

Integrated Report 2025



Kitazato Corporation

KITAZATO®

Happiness, for the Next Generations

Connecting the smiles of as many patients as possible to the future. Through the field of reproductive medicine, we are committed to carrying forward the many forms of happiness it creates and ensuring they are firmly passed on to future generations.

■ Editorial Policy

This report has been prepared to provide all stakeholders with a comprehensive understanding of the corporate value of the Kitazato Corporation Group. In addition to financial information, it presents a broad range of non-financial information, including environmental, social, and governance (ESG) initiatives.

This report was compiled prior to the Company's initial public offering and is based on the business environment and the Company's perspectives as of March 2025. To reflect progress following the listing and to enhance the practical relevance of the content, the report will be reviewed and updated as appropriate going forward.

■ Scope of Reporting

Reporting period: Fiscal year 2024 (April 1, 2024 – March 31, 2025)

※Some information includes activities conducted after this period.

Reporting entities: Kitazato Corporation and its group companies

※However, certain disclosures relate solely to Kitazato Corporation on a non-consolidated basis.

■ Forward-Looking Statements

This report contains forward-looking statements, including forecasts, projections, and plans regarding future performance. These statements are based on information available at the time of preparation and involve inherent uncertainties. As a result, actual outcomes of future business activities or events may differ materially from the forecasts, projections, or plans described in this report.

This report also includes information related to medical devices; however, such information is not intended for promotional or advertising purposes, nor does it constitute medical advice.

※Figures presented in this report are rounded down to the nearest unit. Accordingly, totals may not equal the sum of individual figures.

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Kitazato Corporation in Numbers

(Consolidated, Fiscal Year Ended March 2025)

Net sales
¥10.3 billion
CAGR : 10.3%
(FY2021–FY2025)

Gross profit
¥6.97 billion

Operating profit
¥5.78 billion

Operating profit margin
56.1%



Countries of Operation
110 countries

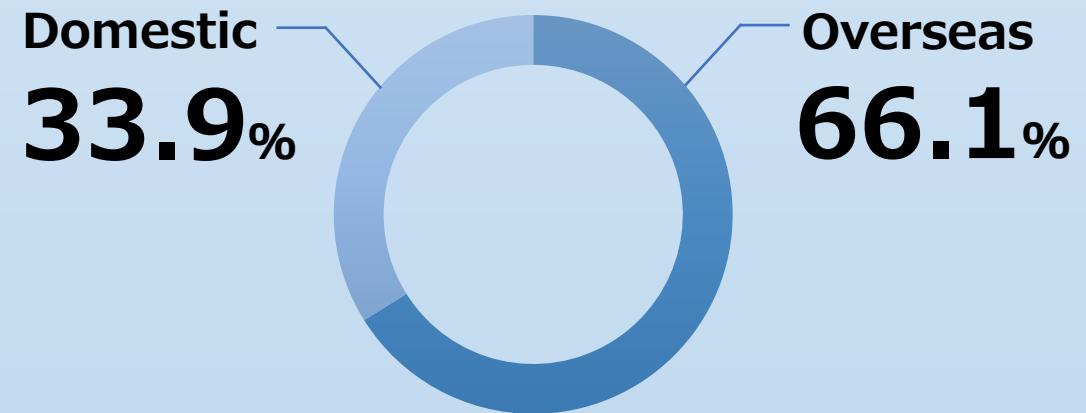
Number of products
2,964 items
(As of March 2025)

Number of distributors
192 companies

EPS
¥94.72

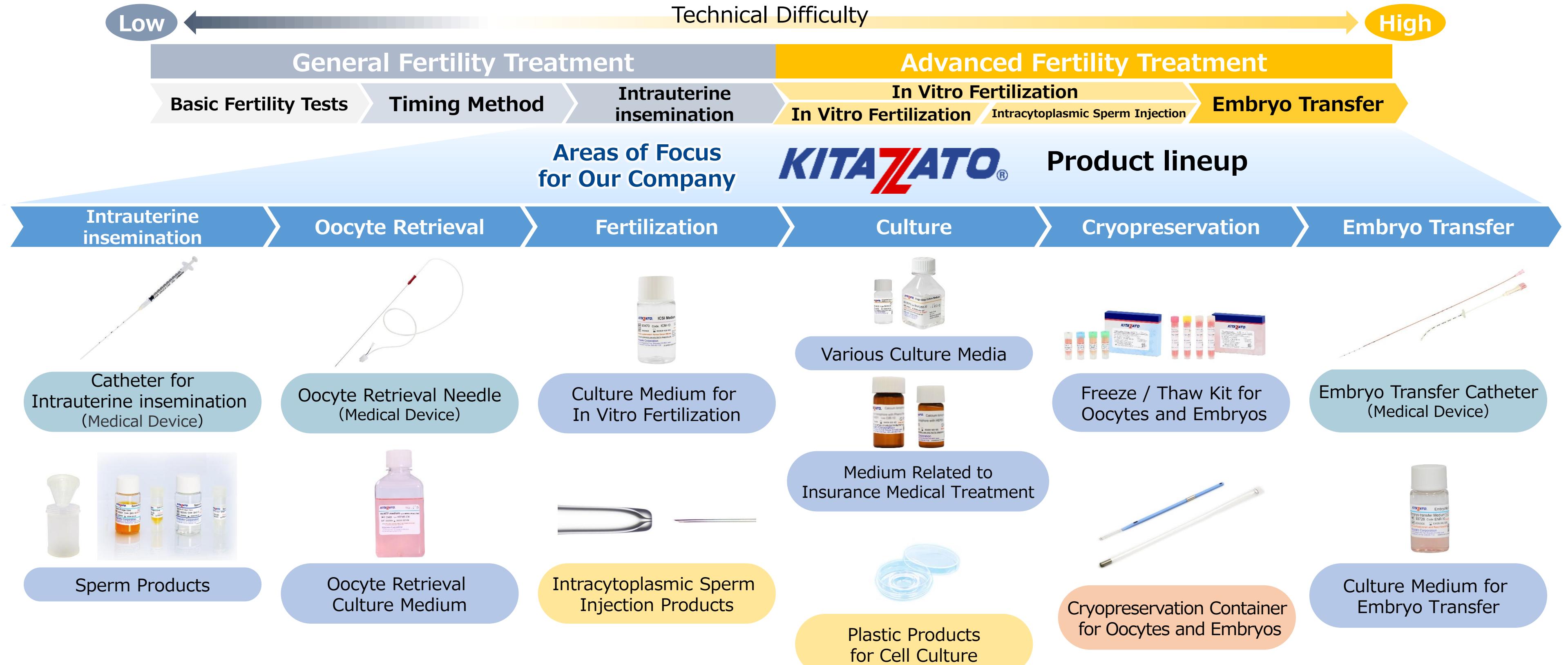
ROE
22.1%

Revenue Breakdown



Business Domain

Infertility Treatment Process



✓ Business Overview

The Group consists of the Company (Kitazato Corporation), four consolidated subsidiaries—Kitazato Bioscience Co., Ltd., Kitazato Laboratory Center Co., Ltd., Kitazato Healthcare Co., Ltd., and Kitazato Cryobank Co., Ltd.—and one non-consolidated subsidiary, Kitazato America, Inc.

Specializing in reproductive engineering technologies for artificial insemination and in vitro fertilization, cell cryopreservation, and regenerative medicine, the Group develops and manufactures products to meet market needs and supplies its proprietary products to markets worldwide, including Japan, Europe, the United States, China, and India.

The Group's principal products are used throughout the entire IVF process, including oocyte retrieval and washing, sperm collection and washing, fertilization, culture, and embryo transfer. A key strength of the Group lies in its ability to comprehensively provide products covering all stages of fertility treatment—from the collection, washing, culture, and fertilization of oocytes and sperm to the cryopreservation and thawing of oocytes and embryos.



✓ Product Categories Our Core Products

Media

Media used for the culture and cryopreservation of oocytes and fertilized ovum

Oocyte/Embryo
Vitrification Media



HTF Medium



Medical Devices

Catheters used for the collection, fertilization, and transfer of oocytes and sperm

Oocyte Retrieval
Needle
(OPU Needle)



Catheter for
Intrauterine
Insemination
(IUI)



Embryo Transfer
(ET) Catheter



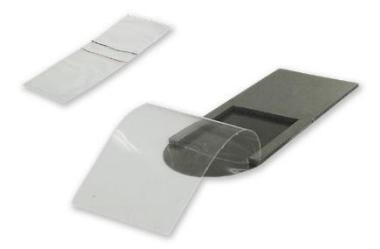
Cryodevice

Containers used for the cryopreservation of oocytes, fertilized ovum, and ovarian tissues

Cryotop



Ova Cryo Sheet



MicroTools

Pipettes and other tools used during fertilization
(Intracytoplasmic Sperm Injection)

ICSI Injection Pipette



ICSI Holding Pipette





We will continue to turn as many hopes as possible into reality, while taking on new challenges to help shape the society of the future.

President and Representative Director

Futoshi Inoue

Our Mission at the Heart of the Social Challenge of Declining Birthrates

Since its founding, Kitazato Corporation has pursued its corporate philosophy, “Happiness, for the Next Generations—Passing Smiles on to New Generations.”

In line with this philosophy, we have created social value by sincerely addressing the challenges faced by individuals experiencing fertility issues, as well as those encountered in clinical settings, and by providing reliable technologies grounded in scientific expertise.

Today, declining birthrates continue across many countries around the world. This trend is widely recognized as a serious issue that threatens the sustainability of economies and societies.

In Japan in particular, rising ages at first marriage and childbirth, along with changes in work styles, have increased both the importance of and demand for advanced fertility treatments.

In this environment, we believe that the products and technologies we provide not only contribute directly to the futures of patients and their families, but also play a vital role in supporting the sustainability of society itself.

“By fulfilling as many wishes as possible, we help shape the society of the future.”

With this strong conviction at our core, we will continue to embrace challenges and pursue sustainable growth and ongoing evolution.

Supporting the Full Spectrum of Advanced Reproductive Medicine

We are one of the very few companies in Japan capable of providing products required for advanced reproductive medicine—including in vitro fertilization (IVF), intracytoplasmic sperm injection (ICSI), and frozen–thawed embryo transfer—across all stages of treatment, from oocyte retrieval, fertilization, and culture to freezing, thawing, and transfer.

Our products have earned strong trust from clinical settings worldwide. This includes our world-class cryopreservation technologies centered on Cryotop®, high-quality catheters that are well regarded by physicians and embryologists, precision glass pipettes individually finished by hand, and a comprehensive range of culture media and reagents that underpin the accuracy of reproductive medicine.

In particular, our cryopreservation technologies are utilized in clinical practice in over 110 countries worldwide. The quality, safety, and reproducibility associated with Made in Japan continue to make a significant contribution to the global standardization of advanced reproductive medicine.

Three Strengths Supporting Value Creation

1. Proprietary R&D Platform

We drive the advancement and innovation of our products through collaborative research with medical institutions, universities, and researchers worldwide.

2. Deep Expertise Specialized in Reproductive Medicine

By focusing on a specialized field, we have accumulated organizational

knowledge that enables us to deeply understand the challenges and practical needs of clinical settings and to reflect these insights in product design and continuous improvement.

3. Strong Cross-Functional Teamwork

Manufacturing, R&D, quality assurance, and sales share a common commitment to delivering what is best for patients, and work together rapidly and flexibly to ensure the stable supply of high-quality products.

Sustainable Growth Strategy Toward the 2030s

Based on integrated thinking, we emphasize long-term value creation alongside short-term performance.

1. Expanding and Optimizing Production Capacity

We will build new facilities, introduce automation, reduce nonconforming products, and strengthen production resilience.

2. Strengthening the Quality Assurance Framework

We will ensure global regulatory compliance, enhance quality risk management, and improve processes with a focus on safety and reproducibility.

3. Developing Human Capital and Organizational Strength

We will foster a culture that values diverse expertise, develop younger talent, and promote sustainable participation of diverse human resources, including women in management.

4. Expanding into Adjacent Business Areas

We will pursue mid- to long-term growth in areas such as biological cell management, genetic testing, and applications of cell preservation technologies.

With Responsibility and Pride in Supporting Life's Greatest Hopes, from Japan to the World.

Accelerating Global Expansion: Becoming a Globally Trusted Company

The global market for advanced fertility treatment continues to expand, driven by factors such as declining birthrates and changes in lifestyles.

Following the establishment of our U.S. subsidiary in 2023, we are also planning to open a European base, and are now moving forward in earnest to strengthen our presence in global markets.

Creating the Future Together with Our Stakeholders

Through this Integrated Report, we aim to share with all stakeholders the process by which we create value as well as our long-term strategic direction, and to move forward together toward the realization of a sustainable society.

Fertility treatment is a field of medicine that sincerely addresses some of life's greatest hopes. With a deep sense of responsibility and pride in supporting this field, Kitazato Corporation will continue to evolve as a company that supports the lives of future generations through reproductive medicine.



Kitazato is steadily expanding its global operations to respond to the growing societal demand for advanced reproductive medicine and broader access to healthcare worldwide.

Leveraging research and development capabilities cultivated in Japan, strong trust-based relationships with medical institutions, and the high quality ensured by “Made in Japan” standards, Kitazato contributes to clinical practice across the globe while building a framework for sustainable growth.

Global Sales Network Spanning Over 110 Countries

Kitazato products are currently used in more than 110 countries through a network of approximately 80 overseas distributors. While healthcare systems and regulatory environments vary significantly by region, Kitazato ensures global quality and supply capabilities by obtaining international certifications, strengthening quality assurance systems, and promptly incorporating user feedback to meet the needs of each market.

In Europe, awareness of Kitazato products—particularly vitrification media for oocytes and embryos and Cryodevice—is increasing, supporting steady acquisition of new customers. In emerging markets such as India, growing demand for fertility treatment is accelerating product adoption. In the United States, Kitazato is building a stronger growth foundation through market research, local regulatory approvals, and collaborative research with medical institutions via its subsidiary.

Competitive Advantages in the Global Market

The field of fertility treatment is subject to increasingly strict regulations in many countries, with higher demands for precision and safety. Kitazato advances its international presence by leveraging the following strengths:

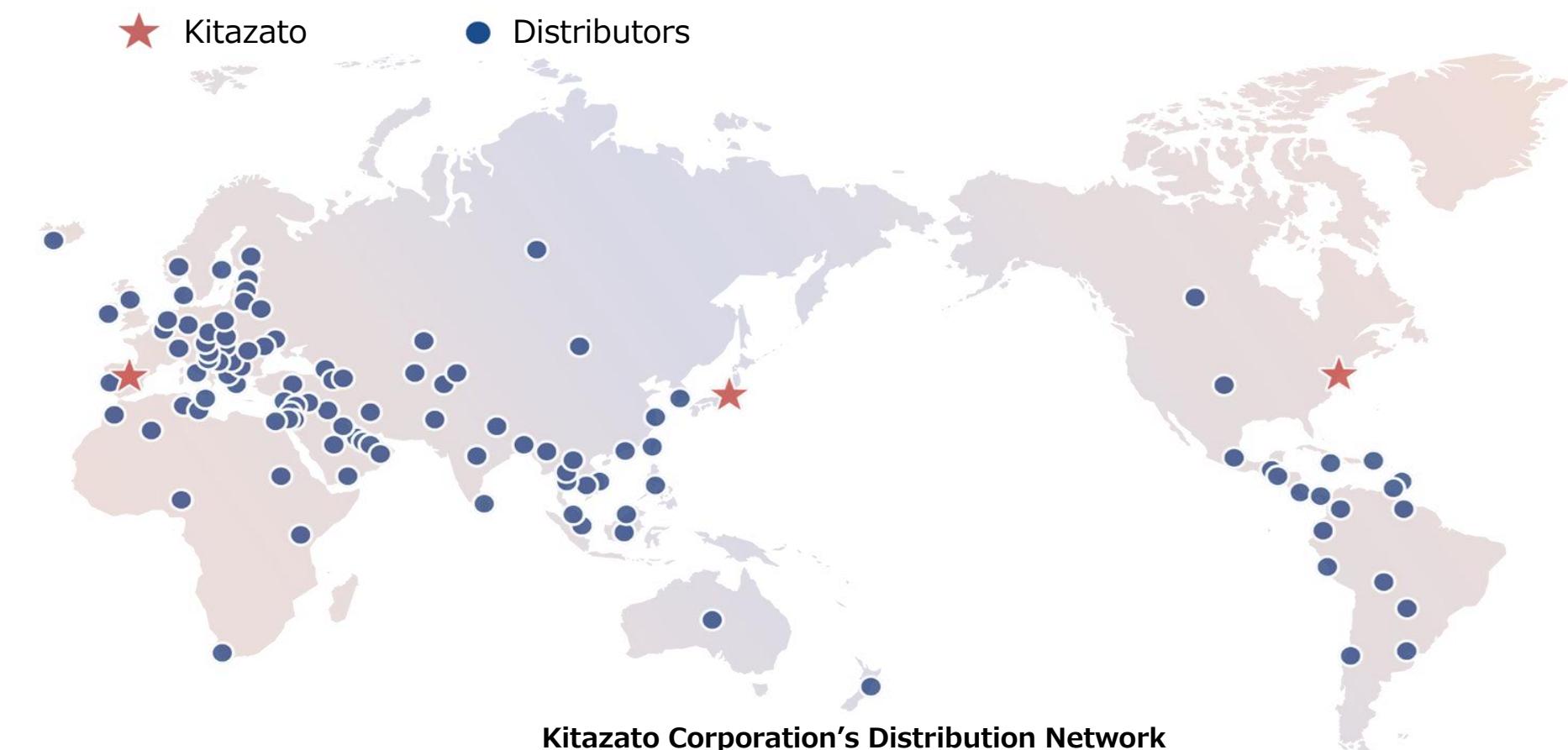
- World-class track record in cryopreservation technologies
- Strong capabilities for product improvement driven by feedback from clinical settings
- Technical foundation enabling custom manufacturing at scales from millimeters to micrometers
- Inspection and management systems supporting the high quality of “Made in Japan” products
- A development framework that rapidly reflects feedback from end users

These strengths contribute significantly to the adoption of Kitazato products by leading clinics and university hospitals worldwide, establishing the company’s position as a global niche player in reproductive medicine.

Contributing to Advanced Medicine and Long-Term Value Creation

Global demand for fertility treatment is increasing due to later marriages and changing lifestyles. Kitazato is committed to advancing core technologies that support reproductive medicine to deliver safe and high-quality treatment to patients as quickly as possible.

In addition, Kitazato actively engages in collaborative research with medical institutions and participates in international conferences to share knowledge and exchange technologies. These activities enable the continuous development of products that meet clinical expectations and the creation of new value that contributes to the future of healthcare.



Strengthening the Foundations for Sustainable Growth

Kitazato is expanding its growth foundation with a long-term perspective through investments in next-generation production systems, the expansion of overseas facilities, accelerated acquisition of certifications, and strengthened human resource development. In particular, initiatives such as constructing new headquarters and advancing manufacturing automation enhance competitiveness across production capacity, quality management, and research and development, supporting future market expansion.

Moving forward, Kitazato will continue to uphold its philosophy, “Happiness for the Next Generations – Bringing Smiles to New Generations”, while supporting patients worldwide and contributing to the advancement of reproductive medicine and the creation of social value.

01 Proprietary Technology Platform and End-to-End Product Development Capability

Kitazato specializes in the highly advanced and specialized field of fertility treatment. Leveraging a proprietary technological platform, Kitazato independently develops and manufactures products that support the entire clinical process of assisted reproductive technology (ART), from in vitro fertilization (IVF) and intracytoplasmic sperm injection (ICSI) to cryopreservation and embryo transfer.

Kitazato offers a comprehensive product portfolio that seamlessly covers every stage of fertility treatment—from the collection of oocytes and sperm, fertilization and embryo culture, to cryopreservation, thawing, and embryo transfer. This end-to-end approach provides significant convenience and reliability for medical professionals and supports consistent treatment quality in clinical settings both in Japan and internationally.

A key strength of Kitazato lies in the field of cryopreservation. We have pioneered and contributed to the global dissemination of proprietary technologies, including the ultra-rapid vitrification method. These technologies contribute to improved pregnancy outcomes and help reduce the physical and psychological burdens on patients, forming an essential foundation for the advancement of fertility treatment and reproductive medicine worldwide.

02 High Quality and Customization Supported by Made in Japan

Kitazato manufactures its products under a fully integrated production system at the Shizuoka headquarters and Tokyo office. Each product undergoes meticulous inspection by skilled personnel, ensuring high safety and reliability. The "Made in Japan" quality standard receives strong recognition from medical professionals around the world.

In addition, Kitazato possesses advanced custom manufacturing capabilities that allow adjustments at the scale of millimeters or even micrometers, enabling flexible responses to the precise needs of clinical settings. Kitazato engages closely with customers, upholding a customer-focused philosophy of developing products as needed, which helps build long-term trust and strong partnerships with medical professionals.



03 Specialized Expertise and Co-Creation with Customers

Kitazato has concentrated its management resources on the field of fertility treatment, cultivating deep expertise in this specialized area. Through collaborative research and exchanges with university hospitals, specialized clinics, physicians, and researchers around the world, Kitazato integrates cutting-edge knowledge into product development and creates high-value products that directly address practical challenges in clinical settings.

This process of co-creation with customers positions Kitazato not merely as a medical device manufacturer, but as a partner that contributes to the advancement of fertility treatment worldwide.

04 Global Sales Network

Kitazato maintains a direct sales presence in Japan while supplying products to approximately 110 countries and regions worldwide through a network of around 80 overseas distributors. We focus on high-growth markets such as North America, Europe, China, and India, offering tailored product solutions and support systems adapted to regional needs.

This global sales foundation is supported by long-standing trust in product quality and sustained relationships with local healthcare professionals, forming a key strength that supports the continuous growth of Kitazato.

05 Cross-Functional Strength Supporting Value Creation

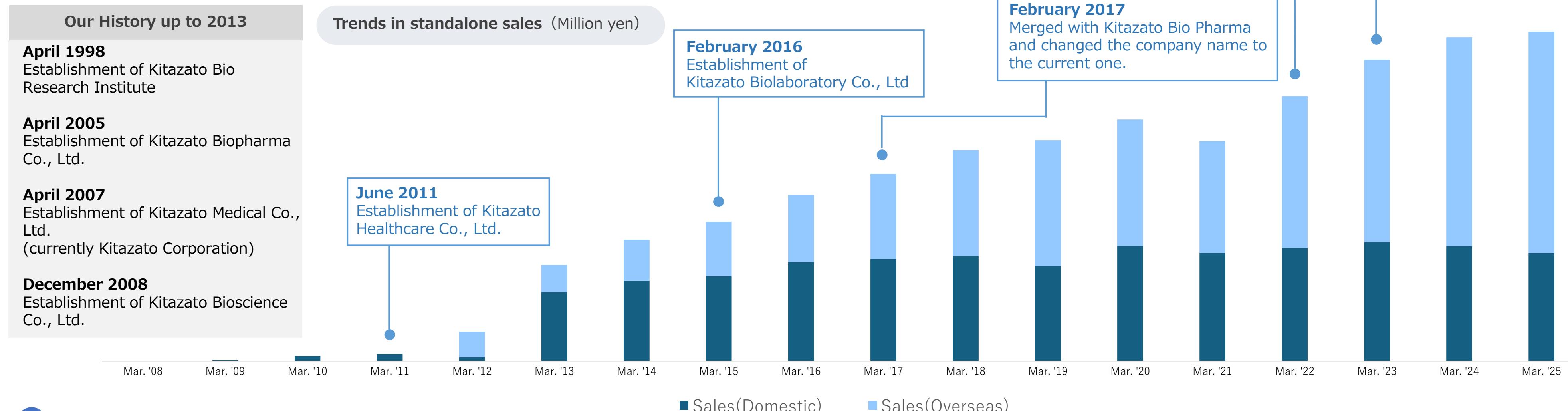
Kitazato achieves rapid and reliable product development and market delivery by fostering close collaboration across research and development, manufacturing, quality assurance, and sales and marketing departments. Cross-functional information sharing and decision-making enable the company to accurately understand customer needs and maximize product value.

Looking ahead, Kitazato will continue leveraging this organizational strength to address social challenges in the field of fertility treatment and remain a company dedicated to bringing smiles to patients worldwide.

✓ A History of Value Creation Focused on Fertility Treatment

In the highly advanced and specialized field of fertility treatment, we have worked to address social challenges by providing products and services that stay close to both patients and healthcare professionals, guided by our corporate philosophy, "Happiness, for the Next Generations—Passing Smiles on to New Generations."

Since our founding, we have remained consistently engaged with the frontlines of reproductive medicine, continually refining our technologies and quality. This journey has become the source of our competitiveness and the foundation of the trust we have earned.



✓ Key Products and Technology Milestones

2005

We launched our business with the aim of researching, developing, and manufacturing tissue culture media and related consumables for fertility treatment, marking our first step as a specialized manufacturer in the field of reproductive medicine.

2013

We launched a cryopreservation kit for ovarian tissue. Gaining attention as a medical technology that helps preserve future fertility potential, this product established our strengths in the field of cryopreservation.



2015

We introduced the closed-system oocyte cryopreservation device, Cryotop-CL. Recognized for its enhanced safety and ease of use, the adoption of the product expanded in clinical settings both in Japan and overseas.



2016~2019

We continuously developed and launched peripheral products supporting each stage of fertility treatment, including oocyte pick-up needles, catheters, and mineral oil. Through these efforts, we expanded our product lineup to comprehensively support the entire treatment process end-to-end.



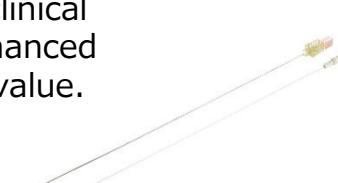
2018

We developed serum-free vitrification solutions for oocytes and embryos. By contributing to improved post-thaw survival rates, this innovation became a catalyst for gaining international recognition of our technological capabilities.



2022

We developed new products such as high-visibility embryo transfer catheters. By pursuing repeated improvements focused on usability in clinical settings, we enhanced overall product value.



As a company engaged in the field of reproductive medicine, which is related to the very beginning of life, Kitazato has always approached the future of each patient with sincerity. Leveraging advanced technology and high-quality standards originating in Japan, and through co-creation with medical professionals, Kitazato is committed to improving the safety and success rates of treatments. Through value creation in its business activities, Kitazato strives to contribute both to the advancement of medical care and to addressing societal challenges, continuously pursuing sustainable corporate value that brings smiles to the next generation.

Inputs: Six Capitals

Financial Capital

- Stable and sustainable cash flows
- Strengthening of funding capabilities in preparation for potential listing
- Financial foundation to support investment in research and development, facilities, and human resources

Manufactured Capital

- Domestic production facilities centered on the Shizuoka headquarters and Tokyo office
- Advanced precision manufacturing equipment and robust quality control systems
- Flexible production capacity combining automation and manual operations

Intellectual Capital

- Proprietary technologies and expertise, including cryopreservation techniques
- Knowledge gained through collaborative research with clinical institutions
- Intellectual property such as patents, product designs, and process know-how

Human Capital

- Personnel with specialized expertise in reproductive medicine across research, manufacturing, quality, and sales
- Organizational culture that values diversity, equity, inclusion (DE&I)
- Safe and healthy working environment that supports employee well-being

Social and Relationship Capital

- Network of approximately 80 distributors supplying products to over 110 countries
- Trusted relationships with domestic and international medical and research institutions
- Long-term partnerships with local communities and suppliers

Natural Capital

- Energy, water, and raw materials used in manufacturing activities
- Surrounding environment and ecosystems as the foundation of operations
- Natural environment supporting sustainable business activities

R&D

- Advancement of cryopreservation technologies
- Development of culture media and reagents
- Precision engineering of catheters and oocyte retrieval needles
- Collaborative research with medical institutions

Manufacturing

(Made in Japan)

- Integrated production at the Shizuoka headquarters factory
- Pursuit of precision through microfabrication and skilled manual processes
- Compliance with international standards (FDA, CE, etc.)

Business Activities

Medical Support

- Guidance on proper product use for physicians and embryologists
- Collection of on-site feedback and identification of clinical challenges
- Integration of feedback into product improvements and new product development

Supply Chain and Stable Product Supply

- Multiple sourcing strategies
- Inventory management strategies
- Global logistics network

Outputs

- High-quality medical devices, reagents, and consumables
- Stable product supply system built on Japan-origin quality
- Technical support, assistance, and information provision that support clinical settings
- Product lineup compliant with international regulations and certifications

Outcomes

- Improved treatment outcomes and the realization of patient aspirations
- Enhanced accessibility to fertility treatments
- Contribution to the international development of reproductive medicine
- Sustainable revenue generation and increased corporate value
- Contribution to a sustainable society that brings smiles to the next generation

Approach to Value Creation Based on Materiality

The Company identifies key management issues (materiality) by organizing the risks and opportunities arising from changes in the business environment from a medium- to long-term perspective, with an outlook toward FY2028. This table systematically presents, for each materiality, the main risks and opportunities, the direction of initiatives to address them, and how these efforts contribute to the enhancement of corporate value. By managing the business with materiality as the starting point, the Company aims to simultaneously reduce risks and create growth opportunities, thereby achieving sustainable enhancement of corporate value.

Materiality	Key Risks and Opportunities	Strategic Directions	Contribution to Corporate Value Enhancement
Advancement of Fertility Medicine and Creation of Patient Value	(Risks) Decline in competitiveness due to delays in responding to advances in medical technologies Erosion of trust in treatment outcomes and safety (Opportunities) Mid- to long-term expansion of demand for fertility treatment Increased demand for high value-added products driven by advances in treatment technologies	<ul style="list-style-type: none"> Continuous promotion of R&D in collaboration with clinical settings and research institutions Product development to enhance treatment safety, reproducibility, and success rates Advancement and refinement of existing products, focusing on cryopreservation-related technologies Exploration of new products and applications with future needs 	<ul style="list-style-type: none"> Expansion of market share through increased trust from clinical settings Improvement profitability through the expansion of high value-added products Strengthening of competitive advantages based on technological capabilities Advancement of a business portfolio supporting mid- to long-term growth
Ensuring Quality and Safety (Assurance of Reliability)	(Risks) Erosion of brand value due to quality issues or supply disruptions Business impact resulting from non-compliance with regulatory and certification requirements (Opportunities) Strengthened trust from healthcare professionals through high quality and stable supply Establishment of competitive advantage through quality-driven differentiation	<ul style="list-style-type: none"> Maintenance and enhancement of a rigorous quality control and quality assurance systems Stabilization of quality and strengthening of supply capacity through improvements of manufacturing processes Reliable compliance with regulatory and certification requirements in each country, along with continuous improvement Thorough implementation of traceability and risk management 	<ul style="list-style-type: none"> Enhancement of brand value through stable supply and high quality Strengthening of entry barriers supported by regulatory compliance capabilities Improvement of business continuity through reduction of supply risks Reinforcement of long-term relationships with medical institutions
Respect for Human Rights and the Promotion of Diversity, Equity, and Inclusion (DE&I)	(Risks) Weakening of the business foundation due to challenges in securing and retaining talent Decline in social reputation resulting from the emergence of labor and human rights issues (Opportunities) Enhanced organizational capability and creativity through the active participation of diverse talent Strengthened employee engagement through improved job satisfaction	<ul style="list-style-type: none"> Promotion of fair evaluation and career advancement based on DE&I Principles Talent development and educational investment to enhance professional expertise Strengthening of occupational safety, health, and well-being-oriented management Fostering an organizational culture that balances job satisfaction with personal growth 	<ul style="list-style-type: none"> Organizational stability through improved employee retention Enhanced innovation capabilities driven by diverse perspectives Improvement of business efficiency through increased productivity Strengthening of human capital foundation to support sustainable growth
Reducing Environmental Impact and Establishing Sustainable Production and Supply Chain	(Risks) Increase in business costs due to climate change and stricter environmental regulations Emergence of supply risks resulting from supply chain disruptions (Opportunities) Enhanced social evaluation and trust through environmentally conscious management Mid- to long-term cost reductions through efficiency improvements and resource conservation	<ul style="list-style-type: none"> Promotion of climate change initiatives in line with TCFD recommendations Reduction of environmental impact through energy conservation and resource circulation Improvement of manufacturing processes and facilities with a focus on environmental considerations Strengthening of responsible supply chain management 	<ul style="list-style-type: none"> Acquisition of social trust and enhanced reputation through strengthened environmental responsiveness Mid- to long-term cost improvements through energy conservation and efficiency Improvement of supply stability through strengthening of the supply chain Strengthening of business continuity through the mitigation of environmental risks
Strengthening Corporate Governance and Compliance	(Risks) Erosion of corporate value due to governance failures or legal and regulatory violations Decline in market trust resulting from insufficient information disclosure (Opportunities) Enhanced evaluation from investors and society through highly transparent management Improved management stability through strengthened risk management	<ul style="list-style-type: none"> Enhancement of the effectiveness of the Board of Directors and committee functions Strengthening of enterprise-wide risk management and internal control systems Thorough compliance education and awareness-raising initiatives Promotion of timely, appropriate, and highly transparent information disclosure 	<ul style="list-style-type: none"> Building trust from capital markets through enhanced management transparency Improvement of management stability through strengthened risk management Sustainable growth of corporate value through enhanced quality of decision-making Strengthening of mid- to long-term relationships with shareholders and investors
Contribution to Local Communities and Future Generations	(Risks) Deterioration of corporate image due to insufficient response to social expectations Impact on business foundation resulting from weakened relationships with local communities (Opportunities) Enhancement of corporate value through strengthened trust with local communities and future generations Increased brand value through contributions to the resolution of social challenges	<ul style="list-style-type: none"> Continued social contribution activities in collaboration with local communities Engagement in educational and awareness-raising initiatives supporting future generations Creation of social value through promoting understanding of fertility medicine Building trust-based relationships through dialogue with society 	<ul style="list-style-type: none"> Enhancement of brand value through accumulated social trust Stabilization of business foundation through strengthened stakeholder relationships Improvement of corporate evaluation through contributions to the resolution of social challenges Strengthening of mid- to long-term business continuity and reputation

Management Capitals

Management Capitals			
	Positioning of Each Capital	Strategic Directions for Each Capital	KPIs and Quantitative Performance Indicators (Actual Results)
Financial Capital	<ul style="list-style-type: none"> Financial foundation that supports business growth and stable management Driving force that enables investment in R&D, capital expenditures, and human capital Foundational capital underpinning medium- to long-term corporate value creation 	<ul style="list-style-type: none"> Creation of stable cash flows through enhanced earning power Capital allocation that balances growth investment with financial soundness Improvement of capital efficiency from a medium- to long-term perspective 	<ul style="list-style-type: none"> Consolidated Net Sales: ¥10.3 billion Operating Profit Margin: 56.1%
Manufactured Capital	<ul style="list-style-type: none"> Production infrastructure supporting high quality and stable supply Source of competitive advantage through integrated domestic manufacturing Critical infrastructure that ensures business continuity 	<ul style="list-style-type: none"> Advancement of high-precision manufacturing through a combination of automation and skilled manual processes Continuous enhancement of production capacity and supply capabilities Capital investment that achieves both quality excellence and operational efficiency 	<ul style="list-style-type: none"> Production Volume: 6.3 million units Defect Rate: 2%
Intellectual Capital	<ul style="list-style-type: none"> Accumulation of technological capabilities and know-how in the field of reproductive medicine Foundation for creating differentiated products and services Source of medium- to long-term competitiveness 	<ul style="list-style-type: none"> Promotion of R&D in collaboration with clinical settings Advancement of technologies centered on cryopreservation-related fields Strategic utilization of intellectual property and accumulated know-how 	<ul style="list-style-type: none"> Number of Patents Held (Japan): 22 Number of R&D Projects: 15
Human Capital	<ul style="list-style-type: none"> The most important management resource at the core of value creation Foundation that supports competitiveness through expertise and diversity Human foundation that sustains continuous business growth 	<ul style="list-style-type: none"> Human resource development aimed at enhancing professional expertise Promotion of diversity, equity, and inclusion (DE&I) and fair evaluation and advancement practices Strengthening of occupational safety, health, and well-being management 	<ul style="list-style-type: none"> Employee Turnover Rate: 28.1% (including contract, part-time, and temporary employees) Average Annual Training Hours per Employee: 25 hours
Social and Relationship Capital	<ul style="list-style-type: none"> Trusted relationships with medical institutions and distributors Connections with local communities and stakeholders External networks that support business sustainability 	<ul style="list-style-type: none"> Building long-term partnerships with medical institutions and distributors Contributions to local communities and future generations Strengthening dialogue and engagement with stakeholders 	<ul style="list-style-type: none"> Number of Joint and Contracted Research Projects: 10 Number of Distributors: 192
Natural Capital	<ul style="list-style-type: none"> Environmental resources that support business activities Foundation enabling sustainable manufacturing Important factor influencing social trust and corporate credibility 	<ul style="list-style-type: none"> Climate change initiatives aligned with the TCFD recommendations Promotion of energy conservation and resource circulation Manufacturing activities with a focus on reducing environmental impact 	<ul style="list-style-type: none"> CO₂ Emissions (Energy-related): 285t-CO₂ Water Consumption: 2,230 m³

Research and Development (R&D)

In the highly advanced and specialized field of fertility treatment, our mission is to create products and technologies that address the genuine challenges faced by clinical settings and patients alike.

Our research and development efforts go beyond the mere creation of new products; they form the core of our value creation by directly contributing to improved treatment outcomes, reducing the burdens on healthcare professionals, and enhancing patients' quality of life (QOL).



Basic R&D Policy

Our R&D strategy is built on three pillars: (1) in-house development, (2) integration of external technologies, and (3) maximization of the value of existing products through Product Life Cycle Management (PLCM). Through these approaches, we continuously work to expand and strengthen our R&D pipeline.

By starting with feedback from clinical settings and implementing an integrated process—from product concept planning through design, evaluation, and improvement—we promote the development of products that combine practicality and originality.

Focus Areas and R&D Themes

We position the development of products and technologies that support each stage of reproductive medicine—collection, fertilization, culture, cryopreservation, thawing, and transfer—as a core focus of our R&D activities. In particular, in the fields of cryopreservation and intracytoplasmic sperm injection (ICSI)-related products, we have pursued improvements in operability, safety, and reproducibility, thereby contributing to the stabilization of treatment outcomes. In addition, by paying close attention to the specific challenges and inconveniences encountered in clinical settings, we continuously work to maximize the value of

existing products through Product Life Cycle Management (PLCM), including product refinements and the development of peripheral tools. This approach embodies our R&D philosophy of standing close to both patients and healthcare professionals.

Technological Foundations Supporting Our Differentiation

The foundation of our R&D activities lies in the material design technologies, precision processing technologies, reagent formulation expertise, and quality evaluation know-how that we have cultivated over many years. By integrating these technologies, we create high-quality, high-value-added products that meet the exacting standards of clinical settings.

Furthermore, by leveraging the strengths of our integrated domestic production system, we enable close collaboration among R&D, manufacturing, and quality assurance functions. This approach allows us to incorporate considerations for mass production and stable supply from the earliest stages of product development.

Open Innovation and External Collaboration

We enhance the sophistication and speed of our R&D activities through collaboration with medical institutions, research organizations, and partner companies both in Japan and overseas. By actively incorporating insights gained from clinical settings and cutting-edge research and integrating them with our in-house technologies, we create new value and drive innovation.

R&D Framework with a Global Perspective

To respond to the growing demand for fertility treatment worldwide, we promote R&D that takes into account regulatory requirements and medical practices specific to each country and region. By incorporating design principles based on compliance with international standards and local regulations, we aim to enhance our competitiveness and reliability in global markets.



Supply Chain and Quality Assurance

As a manufacturer of medical devices and reagents specializing in fertility treatment, we regard the stable supply of safe, high-quality products as one of our most critical management priorities and as a foundation that supports innovation. Our initiatives in supply chain management and reliability assurance, grounded in the trust placed in us by clinical settings and patients, serve as core functions that support value creation through R&D and sales activities.



Basic Policy Supporting Safety, Quality, and Stable Supply

We place the highest priority on product quality and safety, and operate a supply chain based on an integrated domestic production system. As our products are used at every stage of fertility treatment—including oocyte retrieval, fertilization, culture, cryopreservation, and embryo transfer—and directly impact treatment outcomes, we implement rigorous quality control across all stages of manufacturing, storage, and transportation.

Enhancement of Reliability Assurance Systems

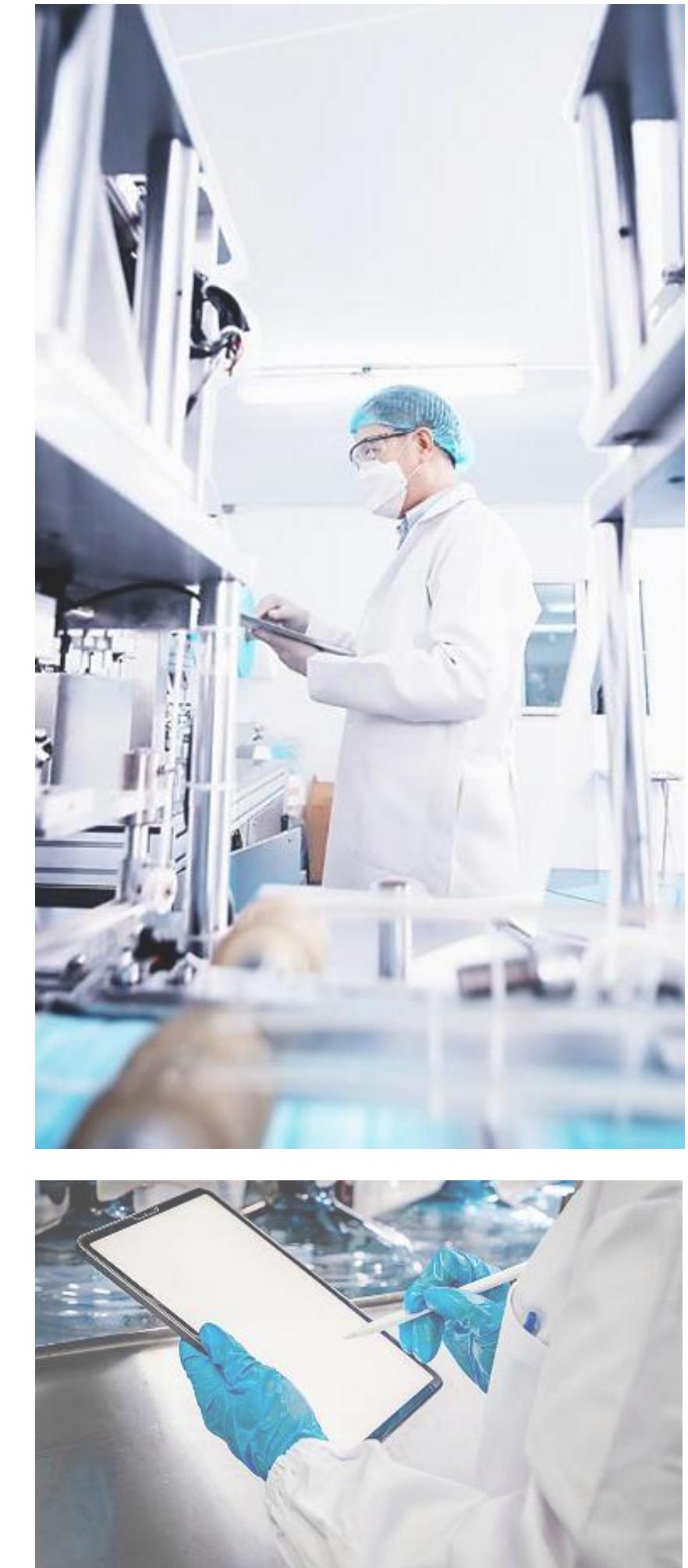
We are advancing the development of reliability assurance systems that comply with regulatory requirements and guidelines across different countries and regions. From the stages of product design and manufacturing through post-market activities, we centrally manage quality and safety information and ensure its prompt and accurate provision to clinical settings. In addition, to respond to the increasing diversity of our products and technologies, we continuously review our procedures and management frameworks, striving to achieve both robust quality assurance and operational efficiency.

Building a Resilient Supply Chain

Amid increasing business continuity risks such as natural disasters and changes in the global geopolitical environment, we are working to build a highly resilient supply chain. Through stable procurement of raw materials, production systems designed with redundancy in mind, and the maintenance of appropriate inventory levels, we fulfill our responsibility to ensure a reliable supply to clinical settings. For products requiring strict temperature control, we have established logistics systems that ensure delivery to medical institutions while maintaining product quality, and we are actively working to reduce transportation-related risks.

Collaboration with R&D and Sales Functions

The supply chain and reliability assurance functions work in close collaboration with the R&D and sales teams to design quality and supply frameworks from a consistent, end-to-end perspective—from product planning through market supply. By reflecting feedback from clinical settings and actual product usage into manufacturing and quality management, we continuously enhance product value.



Sales and Marketing

As a medical device and reagent manufacturer specializing in the field of fertility treatment, we contribute to improving healthcare quality and enhancing patients' quality of life (QOL) by providing information and value propositions that accurately address the increasingly diverse and sophisticated needs of clinical settings. Our sales and marketing activities go beyond delivering products; they play a vital role in the value-creation process by serving as a bridge between clinical settings and our Company.



Information Provision Based on Patient Centricity

We place the concept of patient centricity at the core of our sales activities, supporting healthcare professionals in providing optimal treatment tailored to each patient. Recognizing that fertility treatment places significant physical and emotional burdens on patients, we emphasize not only the provision of product information, but also information that takes into account the entire treatment process, as well as guidance on proper use and safety.

Hybrid Sales Approach Integrating Digital and In-Person Engagement

As information-gathering methods among healthcare professionals become increasingly diverse, we have established a hybrid information delivery framework that combines digital channels with in-person sales activities. By integrating timely information provision through our website and online content with attentive, face-to-face dialogue, we enable optimal communication tailored to the needs of a wide range of professionals, including physicians and embryologists.

Sales Structure Designed to Respond Swiftly to Customer Needs

To accurately understand and respond promptly to the needs of individual medical institutions, we have established a sales structure tailored to the characteristics of each region. By supporting medical institutions through team-based sales efforts involving multiple representatives, we enable continuous and stable information provision, even during product launches and the dissemination of new technologies. In addition, sales activities are supported by professionals with specialized expertise in products and disease areas, enabling us to deliver higher value-added proposals to clinical settings.

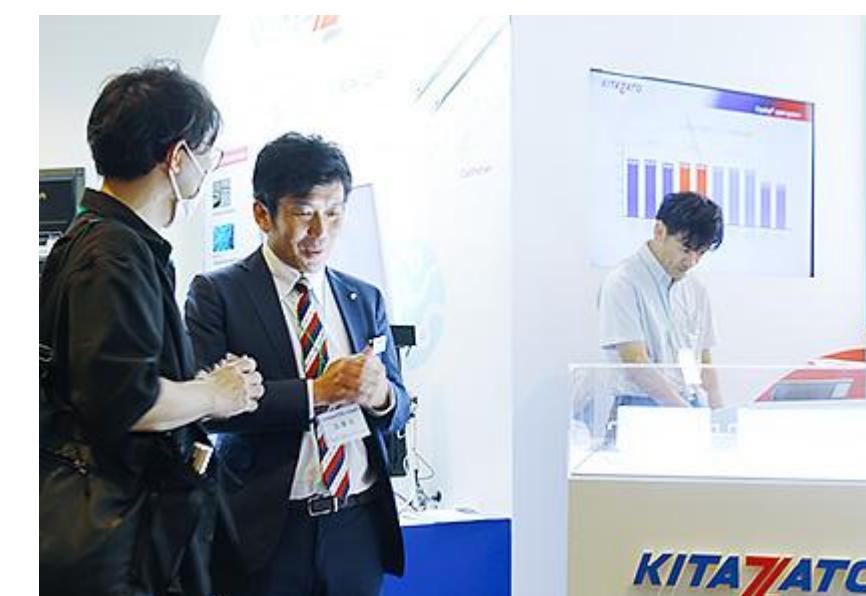
Enhancing Sales Capabilities through Human Capital Development

We believe that enhancing the expertise and communication skills of each sales representative leads to the building of trusted relationships and the creation of value. In addition to deepening knowledge of products and treatment practices, we focus on strengthening customer understanding through the use of digital tools, enhancing data-driven proposal capabilities, and developing communication skills that help identify and address challenges faced in clinical settings.



Collaboration with R&D and Manufacturing Functions

Feedback and challenges gathered from clinical settings through our sales activities are shared with our R&D, manufacturing, and quality assurance functions, where they are utilized for product improvements and the development of new products. Through this cross-functional collaboration, we continuously generate innovations that are closely aligned with market needs.



Human Capital Development and the Promotion of Well-being

As a medical device and reagent manufacturer specializing in the field of fertility treatment, we believe that our people are the most important management capital supporting our highly specialized business. The high-quality products and services that earn the trust of clinical settings are created through the expertise, initiative, and empathy of each employee. We position human capital as the driving force of sustainable growth and are committed to creating an environment in which diverse talent can take on challenges with confidence and fully demonstrate their capabilities. Human capital management lies at the core of our mid- to long-term growth strategy. We aim to remain a “company of choice” while also developing “employees of choice” who continue to grow alongside the company.

Overview of Our Human Capital Strategy

Our basic policy is to foster organizational growth by building a relationship of mutual trust between “self-directed employees” and “a company that supports self-directed employees.” To put this policy into practice, we have defined the following three themes as the pillars of our human capital strategy.

1. Fair, role-based treatment aligned with responsibilities and performance, and the promotion of proactive career development and optimal talent placement
2. Building an organization with a high level of psychological safety
3. Realization of flexible working styles

Realization of Role-, Responsibility-, and Performance-Based Treatment

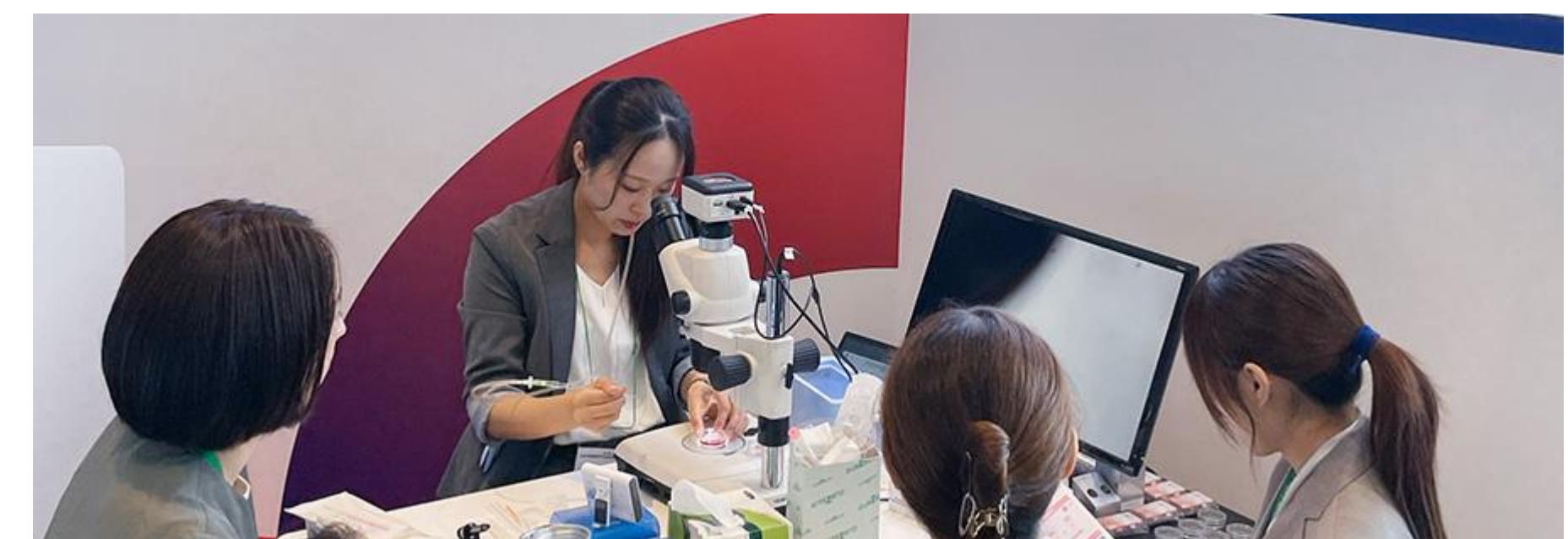
We are advancing the development of evaluation and compensation systems based on roles, responsibilities, and performance, regardless of age or personal attributes. Through ongoing reviews of our compensation and human resource systems, we are creating an environment in which employees clearly understand their roles and are encouraged to take on challenges with a strong sense of ownership and conviction. In addition, for skills essential to future business growth such as global capabilities and digital competencies we have defined progressive talent profiles. This enables each employee to understand their current position and clearly identify the steps required for their individual growth.

Building an Organization with High Psychological Safety

We are committed to creating a workplace environment in which employees feel respected and supported, enabling them to work with confidence while maintaining both physical and mental well-being. By respecting flexible working styles that align with individual values and life stages, and by promoting the use of paid leave and diverse work arrangements, we strive to foster an organizational culture that balances productivity with work-life balance. In addition, through the promotion of health-oriented management, we strengthen employees’ health literacy and preventive initiatives. These efforts contribute to enhanced well-being and help create a psychologically safe environment where employees can speak up, take on challenges, and continue to grow—thereby supporting sustainable corporate growth.

Realization of Flexible Working Styles and Well-being

We respect flexible working styles that align with the diverse values and life stages of each employee, and are committed to creating an environment in which employees can continue to work in good physical and mental health. Through initiatives such as promoting the use of paid leave and enhancing a variety of work arrangements, we aim to achieve both improved work-life balance and higher productivity. In addition, by promoting health-oriented management, we are strengthening employees’ health literacy and preventive initiatives, thereby linking the enhancement of well-being to sustainable corporate growth.



Contribution to Local Communities and Future Generations

As a medical device and reagent manufacturer specializing in the field of fertility treatment, we position the resolution of social challenges through our business activities and coexistence with local communities as important management priorities. As a company that supports the advancement of healthcare, we place respect for human rights at the foundation of our management, and aim to remain a trusted member of society by building continuous relationships with local communities and future generations.



Respect for Human Rights

We respect internationally recognized human rights principles and ensure due consideration for human rights across all aspects of our business activities. Our initiatives to respect human rights are promoted with the involvement of top management, and we have established a framework under which important matters are discussed and reported at the management level.

Promotion of Human Rights Due Diligence

To prevent and mitigate adverse impacts on human rights, we have incorporated the concept of human rights due diligence into our business practices. We identify and assess potential human rights risks arising from our business activities and supply chain, implement appropriate mitigation measures, and continuously monitor and verify the effectiveness of these efforts.

Key Human Rights Issues and Initiatives

We recognize patient safety, the development of a safe and healthy workplace, the prohibition of discrimination and promotion of diversity, and responsibility for a stable supply as key human rights issues. To address these issues appropriately, we are advancing initiatives such as establishing internal regulations, implementing training and awareness-raising programs, and providing consultation and reporting channels.

Contribution to Local Communities and Culture

Community-Based Social Contribution Activities

We value our connections with the communities in which our headquarters and other sites are located, and continue to engage in activities that contribute to the preservation of local culture and the natural environment. These community-based initiatives not only enhance employees' awareness of social participation but also help strengthen our credibility and trust as a company.

Initiatives to Preserve Cultural and Natural Heritage

To pass on local culture, history, and natural resources to future generations, we engage in coexistence with local communities through conservation and awareness-raising activities.

Employee-Led Social Contribution Activities

Through employee volunteer initiatives, we connect our corporate activities with social contribution. By encouraging employees to participate proactively, we foster a mindset in which social issues are recognized as personal matters, while also contributing to the development of a strong and shared corporate culture.

Contributing to the Future of Children

Initiatives for the Development of the Next Generation

We regard supporting children who will lead the next generation as one of our important social responsibilities. Through initiatives in areas such as healthcare, education, and reading experiences, we work to support children's healthy development and help enrich their emotional well-being.



Initiatives for Environmental Protection

As a medical device and reagent manufacturer specializing in the field of fertility treatment, we regard reducing environmental impact through our business activities and contributing to the realization of a sustainable society as important responsibilities. As a company that supports the advancement of healthcare, we position initiatives for environmental protection—such as addressing climate change and promoting resource circulation—as key management priorities, while ensuring a stable supply and maintaining high standards of quality.

Governance and Promotion Framework

To advance sustainability management, including responses to environmental issues, we have established a framework with the involvement of top management. Key environmental matters are regularly reviewed and discussed at the management level, and the progress and challenges of related initiatives are continuously monitored. Through this approach, we promote environmental initiatives in close alignment with our business strategy.

Climate Change Initiatives Based on the TCFD Recommendations

We recognize the impact of climate change on our business activities as a significant management risk and opportunity. In line with the TCFD recommendations, we are identifying and organizing climate-related risks and opportunities, assessing their potential impacts on our business, and advancing the development of response measures as well as the enhancement of related disclosures.

We address climate-related issues in a structured manner from the perspectives of governance, strategy, risk management, and metrics and targets.

Initiatives to Reduce Greenhouse Gas Emissions

We position the reduction of greenhouse gas (GHG) emissions associated with our business activities as one of our key environmental issues. We are working to reduce emissions by promoting energy-saving measures and considering the use of renewable energy sources. In addition, from a supply chain-wide perspective, we are pursuing initiatives to reduce emissions in collaboration with our business partners.

Promotion of Resource Circulation

Recognizing that natural capital is finite, we are advancing initiatives aimed at the efficient use of resources and the realization of a circular economy.



With regard to waste generated through our business activities, we adhere to the principles of the 3Rs-reduction, reuse, and recycling-and promote them through waste minimization and proper disposal. At our production sites and offices, we promote strict waste separation and recycling, while also enhancing resource efficiency through internal reuse initiatives.

Conservation of Biodiversity

We place importance on achieving harmony between our business activities and the natural environment, and are committed to the conservation of biodiversity. Through research activities and awareness-raising initiatives, we contribute to the conservation of beneficial and rare plant species, while also promoting environmental awareness among our employees and local communities.



Conservation of Water Resources

In the manufacturing of medical devices and reagents, securing a stable water supply and using water efficiently are essential. We regard the reduction and proper management of water consumption as important issues, and are working to review production processes and promote water reuse. Based on water risk assessments, we are advancing water resource management initiatives with a long-term perspective to help ensure business continuity.

Strengthening Governance

Guided by its corporate philosophy, "Happiness, for the Next Generations — Bringing Smiles to New Generations," Kitazato Corporation regards compliance with laws and regulations and the upholding of corporate ethics as its highest priorities in business operations.

As a medical device manufacturer engaged in the field of fertility treatment, the Company promotes sound and highly transparent corporate activities in order to meet the trust and expectations of patients, healthcare professionals, and society.

Corporate Governance Structure

The Company has adopted a corporate structure with a Board of Corporate Auditors, with the objective of maintaining a management system that ensures transparency in management and enables prompt and flexible decision-making. This is achieved through strict audits by the Corporate Auditors regarding the legality of the Directors' decision-making and execution of business.

In addition, the Company believes that the objective and neutral perspectives of the Outside Directors, who are independent from the Company, contribute to rational business judgment as well as the transparency and soundness of management. Furthermore, the effectiveness of corporate governance is ensured through the monitoring and supervision of management by the Corporate Auditors, including the Outside Corporate Auditors, who are independent from the Company. The Company has therefore adopted the current governance structure.

Risk Management and Internal Control

The Company continuously strengthens its risk management framework to effectively identify and manage risks arising from changes in the business environment. It regards quality, regulatory compliance, information security, and supply chain issues as key management risks, and takes proactive measures to prevent them while ensuring swift responses. Through its internal control system, the Company also ensures that operations are conducted appropriately and efficiently, providing a foundation for sound and reliable business management.

Disclosure and Dialogue with Stakeholders

The Company recognizes that constructive dialogue with shareholders and investors contributes to further strengthening corporate governance and, ultimately, to the enhancement of medium- to long-term corporate value. The Company regularly monitors its shareholder composition and, to

the extent possible, responds to requests for dialogue, while also providing opportunities for constructive discussions.

Compliance and Ethics

The Company is committed to conducting its business in accordance with rigorous ethical standards. Through ongoing compliance training for officers and employees and by ensuring that all employees are well-informed of the Code of Conduct, the Company works to prevent misconduct and compliance violations before they occur. In addition, the Company has established an internal reporting system, enabling prompt response should any issues arise.

Executive Compensation System

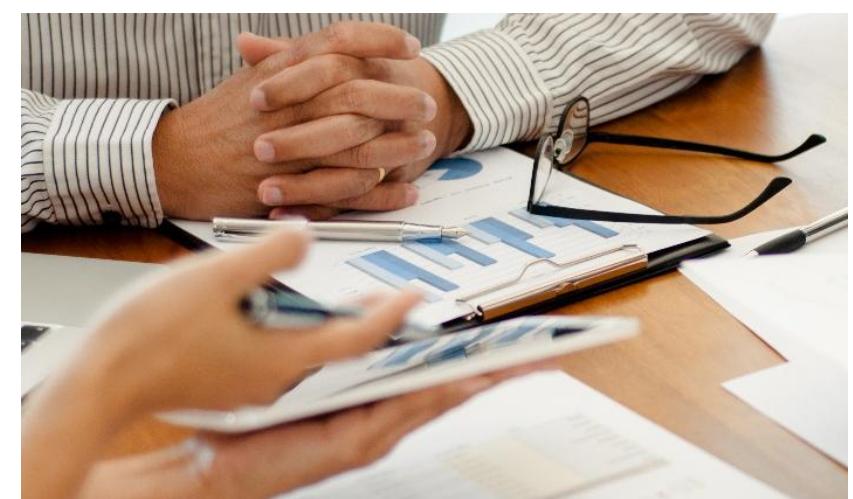
Basic Policy on Director Compensation

To enhance the transparency and objectivity of the nomination and dismissal processes for directors, the Company has established a voluntary Nomination and Compensation Committee to serve as an advisory body to the Board of Directors. The Committee is chaired by an independent outside director and composed of a majority of outside directors. The Nomination and Compensation Committee establishes, verifies, and reviews as necessary the directors' compensation table, which defines the structure, amounts, and ratios of compensation, as well as the bonus calculation criteria. Under the bonus calculation criteria, actual payments are determined by reflecting, at a certain ratio according to position, the degree of achievement against company-wide performance targets—

such as net sales, operating profit, profit before income taxes, and operating cash flow—and divisional performance targets. In establishing and reviewing these tables and criteria, the Committee takes into consideration compensation levels and structures at other companies and the Company's position, with the aim of securing highly qualified management personnel and providing appropriate compensation.

Training for Directors and Corporate Auditors

The Company provides directors and Corporate Auditors with training and information as necessary to appropriately fulfill their roles and legal responsibilities. When directors and Corporate Auditors assume their positions, relevant internal departments provide explanations regarding the Company's business, financial position, organizational structure, and other matters, as well as the roles and legal responsibilities expected of directors and Corporate Auditors. After assuming office, the Company also provides, as needed, training sessions, briefings on amendments to laws and regulations, management challenges, and on-site visits.



Compliance and Risk Management

Guided by its corporate philosophy, “Happiness, for the Next Generations — Bringing Smiles to New Generations,” Kitazato Corporation regards compliance with laws and regulations and the upholding of corporate ethics as its highest priorities in business operations.

As a medical device manufacturer engaged in the field of fertility treatment, the Company promotes sound and highly transparent corporate activities in order to meet the trust and expectations of patients, healthcare professionals, and society.

Initiatives to Promote Compliance

The Company requires all directors and employees to comply with laws and regulations, internal rules, and social norms, and to act with integrity and fairness. In addition, to strengthen compliance, the Company conducts regular training and awareness-raising activities to enhance compliance awareness across the entire organization.

Compliance Framework

The Company has established a Risk Management and Compliance Committee, chaired by the President and CEO, to review and oversee company-wide risk and compliance initiatives. In each department, managers take the lead in ensuring proper business operations and implementing measures to mitigate risks.

Internal Whistleblowing System

The Company has established an internal whistleblowing system, which can be used anonymously, to detect and address suspected misconduct or violations of laws and regulations at an early stage. The Company ensures the protection of whistleblowers and has put in place measures to prevent them from being treated unfairly.

Harassment Prevention

The Company has established rules to prevent harassment and conducts training for managers as well as awareness-raising activities to create a safe and supportive work environment. The Company respects the human rights and dignity of each employee and promotes the development of a sound corporate culture.

Anti-Corruption and Fair Business Practices

The Company does not engage in any acts that could lead to corruption, including bribery, improper provision of benefits, or insider trading.

The Company complies with domestic and international laws and industry standards, and emphasizes transparency and fairness in its relationships with business partners.

Risk Management

The Company continuously identifies and assesses risks associated with its business activities and develops preventive measures. In the event of a significant risk, the Company, led by the relevant Committee, takes prompt action and ensures thorough implementation of measures to prevent recurrence.

(Governance Structure)

Board of Directors

Risk Management and Compliance Committee

Officers and Employees

Employee Consultation Form

Internal Contact

Internal Contact

External Contact (via Legal Counsel)

Our Mission

Happiness, for the Next Generations

Our dream is to pass happiness to the next generations.

Kitazato Corporation support family dream of having a baby with our solutions in assisted reproduction. Imaging family smile with a baby in their arms give us spirit of challenge in developing new technologies.

We put value on customer voice for our innovation, and continuous improvement on product is our responsibility for a better treatment.

Corporate Philosophy

- 1 Kitazato is a company that makes a better future with customers. We always make challenges, produce fine results and aim to meet customer expectation.
- 2 We answer to customers demand with modesty, and correspond fast and accurately to their needs. We believe this is how to establish trusts with our customers.
- 3 With our quality products and advanced technology, we deliver comfort, peace of mind and healthy births for mothers who will go under the treatment.
- 4 We devote in our work with the feeling of gratitude and contribute to the society as a part of the community.
- 5 There is no border in medical. Our global activities are with our pride and modesty as a Japanese company.

Kitazato Corporation

Established	April 3, 2007
Representative	President, CEO Futoshi Inoue
Capital	10 million yen (Fiscal year ended March 31, 2025)
Head office	100-10 Yanagishima, Fuji, Shizuoka
Deployment of Bases	Tokyo (Shibadaimon), USA (New Jersey), Europe (Scheduled for establishment)
Number of employs	200 people (as of the end of March 2025) *76 full-time employees, 124 temporary employees (contract employees, dispatched employees, part-time)
Description of business	Development, manufacturing, and sales of products related to fertility treatment (Consumables such as egg retrieval needles, catheters, and media)
Certification	ISO 9001, ISO 13485, ISO 14001, ISO27001, FDA, CE, CFDA, PMDA, etc.

Subsidiaries

Kitazato Bioscience Co., Ltd.	Established on December 22, 2008	Manufacturing and sales of components for medical devices
Kitazato Biolaboratory Co., Ltd.	Established on February 24, 2016	Genetic Diagnostics Test Service
Kitazato Healthcare Co., Ltd.	Established on June 8, 2011	Sales of medical devices for the elderly
Kitazato Cryobank Co., Ltd.	Established on March 18, 2022	Provision of contract management services for biological cells
Kitazato America, Inc.	Established on June 9, 2023	Sales of products in the United States
Kitazato Europe	Scheduled for establishment in 2025	Sales of products in Europe



 Director

President, CEO
Futoshi Inoue
MBA, Pharm.D., Ph.D.

Founder of the company. In addition to founding and developing the company group, including Kitazato Corporation, he has enhanced the group's corporate value by promoting fertility treatment, building relationships with medical professionals, advancing product development, and pursuing overseas expansion.
In his current position since 2007, he also serves as the representative director of group companies.



**Managing Director,
Quality Assurance
Manager**
Kyoko Izumi

After working for manufacturers of outdoor goods and health foods, She became the Quality Assurance Manager of the company in 2021. Since then, she has consistently been involved in quality assurance, becoming a director in 2022 and assuming her current position in 2023.



**Director, Head of
Marketing and Sales**
Maki Ogawa
MBA

After working for an educational institution and a law firm, she joined the company in 2010. She has since been involved in global sales and marketing expansion, becoming a director in 2022 and assuming her current position in 2023. She also serves as a director of Kitazato America, Inc.



**Director,
Manufacturing
Manager**
Kazumi Shibata

After working for a pharmaceutical manufacturer and a resin manufacturer, she joined the company in 2013. She has been involved in quality control and manufacturing, becoming a director in 2022 and assuming her current position in 2023.



**Director, CFO
Head of Administrative
Department**
Masanobu Suzuki

After serving as an auditor and in management roles at automotive parts and optical equipment manufacturers, joined the company in 2024. Appointed Director and Head of Corporate Planning in April, and since October has overseen management functions, including Finance and Accounting, General Affairs and Human Resources, and Corporate Planning.

 Independent Director / Corporate Auditor

Independent Director

Makoto Shintani

Ignacio Bermejo

Shigenori Yamaguchi

Akihiro Ishizaka

Akio Sato

Full-time Corporate Auditor

Yasuhiro Tsunazawa

Outside Corporate Auditor

Shinsuke Kataoka

Tomoko Sano

✓ Communication with Stakeholders

As a medical device and reagent manufacturer specializing in the field of fertility treatment, the Company places great importance on dialogue with the diverse stakeholders that support its business activities. Through ongoing communication with shareholders and investors, employees, healthcare professionals and patients, business partners, and local communities, the Company accurately understands their expectations and requests and reflects them in its management and business activities, aiming to achieve sustainable corporate value enhancement.

Value Creation with Stakeholders

The Company considers its relationships with each stakeholder as a key foundation for value creation and engages in dialogue and provides information specific to each stakeholder.

Shareholders and Investors

In dialogue with shareholders and investors, the Company places importance on carefully explaining its management with consideration of capital costs and its sustainable growth strategy. Through timely and appropriate information disclosure and constructive dialogue, the Company aims to deepen understanding of initiatives that enhance corporate value over the medium to long term.

【Key Topics of Dialogue】

- Management strategy and medium-term management plan
- Business performance trends and financial policies
- Sustainability and ESG initiatives

【Channels and Opportunities for Dialogue】

- Financial results briefings and IR meetings
- Individual meetings and conference calls

Healthcare Professionals and Patients (Customers)

In communication with healthcare professionals and patients, the Company prioritizes safety and quality, providing appropriate information regarding its products and treatment processes. By incorporating feedback from medical sites into product improvements and the development of new products, the Company contributes to enhancing the quality of medical care.

【Key Topics of Dialogue】

- Product safety and effectiveness
- Information on proper use
- Challenges and needs of medical sites

【Channels and Opportunities for Dialogue】

- Academic conferences, seminars, and briefings
- Inquiry response and information provision activities

Business Partners and Suppliers

The Company places great importance on building fair and sound relationships with its business partners and suppliers. It shares its approach to ensuring stable supply,

maintaining high quality, and promoting sustainable procurement, aiming to foster mutually beneficial relationships that support shared growth.

【Key Topics of Dialogue】

- Quality and stable supply
- Sustainability and compliance

【Channels and Opportunities for Dialogue】

- Regular information sharing and exchanges of opinions
- Surveys and evaluation activities

Local Communities and the Environment

Coexistence with local communities and consideration for the environment are essential elements for the continuity of the Company's business. Through community-based social contribution activities and environmental conservation initiatives, the Company strives to build and maintain relationships of trust with society.

【Key Topics of Dialogue】

- Community engagement and response to social issues
- Reduction of environmental impact

【Channels and Opportunities for Dialogue】

- Community events and facility tours
- Participation in environmental and social initiatives

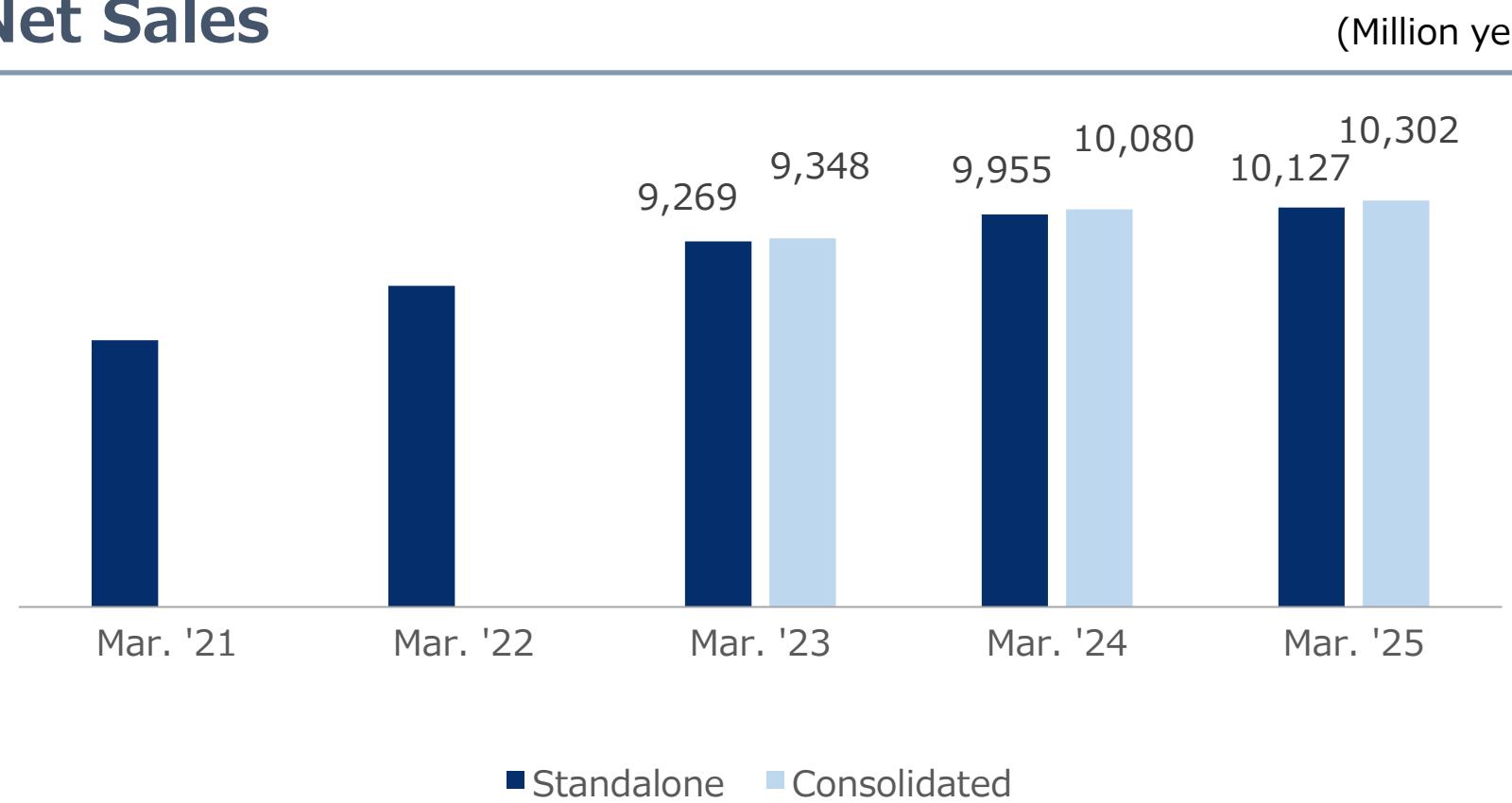
Enhancing Value through Communication

The Company places importance on using dialogue with stakeholders not merely as a means of information disclosure, but as a driver for improving its management and business activities. Going forward, the Company aims to strengthen relationships based on trust and grow together with society by enhancing the quality and transparency of its dialogue.

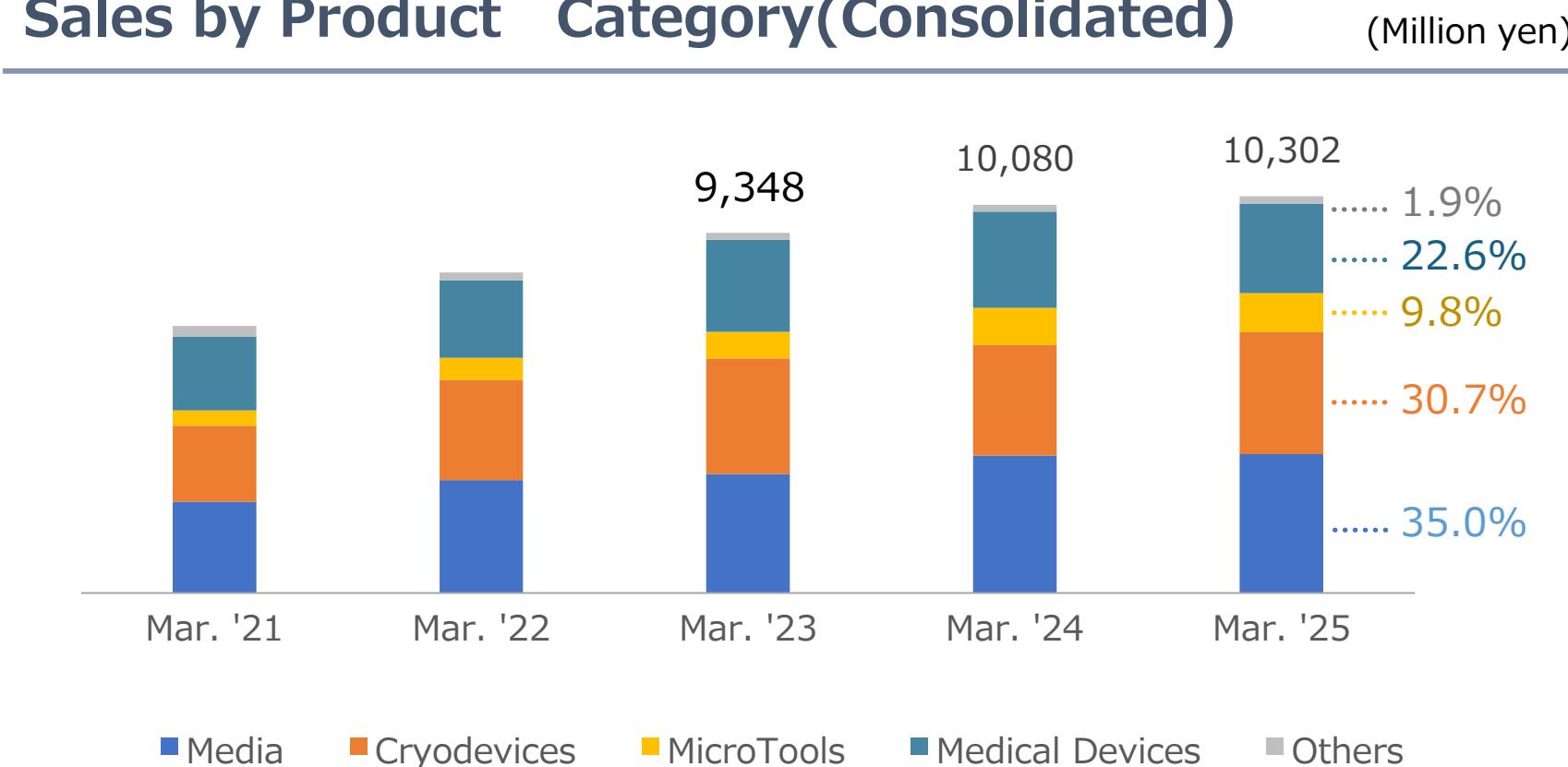


✓ Financial Performance Trends

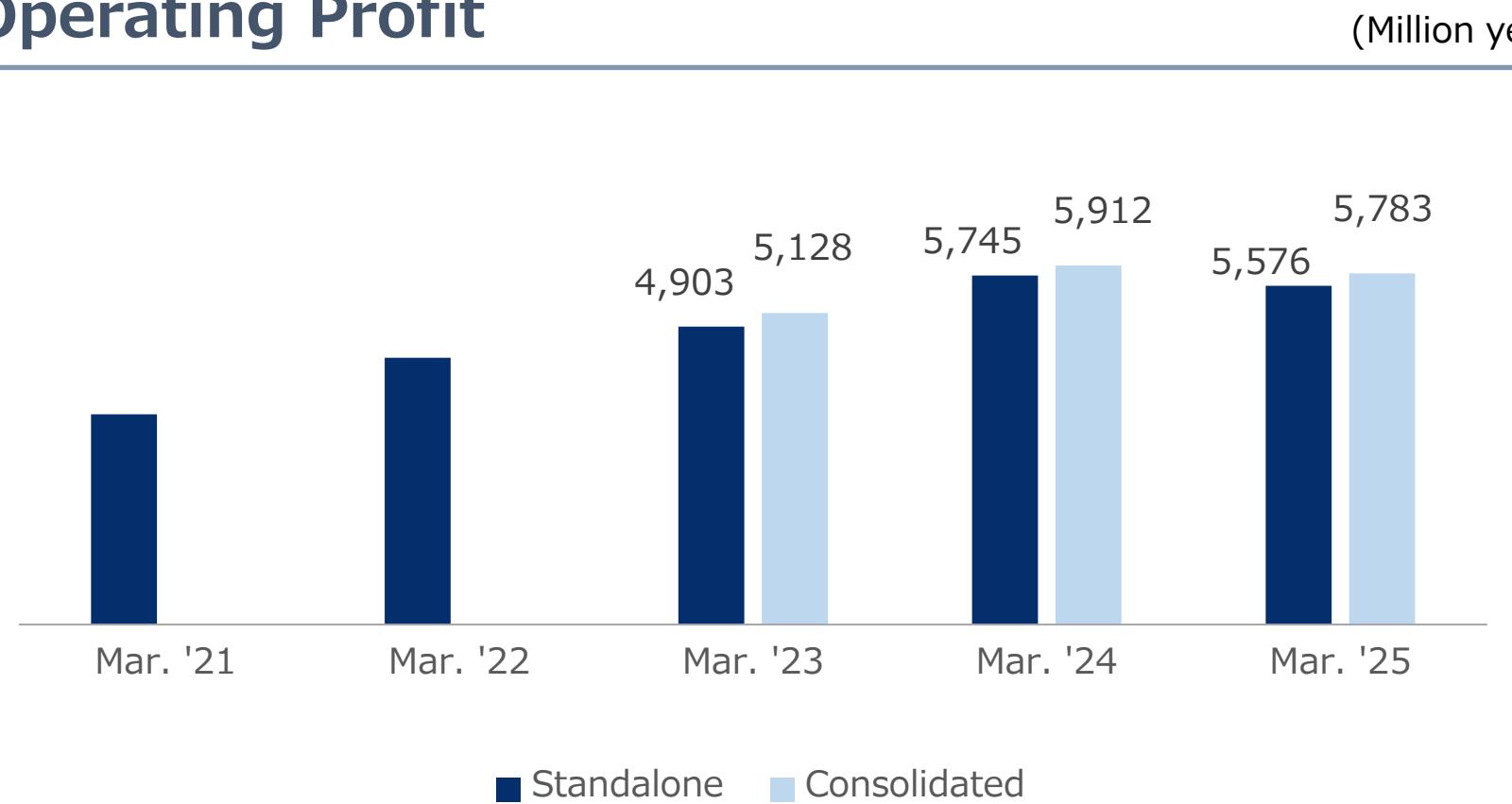
Net Sales



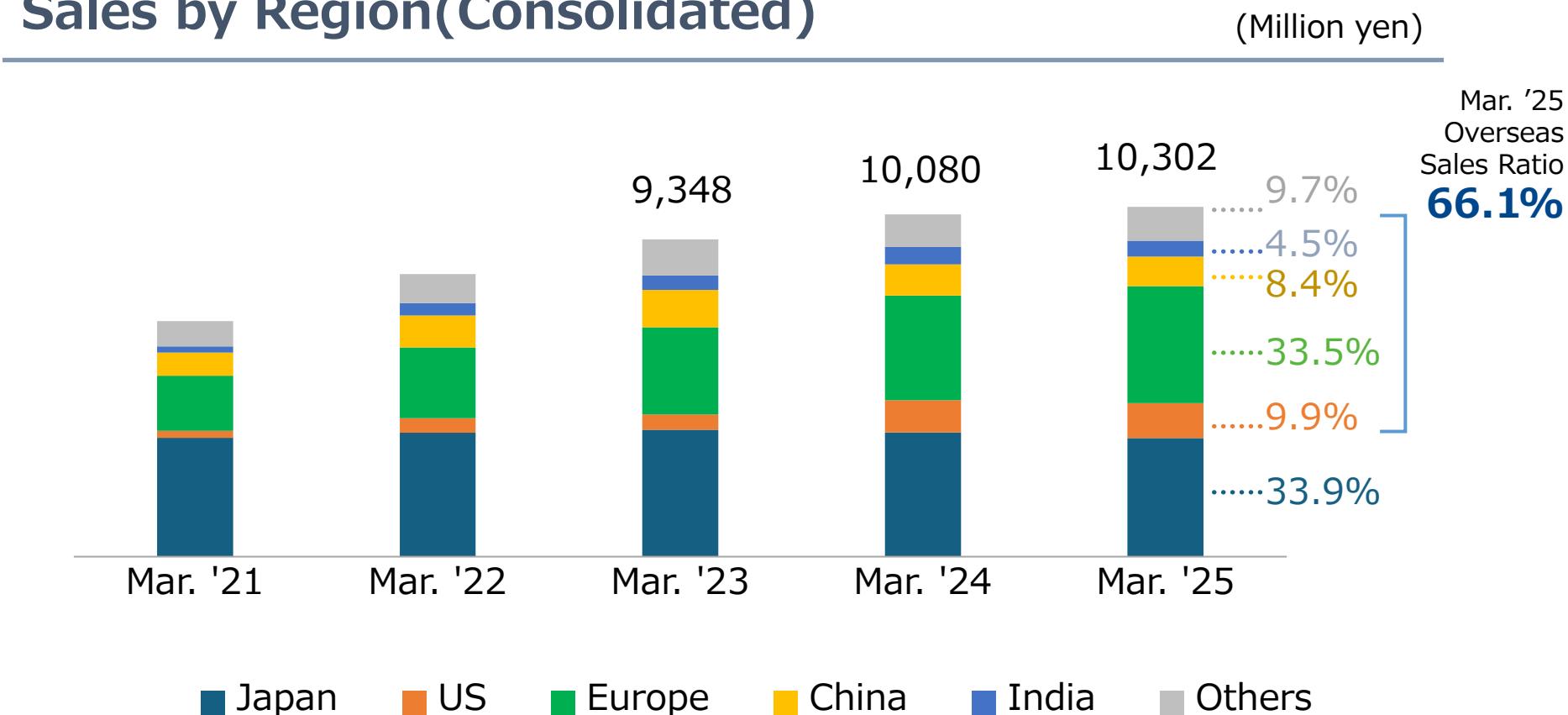
Sales by Product Category(Consolidated)



Operating Profit



Sales by Region(Consolidated)



✓ Statements of Income

	FY2024	FY2025	Change
Net sales	10,080	10,302	+2.2%
Cost of sales	3,040	3,327	+8.6%
Gross profit	7,040	6,974	-0.9%
Gross profit margin	69.8%	67.7%	-2.1ppt
Selling, general and administrative expenses	1,127	1,191	+5.4%
Operating profit	5,912	5,782	-2.2%
Operating profit margin	58.7%	56.1%	-2.6ppt
Ordinary profit	5,995	5,767	-4.0%
Ordinary profit margin	59.5%	56.0%	-3.5ppt
Net income before income taxes	5,995	5,741	-4.4%
Net income	3,972	3,788	-4.9%
Net income margin	39.4%	36.8%	-2.6ppt
ROE	26.4%	22.1%	-4.3ppt

✓ Balance Sheets

	2024.3	2025.3	増減
Current assets	13,711	14,835	+7.6%
Fixed assets	4,145	4,913	+15.6%
Total assets	17,857	19,748	+9.6%
Current liabilities	1,675	1,419	-18.0%
Fixed liabilities	121	79	-53.2%
Total liabilities	1,796	1,499	-19.8%
Net assets	16,060	18,249	+12.0%
Total liabilities and net assets	17,857	19,748	+9.6%
Equity ratio	89.9%	92.4%	+2.5ppt

✓ Statements of Cash Flows

	FY2024	FY2025	Change
Cash flows from operating activities	4,500	3,526	-27.6%
Cash flows from investing activities	△89	△880	-
Cash flows from financing activities	△2,072	△1,658	-
Cash and cash equivalents at end of period	10,474	11,460	+8.6%

✓ Non-Financial Information

	Item	Unit	FY2023	FY2024
Management	Total Number of Managers	Persons	16	19
	Number of Female Managers	Persons	10	11
	Ratio of Female Managers	%	62	57
Employees	Total Number of Employees *1	Persons	148	145
	Number of Female Employees *1	Persons	98	113
	Ratio of Female Employees *1	%	66	78
Recruitment	Average Age *1	Years	38.6	40.0
	Total Number of Hires *1	Persons	35	41
	Number of New Graduates Hired	Persons	0	1
	Number of Female New Graduate Hires	Persons	0	1
	Ratio of Female New Graduate Hires	%	0	100
	Number of Mid-career Hires	Persons	35	39

	Item	Unit	FY2023	FY2024
Recruitment	Recruitment (Gender)	Number of Mid-career Hires (Female)	Persons	24
		Ratio of Female Mid-career Hires	%	69
		All Employees *2	%	75.9
Gender Pay Gap	Gender Pay Gap	Regular Employees	%	83.2
		Non-regular Employees	%	102.4
		Number of Male Employees Taking	Persons	1
Childcare Leave	Childcare Leave	Ratio of Male Employees Taking	%	100
		Number of Female Employees Taking	Persons	7
		Ratio of Female Employees Taking	%	100

Notes

*1 Scope: Employees directly employed by the Company (including full-time, contract, and part-time employees)

*2 Scope: Among directly employed employees, excluding part-time workers; includes regular and contract employees



<https://www.kitazato.co.jp/en/>