory Committee Member (Standing Audit & Supervisory Committee Member) Head of Audit & Supervisory Committee	Keiko Hayashi Director and Audit & Supervisory Committee Member (Outside Director)	Takashi Kuroda Director and Audit & Supervisory Committee Member (Outside Director)	Toshiya Nishino Director and Audit & Supervisory Committee Member (Outside Director)	Number of independent Outside Directors in the Board of Directors	Number of independent Outside Directors in the Audit & Supervisory Committee
											Non-independent outside directors	Non-independent outside directors
Reason selected	Served as Representative Director, President from 2018, and has been responsible for overall management as Chairperson and Senior Officer since 2023. Promoted strengthening of supervisory functions as Chairperson of the Board of Directors. Expected to use his wealth of experience to improve efficiency of the Board and strengthen corporate governance.	Has been involved in planning management, corporate policy planning, accounting and finance for many years, and since 2023 has supervised general management as the President and Executive Officer. Expected to contribute to advancing Medium-term Management Plan 2027 and strengthening the Board of Directors' supervisory functions.	Leveraging his engineering experience in the industrial field, he drives research and development and innovation. Worked to expand business during Medium-term Management Plan 2024 as Leader of the Mobility & Electrical Components Business Group. Based on those results, he is expected to advance Medium-Term Management Plan 2027 and strengthen the Board of Directors' supervisory functions.	Expected to use his abundant managerial experience and knowledge in the fields of marketing and digitalization to strengthen the Board of Directors' supervisory functions and provide guidance and suggestions for appropriate risk taking.	Expected to utilize her abundant managerial experience and knowledge in the fields of marketing and digitalization based on her experience as a systems engineer, and knowledge in the fields of transforming corporate cultures and human resource development to strengthen the Board of Directors' supervisory functions and provide guidance and suggestions for DX and advancing human capital management.	Contributed to strengthening the Board of Directors' supervisory functions through management of the Audit & Supervisory Committee from his abundant experience in corporate law, intellectual property, and auditing. Expected to further strengthen the Company's audit and supervisory functions from his vast knowledge on corporate governance and auditing.	Expected to strengthen the Audit & Supervisory Committee's and Board of Directors' supervisory functions with her wealth of experience and high-level of expertise as an accountant, as well as her perspective gained through advancing diversity.	Expected to strengthen the audit and supervisory functions by utilizing his abundant managerial experience, vast insight, and knowledge of marketing to good effect in the Audit & Supervisory Committee and the Board of Directors.	Expected to strengthen the audit and supervisory functions by utilizing his abundant managerial experience, vast insight, and knowledge of sales and human resource development to good effect in the Audit & Supervisory Committee and the Board of Directors.	4 (40%)	6 (60%)	
Years served as Director	13	2	1	3	2	1	1	5	3	1	Non-independent outside directors	Independent outside directors
Concurrent Committees	Nomination & Compensation Committee	Nomination & Compensation Committee	-	Nomination & Compensation Committee	Nomination & Compensation Committee	-	Audit & Supervisory Committee	Audit & Supervisory Committee	Audit & Supervisory Committee	Audit & Supervisory Committee	Number of independent Outside Directors in the Nomination & Compensation Committee	Number of female Directors
Attendance at Board of Directors and Committee meetings in FY2024	Board of Directors: 13/13 Nomination & Compensation Committee: 12/12	Board of Directors: 13/13 Nomination & Compensation Committee: 12/12	Board of Directors: 10/10	Board of Directors: 13/13 Nomination & Compensation Committee: 12/12	Board of Directors: 10/10	Board of Directors: 10/10 Audit & Supervisory Committee: 13/13	Board of Directors: 10/10 Audit & Supervisory Committee: 16/16 Nomination & Compensation Committee: 12/12	Board of Directors: 13/13 Audit & Supervisory Committee: 16/16 Nomination & Compensation Committee: 16/16	Board of Directors: 10/10 Audit & Supervisory Committee: 13/13	Board of Directors: 10/10 Audit & Supervisory Committee: 13/13	2 (40%)	3 (60%)
Reasons why such skill is required												
Skills expected from Directors	Business management Sustainability										It is important to have the business management knowledge and experience to clarify the direction of the business, such as restructuring the business foundation, strengthening the corporate governance system, and formulating future-oriented growth strategies that include M&A in order to continuously raise corporate value and take on the challenge of building a new society.	
	DX										It is important to have the knowledge and experience to utilize revolutionary digital technologies like generative AI in operational reforms and business transformations in order to achieve balance between human and digital resources.	
	Finance Accounting										To allocate efficiently managed resources between shareholder returns and investments for additional growth creation with an understanding of capital costs, as well as to report accurately on investments.	
	Legal affairs Internal control										To strengthen internal control systems and the compliance / risk management structure that form the foundation of sincere and responsible business operations.	
	HR development DEI										To create environments and a corporate culture where organizations that appeal to individuals and diverse, motivated employees can grow and succeed hand-in-hand by advancing personnel development and DEI.	
	Sales Marketing										To use sales strategies and marketing to realize optimized resource allocation in the domains of primary focus, to grow existing business, and to try new businesses for the future.	
	Global										It is important to have the knowledge and experience involving overseas business, international affairs, policy trends, and more in order to expand overseas business by further fortifying areas of strength and developing new domains.	
	Research and Development Innovation										To enhance provided value and develop new technologies and business through research that explores the possibilities of future-oriented technologies and businesses by describing our ideal state based on future social changes and issues (targeted research) as well as innovation through co-creation.	
	Monozukuri										To develop the capabilities of the Monozukuri that is a company strength to improve product safety, quality, and production and create resilient supply chain structures in order to contribute to the creation of a safe, reliable, convenient society.	
	Environment										It is important to have the knowledge and experience of green strategies and other tactics that focus on expanding ecologically friendly business and decarbonizing the entire value chain in order to advance contributions toward carbon neutrality.	

*The above Skill Matrix presents the specific skills that Meidensha particularly expects from each Director. It does not present all knowledge and experience possessed by them.

Risk Management/ Compliance

Basic Approach

Businesses face conditions that change day to day: climate change, natural disasters growing in frequency and intensity, growing geopolitical risks, increasing digitalization, and diversifying values. Under these circumstances, we must accurately identify the wide range of potential future risks and respond appropriately if we are to sustainably increase our corporate value.

The Meiden Group has created an ERM (Enterprise Risk Management) system designed to identify all types of major

business risks to the Group as a whole so that management can discuss them and control them in an integrated manner.

In addition to everyday risk management, we also have an organization-wide BCM (Business Continuity Management) system for managing and responding to business continuity risks caused by accidents or disasters. Through this, we aim to be able to respond to constantly changing risks during both regular operation and emergencies.

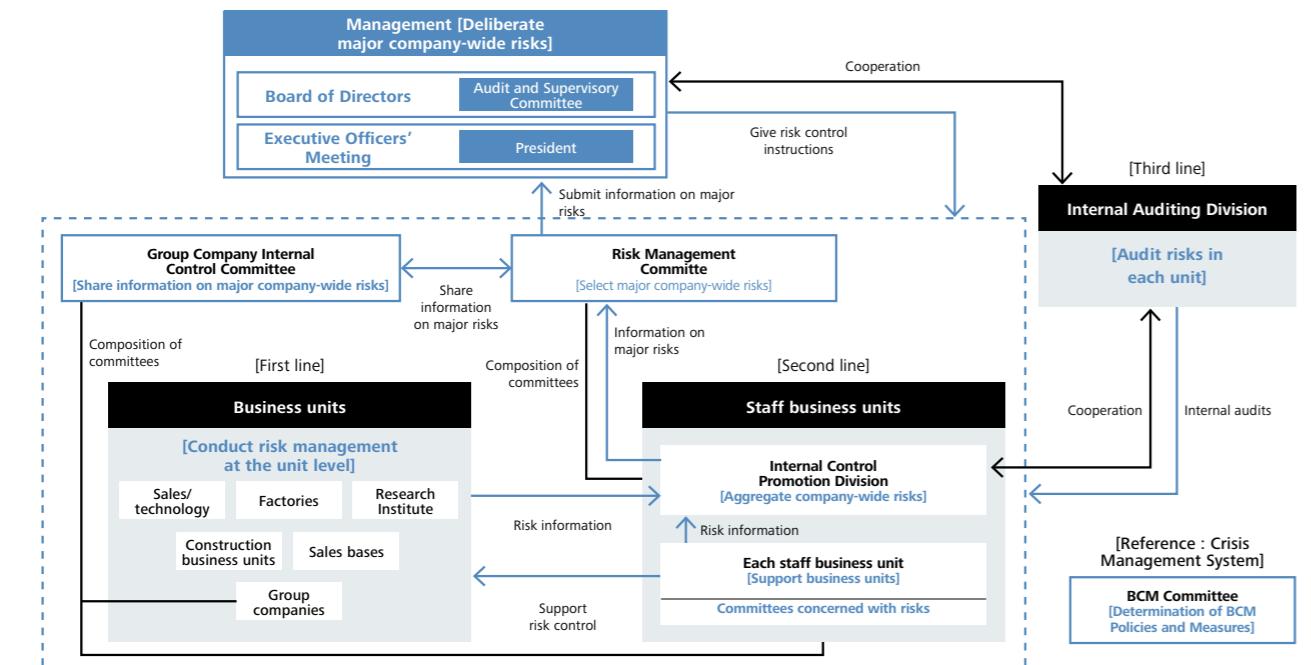
Risk Management Structure and Operations of the Risk Management Committee

The Meiden Group is building a risk management system using the three-line model.

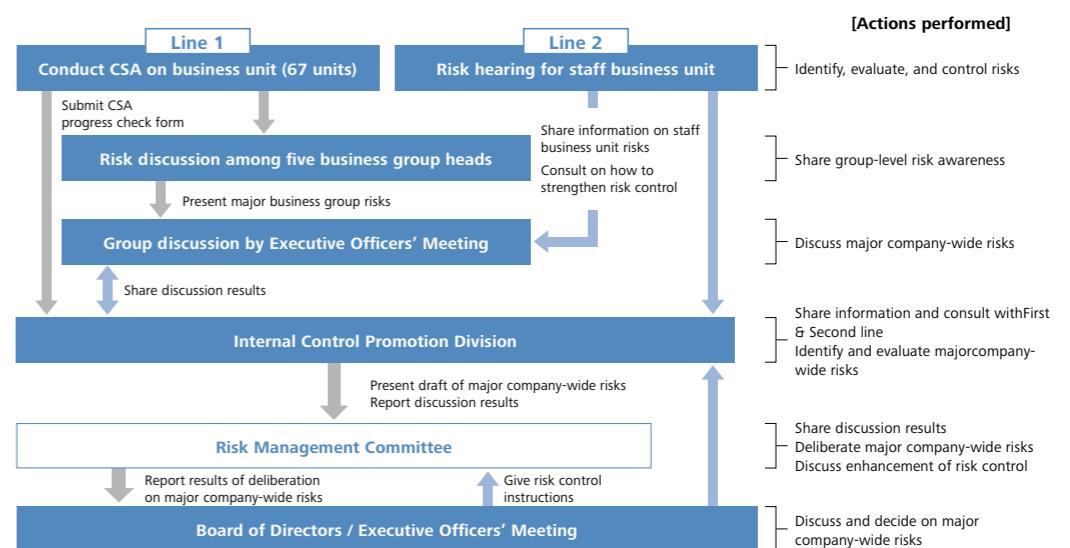
The Risk Management Committee consists of the heads of Headquarters staff business units, with the head governance officer as chairperson. Twice a year, it deliberates on the important business risks of the Meiden Group as identified by the Internal Control Promotion Division, then selects major company-wide risks. The

committee determines which units have jurisdiction over each risk and discusses policies for dealing with the risks. Management holds discussions on the business risks previously discussed by the Risk Management Committee and further debates them in meetings of the Executive Officers' Meeting and Board of Directors to determine the important business risks of the Meiden Group and policies for dealing with them.

Risk Management Structure



Process through Deciding Major Company-Wide Risks



Major Risks from Business Activities

The Meiden Group stipulates major business risks to the entire Meiden Group through regular discussion among management according to systems such as those listed on the right table. Risks that the Group considers could have a serious impact on its operations are as follows (as of March 31, 2025).

No.	Risk name	Impact	Possibility of occurrence	Rate at which risk materializes	Period of impact when risk occurs
1 External environmental risks	1-1 Insufficient understanding and responses to changes in the market environment	Large	High	Average	Short
	1-2 Natural disaster	Large	Medium	Fast	Short
	1-3 Climate change	Medium	High	Average	Average
	1-4 Geopolitical risk	Medium	Low	Fast	Average
	1-5 Loss from fluctuations in exchange rates, interest rates, etc.	Medium	High	Average	Short
2 Strategic risks	2-1 Lack of personnel	Large	High	Average	Long
	2-2 Strategic R&D risks	Medium	Medium	Average	Short
	2-3 Reduced quality	Large	Medium	Average	Average
	2-4 Labor management and working environment risks	Medium	High	Fast	Long
	2-5 Workplace accident	Large	Medium	Fast	Average
3 Operational risks	3-1 Cyberattack	Large	Medium	Fast	Short
	3-2 Information management	Large	Medium	Fast	Short
	3-3 Insufficient procurement management	Large	Medium	Average	Short
	3-4 Quality misrepresentation and false inspection	Large	Low	Average	Long
	3-5 Human rights violation	Medium	High	Average	Long
4 Compliance risks	4-1 Building code violation	Large	Medium	Average	Average
	4-2 Environmental regulations	Large	High	Fast	Average
	4-3 Antitrust violation and bribes	Large	Low	Fast	Long
	4-4 Reference : Crisis Management System				
	4-5 Determination of BCM Policies and Measures				

(Note) Risk valuations are determined independently for multiple risk targets for the company Group.

Compliance Initiatives

In an effort to promote compliance within the Meiden Group, Meidensha has established the Compliance Committee, chaired by the Head of Compliance, to determine compliance activity policies.

Based on these activity policies, Staff Business units, led by the Legal Affairs Division that is the secretariat, conduct compliance training for all Group companies. In addition, the Compliance Committee Secretariat handles matters related to compliance reporting and works to resolve any legal issues that arise. The statuses of these activities are reported during regular meetings of the Compliance

Committee and at meetings of the Board of Directors.

Domestic group companies in the Meiden Group have also established Compliance Committees. We maintain a system where Compliance Managers assigned to each workplace report consultations and issues to the Committee Secretariat, while information from the committee is also shared throughout the organization. We also work continuously to establish internal control systems at overseas Group companies by understanding the actual conditions of each company's compliance system and more.

Quality Control

Basic Approach

At the Meiden Group, which is involved with social infrastructure, each employee is not only aware of social responsibility in relation to the Meiden Group's products and services, as well as the scale of the impact that defects could have on society, but engage in quality control activities from the perspective of "no defective unit accepted," "no defective unit made in our factory," and "no defective unit shall leave our factory," satisfying customers and improving profitability by reducing unnecessary costs.

Quality Assurance System

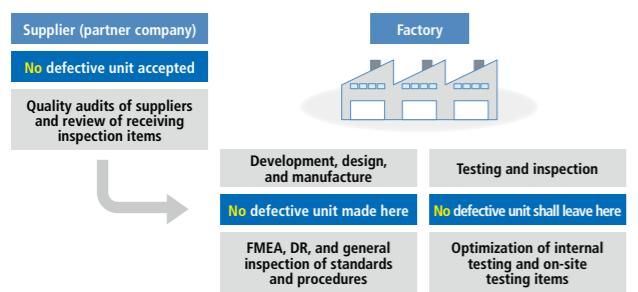
Under the direction of the President—our chief executive officer—and the Executive Officers' Meeting, the head of the Quality Control Management Unit oversees quality management for the whole Meiden Group. The quality assurance (QA) promotion system comprises the General Manager of the Quality Control Management Division, and members including the quality assurance managers of each business unit. We engage in activities such as sharing quality information and roll-out of policies to other business units at Company-Wide QA Promotion Committee and each business unit's QA Promotion Committee, etc.



Strengthening Quality Control

To improve quality, the Meiden Group determines what points to control and carries out its activities under our policy of not making defective goods nor allowing them to come in or go out.

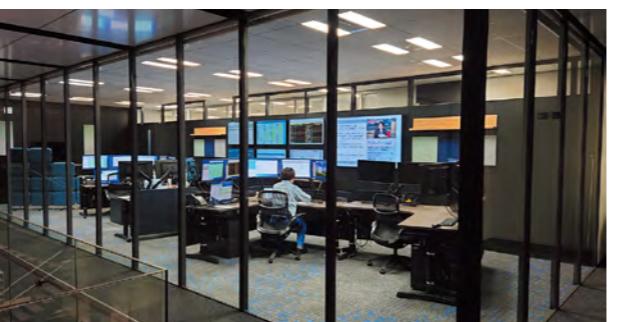
- (1) Reducing defects in outsourced and purchased products
- (2) Reducing defects from insufficient consideration and inattention
- (3) Reducing internal defects
- (4) Preventing outflow of defects



Meiden Customer Center

The Meiden Customer Center is the point of contact for inquiries and troubleshooting involving all Meiden Group products. It responds promptly to customer requests and works closely with sales and engineering departments, factories, and nationwide service centers. A minimum of two Meiden Customer Center operators are on duty 24 hours a day through the year to monitor customer facilities and support their stable and optimal operation.

We also analyze the customer comments that come into the Meiden Customer Center and apply the feedback to our craftsmanship and the services we offer to increase customer satisfaction.



Meiden Customer Center offers 24-hour support all year.

Developing Human Resources to Support the Supply of High-quality Products ~Transmission of Skills Using Eye Tracking~

We introduced the line-of-sight analysis tools called "Eye Tracking" and began an initiative to visualize the hand and eye movements of skilled worker who has "good intuition" and "knacks" for the purpose of transferring the skills and knowhow of skilled worker to the next generation.

The line-of-sight analysis tools, "Eye Tracking" is glasses with built-in small cameras. When worker wears this glasses, the central camera records the field of view and captures the movement of the hand. By having skilled worker wear these glasses, it is possible to visualize fine hand and eye movements

that were previously in tacit knowledge domain. Furthermore, having a skilled worker explain what is happening on the recorded video makes it possible to elicit their criteria and other aspects of the work and include them in manuals. This helps prevent skills from becoming overly dependent on individuals and contributes to maintaining stable product quality.



The line-of-sight analysis by Eye Tracking

Basic BCP (Business Continuity Plan) Policy

The Meiden Group Basic BCP Policy stipulates the Meiden Group's basic policy on business continuity, business continuity targets, and response in the event of a disaster, etc., and is applied at each business unit and subsidiary.

- (1) In the event of a disaster, it is our utmost priority to ensure the safety of all employees, their family members, and customers.
- (2) We contribute to swift reconstruction and recovery from disasters, considering our corporate social responsibility as a company that supports social infrastructure.
- (3) Limit impact on customers and Meidensha's businesses as much as possible.

We will promote the Medium-term Management Plan2027, paying particular attention to the following items relating to disaster-prevention and BCP.

Ongoing BCP initiatives

- Moving from an earthquake-based BCP to an "all-hazard" BCP that applies to a range of risks
- Establishing a BCP and creating systems to maintain, evaluate, and confirm its effectiveness
- Continuing education and training, and ensuring that each employee is involved with BCP initiatives
- Extending the BCP to overseas subsidiaries, and creating a BCP with a global perspective

Improving corporate and organizational resilience

- Encouraging independent promotion of BCPs by business units, and work to improve Disaster responsiveness by company organization
- Considering alternative production sites for important operations

Contributing to society and communities

- Contributing to disaster-resilient community development by supplying Meidensha's BCP products and corporate BCP initiatives to communities and society

Strengthening Information Security Management

The Meiden Group understands that ensuring the security of the information we handle is a most critical management issue. We therefore protect information assets from disasters, accidents, criminal acts, errors, and other threats. We also maintain and enhance information management to prevent leaks, tampering, theft, or loss. We carry out comprehensive information security management and maintain the safety of the products and services we provide to our customers.

Information Security Control System

Considering the increased sophistication of cyber attacks in recent years, we have established and currently operate a company-wide security system to comprehensively respond to the ever-changing risks.

We established PSIRT¹ to enhance our information security measures for the products and services we provide to customers and FSIRT² to oversee factories under CSIRT³, which enhances internal information security. We also established the PrSIRT⁴ which aims to reduce supply chain risks. These specialized teams will take the lead in routine countermeasures and incident response. Further, we have assigned a SIRT manager in charge of information security to each unit to continually inspect and improve the state of implementation, the degree of training, and the implementation of rules within the organization. In addition, we have established a general contact point (MEIDEN-SIRT) to facilitate cooperation with each unit and to provide rapid response to information security risks and incidents.

The Information Security Committee is chaired by the director in charge of information systems and deliberates on the drafting, evaluation, and improvement of information security measures, as well as investigations into the causes of incidents and the prevention of recurrences. The status of information security operations is regularly explained to and approved by the president and management.

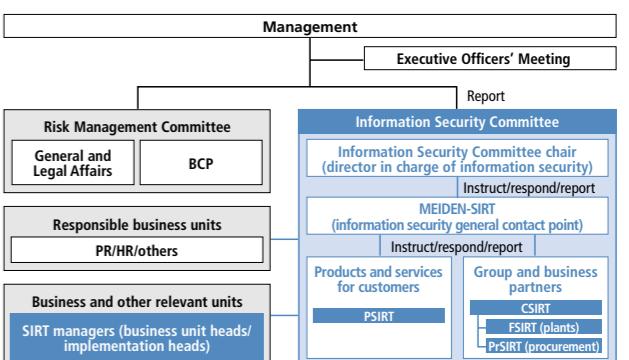
*1 PSIRT : Product Security Incident Response Team

*2 FSIRT : Factory Security Incident Response Team

*3 CSIRT : Computer Security Incident Response Team

*4 PrSIRT : Procurement Security Incident Response Team

Meidensha Information Security Control System



Information Security Countermeasures

We continually conduct activities to enhance information security throughout the entire supply chain.

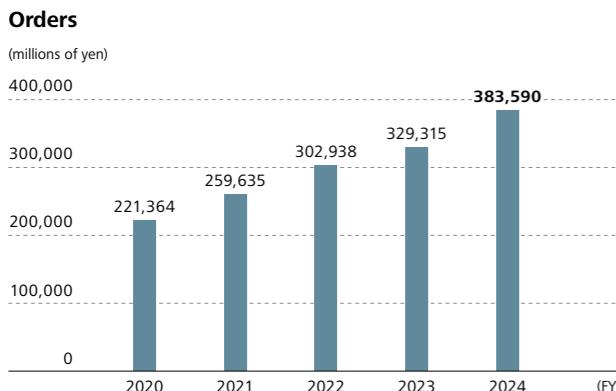
- Analysis of Incidents and Countermeasures for Each Cause We implement security measures within the framework of "prediction/protection/detection/response/restoration." We analyze both technological and human-based countermeasures, and in addition to introducing multiple defensive layers and a zero trust approach, we fortify our external countermeasures and maintain an incident response system.

- Information Security Education and Training All officers and employees undergo information security education. We continuously hold comprehensive information security education that combines hard, soft, and human-based countermeasures.

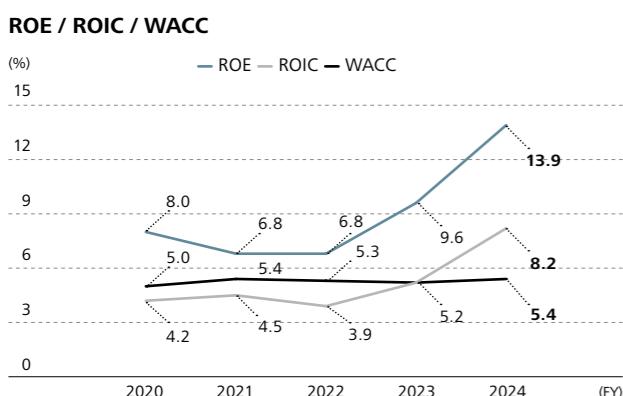
- Enhancement of Supply Chain Information Security We work to strengthen information security among our business partners. By using the SECURITY ACTION program's four actions of awareness, group education and information sessions, on-site diagnostic visits, and sharing information through a supplier portal, we comprehensively support information security countermeasures for our business partners.

Performance Highlights

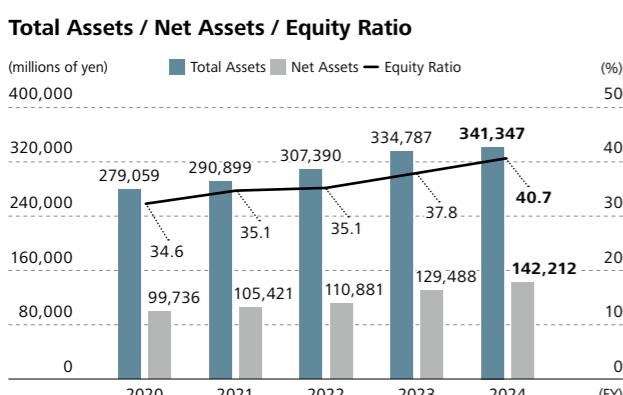
Financial Indicators



Orders were up 16.4% from the previous fiscal year, reaching a record high. The Power Infrastructure segment and Public, Industrial & Commercial Sector segment in particular grew significantly due to receipt of a large order for electrical equipment for India's high-speed rail system.

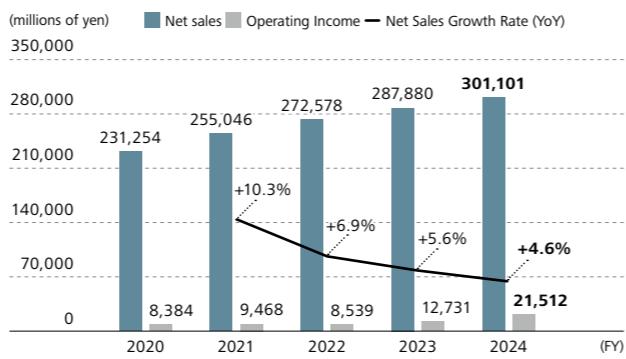


From FY2020 to FY2024, ROE improved significantly from 8.0% to 13.9%, and ROIC increased from 4.2% to 8.2%. In addition, since FY2023, profitability has improved to a level where ROIC exceeds WACC, with capital efficiency steadily improving.



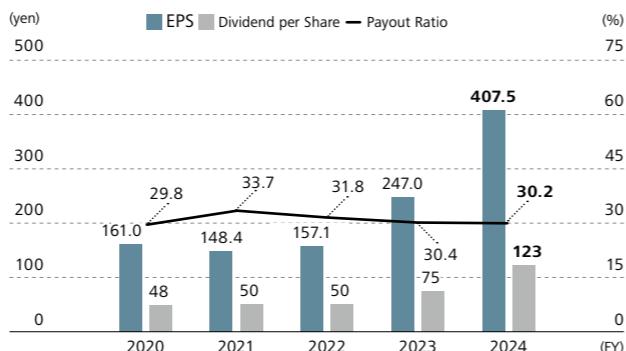
Total assets increased 2.0% from the previous fiscal year, mainly due to an increase in inventories resulting from business expansion in Japan and overseas. Our equity ratio was 40.7%, up 2.9 percentage points from the previous fiscal year.

Net Sales / Operating Income / Net Sales Growth Rate



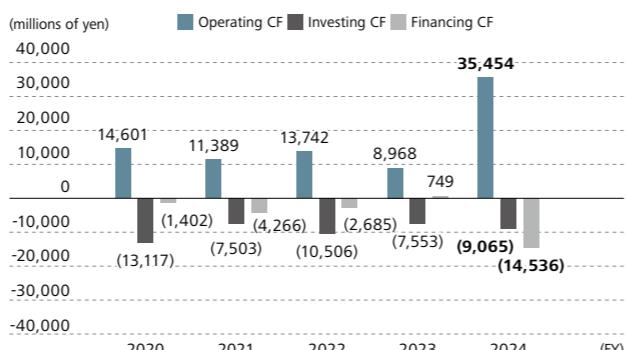
Net sales were up 4.6% from the previous fiscal year, reaching a record high. Operating income was driven by the Public, Industrial & Commercial Sector and Field Service Engineering segments, reaching record-high operating income for the second consecutive year following on from FY2023.

EPS / Dividend per Share / Payout Ratio



In FY2024, earnings per share (EPS) grew significantly due in part to gains from the sale of policy shares. During the period of the Medium-term Management Plan 2024, the Company adopted a policy of paying stable dividends with a target consolidated payout ratio of 30%, and paid an annual dividend of 123 yen for FY2024.

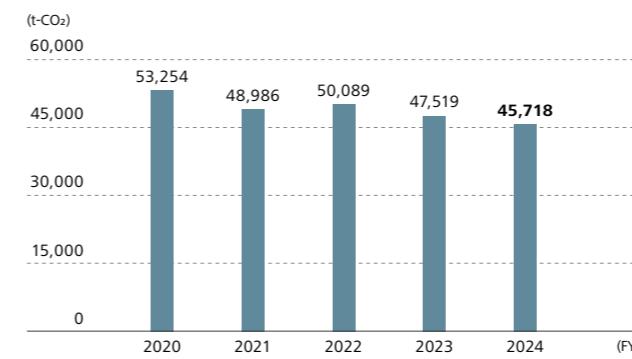
Cash Flows (Operating, Investing, Financing)



Operating cash flow improved significantly, mainly due to improved profitability and improved collection of receivables. In investing cash flow, expenditures increased due to a decrease in proceeds from sales of assets. For financing cash flow, despite a significant increase in expenditures due to repayment of short-term borrowings in commercial paper, we reduced the burden of repayment of long-term borrowings.

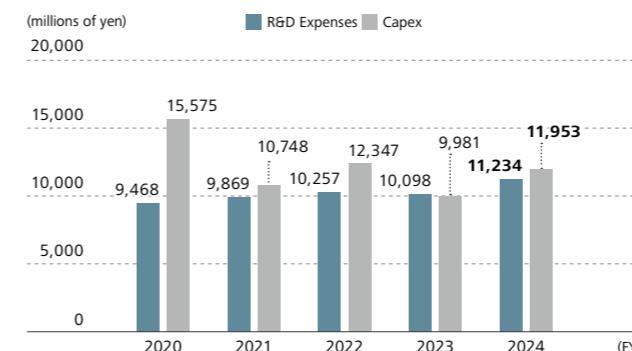
Non-financial Indicators

Scope 1 & 2 Emissions



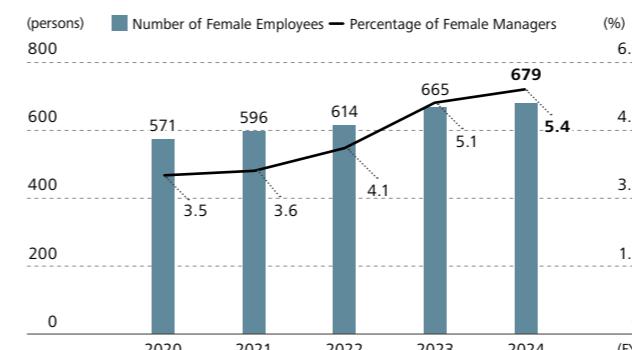
Scope 1 & 2 emissions were down 3.8% from the previous fiscal year. Although SF₆ gas emissions (Scope 1) rose due to increased production of electric power products, Scope 2 emissions decreased due to expanded application of renewable energy, resulting in an overall decrease compared to the previous year.

R&D Expenses / Capex



R&D expenses increased 11.2% from the previous fiscal year. In existing businesses, expenses were incurred in areas such as transformers using vegetable oils and SF₆ gas-free vacuum circuit breakers, while in new technologies, expenses were incurred in areas such as PFAS decomposition. Capex increased 19.8% from the previous fiscal year.

Number of Female Employees / Percentage of Female Managers

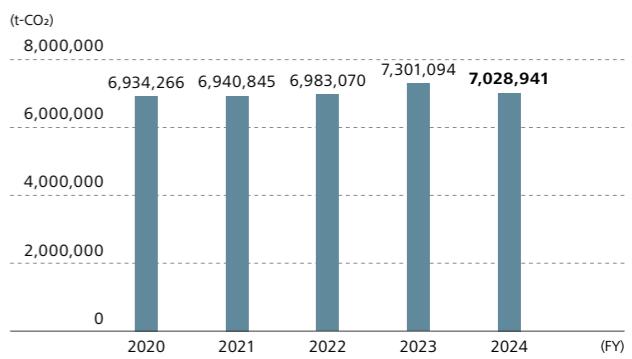


Recognizing that the continuous recruitment of female employees and the development of female managers are important issues for the Company, we are implementing various measures to promote DEI. We have set a goal to increase the percentage of female employees in management positions to 12% by FY2030.

[The percentage of female managers is calculated by dividing the number of female managers by the total number of managers.]

*The number of female employees and the percentage of female managers are for Meidensha (non-consolidated). Indicators other than the above are presented on a consolidated basis.

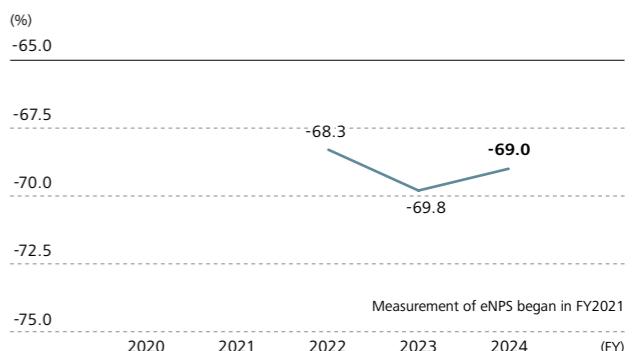
Scope 3 (All Categories) Emissions



In formulating the Third Meiden Environmental Vision, we have revised the calculation method of these emissions beginning from FY2024 results. Categories 9, 10, and 15 were newly added as eligible for calculation, and the calculation method was partially changed for other categories.

*Direct comparison with figures before FY2023 is not possible due to the revision of the calculation method.

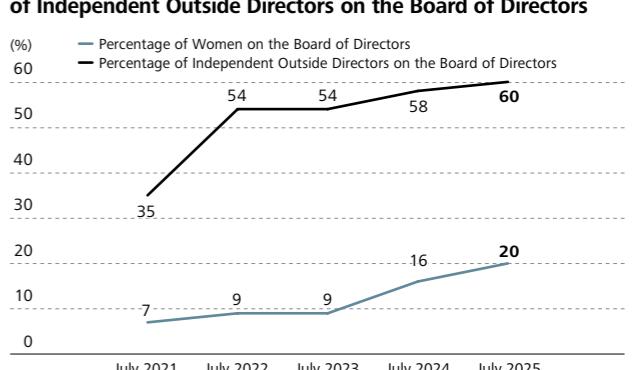
eNPS (Employee Net Promoter Score)



The Meiden Group has set eNPS* as a KPI, considering the improvement of employee engagement as a key indicator. This KPI shows an improvement trend from FY2023 to FY2024, and efforts are underway to achieve the target of -65.0% in FY2027.

*eNPS is expressed as a percentage and is measured for Meidensha and its domestic subsidiaries (excluding EAMI Engineering CO., LTD. and MEIDEN UNIVERSAL SERVICE LTD.).

Percentage of Women on the Board of Directors / Percentage of Independent Outside Directors on the Board of Directors



We are working to strengthen governance by increasing the diversity of our Board of Directors. The ratio of women to men has increased significantly compared to July 2021. The ratio of independent outside directors has also increased, facilitating multifaceted decision-making and improved management transparency.

Ten-Year Financial Data

Fiscal Year (Japanese GAAP)	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
Business Performance										
Orders (millions of yen)	247,747	224,136	273,568	240,310	244,180	221,364	259,635	302,938	329,315	383,590
Net sales (millions of yen)	237,404	220,141	241,832	245,033	255,748	231,254	255,046	272,578	287,880	301,101
Overseas net sales (millions of yen)	64,082	58,730	74,154	71,725	70,410	48,420	65,650	74,279	80,256	87,195
Overseas sales ratio (%)	27.0	26.7	30.7	29.3	27.5	20.9	25.7	27.3	27.9	29.0
Operating income (millions of yen)	10,517	8,849	11,381	10,336	12,725	8,384	9,468	8,539	12,731	21,512
Operating income margin (%)	4.4	4.0	4.7	4.2	5.0	3.6	3.7	3.1	4.4	7.1
Ordinary income (millions of yen)	10,595	8,209	9,992	10,128	11,481	8,465	10,206	8,823	13,385	21,192
Net income attributable to owners of the parent (millions of yen)	6,962	5,743	7,056	7,653	8,208	7,303	6,733	7,128	11,205	18,487
Net profit margin (%)	2.9	2.6	2.9	3.1	3.2	3.2	2.6	2.6	3.9	6.1
R&D expenses (millions of yen)	9,970	9,462	9,402	9,458	10,467	9,468	9,869	10,257	10,098	11,234
Capex (millions of yen)	8,314	7,355	7,584	7,895	16,042	15,575	10,748	12,347	9,981	11,953
Depreciation & amortization (millions of yen)	8,574	8,663	8,897	9,203	9,765	10,447	12,534	11,163	11,010	11,162
Financial Condition/Cash Flows										
Net assets (millions of yen)	68,771	74,312	81,229	84,497	90,117	99,736	105,421	110,881	129,488	142,212
Total assets (millions of yen)	255,024	247,646	264,457	265,586	270,410	279,059	290,899	307,390	334,787	341,347
Property, Plant and Equipment (millions of yen)	66,769	64,026	64,999	63,330	71,274	75,623	74,947	75,788	75,363	75,061
Interest bearing debt (millions of yen)	47,844	45,366	40,104	39,522	45,995	47,598	48,466	50,509	54,679	44,565
Cash flows from operating activities (millions of yen)	22,597	11,840	17,975	14,365	10,416	14,601	11,389	13,742	8,968	35,454
Cash flows from investing activities (millions of yen)	(10,530)	(12,031)	(7,582)	(8,074)	(13,700)	(13,117)	(7,503)	(10,506)	(7,553)	(9,065)
Cash flows from financing activities (millions of yen)	(5,847)	(3,767)	(11,230)	(3,101)	3,735	(1,402)	(4,266)	(2,685)	749	(14,536)
Free Cash Flow (millions of yen)	12,066	(190)	10,392	6,291	(3,283)	1,484	3,886	3,235	1,414	26,389
Management Indicators/Stock Information										
ROIC (%)	6.1	5.3	6.6	5.9	6.9	4.2	4.5	3.9	5.2	8.2
ROE (%)	10.4	8.2	9.2	9.3	9.6	8.0	6.8	6.8	9.6	13.9
ROA (%)	2.7	2.3	2.8	2.9	3.1	2.7	2.4	2.4	3.5	5.5
Equity ratio (%)	26.5	29.6	30.3	31.5	32.2	34.6	35.1	35.1	37.8	40.7
Net D/E ratio	0.49	0.48	0.38	0.32	0.38	0.34	0.34	0.33	0.28	0.10
Total assets turnover	0.93	0.88	0.94	0.92	0.95	0.84	0.89	0.91	0.90	0.89
Market capitalization (hundred millions of yen)	1,163.9	896.1	921.1	688.3	735.9	1,092.0	1,152.8	871.5	1,332.4	1,957.5
EPS (yen)	153.4	126.6	155.5	168.7	180.9	161.0	148.4	157.1	247.0	407.5
Dividend (yen)	40	40	45	45	50	48	50	50	75	123
Dividend payout ratio (%)	26.1	31.6	28.9	26.7	27.6	29.8	33.7	31.8	30.4	30.2
PER	16.7	15.6	13.1	9.0	9.0	15.0	17.1	12.2	11.9	10.6
PBR	1.7	1.2	1.1	0.8	0.8	1.1	1.1	0.8	1.1	1.4

Long-term rating (As of August 27, 2025)

Ratings agency	Rating	Release date
Japan Credit Rating Agency (JCR)	A-	February 18, 2025
Rating and Investment Information (R&I)	A-	August 27, 2025

*1 Figures are on a consolidated basis.

*2 A 5-for-1 reverse stock split was implemented on October 1, 2018.

*3 Interest-bearing debt: Short-term borrowings + Long-term debt + Commercial paper + Bonds

Outline of the Meiden Group

Corporate Data (as of March 31, 2025)

Corporate Name	MEIDENSHA CORPORATION	Capital	17,070 million yen
Established	June 1, 1917 (Since December 22, 1897)	Consolidated Sales	301,101 million yen
Representative	Representative Director, President and Executive Officer Akio Inoue	Consolidated Number of Employees	9,886
Head Office	ThinkPark Tower, 2-1-1, Osaki, Shinagawa-ku, Tokyo, 141-6029 Japan	Consolidated Number of Employees	40 (21 in Japan, 19 overseas)

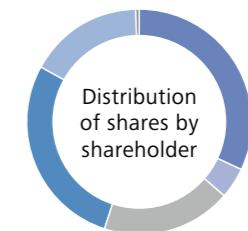
Main Subsidiary Companies (as of March 31, 2025)

Country/ Region	Company Name	Country/ Region	Company Name
Japan	M WINDS CO., LTD.	China	MEIDEN ZHENGZHOU ELECTRIC CO., LTD.
	M WINDS HACHIRYU CO., LTD.		MEIDENSHA (SHANGHAI) CORPORATE MANAGEMENT CO., LTD.
	NOTO COMMUNITY WIND POWER CO., LTD.		MEIDEN HANGZHOU DRIVE SYSTEMS CO., LTD.
	EAML Engineering CO., LTD.		MEIDEN (HANGZHOU) DRIVE TECHNOLOGY CO., LTD.
	MEIDEN TECHNO SYSTEMS CO., LTD.		MEIDEN PACIFIC (CHINA) LIMITED
	MEIDEN PLANT SYSTEMS CORPORATION		MEIDEN KOREA CO., LTD. ²
	MEIDEN SYSTEM MANUFACTURING CORPORATION		MEIDEN INDIA PRIVATE LIMITED ²
	MEIDEN SYSTEM SOLUTION CORPORATION		MEIDEN T&D (INDIA) LIMITED
	MEIDEN AQUA BUSINESS COMPANY		PT. MEIDEN ENGINEERING INDONESIA
	KOFU MEIDENSHA ELECTRIC MFG. CO., LTD.		MEIDEN MALAYSIA SDN BHD
	MEIDEN KIDEN KOGYO CO., LTD.		MEIDEN METAL ENGINEERING SDN. BHD.
	MEIDEN ENGINEERING CORPORATION		MEIDEN ASIA PTE. LTD.
	CHUO ENTERPRISE CORPORATION		MEMEIDEN SINGAPORE PTE. LTD.
	MEIDEN FACILITY SERVICE CORPORATION		THAI MEIDENSHA CO., LTD.
	SADO MEIDEN SERVICE CORPORATION		VIETSTAR MEIDEN CORPORATION
	KESENNUMA KANKYOKANRI CORPORATION		MEIDEN EUROPE GmbH
	MEIDEN CHEMICAL CO., LTD.		TRIDELTA MEIDENSHA GmbH
	MEIDEN HOKUTO CORPORATION	America	MEIDEN AMERICA, INC.
	MEIDEN KOHSAN CO., LTD.		MEIDEN AMERICA SWITCHGEAR, INC.
	MEIDEN NANOPROCESS INNOVATIONS, INC.		
	MEIDEN UNIVERSAL SERVICE LTD. ^{*1 *2}		
	MEIDEN MASTER PARTNERS CORPORATION		

*1 Special subsidiaries
*2 Non-consolidated subsidiaries

Share data (as of March 31, 2025)

Stock Listing	Tokyo Stock Exchange, Nagoya Stock Exchange
Total number of authorized shares	115,200,000
Total number of issued shares	45,527,540 (Including treasury shares of 162,152)
Number of shareholders	12,999



Financial institutions	32.18%
Securities companies	4.40%
Business companies	18.44%
Overseas investors	28.08%
Individuals	16.55%
Other	0.36%

Major Shareholders

Names of Shareholders	Number of Shares Held (shares)	Shareholding Ratio (%)
The Master Trust Bank of Japan, Ltd. (account in trust)	5,631,100	12.41
Sumitomo Electric Industries, Ltd.	2,631,385	5.80
Custody Bank of Japan, Ltd. (account in trust)	2,380,300	5.25
Sumitomo Mitsui Banking Corporation	1,800,000	3.97
Meidensha Employees Stock Ownership Group	1,120,571	2.47
Sumitomo Mitsui Trust Bank, Limited	1,100,000	2.42
Sumitomo Life Insurance Company	1,061,400	2.34
HSBC HONG KONG-TREASURY SERVICES A/C ASIAN EQUITIES DERIVATIVES	914,100	2.01
NEC Corporation	873,150	1.92
JPMorgan Securities Japan Co., Ltd.	713,471	1.57

*Note: The shareholding ratio excludes treasury shares.

Share Price (Seven Years)



*The above shows our share price from April 1, 2019 to March 31, 2025.

Total Shareholder Return (TSR)



*Return on investment if the closing price on March 31, 2015 is set as 1 and dividends are reinvested; compiled from QUICK data.

*The above shows our total shareholder return from March 31, 2015 to March 31, 2025.