



MAX CO., LTD.
Integrated Report
2025

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MAX believes that by respecting people, the development of people will result in growth for the company.

At MAX, we encourage each of our employees to work independently for their own personal growth, which is shown in the “MAX Fundamental Management Policy.” We believe that our company should be able to develop its people and progress steadily, for that is the important contribution we can make to our society.

Also, to make an even greater contribution to society and culture, we will integrate the work of our employees to create new value, and continue materializing and providing things beneficial to our customers and society, and we believe that will lead us to developing ourselves and the company itself even further. Finally, we will share the results created by our efforts fairly among our stakeholders, thus fulfilling our role as a member of this society.

The MAX Company Creed

- To take responsibility in supplying quality products.
(We will maximize each employee’s ability to create and distribute the very best products.)
- To strive to improve the lives of all MAX employees and develop their abilities to the fullest.
(We respect each other and reward initiative.)
- To accomplish steady progress for ourselves in order to provide continuous service to society and make contributions to the culture.
(We are devoted to reliable production and sales.)

MAX Fundamental Management Policy

- We aim to become a group in which everyone can grow together by creating a lively and fun atmosphere.
1. We strive to ensure our management is ethical and transparent.
 2. We strive to ensure management promises that all employees participate.
 3. We strive to ensure management promises that company results are fairly shared by all stakeholders.

Statement > Creed we value

Making work life easier and more enjoyable worldwide

Working to create new standards, we have developed a deep familiarity with the people who use our products.
This encourages us to think boldly, as we aim to bring the world a unique style of convenience.

Our products are designed around a simple idea:
Making work life easier and more enjoyable worldwide

Reducing stress and maximizing performance.
That’s how we enhance the work environment.
That is why we keep challenging ourselves to do better—to make lives better.



Corporate Vision > What MAX is aiming for

Making work life easier and more enjoyable worldwide

Value Proposition > What MAX can do to achieve our vision

Creating new standard and maximizing life fulfilment

Our Personality > As a member of MAX, how to think and behave in a way that we value

Collaborative & Energetic, Creative & Fun

The Corporate Slogan > Engineered for Performance

“Engineered for Performance” means that we will continue to create a “new standard” that is valuable to society from the viewpoint of customers and with our technology. It is our promise to our customers to not only maximize their work performance, but also to maximize the potential of their own lives through the time and mental space that are created by our products.
This is a declaration that we ourselves will continue to be close to people, notice problems that users may not be aware of, and solve them with MAX’s unique and creative ideas.

MAX works on understanding needs of our customers and changes in our society and creating and introducing unique products, thus creating new markets and establishing realms where we stand as No. 1 or the only one.

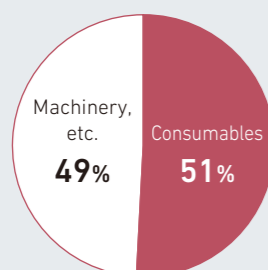
01

Unique business model

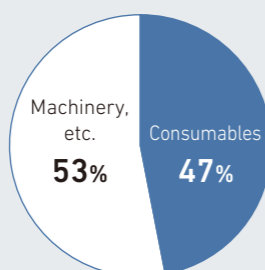
- Creating a competitive advantage in niche markets
- Business model that continues to connect with customers through the supply of consumables

Machinery and consumables sales ratio

Industrial Equipment segment



Office Equipment segment



02

Diverse business structure

Criteria for decision making about the business portfolio

- Business structure that does not rely on one industry
- Businesses that can be expected to provide stable revenue over the long term
- Businesses that can effectively leverage in-house resources



Office Equipment segment

Industrial Equipment segment



HCR Equipment segment



03

Stable revenue base

Basic policy on profit distribution

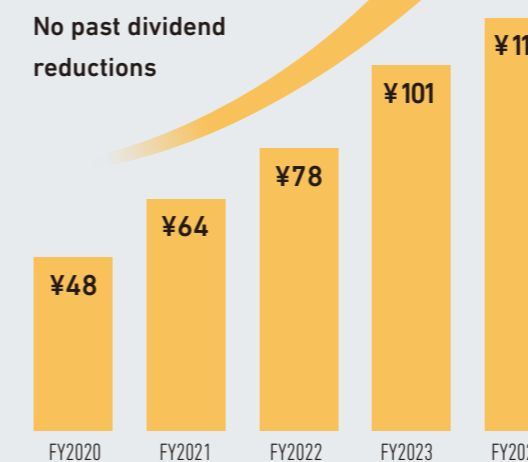
- Expanding profits from business activities through sustainable growth and distributing profits in a stable manner over the long term

Dividend policy

- Guideline of a ratio of dividends to net assets of 5.0% and a dividend payout ratio of 50%, as based on consolidated financial results

Annual dividend per share

No past dividend reductions

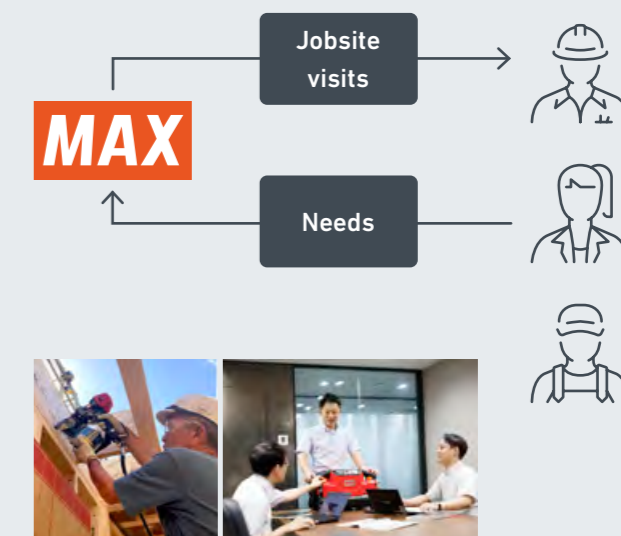


04

Strict adherence to the principle of three realities

Creating and introducing unique products by pursuing facts on the jobsite

Creating products and services that meet customers' true needs



Foundation
1942

Countries and regions
where we do business
Over **80**
countries

Overseas sales ratio
48.4%

Operating profit
¥14.4 billion

Operating profit margin
15.8%

Dividend payout ratio
47.1%

Consolidated number
of employees
2,466

Stapler share in Japan*
No.1

Net sales
¥91.8 billion

ROE
10.9%

PBR
1.84 times

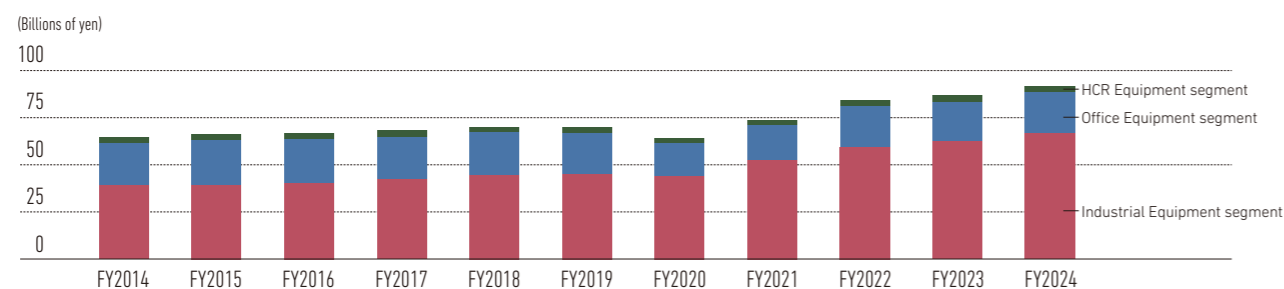
DOE
5.1%

* 2024 marketing overview for stationery and office supplies: share of the domestic stapler market, according to research by Yano Research Institute Ltd.

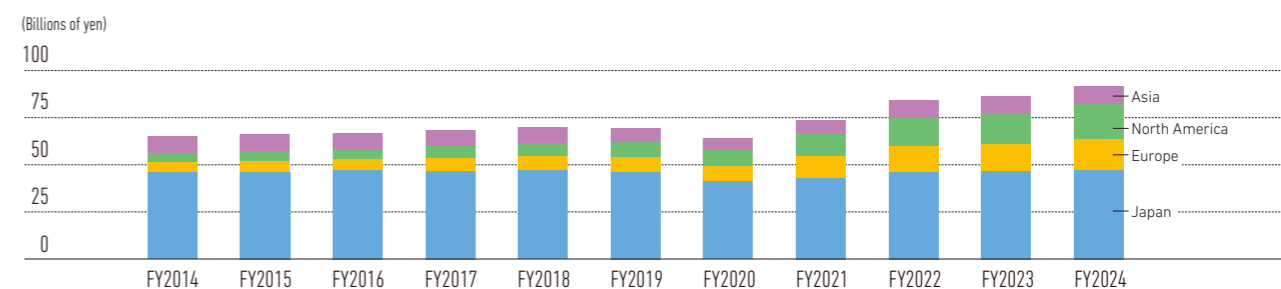
MAX develops unique products centered on staplers and building and construction tools, and has provided a large number of world-first and Japan-first products with leading market shares.



Net sales by segment



Net sales by region



MAX was established in 1942 as a manufacturer of airplane parts, which required the highest level of metalworking technologies of that time. After WWII, MAX established a business base by leveraging press technologies and wire rod processing technologies it cultivated over the years. Thereafter, MAX has introduced and developed technologies through corporate acquisitions and other means to expand its business.



Became a top nailer manufacturer by developing pneumatic technology

Founded in 1942

Business base established with stapler and hand tacker



New concept products developed through the introduction of electronics technologies



>1942

Started out as Yamada Air Industry Co., Ltd. in Azuma-cho, Takasaki City, Gunma Prefecture, and produced aircraft tail wing components



>1964

Renamed MAX Co., Ltd.

>1963

Made a capital, technical and sales alliance with Bostitch Inc. in the United States

>1981

Acquired shares of Eiko Business Machine Co., Ltd.

1980

Reached net sales of ¥20.0 billion

>1983

Acquired shares of TCC Co., Ltd.

1991

Reached net sales of ¥50.0 billion

>2000

Acquired shares of Shinwa Works Co., Ltd. and SHINWA HI-TEC Co., Ltd.

2006

Reached net sales of ¥60.0 billion

>2009

Acquired shares of Sunsun Industry CO., LTD.

>2010

Acquired shares of Kawamura Cycle Co., Ltd.

2018

Reached net sales of ¥70.0 billion

>2014

Acquired shares of Lighthouse (UK) Holdco Limited

2022

Reached net sales of ¥80.0 billion

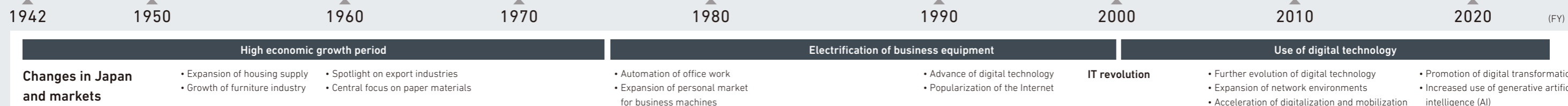
2024

Reached net sales of ¥90.0 billion

2024

Net sales (Millions of yen)

91,839



* In 1987, the Company changed its fiscal year-end from September 20 to March 31. To accommodate this change, net sales for fiscal 1987, the transitional period of the change, are for an irregular fiscal period from September 21, 1987 to March 31, 1988.

Our mission is to fully utilize our capabilities and technologies to create excellent products needed by our customers and society and continuously supply them. By fulfilling this mission, we aim to contribute to the sustainability of society, while being a robust company.

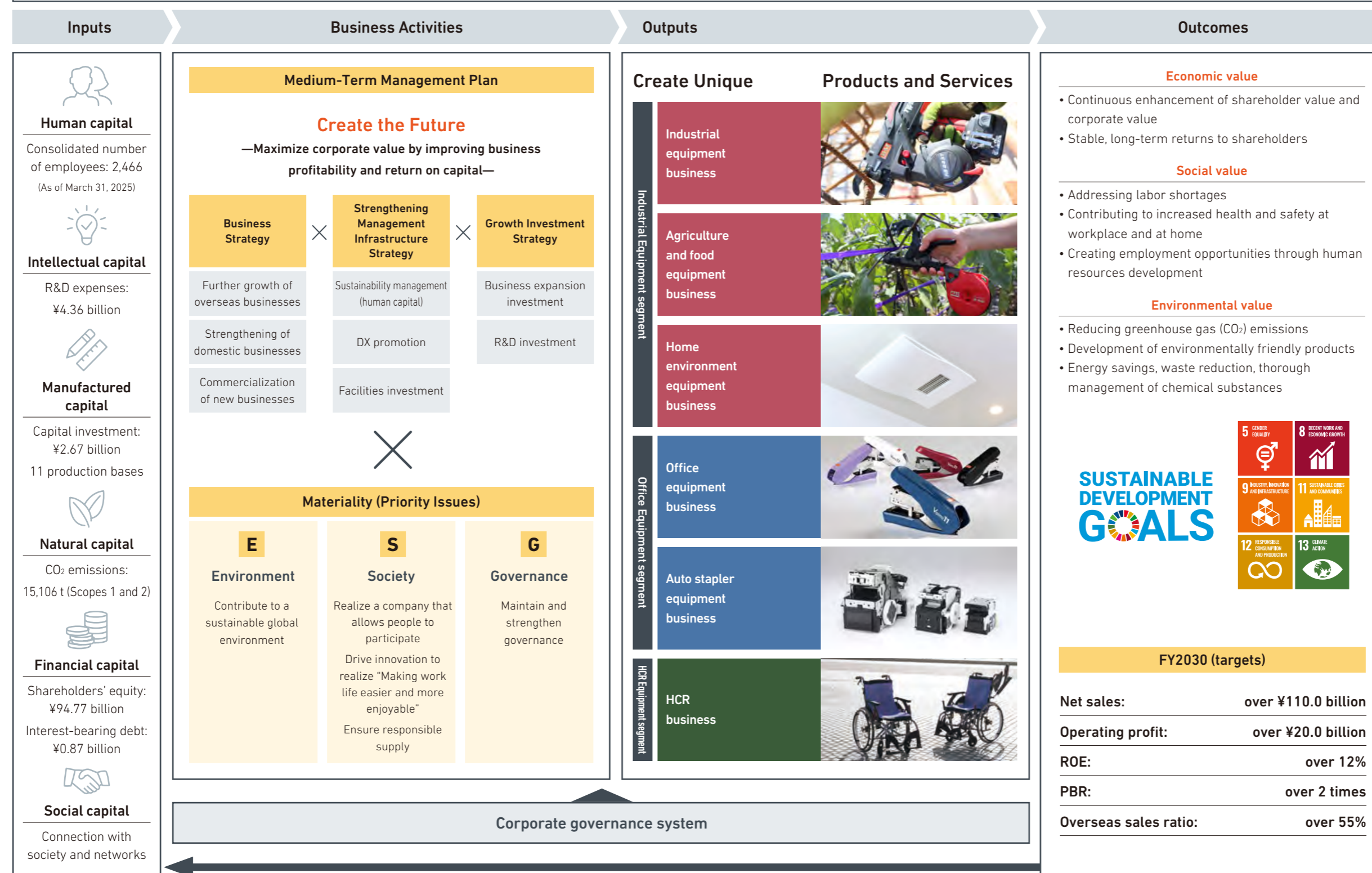
By respecting people, the development of people

will result in growth for the company.

Code of Conduct

■ Strict jobsite-oriented and customer-first principle ■ Do, see, think, and plan without fear of failure

- Making products that fully satisfy the people who use them



Corporate Vision

What MAX is aiming for

**Making work life
easier and more
enjoyable
worldwide**



FY2030 (targets)

Net sales:	over ¥110.0 billion
Operating profit:	over ¥20.0 billion
ROE:	over 12%
PBR:	over 2 times
Overseas sales ratio:	over 55%

Tatsushi Ogawa

Tatsushi Ogawa
President



RESOLVING SOCIAL ISSUES with OUR PRODUCTS

With multiple reforms driven by our initiatives, we are creating new value with the aim of further growth.

In fiscal 2024, ended March 31, 2025, MAX achieved record business results. This marked a strong start for the first year under the Medium-Term Management Plan, and in response, we have revised our performance targets upward. We are using this opportunity internally to pursue even greater challenges.

Our business environment contains elements of uncertainty, which we will address with speedy business management and operations to achieve steady growth regardless of the environment. By taking a step forward to “Create the Future,” we aim to create an organization that is able to generate high profitability and corporate value.

Results under the first year of the Medium-Term Management Plan

In fiscal 2024, the first year under the Medium-Term Management Plan, we achieved record sales and profit at all levels for the third consecutive year. The overseas sales ratio also rose 2.4 percentage points, to 48.4%.

These results were driven by a 14% year-on-year increase in sales of tools for concrete structures, which includes rebar tying tools, to ¥34.8 billion and a 109% achievement versus the plan. In addition, since we had initially anticipated the strong yen depressing sales, efforts to increase sales volumes at all businesses were successful. Initiatives including new product launches and promotional campaigns were also successful, leading to steady growth in volumes from the third quarter. Various products showed particularly strong results from the third quarter, including growth in replacement sales with an emphasis on “DRYFAN” heater-ventilator-dryers for bathrooms, a rebound in

demand for auto staplers with workers returning to the office as the COVID-19 pandemic subsided, and increased sales of the “Bepop” and other labelling and signage products. These results surpassed our plan for the first year of the Medium-Term Management Plan. One issue that remains, however, was a shortfall from our plan at the HCR business, with the effect of the weaker yen having a negative impact on products manufactured in China.

Taking into account these business results and future environmental elements, we have raised our Medium-Term Management Plan targets for fiscal 2026. Our overseas sales ratio target is unchanged at 50.0%, but we have determined that there is potential for additional growth in terms of net sales, operating profit, ROE, and PBR, and have set higher targets for businesses to pursue.

Implementation of basic strategies under the Medium-Term Management Plan

The basic strategy of the Medium-Term Management Plan has three strategies: a “business strategy,” a “strengthening management infrastructure strategy,” and a “growth investment strategy,” and I would like to explain the initiatives being taken for each strategy.

Business strategy

One of the pillars of our three business strategies is the “further growth of overseas businesses.”

Overseas demand continued to grow during fiscal 2024, and we see further room for future growth. We see this growth being driven by tools for concrete structures in particular, and we have increased our estimate for the size of the market, including the domestic market, to ¥80 billion–¥90 billion based on current market information, from our previous estimate of ¥50 billion–¥60 billion. Looking at results by region, we are seeing construction resuming and market sentiment turning around in Western Europe, including Germany, and in Northern Europe, active infrastructure construction in Poland and other Eastern European countries, and growth in Southern Europe, including Spain. The United States is seeing weakness in housing construction due to high mortgage interest rates

and sharply higher prices for materials, but investment in non-housing construction markets, primarily infrastructure, is solid. As we entered fiscal 2025, we implemented measures for various products for the United States in response to tariff measures and market conditions. We will implement various measures swiftly while closely following developments.

Another topic is MAX’s first exhibition at World of Concrete 2025 (WOC), the world’s largest concrete construction trade show, which was held in Las Vegas in January 2025. Our booth used as its theme “REVOLUTIONIZE REBAR TYING—Continuing to create new standards for rebar tying,” with the aims of disseminating our brand, expanding sales, and displaying technological innovation. With one year of preparation, we introduced new technologies including autonomous mobile tying robots currently being developed, the rebar tying unit for automation, and the CONNECTED

TWINTIER rebar tying tool equipped with 4G LTE telecommunications and GPS tracker and scheduled for launch in North America. We also exhibited new models of extra-large-jaw rebar tying tools introduced in Japan, Europe, and the United States in May 2025, wire mesh cutters, nailers, and compressors. Through these exhibitions, we introduced MAX today and provided a sense of our future direction. The autonomous mobile tying robot received The Experts’ Choice Award at the 2025 Innovative Product Awards, and jobsite feedback and surveys showed that this had an effect on brand penetration and led to the

acquisition of many new customers.

The second pillar is the “strengthening of domestic businesses.” In Japan, both the number of new housing starts and floor area of construction starts for non-residential structures have been weak, but last year we released the Turbo Driver A (Ace) screwdriver and handy compressors. At this year’s new product launch event for our business partners and distributors, we introduced new products for both the tools for concrete structures and tools for wooden structures markets. We intend to increase volumes by increasing our market share to achieve growth through net

We are pursuing new challenges in overseas markets, strengthening domestic businesses, and creating new businesses with the aim of steady growth.



increase from products. The office equipment business continues to focus on labelling and signage products, but we need to introduce proactive measures to activate the existing entry-level market. The housing stock business of renovation and replacement of heater-ventilator-dryers for bathrooms is generating results at the home environment equipment business, and we intend to emphasize this further. The agriculture and food equipment business has begun to develop environmentally friendly products and propose solutions incorporating food packaging equipment with a

view toward future growth. We are also working to reform businesses including by cultivating sales routes for “TAPENER” agricultural tape binding tools in the European and U.S. markets.

The third pillar is the “commercialization of new businesses.” In 2024, we expanded the service area for the “Rentool” tool subscription/rental service to Tokyo and six neighboring prefectures. As awareness of the service spread, in May 2025, we expanded the service area to cover all of Japan. We are also considering new markets using

auto stapler technologies, and pursuing research into products and services for new markets and the products we introduced at WOC. We are also coming up with ideas from the Sales Division, the Research and Development Division, and cross-departmental collaboration, and are working to bring these ideas to fruition.

Traditionally, we have launched fully completed products in the market, but going forward we will specifically adopt a lean development approach, quickly introducing ideas in small lots to test them in the market. This new method involves difficulties in creating a flow to the market launch,

but we believe now is the time to refine our technologies to create new core businesses and achieve profitability.

Strengthening management infrastructure strategy

The main pillars of our strengthening management infrastructure strategy are “sustainability management (human capital),” “DX promotion,” and “facilities investment.”

In terms of investment in human capital, MAX places significant importance on the belief that by respecting people, the development of people will result in growth for the company. During fiscal 2024, we strengthened our mid-

must review our human resources management structure on a global basis.

With regard to DX promotion, during fiscal 2024, we invested ¥400 million to install a Companywide digital infrastructure. We are creating a marketing-related database, production-related systems, and a product information database, which we plan to complete during fiscal 2025. With new systems, we are looking for innovation that will make it possible to manage production and product information, for example, with greater speed and sophistication.

Our DX promotion themes are “DX in products and services,” “DX in production and quality assurance,” “DX in data and operational platforms,” and “DX in human resources and organization.” I feel that results are beginning to show as initiatives are being announced from internal departments. I also have high expectations for innovations being made in our development process with the use of model-based development (MBD) and other simulation technologies, and of generative AI by pilot teams. In addition to improving internal operations and making them more efficient, it will be important to think about how this will lead to “providing new value to customers.”

The next area is facilities investment. Successful initiatives during fiscal 2024 included investment and research to increase production capacity for TIE WIRE, a

consumable used with rebar tying tools. Our initial plan was to invest ¥2.6 billion, and although the actual amount invested fell short of plan at roughly 70%, it was a year of pursuing the challenge of new technological issues.

Growth investment strategy

Our growth investment strategy consists of “business expansion investment” and “R&D investment,” and we have set monetary targets that we are working proactively to achieve. As for business expansion investment, we are looking to focus our investment in overseas markets, where growth is forecast, and in the priority business of rebar tying tools. Regarding R&D investment, during fiscal 2024, we invested ¥4.3 billion, which was 94% of our plan.

Our main strategy from fiscal 2025 is first to invest for growth in tools for concrete structures, focusing on the overseas rebar tying tool business. We also intend to invest proactively as we take on the challenges of technological research into new net-growth products, pursue research into increasing manufacturing and product capacity for existing product groups, and rebuild supply chains. Investment for business expansion, including mergers and acquisitions, is affected by timing and counterparties’ intentions, but we will continue to explore opportunities for investment.

To continue to provide new value

Looking beyond the Medium-Term Management Plan, we have set fiscal 2030 targets of net sales of at least ¥110.0 billion, operating profit of ¥20.0 billion, ROE above 12%, PBR above 2 times, and an overseas sales ratio above 55%. Achieving these targets will involve growing priority businesses and transforming the earnings structure, and we need to transform all businesses and organizations. I hope that the reforms that these initiatives bring about will accumulate and be felt, and lead to innovative initiatives for the future.

MAX has always placed the highest priority on providing value to customers, with teamwork and a culture that

emphasizes jobsites in the pursuit of original solutions. It is important to build on this culture that MAX has sought to achieve and continue to move forward. Our first aim is to achieve the Medium-Term Management Plan, and to become a manufacturer that provides greater value to customers through investments in people and resources and flexible capital policies, while integrating the three strategies of a business strategy, a strengthening management infrastructure strategy, and a growth investment strategy. I hope that shareholders, investors, and all stakeholders look forward to pursuing MAX’s challenges.



career hiring with the introduction of it in 15 job categories. In addition, through coordination between the Human Resources Department and other departments, we are introducing measures to visualize each individual employee’s skills and to build a foundation for training and education.

As part of the business strategy of growing overseas businesses, securing and training human resources who are able to be effective in overseas locations is a pressing issue. While training staff at the head office who will be assigned to manage overseas locations, we are also looking

to advance the careers of staff hired locally. In particular, in addition to increasing headcount in regions where growth is forecast, we see a need to create different business models. We are planning new approaches, including in human resources, and look forward to this succeeding.

As we grow overseas businesses, we need to review our management structure. We are taking steps to consider the strengthening of corporate governance in the future. We recognize that with rapid growth, we need to strengthen management over local staff in particular, and

Overview of Medium-Term Management Plan (Fiscal 2024 through Fiscal 2026) and Progress Status

The Medium-Term Management Plan clarifies our ideal form for fiscal 2030 and sets out a plan toward its achievement. We will pursue the Medium-Term Management Plan with a view toward our ideal form for fiscal 2030, with the aim of continuously enhancing corporate value from a more long-term perspective.

Ideal Form for Fiscal 2030

We will continue to transform our business portfolio toward fiscal 2030 and aim to sustainably increase shareholder value and corporate value.

Net sales

over **¥110.0**
billion

Operating profit

over **¥20.0**
billion

ROE

over **12%**

PBR

over **2** times

Overseas sales ratio

over **55%**

Basic Strategy and Progress in Fiscal 2024

Create the Future

—Maximize corporate value by improving business profitability and return on capital—

Business Strategy

(1) Further growth of overseas businesses

Favorable progress

- Sales of tools for concrete structures, mainly rebar tying tools, achieved 109% of the plan, showing steady growth.
- Overseas sales increased 12% year on year to ¥44.4 billion.

(2) Strengthening of domestic businesses

Issues remain

- We plan to capture market share by introducing new products for tools for wooden structures, such as “the Turbo Driver A (Ace)” screwdriver and handy compressors.
- The HCR Equipment segment posted a loss due to the yen depreciation. We will continue to make efforts to secure stable profits.

(3) Commercialization of new businesses

In progress

- Launched “Rentool,” a subscription and rental service for tools. Awareness is gradually increasing, with nationwide expansion in May 2025.
- Promoted activities to create new businesses through open innovation, etc., and exhibited at some trade shows. Will continue activities toward commercialization.

Strengthening Management Infrastructure Strategy

(1) Sustainability management (human capital)

Favorable progress

- Strengthened mid-career recruitment and implemented it in 15 job categories.
- Created a human rights risk map and identified priority risks. Continued efforts to reduce human rights risks throughout the supply chain.

(2) DX promotion

Favorable progress

- Invested ¥400 million in DX promotion. Promoted DX throughout the Company, including the introduction and establishment of a Companywide digital infrastructure.
- Conducted studies on product development utilizing machine learning analysis and estimation technology, as well as product inspection utilizing AI and robots.

(3) Facilities investment

Underachievement of the plan

- Invested in and conducted research to expand production capacity for TIE WIRE, a consumable product for rebar tying tools.
- Continue to make facilities investments that contribute to sustainable growth in the next fiscal year (ending March 2026) and beyond.

Growth Investment Strategy

(1) Business expansion investment

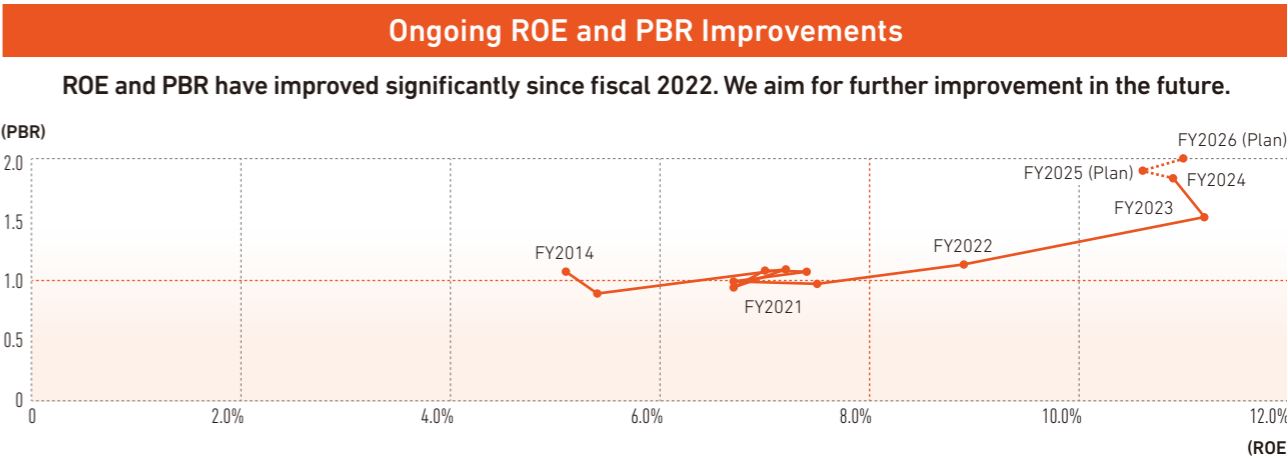
Ongoing

- Considering investments, including M&A, focusing on overseas markets, which are growing markets, and on expanding our rebar tying tool business, which is a priority business.

(2) R&D investment

Favorable progress

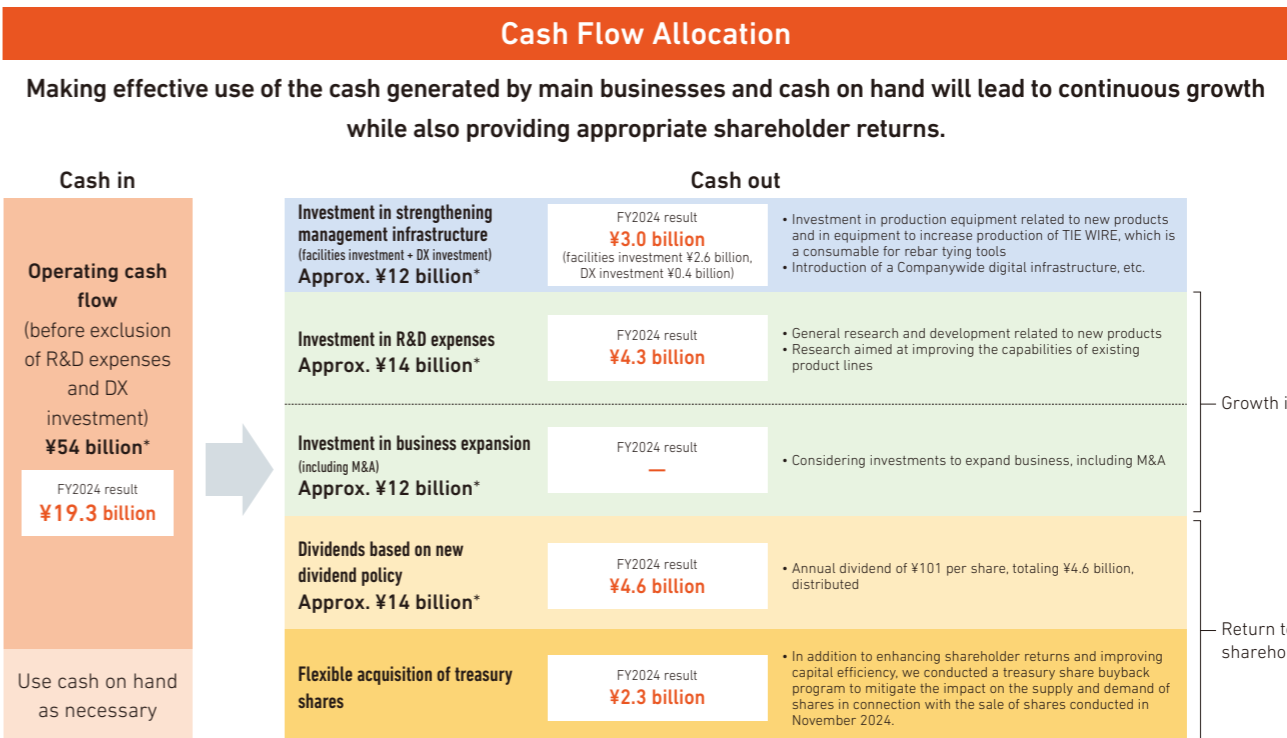
- Actively conducted research and development, including new product development. Research and development investment for fiscal 2024 was ¥4.3 billion, which was 94% implementation rate against the plan.

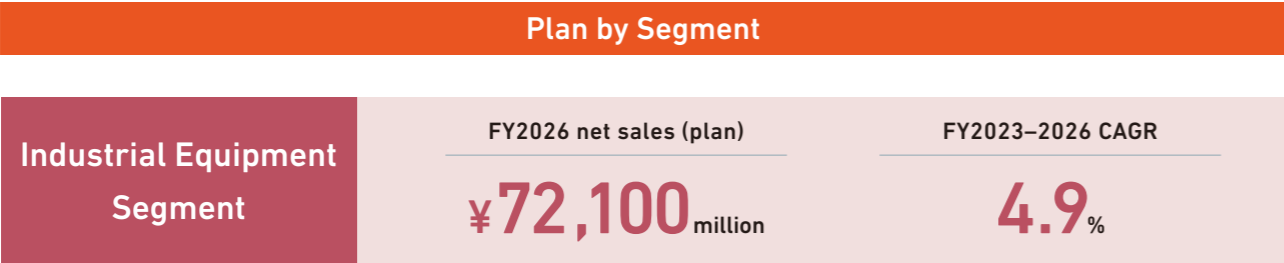


Results for Fiscal 2024 and Revisions to Numerical Targets (Announced on April 30, 2025)

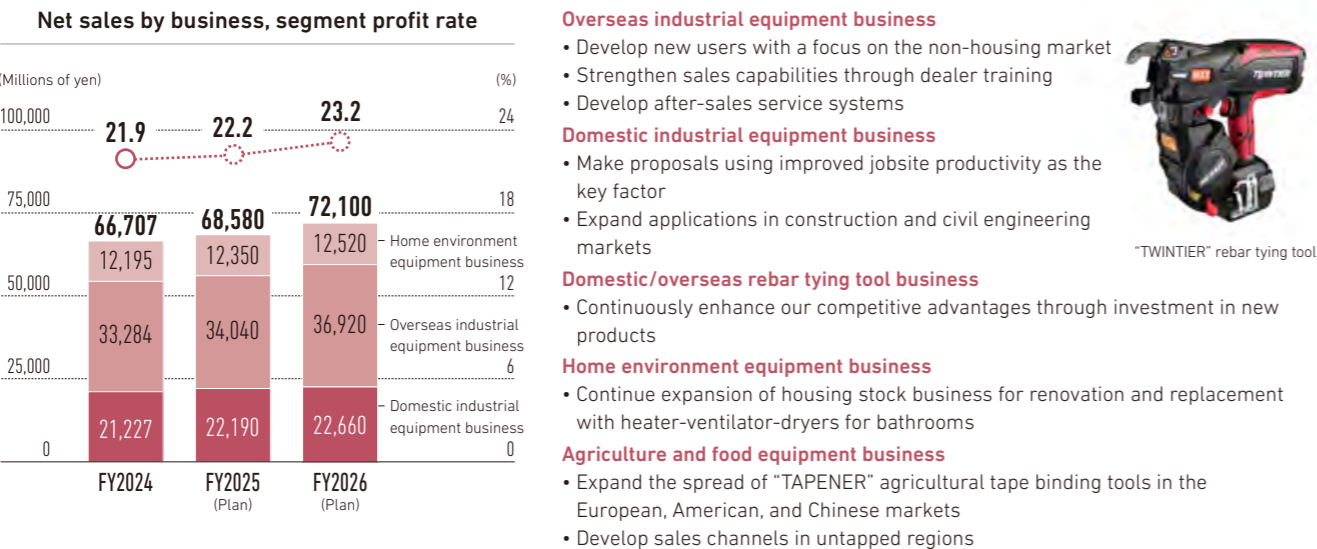
In fiscal 2024, we broke new records for net sales and profit at all levels. Based on our solid business results, we have upwardly revised our Medium-Term Management Plan.

	Results	Plan for next fiscal year		Revised Medium-Term Management Plan	
	FY2024	FY2025	YoY Rate of change	FY2026	YoY Rate of change
Net sales	91,839	94,100	+2.5%	98,100	+4.3%
Operating profit	14,468	14,700	+1.6%	15,500	+5.4%
Ordinary profit	14,809	14,900	+0.6%	15,700	+5.4%
Profit attributable to owners of parent	11,225	11,300	+0.7%	11,900	+5.3%
Operating profit margin	15.8%	15.6%	—	15.8%	—
ROE	10.9%	10.6%	—	11.0%	—





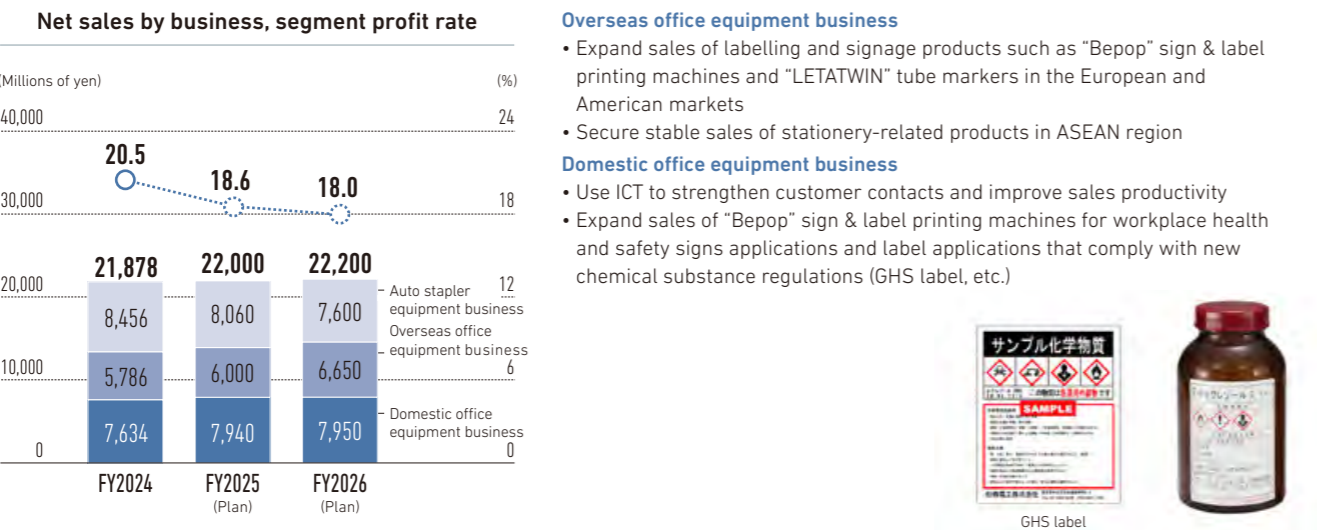
Priority policy Continue to expand business with a focus on domestic/overseas rebar tying tool business



"TWINTIER" rebar tying tool



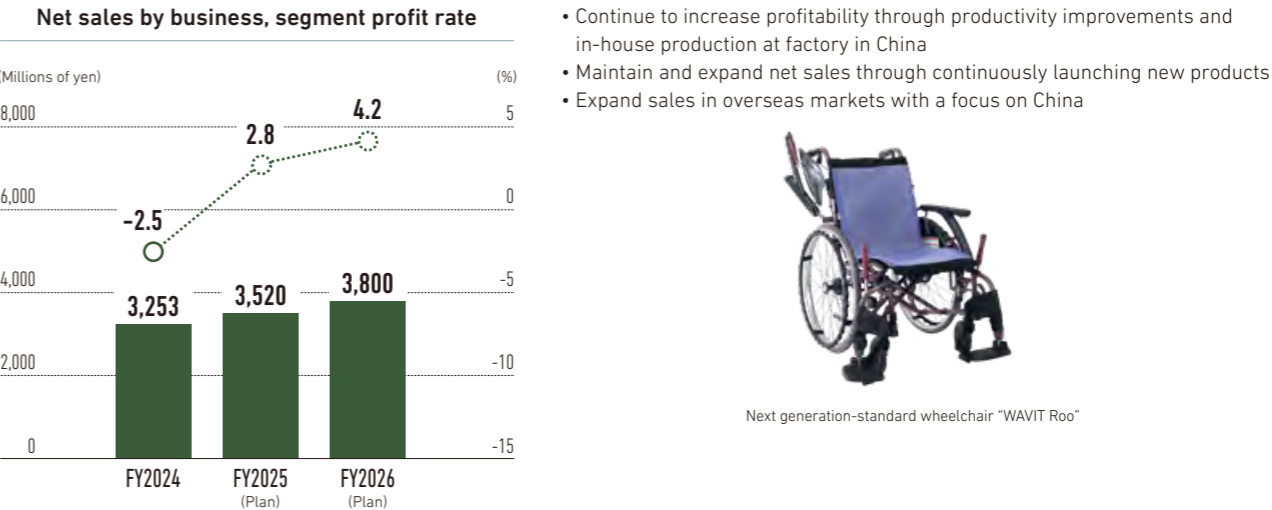
Priority policy Secure profitability by expanding labelling and signage products and overseas markets



GHS label



Priority policy Achieve stable profitability through continued earnings improvement and expansion of overseas business

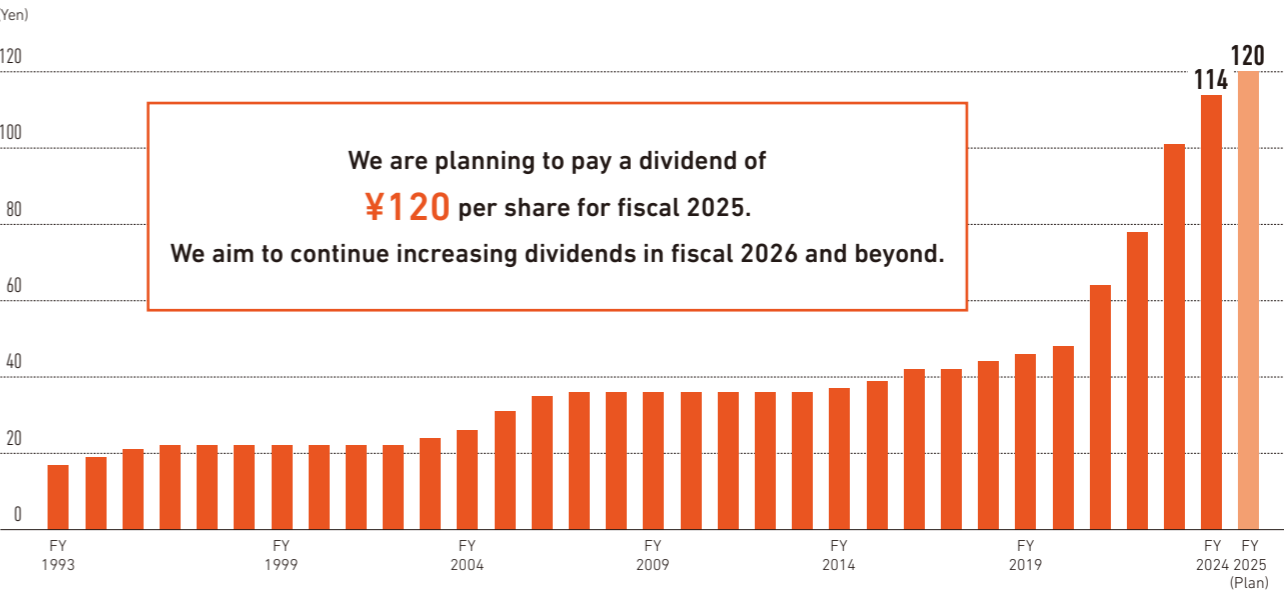


Next generation-standard wheelchair "WAVIT Roo"

Dividends Policy and Dividends per Share

Dividend policy
Guideline of a ratio of dividends to net assets of 5.0% and a dividend payout ratio of 50%, as based on consolidated financial results

Annual dividend per share



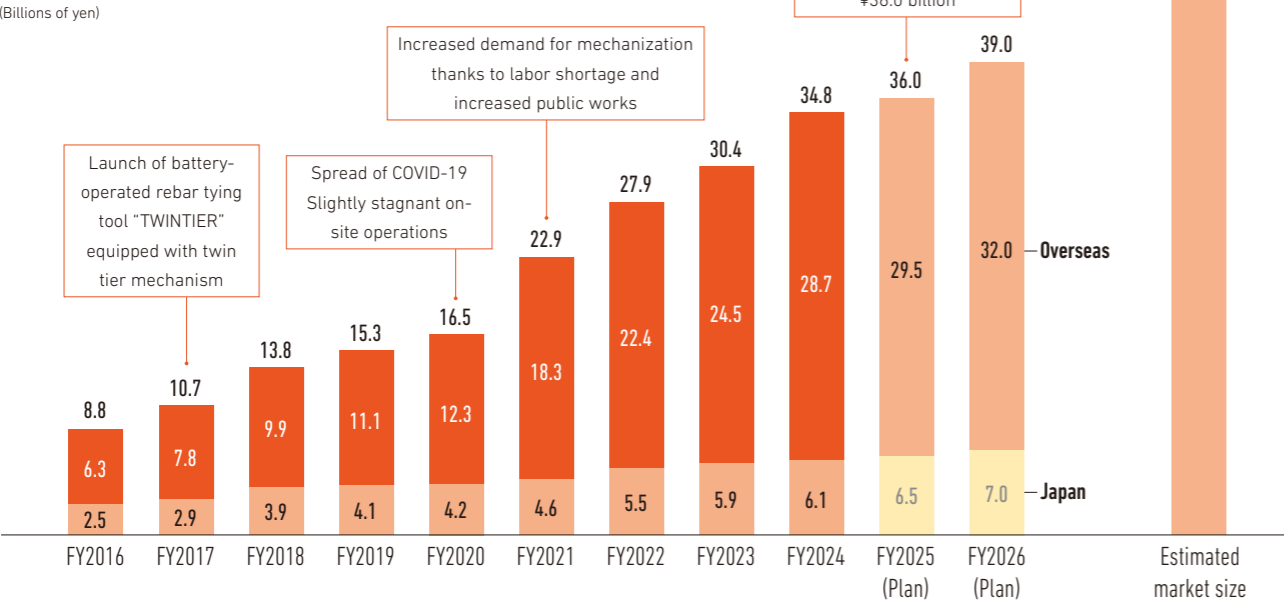
For details regarding the Medium-Term Management Plan, please see our website.
<https://www.max-ltd.co.jp/en/about/ir/policy/plan.html>

Rebar Tying Tool Business: Market Expansion and Growth Strategy

The central pillar of the achievement of our Medium-Term Management Plan and the advancement toward our ideals for fiscal 2030 is our rebar tying tool business. Rebar tying tools are widely used not only in Japan but also in construction sites and precast concrete plants around the world, primarily in Europe and the United States. In addition to the main machine units themselves, we continuously supply wire consumables, so we have established a business model that keeps us connected to customers.

Going forward, we will look to expand our presence beyond our main markets of North America, Europe, and Japan to Oceania, and will explore markets in the ASEAN region and the Middle East as we pursue activities aimed at the further rapid growth of the rebar tying tool business.

Changes in sales of tools for concrete structures



We have maintained growth since the release of the "TWINTIER" in fiscal 2017.

In fiscal 2024, we recorded ¥34.8 billion in sales, almost four times the ¥8.8 billion in sales we had in fiscal 2016.



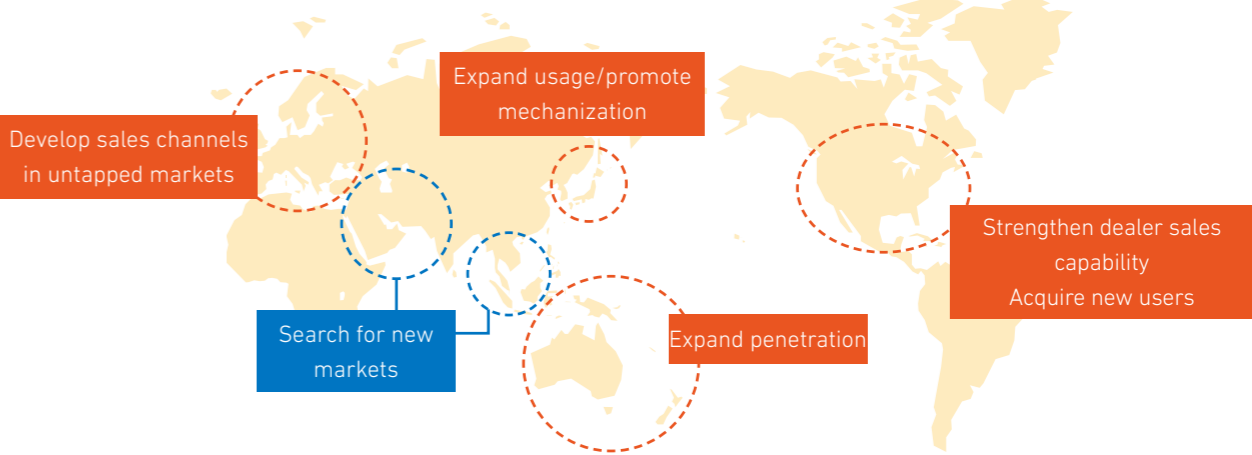
Revision of sales plan Fiscal 2026 sales plan: ¥38.5 billion ➡ **¥39.0 billion**

Revision of estimated market size Estimated market size: ¥50.0–60.0 billion ➡ **Estimated market size: ¥80.0–90.0 billion**

Production	Continue investment to increase production of consumables	<ul style="list-style-type: none">Improvement of production equipment capacity for consumables "TIE WIRE"Enhancement of production capacity for consumables to meet market demand
Development	Enhance product lineup	<ul style="list-style-type: none">Plans to launch new products such as the new model "TWINTIER" battery-operated rebar tying tool (extra-large-jaw model) and battery-operated wire mesh cutter"CONNECTED TWINTIER" with 4G LTE telecommunication and GPS tracker to be released overseas

Growth Strategy for Rebar Tying Tool Business

Priority policy: While strengthening the competitive advantages of products, etc., promote the development of sales channels and users in untapped markets



Areas	Activity policy	Activity status
Japan	Expand application	<ul style="list-style-type: none">Implemented proposals for mechanization from the perspective of improving productivity for tasks that are not mechanized
North America	Dealer training Acquire new users	<ul style="list-style-type: none">Continued strengthening sales capabilities by training dealersPromoted on-site demonstration activities for users who have not yet adopted the product in collaboration with dealers
Europe	Develop sales channels in untapped markets	<ul style="list-style-type: none">Strengthened sales expansion activities in Southern and Eastern Europe, where we had not been able to focus our efforts, and achieved growth in resultsPromoted the development of sales channels in the civil engineering and infrastructure markets
Oceania	Expand penetration	<ul style="list-style-type: none">Continued sales expansion activities in Australia in cooperation with local distributors
ASEAN and Middle East	Search for new markets	<ul style="list-style-type: none">Continued to research market trends, including sales channels, through participation in exhibitions and other activities

Rebar Tying Tool Business Lineup

Battery-operated rebar tying tool "TWINTIER" series * The year of release in Japan is listed.



Small ← Applicable rebar size → large



Production base

- Tools**
For Japanese and overseas markets: Tamamura Factory (Gunma, Japan)
- Consumables**
For the Japanese market: Fujioka Factory (Gunma, Japan)
For overseas markets: MAX (THAILAND) CO., LTD.

Message from the Director and General Manager of the Corporate Operations Division



Yoshihiro Kaku
Senior Managing Director,
Senior Executive Officer,
General Manager of Corporate Operations
Division and General Manager of
Corporate Planning Department

Not being content with solid results, steadily implementing strategies for further enhancement of corporate value

By steadily implementing the strategies under the Medium-Term Management Plan building on the business restructuring and management infrastructure strengthening carried out to date, MAX recorded solid business results for fiscal 2024, the plan's first year.

To ensure growth going into the future, the Medium-Term Management Plan includes a “business strategy,” a “strengthening management infrastructure strategy,” and a “growth investment strategy,” which we will carry out to improve business profitability and return on capital with the aim of further enhancing corporate value.

Achieving record results again in fiscal 2024

MAX's business results for fiscal 2024 set new records for sales and profit at all levels for the third consecutive year, with net sales of ¥91.8 billion, operating profit of ¥14.4 billion, ordinary profit of ¥14.8 billion, and profit attributable to owners of parent of ¥11.2 billion. In terms of return on capital, ROE remained above 10% for the second consecutive year, at 10.9%, and I believe we have become able to maintain a double-digit ROE. PBR, which indicates corporate value, showed steady growth, rising to 1.84 from the previous year's 1.52.

Looking back on this third consecutive year of record profit, there were some changes from the two previous years. The main factors behind sales and profit growth in the two previous years were price revisions and a weaker yen. In fiscal 2024, in addition to those two factors, growth in sales volume gave a further boost to sales and profit. I see the solid foundation created through the business restructuring carried out under the previous Medium-Term Management Plan as having led to the successes recorded in fiscal 2024. As a result, in addition to sales growth, the gross profit margin rose to 47.8% from the previous year's 46.0% and the operating profit margin rose to 15.8% from 14.5%, giving a sense that Companywide business profitability has risen even higher.

We also carried out capital investment of ¥2.6 billion and invested ¥4.3 billion in research and development. This investment is essential for providing customers with MAX products with a sense of responsibility and proposing new MAX products to them. We will make systematic investments to support continuous business growth.

We also recorded extraordinary profit of ¥0.5 billion, but this was from the sale of cross-shareholdings that were redirected to pure investment. The market value of MAX's cross-shareholdings equates to roughly 6% of net assets, and we intend to gradually reduce cross-shareholdings and use that cash for investments for growth and returns to shareholders.

Raised targets due to solid progress under Medium-Term Management Plan

I feel that our results during fiscal 2024 were generally in line with the strategies we have laid out. This feeling is reinforced by the fact that we achieved or exceeded all of our management indicators.

Under the Medium-Term Management Plan, we have designated as important strategic markets “tools for concrete structures, primarily rebar tying tools” in terms of products, and “overseas” in terms of region. We are making solid

progress in expanding sales of tools for concrete structures, primarily overseas, and with this increase in sales volume, sales of tools for concrete structures rose 14.4% from the previous year, to ¥34.8 billion, driving Companywide business growth. At the domestic business, we strove to increase profitability to establish it as our Companywide core business, which steadily enhanced our business structure and supported increased profitability.

Given our first-year progress, results, and future outlook, we have raised our Medium-Term Management Plan targets for fiscal 2026. Results are solidly on track going into fiscal 2025, the plan's second year. Along with implementing our business strategy focusing on further growth at the overseas rebar tying tool business, we are investing based on our two strategies of strengthening management infrastructure and investing for growth. We also aim to enhance corporate value by proactively implementing capital policies including dividends under our dividend policy and the flexible acquisition of treasury shares.

Cash flow allocation set for steady implementation of investment for growth and returns to shareholders

Over the past few years, MAX has increased its business value and corporate value by working to enhance business profitability and return on capital. At the same time, when formulating the Medium-Term Management Plan, we shared and deliberated on capital-related issues including increasing capital efficiency, use of cash, our ideal shareholder composition, and increasing liquidity of our shares based on our financial position and internal and external environments. After various discussions, we announced cash flow allocations including dividends and the acquisition of treasury shares to be carried out during the period covered by the plan.

Based on ¥54.0 billion of operating cash flow as per the Medium-Term Management Plan and cash on hand, in terms of investment, we plan to invest for continuous business growth with outlays of ¥12.0 billion to strengthen management infrastructure, consisting of facilities investment and DX investment, ¥14.0 billion in research and development, and ¥12.0 billion for business expansion including mergers and acquisitions. In terms of returns to shareholders, our plan includes ¥14.0 billion for dividends and additional flexible acquisitions of treasury shares.

Investments in fiscal 2024 were generally on plan, with ¥3.0 billion for strengthening management infrastructure and ¥4.3 billion for research and development. We have not yet made specific investments for business expansion, but are considering

possibilities including mergers and acquisitions, and we hope to carry this out during the period covered by the plan.

With regard to dividends, our policy is a “Guideline of a ratio of dividends to net assets of 5.0% and a dividend payout ratio of 50%.” The ratio of dividends to net assets is dividend payments as a percentage of equity, and indicates stable returns. The dividend payout ratio is the ratio of dividends to profit, representing returns that correlate to business results. With this two-pronged dividend policy, we intend to provide stable returns to shareholders that reflect business results. The ratio of dividends to net assets is calculated as ROE multiplied by the dividend payout ratio, and our dividend policy is based on an ROE at the 10% level, resulting in a dividend payout ratio of 50% and a ratio of dividends to net assets of 5%. The dividend for fiscal 2024 was therefore ¥114 per share, for total dividend payments of ¥5.2 billion. Adding this to the ¥4.6 billion paid as shareholder returns in fiscal 2023 and the total dividend amount as per this year’s planned dividend of ¥120 per share, and with the upward revision to our results forecast, we expect dividends to shareholders to be more than ¥15.0 billion, surpassing the ¥14.0 billion initially planned.

In addition, as capital policies, we have implemented a capital policy package of “secondary offering (1,437,200 shares),” “acquisition of treasury shares (589,100 shares, approximately ¥2.4 billion),” and “cancellation of treasury shares (1,000,000 shares)” with the aims of rebuilding our capital structure, increasing the liquidity of our shares, and improving capital efficiency. The feedback from investors to these measures has generally been positive, and I believe this has been somewhat reflected in the stock market. We also announced a treasury share acquisition on July 31, 2025 (up to 1,000,000 total shares to be acquired, up to ¥5.5 billion total acquisition amount, acquisition period from August 1 to December 31, 2025). We recognize that capital policy is an ongoing issue, and we intend to take appropriate measures at appropriate times.

We will continue to pursue proactively both investment for continuous business growth and returns to shareholders.

Aiming for even higher return on capital and enhanced corporate value

MAX regularly calculates its cost of capital, and using a capital asset pricing model (CAPM), we estimate that our cost of equity is 6%–7%. ROE for fiscal 2024 was 10.9%, exceeding our cost of equity, and I feel that increasing business profitability and implementing capital policies will give us the ability to maintain ROE above 10%. Our revisions to the Medium-Term Management Plan raised the fiscal 2026 target

to 11.0%, but we are aiming even higher. In addition, given these results and the Company’s position, we intend to engage in the proactive disclosure of information to and communication with shareholders and all stakeholders to bring the PBR, an indicator of corporate value, to above 2 during the period covered by the plan.

Adopting proactive measures as “a company that allows people to participate” while strengthening the business base

One of our strengthening management infrastructure strategies under the Medium-Term Management Plan is “sustainability management (human capital),” and the first materiality (priority issue) is to “realize a company that allows people to participate.”

We recognize that the acquisition and development of human resources are important issues for the achievement of the Medium-Term Management Plan and continuous business growth and enhancement of corporate value in the future, and we are moving forward on these issues. Specifically, we plan to add 200 employees in Japan and 70 overseas during the period covered by the Medium-Term Management Plan. As of fiscal 2024, we acquired human resources in Japan largely according to plan through new graduate and mid-career hiring. Overseas, despite the situation being more difficult because of highly fluid human resources, we appointed a person in charge of human resources (HR) at each of our European and U.S. sales bases to strengthen our hiring activities. We are also emphasizing enhancing the skills of our employees. We have already made targeted investments in various training programs for employees on formulating career paths, but we intend to increase this budget and strive to promote human resources by giving employees the knowhow needed for their jobs and enhancing their skills related to DX.

We are also working to increase employee engagement as another activity to “realize a company that allows people to participate.” Over the past few years, we have analyzed the results of engagement surveys and formulated measures needed to strengthen the ties between employees and the Company and among employees.

Our initiatives in the area of diversity are also gradually beginning to show results. Under the umbrella of the Companywide Diversity Promotion Project that we launched in fiscal 2024, we are promoting activities with the six themes of “promoting internal communication,” “understanding women’s health,” “women’s career path formation,” “understanding coworkers’ maternity and childcare leaves,” “research into

working from home,” and “improving workplace environments.” Activities during the past year have included holding roundtable discussions for young employees and seminars on women’s health, and publishing a communication book for employees taking maternity or childcare leave. Our results for diversity KPIs stood at 8.5% for women in management positions on a consolidated basis and 30.8% for female recruitment for new graduates, and the percentage of eligible women and men taking childcare leave was 100%.

Respect for human rights is a base from which to “realize a company that allows people to participate,” and in this regard, we have formulated a human rights risk map and designated those risks to be given priority in addressing. Then, we have begun carrying out activities to reduce human rights risks at business partners and throughout entire supply chains. We will continue to build on these efforts to reduce these risks.

With regard to the materiality “contribute to a sustainable global environment,” although we have the impression that environmental measures are being somewhat relaxed in Europe and the United States for a variety of reasons, MAX considers business activities and environmental considerations to be inseparable, and we continue to work steadily in this area. As a manufacturer, we emphasize environmental measures at our production bases, and we are working to reduce greenhouse gas emissions at various levels, from large-scale projects like systematically installing solar power systems at production bases in Japan and overseas to practical activities at production sites. With targets of a 50% reduction in CO₂ emissions from the fiscal 2018 level by 2030 and net zero emissions by 2042, our Scope 1 and 2 CO₂ emissions in fiscal 2024 totaled 15,106 tons, marking a 17% reduction from fiscal 2018.

As we pursue our business activities and materiality initiatives, risk management is extremely important. At MAX, risks Companywide are monitored by the Corporate Governance Committee, which includes all directors. The committee monitors the progress of risk management in areas including internal audits, risk management at business divisions, and information security, and works to enhance risk management awareness.

MAX’s overseas sales ratio rose to 48.4% in fiscal 2024, and we expect this to reach 50% during the period covered by the Medium-Term Management Plan. We are positioning overseas markets and overseas businesses as major drivers of growth going forward, and risk management will be very important. For overseas sales bases including MAX USA CORP. and overseas production bases including MAX (THAILAND) CO., LTD., the International Sales Department and



the Manufacturing Division serve as secondary control departments, identifying risks and considering and proposing measures for improvement as they work to reduce risks.

In addition, as our business becomes increasingly global, information management and measures to prevent cyberattacks are becoming even more important. MAX obtained information security management system (ISMS) certification in 2004, and our information-related management follows this framework. We are building an information management framework to prevent leakage of data externally and installing next-generation firewalls to guard against attacks from outside. We intend to strengthen these initiatives going forward.

Continuously aiming to meet expectations of our stakeholders and create value that exceeds their expectations

With our growth in business results over the past few years, MAX has been receiving greater attention from investors, and we have been engaged in communication through more than 100 meetings with institutional investors annually. We also held several small meetings with institutional investors during fiscal 2024. These activities have made us aware of the high expectations being placed on MAX by our stakeholders, driven by our business strategies and solid business results, primarily in rebar tying tools.

To meet these expectations, we cannot be satisfied with our current level of business results and need to aim for the continuous enhancement of corporate value. We at MAX realize that this is possible. To achieve this, it will be important to increase business profitability while also pursuing investment for growth and returns to shareholders. We will work to increase business profitability and return on capital, and enhance corporate value while steadily implementing these measures. I hope that you will have high expectations for MAX’s activities going forward.

Materiality (Priority Issues)

MAX has identified five materiality issues that are important to stakeholders while also having a significant impact on the management of the Company.

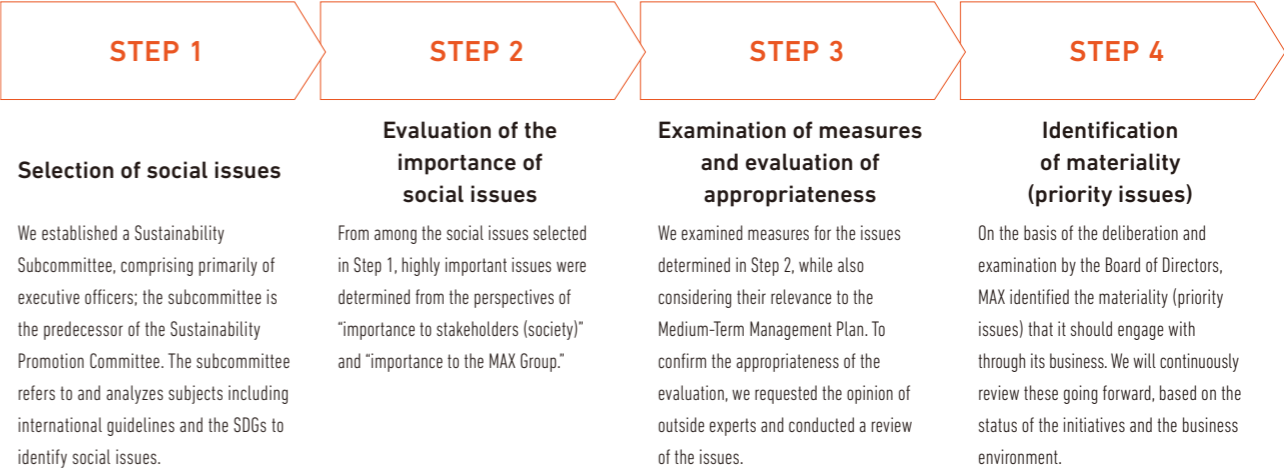
In identifying materiality, we have referred to international frameworks such as the SDGs, the United Nations Global Compact, ISO 26000, and the GRI Standards, as well as wide-ranging stakeholder perspectives and the perspective

of impact on the Company. In addition, we conducted questionnaires for officers and employees and held multiple active discussions led by the Sustainability Subcommittee, both internally and externally, such as exchanging opinions with outside directors and outside experts, and then identified materiality by receiving approval from the Board of Directors.

Identified materiality (priority issues)

Materiality	Focus themes	Company goals
Realize a company that allows people to participate	<ul style="list-style-type: none">Human resources developmentDiversityRespect for human rightsWork-life balanceOccupational safety and health	<ul style="list-style-type: none">Continuously producing human resources as described in “our ideal personnel”Ensuring diversity, including active participation of womenBy respecting people, the development of people will result in growth for the companyMaintaining balance between work and lifeSupporting the development of mental and physical health that will allow our employees to be active over the long term
Contribute to a sustainable global environment	<ul style="list-style-type: none">Environmental management and complianceDevelopment of environmentally friendly productsResponse to climate changeResource recycling and waste	<ul style="list-style-type: none">Harmony between our business and the environmentPromoting the development of environmentally friendly productsReduction in greenhouse gas (CO₂) emissionsWaste reduction based on the 3Rs
Drive innovation to realize “Making work life easier and more enjoyable”	<ul style="list-style-type: none">InnovationDigital transformation (DX)	<ul style="list-style-type: none">Creation of environment and culture that promotes challenges, and continuous challenges to innovate and develop new marketsSupply of products and services and organization creation to realize DX vision
Ensure responsible supply	<ul style="list-style-type: none">Quality and safetySupply chain managementDisaster prevention and recovery	<ul style="list-style-type: none">Ensuring high quality in products and operationsPromotion of responsible procurementRapid recovery from large-scale natural disasters, etc.
Maintain and strengthen governance	<ul style="list-style-type: none">Corporate governanceCompliance and risk managementInformation security	<ul style="list-style-type: none">Taking initiatives to enhance corporate governanceInternal promotion of compliance and implementation of risk managementProtection of information assets

Materiality (priority issues) identification process



Indicators	Results		Targets	Related SDGs
	Fiscal 2023	Fiscal 2024		
Engagement survey	○	○	Above-average scores	
Consolidated ratio of women in management positions	7.6%	8.5%	10% by 2030	<div>5 GENDER EQUALITY</div> <div>8 DECENT WORK AND ECONOMIC GROWTH</div>
Non-consolidated ratio of female recruitment for new graduates	26.5%	30.8%	20%	
Number of major human rights incidents	0	0	0	
Scopes 1 and 2 (Unit: tons)	15,483	15,106	50% reduction by 2030 vs. FY2018	<div>13 CLIMATE ACTION</div>
Scope 3 Category 11 (Unit: 1,000 tons)	2,287	2,381	30% reduction by 2030 vs. FY2018	
Recycling rate	92.8%	95.8%	—	
R&D ratio	5.0%	4.8%	—	<div>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</div>
R&D expenses (Unit: billions of yen)	4.34	4.36	—	
Number of major product incidents	0	0	0	<div>11 SUSTAINABLE CITIES AND COMMUNITIES</div> <div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div>
Continuous effectiveness evaluation of Board of Directors	Implemented	Implemented	Ongoing	<div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div>
Number of serious compliance violations	0	0	0	

* Past greenhouse gas (CO₂) emission volumes have been retroactively adjusted to reflect revised calculation method, etc.

Further Refining Original Technologies

—From staplers to robots—

MAX is continuously pursuing the challenge of “making products that fully satisfy the people who use them,” which begins with visiting jobsites and gathering the facts firsthand from customers.

Continuously refining “original technologies” to satisfy customers

We have created original technologies with a spirit of “emphasizing the facts at jobsites to make products that fully satisfy the people who use them.”

Working to make products that fully satisfy the people who use them

MAX began as a manufacturer of aircraft tail wing components (vertical and horizontal rudders). After World War II, building on the metalworking technologies we had previously developed and on the principle of being a “fully peacetime industry,” we began manufacturing and refining product technologies for staplers. Later, we zealously worked to acquire new technologies, including through technological tie-ups with overseas companies and corporate acquisitions. In addition to acquiring new technologies, our mechanical, hardware, and software designers visited jobsites around the world and used ideas from the perspective unique to engineers for the continuous creation of new value. This

approach enabled us to refine our original technologies for “making products that fully satisfy the people who use them.”

Looking closely at acquired technologies to satisfy customers

Close ties to customers are key to the creation of original technologies. MAX has worked to identify new customer needs through “continuous connections with customers” with a focus on supplying consumables, and build on technologies to address those needs.

In this way, connections with customers through activities like supplying consumables not only build a stable revenue base, but also contribute to the continuous creation of original technologies.

Continuing to provide new value

To “continuously provide the world with new value,” MAX pursues technological creation while advancing our activities, with technological research as our mission.

Advances in product design

We carry out optimized design using cutting-edge analysis technologies at the early stage of highly flexible product development.

With autonomous mobile tying robots, we are fully introducing model-based development (MBD) to achieve reductions in both development costs and development times.

Engineers collaborating to “Create the Future”

MAX has identified technological themes to establish core technologies that will support our business base and to fulfill our social responsibility looking 10 years into the future. To address these themes, we have begun collaboration among engineers across business divisions.

Pursuing New Challenges to “Create the Future”

At the World of Concrete, the world’s largest concrete construction trade show, held in Las Vegas, the United States in January 2025, MAX exhibited its autonomous mobile tying robot and rebar tying unit for automation currently being developed.

The autonomous mobile tying robot in particular drew the attention of many visitors, and the booth became very lively during its demonstrations.

The autonomous mobile tying robot received praise in terms like “innovative” and as something that will “resolve issues at jobsites.” The incorporation of highly intelligent technologies was a first for MAX, but the path to the exhibition was not an easy one.

For MAX, which builds on technologies based on feedback from jobsites, the development of the autonomous mobile tying robot was a challenge to create new standards at construction sites, and the following interview introduces how this came about.

Please continue to expect MAX to create the future going forward.



Kigen Agehara

Senior Manager of
Development of Advanced
Technology



The booth during a demonstration

Q: What is the autonomous mobile tying robot and what are its features?

The autonomous mobile tying robot is a robot that automatically ties wires at points where reinforcing bars meet on slab surfaces (floors).

Rebar tying tools are operated by a person holding them, but the autonomous mobile tying robot performs this operation without the need for a person. Various companies around the world have been trying to create a similar robot for tying operations, but the tying speed was slow, human intervention was needed, and large-scale preparations were

required, and the degree of robotization has been limited.

Given this situation, we decided to develop a robot with the features of superior tying speed, less need for human supervision, and ease of use.



Q: What was the reason and history behind the development of the autonomous mobile tying robot?

First, MAX is a manufacturer with businesses focusing on hand tools including staplers, nailers, and rebar tying tools. My division conducts upfront research prior to commercialization, playing a forward role toward future commercialization.

When I was assigned as a head of the research department in 2015, MAX was using thorough jobsite surveys to make maximum use of its technologies to provide products that met customers’ needs. I was thinking about how we could offer future value-added solutions.

At the same time, against a backdrop of rapid advances in computers, AI technologies like machine learning and deep learning were beginning to spread around the world. Given this global situation, we determined that highly intelligent technologies had reached a stage where MAX would be able to engage in practical implementation, and thought that this would increase the added value of MAX’s products. This led to the development of the autonomous mobile tying robot.

Q: What kind of technology is highly intelligent technology?

The term comes from automobiles. Automated driving has become an important technology and “vehicle intelligence” is a term that is increasingly being heard. Incorporating this in MAX’s products means “tool intelligence.”

In general, the term “intelligent” gives an image of AI, but more broadly, I believe it refers to technologies for autonomous operation. To date, MAX has been engaged in automation, but we believe that in the future various tools will be used in place of people, and that this could mean a shift from automation to autonomous operation. I consider the technologies needed for this all to be highly intelligent technologies.

In terms of this robot, the technology for grasping the reinforcing bars, the technology that plots effective movement routes, and the technology to ascertain its own position are all highly intelligent technologies. These are also technologies that MAX did not previously possess.

Q: What were the vision and themes when acquiring highly intelligent technologies?

To be a company that continuously contributes to society into the future, we established a vision of “using highly intelligent technologies to add future value to MAX’s products.” We also made the instillation and cultivation of highly intelligent technologies our department’s mission.

There was a time when everything we considered did not move forward after studying it. As a result, we finally decided that “robotics”—a concentrated form of highly intelligent technologies—was the most appropriate theme for MAX as a company that specializes in mechatronic products.

Nevertheless, we had to think about specific themes.

Q: What existing MAX technologies were you able to use in the autonomous mobile tying robot?

This robot is for tying reinforcing bars, and for reinforcing bar tying technologies, we applied the rebar tying tool itself to the robot. Without this, we would have been in a difficult position.

In terms of versatility, I would say motor control technologies and mechanical, hardware, and software design technologies. More than the role played by the technology itself, however, a more correct expression is that we used the skills and ideas of engineers to make this robot.

This project almost completely involved technologies that were previously unknown at MAX, meaning that there was no useful information or expertise written down. I believe that the abilities that the project members developed made the greatest contribution to the robot’s development.

Q: What cutting-edge technologies are incorporated into the autonomous mobile tying robot?

The autonomous mobile tying robot is a combination of general robotics technologies. The advances we made are in creating an optimal and sophisticated combination of specialized applications of various technologies. Many robots resemble natural, living things, but the slab surfaces in which the reinforcing bars are laid are man-made. We created the mechanical form and the cognitive, decision-making, and operational technologies that enable the robot to move efficiently across these man-made slab surfaces and tie wires at points where reinforcing bars meet. I consider this to be the most advanced aspect of the autonomous mobile tying robot.

Q: What was the particular challenge you faced in developing the autonomous mobile tying robot?

I would say the first difficulty was getting the people around us to stop worrying about whether MAX could really build a robot. Some said that we would be better off buying a robot from a specialist robotics company, or that because we have been creating tools, we should develop tools for robots or focus on tool development.

Despite this, I was confident that we “definitely could” do this and approached the project enthusiastically. Moving forward required the securing and training of human resources. We also used mid-career hiring to build a team;

however, because none of the members had previously been involved in robotics, we faced difficulties of learning about robotics from scratch and making the robot.

Q: Were there any thoughts or convictions that underpinned the autonomous mobile tying robot’s development?

MAX has been successful by quickly establishing superior competitive positions in niche markets. If we can build a robot that will amaze people around the world, we expect to be recognized by more stakeholders. Even if something does not go well, I believe it is important to continue to press ahead without being afraid or giving up.

“This is not just a job, it is a lifetime pursuit, a passion, a chance to change the world.”

These are the words of a NASA engineer and my conviction is the same, driving all of my decisions and actions.

Q: What new value will the autonomous mobile tying robot create and what is your image for its future?

Slab surface rebar tying operations involve bending over for long hours outdoors, taking a very heavy physical toll on the person doing the work. I would like to contribute to the elimination of this kind of physically demanding work. Our work will not simply end with just this robot, however, and I consider it MAX’s mission to apply the technologies and human resources we have developed in MAX’s various products to continue to provide new added value toward the resolution of social issues.

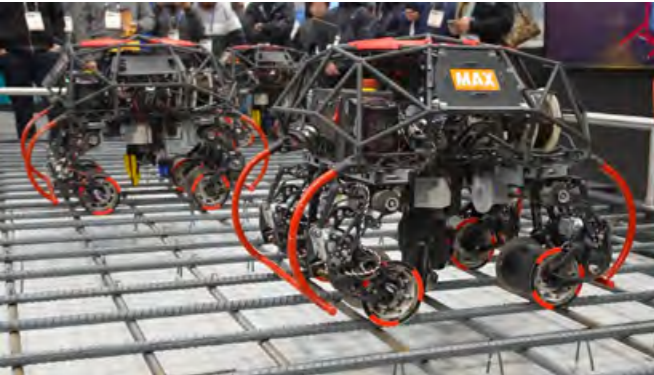
Q: What is your outlook and aspirations for the future?

When other companies look at the autonomous mobile tying robot, they may come up with various ideas as well. There are always very competitive environments in fields other than rebar tying. By introducing a variety of robots, however, technology will advance and we will need to evolve. Against that backdrop, MAX will continue to pursue the challenge of identifying customers’ latent needs and creating new standards with a strict jobsite-oriented and customer-first principle. I am confident that this will make both jobsites and society better.

Currently in research and development: Automated equipment

Autonomous Mobile Tying Robot

This robot autonomously creates optimal routes to move around designated areas where reinforcing bars are being used to reinforce floors and tie the reinforcing bars. It is very adaptable, with the ability to detect obstacles and immediately create a new route. Multiple units can be linked together using advanced swarm control technology.



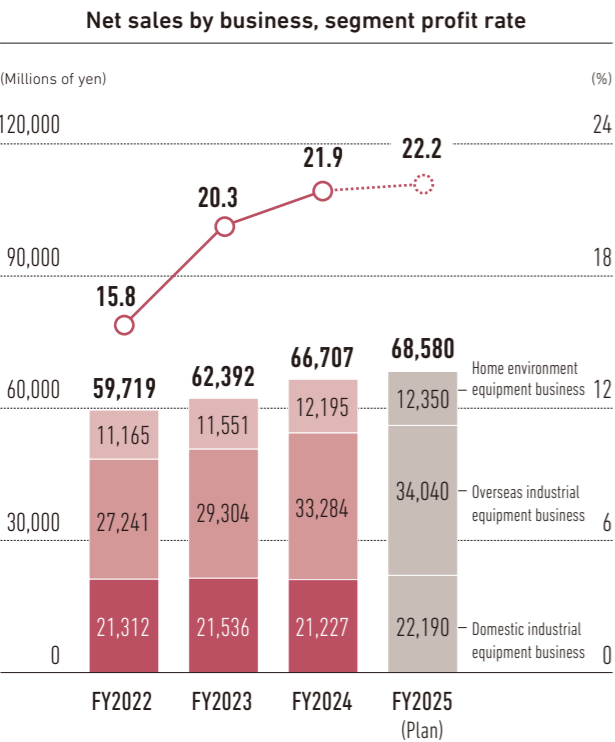
Industrial Equipment Segment



Main Business Activities

Manufacture and sale of nailers, hand tackers, screw-driving machines, staples, nails, screws, air compressors, laser markers, rebar tying tools, pin insertion machines for concrete, gas nailers, hammer drills, battery-operated impact drivers, battery-operated circular saws, battery-operated pin nailers, vegetable binding tools, agricultural tape binding tools, bag closing machines, battery-operated pruning scissors, heater-ventilator-dryers for bathrooms, 24-hour ventilation systems, floor heating systems, disposer systems, residential fire alarms, etc.

Fiscal 2024 Results and Fiscal 2025 Plan



Domestic industrial equipment business

Thanks to the increase in the cumulative number of operating rebar tying tools, sales of their consumables remained steady. On the other hand, sales of tools for wooden structures decreased due to sluggish new housing starts.

Overseas industrial equipment business

In North America, sales of consumables for rebar tying tools increased thanks to steady construction spending in non-housing construction markets, primarily infrastructure. In Europe, although severe conditions continued in the Nordic countries and other regions, sales of rebar tying tools and their consumables increased thanks to the recovery of sales in Germany, a main market, and the strengthening of activities in areas with favorable market conditions.

Home environment equipment business

Sales of our main product, the heater-ventilator-dryers for bathrooms “DRYFAN,” increased in the replacement market (replacement of existing units), which we are focusing on, and also grew for some OEM customers.

Business Environment and Impact

	Business environment		Impact
Japan 	<ul style="list-style-type: none"> • Labor shortage becoming permanent • Fall in number and increase in age of skilled construction workers 	➤	<ul style="list-style-type: none"> • Increased needs for mechanization
	<ul style="list-style-type: none"> • Longer construction periods due to construction industry workstyle reforms • Weakness in floor area of construction starts for non-residential structures • Decrease in number of new housing construction starts 	➤	<ul style="list-style-type: none"> • Decline in demand for tools including consumables
Overseas 	<ul style="list-style-type: none"> • Solid non-housing construction market conditions in Europe and the United States 	➤	<ul style="list-style-type: none"> • Increase in tool demand
	<ul style="list-style-type: none"> • Higher mortgage interest rates in the United States • Sharply higher prices for materials 	➤	<ul style="list-style-type: none"> • Decline in demand for tools from slowdown in housing construction
	<ul style="list-style-type: none"> • U.S. tariff policies 	➤	<ul style="list-style-type: none"> • Fluctuations in product costs
	<ul style="list-style-type: none"> • Fluctuations in transportation costs (maritime shipping rates) 	➤	<ul style="list-style-type: none"> • Impact on transportation costs

Our Topics

Exhibit at “bauma 2025,” world’s largest international construction machinery trade fair

MAX and its European subsidiary exhibited at “bauma 2025,” the world’s largest trade fair for construction machinery, materials manufacturing, processing and construction-use vehicles, and mining machinery, held in Munich, Germany, from April 7 to 13, 2025.

This was the first time MAX has exhibited at this event, and our booth featured automated equipment (rebar tying unit for automation) related to rebar tying currently in research and development.

Our European subsidiary’s booth featured “TWINTIER” rebar tying tools, including a new extra-large-jaw model, as well as a battery-operated wire mesh cutter that was displayed in Europe for the first time. Demonstrations were given to allow visitors to experience first-hand the rebar tying tools’ tying speed and tying force, and the labor savings in wire mesh cutting operations achieved with mechanization, making the booth very popular with visitors.



“ES-1210DC series” 24-hour total heat exchange-type ventilation system released

In March 2025, the home environment equipment business released a 24-hour total heat exchange-type ventilation system that has both a maximum airflow of 140 m³/hour and improved energy savings.

A total heat exchange-type ventilation system is a ventilation system that uses heat exchange to supply air from outside at close to the indoor temperature, while also forcing indoor air and particles outside. The product expands the ventilation space by increasing the maximum airflow by 17%*1 compared with previous models while maintaining a heat exchange ratio of at least 70%, and lowers the running cost with a roughly 17.6% reduction*2 in electricity consumption.

Based on our “creating new standards for people and homes” business concept, we will offer products that realize both health and a comfortable living environment.

*1 Maximum airflow volume compared with the ES-1200DC

*2 Compared with the ES-1200DC at 120 m³/hour (with standard resistance)



Office Equipment Segment

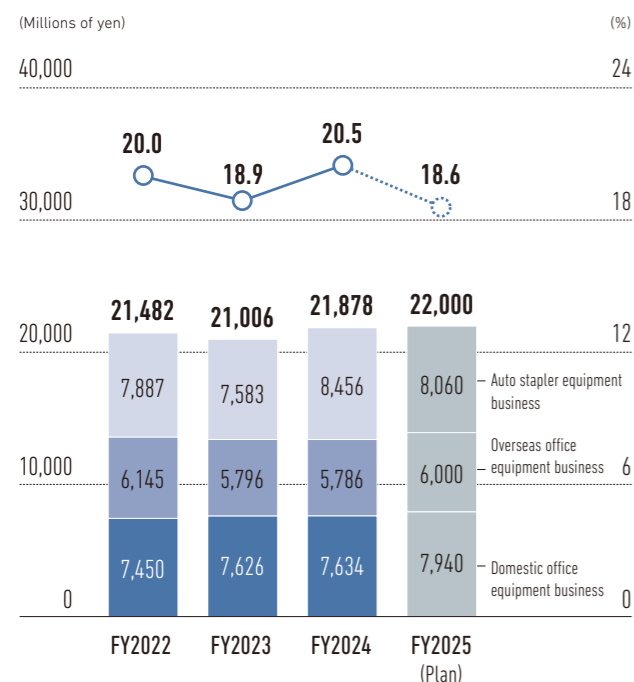


Main Business Activities

Manufacture and sale of staplers, staples, paper-made staple staplers, electric staplers, electric staple removers, auto staplers, automatic binding machines, numbering machines, punches, stamp pads, red ink pads, time recorders, time cards, check writers, sign & label printing machines, label printers, tube markers, signboard creation software, signboard creation machines, parallel rulers, etc.

Fiscal 2024 Results and Fiscal 2025 Plan

Net sales by business, segment profit rate



Domestic office equipment business

Although sales of stationery-related products decreased, sales of sign & label printing machines, particularly "Bepop," increased thanks to the promotion of proposal activities for label applications that comply with new chemical substance regulations, leading to an overall increase in sales of labelling and signage products.

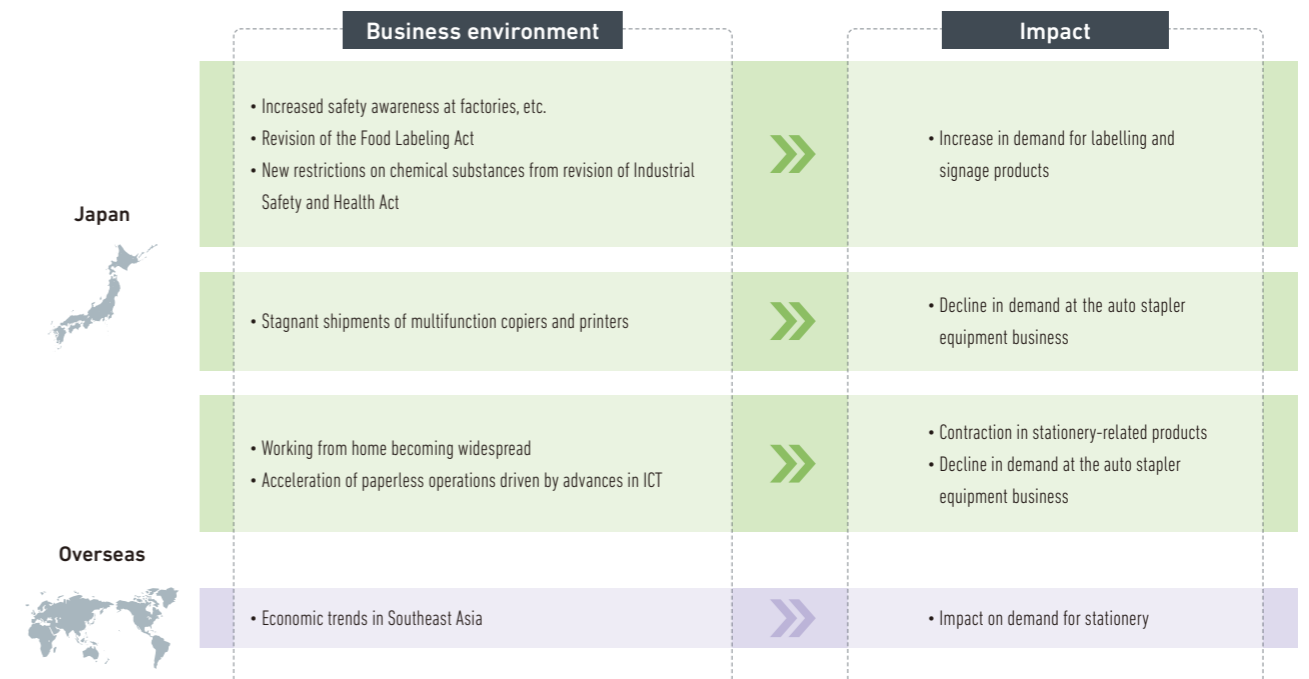
Overseas office equipment business

Sales of labelling and signage products, such as sign & label printing machines "Bepop" and tube markers "LETATWIN," remained steady. On the other hand, sales of stationery-related products in Southeast Asia decreased for the full year, despite a recovery trend in the second half.

Auto stapler equipment business

Orders from clients remained steady, and sales of both machines and consumables increased.

Business Environment and Impact



Our Topics

"Bepop" supporting growth in demand for labelling and signage products

"Bepop" is a label and sign printer that makes it easy to create original labels and signs. In addition to letters and numbers, it can incorporate illustrations and photographs, making it possible to create various signs and labels including GHS signs for sorting and displaying the level of danger of chemicals, large and conspicuous safety signs, and construction signboards and information signs. These signs and labels are used in a variety of situations including worksites in factories, civil engineering and construction, and public facilities.



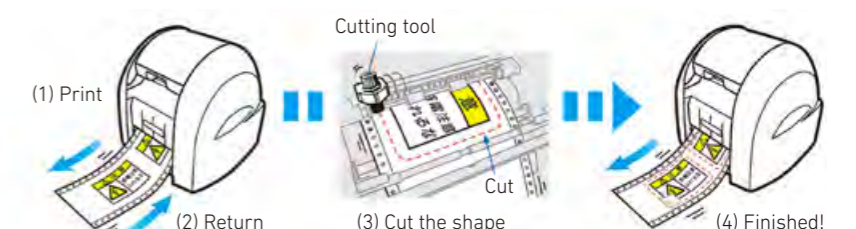
Unique features

- Can freely create original labels and signs
- Can make the number needed when needed
- Easily conveys colors, illustrations, and photographs that are easy to see



Cut & print

A function to cut around the edges after printing makes it easy to create labels and signs of various shapes and sizes to match the use and place they will be displayed.



HCR Equipment Segment

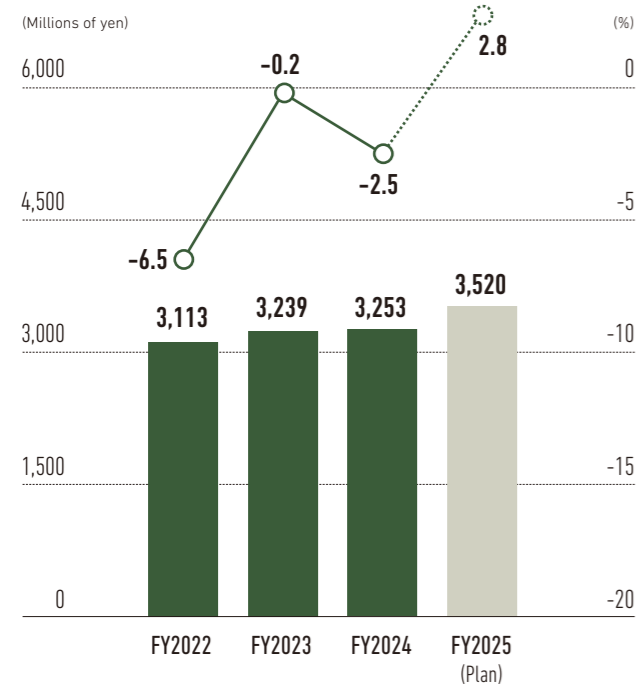


Main Business Activities

Manufacture and sale of wheelchairs and other welfare products

Fiscal 2024 Results and Fiscal 2025 Plan

Net sales by business, segment profit rate



HCR business

Although orders from clients in the domestic market were weak, sales of wheelchairs for overseas markets, mainly in the rental market in China, increased.

Business Environment and Impact

	Business environment		Impact
Japan 	<ul style="list-style-type: none"> • Future decrease in population • Progression of low birthrate and population aging • Increase in the number of annual cumulative recipients of nursing care prevention and nursing care services 	»	<ul style="list-style-type: none"> • Increase in demand for nursing care and welfare equipment
Overseas 	<ul style="list-style-type: none"> • Progression of population aging in Asian countries such as China 	»	<ul style="list-style-type: none"> • Increase in demand for nursing care and welfare equipment
	<ul style="list-style-type: none"> • Further yen depreciation 	»	<ul style="list-style-type: none"> • Increase in production costs

Our Topics

New "Modern Rich-style" tilt and reclining wheelchair released to limit back strain when reclining

In March 2025, we released a tilt and reclining wheelchair from our modern series, which allows the user to sit for long periods of time with the special feature of being "easy to use." A new "SURARIKU" tilt and reclining mechanism limits the sliding of the body when reclining, one of the many problems with reclining wheelchairs. Limiting the sliding of the user's back, even when repeatedly lowering or raising the back support, keeps the user in a stable sitting position.

Other features that make the wheelchair user-friendly include a "click brake" that is easy to use even when reclining and "rim beads" for simple, slight adjustments when sitting.



Solving Social Issues through Our Activities

Reducing amount of iron used

“TWINTIER” rebar tying tools are both environmentally friendly and improve operational efficiency.

Rebar tying tools are used in places where reinforcing bars need to be tied together at construction sites including buildings and condominiums made of reinforced concrete, roads, bridges, and residential foundations.

Since introducing the world’s first battery-operated rebar tying tool in 1993, MAX has made a series of improvements to the product. The “TWINTIER,” released in 2017, significantly changed tying at jobsites, which involved a great deal of manual operations, thereby contributing to increased operational efficiency and reducing the physical strain on workers at construction sites in Japan and overseas.

Compared with the previous model,*1 the “TWINTIER” had significantly improved functionality in terms of both tying strength and speed, and also reduced the amount of wire used per tie. Another feature of the “TWINTIER” that the previous model*1 (single wire) did not have is sending two wires simultaneously, which means that the weight of the wire used per tie is reduced by roughly half.*2 This contributes to a reduction of the environmental impact by reducing the amount of iron used as wire raw material.

MAX will continue to develop environmentally friendly products with the aim of achieving a sustainable society through technological innovation.

*1 RE-BAR-TIER “RB-399S”
*2 Comparison of the RE-BAR-TIER “RB-399S” for D13 × D13 triple ties with the TWINTIER “RB-442T” for D13 × D13 ties.



Toward achieving a society that accelerates superior community building

“Rentool” tool subscription/rental service rolled out nationwide in Japan.

MAX’s subsidiary Rentool Co., Ltd. originated from an internal business contest and was established in September 2023. The system allows users to use tools on either a subscription or rental basis in accordance with their own circumstances.

The service was initially limited to the Tama region of Tokyo and expanded to cover Tokyo and six neighboring prefectures in 2024, and in response to demand from users, has been available nationwide since May 2025.

The construction industry often involves long hours and low wages, and the number of young carpenters is declining. Rentool offers a long-term subscription service to address needs like “wanting to have required tools up front” as a way of lowering the barrier to entry for young people becoming carpenters by holding down the initial cost of purchasing tools. A short-term rental service is also available to address needs like “tools needed only at this jobsite” and “wanting to give new products a try.” Providing opportunities to use a variety of tools also helps to enhance the skills of young carpenters.

Our aim is to resolve the social issues of “a high percentage of young carpenters leaving their jobs” and “an insufficient number of new carpenters,” while also “invigorating the housing market and achieving a society that accelerates superior community building.”



Introducing environmentally friendly products

Paper tape and biodegradable tape for “TAPENER” agricultural tape binding tool are launched.

Amid increased interest in the SDGs, agricultural producers are also showing greater environmental awareness.

Tape that has been used previously did not decompose, so it was either incinerated together with discarded branches and stems or used tape was collected and put in the trash. In recent years, however, an increasing number of regions have been restricting incineration and there is resistance to burying used tape in the ground for environmental reasons, placing the burden of collecting and disposing of used tape on producers.

“Paper tape,” made of paper, decomposes in soil in roughly three months, and when “biodegradable tape,” made with biodegradable resin, is buried in the ground, microbes break it down to finally become water and carbon dioxide. Using these tapes reduces the environmental impact and also the work of gathering used tape from the land. We have also begun using paper and biomass ink* that take forestry preservation into consideration in our packaging materials.

MAX will continue to work proactively to use environmentally friendly materials to contribute to the achievement of the SDGs.

* Biomass ink is ink made with a portion of the raw materials derived from plant resources, and the raw material plants absorb carbon dioxide as they grow.



Coexisting with nature and contributing to local communities

We are creating green space at our Yoshii base.

MAX is creating green space at our Yoshii base, where Group companies MAX Takasaki Co., Ltd. and MAX Logistics Warehouse Co., Ltd. are headquartered. A portion of the grounds of the Yoshii base has been maintained and managed as a green, open space since the location was originally set up, and recently, employees have been volunteering to maintain and improve this green space with the motto of “Let’s achieve harmony with nature ourselves.”

During fiscal 2024, these employees pruned the branches protruding onto the pathways and the trees and shrubbery in the open area and mowed the grass. Instead of throwing out the clippings, they were made into wood chips and spread around a portion of the green space, making effective use of this resource. They are also creating a favorable natural environment for plants and animals, including putting birdhouses in trees to attract wild birds and setting up a mulch area to attract insects.

There is also a roughly 600-meter riverside pathway lined with Japanese cherry trees owned by MAX adjacent to the Yoshii base, and regular cleanups are held and vines growing on the trees are removed so that members of the local community can relax in this area.

In fiscal 2025, there are plans to create a pathway in the green space and set up a central square so that the area can be used as a place where employees can interact with each other through barbecues and other events.

These activities will continue and advance to promote “coexisting with nature” and “contributing to local communities” while also increasing employee engagement.



Our Approach to Sustainability

Basic Policy on Sustainability

Our mission is to fully utilize our capabilities and technologies to create excellent products needed by our customers and society and continuously supply them. By fulfilling this mission, we aim to contribute to

the sustainability of society, while being a robust company. To this end, we have established the following Basic Policy on Sustainability.

Through business growth, MAX will contribute to the realization of a sustainable society.

1. We respect people, draw out the abilities of diverse people, and empower people.
2. We continuously invest in people and technology to create new things and experiences.
3. We deliver user-friendly and environmentally friendly products and services to people all over the world.
4. We allocate results fairly and appropriately.
5. We engage in appropriate dialogue with stakeholders and continue to enhance governance.

Strengthening our system for promoting sustainability initiatives

We established the Sustainability Committee (the "Committee," chaired by the President). The purpose of this body, which is supervised by the Board of Directors, is to determine sustainability strategies to promote sustainability initiatives. We also established the Sustainability Promotion Committee (chaired by the director in charge of sustainability) as a subordinate body of the Sustainability Committee to promote

various sustainability-related activities. The Committee reports to the Board of Directors on the status of deliberations and other matters and reflects these in the Medium-Term Management Plan and business plans. By integrating sustainability-related activities and business strategies, it works to sustainably enhance our corporate value.

Increasing interest in SDGs as opportunities for new growth

We have selected six of the SDGs where MAX aims to contribute in particular based on our materiality (priority issues) and business characteristics. We believe we can contribute to the achievement of these six goals through our activities to resolve materiality

issues and our business activities. We will think of a range of measures to achieve the SDGs and implement them, while identifying new opportunities for business growth, reducing our overall risk, and increasing value related to corporate sustainability.

Main SDGs targeted for contribution by MAX



Stakeholder engagement

MAX recognizes the importance of accurately grasping and responding to the requests to and expectations of the Group through constructive dialogue with all stakeholders, including customers, shareholders, employees, society, and suppliers.



https://www.max-ltd.co.jp/about/cocoro_story/
(Japanese only)



Realizing a Company That Allows People to Participate



Basic Policy on People

Our corporate color, “human red,” visually represents our spirit of respect for people, signifying personal warmth and growth. In keeping with this spirit, we aim to be lively and fun, and have established the Basic Policy on People.

Basic policy	“Management that believes in people and brings out their best” MAX believes that by respecting people, the development of people will result in growth for the company.
Our ideal personnel	“People who are willing to keep taking on new challenges without fear of failure and who are willing to learn and grow with others.” 1. People who trust others and are trusted by others; people who are worthy of trust 2. People who think things through and step forward 3. People who take the lead and can work well in a team 4. People who take facts as a shared value, who gather public information, and make the unknown known 5. People who have a spirit of being a half a step ahead, who use their work for endless self-growth 6. People who have a wide range of knowledge and expertise as global talent and who never stop trying new approaches
Personnel policies and management policy	Respect for human rights, personality, and individuality In the spirit of respect for people, we respect the human rights, personality, and individuality of everyone. Personal growth as a foundation We aim to realize co-learning, through which workers grow together. We invest in people who strive for growth, and we strive to find talented human resources. (1) Improving skills through friendly competition based on facts (2) Nurturing and discovering talent through rotations (3) Emphasizing self-directed learning and supporting self-improvement Evaluation for development The purpose of evaluation is to develop our human resources and to ensure fair treatment. Evaluations are based not only on results but also on processes including motivation, challenges, and actions. (1) Pursuing a suitable evaluation system (2) Carrying out fact-based evaluations (3) Providing evaluation feedback that leads to growth Treatment We aim for a system where people can use 100% of their abilities, while finding their work rewarding. (1) Treatment that considers stability in daily life (2) Treatment based on growth, contributions, and results (3) Fair distribution of profits derived from performance results Building a strong organization We strive to be an efficient organization resilient to environmental changes to ensure the sustainable growth of the Company. (1) Actively promoting motivated and capable personnel (2) Pursuing the optimal organizational hierarchy and organization size (3) Training the next generation Developing the work environment We create a comfortable working environment so that we can devote ourselves to our work while keeping a balance with our personal lives. (1) Enabling communication (2) Improving productivity through creativity and ingenuity (3) Maintaining balance between work and life Maintaining good health Employee health is the foundation of company management. We support the development of mental and physical health that will allow our employees to be active over the long term. (1) Supporting the maintenance and improvement of physical and mental health (2) Promoting mental and physical revitalization

Human resources cultivation and skills development

MAX has established a training system that enables human resources to grow in gradual steps, from team members who contribute to their teams to leaders who direct their teams. In particular, our “essay test” is a unique system that leads to the cultivation of human resources only found at MAX.

As part of our examination for promotion, MAX asks employees to write an essay on the theme of “working as a team to solve problems.” The essay calls for a practical description focused on “Do, See, Think.” Supervisors are always expected to provide subordinates with opportunities to practice teamwork based on known facts.

Fair evaluation and treatment

MAX operates a fair evaluation system designed to ascertain the strengths and weaknesses of our employees and to allow employees to grow while maximizing their abilities. For personnel evaluations, we have introduced a self-assessment system in which self-assessments are carried out twice a year. First, the employee writes a detailed, objective, and fact-based description of the status of implementations for his or her own goals during the half-year period. The employee then discusses and reviews the description together with his or her supervisor. MAX places great importance on feedback that leads to the growth of our employees. The supervisors provide feedback on evaluations of results and processes, thus facilitating future skills development and growth of individual abilities. By fairly ascertaining and treating the abilities and achievements of each employee and linking them to future growth, MAX fosters motivation and fulfillment for employees. In this way, we value human growth.

In addition, on the basis of the MAX Fundamental Management Policy of “We strive to ensure management promises that company results are fairly shared by all stakeholders,” we emphasize profits in our core business and have established a bonus system linked to consolidated operating profit. The total source of bonuses for officers and employees is 28% of the profit distribution derived from performance results and calculated from the amount of consolidated operating profit. Profits are returned to officers and employees by calculating bonuses based on internal rules.

Active participation by diverse human resources (initiatives to promote diversity)

MAX recognizes the importance of incorporating diverse human resources and values, and utilizing those resources and values to create new value. Following this belief, MAX is working to promote diversity.

We hire regardless of gender and nationality, and foreign nationals contribute to the growth of our business. In addition,

our overseas subsidiaries actively hire local human resources, ensuring the multinational diversity of the Group. We carry out mid-career hires (skilled-specialist hires) based on the needs of the organization at any given time. As of March 2025, mid-career hires accounted for 13.8% of our workforce.

To promote the active participation of women, we aim for a female recruitment ratio of 20% for new graduates. In fiscal 2024, 12 of 39 new graduates were female. Moreover, as more women enter science fields, we continue to hire more women with a background in science. As for women in management positions, the percentage in the Group is 8.5% (as of March 31, 2025). We are focusing on improving this number, targeting a percentage of 10% of management positions being held by women by 2030.

Regarding employment of older people, even after the retirement age of 60, MAX employees can continue working until 65. We continue employment for nearly 100% of employees who wish to keep on working.

The employment rate of persons with disabilities was 2.7% in fiscal 2024.

Promotion of work-life balance

MAX is enhancing our efforts to achieve a work-life balance to create an environment where diverse human resources can work comfortably and maximize their abilities. At the same time, we are recommending well-balanced work styles. As measures for promoting work-life balance, we have introduced a flextime system and an hourly paid-leave system. We also offer reduced working hours after childcare leave until the time children enter junior high school. Furthermore, we operate a system in which employees must apply to use their computers after 7:00 p.m.

The average total annual working hours in fiscal 2024 was 1,891 hours, and the annual paid-leave usage rate exceeded 65%.

Initiatives to create a healthy and comfortable working environment

To create a healthy and comfortable working environment, MAX has improved the environment of offices and employee cafeterias. We also promote “self-checks” by employees every year and have a consultation desk staffed by industrial physicians and external experts for providing mental health care.

The most recent self-checks for department managers and other managers covered self-checks on the Group Employee Code of Conduct, conduct required of department managers, and harassment. General employees conducted self-checks on the Group Employee Code of Conduct, whistleblowing, and time management.

Even after reaching the retirement age of 60, I am continuing to work, assisting with the development of junior members.



► Environment & Quality Assurance Department
Joined the Company in 1984

I feel that the culture at MAX is one of team cooperation and taking on new challenges. As a member of the Company, I strive to share all of my knowledge and experience with younger members in my department so that they can take on new challenges.

Based on my own experience, when I work, what I place the greatest importance on is understanding the objectives and targets of our work. In training other members, as well, I do not just simply give the answer but try to make sure that members understand our objectives and targets, and that they think about how they can use the results of their efforts in future operations.

One of the important tasks of my department is preventing market complaints. To accomplish this, we analyze products that we have received complaints about and identify the root causes of those complaints; however, we do not stop with simply finding the causes. Instead, we also investigate why we did not discover these problems before the products went to market, figure out what kind of testing could have detected the problem, and determine how our discoveries could be applied to new products. We look at issues from a wide range of perspectives to prevent problems in the future, and this also contributes to the growth of our members.

I will continue to work to be a strong supporter of our junior employees.

I use my leadership and the skills I developed in my previous occupation to ensure that our team develops products united as a whole.



► IP Design Department
Research and Development Division
Joined the Company in 2022

I joined MAX as a skilled specialist in 2022. After learning the basic operations and features of our industrial equipment business products, I have been involved in the development of new building and construction tool products.

Upon joining the Company, two of the things that really stood out to me were the strict adherence to the principle of three realities and the level of teamwork, with teams working together as one to complete products. For example, when evaluating products, we thoroughly and tenaciously investigate the actual items involved to find out more about the phenomenon that occurred. If something unexpected happens, the relevant information is shared within teams, and people provide each other advice. I think this atmosphere contributes to product development that is aligned with the corporate vision of “Making work life easier and more enjoyable worldwide.”

I came to MAX from another industry, so there is still a lot I have to learn about products, but I am leveraging the technical and leadership skills I developed in my former position as a designer to collaborate with other members in the development of new products.

Going forward, I will focus my efforts on new product development, which I am now engaged in, while at the same time maintaining my eagerness to take on new challenges, without fear of failure, and contributing to both my own personal growth and the growth of other members.

Thanks to company systems and the understanding and assistance of those around me, I am balancing my work and childcare responsibilities.



► Administration Group for Office Products
Business Planning Department
Sales Division
Joined the Company in 2007

Before I gave birth, I was filled with anxiety about whether I would be able to do my work while also taking care of my child, and about my future career.

Since giving birth, I have decided for myself the level of work and childcare I am capable of, giving my reduced working hours. This has lightened the emotional pressure on me, giving me some room to breathe, and I have gained a more positive outlook as a result.

When I need to make changes to my work hours due to circumstances at home, I can make use of company systems like working from home and flextime. Other people in my department are also raising children, so my supervisor is very understanding, and I think we are doing a great job at supporting each other. Even then, there are times when I need the help of others in the department, and I am always thankful for their assistance. The number of employees, both men and women, who are taking care of children within the entire Company is growing, and the number of people utilizing these systems is rising, so workstyles are becoming more flexible.

I am also taking part in an internal project aimed at creating even more comfortable workplaces. Through the project, we hope to promote work-life balance throughout the Company and to assist people in creating even richer careers.

Human resources data

Item	Breakdown	Unit	FY2024	FY2023	FY2022	FY2021	FY2020	FY2019
Employee status	Number of employees	People	999	979	976	971	953	942
	Men	People	891	882	887	888	876	873
	Male ratio	%	89.2	90.1	90.9	91.5	91.9	92.7
	Women	People	108	97	89	83	77	69
	Female ratio	%	10.8	9.9	9.1	8.5	8.1	7.3
	Average age of employees	Years old	41.3	41.8	42.2	42.7	42.9	43.2
	Men	Years old	42.3	42.7	43.1	43.6	43.7	43.9
	Women	Years old	33.6	33.5	33.6	33.3	33.6	33.8
	Average years of service for employees	Years	16.3	16.9	17.2	17.6	17.6	17.8
	Men	Years	17.1	17.7	17.9	18.3	18.2	18.3
	Women	Years	9.4	9.7	10.0	9.7	10.3	10.8
	New hires	People	39	34	37	39	41	40
	Men	People	27	25	30	34	31	31
	Male ratio	%	69.2	73.5	81.1	87.2	75.6	77.5
	Women	People	12	9	7	5	10	9
	Female ratio	%	30.8	26.5	18.9	12.8	24.4	22.5
	Average salary	Thousand yen	9,339	9,445	8,116	8,142	7,850	7,859
	Number of employees with disabilities	People	22	21	18	18	18	18
	Employment ratio of people with disabilities	%	2.7	2.5	2.3	2.3	2.2	2.2
	Part-time workers	People	258	259	279	281	286	273
(Reference)	Men	People	43	42	47	47	45	40
	Male ratio	%	16.7	16.2	16.8	16.7	15.7	14.7
	Women	People	215	217	232	234	241	233
	Female ratio	%	83.3	83.8	83.2	83.3	84.3	85.3
Composition of managers	Number of managers	People	259	260	263	265	254	239
	Men	People	254	257	260	262	251	236
	Male ratio	%	98.1	98.8	98.9	98.9	98.8	98.7
	Women	People	5	3	3	3	3	3
Childcare leave	Female ratio	%	1.9	1.2	1.1	1.1	1.2	1.3
	Number of employees taking childcare leave	People	16	18	14	5	4	6
	Men	People	13	14	7	5	1	1
	Women	People	3	4	7	0	3	5
	Usage ratio of childcare leave by male employees							
	*2	%	81.3	60.0	35.0	—	—	—
	*3	%	100.0	88.0	90.0	—	—	—
	Return-to-work rate for employees who took childcare leave							
Nursing care leave	Men	%	100.0	100.0	100.0	100.0	100.0	100.0
	Women	%	100.0	100.0	100.0	100.0	100.0	66.7
	Number of employees taking nursing care leave	People	0	0	0	0	0	0
	Men	People						
Total working hours	Women	People						
	Average total annual working hours	Hours	1,891	1,879	1,901	1,941	1,929	1,956
Annual paid leave	Paid leave usage ratio	%	65.6	68.4	61.4	57.6	51.8	52.3
	Number of days of paid leave taken	Days	13.6	14.4	13.8	13.0	11.8	12.4
Overtime hours	Average annual overtime hours	Hours	161	160	178	206	194	232
Turnover	Turnover rate (including retirees)	%	0.8	1.9	2.2	1.9	1.8	2.7
Labor union	Number of union members	People	692	698	695	685	672	669

*1 Data categories are for MAX Co., Ltd. (non-consolidated).
*2 Usage rate of childcare leave as defined in Article 71-6, Item 1 of the Ordinance for Enforcement of the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members (Ordinance of the Ministry of Labor No. 25 of 1991)
*3 Usage rate of childcare leave and leave for childcare purposes as defined in Article 71-6, Item 2 of the Ordinance for Enforcement of the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members (Ordinance of the Ministry of Labor No. 25 of 1991)

Considering Human Rights

Respect for human rights

The MAX Group believes that by respecting people, the development of people will result in growth for the company. Since our founding, respect for people has been the guiding spirit. Recognizing that human rights, the universal birthrights of all human beings that are essential capital for the

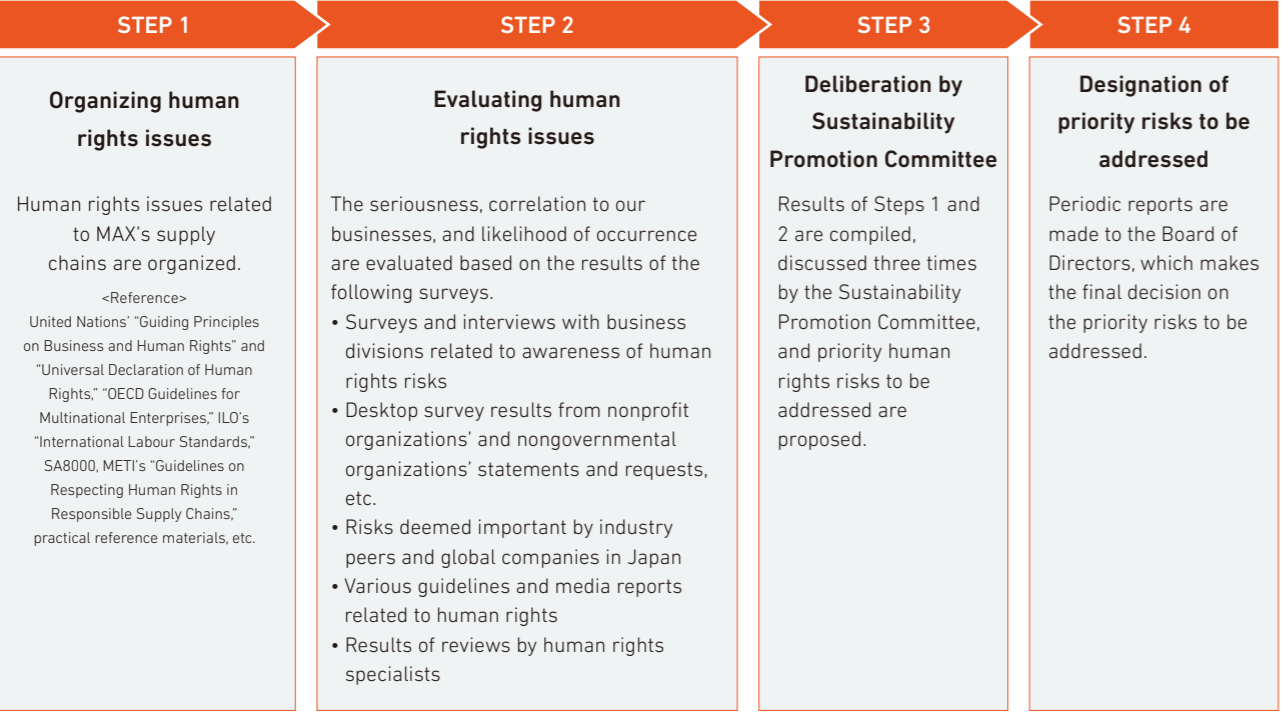
Company’s sustainable growth, must never be jeopardized. We have therefore formulated the MAX Group Human Rights Policy. On the basis of this policy, we carry out business activities that respect human rights and strive to become a company trusted by society.

Human rights due diligence

To fulfill our responsibility to respect human rights, the MAX Group is building and implementing a human rights due diligence framework to identify, prevent, and mitigate negative impacts on human rights. In fiscal 2023, the Group identified human rights risks it should prioritize its efforts to address and defined a policy for

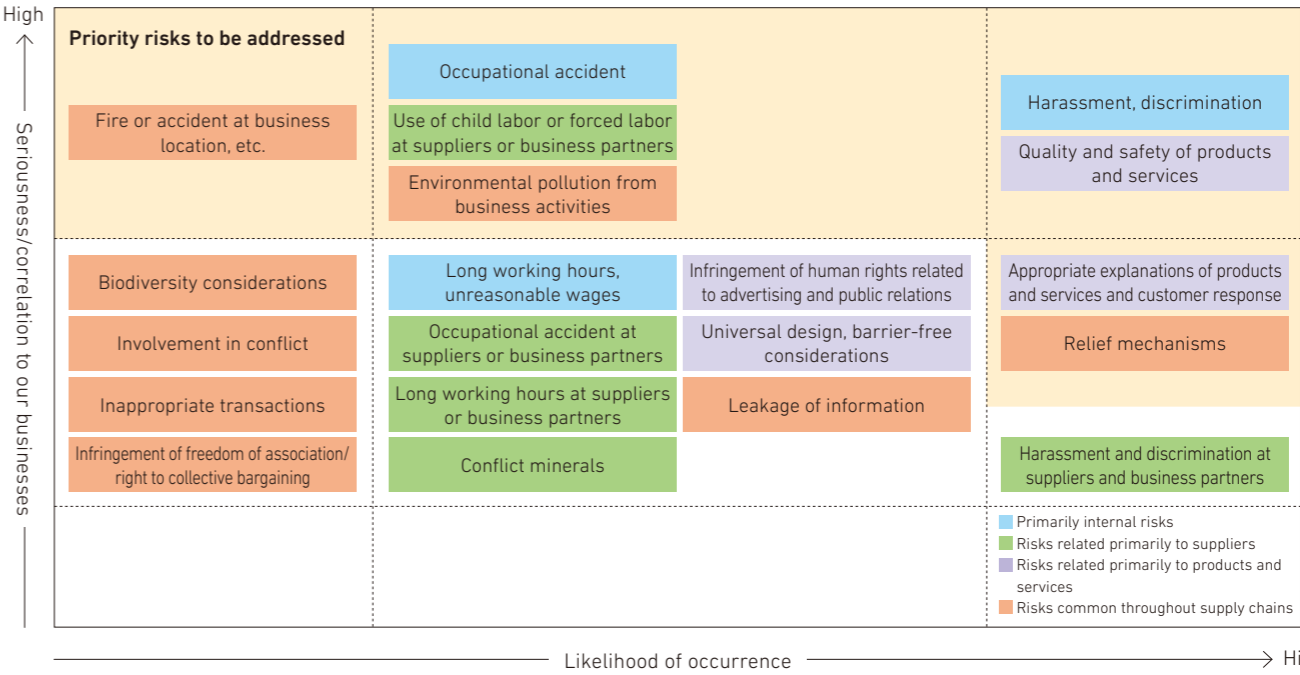
dealing with these priority risks. In fiscal 2024, self-assessment questionnaires (SAQs) were administered to suppliers to determine the state of human rights risks in the supply chain, including the use of child labor and forced labor throughout the supply chain, which was one of the risks identified as a priority risk.

Human rights risk identification process



Human rights risk map

After investigation, the following risks were identified.

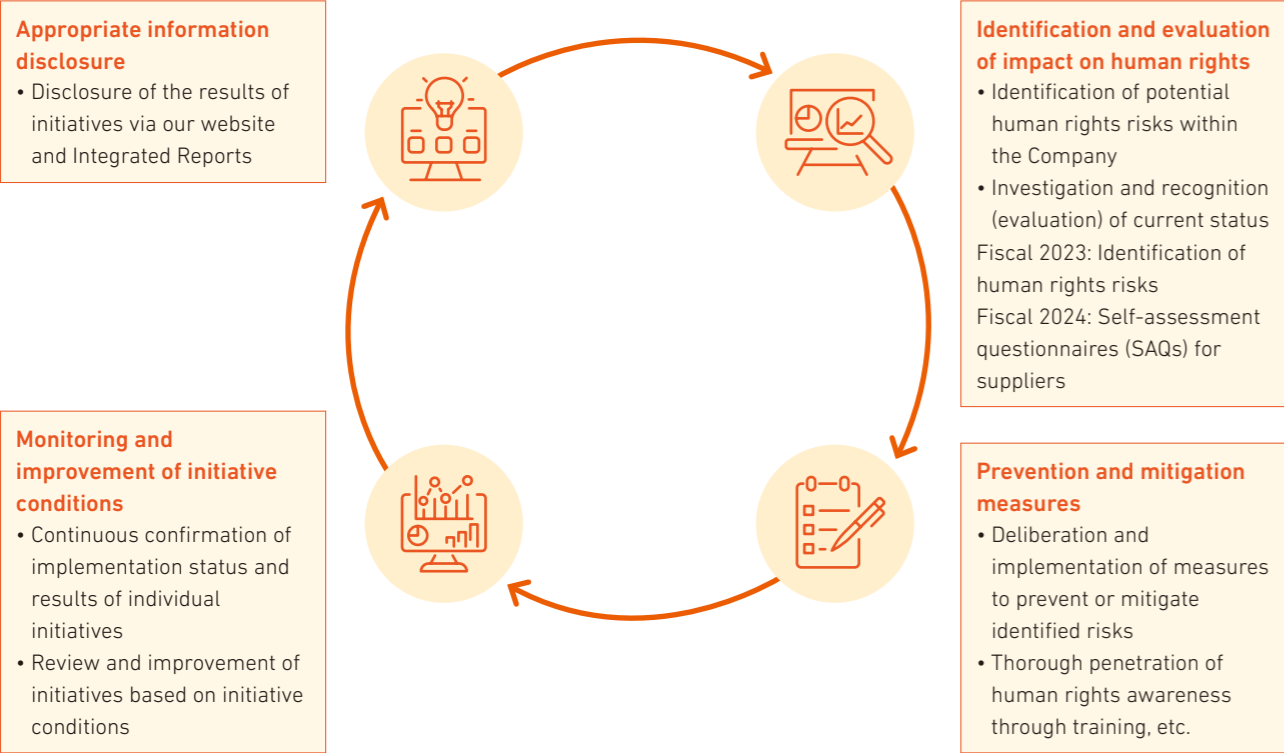


Initiatives in response to priority risks to be addressed

We will respond to the risks shown on the human rights risk map in order of priority risks to be addressed.

Priority risks to be addressed	Risk overview	Response policy
Occupational accident	• Injury or accident at factory or other location, occupational accident caused by exposure to chemical substances, etc.	• Each factory’s Safety and Health Committee promotes initiatives based on an annual plan • When an occupational accident occurs, information is shared with all factories and improvement measures to prevent a reoccurrence are implemented • Reorganize safety and health policy and accelerate activities
Harassment, discrimination	• Harassment or discrimination occurs at a workplace	• Systematically implement regular training related to harassment and discrimination
Use of child labor or forced labor at suppliers or business partners	• A raw materials supplier, outsourced manufacturer, etc., uses child labor or forced labor	• Carry out SAQs at suppliers, plan to identify suppliers’ human rights issues and consider countermeasures
Quality and safety of products and services	• Consumer is injured in an accident with a product • Consumers’ right to know is infringed by covering up of defective product or accident caused by recalled product	• Each factory is building and operating quality management systems based on ISO 9001 • Understand and respond to safety standards for all products
Appropriate explanations of products and services and customer response	• Insufficient explanation of product or response to customer claim, etc., disadvantages a customer, leading to “customer harassment”	• Establish customer service desk, implement initiatives to enhance quality of response
Environmental pollution from business activities	• Environmental pollution from wastewater, waste oil, etc., discharged from a factory has an adverse impact on local residential environment • Design and development of products that are difficult to dispose of as waste leads to environmental pollution in area of waste processing site	• Building and operating environmental management systems based on ISO 14001 • Developing environmentally friendly products
Fire or accident at business location, etc.	• Large-scale accident, fire, etc., at business location has an adverse impact on neighboring residents’ residential environment	• Each factory’s Safety and Health Committee promotes initiatives based on an annual plan
Relief mechanisms	• Failure to establish consultation desk to handle complaints, harassment, etc., from stakeholders disadvantages stakeholders	• Planning to establish and expand consultation desks in Japan and overseas in stages

Human rights due diligence operation cycle



Identification of suppliers' human rights issues and consideration of countermeasures

► Overview of SAQs

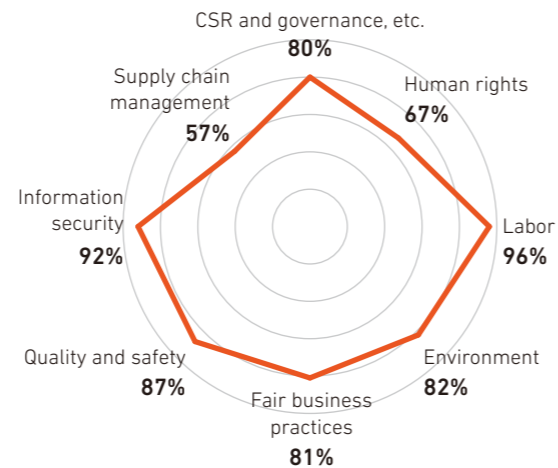
Study scope	Suppliers in Japan and overseas
Implementation period	August to October 2024
Questionnaire items	<ul style="list-style-type: none">• CSR and governance, etc.• Human rights• Labor• Environment• Fair business practices• Quality and safety• Information security• Supply chain management
Response rate	83%

► Overall evaluation

The questionnaires found no major risks that needed to be dealt with urgently. Through the questionnaires, we determined that supplier initiatives had made an especially great deal of progress in the areas of labor and information security.

► Overview of results

Percentage of results that were positive (positive responses such as responses that initiatives were already being implemented, or that issues are outside of scope)



However, the percentage of positive responses was relatively low for the areas of human rights and the supply chain. Specifically, in the human rights area, initiatives tended to be somewhat lacking with respect to human rights due diligence, while in the supply chain area, they tended to be

slightly lacking with respect to formulating business continuity plans (BCPs), etc.

Also, we determined that some suppliers had made little progress with initiatives for tier 2 suppliers and

Initiatives going forward

In fiscal 2025, we plan to conduct human rights training for suppliers to improve their basic knowledge regarding human rights.

By increasing supplier awareness of human rights

beyond. Although there were no risks or concerns of suppliers being directly involved in forced labor or child labor, we may not be fully aware of risks or concerns related to tier 2 suppliers and beyond.

issues, we will help promote supplier initiatives and strive to reduce human rights risks throughout the supply chain, including tier 2 suppliers.

Promotion of occupational safety and health

We promote occupational safety and health in accordance with laws, regulations, and the MAX Group Safety and Health Basic Policy.

The Safety and Health Committee at each factory promotes initiatives based on an annual plan for the continuous improvement of occupational safety and health.

Furthermore, 5S study sessions are held once every three months. As part of the meetings, patrols and checks for dangerous areas are conducted.

In the event of an occupational accident, MAX shares information with all factories and implements improvement measures to prevent reoccurrences.

MAX Group Safety and Health Basic Policy

The MAX Group believes that by respecting people, the development of people will result in growth for the company. Since our founding, respect for people has been the guiding spirit. The safety and health of employees is an essential element for the realization of respect for people. We also believe that measures to ensure the safety and health of employees will lead to coexistence and mutual benefit with stakeholders and local communities.

1. Ensuring the safety and health of employees

- (1) We will strive to prevent all kinds of accidents and disasters with the safety and health of employees given the highest priority.
- (2) We will create workplaces that provide a safe environment for operations and healthy workplace environments so that employees can work vigorously and safely.

2. Having all employees participate in safety and health activities

- (1) In accordance with the spirit of "management in which all employees participate" under the MAX Fundamental Management Policy, all employees will take the initiative in safety and health activities.
- (2) We will cultivate a corporate culture in which every employee can proactively suggest improvements for safety and health.

3. Creating a safety and health structure and investing management resources

- (1) We will comply with both the letter and spirit of all laws, regulations, and standards related to occupational safety and health.
- (2) We will compile internal guidelines (including manuals) related to occupational safety, ensure that they are followed, and review them as appropriate.
- (3) We will create a safety and health management structure with a clear role, authority, and responsibility.
- (4) We will invest appropriately in human, technological, and financial resources to create workplaces in which employees can work vigorously and safely.

4. Risk assessment and continuous improvement

- (1) We will regularly evaluate and consider appropriate countermeasures for potential risks that exist in working environments and operational processes.
- (2) We will introduce and continuously improve a PDCA (Plan, Do, Check, Act) cycle for safety and health management.

5. Enhancing employees' awareness and capabilities toward safety and health

- (1) We will provide safety and health training for all employees.
- (2) Through safety and health training, we will develop human resources responsible for creating workplaces in which employees can work vigorously and safely and improving safety and health continuously.

Contributing to a Sustainable Global Environment

On the basis of the MAX Environmental Declaration and Basic Environmental Guidelines, MAX has set up an EMS Committee, chaired by the General Manager of the Environment and Quality Assurance Department. Environmental committees promote activities at each manufacturing site to reduce the environmental burden.

MAX Environmental Declaration

Providing environment-friendly products and services is the starting point for MAX’s goal of creating customer value. In essence, it is the very practice of “to take responsibility in supplying quality products” as stated in the MAX Company Creed.

We have established the following Basic Environmental Guidelines as a code of conduct in environmental conservation efforts related to all of the MAX Group’s corporate activities. We will work on environment-friendly manufacturing and aim to achieve harmony between our business and the environment.

Basic Environmental Guidelines

- 1. We will strive to reduce the environmental burden through actions such as conserving resources, saving energy, reducing harmful substances, and decreasing the amount of waste, at each stage from product planning, development, and design to production, distribution, use, and disposal.
- 2. We will comply with environment-related laws, regulations, etc., establish voluntary standards, etc., and strive to improve management.
- 3. We will continue to carry out in-house public relations and provide education for raising environmental awareness so that each employee engages in environment-friendly behavior.
- 4. To implement these guidelines, we will set environmental objectives and targets, and promote a positive cycle of improvement activities.
- 5. As necessary, we will disclose the implementation status for development and management of environment-friendly technologies, materials, products, services, etc.

Endorsement of TCFD recommendations

The Company declared its endorsement of the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). Recognizing that responding to climate change is one of our most important management issues, we will promote initiatives and information disclosure to reduce greenhouse gas emissions (hereinafter referred to as “CO₂,” since CO₂ accounts for most of the greenhouse gases emitted by the Company), including identifying and addressing climate change-related risks and opportunities.

Governance

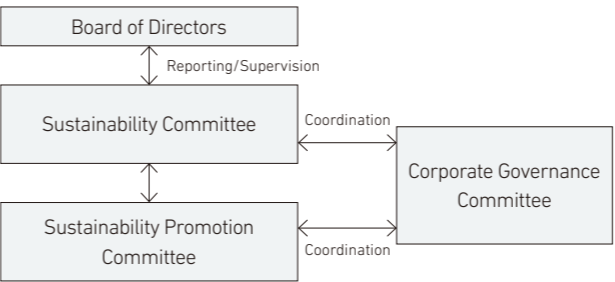
The Company has taken the following steps to promote sustainability activities, including its response to the issue of climate change. We established the Sustainability Committee (chaired by the President), as the decision-making body on sustainability strategies under the supervision of the Board of Directors. In addition, the Sustainability Promotion Committee (chaired by the director in charge of sustainability) was established as a subordinate body to the Sustainability Committee to promote various sustainability-related activities.

The Sustainability Promotion Committee met five times during fiscal 2024, with deliberations incorporating the expertise of outside directors. In addition, given the importance of activities related to sustainability, the deliberations of the Sustainability Promotion Committee are reported to the Board of Directors at its meeting the following month. Furthermore, the Manufacturing Division, which has the most CO₂ emissions, pursues energy-saving activities under the supervision of the environmental committees, which were established in accordance with ISO 14001.

The Sustainability Committee reports to the Board of Directors regarding the status of its deliberations and recognized risks and opportunities related to climate change. It also reflects these in the Medium-Term Management Plan and business plans, aiming to integrate sustainability-related activities and business strategies so as to sustainably increase

corporate value.

Climate change-related activities are promoted through a system centered on the Sustainability Committee under the supervision of the Board of Directors.



Strategy

A scenario analysis was conducted regarding the impacts on the Company from climate change risks and opportunities.

In this scenario analysis, we used external experts to identify and assess the significance of climate change-related risks and opportunities, define scenarios, quantitatively assess business and financial impacts, and consider measures to address the risks and opportunities.

Furthermore, to select and set up multiple temperature

range scenarios, we envisaged the world under two scenarios of an increase in average temperature based on scientific information, such as that of the Intergovernmental Panel on Climate Change (IPCC) and the International Energy Agency (IEA), to consider the impacts on the Group.

We have confirmed that under any of the scenarios in this analysis it is possible to conduct resilient management.

In the 1.5°C scenario, it is assumed that regulations for decarbonization will be strengthened. The introduction of a carbon tax, combined with soaring raw material prices, will drive demand for the creation of more decarbonized products and services.

On the other hand, in the 4°C scenario, the impact of physical risks will increase, giving rise to the need to respond to risks such as factory shutdowns and supply chain disruptions, as well as demand for infrastructure reinforcements.

Risk management

We conducted an identification of materiality (priority issues) as one of our sustainability-related activities. As a result, we found that our response to climate change is an extremely important issue from the perspectives of both our stakeholders and the

Item	1.5°C scenario where climate change countermeasures, regulations, etc., are advanced	4°C scenario where climate change countermeasures, regulations, etc., are not advanced
Overview of scenarios	Scenarios in which severe measures are taken against climate change and the temperature rise is suppressed to about 1.5°C or less by 2100 compared to before the industrial revolution	Scenarios in which effective measures against climate change are not in place and temperatures rise by about 4°C by 2100 compared to before the industrial revolution
Model	Scenarios of increased transition risks in policy and regulation, markets, technology, and reputation Regulations on climate change are strengthened, such as the introduction of a carbon tax. Consumer preferences shift to an environmental focus.	Scenarios of increased physical risks, such as more severe natural disasters, rising sea levels, and more extreme weather events Climate change causes more extreme weather events and more natural disasters.
Parameters used when estimating impact	The RCP 2.6 scenario was used, by referring to information from the IPCC and the IEA.	The RCP 8.5 scenario was used, by referring to information from the IPCC and the IEA.
Overview of results	Mainly transition risks/opportunities are manifested. Risk Climate change regulations and changes in consumer preferences will require increased costs and the development of environment-friendly products. Opportunity Growth in the ZEH (net zero energy house) and ZEB (net zero energy building) market and the use of wooden buildings, which have a decarbonization effect, could increase demand for decarbonization products.	Mainly physical risks/opportunities are manifested. Risk There is a risk of factory shutdowns and supply chain disruptions due to an increase in natural disasters. Opportunity The need to reinforce infrastructure, including buildings, is becoming apparent.
Countermeasures	Capital investment and R&D investment have been focused on energy conservation. Going forward, in light of stricter regulations for decarbonization and growing environmental awareness, we will not only promote energy conservation but also R&D investments including the review of product materials.	Until now, we have prepared for natural disasters, etc., using a BCMS (Business Continuity Management System). We will continue our BCMS activities and strengthen our risk response measures to natural disasters.
Points common to both scenarios The Sustainability Committee is the central component of our system for promoting activities related to sustainability, including climate change issues. Under this system, we will refine our assessment of risks and opportunities and further develop our response measures.		

Details of analysis

Category	Event	Major potential financial impact	Financial impact	Time frame of occurrence	
Transition risks	Policies and regulations	Introduction of carbon tax	The introduction of a carbon tax increases the cost of CO ₂ emissions.	Medium	Medium term
		Enforcement of energy conservation standards	Sales slow down due to higher transition costs and failure to meet standards as a result of the reinforcement of the Act on Rationalizing Energy Use and stricter CO ₂ emission reduction targets.	Major	Short term to medium term
		Shift to renewable energy	Costs increase due to higher prices for renewable energy.	Medium	Medium term
		Stricter regulations on waste disposal	Waste disposal costs increase and a shift to reusable or recyclable products is required.	Minor	Medium term to long term
	Technological risks	Need for environment-friendly products	Costs increase due to switching to components that address climate change, and sales opportunities are lost due to delays in responding to climate change.	Major	Short term to medium term
		Transition to low-emission technologies	Product competitiveness weakens on higher costs associated with the transition to low-carbon materials.	Minor	Short term to medium term
	Market risks	Shrinking product demand	Growing environmental awareness stifles demand for products with high CO ₂ emissions.	Major	Medium term to long term
		Market uncertainty	Unexpected fluctuations in energy costs arise.	Minor	Medium term
	Reputation	High raw material costs	Profit declines due to an inability to pass on rising raw material costs to sales prices.	Major	Medium term
		Changes in consumer preferences	Sales opportunities are lost due to a slow environmental response.	Major	Medium term to long term
		Consumable materials avoided by consumers	Sales of consumables that cause CO ₂ emissions decline as consumers avoid them due to their image as disposable items.	Medium	Medium term to long term
		Corporate reputation	A slow environmental response impacts our corporate image, hampering hiring efforts and causing a decline in the share price.	Non-calculated	Short term to medium term
Physical risks	Acute Chronic	Increase in natural disasters	Flooding caused by extreme weather leads to factory shutdowns and supply chain disruptions.	Major	Short term to medium term
		Rising sea levels	Rising sea levels lead to flooding at our business locations.	Minor	Long term
	Chronic	Average temperature rise	More forest fires increase the cost of lumber, while longer construction periods due to avoidance of heat-related risks decrease the number of buildings, mainly those made of wood.	Major	Medium term to long term
Opportunity	Resource efficiency	Changes in the market environment	Increase in the number of wooden buildings, which have the effect of reducing CO ₂ emissions, and the expansion of the ZEH and ZEB market lead to an increase in the number of new buildings.	Medium	Medium term
	Energy sources	Energy costs	Reduce cost volatility by installing renewable energy facilities	Minor	Medium term
	Products and services	Changes in demand	Improve competitiveness by developing and marketing products with reduced environmental impact by using renewable/recycled raw materials, etc.	Major	Medium term to long term
	Market	Changes in demand	Building reconstruction needs increase due to the need to reinforce structures.	Major	Medium term to long term
	Resilience	Products and services	It is likely that the need for labor-saving equipment will increase due to shorter work times at construction sites caused by rising temperatures. Resilience is also enhanced by continuously strengthening the BCP of the entire supply chain in preparation for disasters.	Medium	Short term to long term

Time horizons

In assessing the risks and opportunities associated with climate change, we have established the following time horizons:

- short term: up to about two years
- medium term: about three to 10 years
- long term: 10 years or more

Company itself.

Climate change-related activities are promoted mainly by the Sustainability Promotion Committee, which is a subordinate body to the Sustainability Committee. The Sustainability Promotion Committee identifies, assesses, and manages risks, which are then deliberated upon and decided by the Sustainability Committee.

In the scenario analysis, risk management will be ensured with periodic assessments of the business or financial impact of each risk quantitatively, including new regulatory assessments.

The results of the climate change risk assessment are reported to the Board of Directors and reflected in thinking for the Medium-Term Management Plan and business plans. These risks are integrated with Companywide risk management in coordination with the Corporate Governance Committee (which is attended by all directors, including outside directors, and held four times a year), a body whose purpose includes promoting corporate ethics, legal compliance, and risk management.

Goals and results

In fiscal 2024, CO₂ emissions were 2,506 tons for Scope 1 (direct emissions from business), 12,600 tons for Scope 2

(indirect emissions from power consumption), and 2,683,804 tons for Scope 3 (indirect emissions other than Scopes 1 and 2 [emissions by other companies related to business activities]). Of Scope 3, Category 11 emissions (emissions from the use of products sold) were 2,381,257 tons.

In light of our high CO₂ emissions in Scope 3 Category 11, we have set the following medium- to long-term goals for minimizing climate change-related risks with CO₂ emissions as the indicator.

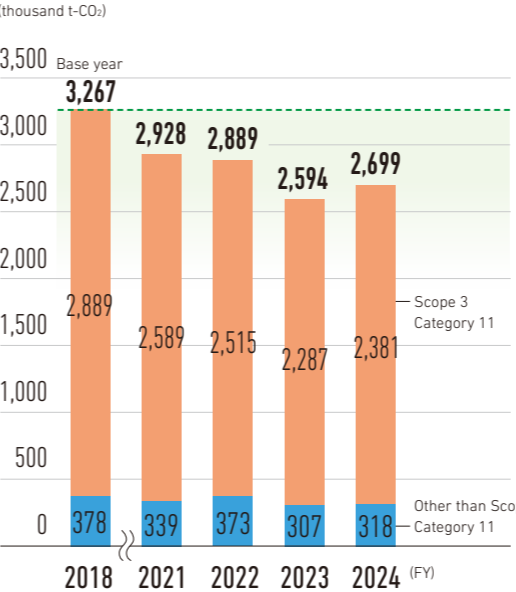
Initiatives and plans

In addition to increasing the efficiency of air conditioning, converting lighting to LEDs, eliminating air leaks at factory facilities, and reducing equipment operation at night at some factories, we are pursuing initiatives including the installation of solar power systems and purchases of non-fossil-fuel certificates.

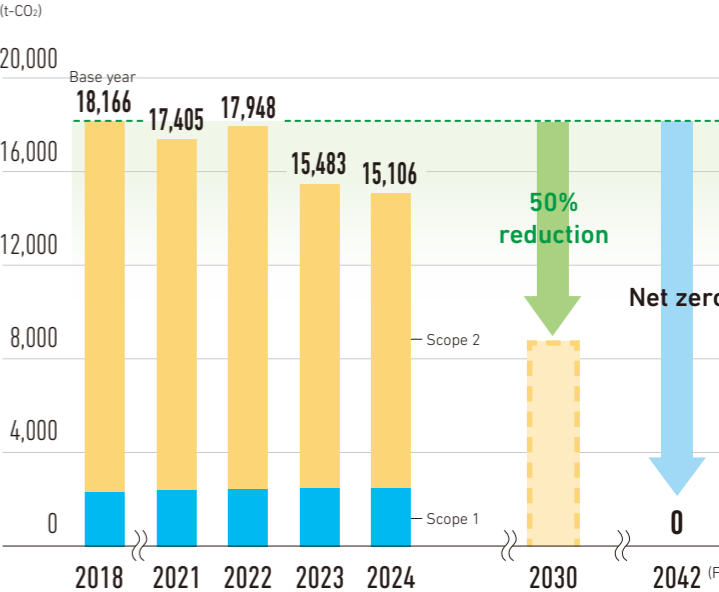
We will promote these activities while constantly examining and implementing new measures and investments for reducing CO₂ emissions.

Item	Medium- to long-term goals	Fiscal 2024 actual
Scopes 1 and 2 carbon neutral	1. Reduce CO ₂ emissions 50% from fiscal 2018 level by 2030 2. Achieve net zero CO ₂ emissions (carbon neutral) by 2042	15,106 t
Reduction of Scope 3 Category 11	Reduce CO ₂ emissions 30% from fiscal 2018 level by 2030 for Scope 3 Category 11 (emissions from the use of products sold)	2,381,257 t

CO₂ emissions (Scopes 1, 2 and 3)



CO₂ emissions and goals in Scopes 1 and 2



* Past CO₂ emission volumes have been retroactively adjusted to reflect revised calculation method, etc.

Ensuring Responsible Supply

With the aim of producing high-quality products with short lead times, MAX is building a strong production infrastructure based on a global production control system, 5S activities with full employee participation, and a traceability system that utilizes IT.

MAX's domestic production sites are the Tamamura Factory, Fujioka Factory, Kuragano Factory, and Yoshii Factory in Gunma Prefecture. Our Group companies include MAX Joban Co., Ltd. in Ibaraki Prefecture and Kawamura Cycle Co., Ltd. in Hyogo Prefecture. Overseas, we conduct manufacturing in Thailand, Malaysia, and China (Shenzhen and Suzhou). Kawamura Cycle Co., Ltd. also operates a factory in the city of Zhangzhou, Fujian Province, China.

Responsible procurement

MAX is committed to ensuring responsible procurement in order to realize a sustainable society.

We consider our suppliers of raw materials, parts, and other materials as important partners and strive to build relationships of trust through open, fair, and impartial transactions, and we promote responsible procurement throughout the supply chain.

Specifically, we have formulated the "MAX Group Sustainability Guidelines for Business Partners" and ask our suppliers to thoroughly respect human rights, protect the environment, and comply with laws and regulations throughout the entire supply chain, including suppliers of our suppliers.

In addition, we will visit our suppliers' factories and other sites as necessary to confirm compliance with these guidelines and for mutual communication. In the unlikely event that a problem that violates these guidelines should arise, we request that it be promptly reported and that efforts be made to remedy the situation. If appropriate improvements are not made by the supplier, we may take action such as suspending transactions.

Improvement of quality and costs through 5S activities

MAX's factories hold 5S activities with full employee participation. At our factories in Japan and overseas, teams hold morning meetings to share issues and results by discussing quality and costs. By conducting 5S patrols, we identify dangerous areas and improve the working environment. In Japan, the 5S study sessions are held once every three months under the leadership of the General Manager of Manufacturing Division. At the sessions, the results of activities by each team are announced and evaluated. Departments indirectly involved also participate in the 5S study sessions, which leads to business reforms such as reducing paper documents.

Quality assurance through traceability

MAX operates a traceability system that utilizes IT. At our domestic and overseas factories, we conduct inspections of all manufacturing processes, from receiving parts from suppliers to storing, selecting, assembling, and shipping. These efforts contribute to the quality assurance of products and the strengthening of production systems.

Supply chain support for customers

MAX is taking measures such as increasing the number of manufacturing sites so that we can maintain the supplies of products that are important for our customers and our business continuity even in the event of a risk such as a large-scale disaster. We are also taking risk measures in terms of our suppliers, such as increasing the number of suppliers of important parts.

Logistics

MAX has 11 delivery centers in Japan for timely transport of products to our customers. MAX Logistics Warehouse Co., Ltd. handles storage and transportation management for products made in Japan. Actual transportation of both domestic and overseas products is outsourced to a transportation company.

MAX's production bases and main production items



1 Tamamura Factory
Nailers, air compressors, rebar tying tools, auto staplers, electronic office equipment, etc.



2 Fujioka Factory
Consumables such as staples, staples for auto staplers, and TIE WIRE, etc.



3 Kuragano Factory
Staplers, air compressor tanks, etc.



7 MAX ELECTRONICS MACHINE CO., (SHENZHEN) LTD.
Auto staplers, electronic office equipment, etc.



8 MAX ELECTRONICS MACHINE (SUZHOU) CO., LTD.
Heater-ventilator-dryers for bathrooms, etc.



9 ZHANGZHOU LEATAI MEDICAL INSTRUMENTS CO., LTD.
Wheelchairs, welfare products, etc.



10 MAX (THAILAND) CO., LTD.
Staplers, nailers, TIE WIRE, auto staplers, TAPENER, etc.



11 MAX FASTENERS(M) SDN. BHD.
Staplers, staples, etc.



4 Yoshii Factory
Heater-ventilator-dryers for bathrooms, 24-hour total heat exchange-type ventilation systems, etc.



5 MAX Joban Co., Ltd.
Various coil nails, TIE WIRE, etc.



6 Kawamura Cycle Co., Ltd.
Wheelchairs, welfare products, etc.

Roundtable with Outside Directors

MAX’s four outside directors share their diverse perspectives on issues including the elements and management structure needed to chart the course for MAX’s growth, and their hopes and expectations for the future based on fiscal 2024 business results, progress under the Medium-Term Management Plan, and the social environment surrounding the Company’s businesses.



Asaka Kanda
Outside Director
(Audit and Supervisory
Committee Member)

Kako Kurasawa
Outside Director

Mari Yajima
Outside Director
(Audit and Supervisory
Committee Member)

Shoji Kiuchi
Outside Director
(Audit and Supervisory
Committee Member)

Solid results supported by ability to implement strategy and each individual’s effort

Kiuchi In fiscal 2024, we achieved our plan for net sales, operating profit, ordinary profit, and profit attributable to owners of parent, and in terms of return on capital, ROE was above 10% for the second year in a row. Of special note is the fact that PBR, which several years ago was below 1, rose to 1.8. For a long time, MAX had cash surpluses but a low PBR; however, in 2023, we abolished our anti-takeover measures in the belief that enhancing corporate value was management’s responsibility to all stakeholders. This was a starting point that has led to the strengthening of our corporate structure and MAX’s growth and changes currently underway.

Kanda Three consecutive years of record business

performance stem from the result of price revisions and a constant awareness of increasing volumes. I consider this to be the combined result of the considerable effort of each employee. I also feel that our capital strategy was deployed effectively. Over these past few years, ongoing and systematic business expansion investment and returns to shareholders have produced business results.

Kurasawa Our research and development initiatives are what impressed me during fiscal 2024. I had an opportunity to receive a detailed briefing on the Company’s intellectual property strategy and found that cross-organizational discussions regarding patent applications with a 10-year outlook and product launches to establish competitive

advantages ultimately reflected in price adjustments. I have a strong impression that the idea of implementation from a long-term perspective has taken root within the organization, and believe that investors view this favorably as well.

Yajima I have been an outside director for roughly one year, and now have an even more favorable impression of MAX than I previously had. I am impressed with how, based on the company creed and corporate vision, internal and external initiatives are implemented consistently, how active young employees are, and how employees have an awareness of issues and take action on their own initiative. My impression of MAX had been one of a traditional, formal company, but the internal atmosphere is very congenial and I have felt very comfortable.

What impressed me in fiscal 2024 was our exhibit at the World of Concrete (WOC) concrete construction trade show in Las Vegas. The “autonomous mobile tying robot” and the “rebar tying unit for automation,” which are currently in the research and development process, and the “CONNECTED TWINTIER,” which we plan to release in the United States, made a significant impression and gave us a great deal of confidence.

Kurasawa The WOC exhibition certainly made a strong impression. In addition to highlighting MAX’s uniqueness and advanced technologies, it was a way to engage in marketing and branding to the global market in a new way. The booth presented MAX very accurately, as pursuing challenges with



modesty but full of self-confidence, and also raised spirits and expectations within the Company.

Kanda I would say that that aspect of MAX is also evident in new products being launched within Japan. I have been told that the Turbo Driver A (Ace) screwdriver, which underwent a full model change, and handy compressors are increasing their market share. The Turbo Driver A is doing particularly well, and I have heard that it was a unified effort of divisions such as development, product planning, marketing, and sales that arose from an internal sales competition. Awareness disseminated by top management is of course important, but this is a good example of ideas being put forward and acted upon autonomously by individuals in the workplace.

Proactive investment requires careful preparation and resolute decision-making

Kurasawa There is a very strong awareness at MAX today of raising corporate value over the medium to long term. This naturally includes returns to shareholders, but the Company is also taking a proactive approach to investment for business expansion. The Board of Directors and the Management Meeting have discussions that lead to substantial and effective investment in areas including business expansion in Japan and overseas, the strengthening of the management infrastructure, and launch of new businesses. In particular, investments to train the next generation for the future and to strengthen structures for overseas development are recognized as important themes.

Kanda Shareholders are very interested in investment, and management has a strong awareness of the issue as well. I would say that the areas being given the

highest priority are investment for growth in overseas markets and investment in people. Cultivation of human resources who can support overseas businesses where further growth is planned, and hiring promising human resources, are urgent issues.

Kiuchi The Medium-Term Management Plan includes ¥4.0 billion annually, for a total of ¥12.0 billion over three years, in investment for business expansion, but no actual investments were made during fiscal 2024. Investing in new growth businesses is not easy, and requires formulating a plan and examining profitability very closely. It is important, however, to take an approach of investing resolutely without putting it off indefinitely. Sales and profit growth generate additional cash, and I believe this makes strategic investment more important than ever.



Yajima During fiscal 2024, action on business expansion investment was taking place underneath the surface, but concrete investments did not materialize. Mergers and acquisitions involve another party and take time to carry out, and it is a fact that they cannot be carried out based on MAX's decision alone. Nevertheless, M&A is essential for achieving rapid growth to accelerate business expansion including overseas development.

Kanda There is also the issue of not knowing how long the industrial equipment business, including rebar tying tools that are currently performing well, will continue to grow. Although we have been successful to date, we need to have the courage to try different approaches as well. I also believe that we need management decisions that overcome the

Strengthening the base in a way that leads to success in overseas businesses

Kiuchi Roughly half of MAX's sales are overseas. We are probably nearing the point where overseas sales will constantly make up more than half of total sales. We therefore envisage increasing the number of locations overseas, and recognize that building a risk management structure for overseas locations will become even more important.

Yajima Rapid growth will lead to issues that have not existed previously. For example, we will need to cultivate common values with local overseas staff. It is not enough to send staff trained at the head office to overseas locations, so we need to accelerate the hiring and training of overseas staff. The issues that management should highlight will also change. Internal controls to manage these organizations will also be important. In addition, MAX's overseas expansion has been carried out effectively with few people, but operations can become dependent on specific individuals, so I believe that ingenuity will be required to come up with ways to control effectively.

Kanda During fiscal 2024, the Audit and Supervisory Committee made the strengthening of audit activities at domestic and overseas Group companies a priority, and

innovation dilemma while building on past successes.

Kiuchi The Corporate Governance Code, which was announced in 2021, calls for the business portfolio to be used as part of management. MAX has accordingly incorporated business portfolio analysis in its management, but this is not yet being fully used. I believe pragmatic business portfolio analysis will become increasingly important for appropriately allocating management resources with a view toward the future.

Yajima On the basis of the concept of "making products that fully satisfy the people who use them," MAX closely examines circumstances at jobsites to identify latent needs, and this strict jobsite-oriented principle is one of MAX's strengths. To utilize this strength, we need to take an approach that puts even more emphasis on accurately identifying changing needs and resolutely pursuing challenges in unknown areas. To create new value, it is important to match needs with seeds, and "sow seeds" flexibly with a view to the future.

discovered problems at some overseas subsidiaries and proposed measures to prevent a reoccurrence. Initiatives that emphasize risk-related audit at overseas locations will continue to be needed. I also believe that it will be important to strengthen communication with management while working more closely with internal audit divisions and the audit corporation.

Kiuchi To strengthen communication with management, the Audit and Supervisory Committee receives briefings from directors and executive officers, including the president, on their operations and issues that they perceive in their areas of responsibility. It is extremely useful to have this



environment in which Audit and Supervisory Committee Members can ask questions directly to executive directors.

Kurasawa Executive directors are closest to businesses and customers, so I feel that it is good to have opportunities to ask them questions and receive explanations. Personally, I consider it important to use all opportunities to understand the Company, businesses, and jobsites, and at Board of Directors meetings, I try to look at the big picture and give advice from an outside perspective. The Board of Directors' oversight responsibility is of course important, but I am also aware that having in-depth, future-oriented discussions,

Using our own specializations to support MAX's growth

Kurasawa We are seeing government actions in Europe and the United States having the effect of pulling back in some areas related to environmental, social, and governance (ESG) issues and sustainability, but at MAX, I feel there is a deep awareness that contributing to society through our main businesses is essential for our own growth. I sense a solid commitment to initiatives like ongoing compliance with standards including the European Union's (EU's) Corporate Sustainability Reporting Directive (CSRD) and reducing greenhouse gas emissions, driven by a grassroots awareness among employees who take ownership of these efforts in their own work. As global trends change with dizzying speed, we need to keep our antennae extended to collect information and be engaged both internally and externally to determine what is important for MAX as a sustainable company. I will continue to use my own personal experience and specialization to fulfill my responsibility as a director while supporting the Company.

Yajima I have experience as an auditor in three different settings—at an audit firm, as a member of a company's internal audit division, and as a full-time corporate auditor—and use these different perspectives to take a practical approach. I consider my role to be to examine risks and issues objectively and give advice. I aim to offer opinions and participate in deliberations without being overly conservative, so that management will take appropriate risks that lead to strong growth for MAX.

Kiuchi Rebar tying tools are used around the world, and I am very interested in countermeasures being taken against the use of counterfeit TIE WIRE consumables. The number of cases leading to warnings and lawsuits could



stating different opinions, and identifying issues are one of our responsibilities. There is a common understanding that we should "speak up without reading the room or making assumptions," and I feel that the environment encourages debate in a positive way.

grow, so I believe that effectively eliminating counterfeit goods will become an important issue. We are also working to roll out the domestic whistleblowing system to make it operational at overseas locations. Even with the system in place, there are still high psychological hurdles to using it, so I believe we should emphasize making the system more widely known as a risk-prevention framework.

Kanda The Company faces a variety of risks like exchange rate movements, tariffs, and wars that we cannot control. This makes it very difficult for management to make decisions, and in addition to the outside directors offering what support we can, it is important that we respond properly based on monitoring and checks. As an attorney-at-law, I try to give opinions and make proposals from an outside perspective and from the perspective of shareholders with an emphasis on corporate governance and compliance, with the aim of creating maximum value, continuous growth, and the enhancement of corporate value.



Basic concept

The Company established the company creed as follows, and aims to further grow its business and increase its corporate value by continuing to relentlessly pursue customer value.

To achieve this goal, we recognize the importance of taking the initiative to enhance our corporate governance.

The MAX Company Creed

To take responsibility in supplying quality products.

To strive to improve the lives of all MAX employees and develop their abilities to the fullest.

To accomplish steady progress for ourselves in order to provide continuous service to society and make contributions to the culture.

In addition, we believe that the growth of the company shall be achieved by respecting people and helping people grow, whose spirit is set in the MAX Fundamental Management

Policy, “We aim to become a group in which everyone can grow together by creating a lively and fun atmosphere,” to realize the MAX Company Creed.

The Company believes that it is important for officers and employees who are to take initiatives to enhance corporate governance to properly understand the company creed and fundamental management policy, and is working to raise awareness thereof.

The Company also believes that it is crucial to build trusting relationships not only with officers and employees but also with stakeholders to enhance corporate governance. Accordingly, the Company has established the basic policy on corporate governance as follows:

1) Conduct proper and appropriate information disclosure

2) Strengthen our management supervision function

3) Ensure stable corporate management

4) Accelerate decision making

5) Respect people

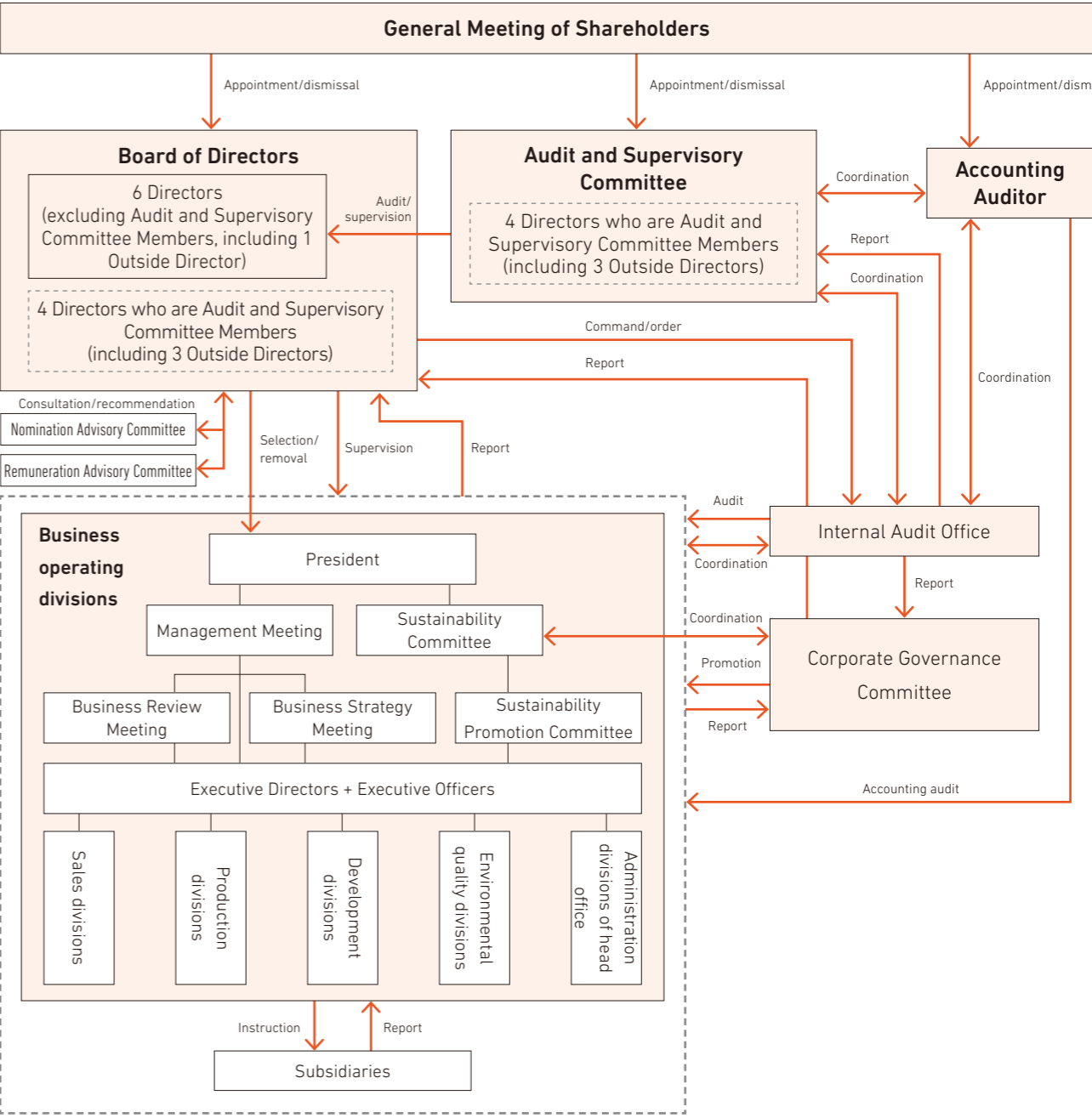
Overview of corporate governance system

Main items	Details
Organizational form	Company with an Audit and Supervisory Committee
Number/tenure of Directors (excluding Directors who are Audit and Supervisory Committee Members)	6 persons/1 year
Number/tenure of Directors who are Audit and Supervisory Committee Members	4 persons/2 years
Number of Outside Directors	4 persons
Voluntary committees	Nomination Advisory Committee, Remuneration Advisory Committee
Number of Outside Directors who are designated by independent officers	4 persons
Audit corporation	KPMG AZSA LLC

Initiatives for strengthening corporate governance

2015	Determined the basic policy on the establishment of internal control systems
2016	Transitioned to a company with an Audit and Supervisory Committee
2018	Formulated the basic policy on corporate governance
2020	Revised Rules of the Board of Directors (newly established “Matters for discussion”) Established the Nomination Advisory Committee and the Remuneration Advisory Committee
2021	Resolved on the basic policy on remuneration for Directors
2023	Abolished anti-takeover measures Appointed a female outside director Introduced restricted share-based remuneration plan for officers

Corporate governance chart (as of June 24, 2025)



Board of Directors

The Company's Board of Directors consists of six Directors (excluding Directors who are Audit and Supervisory Committee Members and including one Independent Outside Director) and four Directors who are Audit and Supervisory Committee Members (including three Independent Outside Directors). The Board is chaired by the President.

It meets once a month and as necessary, and met 17 times in fiscal 2024.

The Board of Directors is positioned as a body that makes decisions on matters stipulated in laws, regulations, and the Articles of Incorporation, as well as important matters concerning management stipulated in the Company's Rules of

the Board of Directors, such as management policies, business plans, investment plans, and establishment of and investment in subsidiaries, and supervises the execution of operations, to promote the Company's sustainable growth and enhancement of medium- to long-term corporate value in an effort to improve profitability and capital efficiency based on fiduciary responsibilities and accountability to shareholders.

Audit and Supervisory Committee

The Company's Audit and Supervisory Committee consists of a total of four members, one full-time Audit and Supervisory Committee Member who is a Director and three part-time Audit and Supervisory Committee Members who are

Independent Outside Directors. The reason for selecting a full-time Audit and Supervisory Committee Member is to strengthen the audit and supervisory functions of the Audit and Supervisory Committee in gathering information from Directors (excluding Directors who are Audit and Supervisory Committee Members) and sharing information at important internal meetings, as well as to ensure thorough coordination between the internal audit divisions and the Audit and Supervisory Committee. The committee is chaired by a full-time Audit and Supervisory Committee Member.

It meets once a month and as necessary, and met 17 times in fiscal 2024.

As an organization that plays a role in the company’s supervisory function and as a statutory independent institution entrusted by the shareholders, the committee performs the duties stipulated in the laws, regulations, and the Company’s Rules of the Audit and Supervisory Committee, including auditing the execution of duties of Directors; preparing audit reports; deciding the details of proposals regarding the appointment, dismissal, and non-reappointment of the accounting auditor; and deciding the opinions of the Audit and Supervisory Committee regarding the appointment/dismissal or resignation of and remuneration for Directors (excluding Directors who are Audit and Supervisory Committee Members).

Nomination Advisory Committee

The Company established the Nomination Advisory Committee, the majority of whose members are Independent Outside Directors, as an advisory body to the Board of Directors to enhance transparency and objectivity of the nomination of Directors. The committee met five times in fiscal 2024. The Board of Directors respects and takes into account the committee’s recommendation when deciding the nomination of Directors.

The Nomination Advisory Committee deliberates on the validity and appropriateness of the overall process for appointing Directors, and makes reports or statements to the Board of Directors. The members of the committee are appointed from Directors by a resolution of the Board of Directors, with the majority of committee members consisting of Independent Outside Directors. The chairperson of the committee is selected by the committee. Tatsushi Ogawa, Shoji Kiuchi, and Mari Yajima were appointed as committee members, and Shoji Kiuchi was selected as the chairperson.

Remuneration Advisory Committee

The Company established the Remuneration Advisory Committee, the majority of whose members are Independent Outside Directors, as an advisory body to the Board of Directors to enhance transparency and objectivity regarding remuneration, etc., for Directors (excluding Directors who are

Audit and Supervisory Committee Members) and Executive Officers. The committee met three times in fiscal 2024. The Board of Directors respects and takes into account the committee’s recommendation when resolving on remuneration, etc., for Directors (excluding Directors who are Audit and Supervisory Committee Members).

The Remuneration Advisory Committee deliberates on the validity and appropriateness of the overall process for determining remuneration, and then makes reports or statements to the Board of Directors. Committee members are appointed from Directors by a resolution of the Board of Directors, with the majority of committee members consisting of Independent Outside Directors. The chairperson of the committee is selected by the committee. Tatsushi Ogawa, Asaka Kanda, and Kako Kurasawa were appointed as committee members, and Asaka Kanda was selected as the chairperson.

Management Meeting

The Company holds the Management Meeting hosted by the President, once a month as a body executing operations, thereby reviewing in advance the matters to be referred to the Board of Directors for discussion and supporting the President’s decision making.

The Management Meeting consists of five Directors (excluding Outside Directors and Directors who are Audit and Supervisory Committee Members) and relevant staff nominated by the President. It is working to improve the quality of decision making to enable flexible response to changes in the business environment and decisions to be made based on on-site information.

In addition, the Business Review Meeting has been established to confirm the plans and results of each quarter, and the Business Strategy Meeting has been established to advance companywide, cross-functional initiatives. Both meetings, which are subordinate bodies of the Management Meeting, are hosted by the President. Matters discussed at the Business Review Meeting are reported to the Board of Directors meeting to be held in the month following the date of the Business Review Meeting.

Corporate Governance Committee

The Company convenes the Corporate Governance Committee, which is headed by the President and held quarterly, as an organization that promotes corporate ethics, legal compliance, risk management, and other compliance issues at the Company.

The Corporate Governance Committee is composed of Directors, Executive Officers, and division representatives, and is attended by the four Audit and Supervisory Committee Members.

The Corporate Governance Committee is working to

improve and make progress in risk management companywide, based on the main themes of internal audit reports, case studies of other companies, risk management status by division, review of rules, and information security audits.

Sustainability Committee

The Company established the Sustainability Committee (chaired by the President) as a decision-making body for sustainability strategies under the supervision of the Board of Directors, and the Sustainability Promotion Committee (chaired by the director in charge of sustainability) as a subordinate body of the Sustainability Committee to promote various activities related to sustainability.

The Sustainability Promotion Committee (hereinafter “Promotion Committee”) met five times in fiscal 2024 to discuss topics such as the results of the engagement survey,

revisions to value creation processes, and how to identify high-priority risks when promoting human rights due diligence, while also leveraging the expertise of Outside Directors. Given the importance of sustainability-related activities, the content of discussions by the Promotion Committee is reported at the Board of Directors meeting held the month following the Promotion Committee meeting.

The Sustainability Committee met once in fiscal 2024 to review the activities of the Promotion Committee and discuss future initiatives.

We have reflected the findings of these discussions in the Medium-Term Management Plan and business plans, and we are working to integrate sustainability-related activities and business strategies so as to continuously enhance our corporate value.

Name and members of the body (as of October 1, 2025)

Name	Position	Main bodies established						
		Board of Directors	Audit and Supervisory Committee	Nomination Advisory Committee	Remuneration Advisory Committee	Management Meeting	Corporate Governance Committee	Sustainability Committee
Tatsushi Ogawa	President	Chairperson	—	○	○	Host	Host	Chairperson
Yoshihiro Kaku	Senior Managing Director and Senior Executive Officer	○	—	—	—	○	○	○
Masahito Yamamoto	Senior Managing Director and Senior Executive Officer	○	—	—	—	○	○	○
Hideyuki Ishii	Managing Director and Senior Executive Officer	○	—	—	—	○	○	○
Koji Kato	Managing Director and Senior Executive Officer	○	—	—	—	○	○	○
Kako Kurasawa	Outside Director	○	—	—	○	—	○	○
Tomohiko Nakamura	Director (Full-time Audit and Supervisory Committee Member)	○	Chairperson	—	—	—	○	—
Asaka Kanda	Outside Director (Audit and Supervisory Committee Member)	○	○	—	Chairperson	—	○	—
Shoji Kiuchi	Outside Director (Audit and Supervisory Committee Member)	○	○	Chairperson	—	—	○	—
Mari Yajima	Outside Director (Audit and Supervisory Committee Member)	○	○	○	—	—	○	—
Takashi Iwamoto	Senior Executive Officer	—	—	—	—	○	○	—
Katsunori Manabe	Senior Executive Officer	—	—	—	—	—	○	○
Daisuke Yasue	Executive Officer	—	—	—	—	—	○	—
Shintaro Yoshida	Executive Officer	—	—	—	—	—	○	—
Akio Kitaya	Executive Officer	—	—	—	—	○	○	○
Hitoshi Igarashi	Executive Officer	—	—	—	—	—	○	○
Hideo Kashiwara	Executive Officer	—	—	—	—	—	○	—
Mitsugu Takezaki	Executive Officer	—	—	—	—	—	○	—
Makoto Hisatomi	Executive Officer	—	—	—	—	—	○	—
Nobuo Suda	Executive Officer	—	—	—	—	—	○	○
Shigeyuki Shitara	Executive Officer	—	—	—	—	—	○	—
Masayuki Senda	Executive Officer	—	—	—	—	—	○	—

Reasons for election of Outside Director and status of activities

Name	Reasons for election	Status of activities
Kako Kurasawa	The Company has determined that she is qualified to serve as Outside Director of the Company, considering that she has been involved in sustainability-related business in her previous and current positions, and in addition to her expertise in sustainability, she has experience working overseas in the manufacturing industry.	Attendance at meetings of the Board of Directors 17/17
Asaka Kanda	The Company has determined that he is qualified to serve as Outside Director who is an Audit and Supervisory Committee Member of the Company, considering that he has professional knowledge as an attorney-at-law and experience involved in corporate management as Outside Corporate Auditor and Outside Director (Audit and Supervisory Committee Member) at other companies.	Attendance at meetings of the Board of Directors 17/17
Shoji Kiuchi	The Company has determined that he is qualified to serve as Outside Director who is an Audit and Supervisory Committee Member of the Company, considering that he has professional knowledge as an attorney-at-law and careers serving as a domestic affairs conciliation commissioner, member of a committee on administrative complaints, and others.	Attendance at meetings of the Board of Directors 16/17
Mari Yajima	The Company has determined that she is qualified to serve as Outside Director who is an Audit and Supervisory Committee Member of the Company, considering that she has professional knowledge as a certified public accountant and deep insight into corporate governance gained through her experience as an auditor at other companies and as General Manager of the Internal Audit Department of an insurance company.	Attendance at meetings of the Board of Directors 13/13

Evaluation of effectiveness of the Board of Directors

The Company analyzes and evaluates the effectiveness of the Board of Directors (hereinafter “effectiveness evaluation”) to improve the function of the Board of Directors. Since 2018, the effectiveness has been evaluated by self-evaluation based on an anonymous questionnaire using an outside institution, with the evaluation items consisting of the composition and operation method of the Board of Directors, and the support system for Directors, among other things.

The results of the effectiveness evaluation conducted in April 2025 showed the effectiveness of the Board of Directors. With regard to discussions mainly concerning sustainability initiatives, which were addressed as an ongoing challenge in the previous fiscal year, the evaluation results improved owing to repeated discussions focusing on the evaluation of materiality issues and initiatives related to climate change. In fiscal 2025, we will focus on latent risks affecting the Group as a whole and the methods used to deal with them.

Going forward, the Company will share issues on taking the initiative to enhance our corporate governance at the Board of Directors and take action toward a resolution of these issues step by step.

Executive remuneration

The Company’s executive remuneration, etc., comprises three elements: monthly remuneration (fixed remuneration), performance-linked remuneration (executive bonus), and restricted share-based remuneration. Regarding the share-based remuneration, the Company’s prescribed restricted transfer agreement is to be concluded, which restricts subject Directors from disposing of their granted shares through transfer until they retire or resign from the position predetermined by the Board of Directors of the Company. The ratio of each remuneration is designed to be generally 50% for fixed remuneration, 35% for executive bonuses, and

15% for share-based remuneration, although the ratio of executive bonuses may vary depending on the Company’s business performance.

Remuneration for Directors who are Audit and Supervisory Committee Members

Remuneration for Directors who are Audit and Supervisory Committee Members is determined by discussion among Directors who are Audit and Supervisory Committee Members based on their roles and responsibilities as executives within the remuneration limits resolved at the Ordinary General Meeting of Shareholders. Regarding executive remuneration, only monthly remuneration is paid.

Method for determining remuneration, etc., for each individual Director

Regarding remuneration, etc., for Directors (excluding Directors who are Audit and Supervisory Committee Members), monthly remuneration for each executive position, the executive bonus proposal to be submitted to the General Meeting of Shareholders, the amount of executive bonus for each individual Director, and the amount of restricted share-based remuneration to be granted to each individual Director are resolved at the meeting of the Board of Directors following deliberations by the Remuneration Advisory Committee, which is an advisory body to the Board of Directors and consists of a majority of Independent Outside Directors, and reports to the Board of Directors. Resolutions of the Board of Directors will be made by taking into account the Remuneration Advisory Committee’s opinion.

Response for strengthened internal controls

To strengthen internal controls, the Company holds the biannual Internal Audit Summit with participation by audit-related organizations such as the Internal Audit Office, Integrated Digital Innovation Department, and Environment and Quality Assurance Department. At the Summit,

Composition of executive remuneration

	Monthly remuneration (fixed remuneration)	Performance-linked remuneration (executive bonus)	Restricted share-based remuneration (non-monetary remuneration)
Recipients	Directors (excluding Outside Directors and Directors who are Audit and Supervisory Committee Members), Outside Directors, Directors who are Audit and Supervisory Committee Members	Directors (excluding Outside Directors and Directors who are Audit and Supervisory Committee Members)	Directors (excluding Outside Directors and Directors who are Audit and Supervisory Committee Members)
Method of provision	Monetary	Monetary	Stock
Evaluation indicator	—	The total source of bonuses for officers (excluding Outside Directors and Directors who are Audit and Supervisory Committee Members) and employees is 28% of the result distribution profit calculated based on the amount of consolidated operating profit, and performance-linked remuneration (executive bonus) for each individual linked to monthly remuneration is calculated according to calculations based on internal rules.	The amount of remuneration credits to be granted to each subject Director is calculated by multiplying the base remuneration amount by a coefficient established for each executive position based on his/her role and responsibilities, and after determining the number of shares corresponding to the calculated amount, it is granted based on a resolution of the Board of Directors.
Method of provision	Monthly monetary payment	Monetary payment after the end of the General Meeting of Shareholders	Shares corresponding to the amount contributed during the period covered

Total remuneration by officer category, subtotal by type of remuneration, and number of recipients

Category	Total remuneration (millions of yen)	Subtotal by type of remuneration (millions of yen)			Number of recipients
		Monthly remuneration (fixed remuneration)	Performance-linked remuneration, etc.	Non-monetary remuneration, etc.	
Directors (excluding Directors who are Audit and Supervisory Committee Members)	244	112	104	27	6
(Outside Directors)	(8)	(8)	(—)	(—)	(1)
Directors (Directors who are Audit and Supervisory Committee Members)	45	45	—	—	5
(Outside Directors)	(25)	(25)			(4)
Total	289	157	104	27	11
(Outside Directors)	(33)	(33)			(5)

Notes:
1. The table above includes one Director (who is an Audit and Supervisory Committee Member) who retired at the conclusion of the 93rd Ordinary General Meeting of Shareholders held on June 26, 2024.
2. The amounts paid to Directors (excluding Directors who are Audit and Supervisory Committee Members) do not include compensation, etc., for the employee portion of Directors who serve concurrently as employees.
3. Performance-linked remuneration, etc., consists of an executive bonus resolved at the 94th Ordinary General Meeting of Shareholders.
4. The actual amount of the result distribution profit for fiscal 2024, which serves as a performance indicator, was ¥19,824 million.

participants share information on the status of internal audits and risk response at each department. We also have all employees conduct self-checks for the purpose of reflecting on their own activities, identifying risks in the Group, and taking appropriate measures.

Dialogue with shareholders

To oversee constructive dialogue with shareholders, the Company has established a department in charge of investor relations under the officer in charge of investor relations. Through coordination with divisions such as corporate planning, general affairs, and accounting, the department in charge of investor relations engages in fair and timely disclosure of situations related to management, finance, etc. At the end of the year and the end of the second quarter, the Company holds a financial results briefing

attended by the President and the officer in charge of investor relations. At the end of the first quarter and the end of the third quarter, we hold a financial results briefing by teleconference attended by the officer in charge of investor relations. We also actively respond to requests for dialogue from shareholders and investors.

The department in charge of investor relations examines the content of opinions and requests from shareholders and investors, and issues reports to the Board of Directors. At the time of dialogue with shareholders and investors, based on our disclosure policy, we take sufficient caution regarding the management of insider information in accordance with our internal rules. We also limit dialogue with shareholders, investors, etc., for a certain period as a “silent period” before the announcement of financial results information.

Management Team/Skills Matrix

(As of October 1, 2025)



Directors*

* Excludes Directors who are Audit and Supervisory Committee Members

1 Tatsushi Ogawa

President

April 1988
April 2015

Joined the Company
Executive Officer, General Manager of Design Development Department, Research and Development Division and General Manager of Design Quality Evaluation Group

April 2017

Executive Officer, General Manager of Research and Development Division, General Manager of Design Development Department and General Manager of Design Quality Evaluation Group

October 2019

Senior Executive Officer, General Manager of Research and Development Division, General Manager of Design Development Department and General Manager of Design Quality Evaluation Group

June 2020

Director, Senior Executive Officer and General Manager of Research and Development Division

June 2021

Managing Director, Senior Executive Officer and General Manager of Manufacturing Division

June 2023

President (present position)

2 Yoshihiro Kaku

Senior Managing Director

April 1985
April 2012
June 2013
October 2013
June 2015

Joined the Company
Executive Officer and General Manager of Corporate Planning Department
Director, Executive Officer and General Manager of Corporate Planning Department
Director, Executive Officer and General Manager of International Sales Department, Sales Division
Resigned as Director due to the Company's transition to a company with an Audit and Supervisory Committee; Managing Executive Officer and General Manager of International Sales Department, Sales Division

April 2017
April 2018
October 2018
June 2021

Managing Executive Officer and General Manager of Sales Management, Sales Division
Managing Executive Officer in charge of Office Equipment Segment and General Manager of Sales Management, Sales Division
Senior Executive Officer in charge of Office Equipment Segment and General Manager of Sales Management, Sales Division
Director, Senior Executive Officer in charge of Office Equipment Segment, General Manager of Administration Group and General Manager of Sales Management, Sales Division

October 2021

Director, Senior Executive Officer and General Manager of Corporate Planning Department in charge of Investor Relations and Public Relations, ESG Promotion, Internal Audit, Human Resources, IT Systems

April 2022

Managing Director, Senior Executive Officer and General Manager of Corporate Planning Department in charge of Investor Relations and Public Relations, ESG Promotion, Internal Audit, Human Resources, IT Systems

October 2022

Managing Director, Senior Executive Officer and General Manager of Corporate Planning Department in charge of Investor Relations and Public Relations, ESG Promotion, Human Resources, IT Systems

June 2023

Senior Managing Director, Senior Executive Officer and General Manager of Corporate Planning Department in charge of Investor Relations and Public Relations, ESG Promotion, Human Resources, IT Systems

April 2024

Senior Managing Director, Senior Executive Officer, General Manager of Corporate Operations Division and General Manager of Corporate Planning Department (present position)

3 Masahito Yamamoto

Senior Managing Director

April 1987
April 2007

Joined the Company
Representative Director and President of MAX USA CORP. (attached to the International Sales Department, Sales Division of the Company)

April 2017

Executive Officer, General Manager of International Sales Department, Sales Division, General Manager of IP Division and in charge of RB Business Planning Department

April 2018

Executive Officer, General Manager of International Sales Department, Sales Division, General Manager of IP Division and in charge of RB Business Planning Department and Industrial Equipment Segment

October 2018

Senior Executive Officer in charge of Industrial Equipment Segment, Sales Division, General Manager of International Sales Department, General Manager of IP Division and in charge of RB Business Planning Department

June 2020

Director, Senior Executive Officer and General Manager of Sales Division

April 2021

Managing Director, Senior Executive Officer and General Manager of Sales Division

April 2025

Senior Managing Director, Senior Executive Officer and General Manager of Sales Division (present position)

4 Hideyuki Ishii

Managing Director

April 1989
April 2014

Joined the Company
Representative Director and President of MAX (THAILAND) CO., LTD. (attached to the Manufacturing Division of the Company)

October 2019

Executive Officer, Representative Director and President of MAX (THAILAND) CO., LTD. (attached to the Manufacturing Division of the Company)

April 2020

Executive Officer and General Manager of Manufacturing and Logistics System Department, Manufacturing Division

October 2020

Executive Officer and General Manager of Manufacturing Department, Manufacturing Division

June 2023

Director, Executive Officer and General Manager of Manufacturing Division

April 2025

Managing Director, Senior Executive Officer and General Manager of Manufacturing Division (present position)

5 Koji Kato

Managing Director

October 2004
April 2021

Joined the Company
Executive Officer and General Manager of Design Development Department, Research and Development Division

June 2021

Executive Officer, General Manager of Research and Development Division and General Manager of Design Development Department

April 2022

Executive Officer, General Manager of Research and Development Division and General Manager of Residential Environment OP Design Department

June 2023

Director, Executive Officer, General Manager of Research and Development Division and General Manager of Residential Environment OP Design Department

October 2023

Director, Executive Officer and General Manager of Research and Development Division

April 2025

Managing Director, Senior Executive Officer and General Manager of Research and Development Division (present position)

6 Kako Kurasawa

Outside Director

April 1986
April 2009
April 2019

Joined Komatsu Ltd.
General Manager of CSR Division, Komatsu Ltd.
Trustee of Foundation for Advanced Studies on International Development (present position)

April 2021

Deputy General Manager of Sustainability Promotion Division and General Manager of CSR Division, Komatsu Ltd.

September 2022

Principal of Sustainability Division, CEO Office, Tokio Marine Holdings, Inc.

June 2023
June 2025

Outside Director of the Company (present position)
Outside Director of CASIO COMPUTER CO., LTD. (present position)

[Significant concurrent positions outside the Company]
Trustee of Foundation for Advanced Studies on International Development
Outside Director of CASIO COMPUTER CO., LTD.

Directors' Skills Matrix

Name	Position in the Company	Basic business function							The Company's strategy	
		Business management	Sales	Technology	Sustainability	Accounting	Legal affairs	Human resources	Global business	Planning/New business
Tatsushi Ogawa	President	◎		◎						◎
Yoshihiro Kaku	Senior Managing Director	◎	◎		◎	◎		◎	◎	◎
Masahito Yamamoto	Senior Managing Director	◎	◎	◎					◎	○
Hideyuki Ishii	Managing Director	◎		◎	◎				◎	
Koji Kato	Managing Director	○		◎	◎					◎
Kako Kurasawa	Outside Director				◎				◎	◎
Tomohiko Nakamura	Director (Full-time Audit and Supervisory Committee Member)		◎							
Asaka Kanda	Outside Director (Audit and Supervisory Committee Member)						◎	◎		
Shoji Kiuchi	Outside Director (Audit and Supervisory Committee Member)						◎			
Mari Yajima	Outside Director (Audit and Supervisory Committee Member)					◎				

* The symbol "◎" indicates experience for three or more years, and "○" for two or more years.
* Human resources include experience in the nomination and compensation committees of other companies.

Directors who are Audit and Supervisory Committee Members

7 Tomohiko Nakamura

Director

April 1984
April 2017

Joined the Company
Deputy Manager of Marketing Group, Industrial Equipment Sales Department, Sales Division and Deputy Manager of Product Planning Group

October 2019

General Manager of Marketing Group, Industrial Equipment Sales Department, Sales Division

October 2021

General Manager of Corporate Planning Department

June 2022

Director (Audit and Supervisory Committee Member) (present position)

8 Asaka Kanda

Outside Director

April 1993

Registered as attorney-at-law (Daini Tokyo Bar Association), Attorney-at-law of Ginza Higashi Law Office

April 1999

Partner of Lexwell Partners

May 2002

Partner of Nishi Shimbashi General Law Office

June 2008

Outside Corporate Auditor of WIN INTERNATIONAL CO., LTD.

December 2009

Partner of Waseda University Legal Clinic

April 2010

Deputy Chairman of Daini Tokyo Bar Association

June 2011

Substitute Outside Corporate Auditor of the Company

April 2014

Outside Corporate Auditor of WIN-Partners Co., Ltd.

March 2015

Vice President of Japan Federation of Bar Associations

June 2015

Outside Director (Audit and Supervisory Committee Member) of WIN-Partners Co., Ltd. (present position)

June 2016

Substitute Outside Director (Audit and Supervisory Committee Member) of the Company

June 2018

Outside Director (Audit and Supervisory Committee Member) (present position)

April 2019

Executive Governor of Japan Federation of Bar Associations

April 2021

Chairman of Daini Tokyo Bar Association, Vice President of Japan Federation of Bar Associations

June 2023

Outside Director of NIHON KAGAKU SANGYO CO., LTD. (present position)

September 2023

Managing Partner of Tokyo Frontier Fund Law Office (present position)

[Significant concurrent positions outside the Company]
Managing Partner of Tokyo Frontier Fund Law Office
Outside Director (Audit and Supervisory Committee Member) of WIN-Partners Co., Ltd.
Outside Director of NIHON KAGAKU SANGYO CO., LTD.

9 Shoji Kiuchi

Outside Director

April 1983
June 1985
April 1995

Joined Kodaira City Hall
Left Kodaira City Hall
Registered as attorney-at-law (Daini Tokyo Bar Association), Partner of Murayama Law Office

April 2001

Member of the Fixed Asset Evaluation Council of Kodaira City

July 2004

Established Tsunokamizaka Law Office (to present)

April 2006

Domestic Affairs Conciliation Commissioner of Tokyo Family Court (present position)

April 2012

Member of Information Disclosure Review Committee of Kodaira City

April 2013

Deputy Chairman of Daini Tokyo Bar Association

May 2013

Legal Advisor of Kodaira City

April 2016

Member of the Administrative Complaint Review Committee of Kodaira City

June 2018

Substitute Outside Director (Audit and Supervisory Committee Member) of the Company

April 2019

Executive Governor of Japan Federation of Bar Associations

June 2020

Outside Director (Audit and Supervisory Committee Member) of the Company (present position)

[Significant concurrent positions outside the Company]
Attorney-at-law of Tsunokamizaka Law Office

10 Mari Yajima

Outside Director

December 2007

Joined Shin Nihon & Co. (currently, Ernst & Young ShinNihon LLC)

September 2011

Registered as certified public accountant

October 2017

Manager of Shin Nihon & Co. (currently, Ernst & Young ShinNihon LLC)

May 2019

Joined AXA Life Insurance Co., Ltd. Concurrently served in Internal Audit Department of AXA Life Insurance Co., Ltd. and Internal Audit Division of AXA Holdings Japan Co., Ltd.

May 2019

Representative of Yajima Mari Certified Public Accountant Office (present position)

October 2021

General Manager of Internal Audit Department, AXA Direct Life Insurance Co., Ltd. (currently, AXA Life Insurance Co., Ltd.)

June 2023

Outside Full-time Corporate Auditor of ZIGExN Co., Ltd. (present position)

June 2024

Outside Director (Audit and Supervisory Committee Member) of the Company (present position)

[Significant concurrent positions outside the Company]
Representative of Yajima Mari Certified Public Accountant Office
Outside Full-time Corporate Auditor of ZIGExN Co., Ltd.

Compliance with and implementation of the MAX Group Code of Conduct

MAX established the MAX Group Code of Conduct, which outlines the values, ethics, and actions that all individuals working at the MAX Group should share.

The Max Group Code of Conduct promotes understanding of its contents by consistently referring its items in employee self-checks. Furthermore, it has been translated into multiple languages to share its content across the entire Group, both in Japan and overseas.

By adhering to this Code of Conduct, we aim for sustainable development of the MAX Group, while fulfilling our corporate social responsibilities and meeting the trust and expectations of our stakeholders.

MAX Group Code of Conduct

Introduction

This Code of Conduct outlines the values, ethics, and actions that all individuals working at MAX Group (hereinafter referred to as “we”) should share.

By adhering to this Code of Conduct, we aim for our own growth and the sustainable development of the MAX Group, while fulfilling our corporate social responsibilities and meeting the trust and expectations of our stakeholders.

1. Supplying Quality Products and Services

We will serve society and contribute to culture by supplying quality products and services to customers worldwide.

2. Respect for Human Rights

We will recognize respect for human rights as a fundamental standard of conduct required of all companies and eliminate all forms of discrimination and harassment.

3. Preservation of the Global Environment

We will give utmost consideration to preserving the global environment and contribute to building a sustainable society where people and nature coexist.

4. Promotion of Fair and Transparent Business Activities

We will respect internationally recognized norms, comply with domestic and international laws and regulations as well as internal rules, thoroughly implement corporate ethics, and promote honest business activities.

5. Promoting Communications with Society

We will promote communications with society by disclosing corporate information in a timely and appropriate manner for the enhancement of sustainable corporate value.

6. Responsible Actions

When incidents occur that violate this Code of Conduct, we will promptly and accurately disclose information, investigate the cause, and implement measures to prevent recurrence. We will also strive to ensure that stakeholders, including our business partners, understand the purpose of this Code of Conduct.

MAX Group Code of Conduct Detailed Rules

These MAX Group Code of Conduct Detailed Rules outline specific actions for achieving the shared understanding of each item in the Code of Conduct by each and every one of us. We expect each of us to comply with all applicable laws and regulations in our respective countries and regions, and to practice the contents of these Detailed Rules.

1. Supplying Quality Products and Services

- 1-1. We will practice creating things and experiences that exceed our customers’ expectations and continue to provide innovative, safe, and high-quality products and services.
- 1-2. We will listen to our customers’ voices and reflect their feedback in the development and improvement of better products and services.
- 1-3. We will advance our business through the creation of intellectual property without infringing on the intellectual property rights of third parties.
- 1-4. In the event of any issues arising with our products or services, we will address them promptly, appropriately, and fairly, and implement measures to prevent recurrence.
- 1-5. We will strive for personal growth and organizational vitality not only through individual self-development but also through mutual learning and collaboration.

2. Respect for Human Rights

- 2-1. We will continue to study the United Nations’ “Guiding Principles on Business and Human Rights” and “Universal Declaration of Human Rights,” and other internationally recognized human rights standards and address various human rights issues.
- 2-2. We will comply with the MAX Group Human Rights Policy.
- 2-3. We will establish a human rights due diligence framework to identify adverse impacts on human rights and strive to prevent and mitigate them.

- 2-4. Based on the MAX Group Sustainability Guidelines for Business Partners, we will work with our suppliers to build responsible supply chains, including prohibiting the procurement of minerals that may be associated with human rights violations.
- 2-5. We will respect the dignity, rights, and diversity of all individuals, refrain from unfair discrimination, eliminate harassment, child labor, forced labor, etc., manage appropriate working hours, foster a comfortable workplace environment with consideration for safety and health, respect the freedom of association and the right to collective bargaining, and cultivate an open corporate culture.

3. Preservation of the Global Environment

- 3-1. We will pursue the reduction of environmental impact across society throughout the entire lifecycle of our products and services, from development, manufacturing, sales, and transportation, to use and disposal.
- 3-2. We will work to reduce greenhouse gas emissions to realize a decarbonized society.
- 3-3. We will work to effectively utilize resources and promote resource circulation.
- 3-4. We will promote the conservation of water resources and the reduction of waste and chemical emissions.
- 3-5. We will strive to mitigate the impact of our business activities on ecosystems and contribute to the conservation of biodiversity.

4. Promotion of Fair and Transparent Business Activities

- 4-1. We will always conduct open and fair transactions to maintain good and appropriate relationships with our customers and business partners.
- 4-2. We will comply with the competition laws of each country and region, including prohibitions against private monopolies, unfair trade restrictions (such as cartels and bid-rigging), and unfair trade practices (such as abuse of superior bargaining position).
- 4-3. We will have absolutely no relationship with anti-social forces and will respond to them with a firm stance.
- 4-4. We will build sound relationships with others, such as public officials and government personnel, and will neither accept nor engage in gifts, entertainment, or other corrupt practices that are not socially acceptable.
- 4-5. We will not provide favors or exchange private benefits, regardless of the pretext.
- 4-6. We will participate in political activities and similar endeavors with the understanding that we are participating as individuals.
- 4-7. We will recognize the importance of confidential information, including personal information, and information about our company and other companies obtained through business activities, and strictly manage such information by developing an appropriate information security framework and prevent its leakage to external parties.

- 4-8. We will handle unpublished material facts of our company and other companies with care and comply with insider trading regulations.
- 4-9. We will conduct business-related record-keeping, applications, and reporting based on appropriate evidence (supporting documentation), and perform proper accounting and tax compliance.
- 4-10. We will use the company’s assets, whether tangible or intangible, solely for legitimate business purposes and not engage in any misappropriation.
- 4-11. To maintain international peace and security, we will comply with trade-related laws and regulations governing imports and exports.

5. Promoting Communications with Society

- 5-1. We will strive to disclose information that is useful and reliable for stakeholders, not limited to disclosures required by laws and regulations.
- 5-2. We will promote two-way communications with a wide range of stakeholders, including customers, business partners, employees, shareholders, investors, local communities, and government agencies.
- 5-3. As a member of the international community, we will respect the cultures and customs of countries and regions while striving to actively contribute to society through our business activities.

6. Responsible Actions

- 6-1. We will thoroughly consider and understand the purpose of this Code of Conduct, practice responsible behavior, and establish systems to enable the “prevention,” “early detection,” and “early response” regarding any situation that violates the Code.
- 6-2. If we discover any issues that violate this Code of Conduct, we will promptly report them to our supervisor, the appropriate department, or the reporting office. Retaliatory actions against reporters will not be tolerated, and individuals who report in good faith will not be subject to disadvantageous treatment.
- 6-3. Should a serious violation of this Code of Conduct occur, management will promptly and accurately explain the situation to society, investigate the facts and causes, and implement measures to prevent recurrence. Management will also clearly define responsibility for the issue and, where necessary, impose strict disciplinary action, including on themselves.
- 6-4. We will establish an organizational crisis management system, including preventive measures, to prepare for natural disasters, cyberattacks, infectious diseases, terrorism, accidents, and other threats to our business activities. In the event of any disaster, we will aim for the early restoration of business operations and strive to minimize impacts on customers, business partners, and others.

Whistleblowing system

MAX has established an in-house consultation desk and an external consultation desk as contact points for whistleblowing. In accordance with the contents of whistleblowing reports, we consider matters and take necessary measures. We also report the number of whistleblowing reports to the Corporate Governance Committee, which meets quarterly.

Efforts to prevent corruption

At MAX, the MAX Group Code of Conduct prohibits the giving and receiving of private interests, prohibits excessive gifts, entertainment, and bribery, and requires compliance with the Antimonopoly Act and the Unfair Competition Prevention Act. We also conduct internal audits of domestic and overseas bases.

There were no serious compliance violations in fiscal 2024.

Measures for the exclusion of anti-social forces

MAX responds resolutely and systematically to anti-social forces that pose a threat to social order and healthy corporate activities and maintains no relationship including business relationships with anti-social forces.

We ask all business partners to sign a Memorandum of Understanding on the Exclusion of Anti-social Forces, ensuring that our entire supply chain addresses the exclusion of anti-social forces.

Business risks

(1) MAX Group risk management system

i. Organization

By resolution of the Board of Directors, we have defined the Management-related Meeting Rules and established the Corporate Governance Committee that meets regularly to identify, assess, and respond to companywide risks.

Furthermore, to ensure a swift response in the event of an emergency, the Board of Directors has set the Crisis Management

Response Rules, establishing an initial response system under the leadership of the President.

ii. Risk management process

As part of the risk management process, the internal audit divisions assess the individual risk management status of each division during audits and regularly report to the Corporate Governance Committee. The committee's assessment of risk management is then reported to the Board of Directors, and improvements and progress regarding risk management in each division are implemented throughout the Company. The Corporate Governance Committee also monitors key topics, as appropriate, from the perspective of preventing potential risks.

To prevent delays in the initial response in the event of an emergency, a separate reporting channel using the information system has been established, in addition to the hierarchical reporting lines. Information reported through this system is used to determine, according to the seriousness of the event, whether to convene a Crisis Management Subcommittee or a Crisis Management Committee, enabling a swift and appropriate response.

(2) Business risks

The following are the principal factors that may affect the Group's business performance and financial position and have a material influence on investors' decisions. However, these do not represent an exhaustive list of all risks associated with the Group.

Possible scenarios and corresponding responses are provided within each individual risk item. The "likelihood of occurrence" is assessed from both short-term and medium- to long-term perspectives, while the "impact" is evaluated based on the effect on net sales, profit attributable to owners of parent, and net assets, in the event of occurrence.

The future outlooks described below are based on the forecasts of the MAX Group made as of the end of fiscal 2024.

Risk items		Likelihood of occurrence	Impact
i. External environment	1) Macro-environmental risks	High	High
	2) Exchange rate fluctuation risks	High	High
	3) Interest rate fluctuation risks	High	High
	4) Risks related to international politics and economy	High	High
	5) Risks related to natural disasters, accidents and infectious diseases	Medium	High
	6) Environmental risks	Low	High
ii. Business	1) Industry structure-related risks	Low	High
	2) Procurement-related risks	Medium	Medium
	3) Product quality risks	Low	High
	4) Intellectual property risks	Low	Medium
iii. Human capital risks		Medium	Medium
iv. Information-related risks		Medium	Medium
v. Compliance risks		Medium	Medium

i.–1) Macro-environmental risks

Among the Group's businesses, the main products of the Industrial Equipment segment include nailers used in wooden house construction, pneumatic machinery including air compressors, consumables such as nails and screws, and home environment equipment including heater-ventilator-dryers installed in residential bathrooms and 24-hour ventilation systems. As such, a decrease in the number of new housing starts in Japan may adversely affect demand for such products and the business performance of the Industrial Equipment segment, while an increase may have a positive impact. However, over the medium to long term, the number of new housing starts in Japan is expected to decline due to the low birthrate and population aging. Should this trend accelerate faster than anticipated, demand for these products and the business performance of the Industrial Equipment segment could be adversely affected.

The main products of the Office Equipment segment include staplers, staples, auto staplers, and other items closely associated with paper consumption in offices and similar settings. As such, a decrease in paper consumption in offices and other facilities may adversely affect demand for such products and the business performance of the Office Equipment segment, while an increase may have a positive impact. However, if the global shift toward paperless operations and the decline in Japan's working-age population, both of which are expected over the medium to long term, progress faster than anticipated, demand for these products and the business performance of the Office Equipment segment could be adversely affected.

[Response]

To mitigate these risks, the Group is taking the following measures to build a portfolio less affected by macro-environmental factors such as new housing starts in Japan and paper consumption.

- a) Expanding the lineup of tools for concrete structures in addition to those for wooden structures
- b) Focusing on replacement demand for heater-ventilator-dryers for bathrooms (replacement of existing units)
- c) Strengthening the labelling and signage business in the Office Equipment segment
- d) Promoting operational efficiency in domestic businesses

i.–2) Exchange rate fluctuation risks

The Group's sales to overseas and procurement from overseas include transactions denominated in foreign currencies. The main transaction currencies are the U.S. dollar and euro for sales, and the U.S. dollar, Chinese yuan, and Thai baht for procurement and related activities. Sharp fluctuations in exchange rates may affect net sales, cost of sales, non-operating income and expenses, and net assets, which in turn could affect the Group's business performance and financial position.

Foreign exchange sensitivity (annual conversion, based on the plan for fiscal 2025) is as follows. The calculations assume that Asian currencies move in line with the U.S. dollar.

- Foreign exchange sensitivity in sales: ¥200 million to USD; ¥80 million to EUR

- Foreign exchange sensitivity in operating profit: ¥60 million to USD; ¥80 million to EUR

[Response]

The Group mitigates exchange rate fluctuation risks through offsetting sales and procurement denominated in foreign currencies.

i.–3) Interest rate fluctuation risks

The Company invests surplus funds mainly in yen-denominated corporate and local government bonds, which are recorded on the balance sheet under available-for-sale securities. As these are fixed-rate bonds, their market value decreases when interest rates rise, creating a risk of reduced net assets.

In addition, the Company's retirement benefit expenses and obligations are calculated based on actuarial assumptions such as the discount rate and the expected rate of return on pension assets, and the discount rate set in consideration of the market yield on Japanese government bonds. If the actual results differ from the actuarial assumptions, or if the assumptions are altered, the effect is accumulated and will be recognized regularly in the future, which generally affects the expenses recognized and the obligations recorded in future periods. Changes in the discount rate or investment yield may affect business performance and financial position.

[Response]

In principle, bonds purchased for investment have maturities of five years or less to reduce exposure to rising interest rates.

With regard to risks related to retirement benefits, the Company reviews and revises its human resources system as appropriate, taking into account legal frameworks, the funding status of pension plans, and other factors.

i.–4) Risks related to international politics and economy

The Group conducts a large portion of its procurement, production, and sales activities overseas. Overseas business activities are subject to risks arising from political and diplomatic issues as well as unforeseen changes in policies, laws, and regulations. Changes in trade policies resulting from economic security measures or trade frictions in various countries, and the deterioration of international relations due to terrorism, war, and other factors, may hinder overseas business activities and affect the Group's business performance and future plans.

[Response]

The Group closely monitors political and economic situations as well as trends in laws and regulations, incorporating relevant information into its management strategies and operating result forecasts.

The Group also strives to strengthen its BCP framework to ensure responsiveness in times of uncertainty.

i.–5) Risks related to natural disasters, accidents and infectious diseases

The Group's manufacturing and development bases in Japan are concentrated in Gunma Prefecture. Japan generally experiences a higher frequency of earthquakes than other regions of the world and is

therefore more susceptible to earthquake-related damage. The occurrence of natural disasters such as earthquakes and storm or flood damage, accidents at business locations, or infectious diseases on a larger-than-expected scale may adversely affect business, mainly as a result of causing damage to the Company’s assets and making it difficult for employees to maintain the business operation structure.

[Response]

As a measure against major earthquakes, the Group has carried out seismic retrofitting work on its buildings as necessary. In addition, the Group acquired certification for business continuity management systems (BCMS) (ISO 22301) on March 25, 2016, and has enhanced its BCP by establishing a framework that enables manufacturing of key products at multiple bases. The Group has also worked to minimize the impact on business operations during activity restrictions caused by infectious diseases and other disruptions through initiatives to reform workstyles, among other things.

In response to such risks, the Group will devise various preventive measures while controlling risks mainly by making flexible responses to particular situations.

i.–6) Environmental risks

The Group recognizes potential environmental risks such as rapid climate change, exposure to hazardous chemicals, and water pollution. The Group is also subject to environmental regulations both in Japan and overseas. The manifestation of any of these risks may result in the Group incurring additional costs, which could affect its business performance.

[Response]

In addition to obtaining certification of environmental management system (ISO 14001), the Group has set up an EMS Committee, chaired by the General Manager of the Environment and Quality Assurance Department, on the basis of the MAX Environmental Declaration and Basic Environmental Guidelines. Environmental committees promote activities to reduce the environmental burden at each manufacturing site, where relevant laws and regulations are clearly identified and necessary requirements are observed.

In procurement, the Group has established standards such as the MAX Green Procurement Standards regarding chemical substances and ensures strict compliance by both the Group and its suppliers.

ii.–1) Industry structure-related risks

In fiscal 2024, net sales of tools for concrete structures totaled ¥34.8 billion, accounting for approximately 40% of the Groupwide net sales.

Among tools for concrete structures, rebar tying tools and their consumables such as TIE WIRE (hereinafter “rebar tying tools, etc.”), drive growth in this product category and for the Group as a whole.

The Group’s rebar tying tools, etc., maintain technological superiority backed by intellectual property rights. However, if the Group were to lose its technological advantage, if alternative tying methods to wire tying were to emerge, or if construction methods

that do not use rebar were to gain rapid adoption, demand for the Group’s rebar tying tools, etc., could decline, adversely affecting its business performance and future plans.

[Response]

The Group continues to invest in strengthening cost competitiveness and maintaining sustainable technological advantages, enabling it to monitor market trends and provide products and services that keep pace with market changes.

ii.–2) Procurement-related risks

Among the Group’s products, consumables such as staples, nails, and screws, as well as wires for rebar tying tools use common steel wires as raw materials. Prices of such wires may fluctuate as a result of shortages of raw materials such as iron ore, coal, and oil and trends in demand in other countries. Sharp increases in raw material prices may adversely affect the Group’s business performance.

Furthermore, defects or shortages in raw materials and parts used in the Group’s products could adversely affect their reliability and reputation.

[Response]

The Group continuously works to reduce the cost of raw materials and other inputs it purchases and reviews selling prices as needed in response to sharp increases in raw material prices.

To prevent defects or shortages of raw materials and parts, the Group conducts supplier evaluations and audits at the start of business relationships.

ii.–3) Product quality risks

If quality issues or product liability problems arise with the products or services provided by the Group, costs may be incurred for customer notification and product inspection or recall, which may adversely affect business performance. Furthermore, such issues could lead to a loss of trust from customers and society, resulting in deterioration of the brand image, customer attrition, and other adverse effects on the Group’s business, business performance, and financial position.

[Response]

The Group has established the quality management system tailored to the laws, regulations, and business characteristics of each country and region based on ISO 9001, and implements thorough quality control. In addition to the safety standards required by laws and regulations, the Group has established safety standards from the customer’s perspective for its quality of products and services.

The Group has also established quality assurance processes at each stage, from design through production and shipment, to minimize the risk of quality issues.

In the unlikely event that a quality issue arises, or signs of one are detected, the Group promptly gathers information from customers and other stakeholders and quickly implements measures, including identifying the root cause.

ii.–4) Intellectual property risks

The Group recognizes the importance of intellectual property it has developed through the accumulation of unparalleled technologies and know-how as well as the development of products that meet customer needs, and takes steps to protect such property. However, if the Group’s intellectual property is not granted legal protection, is inadequately protected in certain countries or regions, or is unable to prevent third parties from manufacturing similar products, this could adversely affect the Group’s market competitiveness and have an impact on its business performance and future plans.

[Response]

As part of its efforts to protect its business through intellectual property rights, the Group takes measures against counterfeit products. Specifically, each sales division monitors markets for potential infringements. If a product suspected of infringing the Group’s intellectual property rights is identified during monitoring activities, the Group obtains the product, identifies the seller and manufacturer, and engages local patent attorneys or lawyers to assess the infringement before taking appropriate action.

The Group also conducts thorough investigations to ensure that it does not infringe on intellectual property held by third parties.

iii. Human capital risks

The Group believes that by respecting people, the development of people will result in growth for the company, and that securing talented human resources is essential for sustainable growth. However, particularly in Japan, the low birthrate and population aging have led to a shrinking labor force, intensifying competition to continuously hire and retain talented personnel. A failure to secure such human resources may result in overreliance on individual employees, reduced operational efficiency over the long term, and hinder the Group’s sustainable growth.

[Response]

The Group set the MAX Fundamental Management Policy: “We aim to become a group in which everyone can grow together by creating a lively and fun atmosphere.” All employees are encouraged to take the lead in working toward their own growth.

The Group promotes initiatives to create a workplace where employees can experience personal growth and take pride in their work, while monitoring their motivation levels through engagement surveys and other tools.

In securing talented human resources, the Group focuses on training new graduates while carrying out skilled-specialist hires, including those with specialized expertise, in line with its strategic and organizational needs. It also considers workforce age balance as part of its efforts to strengthen organizational capability.

iv. Information-related risks

The Group’s operations, including those managed by third parties, rely on computer systems and the communication networks that connect them (collectively, “information infrastructure”). The Group also sells products that utilize information infrastructure.

Cyberattacks or other disruptions to the information infrastructure could impair the Group’s operations or the functionality of its products and services. Preventing such risks requires the allocation of significant resources. However, there is an inherent risk that the level of resources devoted to the Group’s products and services may become excessive relative to sales volume.

Furthermore, the Group handles confidential and personal information, including customer data. In the event of an unforeseen information leakage, the Group could lose the trust of customers and society, resulting in deterioration of the brand image, customer attrition, and other adverse effects on the Group’s business, business performance, and financial position.

[Response]

Regarding the information infrastructure related to the Group’s operations, the Group aims to maintain and improve information security through initiatives such as obtaining information security management system (ISMS) certification (obtained ISO/IEC 27001 on April 27, 2004).

In addition, the Group has drawn up an ISMS risk response plan, including establishing a basic policy on information security, and has implemented measures to prevent confidential and personal information leakages from the personnel, organizational, physical, and technological perspectives, and has formulated business continuity plans.

The Group is also working to establish a PSIRT for its products and services, taking into account the relevant laws and regulations of each country and region.

* PSIRT: Product Security Incident Response Team

v. Compliance risks

In conducting business across many countries and regions, the Group must respect human rights and comply with various laws, regulations, and social norms.

Various laws and regulations may be newly enacted or amended in response to changing social conditions, which could result in additional cost burdens.

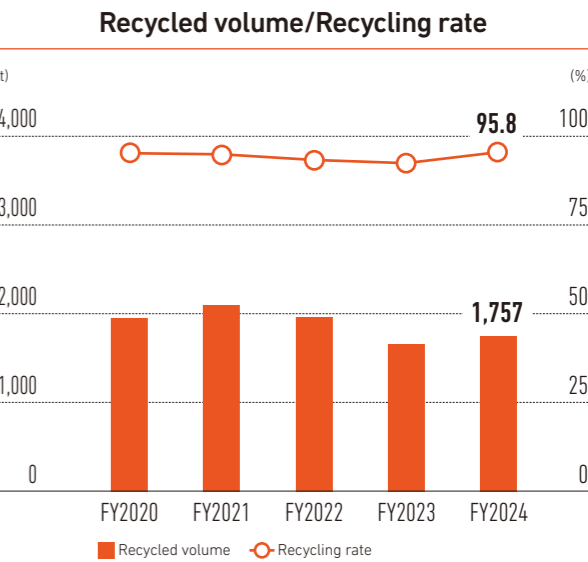
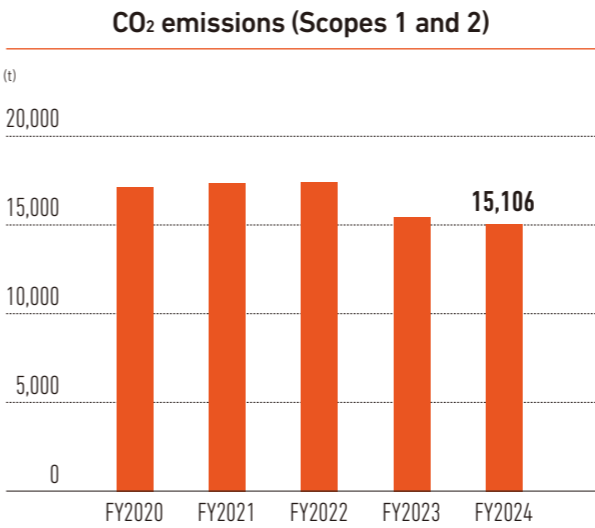
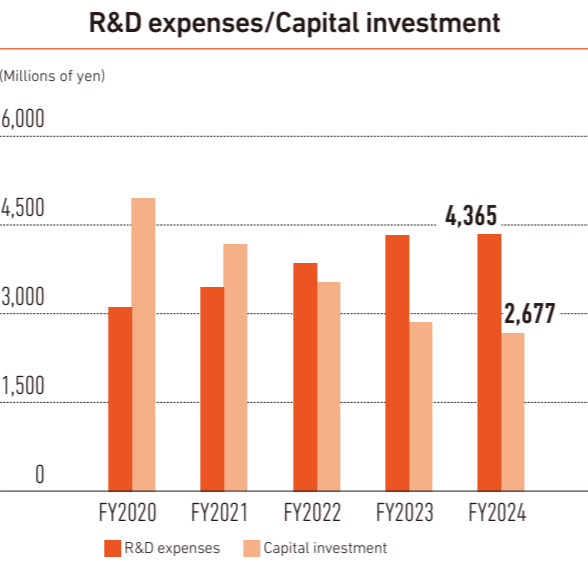
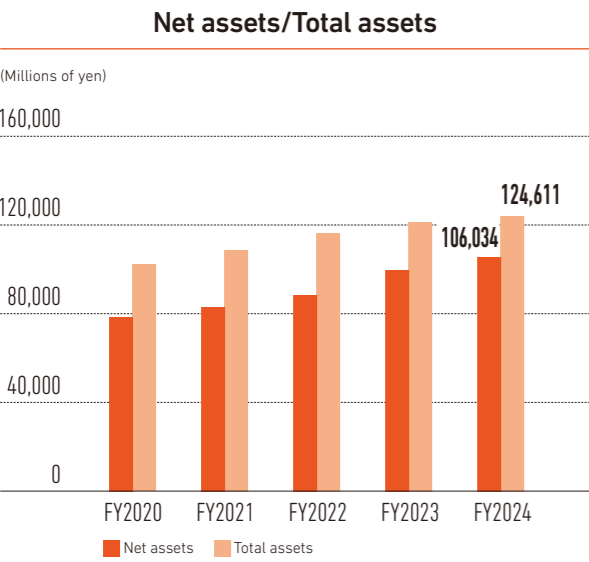
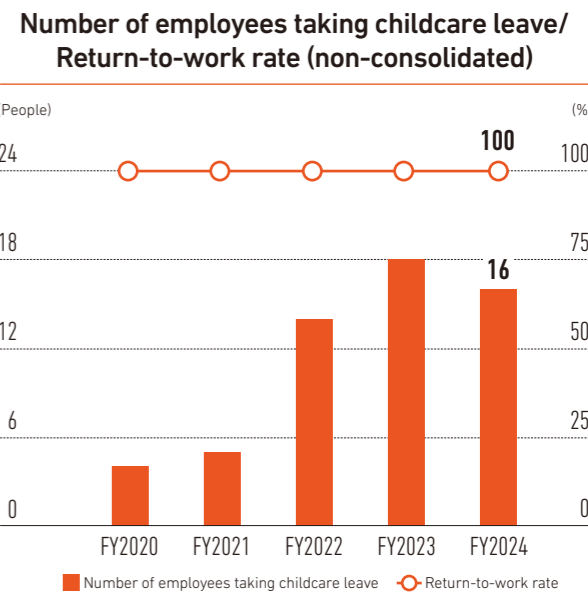
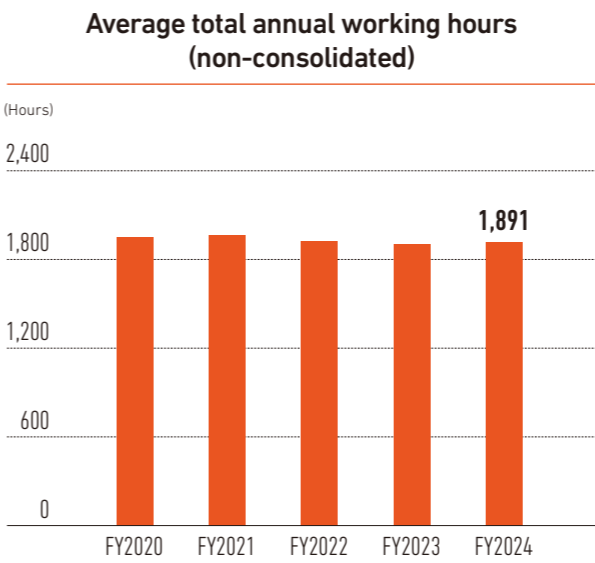
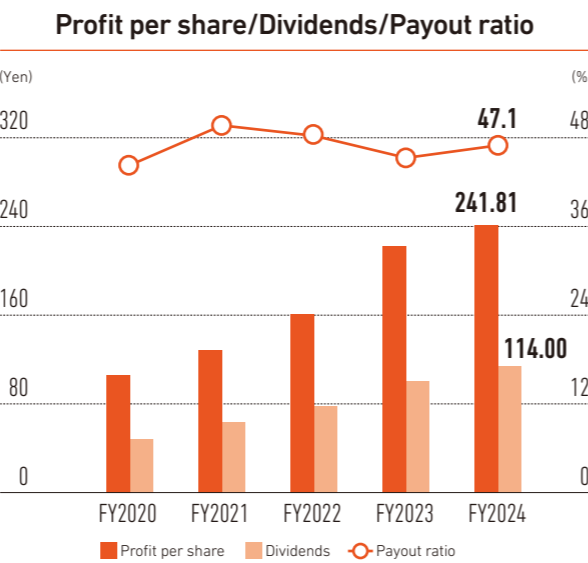
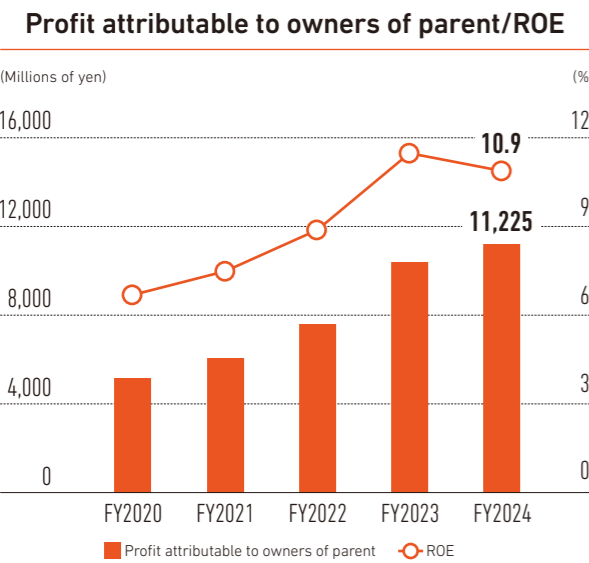
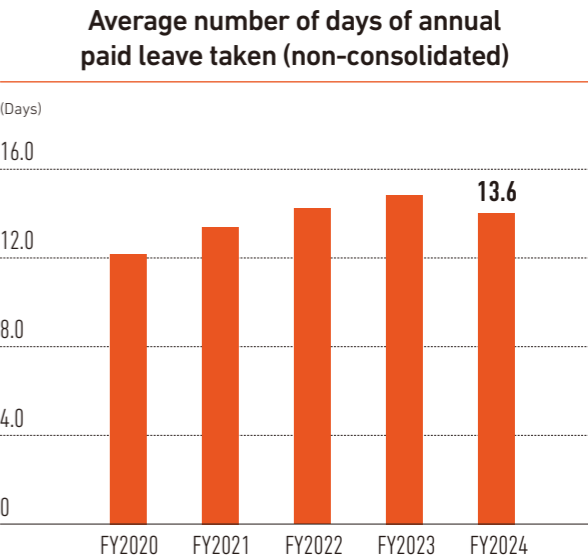
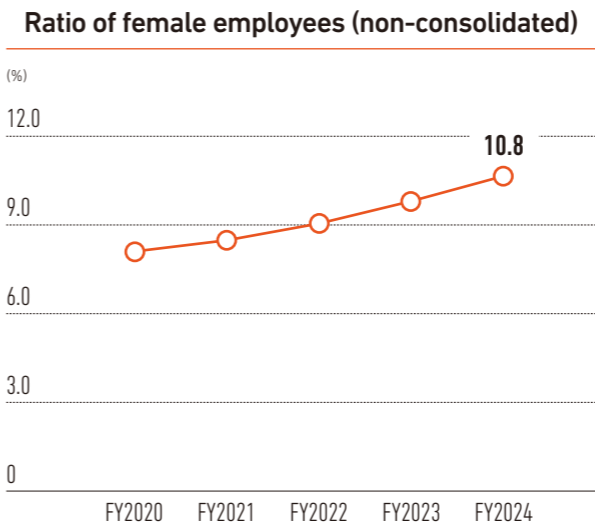
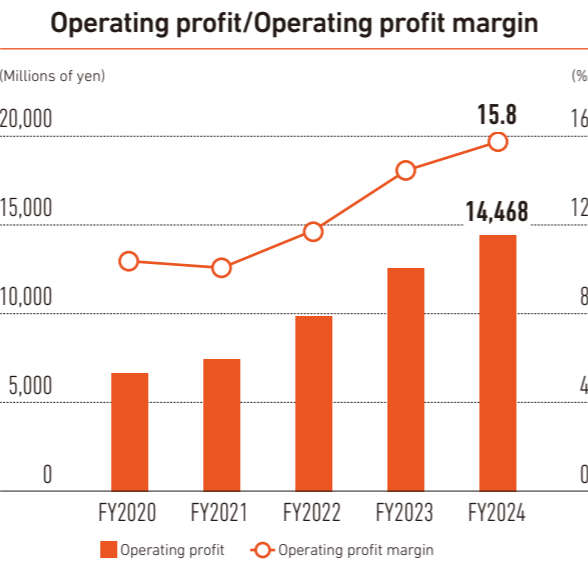
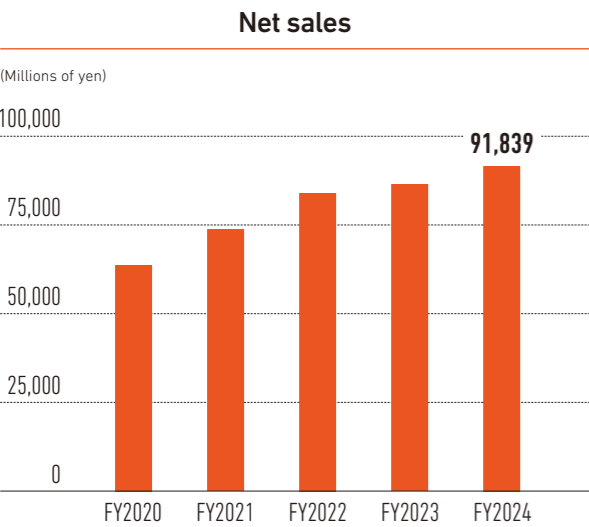
In addition, in the event that any legal or regulatory violations arise as a result of governance failures or deficiencies in internal controls, the Group could lose the trust of customers and society, resulting in deterioration of the brand image, customer attrition, and other adverse effects on the Group’s business, business performance, and financial position.

[Response]

The Group strives to obtain information on amendments to various laws and regulations and considers appropriate responses, thereby reducing the risk of non-compliance due to lack of awareness and mitigating the impact of any additional cost burdens.

The Group also promotes compliance awareness by providing various compliance education programs for employees and distributing a monthly Compliance Newsletter on its intranet.

Financial and Non-Financial Highlights



* Past CO₂ emission volumes have been retroactively adjusted to reflect revised calculation method, etc.

Eleven Years of Consolidated Financial and Non-Financial Highlights

(For each fiscal year ended March 31 and as of March 31)

												(Millions of yen)
	FY2014	FY2015	FY2016	FY2017		FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
Net sales	64,950	66,510	66,967	68,138		70,118	69,671	64,029	73,958	84,316	86,638	91,839
Industrial Equipment segment	39,109	39,359	40,528	42,313		44,763	45,409	44,300	52,569	59,719	62,392	66,707
Office Equipment segment	22,356	23,822	23,182	22,566		22,606	21,515	17,061	18,513	21,482	21,006	21,878
HCR Equipment segment	3,484	3,329	3,257	3,257		2,748	2,746	2,667	2,875	3,113	3,239	3,253
Operating profit	5,290	5,883	6,323	6,139		7,150	7,586	6,685	7,498	9,926	12,601	14,468
Profit attributable to owners of parent	3,222	3,512	4,726	4,654		5,064	5,510	5,153	6,090	7,619	10,435	11,225
Cash flows from operating activities	6,713	5,471	8,512	6,859		7,814	8,330	8,798	5,629	8,248	12,120	14,588
Cash flows from investment activities	(1,275)	(570)	(1,816)	(2,931)		(6,384)	(5,986)	(5,349)	(2,442)	(1,085)	(3,715)	(1,750)
Cash flows from financing activities	(2,025)	(2,068)	(2,152)	(2,279)		(2,824)	(2,411)	(4,483)	(3,274)	(3,332)	(7,196)	(7,614)
R&D expenses	2,440	2,515	2,979	2,870		2,928	3,076	3,130	3,404	3,791	4,345	4,365
Capital investment	1,412	2,044	2,083	2,674		3,102	2,853	4,967	4,183	3,542	2,865	2,677
Depreciation	1,924	1,980	2,036	2,169		2,262	2,466	2,522	2,811	3,022	3,054	3,309
Total assets	88,590	88,828	93,000	96,133		98,174	99,378	102,538	109,043	116,742	121,717	124,611
Net assets	65,495	64,263	67,210	71,574		73,950	75,972	78,696	83,136	88,906	99,847	106,034
Per share information												
Net assets per share (yen)	1,326.48	1,301.81	1,362.05	1,450.61		1,509.80	1,551.34	1,647.68	1,755.41	1,877.19	2,143.94	2,304.18
Dividends per share (yen)	37.00	39.00	42.00	42.00		44.00	46.00	48.00	64.00	78.00	101.00	114.00
Profit per share (yen)	65.36	71.27	95.93	94.46		102.91	112.66	105.79	128.39	161.07	222.56	241.80
Key financial indicators												
Operating profit margin (%)	8.1	8.8	9.4	9.0		10.2	10.9	10.4	10.1	11.8	14.5	15.8
Ratio of profit to net sales (%)	5.0	5.3	7.1	6.8		7.2	7.9	8.0	8.2	9.0	12.0	12.2
Ratio of R&D expenses to net sales (%)	3.8	3.8	4.4	4.2		4.2	4.4	4.9	4.6	4.5	5.0	4.8
Equity ratio (%)	73.8	72.2	72.2	74.3		75.2	76.3	76.7	76.1	76.1	81.9	85.0
ROE (return on equity) (%)	5.1	5.4	7.2	6.7		7.0	7.4	6.7	7.5	8.9	11.1	10.9
Dividend payout ratio (%)	56.6	54.7	43.8	44.5		42.5	40.8	44.4	49.8	48.4	45.4	47.1
PER (price-earnings ratio) (times)	21.65	16.22	15.42	14.46		15.81	14.77	15.47	13.26	13.16	14.62	17.55
Non-financial information												
Consolidated number of employees	2,773	2,681	2,655	2,683		2,578	2,595	2,508	2,478	2,486	2,457	2,466
Consolidated ratio of women in management positions (%)									6.4	6.1	7.6	8.5
Scope 1 and 2 (tons)						18,166	17,989	17,175	17,405	17,948	15,483	15,106

* The Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020), etc., have been applied from the beginning of fiscal 2021.

Company Overview

Company name	MAX CO., LTD.	Stock exchange registration	Tokyo Stock Exchange (Prime)
Foundation date	November 26, 1942	Stock code	6454
Capital stock	12,367 million yen		
Consolidated number of employees	2,466 (as of March 31, 2025)	Main businesses	Industrial Equipment Business
Fiscal year-end	March 31 (once a year)		Office Equipment Business
			HCR Equipment Business



● Our Main Bases in Japan

Name
Head Office
Sapporo Branch
Sendai Branch
Tokyo Branch
Nagoya Branch
Osaka Branch
Hiroshima Branch
Fukuoka Branch
MAX Sales Co., Ltd.
Research & Development Division
Tamamura Factory
Fujioka Factory
Yoshii Factory
Kuragano Factory
MAX Takasaki Co., Ltd.
MAX Joban Co., Ltd.
MAX Logistics Warehouse Co., Ltd.
MAX Engineering Service Co., Ltd.
Kawamura Cycle Co., Ltd.
Rentool Co., Ltd.

● Our Overseas Sales Bases

Name
North America
MAX USA CORP.
TEXAS OFFICE
CALIFORNIA OFFICE
NORTH CAROLINA OFFICE
Europe
MAX EUROPE B.V.
GERMAN OFFICE
Lighthouse(UK)Ltd.
Lighthouse Europe B.V.
Asia
MAX ASIA PTE. LTD.
MUMBAI OFFICE
HO CHI MINH OFFICE
MAX CO.,(H.K.)LTD.
MAX (SHANGHAI) CO.,LTD.

● Our Overseas Production Bases

Name
Asia
MAX FASTENERS(M) SDN. BHD.
MAX (THAILAND) CO., LTD.
MAX ELECTRONICS MACHINE CO., (SHENZHEN) LTD.
MAX ELECTRONICS MACHINE (SUZHOU) CO., LTD.
ZHANGZHOU LEATAI MEDICAL INSTRUMENTS CO., LTD.

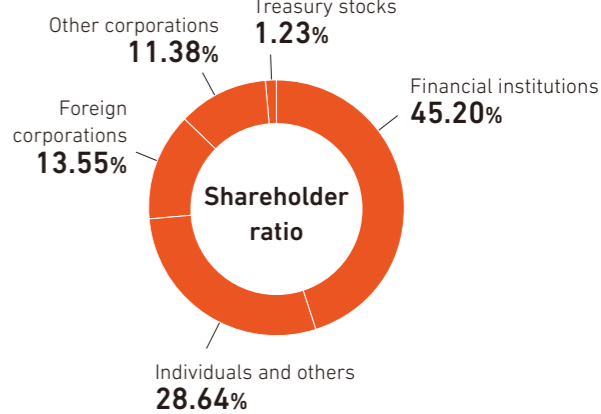
Stock Information

(As of March 31, 2025)

Number of Shares and Shareholders

Authorized number of shares	145,983,000 shares
Number of shares issued and outstanding	46,537,426 shares
Number of shareholders	10,188 persons
Minimum trading units	100 shares

Distribution of Shares by Shareholder

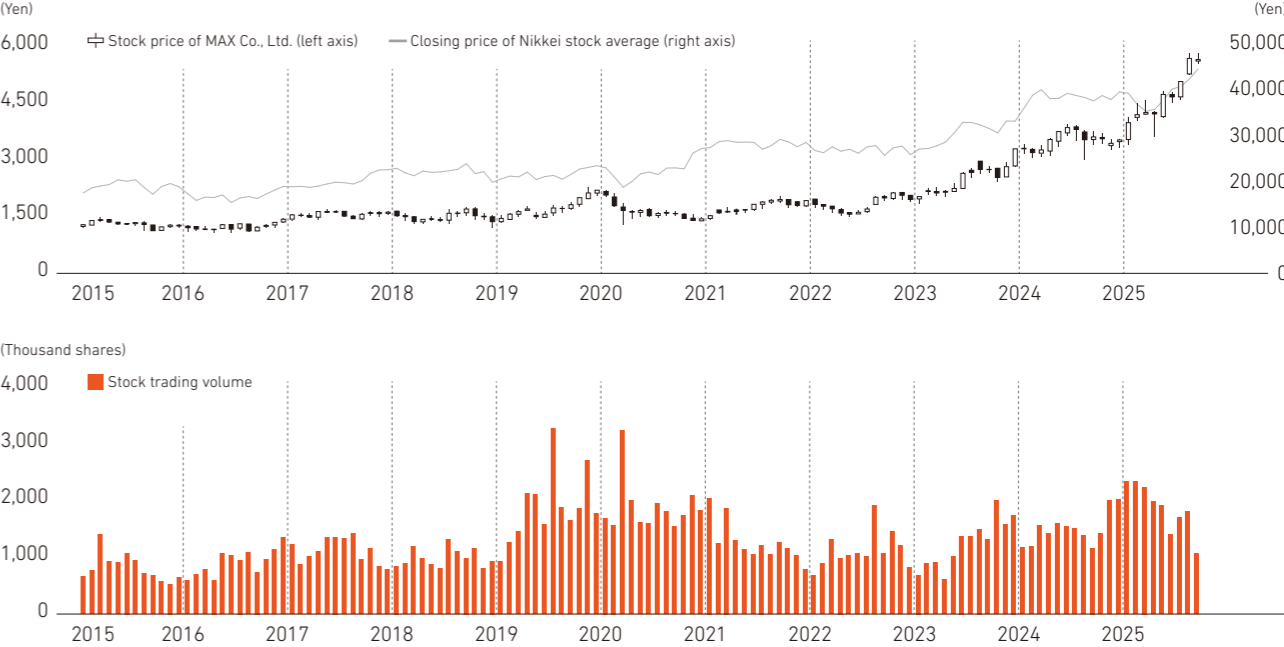


Major Shareholders

Shareholder name	Number of shares held (thousand shares)	Holding ratio (%)
The Dai-ichi Life Insurance Company, Ltd.	4,284	9.32
The Master Trust Bank of Japan, Ltd. (trust account)	3,895	8.48
Nippon Life Insurance Company	3,762	8.19
MAX Kyoei Kai Dai-ichi Shareholding Association	3,699	8.05
MAX Kyoei-kai Dai-ni Shareholding Association	3,330	7.25
Custody Bank of Japan, Ltd. (trust account)	2,879	6.26
Mizuho Bank, Ltd.	1,834	3.99
The Gunma Bank, Ltd.	1,714	3.73
MAX Employee Stock Ownership Plan	1,168	2.54
Nippon Steel Corporation	1,044	2.27

* The shareholding ratio is calculated by deducting 574,598 shares of treasury stock.

Stock Price/Stock Trading Volume (As of September 30, 2025)



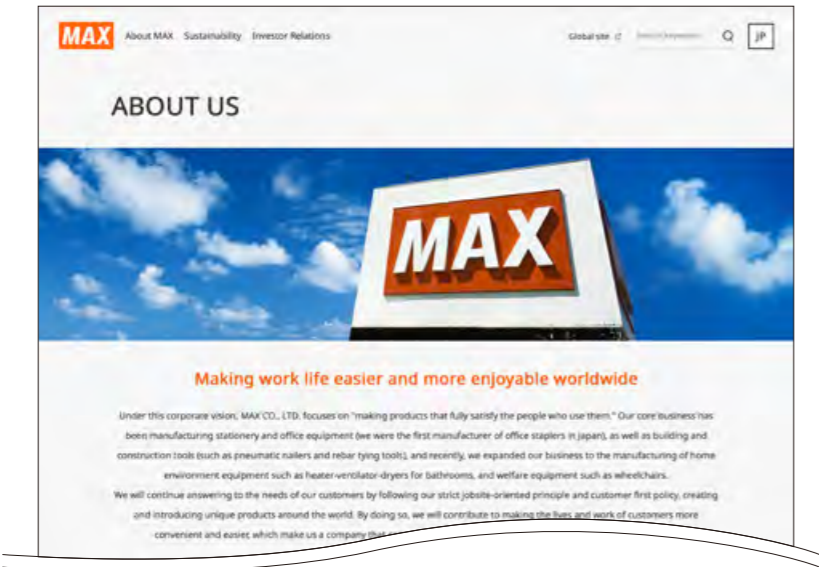
Editorial Policy

This report is a comprehensive communication tool that combines financial information and non-financial information. Through this report, the Group aims to provide a wide range of stakeholders including shareholders and investors with a deeper understanding of MAX Co., Ltd.

In this report, basic information, financial data, management strategy, sustainability information, and other information that the readers of this report particularly require are extracted and provided in accordance with major guidelines. Please refer to the Company’s website which provides detailed information, in addition to this report.



<https://www.max-ltd.co.jp/en/about/>



Period covered by the report

Fiscal year ended March 31, 2025 (April 1, 2024–March 31, 2025)
*Some sections include information for periods other than the period indicated above.

Scope of report

A total of 20 companies consisting of MAX Co., Ltd. and 19 consolidated subsidiaries (as of March 31, 2025)

Guidelines referred to

“International Integrated Reporting Framework” by the IFRS Foundation
“Guidance for Integrated Corporate Disclosure and Company-Investor Dialogue for Collaborative Value Creation,”
by the Ministry of Economy, Trade and Industry

Disclaimer regarding forward-looking statements

Forward-looking statements such as the Company’s plans, forecasts, and strategies in this report are based on certain assumptions considered to be reasonable by the Company at the time of disclosure, and the actual results may differ materially from those forward-looking statements due to a variety of factors.



*ENGINEERED FOR
PERFORMANCE*

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