



# NOTICE OF THE 70TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

**Time and Date:**

**1:00 p.m., Wednesday, March 26, 2025 (JST)**

(The reception desk will open at 0:30 p.m., JST.)

(Please note that the start time is different from the last meeting.)

**Venue:**

Magnolia, 7th floor, Tokyo Kaikan  
3-2-1 Marunouchi, Chiyoda-ku, Tokyo

**Items to be resolved:**

**Agenda: Election of eight (8) directors**

Please kindly note that the Company does not distribute gifts to the shareholders who attend the General Meeting of Shareholders.

We greatly appreciate your understanding.

SUMIDA CORPORATION

Stock Code: 6817

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*This is a translation of the original notice in Japanese. In the event of any discrepancy, the original notice in Japanese shall prevail.*

(Stock Code: 6817)

March 5, 2025

## **NOTICE OF THE 70TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders,

We would like to express our gratitude for your continued patronage.

SUMIDA CORPORATION (the “Company”) hereby would like to inform you that the 70th Annual General Meeting of Shareholders will be held as outlined on the following pages.

We believe in the importance of our shareholders’ rights to vote. Please review the Reference Materials for Annual General Meeting of Shareholders from p.5 to p.16 below, and indicate your approval or disapproval of the proposals on the voting form sent out with this convocation notice and return it to us by mail by 5:00 p.m. on Tuesday, March 25, 2025 (JST), or exercise your voting rights via the specified voting website (<https://evote.tr.mufg.jp/>) (in Japanese) by the above deadline. We do request for exercising your rights in order to ensure that our shareholders’ intention is reflected on management.

In convening the General Meeting of Shareholders, we take measures for providing information that constitutes the content of reference materials for the general meeting of shareholders, etc. in electronic format (matters for which measures for providing information in electronic format are to be taken). Please review the information posted on the Company's website given below.

The Company's website: <https://www.sumida.com>

(Please access the above website, and select "INVESTOR RELATIONS" and then "Reports" on the menu.)

Other than the Company's website, matters for which measures for providing information in electronic format are posted on the following Tokyo Stock Exchange (TSE) website.

Tokyo Stock Exchange (TSE) website:

<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show> (in Japanese)

(Please access the above TSE website. Search by "Sumida Corporation" or "Ticker code (6817)," select "Basic information" and then "Documents for public inspection/PR information," and find "Notice of General Shareholders Meeting/Shareholder Meeting Materials" under "Filed information available for public inspection.")

Yours faithfully,

Shigeyuki Yawata

Director

SUMIDA CORPORATION

7th floor, KDX Ginza East Building

3-7-2 Irifune, Chuo-ku, Tokyo

**1. Time and Date:** 1:00 p.m., Wednesday, March 26, 2025 (JST)  
(The reception desk will open at 0:30 p.m., JST.)  
(Please note that the start time is different from the last meeting.)

**2. Venue:** Magnolia, 7th floor, Tokyo Kaikan  
3-2-1 Marunouchi, Chiyoda-ku, Tokyo

**3. Meeting Agenda:**

*- Items to be reported*

1. Business Report, Consolidated Financial Statements and reports on the audited results of the Consolidated Financial Statements by the independent auditors and the Audit Committee for the 70th term (January 1 to December 31, 2024)
2. Non-consolidated Financial Statements for the 70th term (January 1 to December 31, 2024)

*- Items to be resolved*

Agenda: Election of eight (8) directors

#### 4. Decisions Made for the Meeting:

- (1) If a shareholder does not indicate acceptance or rejection of the agenda items when exercising a voting right via the Internet etc. or in writing, the Company will treat such cases as indications of acceptance.
- (2) In the event that a shareholder exercises a voting right on multiple occasions via the Internet etc., the Company will treat the shareholder's final vote as the effective exercise of the voting right.
- (3) In the event that a shareholder exercises a voting right via the Internet etc., even if the voting form is returned to us by mail, the Company will treat the shareholder's vote via the Internet etc. as the effective exercise of the voting right.
- (4) If a shareholder exercises a voting right in writing, the shareholder is requested to return the voting form to us by mail by 5:00 p.m. on Tuesday, March 25, 2025 (JST).
- (5) If a shareholder exercises a voting right via the Internet etc., the shareholder is requested to do so by 5:00 p.m. on Tuesday, March 25, 2025 (JST).
- (6) In the event that a shareholder exercises voting rights diversely, the shareholder is requested to submit his/her intention to do so and the reason for the diverse exercise of voting rights to the Company in writing or by electromagnetic method by three days before the meeting.

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\*For this General Meeting of Shareholders, we have delivered documents which include matters for which measures for providing information in electronic format will be taken to all shareholders, regardless of whether or not they have requested them. In addition, please be sure to bring this convocation notice with you as reference documents for the meeting.

\*Among the matters subject to measures for electronic provision, the following matters are not included in the documents under laws and regulations and the Company's Articles of Incorporation. Accordingly, the Business Report, the Consolidated Financial Statements and Non-consolidated Financial Statements included in the documents are part of the documents subject to audit by the independent auditors for the Accounting Auditor's Report and the Audit Committee in preparing the audit report.

[Business Report]	Independent auditors, System to secure properness of operations and operation status of the system
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[Consolidated Financial Statements]	Consolidated Statement of Changes in Equity, Notes to Consolidated Financial Statements
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[Non-consolidated Financial Statements]	Non-consolidated Statement of Changes in Shareholders' Equity, Notes to Non-consolidated Financial Statements
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\*Changes in matters for which measures for providing information in electronic format will be taken will be published via the Company's website and the Tokyo Stock Exchange website by indicating comparison between before and after revision.

\*If attending the meeting in person, please hand in the voting form sent out with this convocation notice, completed, to the receptionist at the meeting.

\*Please note that the Company is not planning to hold any company presentation or reception after the meeting.

### <Concerning the Exercise of Voting Rights>

- \* Shareholders attending the meeting in person are requested to submit the voting form sent out with this notice at the reception desk on the day of the meeting.
- \* A shareholder may exercise his/her voting rights by designating one proxy who is another shareholder of the Company with voting rights pursuant to Article 17 of the Articles of Incorporation. In such cases, please submit to the Company a document proving the proxy's power of representation (power of attorney).
- \* If you are unable to attend the meeting in person, please exercise your voting rights using either of the below methods.

#### [Exercising Voting Rights by Electromagnetic Method (via the Internet)]

Please access the Website for Exercising Voting Rights (<https://evote.tr.mufg.jp/>) (in Japanese) with a computer or smartphone, etc. and enter the log-in ID and temporary password shown on the voting form sent out with this notice. Follow the instructions given on the screen to indicate your acceptance or rejection.

In addition, you can exercise voting rights from the Website for Exercising Voting Rights for smartphones, which does not require the entry of the log-in ID and temporary password, by scanning the QR code shown on the voting form with your smartphone or other devices.

#### **Votes to be given by: 5:00 p.m., Tuesday, March 25, 2025 (JST)**

1. Please note that shareholders are to bear any and all telecommunications charges, including call charges and connection charges to be paid to Internet service providers when accessing the Website for Exercising Voting Rights.
2. For shareholders who intend to exercise voting rights via smartphones, etc., please note that it may not be possible to do so using certain models.

Please direct any inquiries you may have concerning the exercise of voting rights via the Internet to:

Shareholders' Register Manager: Transfer Agent Department (Help Desk), Mitsubishi UFJ Trust and Banking Corporation

Tel: 0120-173-027 (Toll-free, available only in Japan)

Operating hours: 9:00 a.m. to 9:00 p.m. (JST)

#### [Exercising Voting Rights by Mail (in Writing)]

After indicating your acceptance or rejection of the agenda items on the voting form sent out with this notice, return it without affixing a stamp.

#### **Votes to be received by: 5:00 p.m., Tuesday, March 25, 2025 (JST)**

- \* If a shareholder does not indicate acceptance or rejection of the agenda items when exercising a voting right via the Internet etc. or in writing, the Company will treat such cases as indications of acceptance.
- \* In the event that a shareholder exercises a voting right on multiple occasions via the Internet etc., the Company will treat the shareholder's final vote as the effective exercise of the voting right.
- \* In the event that a shareholder exercises a voting right via the Internet etc., even if the voting form is returned to us by mail, the Company will treat the shareholder's vote via the Internet etc. as the effective exercise of the voting right.

The platform for electronic exercise of voting rights for institutional investors operated by ICJ, Inc. is available for all institutional investors.

## Reference Materials for Annual General Meeting of Shareholders

### Agenda: Election of eight (8) directors

The terms of office of seven (7) directors will expire at the conclusion of this Annual General Meeting of Shareholders. In order to ensure diversity of the Board of Directors and further strengthen the Company's corporate governance system, the Company hereby requests the election of eight (8) directors including six (6) outside directors as nominated by the Nomination Committee.

The candidates for the directors' positions are as follows. Six (6) of the candidates for director, namely Messrs. Tatsuo Umemoto, Yan Hok Fan, Ryo Hayakawa, Dr. Albert Kirchmann, Ms. Sawako Ueno and Ms. Junko Dochi seek the positions as outside directors as stipulated in Article 2, paragraph (3), item (vii) of the Regulations for Enforcement of the Companies Act.

#### [Reference] List of candidates

No.	Name	Positions and duties at the Company	
1	Shigeyuki Yawata	Director (Chairman of the Board of Directors), member of the Nomination Committee and Compensation Committee, and Chairman of the Risk Management Committee	[Re-election]
2	Tatsuo Umemoto	Director (Vice Chairman of the Board of Directors), Chairman of the Nomination Committee and Compensation Committee, and member of the Risk Management Committee	[Re-election] [Outside] [Independent]
3	Yan Hok Fan	Director and member of the Nomination Committee and Compensation Committee	[Re-election] [Outside] [Independent]
4	Ryo Hayakawa	Director, Chairman of the Audit Committee, and member of the Risk Management Committee	[Re-election] [Outside] [Independent]
5	Albert Kirchmann	Director and member of the Nomination Committee and Compensation Committee	[Re-election] [Outside] [Independent]
6	Sawako Ueno	Director and member of the Audit Committee	[Re-election] [Outside] [Independent]
7	Yoshiyuki Honda	Director and member of the Nomination Committee, the Audit Committee and Compensation Committee	[Re-election]
8	Junko Dochi	—	[New election] [Outside] [Independent]

### Candidates' attendance to meetings

Name	Number of years in office	The Board of Directors meetings	Audit Committee meetings	Nomination Committee meetings	Compensation Committee meetings	Risk Management Committee meetings
Shigeyuki Yawata	—	7/7 (100%)	—	7/7 (100%)	6/6 (100%)	4/4 (100%)
Tatsuo Umemoto	6	7/7 (100%)	—	7/7 (100%)	6/6 (100%)	3/3 (100%)
Yan Hok Fan	3	7/7 (100%)	—	7/7 (100%)	6/6 (100%)	—
Ryo Hayakawa	3	7/7 (100%)	10/10 (100%)	—	—	3/3 (100%)
Albert Kirchmann	1	5/5 (100%)	—	5/5 (100%)	5/5 (100%)	—
Sawako Ueno	1	5/5 (100%)	6/6 (100%)	—	—	—
Yoshiyuki Honda	—	4/5 (80%)	6/6 (100%)	5/5 (100%)	5/5 (100%)	—
Junko Dochi	—	—	—	—	—	—

Note: The number of years in office is that as Outside Director.



No.	Name (Date of birth)	Brief personal profile and positions and duties at the Company (Important concurrent occupations or positions at other organizations)	Number of shares held in the Company
1 Re-election	Shigeyuki Yawata (October 28, 1951)  Rate of attendance at the Board of Directors meetings in FY2024: 7/7	<b>(Brief personal profile)</b> Nov. 1977    Joined the Company Mar. 1988    Director Mar. 1990    Representative Director and Senior Managing Director Apr. 1991    Representative Director and Vice President Mar. 1992    Representative Director and President Apr. 2003    Representative Executive Officer and CEO Apr. 2003    Director (To date) Dec. 2005    Managing Director, Sumida Holding Germany GmbH (Currently SUMIDA Europe GmbH)  <b>(Positions and duties at the Company)</b> Director (Chairman of the Board of Directors), member of the Nomination Committee and Compensation Committee, and Chairman of the Risk Management Committee	0 (Note 1) (Note 2)

**<Reasons for the election of candidate nominated for director>**

Mr. Shigeyuki Yawata possesses abundant experience and a proven track record in regard to not only his service in the executive management of the Sumida Group but also his role in operating and developing global business operations. The Company proposed him as a candidate for director because it expects Mr. Yawata to continue to strengthen the function of the Board of Directors, based on his experience of having served for many years in the Company in the executive management role of Representative Executive Officer and CEO, as well as based on his extensive insight regarding the electronic components industry.

No.	Name (Date of birth)	Brief personal profile and positions and duties at the Company (Important concurrent occupations or positions at other organizations)	Number of shares held in the Company
2 Re-election/ Outside/ Independent	Tatsuo Umemoto (September 14, 1956)  Rate of attendance at the Board of Directors meetings in FY2024: 7/7	<p><b>(Brief personal profile)</b></p> <p>Apr. 1979    Joined Nippon Telegraph and Telephone Public Corporation (Currently NIPPON TELEGRAPH AND TELEPHONE CORPORATION)</p> <p>Aug. 1985    Joined Bain &amp; Company Japan, Inc.</p> <p>Sep. 1991    Joined Schroeder PTV Partners Co., Ltd.</p> <p>Apr. 1995    Joined SAZABY Inc. (Currently SAZABY LEAGUE, Ltd.) as Director of Corporate Planning Office</p> <p>Project Leader for start-up of Starbucks Coffee Japan Co., Ltd.</p> <p>Corporate Leader for the “second startup” (business re-establishment activities) project</p> <p>Chief Planning Officer (From 2000)</p> <p>Jan. 2005    Established iGRAM Inc., Representative Director (To date)</p> <p>Aug. 2011    Established LEAGUE MILLION INC., Representative Director</p> <p>Apr. 2015    Specially Appointed Professor at Graduate School of Social Design Studies, Rikkyo University</p> <p>Jun. 2015    Councilor, THE KIYOSHI HAYAKAWA FOUNDATION</p> <p>Apr. 2017    Outside Director, Forum Engineering Inc.</p> <p>Mar. 2019    Outside Director of the Company (To date)</p> <p>Apr. 2020    Specially Appointed Professor at Graduate School of Media and Governance, Keio University</p> <p>Apr. 2020    Visiting Professor at Graduate School of Social Design Studies, Rikkyo University (To date)</p> <p><b>(Positions and duties at the Company)</b></p> <p>Director (Vice Chairman of the Board of Directors) and Chairman of the Nomination Committee and Compensation Committee, member of the Risk Management Committee</p> <p><b>(Important concurrent occupations or positions at other organizations)</b></p> <p>Visiting Professor at Graduate School of Social Design Studies, Rikkyo University</p> <p>Representative Director, iGRAM Inc.</p>	0

**<Reasons for the election of candidate nominated for outside director and overview of expected roles>**

Mr. Tatsuo Umemoto has accumulated a wealth of international experience as a management consultant and corporate executive over many years. He has played leading roles in the launches of multiple companies, including Starbucks Coffee Japan Co., Ltd., and he currently works as an advisor in various fields and as a Visiting Professor at Graduate School of Social Design Studies, Rikkyo University. The Company proposed him as a candidate for outside director because he is expected to oversee and check management based on his insight which is especially informed by his experience in business strategy, business planning, new business development, organization personnel, competency development, and marketing and branding. He currently serves as outside director of the Company. The length of his service as outside director will be six (6) years at the conclusion of this Annual General Meeting of Shareholders.

No.	Name (Date of birth)	Brief personal profile and positions and duties at the Company (Important concurrent occupations or positions at other organizations)	Number of shares held in the Company
3 Re-election / Outside/ Independent	Yan Hok Fan (September 5, 1949)  Rate of attendance at the Board of Directors meetings in FY2024: 7/7	<b>(Brief personal profile)</b> Oct. 1976    Joined Nigerian Spanish Engineering LTD. (Nigeria) Nov. 1979    Managing Director, Mayor Engineering Ltd. (Nigeria) Sep. 1984    Joined Pfizer MSP KK, Materials Engineering Department (Hong Kong) Jan. 1994    Representative Director, CITIC Pacific Limited (Hong Kong) Nov. 1997    Representative Director and General Manager, China Everbright International Limited (Currently China Everbright Environment Group Limited) (Hong Kong) Jan. 2010    Independent Non-executive Director, Hysan Development Company Limited (Hong Kong) Dec. 2012    Independent Non-executive Director, China Everbright Environment Group Limited (Hong Kong) (To date) Dec. 2012    Independent Non-executive Director, First Pacific Company Limited (Hong Kong) (To date) Sep. 2013    Independent Non-executive Director, China Aircraft Leasing Group Holdings Limited (Hong Kong) Sep. 2016    Independent Non-executive Director, PFC Device Inc. (Hong Kong) Mar. 2022    Outside Director of the Company (To date) <b>(Positions and duties at the Company)</b> Director and member of the Nomination Committee and Compensation Committee <b>(Important concurrent occupations or positions at other organizations)</b> Independent Non-executive Director, China Everbright Environment Group Limited (Hong Kong) Independent Non-executive Director, First Pacific Company Limited (Hong Kong)	0

**<Reasons for the election of candidate nominated for outside director and overview of expected roles>**

Mr. Yan Hok Fan has worked as a manager and a director of Asian companies over many years, primarily in China and Hong Kong. The Company proposed him as a candidate for outside director because he is expected to oversee and check management based on the knowledge and experience as a manager that he has accumulated throughout his career, and his insight into the Asian market. He currently serves as outside director of the Company. The length of his service as outside director will be three (3) years at the conclusion of this Annual General Meeting of Shareholders.

No.	Name (Date of birth)	Brief personal profile and positions and duties at the Company (Important concurrent occupations or positions at other organizations)	Number of shares held in the Company
4 Re-election / Outside/ Independent	Ryo Hayakawa (December 17, 1962)  Rate of attendance at the Board of Directors meetings in FY2024: 7/7	<b>(Brief personal profile)</b> May 1985 Joined Darroch Industrial Consultants, Ltd. (Auckland, New Zealand) Apr. 1989 Joined Investment Banking Division, Tokyo Branch, Goldman Sachs Japan Co., Ltd. Nov. 1992 Vice President, Corporate Finance Department, Investment Banking Division, Goldman Sachs Japan Co., Ltd. (promoted in June 1996) Dec. 1997 Vice President, Advisory Group, Investment Banking Division, Goldman Sachs Japan Co., Ltd. Feb. 2000 Vice President, Equity Capital Markets, Investment Banking Division, Goldman Sachs Japan Co., Ltd. Apr. 2002 Director, Equity Capital Markets, Investment Banking Division, Deutsche Securities Inc. Mar. 2007 Representative Director, A1 Consulting Ltd. (To date) Oct. 2007 Investment Banking Lecturer, Institute for Business and Finance, Waseda University (To date) Mar. 2008 Managing Director and General Manager, Equity Capital Markets, Investment Banking Division, Macquarie Capital Securities (Japan) Limited Apr. 2008 Executive Council, Australian and New Zealand Chamber of Commerce Sep. 2014 Representative Director and Managing Partner, AKSUS Advisors, Inc. (To date) Sep. 2020 Outside Director, UDC Finance Limited (Auckland, New Zealand) Mar. 2022 Outside Director of the Company (To date) <b>(Positions and duties at the Company)</b> Director, Chairman of the Audit Committee, and member of the Risk Management Committee <b>(Important concurrent occupations or positions at other organizations)</b> Representative Director, A1 Consulting Ltd. Representative Director and Managing Partner, AKSUS Advisors Inc. Investment Banking Lecturer, Institute for Business and Finance, Waseda University	0

**<Reasons for the election of candidate nominated for outside director and overview of expected roles>**

Mr. Ryo Hayakawa has accumulated a wealth of experience in the financial industry over many years, and currently engages in management and serves as director at several companies. The Company proposed him as a candidate for outside director because he is expected to oversee and check management based on the experience and insight that he has accumulated throughout his career. He currently serves as outside director of the Company. The length of his service as outside director will be three (3) years at the conclusion of this Annual General Meeting of Shareholders.

No.	Name (Date of birth)	Brief personal profile and positions and duties at the Company (Important concurrent occupations or positions at other organizations)	Number of shares held in the Company
5 Re-election/ Outside/ Independent	Albert Kirchmann (December 16, 1956)  Rate of attendance at the Board of Directors meetings in FY2024: 5/5	<b>(Brief personal profile)</b> Aug. 1984    Joined Daimler-Benz AG (Currently Mercedes-Benz Group AG and Daimler Truck Holding AG) Jul. 2004    Executive Vice President, Finance & Controlling, Business and Product Planning, Daimler Trucks & Buses, Daimler AG (Currently Daimler Truck Holding AG) and Director, Mitsubishi Fuso Truck and Bus Corporation Jun. 2009    President and Chief Executive Officer, Mitsubishi Fuso Truck and Bus Corporation Jul. 2010    Chief Representative, Representative Office in Japan, Daimler AG Apr. 2013    Executive Director, Japan Automobile Manufacturers Association Jun. 2013    Board Member, German Chamber of Commerce and Industry in Japan, and Member of the Executive Board, the European Business Council Aug. 2013    Head of Daimler Trucks Asia, Daimler AG and President and Chief Executive Officer, Mitsubishi Fuso Truck and Bus Corporation Jul. 2014    Vice President, German Chamber of Commerce and Industry in Japan Apr. 2015    Chairman of the Board, Mitsubishi Fuso Truck and Bus Cooperation and Chairman, Daimler Trucks Asia Jan. 2017    Retired from Daimler AG Jan. 2019    Outside Director, TRATON SE (To date) Mar. 2024    Outside Director of the Company (To date) <b>(Positions and duties at the Company)</b> Director and member of the Nomination Committee and Compensation Committee <b>(Important concurrent occupations or positions at other organizations)</b> Outside Director, TRATON SE	0

<Reasons for the election of candidate nominated for outside director and overview of expected roles>

Dr. Albert Kirchmann has accumulated a wealth of international experience over many years including senior leadership roles with responsibility for finance & controlling, business and product planning within the commercial vehicle business of Daimler Truck Holding AG, as well as holding positions including Representative Director and CEO for Mitsubishi Fuso Truck and Bus Corporation. The Company proposed him as a candidate for outside director because he is expected to oversee and check management given his knowledge and experience as well as the insight he brings in relation to automobiles and the European, Japanese and Asian markets as an international manager cultivated throughout his career. He currently serves as outside director of the Company. The length of his service as outside director will be one (1) year at the conclusion of this Annual General Meeting of Shareholders.

No.	Name (Date of birth)	Brief personal profile and positions and duties at the Company (Important concurrent occupations or positions at other organizations)	Number of shares held in the Company
6 Re-election/ Outside/ Independent	Sawako Ueno (August 12, 1964)  Rate of attendance at the Board of Directors meetings in FY2024: 5/5	<b>(Brief personal profile)</b> Apr. 1988    Joined The Dai-Ichi Kangyo Bank, Limited (Currently Mizuho Bank, Ltd.) Oct. 1996    Joined Showa Ota & Co. (Currently Ernst & Young ShinNihon LLC) Oct. 2008    Partner, Ernst & Young ShinNihon LLC Sep. 2017    Partner, Deloitte Touche Tohmatsu LLC Sep. 2019    Director, Deloitte Touche Tohmatsu LLC Jan. 2021    Joined Financial Services Agency; Securities Transaction Special Inspector, Executive Bureau, Securities and Exchange Surveillance Commission Apr. 2023    Representative, Sawako Ueno CPA Office (To date) Jun. 2023    Outside Auditor, Morinaga & Co., Ltd. (To date) Jun. 2023    Outside Auditor, Airport Facilities Co., Ltd. (To date) Mar. 2024    Outside Director of the Company (To date) <b>(Positions and duties at the Company)</b> Director and member of the Audit Committee <b>(Important concurrent occupations or positions at other organizations)</b> Representative, Sawako Ueno CPA Office Outside Auditor, Morinaga & Co., Ltd. Outside Auditor, Airport Facilities Co., Ltd.	0

**<Reasons for the election of candidate nominated for outside director and overview of expected roles>**

Ms. Sawako Ueno has been involved in audit, strengthening governance, and transformation of business models, as well as digitization of domestic and foreign corporations over many years as a certified public accountant, and held positions as partner and director in major audit firms. In addition, Ms. Ueno has accumulated abundant experience as a Securities Transaction Special Inspector at the Securities and Exchange Surveillance Commission. The Company proposed her as a candidate for outside director because she is expected to contribute to maintaining and improving the Company's compliance based on her knowledge and experience cultivated throughout her career. She currently serves as outside director of the Company. The length of her service as outside director will be one (1) year at the conclusion of this Annual General Meeting of Shareholders.

No.	Name (Date of birth)	Brief personal profile and positions and duties at the Company (Important concurrent occupations or positions at other organizations)	Number of shares held in the Company
7 Re-election	Yoshiyuki Honda (January 8, 1956)  Rate of attendance at the Board of Directors meetings in FY2024: 4/5	<p><b>(Brief personal profile)</b></p> <p>Nov. 1980    Joined Tokyo Office, Coopers &amp; Lybrand LLP. (Currently PricewaterhouseCoopers)</p> <p>Sep. 1985    Chicago Office, Coopers &amp; Lybrand LLP.</p> <p>Apr. 1992    Partner, Chicago Office, Coopers &amp; Lybrand LLP.</p> <p>Jul. 1992    Joined PepsiCo, Inc. in New York</p> <p>Nov. 1993    Joined Pepsi Cola Japan Co., Ltd.; General Manager of Corporate Planning</p> <p>Jul. 1995    General Manager of Finance, Pepsi Cola Japan Co., Ltd.</p> <p>Feb. 1998    Joined Cisco Systems G. K. in Japan; General Manager of Finance</p> <p>Sep. 1999    Director and General Manager of Administrative Headquarter, Cisco Systems G. K. in Japan</p> <p>Aug. 2002    Joined D &amp; M Holdings Inc.; CFO</p> <p>Jun. 2003    Executive Officer, D &amp; M Holdings Inc.</p> <p>Feb. 2005    Joined RHJ international Japan Inc. (former Ripplewood Japan); CFO</p> <p>Jun. 2005    Representative Director, RHJ international Japan Inc.</p> <p>Oct. 2007    Joined D &amp; M Holdings Inc.; CFO</p> <p>Jun. 2009    Representative Director and Vice President, D &amp; M Holdings Inc.</p> <p>Nov. 2009    Retired from D &amp; M Holdings Inc.</p> <p>Mar. 2011    Joined SUMIDA Group</p> <p>Aug. 2011    Executive Officer of the Company</p> <p>Mar. 2012    Representative Executive Officer and CFO of the Company</p> <p>Mar. 2016    Outside Auditor, McDonald's Holdings Company (Japan), Ltd. (To date)</p> <p>Mar. 2024    Director of the Company (To date)</p> <p><b>(Positions and duties at the Company)</b></p> <p>Director and member of the Nomination Committee, the Audit Committee and Compensation Committee</p> <p><b>(Important concurrent occupations or positions at other organizations)</b></p> <p>Outside Auditor, McDonald's Holdings Company (Japan), Ltd.</p> <p>Certified Public Accountant in Japan and US</p>	15,300

**<Reasons for the election of candidate nominated for director>**

Mr. Yoshiyuki Honda has been involved in global corporations' finance, audit, internal control, and international financial reporting standards (IFRS), etc. over many years, and held positions including Partner and Chief Financial Officer (CFO). Mr. Honda has also served for many years as a Representative Executive Officer and CFO in the Group, and demonstrated strong leadership as a manager. The Company proposed him as a candidate for director because he is expected to oversee and check management given his experience, particularly the knowledge and experience as an international manager he has cultivated in the field of finance.

No.	Name (Date of birth)	Brief personal profile and positions and duties at the Company (Important concurrent occupations or positions at other organizations)	Number of shares held in the Company
8 New election Outside/ Independent	Junko Dochi (August 31, 1963)	<b>(Brief personal profile)</b> Apr. 1986      Joined NEC Corporation Nov. 1988      Joined Japan Branch of Virgin Atlantic Airways Ltd. Aug. 1995      Joined Apple Japan, Inc. May 1996      Joined AT&T Japan Ltd. Oct. 2002      Registered as Attorney (Dai-Ichi Tokyo Bar Association) Joined Tokyo Eiwa Attorneys at Law (Currently, TMI Associates) Oct. 2007      Joined Jones Day Foreign Law Joint Enterprise Jun. 2008      Registered as Attorney in the State of California Apr. 2013      Representative Attorney, DOCHI Law Office (formerly Hills Law Office) (To date) Jun. 2019      Outside Director, COMTURE CORPORATION (To date) Jun. 2020      Outside Director, AEON Bank, Ltd. (To date) Outside Director, AEON Credit Service (Asia) Co., Ltd. (To date) <b>(Important concurrent occupations or positions at other organizations)</b> Representative Attorney, DOCHI Law Office Outside Director, COMTURE CORPORATION Outside Director, AEON Bank, Ltd. Outside Director, AEON Credit Service (Asia) Co., Ltd.	0

<Reasons for the election of candidate nominated for outside director and overview of expected roles>

Ms. Junko Dochi has accumulated a wealth of experience in the fields of corporate legal affairs, B2B transactions, and intellectual property as an international attorney over many years. The Company proposed her as a candidate for outside director because she is expected to oversee and check management based on her insight cultivated throughout her career as an attorney at law with global perspective. Although she has not been directly engaged in corporate management in the past other than as an outside officer, based on the above reasons, the Company has judged that she is capable of appropriately performing her duties as an outside director. She is a new candidate for outside director.

Notes:

1. The candidate Mr. Shigeyuki Yawata concurrently serves as Director of Yawata Building Co., Ltd., and the aforementioned company is a major shareholder of the Company. There are no special interest relationships between the Company and the aforementioned company.
2. The candidate Mr. Shigeyuki Yawata concurrently serves as Director of Yawata Zaidan Limited, and the aforementioned company is a major shareholder of the Company. There are no special interest relationships between the Company and the aforementioned company.
3. There are no special interest relationships between the candidates for the directors' positions and the Company.
4. The five (5) persons, Messrs. Tatsuo Umemoto, Yan Hok Fan, Ryo Hayakawa, Dr. Albert Kirchmann and Ms. Sawako Ueno are independent directors in accordance with the provisions of Tokyo Stock Exchange, Inc. In case of their re-election, the Company plans to designate these five (5) persons as independent directors in accordance with the provisions of Tokyo Stock Exchange, Inc. Furthermore, Ms. Junko Dochi meets the requirements for independent director in accordance with the provisions of Tokyo Stock Exchange, Inc. In case of her election, the Company plans to designate her as an independent director



in accordance with the provisions of Tokyo Stock Exchange, Inc.

5. The Company has entered into an insurance contract covering officer liability for damages (“D&O insurance contract”) with an insurance company as provided for in Article 430-3, paragraph (1) of the Companies Act. The insurance contract will cover damages to be borne by the insured, including compensation, judgment amounts decided by the court, settlement money, amounts paid in out-of-court settlements and legal costs, which may arise in relation to damage compensation claims. All of the directors, executive officers, and employees who manage, supervise, and give directions and orders are insured by the said insurance contract. In addition, such insurance contract is expected to be renewed with the same contents at the next renewal. The following candidates for director will be included in those insured under the said insurance contract: Messrs. Shigeyuki Yawata, Tatsuo Umemoto, Yan Hok Fan, Ryo Hayakawa, Dr. Albert Kirchmann, Ms. Sawako Ueno, Mr. Yoshiyuki Honda, and Ms. Junko Dochi.

Reasons for the election:

Five (5) of the candidates nominated for director, Messrs. Tatsuo Umemoto, Yan Hok Fan, Ryo Hayakawa, Dr. Albert Kirchmann, and Ms. Sawako Ueno have sufficiently served as directors who determine basic management policies and supervise operations. The Company therefore requests to reelect them as outside directors. The Company believes that Ms. Junko Dochi will sufficiently serve as director who determines basic management policies and supervises operations, and therefore requests to newly elect her as a director.

Reasons for the election of candidates nominated for outside director, independence as outside directors and the explanation of liability limitation contracts with outside directors are as follows.

1. Reasons for the election of candidates nominated for outside director

The Company is a company employing a committee-based corporate governance structure, called a company with nomination committee, etc. At a company with nomination committee, etc., the board of directors specializes in supervising management, while a committee, a majority of which consists of outside directors, is established to improve the transparency of management and executive officers are installed as an organ to work full-time for the execution of operations. Thus, a company with nomination committee, etc. clearly separates “supervision of management” from “execution of operations” to make them function effectively. Such a company generally needs to elect multiple outside directors. To further enhance the functions of the board of directors, the Company is to make outside directors account for a majority of directors, and hereby requests the election of six (6) outside directors.

2. Independence of candidates for outside director

- (i) None of the candidates for outside director have been managing members of the Company or business operators that have specific relations with the Company in the past.
- (ii) None of the candidates for outside director have received or plan to receive a large amount of money or other property from the Company or business operators that have specific relations with the Company.
- (iii) None of the candidates for outside director have relatives in the third degree or closer with managing members of the Company or business operators that have specific relations with the Company.

3. Liability limitation contracts with outside directors

The Company has entered into liability limitation contracts with outside directors of the Company, Messrs. Tatsuo Umemoto, Yan Hok Fan, Ryo Hayakawa, Dr. Albert Kirchmann, and Ms. Sawako Ueno. (Outline of the contracts is stated on “2. (3) (vi) Outline of liability limitation contracts” of the Business Report.) In case of their re-election, the Company will continue the above liability limitation contracts with them. In case of election of Ms. Junko Dochi, the Company will also enter into liability limitation contracts of the same content as the above liability limitation contract with her.

Major fields of experience and expertise of Directors

Name	Position	Corporate management	Related industries and businesses	Global businesses	Finance and accounting	Legal and compliance	Governance and risk management	New businesses and M&A
Shigeyuki Yawata	Director	●	●	●			●	●
Tatsuo Umemoto	Outside Director	●		●			●	●
Yan Hok Fan	Outside Director	●	●	●			●	●
Ryo Hayakawa	Outside Director	●	●	●	●		●	●
Albert Kirchmann	Outside Director	●	●	●	●		●	●
Sawako Ueno	Outside Director			●	●	●	●	
Yoshiyuki Honda	Director	●	●	●	●		●	●
Junko Dochi	Outside Director			●		●	●	

Note: The above table indicates the planned roster of Directors in case this Agenda is approved and adopted as originally proposed.

# Business Report

for the 70th term

(January 1 to December 31, 2024)

Kanji Hori  
Representative Executive Officer and CEO  
SUMIDA CORPORATION

## Business Report

(January 1 to December 31, 2024)

### 1. Matters Concerning the Current Status of the Sumida Group

#### (1) Business conditions for the fiscal year under review

##### (i) Progress and results of the business

In February 2024, the Group announced its Mid-Term Business Plan, spanning the three-year period from 2024 to 2026. In the Mid-Term Business Plan, the Company identifies the movement toward decarbonization as a business opportunity and defines its group of decarbonization-related applications, including xEV-related products, charging infrastructure, solar power systems and rechargeable batteries, as “green energy-related,” which are positioned as key areas aimed at driving continued growth. In addition, to address rising geopolitical risks, we have been proceeding with efforts to establish a structure for local production and consumption that enhance our ability to respond more flexibly and promptly to customer needs with integrated sales, development, and manufacturing operations available in each region. Specifically, we are focused on optimizing production capacity in China, further strengthening R&D capabilities in North America, gaining new business in India, and increasing production capacity in Vietnam, along with other initiatives.

For the fiscal year ended December 31, 2024, we established a target to achieve a new record for the third consecutive year in profits, based on the revenue growth plan formulated through the accumulation of secured new projects. However, the anticipated revenue growth at the beginning of the period was delayed due to holding back on investment, driven by a cautious, wait-and-see approach toward EVs and high interest rates. Despite continuous efforts to minimize costs, we were compelled to revise the financial forecast downward on July 31, as it became evident that fully absorbing the impact of decreased revenue would be challenging. Subsequently, however, the recovery of the automotive-related and industry-related markets, particularly in Europe, took longer than anticipated. As a result, we concluded that bold structural reforms need to be implemented immediately. Structural reforms involve rationalization through headcount reductions at European subsidiaries. Following this rationalization, we recorded business restructuring expenses for one-off retirement payments and other benefits of 1,086 million yen as other operating expenses in the fiscal year ended December 31, 2024. We expect annual cost reductions of approximately 1,600 million yen in the fiscal year ending December 31, 2025, and approximately 1,800 million yen in the fiscal year ending December 31, 2026 onwards.

As the Group operates a build-to-order production business of custom products, we are responsible for ensuring the supply of products for the projects we have secured. Despite the allocation of equipment and headcount in anticipation of sustained revenue growth from prior years, sales did not materialize in the current fiscal year. Consequently, the increased fixed cost burden negatively impacted profitability. The Group is currently focused on reducing its break-even point across all its companies. In response to the aforementioned changes in the external environment, there are concerns about a potential slowdown in sales growth. Accordingly, we have decided to revise our strategy and change the structure for generating the targeted profit, based on the sales realistically expected in light of the current adverse situation. Structural reforms in Europe are an integral part of this strategy. We are also optimizing the indirect

workforce in China, a key manufacturing base, without replenishing positions vacated by retired employees. Furthermore, the organizational structure of sales and manufacturing technology has been realigned to enhance operational efficiency.

The Group's financial results for the current fiscal year are as follows.

Despite strong demand for products used in various applications in the automotive market, revenue was impacted by declining demand for solar power generation facility-related and industrial equipment in the industry market, as well as for notebook PCs, tablet devices, and smartphone-related products in the consumer electronics market. Green energy-related sales, which were expected to grow substantially, saw only a marginal increase due to the slowdown in xEV-related demand. Revenue for the current fiscal year decreased by 2.5% from the previous fiscal year to 143,978 million yen.

Operating profit decreased by 47.3% year on year to 4,513 million yen, mainly due to factors including the impact of decreased revenue (a 3,465 million yen decrease in profit), the impact of increased fixed costs resulting from lower production volume (a 1,178 million yen decrease in profit), and the recording of 1,086 million yen as business restructuring expenses in Europe. Meanwhile, net profit before taxes decreased by 77.9% from the previous fiscal year to 1,295 million yen and net profits for the year attributable to owners of parent decreased by 88.3% from the previous fiscal year to 590 million yen, in part due to a negative effect of 2,708 million yen associated with net finance income/finance expenses largely in relation to interest payments.

The business performance by quarter is as follows.

(Million yen)

		1st quarter	2nd quarter	3rd quarter	4th quarter
Revenue		36,313	36,752	36,469	34,442
Operating profit		1,194	1,138	1,773	407
Operating profit ratio		3.3%	3.1%	4.9%	1.2%
Exchange rates during the fiscal term (Yen)	U.S. dollars	146.70	154.80	152.61	149.67
	euro	159.92	167.02	166.14	162.04
	yuan	20.44	21.33	21.12	20.98

(Reporting segment information)

The following is the business performance in the current fiscal year by reporting segment.

### 1) Asia Pacific Business

In the Asia Pacific Business, revenue decreased by 1.1% year on year to 94,679 million yen. Despite strong sales in automotive-related products, revenue was impacted by a decline in demand for industry-related products in response to weakening sentiment regarding China's economy. While we worked on consistent improvements in production efficiency and cost reductions, lower plant capacity utilization emerged as a pressing factor impacting profits. Segment profit decreased 42.0% year on year to 3,146 million yen.

### 2) EU Business

In Europe, revenue decreased by 7.9% from the previous fiscal year to 56,240 million yen due to the impact of decreased revenue in the consumer electronics and industry markets, despite the yen's depreciation against the euro. Notwithstanding our efforts to reduce costs, including

implementing shorter working hours, we have assessed that the current challenging market environment is likely to persist in the foreseeable future. Consequently, we have determined that headcount rationalization is necessary, leading to the recognition of one-off payments for the structural reforms. Segment profit decreased by 33.5% year on year to 2,679 million yen.

Business segment	Revenue (million yen)
Asia Pacific Business	94,679
EU Business	56,240
Intersegment revenue and transfers	(6,941)
Total	143,978

(Status by market)

**1) Automotive market**

Amid global growth in new car production, the Group saw strong sales in xEV-related products as well as in a group of other applications. However, we are closely monitoring the impact of the termination of EV subsidies in Europe and the evolving policy direction in the United States. As a result, revenue in the automotive market increased by 1.2% from the previous fiscal year to 87,893 million yen.

**2) Industry market**

While the transition to EVs in the United States and Europe has moderated, the Group achieved the growth in rapid-charging infrastructure for xEV and other products. Conversely, demand for the Group's products declined due to a notable shift away from investment in solar power generation facility-related products, influenced by prolonged high interest rates and other factors, as well as stagnant sentiment regarding China's economy. As a result, revenue in the industry market decreased by 9.5% from the previous fiscal year to 36,314 million yen.

**3) Consumer electronics market**

While demand for products related to notebook PCs, tablet devices, and smartphones remained weak, signs of recovery have emerged, partly driven by the recent launch of generative AI-powered models. As a result, revenue in the consumer electronics market decreased by 4.4% from the previous fiscal year to 19,770 million yen.

	FY2023	FY2024	Change (%)
Automotive market	86,865	87,893	1.2%
Industry market	40,116	36,314	(9.5)%
Consumer electronics market	20,691	19,770	(4.4) %

(Million yen)

**Financial position**

(Assets)

Total assets at the end of the current fiscal year were 147,766 million yen, up 4,980 million yen from the end of the previous fiscal year. Over 90% of the assets held by the Company are denominated in foreign currencies. Due to the ongoing depreciation of the yen during the period under review, the value of these foreign-currency-denominated assets increased, contributing to an overall rise in the asset balance.

Cash and cash equivalents at the end of the current fiscal year was 4,286 million yen. In regard

to funds on hand, in light of the risk of a reduction in capital efficiency due to funds stagnating at each consolidated subsidiary in Japan and overseas, we set a minimum amount of funds on hand for major subsidiaries. We are working to reduce the surplus funds and reduce loans payable for the entire group by comparing that set amount with the actual amount of funds on hand each month. In addition, we manage funds by issuing rolling forecasts out to three months ahead on a monthly basis.

#### (Liabilities)

Total liabilities at the end of the current fiscal year were 86,851 million yen, up 1,377 million yen from the end of the previous fiscal year, mainly due to changes in the balance from borrowings and repayments of interest-bearing debts.

Net interest-bearing debts at the end of the current fiscal year decreased by 127 million yen from the end of the previous fiscal year to 48,142 million yen. The net DE ratio was 0.82 at the end of the current fiscal year, down 0.06 points from the end of the previous fiscal year.

As of the end of the current fiscal year, short-term interest-bearing debts (including current portion of long-term debt) were 36,424 million yen, while long-term interest-bearing debts were 16,004 million yen. Of the Group's debts, approximately 70% are variable interest and approximately 30% are fixed interest.

Given that a significant portion of Group-held assets are denominated in foreign currencies, the Group has, in principle, been implementing financing in local currencies in order to reduce impact of foreign exchange, while optimizing fund procurement by considering interest costs. Approximately 82% of total debts are foreign-currency-denominated debts, and the average interest rate on debts is 4.3%.

The Sumida Group regularly holds meetings with key banks and has built good relationships with those banks. The open commitment line from financial institutions has been maintained at 11.0 billion yen, all of which is unused. The Group will work to increase its profitability and strengthen its financial structure over the medium term, with the objectives of gaining credit ratings and ensuring more options when it comes to fundraising approaches.

#### (Equity)

Total equity at the end of the current fiscal year rose 3,603 million yen from the end of the previous fiscal year to 60,915 million yen. Due to factors such as the recording of net profits for the year, dividends paid, as well as recording of other comprehensive income primarily attributable to changes in exchange differences on translation of foreign operations, total equity attributable to owners of parent at the end of the current fiscal year was 58,648 million yen, and the ratio of equity attributable to owners of parent at the end of the current fiscal year was 39.7%, compared to 38.6% at the end of the previous fiscal year. Equity attributable to owners of parent per share at the end of the current fiscal year amounted to 1,774.64 yen from 1,687.39 yen at the end of the previous fiscal year.

Reference: Year-end exchange rate

	Fiscal year ended December 31, 2023	Fiscal year ended December 31, 2024
U.S. dollars/yen	141.51	156.15
euro/yen	156.54	162.70
yuan/yen	19.90	21.34

(ii) Plant and equipment investment

The Group continuously makes investments to launch new products, increase production volume, rationalize production, improve quality, enhance research and development, and pursue other initiatives. Although the Group had planned for total plant and equipment investment of 10,000 million yen for the current fiscal year, it prioritized investments to launch new products that entail supply responsibilities and increase production volume. At the same time, investments aimed at improving production efficiency and other areas were scaled back, due to delays in the revenue growth expected at the beginning of the period. As a result, total plant and equipment investment amounted to 7,860 million yen, which included 4,327 million yen in the Asia Pacific Business and 3,532 million yen in the EU Business.

The breakdown of plant and equipment investment for the current fiscal year was 46% for new products, 26% for increasing production, 17% for improving productivity and upgrading plants and equipment, and 11% for others.

(iii) Fund procurement

1) Loan commitment agreements

In order to raise working capital effectively, the Group has concluded loan commitment agreements with seven of its financing banks during the current fiscal year. Total amount specified in loan commitment agreements, outstanding borrowings and unused loan commitments at the end of the current fiscal year are as follows:

(Million yen)

Total amount specified in loan commitment agreements	3,000
Outstanding borrowings	—
Unused loan commitments	3,000

2) Multi-currency commitment line agreements

In order to make it possible to raise working capital effectively, the Group has concluded U.S. dollar, euro and yen multi-currency commitment line agreements with seven of its financing banks. Total amount specified in multi-currency commitment line agreements, outstanding borrowings and unused multi-currency commitment lines based on the said agreements at the end of the current fiscal year are as follows:

(Million yen)

Total amount specified in multi-currency commitment line agreements	8,000
Outstanding borrowings	—
Unused multi-currency commitment lines	8,000



**(2) Summary of assets, profit and losses**

	67th term (ended Dec. 2021)	68th term (ended Dec. 2022)	69th term (ended Dec. 2023)	70th (current) term (ended Dec. 2024)
Revenue (million yen)	104,920	138,600	147,672	143,978
Operating profit (million yen)	5,326	8,189	8,564	4,513
Net profits for the year attributable to owners of parent (million yen)	2,629	5,099	5,064	590
Basic earnings per share (yen)	96.68	187.54	167.46	17.96
Total assets (million yen)	117,725	134,846	142,786	147,766
Total equity (million yen)	40,101	48,877	57,312	60,915
Equity attributable to owners of parent per share (yen)	1,409.82	1,722.08	1,687.39	1,774.64
ROE (Return on equity attributable to owners of parent) (%)	7.4	12.0	9.9	1.0

Note:

Basic earnings per share is calculated based on the average number of shares issued in each fiscal term, and equity attributable to owners of parent per share is calculated based on the total number of shares issued at the end of each fiscal term.

In calculating basic earnings per share and equity attributable to owners of parent per share, treasury shares are excluded from the average number of shares issued during each fiscal term and from the total number of shares issued at the end of each fiscal term.

### (3) Significant matters of the parent company and subsidiaries

#### (i) Parent company

There were no relevant issues.

#### (ii) Significant subsidiaries

Company name	Capital		Voting rights of the Company (%)	Key business
Sumida Electric Co., Ltd.	460,000	thousand yen	100	Manufacture, sale and research & development of coils
Dongguan Sumida (Tai Ping) Electric Co., Ltd.	305,000	thousand Hong Kong dollars	100 (100)	Manufacture of coils
SUMIDA ELECTRIC (GUANGXI) CO., LTD.	20,000	thousand Hong Kong dollars	100 (100)	Manufacture of coils
Sumida Electric (H.K.) Company Limited	927,000	thousand Hong Kong dollars	100 (100)	Manufacture and research & development of coils
SUMIDA TRADING PTE. LTD.	6,000	thousand Singapore dollars	100	Sale of coils
SUMIDA TRADING (SHANGHAI) COMPANY LIMITED	8,070	thousand yuan	100 (100)	Sale of coils
TAIWAN SUMIDA TRADING COMPANY LIMITED	30,000	thousand Taiwan dollars	100	Sale of coils
SUMIDA TRADING (KOREA) COMPANY LIMITED	2,000,000	thousand Korea won	100	Sale of coils
SUMIDA Europe GmbH	25	thousand euro	100	Control of the EU Business
SUMIDA Components GmbH	105	thousand euro	98.1 (98.1)	Manufacture and sale of coils
SUMIDA AG	7,344	thousand euro	98.1 (98.1)	Intermediate holding company of the EU Business
SUMIDA Components & Modules GmbH	25	thousand euro	98.1 (98.1)	Manufacture, sale and research & development of coils
SUMIDA Lehesten GmbH	25	thousand euro	98.1 (98.1)	EMS
SUMIDA COMPONENTS DE MEXICO, S.A. DE C.V.	50	thousand Mexico peso	72.3 (72.3)	Manufacture of coils
SUMIDA ROMANIA S.R.L.	3,101	thousand euro	98.1 (98.1)	Manufacture of coils
SUMIDA electronic Shanghai Co., Ltd.	37,904	thousand yuan	98.1 (98.1)	Manufacture and sale of coils
SUMIDA Slovenija, d.o.o.	503	thousand euro	72.3 (72.3)	Manufacture of coils

Company name	Capital		Voting rights of the Company (%)	Key business
vogtronics GmbH	25	thousand euro	72.3 (72.3)	Manufacture and sale of coils
SUMIDA flexible connections GmbH	25	thousand euro	98.1 (98.1)	Manufacture and sale of flat cables
SUMIDA FLEXIBLE CONNECTIONS ROMANIA S.R.L.	156	thousand euro	98.1 (98.1)	Manufacture and sale of flat cables
Sumida Electric (Thailand) Co., Ltd.	275,000	thousand baht	100	Development, manufacture and sales of power electronics related coils
ISMART GLOBAL LIMITED	6,308	thousand euro	100	Intermediate holding company
Sumida Finance B.V.	20	thousand euro	100	Financial control company
SUMIDA ELECTRONIC VIETNAM CO., LTD.	5,000	thousand U.S. dollars	100	Manufacture of coils
Sumida Electric (Changde) Co., Ltd.	37,664	thousand yuan	100 (100)	Manufacture of coils
Sumida Electric (JI'AN) Co., Ltd.	193,537	thousand yuan	100 (100)	Manufacture of coils
Guangzhou Sumida Electric Co., Ltd.	376,040	thousand yuan	100 (100)	Manufacture of coils
SUMIDA Electronic SuQian Co., Ltd.	4,500	thousand yuan	98.1 (98.1)	Manufacture of coils
SUMIDA ELECTRONIC QUANG NGAI CO., LTD.	18,000	thousand U.S. dollars	100	Manufacture of coils
SUMIDA INSURANCE CORPORATION	5,000	thousand U.S. dollars	100	Control and management of group insurance
SUMIDA AMERICA HOLDINGS INC.	100	thousand U.S. dollars	100	Intermediate holding company
Sumida America Inc.	6,350	thousand U.S. dollars	100 (100)	Manufacture, sale and research & development of coils
Sumida Electric (India) Private Limited	30,000	thousand Indian rupee	100	Sale of coils

Note:

Figures shown in parentheses in the column of voting rights are the percentages held indirectly.

#### (4) Issues to address

In view of the surrounding circumstances, we are confronted with a series of significant challenges, such as global warming, an aging population, and demographic decline. In conjunction with these, rising geopolitical risks, endemic infectious diseases, and technological advancements including AI, are contributing to the growing complexity of the landscape in which we reside. Against this backdrop, we believe that the movement toward decarbonization will continue to strengthen in the

medium to long term. Identifying this as a business opportunity, the Group will focus on the supply of its coil products for decarbonization-related applications, such as electric vehicles, quick chargers, solar power, and rechargeable batteries. By pursuing this business activity, we are confident that we are well-positioned to contribute to addressing environmental challenges through our core operations, while also fostering the growth of our company. Specifically, we are working on the following initiatives.

(i) Promoting the Mid-Term Business Plan

The Group has formulated its three-year Mid-Term Business Plan. Having identified basic policies by market and key challenges in alignment with the business environment, the Group is working on business activities with its sights set on achieving numerical targets.

Mid-Term Business Plan (FY2024~2026)

[Key challenge]

Growth in the decarbonization-related market

- As set forth in the previous Mid-Term Business Plan (FY2021~2023), the Company defines its group of decarbonization-related applications, which has a scope that extends beyond xEV-related and includes charging infrastructure, solar power systems and rechargeable batteries, as “green energy-related,” and the Company aims for 22 percent growth per annum. Moreover, the Company aims for “green energy-related” to account for 35% or more of the Group’s overall sales by FY2026.

[Basic policies by market]

- Automotive market:  
Aim for growth by identifying business opportunities regardless of motive power source, targeting EV, hybrid, FCV, and others.
- Industry market:  
Aim for growth by focusing on the fields of green energy, factory automation and robots, medical equipment and space development.
- Consumer electronics market:  
Aim to boost profitability by taking aggressive posture toward business acquisition to take advantage of the spread of AI, while maintaining market size in current businesses.

Regional and manufacturing strategy

- Further promote a made-in-market approach in seeking to flexibly and promptly address customer needs. Achieving this aim will entail securing projects in China and reinforcing production in North America.
- Seek to identify and acquire large projects in the ASEAN region, which holds promise of market expansion going forward.
- Relentlessly persist with improvement activities for reducing costs while aiming to achieve greater added value by utilizing IT, etc.

[Numerical targets]

- Aim for revenue of 190.0 billion yen and operating profit of 13.5 billion yen by FY2026.
- Aim for return on invested capital (ROIC) of 9.31% and return on equity attributable to

owners of parent (ROE) of 13.18%.

- Aim for generating 14.0 billion yen in free cash flow over three years on a cumulative basis.

(ii) Continuing focus on strengthening corporate governance system

In 2003, to make clear the separation of management and supervision, the Company changed into a company with committees, etc. as the first listed company in Japan. Furthermore, five of our seven directors are outside directors with diversified expertise, one of whom is a female director and two of whom are foreign directors from Europe and China, where the Company does a relatively large proportion of its business. The Company has been working to further strengthen corporate governance including such structure of the Board of Directors.













(iii) ESG initiatives

The Sumida Group's mission is to continue providing solutions which enable the development of environmentally friendly products and technologies and improve our quality of life. We recognize that fulfilling this mission with Sumida Corporation products continuing to make a major contribution to energy savings and decarbonization is an important issue.

[Most important issues]

1. To contribute to reducing CO2 through Sumida Group's technology development and products.
2. To carry out business operations while promoting the effective use of resources, reduction of waste, and the use of alternative energy.
3. To continue efforts to achieve the 17 sustainable development goals formulated by the United Nations Development Programme together with all Sumida Group's stakeholders.

The Sumida Group is targeting a 42% reduction in greenhouse gases (SCOPE 1&2) in FY2030 compared to FY2022.

Environment (E)		
<b>Take care of the earth and its resources</b>		
i. Improve energy efficiency		
ii. Reduce waste and recycle resources		
iii. Adopt sustainable energy		
iv. Use sustainable resources		
v. Prevent pollution		
		
Society (S)		
<b>Become a company that is respected by society</b>		
i. Labor and human rights		
ii. Develop new technologies and solutions for a sustainable future		
iii. Recruit, develop and retain talented personnel		
iv. Consolidate a responsible supply chain		
v. Contribute to society		
Governance (G)		
<b>Conduct business activities with high integrity and durability</b>		
i. Compliance and risk management		
ii. Product quality and security		
iii. IT security		
iv. Transparency		
v. CSR promotion and training		

**(5) Major business lines (as of December 31, 2024)**

The Group engages in design, manufacture and sales of coil-related parts and module products. The Group's products are incorporated into a wide range of electronic devices, including those related to the automotive, industry, and consumer electronics domains. The Group's main products are as follows.

- |   |   |
|---|---|
| ▶ <b>Power Inductors &amp; RF Inductors</b>   | ▶ <b>Sensors &amp; Actuators</b>  |
| Surface Mount, Through Hole, LPF Coils for Digital Amplifiers, RF Chip Inductors                                      | Rotor Position Sensors, ABS Coils, Solenoid Coils   |
| ▶ <b>Power Transformers</b>   | ▶ <b>Automotive Modules</b>   |
| Surface Mount, Through Hole, PoE Transformers, Switching Mode Power Supplies, Reactors, Wireless Power Transfer Coils | Choke Modules for Inverters, Power Conversion, Filter Modules                                   |
| ▶ <b>Signal Magnetics</b>   | ▶ <b>Magnetic Materials, Ceramics, EMS &amp; Flexible Connections</b>                           |
| RF/Communication, RFID, Antennas, Others  | Ceramic based Passive Components, Electronic Manufacturing Services (EMS), Flexible Flat Cables |
| ▶ <b>EMC Coils</b>  | ▶ <b>Components for Medical Equipment</b>   |
| AC Powerline, DC Powerline, Normal Mode Chokes, Common Mode Chokes  | Network Isolation Transformer, Isolation Transformer  |

**(6) Major business offices of the Sumida Group (as of December 31, 2024)**

**Headquarters:** Chuo-ku, Tokyo (the Company)

**Business supervising companies:**

SUMIDA Europe GmbH (Germany), SUMIDA AG (Germany), Sumida Finance B.V. (Netherlands), SUMIDA INSURANCE CORPORATION (Micronesia), SUMIDA AMERICA HOLDINGS INC. (U.S.)

**Domestic sales offices:**

Sumida Electric Co., Ltd. (Natori-shi [Miyagi], Chuo-ku [Tokyo], Saitama-shi [Saitama], Kawasaki-shi [Kanagawa], Komoro-shi [Nagano], Nagoya-shi [Aichi], Osaka-shi [Osaka])

**Overseas sales offices:**

Sumida Electric (H.K.) Company Limited (Hong Kong), SUMIDA TRADING PTE. LTD. (Singapore), Sumida America Inc. (U.S.), SUMIDA Components GmbH (Germany), SUMIDA TRADING (SHANGHAI) COMPANY LIMITED (China), SUMIDA Components & Modules GmbH (Germany), vogtronics GmbH (Germany), SUMIDA Lehesten GmbH (Germany), SUMIDA flexible connections GmbH (Germany), SUMIDA TRADING (KOREA) COMPANY LIMITED (South Korea), TAIWAN SUMIDA TRADING COMPANY LIMITED (Taiwan), Sumida Electric (Thailand) Co., Ltd. (Thailand), SUMIDA electronic Shanghai Co., Ltd. (China), Sumida Electric (India) Private Limited (India)

**Domestic production bases:**

Sumida Electric Co., Ltd. (Mutsu-shi [Aomori], Komoro-shi [Nagano])

**Overseas production bases:**

Sumida Electric (H.K.) Company Limited (Hong Kong), Dongguan Sumida (Tai Ping) Electric Co., Ltd. (China), SUMIDA Components GmbH (Germany), SUMIDA Components & Modules GmbH (Germany), SUMIDA ROMANIA S.R.L. (Romania), SUMIDA COMPONENTS DE MEXICO, S.A. DE C.V. (Mexico), SUMIDA Slovenija, d.o.o. (Slovenia), SUMIDA Lehesten GmbH (Germany), SUMIDA electronic Shanghai Co., Ltd. (China), SUMIDA flexible connections GmbH (Germany), SUMIDA ELECTRIC (GUANGXI) CO., LTD. (China), Sumida Electric (Thailand) Co., Ltd. (Thailand), SUMIDA FLEXIBLE CONNECTIONS ROMANIA S.R.L. (Romania), SUMIDA ELECTRONIC VIETNAM CO., LTD. (Vietnam), Sumida Electric (JI'AN) Co., Ltd. (China), Sumida Electric (Changde) Co., Ltd. (China), Guangzhou Sumida Electric Co., Ltd. (China), SUMIDA Electronic SuQian Co., Ltd. (China), SUMIDA ELECTRONIC QUANG NGAI CO., LTD. (Vietnam), Sumida America Inc. (U.S.)

**Domestic R&D centers:**

Sumida Electric Co., Ltd. (Natori-shi [Miyagi], Chuo-ku [Tokyo], Komoro-shi [Nagano])

**Overseas R&D centers:**

Sumida Electric (H.K.) Company Limited (Hong Kong), Sumida America Inc. (U.S.), SUMIDA Components GmbH (Germany), SUMIDA Components & Modules GmbH (Germany), SUMIDA flexible connections GmbH (Germany)



**(7) Employees (as of December 31, 2024)****(i) Employees of the Sumida Group**

Business segments	Number of employees	Changes from the end of the previous fiscal year
Asia Pacific Business	11,952	Decrease by 410
EU Business	2,616	Decrease by 383
Company-wide (common)	94	0
Total	14,662	Decrease by 793

Notes:

1. The number of employees is the number of persons who engage in work in the Sumida Group.
2. “Company-wide (common)” indicates the number of employees posted in Sumida Electric (H.K.) Company Limited and the Service Department of Sumida Electric Co., Ltd., which carry out a headquarter and support function
3. The number of employees includes those in the consigned processing companies.

**(ii) Employees of the Company**

The Company is a pure holding company and it has no employees.

**(8) Major lenders (as of December 31, 2024)**

Lenders	Amount borrowed (million yen)
Sumitomo Mitsui Banking Corporation	14,559
MUFG Bank, Ltd.	12,143
Mizuho Bank, Ltd.	7,923
Sumitomo Mitsui Trust Bank, Limited	4,259
The 77 Bank, Ltd.	3,000
The Chiba Bank, Ltd.	2,259

**(9) Basic strategy for capital policy and policy on determination of dividends of surplus**

**(i) Basic strategy for capital policy**

In regard to funds on hand, in light of the risk of a reduction in capital efficiency due to funds stagnating at each consolidated subsidiary in Japan and overseas, the Group set a minimum amount of funds on hand for major subsidiaries and is working to reduce the surplus funds and reduce loans payable for the entire group by comparing that set amount with the actual amount of funds on hand each month. While the Group strives to minimize amounts of funds on hand, it has also established an open commitment line with financial institutions. The open commitment line amounts to 11.0 billion yen at the end of the current fiscal year, all of which is unused.

From the perspective of financial soundness, the Group has set a guideline for the Net DE ratio of no more than 1.1. The net DE ratio was 0.82 at the end of the current fiscal year.

The Group builds good relationships with key banks by regularly holding meetings with them in seeking to maintain and improve the Company's credit ratings with the respective banks. The Group will work to increase its profitability and strengthen its financial structure over the medium term, with the objectives of gaining credit ratings and ensuring more options when it comes to fundraising approaches.

**(ii) Source of capital and liquidity of funds**

The Sumida Group's main fund requirements are for operating expenses such as material costs, personnel expenses, and selling, general and administrative expenses as well as for investment in non-current assets, etc. Fund requirements are mainly covered by the Company's own funds, with loans from banks, etc. raised as required. The Group has long engaged in practices to ensure fund transparency and accordingly manages the movement of funds and outstanding balances of Group companies enlisting a global cash management system. Moreover, the Group manages funds by issuing rolling forecasts out to three months ahead on a monthly basis.

**(iii) Policy on determination of dividends of surplus**

The Company's basic policy for the return of profits to shareholders is to deliver dividends in consideration of a consolidated dividend payout ratio (30% or more) with top priority on the profit distribution through dividends. When it is inappropriate to deliver dividends in accordance with the basic policy based on actual consolidated business results, the Company will work to enhance shareholder returns up to the amount of distributable surplus after considering Dividend on Equity (DOE) and other measures. The Company stipulates in the Articles of Incorporation that it may allocate dividends of surplus upon a resolution of the Board of Directors, and it is the Company's basic policy to pay dividends twice a year, once at the interim and once at the end of the fiscal year. In addition, the Company's policy is to pay its year-end dividend in a manner taking into consideration the actual consolidated business results at the end of the fiscal year while ensuring that the annual dividend aligns with the above dividend policy.

The Company will utilize internal reserve funds to strengthen its financial structure and keep growth power for the future.

Dividends of surplus for the current fiscal year is as follows:

Date of Board of Directors resolution	Total amount of dividends (million yen)	Dividend per share (yen)	Record date	Date of commencement of payment
July 31, 2024	858	26.00	June 30, 2024	August 27, 2024
February 21, 2025	892	27.00	December 31, 2024	March 6, 2025

Note:

Pursuant to Article 459 of the Companies Act, the Company stipulates in the Articles of Incorporation that it shall be entitled to allocate dividends of surplus on predetermined record dates (June 30 and December 31) by a resolution of the Board of Directors.

## 2. Matters Concerning the Company

### (1) Shares of the Company (as of December 31, 2024)

- (i) Number of shares issuable: 70,000,000 shares
- (ii) Total number of shares issued: 33,096,017 shares (including treasury shares)
- (iii) Number of shareholders as of December 31, 2024: 22,697
- (iv) Major shareholders (top 10 shareholders, excluding treasury shares)

Name of shareholders	Number of shares held (thousand shares)	Ratio of the number of shares held (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	4,748	14.36
Custody Bank of Japan, Ltd. (Trust Account)	1,921	5.81
Yawata Building Co., Ltd.	1,112	3.36
Yawata Zaidan Limited	759	2.29
GOLDMAN SACHS INTERNATIONAL	757	2.29
The Nomura Trust and Banking Co., Ltd. (Trust Account)	755	2.28
Tetsuo Sato	720	2.17
STATE STREET BANK AND TRUST COMPANY 505223	716	2.16
MSIP CLIENT SECURITIES	447	1.35
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	400	1.21

Note:

The ratio of the number of shares held has been calculated excluding treasury shares (47,648 shares).

- (v) Other significant matters concerning shares  
There were no relevant issues.

## (2) Matters concerning the Company's share acquisition rights

- (i) Share acquisition rights granted to and held by officers of the Company as compensation for exercise of their duties at the end of the current fiscal year

Date of resolution to issue	March 25, 2021 Resolution at the Compensation Committee	March 27, 2024 Resolution at the Compensation Committee
Class of share subject to share acquisition rights	Ordinary shares	Ordinary shares
Number of shares subject to share acquisition rights	111,700 shares	146,800 shares
Amount to be paid in per share upon exercise of share acquisition rights	1 yen	1 yen
Exercise period of share acquisition rights	from April 1, 2024 through March 31, 2033	from April 1, 2027 through March 31, 2036
Issue price and amount to be accounted for as stated capital in the case shares are issued upon exercise of share acquisition rights (yen)	Issue price: 993.75 yen Amount to be accounted for as stated capital: 496.88 yen	Issue price: 885 yen Amount to be accounted for as stated capital: 443 yen
Terms and conditions for exercising share acquisition rights	(Note 1)	(Note 2)
Status of share acquisition rights held by officers	Directors and executive officers (excluding outside directors)	
	Number of share acquisition rights: 340 units Number of shares subject to share acquisition rights: 34,000 shares Number of holders: 1	Number of share acquisition rights: 1,468 units Number of shares subject to share acquisition rights: 146,800 shares Number of holders: 4

Note 1:

Terms and conditions for exercising share acquisition rights

- (a) Provided that the two conditions of (i) the operating profit recorded in the consolidated statement of profit or loss in the annual securities report (hereinafter referred to as "Performance Assessment Level") reaches 6,400 million yen or more, in any fiscal year of the Company, from the fiscal year ended December 31, 2021 to the fiscal year ended December 31, 2023 (hereinafter referred to as "Target Fiscal Years"), and (ii) the average return on invested capital during the Target Fiscal Years was 4.9% or higher, are met, the maximum number of share acquisition rights that each holder of the share acquisition rights may exercise shall be the number of share acquisition rights held by each holder multiplied by the exercisable ratio (calculated by dividing the largest amount achieved during the Target Fiscal Years (the Performance Assessment Level can only be a maximum of 10,000 million yen even if the operating profit recorded in the consolidated statement of profit or loss in the annual securities report exceeds 10,000 million yen) by 10,000 million yen (any fraction of less than one (1) unit shall be discarded)). However, if a significant change occurs in the concept of index to be referred to, the Board of Directors shall determine another index to be referred to.
- (b) Holder of the share acquisition rights must be in a position of executive officer or director of the Company or director or employee of the Company's subsidiaries (collectively referred to as "Required Position" in (d) below) until the time of exercise of the share acquisition rights on a continuing basis.
- (c) Holders of the share acquisition rights shall not be entitled to exercise such rights thereafter in the event of a violation of laws, regulations, or the company rules (including, but not limited to, cases where the grantee has been convicted, become liable for damage compensation as provided for in Article 423, paragraph (1) of the Companies Act, or has been dismissed or subjected to punitive dismissal).
- (d) Notwithstanding (b) above, share acquisition rights may be exercised even when a holder of the share acquisition rights has lost the Required Position, if the reason for the loss of the Required Position is resignation due to expiration of the term of office, retirement assigned by company, resignation mainly because of physical disability resulting from occupational injury or illness, resignation because of unavoidable operational reason or resignation or retirement similar to these. In this case, the holder may exercise share acquisition rights only from and including whichever is later of the date of loss of the Required Position or the commencement date of the Exercise Period, to and including the date on which two (2) years have elapsed from the aforesaid date on the condition that

the last day is on or before the expiration date of the Exercise Period. However, if the date of loss of the Required Position is prior to the commencement date of the Exercise Period, the number of share acquisition rights that can be exercised is calculated based on the following formula (any fraction of less than one (1) unit shall be discarded):

$$\begin{array}{rcccl} \text{Number of} & & & & \text{The number of days from the} \\ \text{exercisable share} & = & \text{Limit number of (a) above} & \times & \text{allotment date to the date of loss of} \\ \text{acquisition rights} & & & & \text{the Required Position} \\ & & & & \hline & & & & \text{The number of days from the} \\ & & & & \text{allotment date to the day} \\ & & & & \text{immediately preceding the} \\ & & & & \text{commencement date of the Exercise} \\ & & & & \text{Period of the share acquisition rights} \end{array}$$

- (e) Share acquisition rights may not be exercised by inheritors of share acquisition rights.
- (f) Any fraction of a share acquisition right less than one (1) may not be exercised.

Note 2:

Terms and conditions for exercising share acquisition rights

- (a) Provided that the two conditions of (i) the operating profit recorded in the consolidated statement of profit or loss in the annual securities report (hereinafter referred to as “Performance Assessment Level”) reaches 9,000 million yen or more, in any fiscal year of the Company, from the fiscal year ended December 31, 2024 to the fiscal year ending December 31, 2026 (hereinafter referred to as “Target Fiscal Years”), and (ii) the average return on invested capital during the Target Fiscal Years was 6.0% or higher, are met, the maximum number of share acquisition rights that each holder of the share acquisition rights may exercise shall be the number of share acquisition rights held by each holder multiplied by the exercisable ratio (calculated by dividing the largest amount achieved during the Target Fiscal Years (the Performance Assessment Level can only be a maximum of 15,000 million yen even if the operating profit recorded in the consolidated statement of profit or loss in the annual securities report exceeds 15,000 million yen) by 15,000 million yen (any fraction of less than one (1) unit shall be discarded)). However, if a significant change occurs in the concept of index to be referred to, the Board of Directors shall determine another index to be referred to.
- (b) Holder of the share acquisition rights must be in a position of executive officer or director of the Company or director or employee of the Company’s subsidiaries (collectively referred to as “Required Position” in (d) below) until the time of exercise of the share acquisition rights on a continuing basis.
- (c) Holders of the share acquisition rights shall not be entitled to exercise such rights thereafter in the event of a violation of laws, regulations, or the company rules (including, but not limited to, cases where the grantee has been convicted, become liable for damage compensation as provided for in Article 423, paragraph (1) of the Companies Act, or has been dismissed or subjected to punitive dismissal).
- (d) Notwithstanding (b) above, share acquisition rights may be exercised even when a holder of the share acquisition rights has lost the Required Position, if the reason for the loss of the Required Position is resignation due to expiration of the term of office, resignation assigned by company, resignation mainly because of physical disability resulting from occupational injury or illness, resignation because of unavoidable operational reason or resignation similar to these. In this case, the holder may exercise share acquisition rights only from and including whichever is later of the date of loss of the Required Position or the commencement date of the Exercise Period, to and including the date on which two (2) years have elapsed from the aforesaid date on the condition that the last day is on or before the expiration date of the Exercise Period. However, if the date of loss of the Required Position is prior to the commencement date of the Exercise Period, the number of share acquisition rights that can be exercised is calculated based on the following formula (any fraction of less than one (1) unit shall be discarded):

$$\text{Number of exercisable share acquisition rights} = \text{Limit number of (a) above} \times \frac{\text{The number of days from the allotment date to the date of loss of the Required Position}}{\text{The number of days from the allotment date to the day immediately preceding the commencement date of the Exercise Period}}$$

- (e) Share acquisition rights may not be exercised by inheritors of share acquisition rights.  
(f) One (1) share acquisition right may not be exercised in installments.

(ii) Share acquisition rights granted to employees, etc. as compensation for exercise of their duties during the current fiscal year

Date of resolution to issue		March 26, 2024 Annual General Meeting of Shareholders
Class of share subject to share acquisition rights		Ordinary shares
Number of shares subject to share acquisition rights		579,800 shares
Amount to be paid in per share upon exercise of share acquisition rights		1 yen
Exercise period of share acquisition rights		from April 1, 2027 through March 31, 2042
Issue price and amount to be accounted for as stated capital in the case shares are issued upon exercise of share acquisition rights (yen)		Issue price: 777 yen Amount to be accounted for as stated capital: 389 yen
Terms and conditions for exercising share acquisition rights		(Note)
Status of grant	Directors and employees of the Company's subsidiaries	Number of share acquisition rights: 5,798 units Number of shares subject to share acquisition rights: 579,800 shares Number of grantees: 42

Note:

Terms and conditions for exercising share acquisition rights

- (a) Provided that the two conditions of (i) the operating profit recorded in the consolidated statement of profit or loss in the annual securities report (hereinafter referred to as "Performance Assessment Level") reaches 9,000 million yen or more, in any fiscal year of the Company, from the fiscal year ended December 31, 2024 to the fiscal year ending December 31, 2026 (hereinafter referred to as "Target Fiscal Years"), and (ii) the average return on invested capital during the Target Fiscal Years was 6.0% or higher, are met, the maximum number of share acquisition rights that each holder of the share acquisition rights may exercise shall be the number of share acquisition rights held by each holder multiplied by the exercisable ratio (calculated by dividing the largest amount achieved during the Target Fiscal Years (the Performance Assessment Level can only be a maximum of 15,000 million yen even if the operating profit recorded in the consolidated statement of profit or loss in the annual securities report exceeds 15,000 million yen) by 15,000 million yen (any fraction of less than one (1) unit shall be discarded)). However, if a significant change occurs in the concept of index to be referred to, the Board of Directors shall determine another index to be referred to.
- (b) Holder of the share acquisition rights must be in a position of director or employee of the Company or the Company's subsidiaries (collectively referred to as "Required Position" in (d) below) until the time of exercise of the share acquisition rights on a continuing basis.
- (c) With regard to holders of the share acquisition rights, there must not be a situation where dismissal of director has been adopted at a General Meeting of Shareholders of the relevant subsidiary of the Company, or where punitive dismissal has been decided pursuant to the rules of employment of the Company or its subsidiary, or a similar situation, as of the time of exercise of the share acquisition rights.
- (d) Notwithstanding (b) above, share acquisition rights may be exercised even when a holder of the share acquisition rights has lost the Required Position, if the reason for the loss of the Required Position is mandatory retirement at

the age limit, retirement because of reaching contractual age-limit, retirement assigned by company, retirement mainly because of physical disability resulting from occupational injury or illness, dismissal because of unavoidable operational reason (layoff) or resignation or retirement similar to these. In this case, the holder may exercise share acquisition rights only from and including whichever is later of the date of loss of the Required Position or the commencement date of the Exercise Period, to and including the date on which two (2) years have elapsed from the aforesaid date on the condition that the last day is on or before the expiration date of the Exercise Period. However, if the date of loss of the Required Position is prior to the commencement date of the Exercise Period, the number of share acquisition rights that can be exercised is calculated based on the following formula (any fraction of less than one (1) unit shall be discarded):

$$\begin{array}{rcccl} \text{Number of} & & & & \text{The number of days from the} \\ \text{exercisable share} & = & \text{Limit number of (a) above} & \times & \text{allotment date to the date of loss of} \\ \text{acquisition rights} & & & & \text{the Required Position} \\ & & & & \hline & & & & \text{The number of days from the} \\ & & & & \text{allotment date to the day} \\ & & & & \text{immediately preceding the} \\ & & & & \text{commencement date of the} \\ & & & & \text{Exercise Period} \end{array}$$

- (e) Share acquisition rights may not be exercised by inheritors of share acquisition rights.
- (f) One (1) share acquisition right may not be exercised in installments.

- (iii) Other important matters concerning share acquisition rights  
There were no relevant issues.



### (3) Matters concerning corporate officers of the Company

#### (i) Directors and executive officers (as of December 31, 2024)

Position at the Company	Name	Duties at the Company and important concurrent occupations or positions at other organizations
Director	Shigeyuki Yawata	Chairman of the Board of Directors and member of the Nomination Committee and Compensation Committee Chairman of the Risk Management Committee
Director (Independent director)	Tatsuo Umemoto	Vice Chairman of the Board of Directors, Chairman of the Nomination Committee and Compensation Committee, and member of the Risk Management Committee Visiting Professor at Graduate School of Social Design Studies, Rikkyo University Representative Director, iGRAM Inc.
Director (Independent director)	Yan Hok Fan	Member of the Nomination Committee and Compensation Committee Independent Non-executive Director, China Everbright Environment Group Limited (Hong Kong) Independent Non-executive Director, First Pacific Company Limited (Hong Kong)
Director (Independent director)	Ryo Hayakawa	Chairman of the Audit Committee and member of the Risk Management Committee Representative Director, A1 Consulting Ltd. Representative Director and Managing Partner, AKSUS Advisors Inc. Investment Banking Lecturer, Institute for Business and Finance, Waseda University
Director (Independent director)	Albert Kirchmann	Member of the Nomination Committee and Compensation Committee Outside Director, TRATON SE
Director (Independent director)	Sawako Ueno	Member of the Audit Committee Representative, Sawako Ueno CPA Office Outside Auditor, Morinaga & Co., Ltd. Outside Auditor, Airport Facilities Co., Ltd.
Director	Yoshiyuki Honda	Member of the Nomination Committee, the Audit Committee and Compensation Committee Outside Auditor, McDonald's Holdings Company (Japan), Ltd. Certified Public Accountant in Japan and US
Representative Executive Officer and CEO	Kanji Hori	Member of the Risk Management Committee Managing Director, SUMIDA Europe GmbH Managing Director, SUMIDA AMERICA HOLDINGS INC. Director, Sumida Electric (H.K.) Company Limited Director, ISMART GLOBAL LIMITED Director, SUMIDA INSURANCE CORPORATION
Executive Officer	Katsuyuki Kojima	Executive Vice President Head of Global Sales and Head of Region (Asia) Director, Sumida Electric (H.K.) Company Limited Director, SUMIDA TRADING (SHANGHAI) COMPANY LIMITED Director, TAIWAN SUMIDA TRADING COMPANY LIMITED Director, SUMIDA TRADING (KOREA) COMPANY LIMITED

Position at the Company	Name	Duties at the Company and important concurrent occupations or positions at other organizations
Executive Officer	Hiromatsu Takeshima	Executive Vice President Head of Region (Japan) Head of Global Manufacturing Representative Director, Sumida Electric Co., Ltd.
Executive Officer	Klaus Neumeier	Senior Vice President, Head of Global R&D Executive Vice President and Head of Region (Europe) Representative Director, SUMIDA Components & Modules GmbH Board Member, SUMIDA AG Management Representative Director, SUMIDA Europe GmbH

Notes:

1. Messrs. Tatsuo Umemoto, Yan Hok Fan, Ryo Hayakawa, Dr. Albert Kirchmann, and Ms. Sawako Ueno are outside directors set forth in Article 2, item (xv) of the Companies Act.
2. Messrs. Tatsuo Umemoto, Yan Hok Fan, Ryo Hayakawa, Dr. Albert Kirchmann, and Ms. Sawako Ueno have been designated as independent directors of the Company in accordance with the rules of the Tokyo Stock Exchange and their names have been notified to the said stock exchange.
3. Aside from statutory committees (Nomination, Audit and Compensation Committees), the Company has voluntarily set up a Risk Management Committee.
4. Member of the Audit Committee Mr. Ryo Hayakawa (Chairman of the Audit Committee) has been involved in running several companies and Ms. Sawako Ueno and Mr. Yoshiyuki Honda are certified public accountants. As such, all three members of the Audit Committee have considerable financial and accounting knowledge.
5. Although none of them serve on a full-time basis, the Corporate Office takes charge of internal control of not only the Company, but also the Group and oversees compliance and risk management operations, while Internal Audit Office performs internal audits working closely with the Audit Committee in order to enhance the effectiveness of the audit.

(ii) Directors who retired during the current fiscal year

Name	Date of retirement	Reason for retirement	Position and duties at the Company and important concurrent occupations or positions at other organizations at the time of retirement
Atsushi Kato	March 26, 2024	Expiration of his term of office	Director, Chairman of the Audit Committee and member of the Risk Management Committee Certified Public Accountant, Atsushi Kato Certified Public Accountant Office
Michael Mühlbayer	March 26, 2024	Expiration of his term of office	Director, Member of the Nomination Committee and Compensation Committee
Masako Miyatake	March 26, 2024	Expiration of her term of office	Director, Member of the Audit Committee and Risk Management Committee Attorney Special Counsel, Blakemore & Mitsuki Professor, Keio University Law School Outside Director, Nippon Sanso Holdings Corporation

(iii) Executive officers who retired during the current fiscal year

Name	Date of retirement	Reason for retirement	Position and duties at the Company and important concurrent occupations or positions at other organizations at the time of retirement
Yoshiyuki Honda	March 26, 2024	Expiration of his term of office	Representative Executive Officer and CFO, and member of the Risk Management Committee Outside Auditor, McDonald's Holdings Company (Japan), Ltd. Certified Public Accountant in Japan and US

(iv) Policy to determine the amount of compensation for directors and executive officers by the Compensation Committee

The Company, as a company with nomination committee, etc., determines compensation for its directors and executive officers in a fair and appropriate manner, having established a Compensation Committee, a majority of which consists of outside directors, and appointed an outside director as its chairman to ensure transparency.

The Company's officer compensation system, in accordance with the management policies, aims to further motivate its executive officers to continuously improve the business performance over the medium to long term and to contribute to the increase of overall corporate value of the Sumida Group, so that the Company can meet the expectations of its shareholders.

The Company targets a level of compensation sufficient for securing and maintaining talented human resources who will lead its development.

In line with this objective, the Compensation Committee has decided on the policy to determine individual compensation for directors and executive officers as follows, and determines the amounts of individual compensation for directors and executive officers in accordance with this policy.

The content of individual compensation for directors and executive officers of the Company in the current fiscal year has been decided after appropriate deliberation in the Compensation Committee in accordance with the policy resolved by the Compensation Committee, and is judged to conform with the policy.

1. Scope of decision and extent of disclosure

"The amount of individual compensation for directors and executive officers" that the Compensation Committee defines and discloses shall be the total amount of compensation paid by the Sumida Group in order to enhance its transparency. It shall be disclosed separately for directors and executive officers.

2. Directors' compensation

The directors' compensation shall be determined by reflecting the position and

responsibility of each director, and in consideration of the economic trends and the business environment of the Company. Directors' compensation is composed of the following four elements.

- 1) Basic compensation  
Compensation for the responsibilities as director (including the compensation for the responsibilities of the members of the Nomination and Compensation Committees)
- 2) Compensation of Audit Committee members  
Compensation for the responsibilities as the member of the Audit Committee
- 3) Compensation of Committee Chairmen  
Compensation for the responsibilities as Chairman of the Audit Committee, Chairman of the Nomination Committee and the Compensation Committee
- 4) Compensation of Vice Chairman of the Board of Directors  
Compensation for the responsibilities as Vice Chairman of the Board of Directors

3. Executive officers' compensation

For executive officers' compensation, incentive compensation (corporate performance-linked compensation) shall be adopted in addition to the basic compensation (fixed compensation) in order to maintain and raise the motivation for the execution of operations. Executive officers' compensation is composed of the following four elements:

- 1) Basic compensation  
Basic compensation shall be on a fixed basis in consideration of the position and responsibility as an executive officer within the Company, and any additional post as an officer at subsidiaries. The amount of compensation shall be determined by taking into account the previous operational performance and comparison with the actual compensation for the previous fiscal year.
- 2) Short-term incentives  
These compensations are intended to maintain and raise the short-term motivation, and the base amount shall be determined depending on the position and responsibility of each executive officer. The amount to be paid will be changed in accordance with the target performance set at the beginning of the term and the actual performance and execution of duties of the Group as a whole or the function in charge. Additional bonuses may be paid to any distinguished achievement for which the Compensation Committee gives credit.
- 3) Stock options  
The Company shall grant performance-linked share acquisition rights (stock options) in accordance with the Mid-Term Business Plan.
- 4) Pension plans  
The Company shall grant this compensation as additional benefit to public pension in consideration of their service period in order to help eligible retired executive officers have stable lives after retirement.

4. Total compensation and basic compensation shall be set at appropriate levels in consideration of each rank and value of duties while periodically referring to external objective data and evaluation data.

5. Compensation for directors and outside directors shall not include a portion that reflects short-term performance in light of their position to supervise management, and only the basic compensation on a fixed basis, as well as the compensation of Committee Chairmen for chairmen of committees, compensation of Audit Committee members for members of the Audit Committee, and compensation of Vice Chairman of the Board of Directors for Vice Chairman of the Board of Directors shall be paid.

(v) Total amount of compensation paid to directors and executive officers  
(Period: January 1 to December 31, 2024)

Category	Number of payees (person)	Basic compensation (million yen)	Short-term incentive (million yen)	Stock options without contribution (million yen)	Pension plan (million yen)	Fringe benefits (million yen)	Retirement benefits (million yen)	Total (million yen)
Executive officers	5	126	59	16	20	0	109	332
Inside directors	2	31	—	—	—	12	—	44
Outside directors	8	37	—	—	—	—	—	37
Total	15	195	59	16	20	13	109	414

Notes:

1. The figures are consolidated compensation of the Group. The above row of outside directors includes an amount paid from January 2024 to March 2024 to three outside directors who retired at the conclusion of the 69th Annual General Meeting of Shareholders, held on March 26, 2024. The above row of executive officers includes an amount paid from January 2024 to March 2024 to one executive officer who retired at the conclusion of the 69th Annual General Meeting of Shareholders, held on March 26, 2024.
2. Short-term incentive compensation  
The amount paid was calculated in accordance with the achievement rate of consolidated operating profit target for the current fiscal year. The performance indicator for the “short-term incentive” is the consolidated operating profit target set at the beginning of the fiscal year (9.5 billion yen for the fiscal year ended December 31, 2024), and its actual result was 4.5 billion yen. The reason why the Company selected this indicator is because it judged that the amount of operating profit is one of the most appropriate indicators to measure the performance responsibility to be fulfilled by the executive officers, and it aims to achieve sustainable growth and increase corporate value by achieving a higher level of operating profit. The amount of compensation is calculated by multiplying the basic compensation by the coefficient set for each position and the payment rate according to the degree of achievement of the indicator.
3. The cell of outside directors in the basic compensation column indicates the sum of basic compensation, compensation of the Audit Committee members, compensation of Committee Chairmen, and compensation of Vice Chairman of the Board of Directors.
4. Stock options without contribution  
Under the accounting standard, stock options without contribution are treated as the amount recorded as expenses in the current fiscal year. Stock options without contribution corresponding to the current fiscal year were granted.
5. Fringe benefits  
In addition to the above compensations, the Group paid fringe benefits totaling 13 million yen (including 12 million yen paid by the Company) to one eligible executive officer and two inside directors.
6. Retirement benefits were paid in cash to one executive officer who retired at the conclusion of the 69th Annual General Meeting of Shareholders, held on March 26, 2024.

(vi) Outline of liability limitation contracts

In order to obtain excellent directors from outside, the Company has made provisions limiting liability for damages under Article 423, paragraph (1) of the Companies Act in the Articles of Incorporation pursuant to the provisions under Article 427, paragraph (1) of the said act. In accordance with the aforementioned provisions, the Company has entered into liability limitation contracts with five outside directors. The limit of liability for damages under such contracts has been set at the minimum liability provided for under Article 425, paragraph (1) of the Companies Act. However, liability limitation is applied only when the relevant outside directors have carried out their duties, for which they are supposed to assume liability, in good faith or without gross negligence.

(vii) Outline of insurance contract covering officer liability for damages

The Company has entered into an insurance contract covering officer liability for damages with an insurance company as provided for in Article 430-3, paragraph (1) of the Companies Act. The insurance contract will cover damages to be borne by the insured, including compensation, judgment amounts decided by the court, settlement money, amounts paid in out-of-court settlements and legal costs, which may arise in relation to damage compensation claims. All of the directors, executive officers, and employees who manage, supervise, and give directions and orders are insured by the said insurance contract. Furthermore, insurance premiums for the said insurance contract are fully paid by the Company, based on an approval of the Board of Directors and a unanimous consent of outside directors.

(viii) Matters concerning outside directors

1. Important concurrent occupations or positions at other organizations
  - 1) This is as described in the list of (i) Directors and executive officers above. There are no business relationships between the Company and other organizations where they hold the additional posts.
2. Relatives of managing members or officers (excluding those who are managing members) of the Company or business operators that have specific relations with the Company such as main clients
  - 1) None of the outside directors have been managing members or officers (excluding those who are managing members) of the Company or business operators that have specific relations with the Company in the past.
  - 2) None of the outside directors have relatives in the third degree or closer with managing members or officers (excluding those who are managing members) of the Company or business operators that have specific relations with the Company.

### 3. Main activities during the current fiscal year

#### 1) Attendance of outside directors

Name	The Board of Directors meetings	Audit Committee meetings	Nomination Committee meetings	Compensation Committee meetings	Risk Management Committee meetings
Tatsuo Umemoto	7/7 (100%)	—	7/7 (100%)	6/6 (100%)	3/3 (100%)
Yan Hok Fan	7/7 (100%)	—	7/7 (100%)	6/6 (100%)	—
Ryo Hayakawa	7/7 (100%)	10/10 (100%)	—	—	3/3 (100%)
Albert Kirchmann	5/5 (100%)	—	5/5 (100%)	5/5 (100%)	—
Sawako Ueno	5/5 (100%)	6/6 (100%)	—	—	—

Notes:

1. The Company established the Risk Management Committee. Members include executive officers, chairman of the Nomination Committee and the Audit Committee.
2. For Dr. Albert Kirchmann and Ms. Sawako Ueno, the attendance after their appointments as directors on March 26, 2024 is presented.

#### 2) The status of statements by outside directors and an outline of the duties concerning the expected roles of outside directors

	The status of statements and an outline of the duties concerning the expected roles of outside directors
Outside Director Tatsuo Umemoto	<p>Mr. Tatsuo Umemoto made necessary remarks in deliberations at meetings of the Board of Directors as Vice Chairman on a timely basis, mainly from his point of view as a management consultant and corporate executive. He has adequately fulfilled his role and responsibilities as an outside director such as by providing supervision and advice on management in general from a professional point of view based on his extensive knowledge and experience in business strategy, business planning, new business development, organization personnel, competency development, and marketing and branding in particular.</p> <p>In addition, as chairman of the Nomination Committee, he has made necessary remarks in deliberations on a timely basis, from the standpoint of examining and actualizing the lineup and organization of the Board of Directors and executive officers and the desired images of directors and executive officers that are appropriate and required for the business development of the Company.</p> <p>In addition, as chairman of the Compensation Committee, he has made necessary remarks in deliberations on a timely basis from the perspective of determining fairly and properly the compensation bases for directors and executive officers.</p> <p>In addition, at the Risk Management Committee, he was involved in identifying risks and taking responsive measures, and he made necessary remarks in relation to risk management on a timely basis.</p>

	The status of statements and an outline of the duties concerning the expected roles of outside directors
Outside Director Yan Hok Fan	<p>Mr. Yan Hok Fan has made necessary remarks in deliberations at meetings of the Board of Directors on a timely basis, mainly from his perspective as a corporate business executive and director, primarily in China and Hong Kong. He has adequately fulfilled his role and responsibilities as an outside director such as by providing supervision and advice on management in general from a professional point of view based on his knowledge and experience as a global corporate executive, and his insight into the Asian market.</p> <p>In addition, he has made necessary remarks in deliberations at the Nomination Committee on a timely basis, from the standpoint of examining and actualizing the lineup and organization of the Board of Directors and executive officers and the desired images of directors and executive officers that are appropriate and required for the business development of the Company.</p> <p>In addition, he has made necessary remarks in deliberations at the Compensation Committee on a timely basis from the perspective of determining fairly and properly the compensation bases for directors and executive officers.</p>
Outside Director Ryo Hayakawa	<p>Mr. Ryo Hayakawa has made necessary remarks in deliberations at meetings of the Board of Directors on a timely basis, mainly from his perspective as a corporate business executive. He has adequately fulfilled his role and responsibilities as an outside director such as by providing supervision and advice on management in general from a professional point of view based on his extensive experience and insights as a global corporate executive, particularly in relation to the financial industry.</p> <p>In addition, as chairman of the Audit Committee, he has made necessary remarks in deliberations on a timely basis from the perspective of promoting compliance management through audits and leveraging it to enhance the corporate value.</p> <p>In addition, at the Risk Management Committee, he was involved in identifying risks and taking responsive measures, and he made necessary remarks in relation to risk management on a timely basis.</p>



	The status of statements and an outline of the duties concerning the expected roles of outside directors
Outside Director Albert Kirchmann	<p>Dr. Albert Kirchmann has, since being appointed an outside director on March 26, 2024, made necessary remarks in deliberations at meetings of the Board of Directors on a timely basis, mainly from his perspective as a corporate business executive. He has adequately fulfilled his role and responsibilities as an outside director such as by providing supervision and advice on management in general from a professional point of view based on his knowledge and experience as a corporate executive, and his insights into the automobile industry, particularly in the European market.</p> <p>In addition, since being appointed a member of the Nomination Committee on March 26, 2024, he has made necessary remarks in deliberations at the Nomination Committee on a timely basis, from the standpoint of examining and actualizing the lineup and organization of the Board of Directors and executive officers and the desired images of directors and executive officers that are appropriate and required for the business development of the Company.</p> <p>In addition, since being appointed a member of the Compensation Committee on March 26, 2024, he has made necessary remarks in deliberations at the Compensation Committee on a timely basis from the perspective of determining fairly and properly the compensation bases for directors and executive officers.</p>
Outside Director Sawako Ueno	<p>Ms. Sawako Ueno has, since being appointed an outside director on March 26, 2024, made necessary remarks in deliberations at meetings of the Board of Directors on a timely basis, mainly from her perspective as an accounting expert. She has adequately fulfilled her role and responsibilities as an outside director such as highly effective supervision of the Company's management based on her extensive experience and insights, particularly as a certified public accountant.</p> <p>In addition, since being appointed a member of the Audit Committee on March 26, 2024, she has made necessary remarks in deliberations at the Audit Committee on a timely basis from the perspective of promoting compliance management through audits and leveraging it to enhance the corporate value.</p>

4. Total amount of compensations received from the subsidiaries

There were no relevant issues.

5. Criteria and policy relating to independence

Outside directors of the Company who do not fall under any of the following items are to be judged to have independence.

1. Person who is currently a managing member of the Company, one of its subsidiaries, or affiliates (hereinafter the "Sumida Group"), or who has been a managing member at any point in the ten years prior to appointment as a director.

"Managing Member" refers to the following persons. The same shall apply hereinafter.

- (a) Managing director, executive officer, or officer who executes business of other corporations.
  - (b) Member who executes business, person who is to execute duties specified in Article 598, paragraph (1) of the Companies Act, or other person who is in an equivalent position.
  - (c) Employee
2. Person whose spouse or relative is within the second degree of kinship is currently a managing member of the Sumida Group, or held a position of managing member at any time during the five years prior to the assumption of office as director.
  3. Person who is a major shareholder of the Company or a managing member thereof.  
 “Major shareholder” refers to a shareholder who holds 10% or more of the voting rights of the Company either directly or indirectly.
  4. Major business partner of the Sumida Group or a managing member thereof or a person whose major business partner is the Sumida Group or a managing member thereof.  
 “Major business partner” refers to a corporation, etc. which received from or made payments to the Sumida Group in the amount of 2% or more of consolidated revenue of the Sumida Group or the corporation, etc. in any one of the past five fiscal years.
  5. Person who receives from the Sumida Group a large amount of monetary payment or other property benefits other than officer compensation (such as lawyer, accounting or tax specialist, and consultant). If the receiver of a large amount of monetary payment or other property benefits is an organization, such as a corporation or association, a person belonging to the organization.  
 “A large amount” refers to the case where the annual amount of monetary payment or other property benefits exceeded 5 million yen in any one of the past three fiscal years (hereinafter the same).
  6. Person who receives from the Sumida Group a large amount of donations in monetary payment or other property benefits, or a person belonging to the organization, such as a corporation or association that receives such donations.
  7. Spouse or relative within the second degree of kinship of the person who falls under the preceding four items.
  8. Any other person who possesses potential conflicts of interest with ordinary shareholders of the Company and is deemed to be under circumstances that affect the fulfillment of duties as an independent outside director.

Note: The amounts of money and the numbers of shares described in this Business Report are rounded down to the nearest units.

Consolidated Financial Statements (IFRS) and  
Non-consolidated Financial Statements (Japanese GAAP)  
for the 70th term  
(January 1 to December 31, 2024)

Consolidated Statement of Financial Position  
Consolidated Statement of Profit or Loss  
Non-consolidated Balance Sheet  
Non-consolidated Statement of Income

Kanji Hori  
Representative Executive Officer and CEO  
SUMIDA CORPORATION

## Consolidated Statement of Financial Position

(Millions of yen)

	70th term As of December 31, 2024	(Reference) 69th term As of December 31, 2023
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	4,286	3,107
Trade and other receivables	30,167	28,324
Inventories	29,350	29,209
Other current assets	5,867	7,006
<b>Total current assets</b>	<b>69,672</b>	<b>67,648</b>
<b>Non-current assets</b>		
Property, plant and equipment	54,906	52,084
Right-of-use asset	5,605	5,986
Goodwill	5,730	5,335
Intangible assets	7,722	7,404
Financial assets	636	630
Deferred tax assets	2,973	2,996
Other non-current assets	518	699
<b>Total non-current assets</b>	<b>78,094</b>	<b>75,137</b>
<b>Total assets</b>	<b>147,766</b>	<b>142,786</b>

Note: The amounts of money described above are rounded down to the nearest million yen.

## Consolidated Statement of Financial Position

(Millions of yen)

	70th term As of December 31, 2024	(Reference) 69th term As of December 31, 2023
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Trade and other payables	14,960	15,036
Short-term interest-bearing debts	30,964	23,490
Current portion of long-term debt	5,459	7,856
Current portion of lease liabilities	1,264	1,087
Provisions	2,083	909
Income taxes payable	638	716
Accrued expenses	3,847	3,857
Other current liabilities	2,451	2,595
<b>Total current liabilities</b>	<b>61,669</b>	<b>55,550</b>
<b>Non-current liabilities</b>		
Long-term interest-bearing debts	16,004	20,030
Lease liabilities	4,284	4,735
Retirement benefit liability	1,582	1,581
Provisions	47	21
Deferred tax liabilities	966	1,411
Other non-current liabilities	2,297	2,143
<b>Total non-current liabilities</b>	<b>25,181</b>	<b>29,923</b>
<b>Total liabilities</b>	<b>86,851</b>	<b>85,473</b>
<b>EQUITY</b>		
<b>Equity attributable to owners of parent</b>		
Share capital	13,624	13,519
Capital surplus	13,179	13,078
Retained earnings	20,315	21,722
Share acquisition rights	130	460
Treasury shares	(98)	(520)
Accumulated other comprehensive income	11,497	6,797
<b>Total equity attributable to owners of parent</b>	<b>58,648</b>	<b>55,056</b>
<b>Non-controlling interests</b>	<b>2,266</b>	<b>2,255</b>
<b>Total equity</b>	<b>60,915</b>	<b>57,312</b>
<b>Total liabilities and equity</b>	<b>147,766</b>	<b>142,786</b>

Note: The amounts of money described above are rounded down to the nearest million yen.

## Consolidated Statement of Profit or Loss

	70th term	(Millions of yen)
	Year ended	(Reference) 69th term
	December 31, 2024	Year ended December 31, 2023
<b>Revenue</b>	143,978	147,672
Cost of sales	(125,970)	(126,561)
<b>Gross profit</b>	<b>18,008</b>	<b>21,110</b>
Selling, general and administrative expenses	(12,375)	(12,282)
Other operating income	215	546
Other operating expenses	(1,334)	(809)
<b>Operating profit</b>	<b>4,513</b>	<b>8,564</b>
Finance income	38	41
Finance expenses	(3,256)	(2,749)
<b>Net profit before taxes</b>	<b>1,295</b>	<b>5,856</b>
Income taxes	(861)	(754)
<b>Net profits for the year</b>	<b>434</b>	<b>5,102</b>
<b>Attributable to:</b>		
Owners of parent	590	5,064
Non-controlling interests	(156)	37

Note: The amounts of money described above are rounded down to the nearest million yen.

## Non-consolidated Balance Sheet

(Millions of yen)

	70th term As of December 31, 2024	(Reference) 69th term As of December 31, 2023
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash and deposits	154	170
Prepaid expenses	88	65
Short-term loans receivable	8,409	8,344
Other	374	268
<b>Total current assets</b>	<b>9,026</b>	<b>8,849</b>
<b>Non-current assets:</b>		
<b>Property, plant and equipment</b>		
Buildings	752	737
Structures	7	9
Tools, furniture and fixtures	0	0
Vehicles	2	3
Land	503	503
<b>Total property, plant and equipment</b>	<b>1,265</b>	<b>1,252</b>
<b>Intangible assets:</b>		
Telephone subscription right	3	3
Software	9	-
Patent right	178	-
<b>Total intangible assets</b>	<b>191</b>	<b>3</b>
<b>Investments and other assets:</b>		
Shares of subsidiaries and associates	33,293	33,293
Long-term loans receivable	7,385	7,105
Deferred tax assets	471	338
Other	118	155
<b>Total investments and other assets</b>	<b>41,268</b>	<b>40,892</b>
<b>Total non-current assets</b>	<b>42,724</b>	<b>42,148</b>
<b>Total assets</b>	<b>51,751</b>	<b>50,997</b>

Note: The amounts of money described above are rounded down to the nearest million yen.

## Non-consolidated Balance Sheet

(Millions of yen)

	70th term As of December 31, 2024	(Reference) 69th term As of December 31, 2023
<b>LIABILITIES</b>		
<b>Current liabilities:</b>		
Short-term borrowings	6,739	3,554
Current portion of long-term borrowings	1,377	1,282
Accounts payable - other	106	149
Accrued expenses	73	80
Income taxes payable	-	29
Other	1,609	908
<b>Total current liabilities</b>	<b>9,906</b>	<b>6,004</b>
<b>Non-current liabilities:</b>		
Long-term borrowings	10,549	11,533
Other	29	73
<b>Total non-current liabilities</b>	<b>10,578</b>	<b>11,607</b>
<b>Total liabilities</b>	<b>20,485</b>	<b>17,611</b>
<b>NET ASSETS</b>		
<b>Shareholders' equity:</b>		
Share capital	13,624	13,519
Capital surplus	13,437	13,332
Legal capital surplus	13,437	13,332
Retained earnings	5,217	7,305
Legal retained earnings	264	264
Other retained earnings	4,953	7,040
Retained earnings brought forward	4,953	7,040
Treasury shares	(98)	(520)
<b>Total shareholders' equity</b>	<b>32,180</b>	<b>33,635</b>
<b>Valuation and translation adjustments</b>		
Deferred gains or losses on hedges	(1,045)	(710)
<b>Total valuation and translation adjustments</b>	<b>(1,045)</b>	<b>(710)</b>
<b>Share acquisition rights</b>	<b>130</b>	<b>460</b>
<b>Total net assets</b>	<b>31,265</b>	<b>33,385</b>
<b>Total liabilities and net assets</b>	<b>51,751</b>	<b>50,997</b>

Note: The amounts of money described above are rounded down to the nearest million yen.



## Non-consolidated Statement of Income

	70th term Year ended December 31, 2024	(Millions of yen) (Reference) 69th term Year ended December 31, 2023
<b>Operating revenue</b>	<b>1,400</b>	<b>3,841</b>
<b>Operating expenses</b>	<b>762</b>	<b>1,058</b>
<b>Operating profit</b>	<b>638</b>	<b>2,783</b>
<b>Non-operating income:</b>		
Interest income	194	181
Other	1	0
<b>Total non-operating income</b>	<b>195</b>	<b>182</b>
<b>Non-operating expenses:</b>		
Interest expenses	735	844
Commission expenses	65	154
Foreign exchange losses	65	35
Other	4	2
<b>Total non-operating expenses</b>	<b>871</b>	<b>1,036</b>
<b>Ordinary profit (loss)</b>	<b>(37)</b>	<b>1,928</b>
<b>Extraordinary losses:</b>	<b>0</b>	<b>0</b>
Loss on retirement of non-current assets	0	0
<b>Profit (loss) before income taxes</b>	<b>(37)</b>	<b>1,928</b>
Income taxes - current	37	247
Income taxes - deferred	14	(122)
<b>Profit (loss)</b>	<b>(89)</b>	<b>1,804</b>

Note: The amounts of money described above are rounded down to the nearest million yen.

(Translation)

## **Audit Report**

The Audit Committee has audited the performance of duties by directors and executive officers for the 70th term from January 1, 2024 to December 31, 2024. We report the methods and the results of the audit as follows.

### **1. Methods used in audits and content of audits**

With respect to the resolutions of the Board of Directors regarding the organization of the system stipulated in Article 416, paragraph (1), item (i), (b) and (e) of the Companies Act and the status of the system based on said resolutions (internal control systems), the Audit Committee received reports from directors, executive officers, employees and others periodically, requested explanations on those reports, when necessary, expressed an opinion concerning the establishment and operation of the system, and conducted audits using the following methods.

(i) The Audit Committee cooperated with the internal control division and the internal audit division in accordance with the auditing policies established by the Audit Committee, the respectively allocated duties, and other directives. The Audit Committee members attended important meetings, the Audit Committee received reports from directors, executive officers and other personnel on matters related to the execution of their duties, and when necessary sought further explanations. The Audit Committee members read documents related to important decisions and conducted investigations on the operational and financial statuses of the Company. Furthermore, with respect to subsidiaries, the Audit Committee took steps to facilitate communication with the directors and other personnel of subsidiaries and, when necessary, received reports from subsidiaries on the status of their businesses.

(ii) The Audit Committee also monitored and verified whether the independent auditor was maintaining its independence and was carrying out its audits in an appropriate manner. The Audit Committee received reports from the independent auditor on the execution of its duties and, when necessary, requested explanations regarding those reports. The Audit Committee also received notification from the independent auditor that it implemented the “system for ensuring the proper execution of its duties” (as enumerated in items of Article 131 of the Regulation on Corporate Accounting) in compliance with the “Quality Control Standards Relating to Auditing” (adopted by the Business Accounting Deliberation Council). When necessary, the Audit Committee requested explanations on the notification.

Based on the foregoing methods, the Audit Committee also examined the Business Report and supporting schedules, the Consolidated Financial Statements, and the Non-consolidated Financial Statements (Non-consolidated Balance Sheet, Non-consolidated Statement of Income, Non-consolidated Statement of Changes in Shareholders’ Equity, and notes to Non-consolidated Financial Statements) and supporting schedules related to the fiscal year.

## 2. Results of the audit

### (1) Results of audit of Business Report

- (i) In our opinion, the Business Report and supporting schedules fairly present the situation of the Company, in compliance with the provisions of applicable laws and regulations, and the Articles of Incorporation.
- (ii) Neither improper actions in the execution of duties by directors and executive officers, nor material facts in violation of the provisions of applicable laws and regulations or the Articles of Incorporation, were found.
- (iii) In our opinion, the content of the resolution by the Board of Directors regarding internal control systems was appropriate; furthermore, nothing was pointed out regarding the contents of the Business Reports with respect to executing internal control systems and the execution of duties by directors and executive officers.

### (2) Results of the audit of Consolidated Financial Statements

In our opinion, the auditing methods used by the independent auditor, KPMG AZSA LLC and the results of its audit were appropriate.

### (3) Results of the audit of Non-consolidated Financial Statements and supporting schedules

In our opinion, the auditing methods used by the independent auditor, KPMG AZSA LLC and the results of its audit were appropriate.

February 19, 2025

Audit Committee  
SUMIDA CORPORATION

Ryo Hayakawa  
Member of the Audit Committee

Sawako Ueno  
Member of the Audit Committee

Yoshiyuki Honda  
Member of the Audit Committee

Note: Members of the Audit Committee Ryo Hayakawa and Sawako Ueno are outside directors as stipulated in Article 2, item (xv) and Article 400, paragraph (3) of the Companies Act.