

Integrated Report 2026



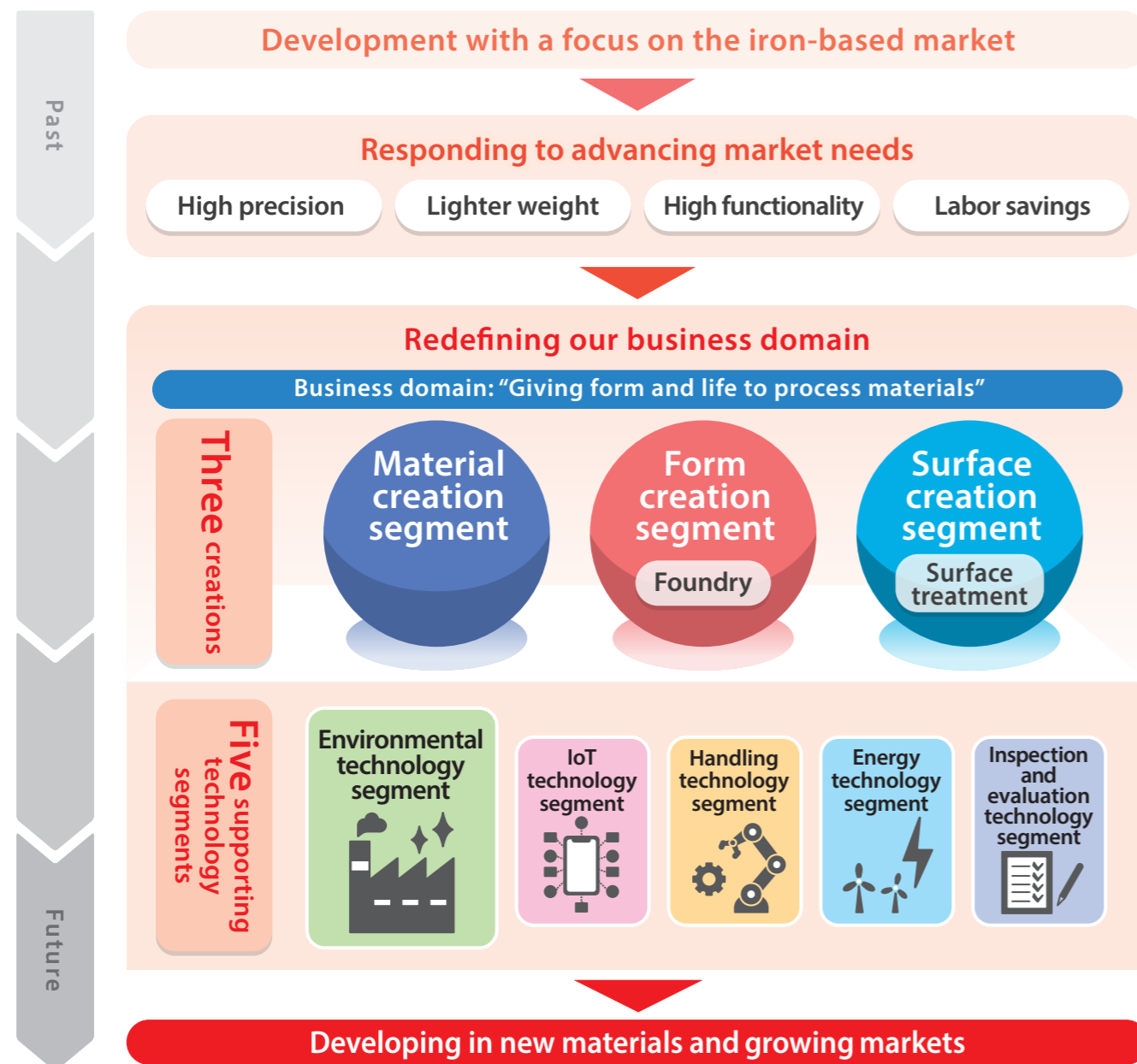
Expansion of Sinto's Business Domain

Redefining Sinto's business domain, "giving form and life to process materials"

Since our founding in 1934, we have cultivated technology and expertise as a manufacturer of foundry equipment. In the decades that followed, we expanded our business to include related businesses such as surface treatment, environment, special equipment, and material handling. Then, in the 1980s, as a clear representation of our desire to contribute to the materials industry, we established our corporate philosophy, "giving form and life to process materials."

Up until now, we have developed our business mostly around industries that support the global iron-based market. Demand for iron greatly varies by region and goes far beyond the automotive industry which we have traditionally supported. This global market includes European demand focused on pipelines, South American demand for mining equipment, and more, and we have provided the products and services to meet the unique needs of each market. At the same time, with changes in society and the industrial structure, the world has shifted to high functionality and multi-material products. As we respond to these market needs, we are continuing to expand our business domain to varied materials fields, such as ceramics and non-ferrous metals.

Over our history, we have diversified based on our core business, redefining our businesses as the "three creations" of the material creation segment, form creation segment, and surface creation segment, supported by "five supporting technology segments." By developing new materials and markets with a solid foundation in our existing technologies, we will be able to achieve sustainable growth and contribute to resolving social issues.



Development with a focus on the iron-based market, accelerating growth



Sinto by the Numbers

Accelerated value creation

As of March 31, 2026

Since its foundation in 1934, our company has diversified our business into surface treatment and environmental fields based on our foundry technology, and we have supported manufacturing around the world while valuing the trust of our customers. We will continue to refine the strengths we have cultivated while taking on the challenge of sustainable growth and the creation of new value.

Foundation to always be chosen by customers

Ratio of repeat customers

56.2%



We have enhanced our after-sales service such as repairs, inspections, and preventive maintenance for our products' customers. In the mid-term management plan, the ratio of repeat customers of parts and consumables from Sinto is expressed using the indicator "parts coverage ratio." Our goal is to increase the level of trust we have earned from customers.

Sales ratio of after-sales service

57.8%



Ongoing relationships with customers lead to a stable profit structure. We support the stable operation of our customers' equipment through repair, inspection, preventive maintenance, and other services.

In addition, approximately 700 of the total 4,800 employees across the Sinto Group (about 14.4%) are engaged in after-sales service, and we are committed to providing a high standard of service on a global basis through skill management based on common evaluation standards worldwide.

Number of locations globally

59 locations in 23 countries and regions



Since establishing our first overseas company in Taiwan in 1968, we have strengthened our efforts in global expansion. With the motto of "preventing our customers' equipment from stopping," we are strengthening our global structure to support customers locally, ensuring stable operations.

Sources of competitiveness

Surface treatment processing*

From 5.5 m-wide steel plates for shipbuilding to laminated ceramic capacitors less than 1 mm thick



Our surface treatment technology is capable of processing various product sizes and materials. In 2024, we joined together with two European companies, thereby expanding our industry reach.

*Blasting method of processing surfaces using metal spheres

Foundry equipment global sales performance

Sales of more than 12,000 units in 78 countries and regions



In an industry where there are many local manufacturers, our competitive advantage lies in our ability to provide equipment widely throughout the world and our global support structure that includes maintenance and service systems after installation.

Ratio of local management at overseas bases

84.2%



Operating with a strong sense of community, daily operations of our overseas bases are delegated to local management to provide the best service suited to the customers in each region. We are continuing to strengthen our global management structure under a unified policy.

Index

Introduction

- 02 Expansion of Sinto's Business Domain
- 04 Sinto by the Numbers
- 05 Index
- 06 Message from the President
- 10 Growth Strategies for Overseas Group Companies
- 12 Sinto Philosophy
- 14 Our History
- 16 Business Overview

Section 1 Value Creation

- 18 Value Creation Process
- 20 Materiality
- 24 Mid-term Management Plan
- 28 Financial Strategy

Section 2 Growth Strategy

- 30 Strategy 1 Business domain: Giving form and life to process materials
- 31 Three creations
- 37 Five supporting technology segments
- 40 After-sales Service
- 41 Research and Development, Intellectual Property Strategy
- 42 One Global Sinto (Global Business Foundation)

- 44 Strategy 2 Creating an organization in which diverse human resources can play an active role
- 48 Strategy 3 Strengthening the company's governance with the Board of Directors
- Roundtable discussion among the external directors
- 51 Corporate governance
- 53 Board effectiveness assessment
- 54 Risk Management
- 55 Compliance

Section 3 Sustainability Strategy

- 56 Sustainability Management
- 59 Initiatives for the Environment
- 64 Human Resource Strategy
- 68 Stakeholders

Section 4 Governance

- 72 Executives
- 75 Composition and Operation of Directors

Section 5 Corporate Data

- 78 Data from the Previous 11 Years
- 80 ESG Data from the Previous 5 Years
- 82 Corporate Profile / Stock Information

Editorial note

This report is issued with the aim of helping all stakeholders, including shareholders and investors, gain a deeper understanding of our initiatives toward mid-to-long-term value creation.

In compiling this report, we have referred to various sources including the International Integrated Reporting Framework by the IFRS Foundation and the Guidance for Collaborative Value Creation by the Japanese Ministry of Economy, Trade and Industry.



Cover illustration

We chose this work for the cover because its strong and supple figure is impressive and symbolizes the growth potential and resilience of our company. We have opened the "Sinto Farm" where our employees with disabilities play an active role, and we are working to create an environment where everyone can demonstrate their abilities. Shinnosuke Akimoto is one of the members of this group and participates in art and swimming in addition to his duties. For more information about our efforts to create a work environment for our diverse workforce, see P.44.



Title of work

Amur tiger

Artist

Shin (Shinnosuke Akimoto)

Important note on future projections

This report contains forecasts and plans for the future based on the information that could be obtained by Sintokogio, Ltd. at the time of publishing. This content includes latent risks and uncertainties which may result in differences between the projected results/plans and actual future results/plans. Therefore, the accuracy of content related to future projections and plans is not guaranteed.

Period

April 1, 2025 to March 31, 2026

(Some information from outside of this period is also included.)

Companies

Sinto Group
(Sintokogio, Ltd. and domestic/overseas group companies)

Publication date

June 2026

Website

<https://www.sinto.com>



Message from the President

Into the next century, drawing a new growth curve

Expanding the iron-based market and
cultivating a new business domain



Atsushi Nagai
President



Impairment of Elastikos: Management reflections and decisions

First of all, we would like to express our sincere apologies to our shareholders, investors, and other stakeholders for the concern caused by the one-time impairment loss of goodwill and fixed assets in Elastikos (France), which was acquired in FY2024.

We acquired Elastikos for two main reasons. The first was to create synergies through the expansion of the surface treatment business. By combining Elastikos's business with our existing business, we aimed to make new proposals to a wider range of customers, and at the same time deepen our reach in the global market, ultimately expanding the scale of our business and improving profitability.

In reality, however, our business performance did not reach the level of the original plan, affected by economic stagnation and intensified competition.

Our second aim was to build a capital structure that utilized debt with an eye to reducing the cost of capital, while simultaneously investing in growth to maximize our corporate value. However, with the changes in the business environment and our earnings situation, we decided at this time to record an impairment loss in order to firmly move forward with our future growth strategy.

This decision was made to put an end to our sluggish earnings in recent years, and to swiftly proceed with starting a new growth strategy. The next step will be to proactively roll out all of our initiatives to support this growth on a global scale. As Sinto, we consider this decision to be an important turning point for the company, and we will link it to an aggressive turnaround for a new chapter of our business.

Responding to changes in the business environment in an "era with no right answer"

Currently, the external environment surrounding our company has entered a so-called "era with no right answer," in which past success stories and ever-increasing growth models no longer apply. In addition to soaring resource and transportation costs caused by geopolitical risks, such as Russia's unpredictable invasion of Ukraine and the situation in the Middle East, prices are rising due to tariff policies in each country, and tensions over economic turmoil are higher than ever before.

Turning to the automotive industry, a major customer base, the shift to EVs and smart technology accelerated a major reorganization that intensified competition across industry boundaries, including the entry

of IT companies, but with the rebound to hybrid vehicles, conventional manufacturers are also regaining footing in the industry. In the midst of such a major swell in the market, a close look at our business performance reveals the stark fact that we have been experiencing sluggish growth for several years. In these rapidly changing times, remaining an extension of the status quo represents a substantial setback.

As One Global Sinto, our global group of companies will come together and combine our strengths to win against competition and achieve success.

Understanding the local business environment

Europe

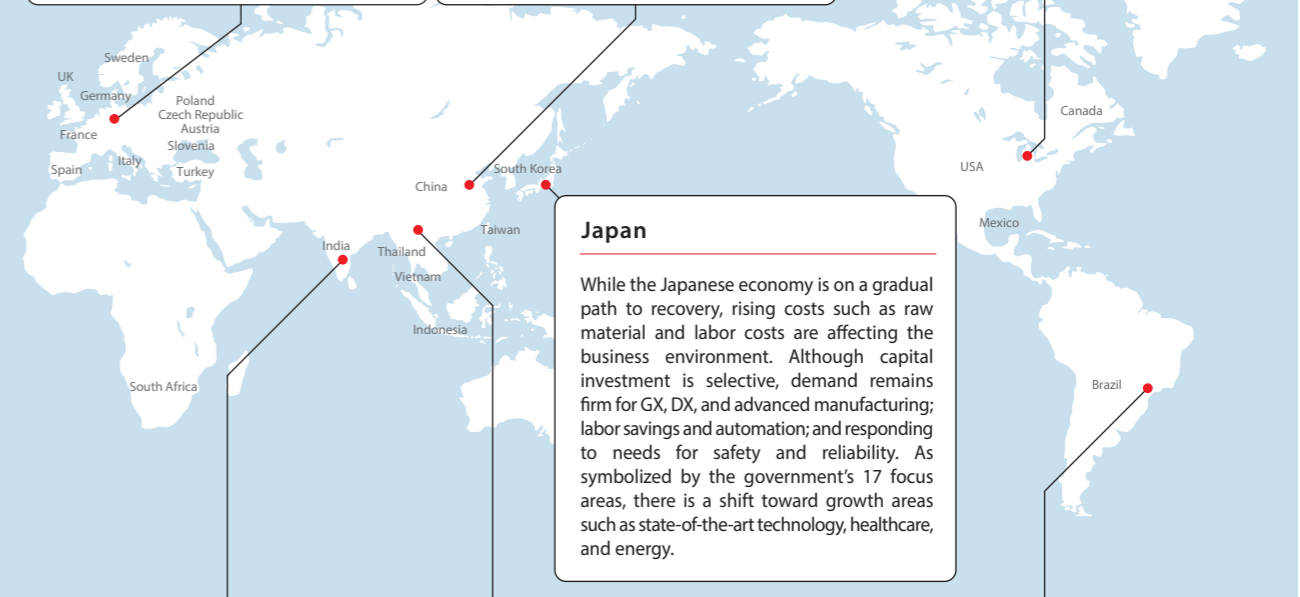
Against the backdrop of economic slowdown and declining equipment utilization rates, demand for automotive and steel-related products has been sluggish. While capital investment remains restrained due to rising energy and labor costs, investment in the renewable energy and infrastructure sectors is progressing on the back of policy support. Difficult conditions will continue, but the market is bottoming out, and in the mid-to-long term, we can expect recovery demand as well as increased demand for investment related to energy policies.

China

Cautiousness continues due to the economic slowdown, and we are also seeing pressure from overcapacity and price competition. On the other hand, with firm demand in key sectors, there is continuing investment demand to remain competitive in the market. In particular, in key fields such as EVs, renewable energy, general machinery, shipbuilding, and semiconductors, we are seeing strong demand trends, and constant demand is expected in the foundry and surface treatment businesses.

North America

While capital investment as a whole remains cautious, strong demand continues in the aerospace and defense sectors, and the business environment is supported by investment demand for automation and labor savings. On the other hand, the industry continues to face issues related to trade tariffs and rising costs, as well as labor shortages.



India

In addition to the agricultural machinery and plumbing (pump) sectors, investment in the infrastructure sector is very active. With economic growth and economic policies led by domestic demand, the appetite for capital investment is high, and the manufacturing sector as a whole continues to grow strongly.

Asia

Business confidence is generally subdued, with continuing difficult conditions due to the advance of Chinese manufacturers and intensifying cost competition. Companies are required to strengthen cost competitiveness to succeed in the market.

South America

Despite firm demand related to mining equipment, capital investment continues to be cautious due to rising costs, interest rate levels, and U.S. tariff policies. Meanwhile, demand for automation and replacement of existing equipment is strong.

Creating the social infrastructure of the future by expanding our business domain

After these changes in the business environment and the recent impairment decision, we have renewed our strong determination to further improve our business performance and position ourselves for future growth.

Our company's original business was in casting production, and we have developed our business by supporting many industries related to the iron-based market. In the future, along with maximizing the potential of our technology built from this base, we will further expand the scope of our existing businesses in Japan and overseas, and we will strengthen our development in areas where growth is expected and in new businesses.

Our "three creations" (material creation segment, form creation segment, and surface creation segment) that we are developing in our business domain of "giving form and life to process materials" are now in the midst of a major evolution. Our business in the iron-based market is a foundation of manufacturing, an industry with a large market and stable demand. At the same time, we will expand our business beyond iron to include new materials such as ceramics and glass, as well as waste materials, utilizing the technologies we have cultivated through our "three creations." In doing so, we will realize the creation of new value by becoming Nakama with our partners.

In the form creation segment, through the use of 3D printing technology, we are expanding the range of materials that can be used and increasing the degree of freedom in shape, working to develop our business for new applications in new markets. Gaining wide attention is the ceramics business, where demand is expected to grow in the future. In November 2025, we acquired a division of Bosch (Germany) to strengthen our parts business, mainly in the fields of medicine and semiconductor/electronic components. Furthermore, in 2026, we have unified our ceramics business in Japan, Europe, and the U.S. under the name "Sinto Advanced Ceramics," and we are preparing a new business location to strengthen our global coordination for this business. By bringing together the forming, additive manufacturing, and design technologies from each company, we will promote our global technological cooperation and increase our competitiveness worldwide.

In addition, our surface treatment business, stemming from the removal of sand from castings, has expanded to a variety of techniques, evolving into our surface creation segment that gives surfaces new functions and added value. Our existing peening technology, which is used for

surface conditioning, is applied to increase the strength and durability of products, and it contributes to the extended life of parts used in aerospace industries where safety and reliability are strictly required. In the future,

we will expand the range of use of these technologies and accelerate their deployment globally, and then further develop them as technologies that dramatically improve the performance and value of the material itself. For example, joining technology combines different materials (such as aluminum and resin) without the use of adhesives, contributing to a dramatic reduction in the number of parts and total weight. This is an innovative solution to extend the life of parts and reduce environmental impact, and we are expanding its use in the automotive sector.

Furthermore, we are focusing on laser processing technology as a new pillar of our surface creation segment. This environmentally-friendly technology, which does not use consumables such as chemicals or abrasives and generates no waste, will be rapidly deployed in high-growth fields such as medical care and semiconductors by strengthening our cooperation with LASERAX (Canada), a company with strengths in high-power, high-speed processing.

Another foundation that will support the digital society of the future is the material creation segment. The ultra-fine soft magnetic metal powders we have developed enable further layering and densification of electronic components. As the explosive spread of generative AI and the development of 5G and 6G communications push the demand for smaller and more power-efficient smartphones to the limit, we are confident that our materials will be an essential piece in driving the evolution of next-generation digital infrastructure.

In this way, we will continue to expand the scope of our business from just iron in its existing framework to new materials, and strive to realize value creation that delivers surprise and excitement to customers around the world.



Signing ceremony with Bosch Advanced Ceramics

Restructuring of our financial base and the pursuit of capital efficiency

In Q4, with the one-time impairment loss of goodwill and fixed assets in Elastikos, we will put an end to our sluggish earnings and shift toward increased capital efficiency, accelerating a new growth strategy that focuses on both growth and returns. By the end of FY2029, the final year of the next mid-term management plan, we aim to achieve consolidated operating income of 15 billion JPY, and through increased capital efficiency, ROE of 8% or more. To achieve this, we will enhance productivity through cost reduction, digitalize our after-sales services, create synergy through improving the collaborative structure with Elastikos, and secure profits by developing in new business sectors.

With the cashflow generated from these efforts, we will efficiently utilize this cash for investment and shareholder returns, including growth investments for M&A and capital investment efforts. For shareholder returns, along with maintaining our policy for stable dividends, we will work on further capital cost reduction. At the same time, while maintaining financial soundness and flexibility with a capital adequacy

ratio around 50%, we will strengthen capital efficiency by reducing our cross-shareholdings and by appropriately managing and utilizing interest-bearing debt.

In FY2025, the net asset ratio of cross-shareholdings was 21.3%. We will confirm the purpose of these cross-shareholdings to achieve net asset ratio of 15% or less by the end of FY2029, and the cash generated from this reduction will be used for growth investment. As one major initiative, in May 2026, we announced plans to construct a mass production plant for metal and ceramic parts using 3D printers. We plan to produce high-value-added products for data centers and semiconductor industries, with a total investment of approximately 10 billion JPY (in part funded by the abovementioned sale of cross-shareholdings).

Through these efforts, we aim to enhance our corporate value and achieve a PBR of 1 or higher by balancing sustainable growth investments through increased profits with shareholder returns.

Creating an organization in which diverse individuals can shine

It is by no means the equipment itself that truly supports the development of our business in the iron-based market and taking on new challenges in new fields. It is the people who master the skills and transform them into value that are the driving force behind sustainable growth. That is why at the core of our management is the "Motivation, Effort, and Growth Acceleration (MEGA)" principle, which makes the most of our employees' strengths.

To realize this philosophy, we are working to create an organization in which diverse individuals can shine. In addition to revising our personnel system for senior staff, we are also promoting active female participation. In FY2024, the BIP* Promotion Group was established at each business site. Along with promoting initiatives to improve information management and work efficiency from the worksite perspective, the BIP Promotion Group creates an opportunity for each employee to examine their career and strengths, encouraging members to challenge themselves to grow.

Additionally, in FY2025, the Diversity, Equity, and Inclusion (DEI) Promotion Program was launched, focusing on female employees. Along with providing career support and encouraging reformed awareness, the program respects a diversity of values and personalities, aiming to create a work environment in which each member can fully demonstrate their abilities in the way that suits them best, continuing

to take on challenges. Participants in the first year shared the following comments: "It was very inspiring to meet like-minded Nakama with the same goals, and I was able to carefully consider the career path that's best for me." "I was able to create bonds beyond my department, and now I have new Nakama to turn to in times of trouble." The program activities enabled new connections between employees and also led to changes in consciousness. As a result of these activities, the company was recognized by Aichi Prefecture for our efforts to promote active female participation, receiving certification in April 2026 as an Aichi Women's Brilliance Company.

As the fruits of these efforts, we have high expectations for the Surface Creation Team, which we launched in April 2026. This team of three women is taking on the challenge of redefining our advanced surface treatment technology from a "lifestyle" perspective and venturing into the unexplored area of the B-to-C market. One of their main initiatives is to utilize our technological strengths to make objects meaningful on a personal level. For example, we can use our precision processing technology to engrave the name of a loved one or a commemorative message on an item. The surface treatment technology that has underpinned the industrial world up to now will be used to create one-of-a-kind products that are tailored to the wishes of each and every customer.

*Business Improvement Project

Continuing to contribute to society and industry as a manufacturing company

On the other hand, we are not just an industrial equipment manufacturer. As a manufacturing company that supports manufacturing, we have contributed to various industrial fields. Foundry, surface treatment, and materials technologies are not limited to automobiles, but extend into fields such as shipbuilding, industrial machinery, and agricultural equipment. The fact that each business segment demonstrates value in its respective field and supports the industrial base not only in Japan but around the world is an unwavering strength of our company.

This leads to our greatest passion today: passing on the spirit of manufacturing. Our televised mini-program "Mirai e Tsuzuke! Tech" ("Tech that continues into the future") introduces young workers on

site who are taking on the challenge of the WorldSkills competition. Whenever I see their earnest eyes as they continue to hone their skills with exact precision, I, too, am stirred. This is the very idea that we have at Sinto: our desire to cherish the spirit of manufacturing and contribute to society.

Manufacturing is not a mere accumulation of tasks. There is the "joy of creation" that comes from interacting with materials and creating new value through trial and error. It is our mission and pride as a technology company to continue to communicate this value to society at large through this broadcast. We are convinced that true innovation that pushes the boundaries of the past will be born when diverse individuals hone their respective skills, and when those skills come together as one.

Pioneering an unknown path driven by technology and human resources

In the second year of our mid-term management plan, "Co-creation for New Value," we achieved EBITDA of 13.2 billion JPY, 7.5% against the target of 8% or more of net sales, showing a steady increase in earning power.

As we enter our final year of this plan, we must make this year not merely a worthy close to this chapter, but the starting point for our next leap forward. As we move toward our 100th anniversary in 2034, we desire to prove that our trials with impairment and the challenge of breaking out of this stalemate were but "birth pains" that we could not avoid in order to evolve into a stronger and more profitable company.



DEI Promotion Program report meeting



31st Sinto International Conference (SIC 2025)

Growth Strategies for Overseas Group Companies



France

Ramesh Babu Krishnan

Managing Executive Officer of Sintokogio, Ltd.
CEO of Elastikos (France) S.A.S.

Overcoming structural changes, and strengthening our earnings base and competitiveness

Geopolitical instabilities, wars, and rebalancing of the world order of the past. All are leading to more volatility in industrial sectors and corresponding global markets for our company. This trend will continue to be in decline on the traditional demand side, taking a longer time to recover back to pre-COVID levels. We have been deploying cost controls and consolidation since early 2025 and continue to intensify these efforts further, expanding our portfolio with other specialties, spare parts, and services to recover more business. Broadly, we are also expanding strongly into energy and defense sectors specifically in Europe, the U.S., and India, backed by special peening services and digital empowerment at our seven Trust Centers (technical centers). With all these downstream and upstream measures being implemented, we are confident that after the crises, we will come out stronger than ever before.



United States

Michael Halsband

Executive Officer of Sintokogio, Ltd.
CEO of Sinto America, Inc.

Transformation of business model and evolution of customer value

The current U.S. market environment reflects a soft landing economy with moderate growth, still elevated inflation, and relatively high interest rates. We see cautious, productivity-focused investments rather than broad capacity expansion, with manufacturing demand and investment mainly supported by energy, aerospace, defense, and medical sector spending. Meanwhile, tariffs, labor costs, skilled worker shortages, and supply chain volatility remain challenging across all sectors. Within this context, the foundry industry is stable with steady demand from infrastructure, energy, and industrial equipment, facing wide-spread challenges that continue to drive consolidation, automation, and specialization.

Given these challenges, our strategy continues to be the increase of our service approach, delivering customer value across the full equipment and production lifecycle rather than competing primarily on capital sales. In the foundry market, we prioritize aftermarket services, upgrades, optimization, and automation support. In parallel, we are accelerating development of ceramic 3D printing capabilities and expansion into high-value-added manufacturing areas to achieve sustainable growth.



Germany

Andreas Klein

Executive Officer of Sintokogio, Ltd.
President & Managing Director of Heinrich Wagner Sinto Maschinenfabrik GmbH

International cooperation to create business opportunities

The market situation of the foundry industry in Europe is still difficult. The ongoing war in Ukraine and the conflicts in the Near/Middle East with dramatically increasing energy costs for our customers do not make things easier. However, there are still investments in foundry and requests by customers for special automatization and IoT products, making the efforts for IoT standardization by the group companies in Japan, the U.S., and Germany so important. Also, horizontal flaskless molding lines, which were not so popular in Europe in the past, are being requested now by customers. Last summer, we installed a joint-venture FBMX line in Germany, offering a competitive price with equipment and auxiliary units from group companies across several countries. As the next project, a nearby customer has requested the same equipment. These projects show that even in difficult times, as "One Global Sinto," we are competitive and can create new business chances, increasing corporate value.



Brazil

Julius Cesar do Nascimento

Executive Officer of Sintokogio, Ltd.
President of Sinto Brasil Produtos Limitada

Seizing opportunities amidst uncertainty for sustainable growth

Brazil continues to present a complex macroeconomic environment, where high interest rates and a highly polarized political climate have restricted investment activities. However, at the same time, the market continues to offer a range of opportunities for those who believe in a more prosperous country in the not-too-distant future. In recent years, our company has been able to effectively seize these opportunities, achieving consistent growth and significantly expanding our operations in Brazil. This progress reflects our strong commitment, adaptability, and deep knowledge of the local market. Despite the challenges posed by national and global conditions, I am confident that we will continue to expand our operations. Through these efforts and technological innovations, we aim to achieve sustainable growth while improving socio-economic conditions for all stakeholders, thus contributing to a stronger and more stable future for our company, our employees, and our customers.

Sinto Philosophy

Our management philosophy

HEART

Human Enrichment & Achievement through Reliable Technology

Mission Statement

We are committed to producing new value for manufacturing, which enables the co-creation of achievement with our Nakama around the world.

Long-term Vision

Co-creation of achievement with our Nakama around the world

VISION 01 Global group of companies that shares our pride and confidence in manufacturing

VISION 02 Group of individuals that shares our purpose and value in life and work

Guidelines for Action (Corporate Principles)

In October 1962, we established the following 3 corporate principles as an expression of our unwavering spirit and character as a foundry equipment manufacturer that had overcome many challenges through our dedication to our work.

01 We always act with both a steady and enterprising attitude

02 We always deepen mutual trust and act decisively

03 We always serve society with wholehearted sincerity



Thoughts on our management philosophy

The Sinto Group's management philosophy, "HEART (Human Enrichment & Achievement through Reliable Technology)," expresses our strong desire to not only provide superior products and technologies, but also to create sustainable results together with society. "HEART" is a phrase that represents the values we have cherished since our founding. It is a common mentality that our Nakama across all group companies around the world share, and it is the basis of our daily decisions and actions. Based on this philosophy, our group is sincerely committed to our stakeholders, and we strive to achieve both social and economic value by continuing to refine our technological innovations and on-site capabilities. We will continue to create value from a long-term perspective, aiming to earn the heartfelt gratitude of our customers.

Sharing our management philosophy

Distribution of the Sinto Beliefs leaflet

The Sinto Beliefs leaflet, which summarizes the Sinto Group's management policies, is distributed to all employees worldwide to promote the dissemination of our management philosophy. With the desire to cherish the spirit of manufacturing and contribute to society, we aim to create new value in manufacturing and realize the co-creation of achievement with our Nakama around the world. In this context, being Nakama means not just friendship, but like-minded camaraderie, and refers to all stakeholders, including customers. Our guiding principle is for each of us to hone our skills and knowledge, build a relationship of trust by working together with customers to solve problems, and continue to offer new proposals and new solutions, united as One Global Sinto.



Sinto Beliefs leaflet

Sharing our management philosophy through our internal portal site

We use our internal portal site to share information with the aim of promoting understanding of the thoughts that underlie our management philosophy. As part of our efforts to create opportunities for employees to come into contact with our management philosophy and values on a daily basis, we have been posting related keywords on the top page, emphasizing one phrase a day. Through these efforts, we are fostering understanding and empathy, as well as promoting the establishment of our philosophy and its reflection in our actions.



Example of a keyword post

Examples of actions based on our management philosophy

Sales

Running alongside our customers and Nakama

We place importance on running alongside our customers, staying close to their worksite. After equipment is installed, we visit the site regularly to identify potential issues based on operation data and hearing from the operators, and link this information to specific proposals for improvement solutions. Through these ongoing dialogues and proposal activities, we build trust as a partner in co-creation, and together we produce sustainable results, encouraged by the comments of gratitude that we receive from our customers. Furthermore, we consider our domestic and overseas network of sales agents not just a sales channel, but rather a group of important partners who create value together with our customers. In Japan, we have created a "Sinto Association" made up of shot distributors and sales agents, through which we share information about characteristics in each region and issues faced by customers, staying connected as a group after equipment installation to enable cooperation for full support and proposals to resolve issues.



Sinto Association meeting held every year in the spring

Research and development

New value is developed by co-creation with our Nakama

Under our HEART management philosophy, we are committed to creating new value with reliable technology at the core. As one example, we are focusing on creating new products using 3D printing technology through co-creation with Exentis, one of our Nakama. As shown in the samples in the photo on the right, 3D molding of extremely precise shapes is possible. By combining this with the material processing technology we have developed over the years, mass production using 3D printers becomes possible. In addition to these efforts with Exentis, we are also developing other businesses such as our laser business with partner company LASERAX. We are actively promoting collaboration with an emphasis on building relationships and creating unprecedented added value through co-creation with our Nakama.



Metal samples from the Exentis 3D printer

Case studies of collaboration with Nakama

Form creation segment P.33

Surface creation segment P.35

Production

Ever-evolving manufacturing with our Nakama

Sinto places great emphasis on kaizen activities for making continuous improvements to the manufacturing worksite in cooperation with our Nakama. Internally, kaizen activities are promoted for horizontal productivity and quality improvements across divisions. In addition to internal improvement activities, we have also been continuously engaged in kaizen activities in collaboration with other member companies of the NPS Study Group* for many years, sharing kaizen examples and know-how from each company to improve our worksites. Furthermore, we consider our suppliers' association (Shin-boku-kai) and our installation subcontractors' association (Shin-ko-kai) to be important Nakama within our network of partners. Through this network, we will cooperate closely with external partners to support stable operation for our customers, leading to increased competitiveness and better manufacturing.



Kaizen activities

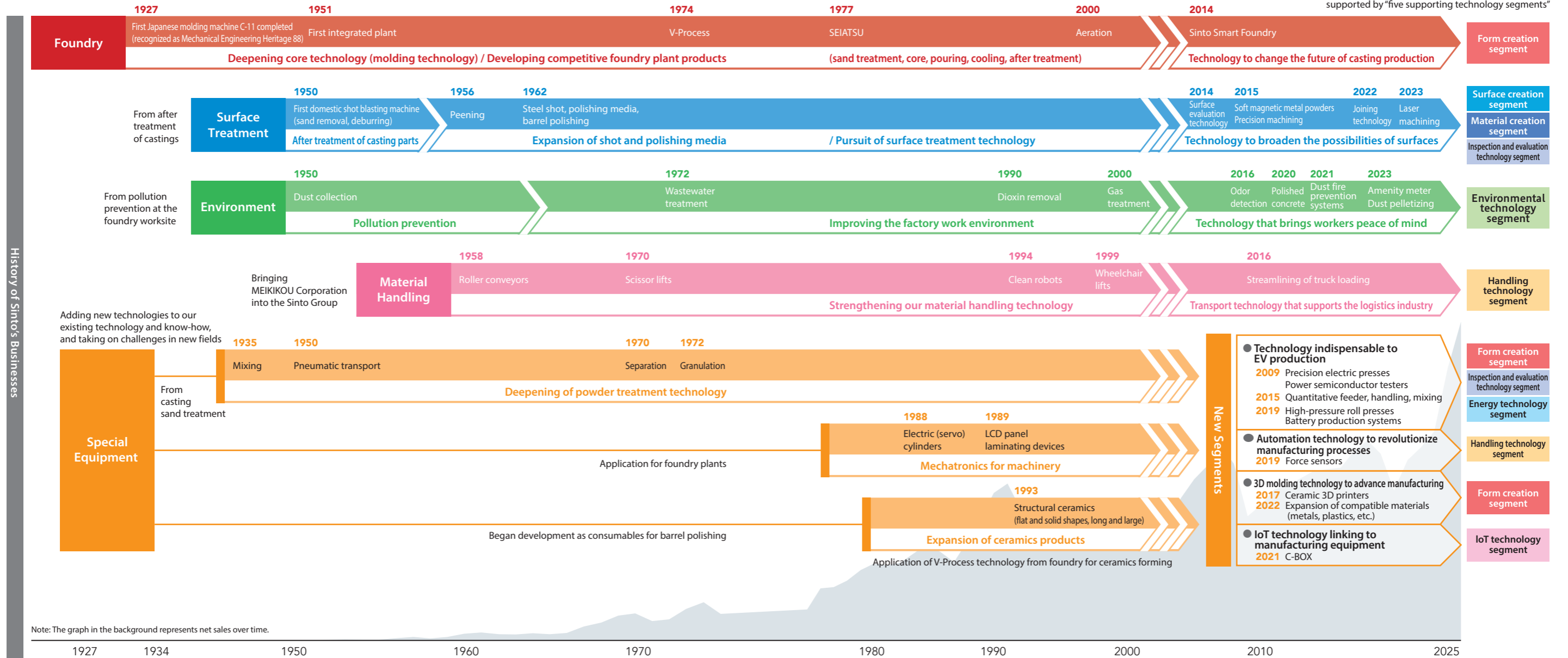
*A study group for manufacturing where companies learn from each other based on the kaizen improvement philosophy originating from the Toyota Production System

Our History

Our company was founded in 1934, with its predecessor, Kubota Chuzosho (Kubota Foundry), started by our founder, Chotaro Kubota, in 1923. Chotaro Kubota was trained by Sakichi Toyoda at his previous company, Toyoda Automatic Loom Works, Ltd., and he worked to mechanize foundry equipment. In 1927, we released our C-11 molding machine, the first domestically produced molding machine, and took our first steps as a foundry machine manufacturer. Since then, the company has expanded our business domain to include surface treatment, environment, special equipment, and other related businesses.

Moving forward, we seek to redefine our business domain as the material creation segment, form creation segment, and surface creation segment, together with the "five supporting technology segments" that support these fields, and we will work to further expand our business domain of "giving form and life to process materials." We will create and nurture new businesses as well as strengthen existing businesses to expand into areas where growth is expected and to solve social issues.

Our business domain:
Giving form and life to process materials
We redefine our business as "three creations" supported by "five supporting technology segments"



Sinto's Journey

Chotaro Kubota, inspired by Sakichi Toyoda during his previous role at Toyoda Automatic Loom Works, developed the first Japanese molding machine. He then worked on development of molding machine technologies, and in 1934, he founded Kubota Seisakusho (Sintokogio's predecessor). Dedicated to improving Japan's casting technology and production, he helped to modernize Japan.

Overcoming the turbulent post-war era, we worked to develop not just stand-alone molding machines but full molding plants that could cover the entire casting process. During this period, business diversified to include surface treatment, environment, and handling, and our technical capabilities increased even more through a partnership with Wheelabrator in the USA. To mark our 25th anniversary and a transition toward further growth, the company changed its name to Sintokogio in 1960.


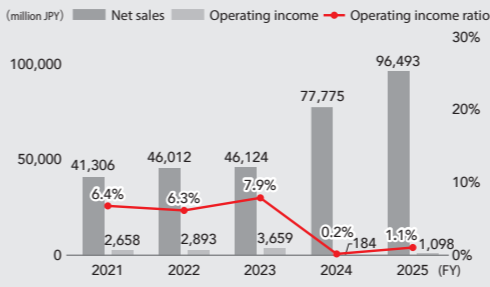

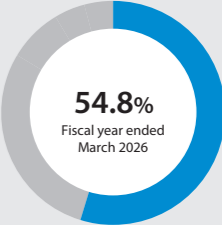

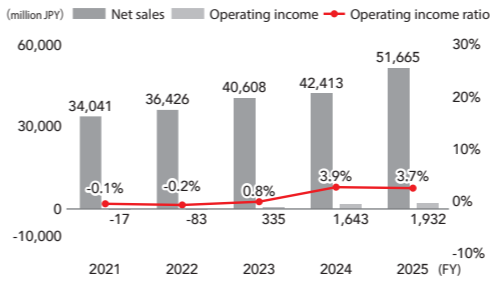
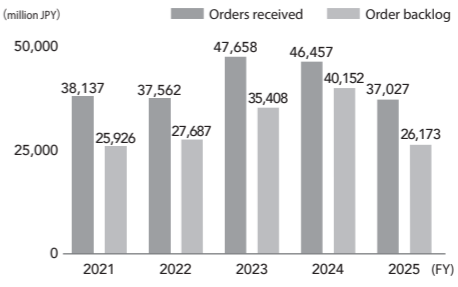
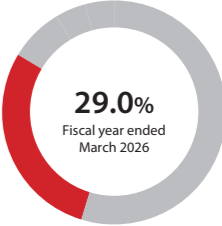
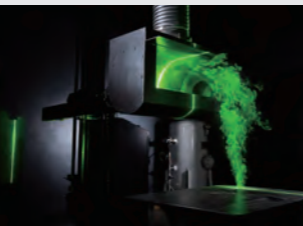
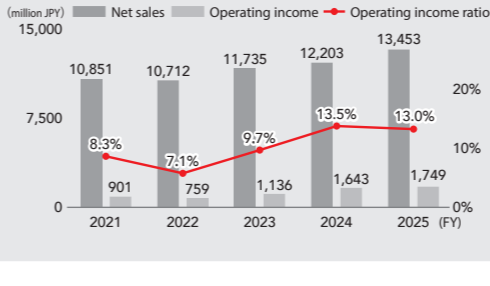

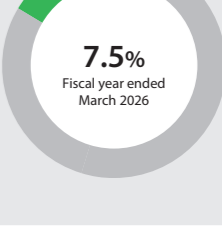

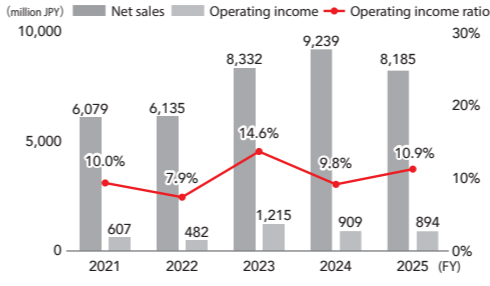
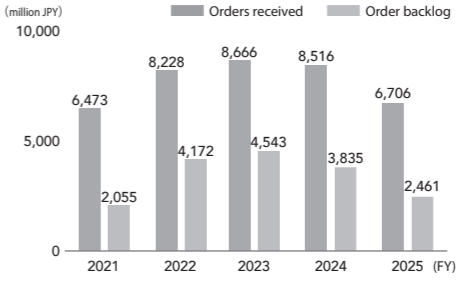
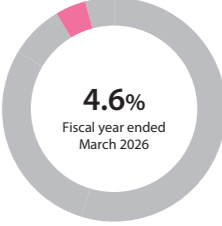

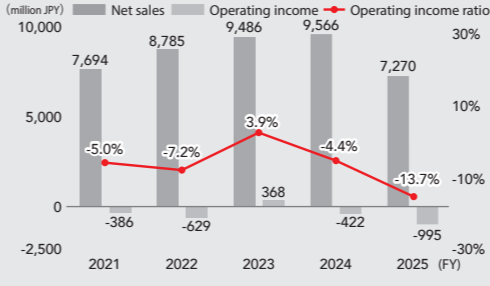

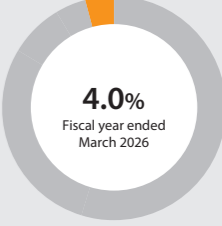
Under the motto of "total engineering" and "leaping to become a global company," we made efforts to solidify our business base. Through the development of revolutionary technologies such as V-Process and SEIATSU, we gained recognition in the foundry industry. We also built the foundation for our current business globally, starting in Taiwan and expanding into Europe, North and South America, and Southeast Asia.

To continue to evolve amid changing times, we strengthened our business, establishing a three-region global structure in the Americas, Europe, and Asia, and proactively promoting technology transfer overseas. Each business became financially independent, and we strengthened our machine maintenance and after-sales service business as a new source of revenue. Our 3-in-1 business model became a basis for our profit structure.

We established our "Motivation, Effort, and Growth Acceleration (MEGA)" philosophy as a system to train and invigorate our human resources. To strengthen our consolidated structure as the Sinto Group, we reorganized our companies in Japan and overseas, solidifying our governance structure for important matters such as compliance and risk management. Amid the rapidly changing times, we also shifted to respond to social needs with R&D in new fields such as EVs, robots, and medicine.

Working toward our 100th anniversary in 2034, we are contributing to a sustainable society through efforts for SDGs and carbon neutrality, striving to become a company recognized and needed by society. In response to social needs, we are adapting the technologies that we have developed throughout our history and applying them in R&D to provide new value to society, increasing our corporate value in turn.

Business Overview

Business domain	Former business segment	Business contents	Main products	Net sales/Operating income*1	Orders received/Order backlog*2	Revenue breakdown by business segment*2
Surface Creation Segment	Surface Treatment	Derived from post-processing of castings, we provide blasting machines that process product surfaces by striking them with metal spheres, along with the abrasives and polishing media used. Currently, we are moving forward with initiatives for new processing technologies such as laser processing, developing this business into "surface creation," which provides all kinds of functions to surfaces.	 <ul style="list-style-type: none"> ● Shot blast machines ● Shot peening equipment ● Abrasives and polishing media ● Laser processing equipment 			
Form Creation Segment	Foundry Special Equipment (Ceramics)	Since completing Japan's first domestically produced molding machine in 1927, we have led the industry as a top manufacturer of foundry equipment. In the future, through use of new technologies such as 3D printing, we will provide solutions for various materials starting with ceramics, expanding this business into "form creation."	 <ul style="list-style-type: none"> ● Molding systems ● Sand processing systems ● Pouring systems ● Ceramics 			
Environmental Technology Segment	Environment	Derived from pollution prevention in foundries, we offer products that improve the environment with various forms of pollution prevention, wastewater treatment, and harmful and foul-smell gas treatment. Through fire prevention measures and the visualization of conditions on the worksite, we contribute to the safety and health of workers, and to a comfortable work environment.	 <ul style="list-style-type: none"> ● Dust collectors ● Exhaust gas purification equipment ● Wastewater treatment equipment ● Polished concrete 			
Handling Technology Segment	Material Handling Special Equipment (Force sensors)	We offer logistics solutions to alleviate social issues such as the serious labor shortage in truck transportation and nursing care/welfare, and we also respond to demand in a variety of fields such as growing optimization needs for distribution centers. In the future, we will provide automation of precise work using force sensors, further expanding the domain of material handling equipment.	 <ul style="list-style-type: none"> ● Scissor lifts ● Conveyors ● Handling/transport systems ● Force sensors 			
Supporting Technology Segment	Special Equipment	We offer energy-saving equipment such as electric cylinders, as well as high-pressure roll presses and electrical property inspection equipment used in the production of EV parts. In addition to further cultivating our presence in growing markets, we offer technology that supports manufacturing, helping to solve social issues through solutions such as energy savings and increased productivity.	 <ul style="list-style-type: none"> ● Electric cylinders ● High-pressure roll presses ● Electrical property inspection equipment ● IoT products 			

*1: Figures before offsetting intercompany transactions *2: Figures after offsetting intercompany transactions

Value Creation Process

Based on our desire to cherish the spirit of manufacturing and make the world a better place, we have continued to pursue world-class technology. We aim to always be by our customers' side, providing new value to their manufacturing. Our goal is to be a company that creates deep bonds with all stakeholders and is always chosen by our customers, no matter what era.

INPUT (as of March 2025)

Financial Capital

Capital stock	Interest-bearing debt	Sales cashflow
99.7 bil JPY	49.1 bil JPY	2.3 bil JPY

Human Capital

Number of employees	Ratio of foreign employees	Training time per employee*†
4,844	56.4%	6.0 hours

Intellectual Capital

R&D personnel†	R&D investment*
184	2.8 billion JPY

Manufactured Capital

Production/sales locations*	Capital investments*
Japan: 53 locations, Overseas: 62 locations	8.8 bil JPY

Social and Relationship Capital

Number of customers: 41 thousand companies

Natural Capital

Energy use*	Water consumption*
3,652TJ	522 thousand m ³

Management Philosophy
Business Model
Business Domain
Mid-term Plan

Our management philosophy P.12

Business model

Business domain

Mid-term Management Plan
P.24

Social Issues	Environment	Technology/Industry	Society		
	<ul style="list-style-type: none"> Global warming, climate change Resource depletion Unknown infectious diseases 	<ul style="list-style-type: none"> IoT adoption, AI application, advance of digital transformation EV, self-driving vehicles 	<ul style="list-style-type: none"> Declining birthrate and aging society Pursuit of health, safety, well-being, and comfort Changing values and lifestyles 		
Materiality	Environment	Human Resources	Technology, Development, and Manufacturing	Stakeholders	Corporate Foundation
	Realization of a recycling-oriented society	Employees' growth and motivation in work and life	Technology and manufacturing for sustainable growth	Building bonds with society and stakeholders	Healthy and sustainable management

OUTPUT (as of March 2026)

Sustainable growth through capital efficiency and a solid financial base

Total shareholder return (TSR)	EBITDA to sales ratio (indicator for cash generation)
+23.7% (10 years) +2.0% (annual)	7.5%

Human resources that support sustainable growth

Ratio of female managers†	Ratio of employees taking childcare leave†
4.3%	Male: 75.8%, Female: 100%

Knowledge and experience in the material processing industry

Number of patent applications: 159 (Japan: 52; overseas: 107)

Commitment to high quality, stable production, and supply

Equipment/machine sales	Ratio of after-sales service in total sales
74.2 billion JPY	57.8%

Firm relationships with stakeholders based on cooperation and trust

Number of website visits†	IR meetings†
206 thousand visits	17 times

Reduced environmental impact

Carbon emissions	Industrial waste volume	Recycling ratio
104 thousand tons	42 thousand tons	92.7%

OUTCOMES

Sinto's contribution

- Proposals for sophisticated manufacturing without waste of resources
- Reduction of environmental burdens through our value chain

↓

Our aim
Realization of an environmentally-friendly circulating society P.59

Sinto's contribution

- Providing safe, reliable, and customer-friendly products and services
- Proposals for safe and efficient manufacturing processes

↓

Our aim
Realization of a safe, healthy, and affluent society through manufacturing P.41, 69

Sinto's contribution

- Fostering safe and inclusive workplaces for diverse human resources
- Co-creation of achievement with stakeholders through manufacturing

↓

Our aim
Realization of a society in which people experience a sense of achievement, growth, and happiness P.44, 64, 68

* FY2025 results
† Non-consolidated values for Sintokogio, Ltd.

Materiality

In identifying material issues (materiality), we selected candidates for material issues based on our corporate philosophy, the initiatives of our mid-term management plan, and our aspirations for society in response to social issues arising from future changes in the environment. In this selection process, we analyzed and weighed issues from two perspectives: the impact of risks/opportunities in the execution of business activities, and the impact on the environment and society (double materiality assessment). Then, while discussing what value we can provide to society and what our stakeholders expect from us, we finally narrowed it down to five major items.

In line with these material issues, we will promote initiatives to solve social issues and contribute to the development of local communities. We recognize that the identified material issues are not an immutable list but should be updated in response to future changes in the environment or major shifts in business activities, and we will continue to review them on a regular basis.

Process for identifying materiality



► Environment analysis

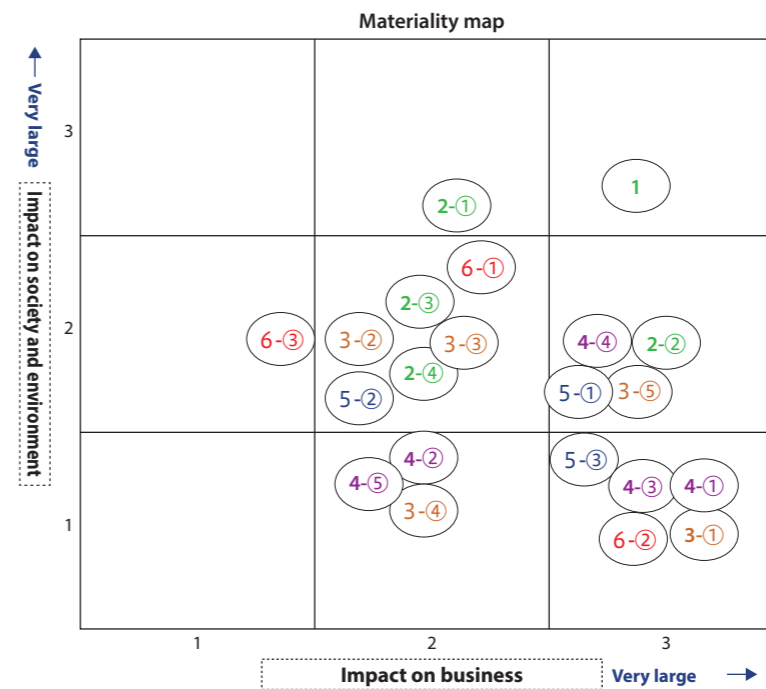
Global warming and climate change have become important social issues, while labor shortages are becoming more serious due to the declining birthrate and aging population, as well as a shrinking workforce. Furthermore, on the industrial side, DX (digital transformation) is accelerating with the spread of IoT and the development of AI, while social issues are becoming more complex and multifaceted as values diversify and geopolitical risks arise from regional conflicts. We will accurately grasp the impact on society and the risks and opportunities associated with our business activities, clarify the importance of these social issues, and boldly take on the challenge of working to resolve them.

Materiality		Climate and social impacts		Financial impact of business risks and opportunities	
				Risks	Opportunities
[E] Environment	1 Reducing greenhouse gases		<ul style="list-style-type: none"> Increasing carbon emissions → Global warming (average temperature rise) Heat island phenomenon Increasing heat stroke incidents Torrential rainfall/urban flooding/stunted plant growth Increasing energy consumption for cooling equipment 	<ul style="list-style-type: none"> Adoption of carbon taxes Stricter energy conservation policies Transition to low-carbon technologies Changing energy market Increasing extreme weather events Rising average temperature 	<ul style="list-style-type: none"> Improved productivity Use of renewable energy policies Expansion of low carbon emission products and services Creation of new markets
	2 Realization of a recycling-oriented society	① Measures for reducing hazardous substances	<ul style="list-style-type: none"> Air, water, ocean, and soil pollution → Impact on the human body Inhibition of biodiversity Ozone layer depletion 	<ul style="list-style-type: none"> Stricter laws and regulations governing hazardous chemical substances Prohibition of sale of products containing hazardous chemicals 	<ul style="list-style-type: none"> Increasing sales of environmental business products
		② Minimizing water usage	<ul style="list-style-type: none"> Depletion of water resources → Drought of drinking water (tap water) Land subsidence Depletion of wells 	<ul style="list-style-type: none"> Limits on water usage Suspension of factory production activities 	
		③ Advancing resource recycling	<ul style="list-style-type: none"> Depletion of limited resources → Depletion of fossil fuel resources (Oil, coal, natural gas, etc.) Shut down of oil and coal power plants Shortages of gasoline, kerosene, and other fuel 	<ul style="list-style-type: none"> Restricted use of fossil fuels Suspension of factory production activities 	<ul style="list-style-type: none"> Proactive development of environmental activities due to sense of ownership
[S] Society (Human Resources)	3 Management that respects employees' growth and motivation in work and life	④ Building green awareness	<ul style="list-style-type: none"> Fostering awareness of environmental issues 		<ul style="list-style-type: none"> Proactive development of environmental activities due to sense of ownership
		① Promoting One Global Sinto	<ul style="list-style-type: none"> Producing global talent through the recruitment and development of individuals capable of succeeding on the world stage 	<ul style="list-style-type: none"> Difficulty in securing global human resources 	<ul style="list-style-type: none"> Accelerating global business expansion
		② Promoting diversity	<ul style="list-style-type: none"> Fostering innovation through the utilization of a diverse workforce 	<ul style="list-style-type: none"> Increasing administrative costs, including recruitment and training costs and benefits for a diverse workforce 	<ul style="list-style-type: none"> Unique business operations driven by ideas generated from diverse perspectives
		③ Initiatives for promoting health	<ul style="list-style-type: none"> Ensuring a healthy and safe work environment and benefits for employees 	<ul style="list-style-type: none"> Increasing health insurance costs due to poor employee health conditions 	<ul style="list-style-type: none"> Company-wide revitalization through increased employee engagement
		④ Fostering a pleasant work environment	<ul style="list-style-type: none"> Improving employee engagement and reducing carbon emissions 	<ul style="list-style-type: none"> Increasing expenses due to higher energy costs 	<ul style="list-style-type: none"> Improved work environment and reduced carbon emissions through the development of in-house facilities
[S] Society (Stakeholders)	4 Building bonds with society and stakeholders	⑤ Respecting human rights	<ul style="list-style-type: none"> Aiming to enhance employee engagement and secure talent through respect for human rights and a healthy corporate culture 	<ul style="list-style-type: none"> Employee turnover due to lack of respect for human rights 	<ul style="list-style-type: none"> Enhanced company image and level of trust
		① Developing customer relationships	<ul style="list-style-type: none"> Improving the sustainability of related industries Fostering innovation through cooperation Enhancing social resilience 	<ul style="list-style-type: none"> Decreasing sales due to lower customer satisfaction Increased risk of losing business to competitors due to weakened customer relationships Increased risk of reputational damage due to delayed response 	<ul style="list-style-type: none"> Increasing customer retention Building customer trust to spread our positive image
		② Developing business partner relationships	<ul style="list-style-type: none"> Environmental impact of greenhouse gas emissions 	<ul style="list-style-type: none"> Effect of decarbonization on cost structure, reputation, and financing of companies 	<ul style="list-style-type: none"> Strengthening the supply chain
		③ Communication with shareholders/investors	<ul style="list-style-type: none"> Revitalization of the market Shareholder asset impact 	<ul style="list-style-type: none"> Acquisition risks 	<ul style="list-style-type: none"> Securing shareholder stability Increasing name recognition and credibility Improving market capitalization
		④ Respecting human rights	<ul style="list-style-type: none"> Gender discrimination Disability-based discrimination Negative impact on mental and physical health 	<ul style="list-style-type: none"> Reputational risk, fines for legal violations Difficulty in securing excellent human resources, hindering innovation 	<ul style="list-style-type: none"> Enhanced company image and level of trust
[G] Governance (Corporate Foundation)	5 Healthy and sustainable management	⑤ Contributing to local communities	<ul style="list-style-type: none"> Contributing to local human resource development Fulfilling corporate social responsibility through collaboration with educational institutions Enhancing inclusivity by embracing diverse perspectives 	<ul style="list-style-type: none"> Reputational risk Mismatch with local needs (the possibility of being perceived as "self-serving" or "hypocritical") 	<ul style="list-style-type: none"> Reinforcing stakeholder trust Improved sustainability of the local economy by increasing young people's interest in local businesses
		① Corporate governance	<ul style="list-style-type: none"> Higher share price due to improved creditworthiness and higher dividends due to improved management efficiency Lower share price due to financial losses and lower dividends due to lower management efficiency 	<ul style="list-style-type: none"> Risk of shareholder lawsuits, financial losses due to failure of risk mitigation measures 	<ul style="list-style-type: none"> Achieving financial plans
		② Compliance	<ul style="list-style-type: none"> Promoting fairness and enhancing credibility Impediments to fair practices, delisting, bankruptcy 	<ul style="list-style-type: none"> Reputation risk, fines for violations of laws and regulations 	<ul style="list-style-type: none"> Enhanced company image and level of trust
[T] Technology, Development, and Manufacturing	6 Strengthening technology and manufacturing for sustainable growth	③ Risk management	<ul style="list-style-type: none"> Higher share price through achievement of financial plans Lower share price due to financial losses 	<ul style="list-style-type: none"> Litigation risk, losses due to failure of risk mitigation measures 	<ul style="list-style-type: none"> Achieving financial plans through successful implementation of risk measures
		① New business development through combining technology	<ul style="list-style-type: none"> Stable operation of companies owning surface treatment equipment Promoting a circular economy through energy-efficient design and material processing using 3D printers Promoting DX initiatives and contributing to energy conservation through measures such as visualization of electricity use 	<ul style="list-style-type: none"> High capital investment required to introduce 3D printers and risk associated with the continued sale of printed products Intensifying competition in the DX business and concerns about cost competitiveness 	<ul style="list-style-type: none"> Expanding the scale of the surface treatment business and increasing market share
		② Stronger strategy for intellectual property	<ul style="list-style-type: none"> Providing products that reduce the burden on society and the surrounding environment, such as automation of equipment to cope with future labor shortages and casting production that can be done even in urban areas 	<ul style="list-style-type: none"> Adverse impact on business activities from imitation products Effect on business activities due to others' patents, etc. 	<ul style="list-style-type: none"> Protecting the intellectual property of our differentiated "three creations" and "five supporting technology segments," which include our existing business areas, contributing to providing reliable products to our customers
	③ Safe and reliable production	<ul style="list-style-type: none"> Achieving a safe and secure work environment 	<ul style="list-style-type: none"> Payment of compensation from lawsuits Risk of lawsuits under the Product Liability Act Loss of public trust 	<ul style="list-style-type: none"> Expanding sales by building customer trust in our products 	

► Double materiality assessment

Based on our business environment analysis and the identified risks and opportunities to our business, we performed double materiality assessment on material issues, considering both the mid-to-long-term effect on value creation as well as the impact on the environment and society.

Evaluating importance through mapping



Materiality

E [Environment]

- 1 Reducing greenhouse gases
- 2 Realization of a recycling-oriented society
 - ① Measures for reducing hazardous substances
 - ② Minimizing water usage
 - ③ Advancing resource recycling
 - ④ Building green awareness

S [Society]

- 3 Management that respects employees' growth and motivation in work and life
 - ① Promoting One Global Sinto
 - ② Promoting diversity
 - ③ Initiatives for promoting health
 - ④ Fostering a pleasant work environment
 - ⑤ Respecting human rights

G [Governance]

- 4 Building bonds with society and stakeholders
 - ① Developing customer relationships
 - ② Developing business partner relationships
 - ③ Communication with shareholders/investors
 - ④ Respecting human rights
 - ⑤ Contributing to local communities

G [Governance]

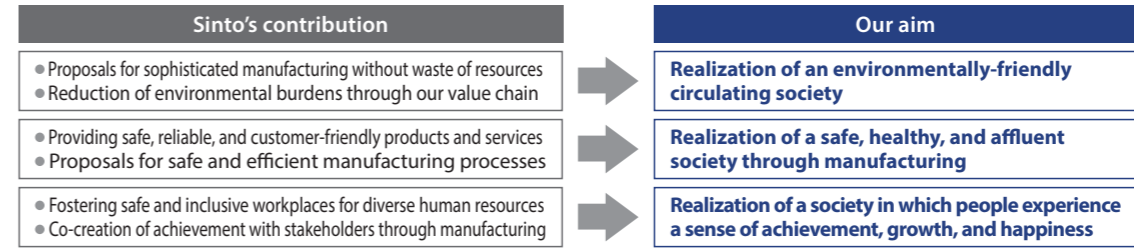
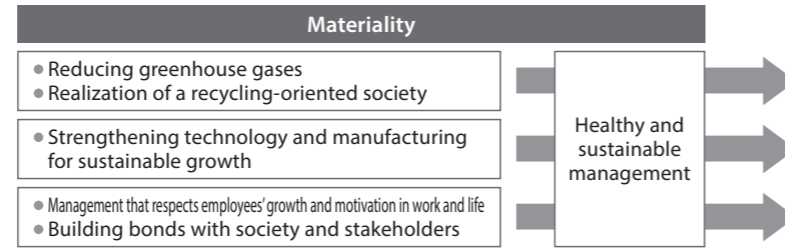
- 5 Healthy and sustainable management
 - ① Corporate governance
 - ② Compliance
 - ③ Risk management

T [Technology, Development, and Manufacturing]

- 6 Strengthening technology and manufacturing for sustainable growth
 - ① New business development through combining technology
 - ② Stronger strategy for intellectual property
 - ③ Safe and reliable production

▶ Identifying materiality

Based on our environment analysis and evaluation of important issues, we identify the material issues (materiality) for our company to work on in the mid-to-long term. In response to each materiality, to achieve our goals for contribution and our vision for the future, we set concrete actions and KPI each year and manage the progress on each item.



○ Achieved △ In progress × Not achieved

Materiality		FY2025				FY2026				Objectives to achieve
		Initiative	Key Performance Indicators (KPI)	Results	Self-evaluation	Initiative	Key Performance Indicators (KPI)	Results	Self-evaluation	
[E] Environment	1 Reducing greenhouse gases	● Scope 1: Conversion of LPG fuel to LNG fuel ● Scope 2: Reduction of power consumption ● Promote visualization of power consumption	● Scope 1 and 2: Carbon emissions: 3.45% reduction year-on-year ● Real-time visualization of first-level power consumption at each worksite ● Electricity reduction from new eco-products: 1.5% reduction ● Category 4: 1% reduction in carbon emissions (eco-logistics) Category 11: Customer contribution of 1.5% carbon emissions reduction (eco-products) Category 12: Customer contribution of 0.6t-CO ₂ /ton of carbon emissions (3R)	● Scope 2 alone: 6.3% reduction year-on-year ● All offices complete ● No results due to delayed progress ● Category 4: 18% increase year-on-year Category 11: 8% reduction year-on-year Category 12: -0.03t-CO ₂ /ton	○ ○ ×	● Scope 2: Reduction of power consumption Purchase of carbon-free electricity ● Follow-up on the implementation of the 4 levels of visualization and reduction ● Determine carbon reduction effect of eco-products ● Decide on calculation method and set targets for Scope 3	● Scope 1 and 2: Carbon emissions: 830-ton reduction year-on-year ● Contract electricity: 3% down from FY2022 ● Electricity usage: 1.5% reduction Category 4: 1% reduction in carbon emissions (eco-logistics) Category 11: Customer contribution of 1.5% carbon emissions reduction (eco-products) Category 12: Customer contribution of 0.6t-CO ₂ /ton of carbon emissions (3R) Category 6 (business travel) and 7 (commuting) aggregation conducted	● FY2050 Carbon neutrality ● FY2030 Carbon emissions volume Sinto Group: 92,200 tons/year Sintokogio, Ltd.: 20,803 tons/year ● FY2034 Carbon emissions volume Sinto Group: 73,747 tons/year Sintokogio, Ltd.: 16,639 tons/year		
		● Use dust collectors for recovery of hazardous waste ● Elimination of products containing mercury (light bulbs, batteries, etc.) ⇒ Upgrading to LED light fixtures ● Disposal of products containing low concentrations of PCBs	● Collect hazardous waste dust (including lead) using dust collectors: 0 unintended stops ● Renewal to be completed by the end of production of fluorescent lamps (March 2027) ● Proper disposal completed by April 2027	● Unintended stops: 0 cases ● LEDs in factory and office buildings: 84% ● Mercury/fluorescent light disposal: 877 kg/year	○ ○ ○	● Collect hazardous waste dust using dust collectors ● Elimination of products containing mercury (light bulbs, batteries, etc.) ⇒ Upgrading to LED light fixtures ● Disposal of products containing low concentrations of PCBs	● 0 unintended stops ● LEDs in factory and office buildings: 95% ● Disposal of products containing low concentrations of PCBs (excluding those in use)	● 0 unintended stops ● LED lighting: updating to be completed by March 2027 ● Proper disposal completed by March 2027		
	① Measures for reducing hazardous substances	● Reuse of wastewater, rainwater, and well water ● Reduce electricity use through more efficient cooling/air conditioning	● Tabulate volume of tap water/well water usage for FY2025 (Sintokogio, Ltd.)	● Tabulation completed (130,637 m ³)	○	● Establishment of the scope of water risk assessment and collection of necessary data ● Risk evaluation				
	② Minimizing water usage	● Waste reduction (3R ⇒ 5R promotion)	● Waste emissions: 5% reduction year-on-year ● Reduction of plastic cushioning material purchases	● 0.8% reduction ● Cost of purchases: 12% increase year-on-year	△ △	● Waste emissions: 5% reduction year-on-year ● Reduction of plastic cushioning material purchases	● Wood waste and waste plastic emissions: 5% reduction year-on-year ● Plastic cushioning material purchase volume: 1% reduction year-on-year	● Waste emissions volume: 5% reduction year-on-year ● Plastic cushioning material purchase volume: 1% reduction year-on-year		
[S] Society (Human Resources)	3 Management that respects employees' growth and motivation in work and life	① Promoting One Global Sinto	● Train employees based on personnel development structure	● Growth survey: 75% or more	● 72.2%	△	● Revise training program curriculum with low evaluations ● Management motivating participants	● Growth survey: 75% or more	△	● Growth survey: 75% or more
		② Promoting diversity	● Develop recruitment activities to comply with statutory employment rate of persons with disabilities ● Training of candidates for female managerial positions and hiring of experienced personnel ● Explanation and development of childcare-related measures for male employees	● Employment rate of persons with disabilities: 2.5% or more (as of March 2026) ● Ratio of female managers: 5.0% or more (as of April 2026) ● Ratio of male employees who took childcare leave: 80% or more	● 2.54% ● 4.3% ● 75.8%	○ × △	● Improve working environment for persons with disabilities ● Expand the pool of female managerial candidates and recruit them ● Promote awareness of the need to encourage employees eligible for maternity leave to take it	● Employment rate of persons with disabilities: 2.7% or more (as of March 2027) ● Ratio of female managers: 5.0% or more (as of April 2027) ● Ratio of male employees who took childcare leave: 80% or more	● Employment rate of persons with disabilities: 2.7% or more ● Ratio of female managers: 5.0% or more ● Ratio of male employees who took childcare leave: 80% or more	
		③ Initiatives for promoting health	● Develop health initiatives based on the health policy	● Ratio of persons maintaining a healthy weight: 65.0% ● Ratio of sufficient sleep: 57.0% ● Ratio of regular exercise: 25.0% ● Dietary habit indicator (Sinto original indicator): 25.0%	● 58.0% ● 47.7% ● 21.8% ● 30.7%	× × × ×	● Thorough implementation of Health Promotion Day ● Hold walking events in cooperation with health insurance association ● Foster health awareness by holding health workshops	● Ratio of persons maintaining a healthy weight*: 65.0% or more *BMI: 18.5 to 24.9	● Ratio of persons maintaining a healthy weight: 65.0% or more	
		④ Fostering a pleasant work environment	● Continue work environment improvements based on Workplace Improvement Committee ideas	● Improve pavement next to truck and forklift pathways: 100%	● 20%	△	● Implement measures to improve engagement	● Engagement survey score: 3.3pt or more *Maximum 5pt	● Engagement survey score: 3.5pt or more	
		⑤ Respecting human rights	● Raise awareness for the Sinto Speak-Up System	● Publication in in-house newsletters ● Raising awareness through questionnaires	● Monthly ● Not implemented	○ ×	● Raise awareness for the Sinto Speak-Up System	● Publication in in-house newsletters: Once monthly ● Raising awareness through questionnaires: Once yearly	● Once monthly ● Once yearly	
[S] Society (Stakeholders)	4 Building bonds with society and stakeholders	① Developing customer relationships	● Strengthen construction alliances to expedite customer restoration ● Deploy predictive monitoring services for early detection of customer problems ● Provide maintenance training to improve support skills	● Expansion of alliances ● Number of IoT service subscribers for predictive and trend monitoring: 20% increase ● Skill points: 3.0pt up per sales staff	● 5 companies ● 121 companies ● 3.6-point increase	△ ○ ○	● Expand construction alliances (increase Nakama) ● Strengthen promotion of IoT services ● Hold specialized trainings by product type	● Rate of construction projects: 5% increase ● New contracts for IoT services: 20% increase ● Skill points: 3.0pt up per sales staff	△ ○ △	● Maintain/expand number of construction projects ● Use of IoT services at 30% or more of customers ● Acquisition of sales skill Level 2 by all sales staff
		② Developing business partner relationships	● Collect electricity usage data from Shin-boku-kai members ● Receive examples of environmental improvements from suppliers ● Introduce and distribute examples of improvements	● Number of IoT service subscribers for predictive and trend monitoring: 20% increase ● Skill points: 3.0pt up per sales staff	● 47 companies ● 2 cases ● 3 times	△ △ △	● Distribute energy conservation and environmental improvement case studies ● Adopt reference cases (Shin-boku-kai)	● Cases distributed: 6 cases ● Cases adopted: 3 cases	△ △ △	● Collect electricity data from 82 Shin-boku-kai members ● Number of improvement cases submitted: 3 companies ● Number of times shared: 6 times
		③ Communication with shareholders/investors	● Individual meetings with institutional investors ● Facility tours for individual shareholders ● Publication of integrated reports and other media	● Number of meetings: 30 companies ● Facility tours for individual shareholders	● 17 companies ● Held on February 10, 2026	○ ○	● Individual meetings with institutional investors ● Participate in IR fairs ● Conduct facility tours	● Number of meetings: 20 companies ● Participation in the Nikkei/TSE IR Fair and the NSE IR Expo ● Once for individual investors and once for institutional investors	● Stable shareholder ratio: 50% or more ● Integrated reporting award score: Achieve average level among all companies	
		④ Respecting human rights	● Raise awareness for the Sinto Speak-Up System	● Publication in in-house newsletters ● Raising awareness through questionnaires	● Monthly ● Not implemented	○ ×	● Raise awareness for the Sinto Speak-Up System	● Publication in in-house newsletters: Once monthly ● Raising awareness through surveys: Once yearly	● Publication in in-house newsletters: Once monthly ● Raising awareness through surveys: Once yearly	
		⑤ Contributing to local communities	● Safety training held at the Skill & Safety Training Center	● Number of safety trainings: 15 sessions ● Number of KYT* trainings: 5 sessions *KYT (Kiken Yochi Training): Hazard Prediction Training	● 17 sessions ● 6 sessions	○ ○	● Safety training held at the Skill & Safety Training Center ● Implement KYT training	● Number of safety trainings: 15 sessions ● Number of KYT trainings: 5 sessions	● 15 sessions ● 5 sessions	
[G] Corporate Foundation	5 Healthy and sustainable management	① Corporate governance	● Reinforce corporate governance	● External directors on the Nomination and Compensation Committee: 100% ● External director ratio for the Board of Directors: 50% or more ● External auditor ratio for the Board of Auditors: 50% or more	● 100% ● 45% ● 75%	○ × ○	● Outsourcing to a third-party organization to evaluate the effectiveness of the Board of Directors ● Establishment of criteria for independence	● External directors on the Nomination and Compensation Committee: 100% ● External director ratio for the Board of Directors: 50% or more ● External auditor ratio for the Board of Auditors: 50% or more	○ ○ ○	● External directors on the Nomination and Compensation Committee: 100% ● External director ratio for the Board of Directors: 50% or more ● External auditor ratio for the Board of Auditors: 50% or more
		② Compliance	● Reinforce fraud prevention initiatives	● Serious noncompliance	● 0 cases	○	● Implement compliance training ● Conduct internal audits	● Sharing with employees: 100% ● Serious noncompliance: 0 cases	○	● Sharing with employees: 100% ● Serious noncompliance: 0 cases
		③ Risk management	● Select key risks and strengthen measures	● Risk reduction of key risks (BCP, IT security, workplace safety)	● 1 case	△	● Comprehensive review of risks and identification of priority initiatives by the Risk Management Committee	● Percentage of risk point reduction targets achieved: 100%	△	● Percentage of risk point reduction targets achieved: 100%
[T] Technology, Development and Manufacturing	6 Strengthening technology and manufacturing for sustainable growth	① New business development through combining technology	● Expand surface treatment business through technological integration with Elastikos ● Expand target materials for 3D printers ● Strengthen DX business through collaboration with sensor manufacturers	● Overall synergy target: 150 million JPY ● Adopt three new kinds of materials ● Collaboration with sensor manufacturers to enhance solutions ⇒ Partners: 5 additional companies	● Started 3D molding of two new materials ● Partners: 5 additional companies	△ ○	● Accumulate 3D molding technology with new materials ● Strengthen results through expansion of cooperative partners	● Overall synergy target: 150 million JPY ● Started to sell samples of molded products ● Cooperative partner companies: 5 additional companies	△ ○	● Overall synergy target: 150 million JPY ● 3D molding with new materials, business scale of 1 billion JPY or more (as of FY2028) ● Develop 100 new client companies in the three years to FY2026
		② Stronger strategy for intellectual property	● In addition to existing business domain, patent analysis and patent network development in collaboration with business divisions on key themes in new supporting technology segments ● Continue and strengthen monitoring of other party patent rights, etc. (patent monitoring for new fields in addition to standard monitoring activities)	● Percentage of patent applications for priority themes in all fields: 80% (second year cumulative) ● Addition of key monitoring areas: 4 themes	● Achievement rate of applications for key themes: 80% (second year cumulative) ● 3 themes completed (1 theme awaiting development status)	○ △	● In addition to existing business domain, patent analysis and patent network development in collaboration with business divisions on key themes in new supporting technology segments ● Continue and strengthen monitoring of other party patent rights, etc. (patent monitoring for new fields in addition to standard monitoring activities)	● Percentage of patent applications for priority themes in all fields: 100% achieved (third year cumulative) ● Addition of key monitoring areas: 4 themes	○ △	● Continued patent network development based on key themes ● Sufficient patent risk monitoring for new business segments
		③ Safe and reliable products	● Safety Assessor training ● Conduct risk assessments for all products sold	● Safety Assessors certified: 17 persons/year ● Percentage of risk assessment conducted: 100%	● 8 persons certified ● Percentage of risk assessment conducted: 100%	△ ○	● Safety Assessor training ● Conduct risk assessments for all products sold	● Safety Assessors certified: 15 persons/year ● Percentage of risk assessment conducted: 100%	● Safety Assessors certified: 17 persons/year ● Percentage of risk assessment conducted: 100%	

Mid-term Management Plan

Co-creation for New Value: Together with the earth, together with our Nakama

The world is entering an era of great change due to diversification of values and changes in the economic environment, including a major transformation of the automotive industry with the shift to EVs, the declining birthrate and aging population, and advances in information technology. Under these circumstances, with the hope of cherishing manufacturing and contributing to society, the Sinto Group formulated a 3-year mid-term management plan for the period from April 2024 to March 2027. The mid-term plan is entitled "Co-creation for New Value," with the aim of pioneering the future by sharing wisdom, refining technologies, and creating new value together with our "Nakama"* around the world to solve global issues.



As part of this plan, we will achieve sustainable growth by creating new business together with our Nakama. As a KGI for these initiatives, we aim to achieve an EBITDA margin of 8% or more through cost reduction, improved work efficiency, providing value-added products, strengthening our marketing strategies, and more, while valuing our relationships of trust with each and every customer. We will come together as one to succeed in these efforts, ultimately increasing the profitability and efficiency of the company.

*"Nakama" is a Japanese word for "friends" with a shared bond.

► Outline of the Mid-term Management Plan

To always be chosen by customers

1 Growth for a new era

Initiatives to resolve customer issues through after-sales service

Number of new customers
+3,900 companies

2 Reducing costs and increasing added value to become more competitive

Pursue added value based on diverse customer needs and improve profitability with differentiated items

Parts coverage ratio
5pt up

3 Improved work efficiency through use of IT and AI

Increase competitiveness per person through enhanced efficiency and skill improvement

Gross margin ratio
3pt up

Added value amount per person
10% up

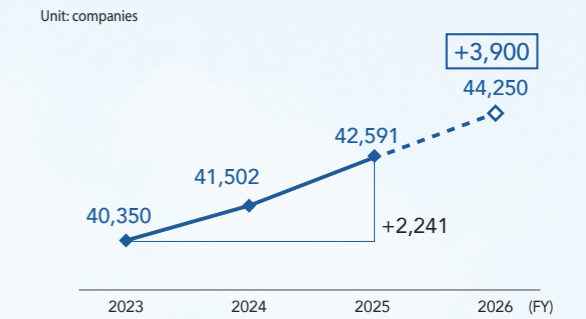
EBITDA margin of 8%+

► Looking back on the first two years of the mid-term plan

To always be chosen by customers

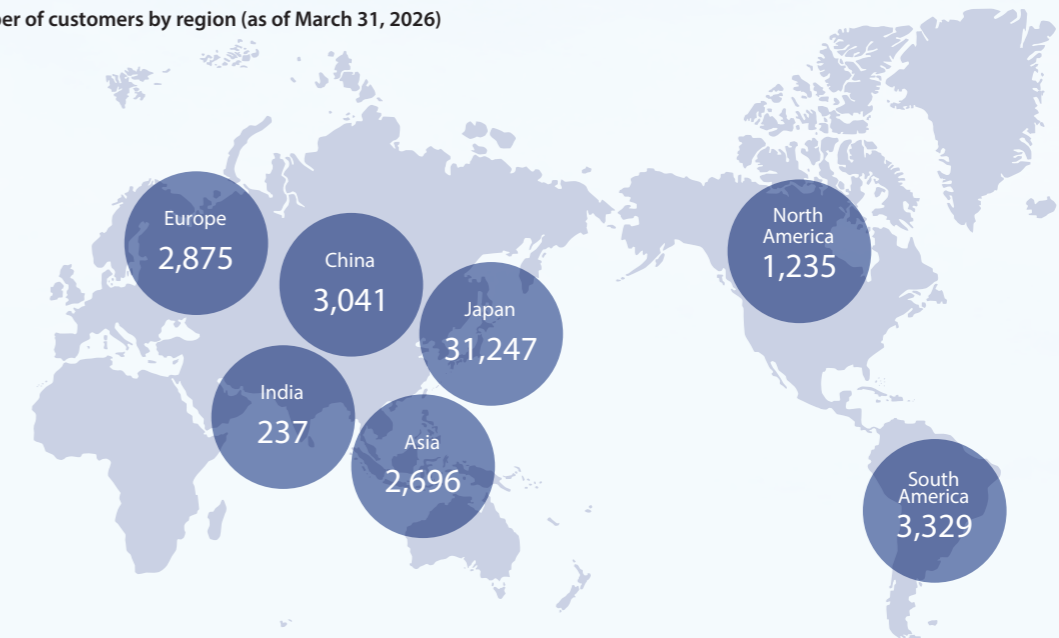
The number of customers is an extremely important indicator (KGI) that we want to continue to grow even amid the changing era and business environment. To always be chosen by customers, we are continuously refining our abilities for "customer-oriented proposals," "immediate response," and "being a good advisor." Taking care of each and every customer through these actions will result in increased corporate value. Specifically, it is important to build win-win relationships through our products and services. As part of these efforts to achieve sustainable growth for both parties and increase corporate value, the number of new customers increased by 2,241 companies in the second year of the mid-term management plan.

Number of new customers

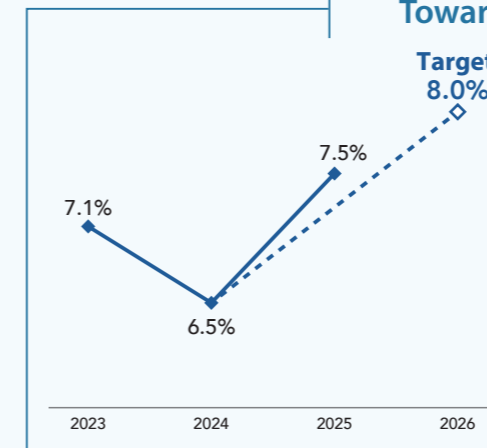


*The number of customers shown here has been consolidated and adjusted retroactively based on target customers for aggregation in FY2023.

Number of customers by region (as of March 31, 2026)



Toward EBITDA margin of 8%+

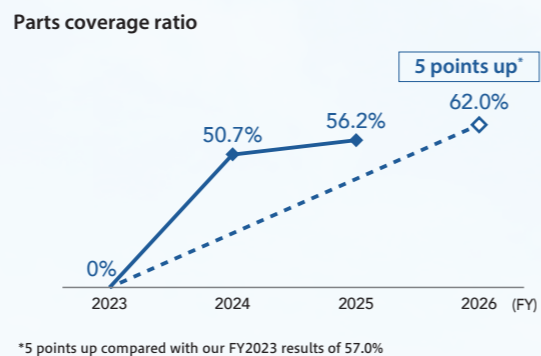


In our mid-term management plan, we aim to strengthen our ability to generate cash. In FY2024, we redefined our business domain of "giving form and life to process materials" and reorganized the framework of the material creation segment, form creation segment, and surface creation segment, and the five supporting technology segments that support them, clarifying the fields that are aiming for growth in the future. In FY2025, we used the cash generated to aggressively invest in growth areas and take on challenges, and these efforts are continuing and developing even now. Through these initiatives, we aim to create a virtuous cycle of cash generation and stabilize our earnings base by leveraging our unique support network and taking care of each and every customer. Through these efforts, we will strive to achieve an EBITDA margin of 8% or more, secure operating income, and improve ROE.

1 Growth for a new era

Before We focused on increasing the number of new customers
Future We will work closely with each of our customers to create new value together
Commitment Support our customers in adapting to the changing times, deepening their business endeavors, and exploring new fields

At Sinto, we do not just take care of new customers, but rather we consider our relationships with existing customers as one of our most important assets. We place particular emphasis on our policy of not just selling the equipment we deliver but also providing total support. In other words, we work closely with each of our customers to resolve every one of their issues, aiming to receive their gratitude in return. Our ultimate goal starting with this after-sales service is a future in which we come together with customers who put their trust in us, sharing knowledge and wisdom to create products that open up a new era together, thereby solidifying a stable revenue base. These are the thoughts behind the current mid-term plan, with parts coverage ratio as the KGI for strengthening our after-sales service. The results for this year were a parts coverage ratio of 56.2%.

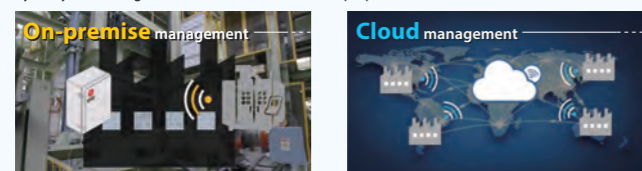


2 Reducing costs and increasing added value to become more competitive

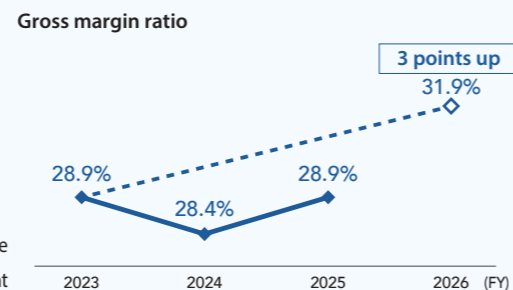
Customer needs Automation for labor savings | Utilization of IT for streamlining | Environmental measures
Commitment Expand margin range (gross profit) by adding value (increasing selling price) and reducing cost (increasing competitiveness)

We will strive to strengthen our competitiveness over our competitors through cost reduction and value-added improvement efforts. On top of providing lower-cost and higher-value manufacturing, we believe that the most important competitive advantage is to provide products that satisfy our customers. In this mid-term plan, we have expanded sales of fire prevention systems, and we have developed system products that reduce man-hours and equipment that eliminates defects in customers' factories. As a result, the gross margin ratio came to 28.9%.

C-BOX
 By easily connecting various sensors and devices, we propose solutions to resolve our customers' issues.



We are making proposals for labor savings in factories in response to the decline in the working population. We develop and market products that assist in the independent operation of facilities, such as using IoT sensing technology to automatically determine abnormalities and automatically adjust and replenish supplies.



3 Improved work efficiency through use of IT and AI

Increasing skills Each individual develops their own abilities to increase competitiveness
Efficiency through digital technology Thoroughly increase efficiency by utilizing digital technology to achieve timely operations
 (Shorten lead time by utilizing 3D data
 • Eliminate aggregation work by using RPA
 • Analyze with AI etc.)

Commitment Eliminate wasteful work and increase net efficiency through efficiency and skill improvement → Increased profitability

Worksite improvements

Led especially by improvement promotion departments, we are working on worksite improvements for increased productivity and quality across departments. Based on the philosophy of "complete elimination of overburden, unevenness, and waste (three Ms)" adopted from the NPS Study Group, we thoroughly confirm the actual conditions on the actual worksite, creating a structure for implementing improvements.

Improvement activities are done in tiers of overall plant inspections, smaller-scale area inspections, and individual line inspections to identify issues and solutions. In particular, for the line inspections, the designated business division trainers for 43 production lines lead trainings for both the worksite and back office together. In doing so, we create a structure for implementing improvements, thoroughly carrying out the practices, holding educational activities to reinforce understanding, and achieving concrete results, for a continuous improvement cycle.

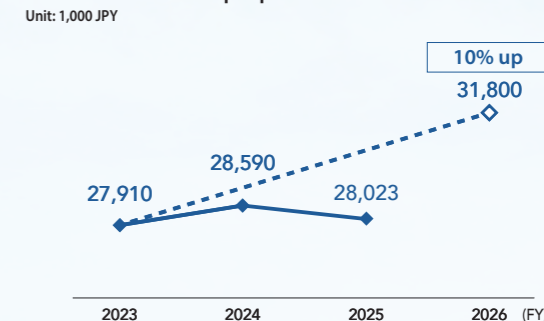
These improvements are not only limited to production sites. Overall work processes including office work are reviewed, and we promote enhanced efficiency through the standardization and streamlining of work.

Furthermore, based on this integration of work processes built through improvement activities, by adopting and utilizing digital technologies in phases, we are aiming to achieve an even higher level of work efficiency.

Office improvements

The BIP Promotion Group, launched in FY2024, is a project to laterally deploy improvements implemented by each division and to discover examples of improvements through exchanges with other companies, among other activities. Currently, about 200 people in 12 divisions participate in the activities, which are becoming even more active. Improvement examples are deployed throughout the company and utilized laterally in various workplaces to help employees motivate each other and instigate further improvements.

Added value amount per person



Worksite improvement activities

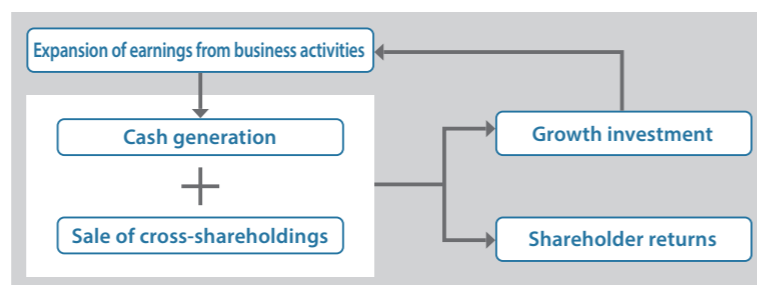


BIP Promotion Group information exchange gathering

Financial Strategy

Basic policy

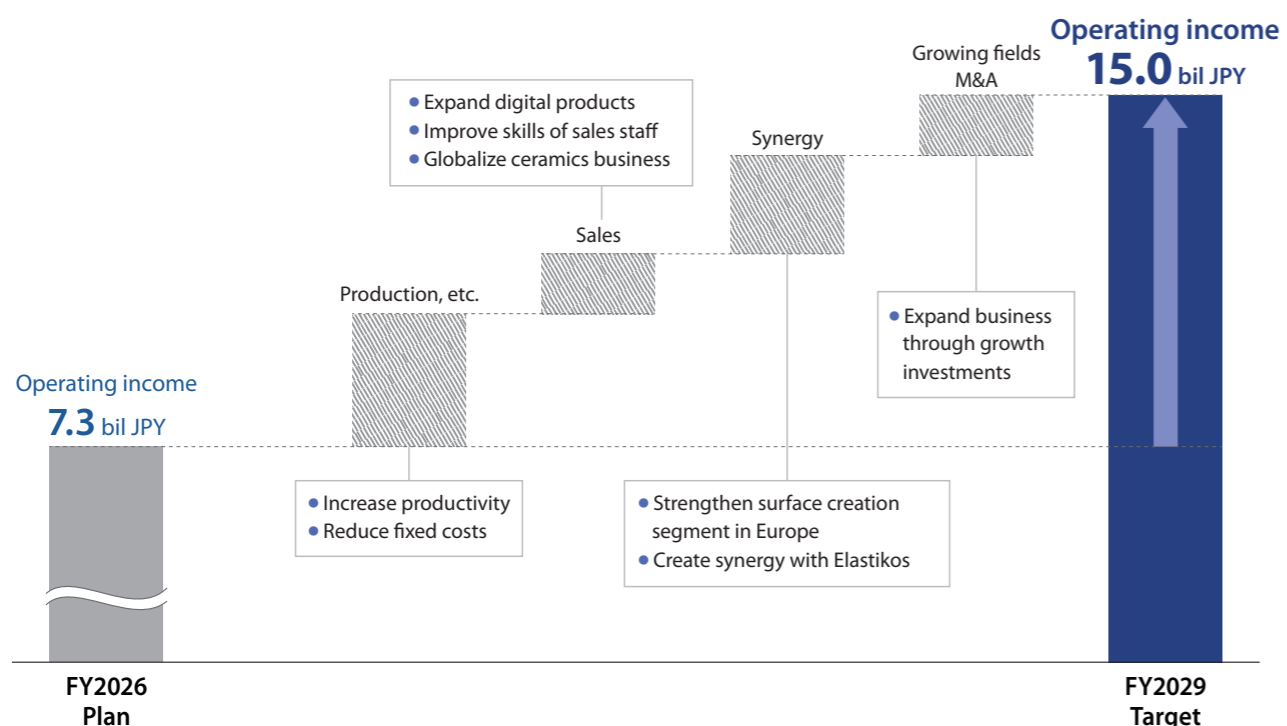
To increase corporate value and provide shareholders with long-term and stable profit returns, our financial strategy is to continue to prioritize strategic investments for M&A, capital investment, R&D, human capital, and sustainable growth.



Initiatives for achieving EBITDA margin of 12% and 15.0 billion JPY in operating income

To steadily promote our growth strategy considering changes in the business environment and our earnings situation, we made the decision to record an impairment loss on all goodwill and fixed assets related to the acquisition of Elastikos (France) in 2024. This impairment loss will put a stop to the sluggish business results of recent years, and we consider it as an opportunity to shift to business management focused on capital efficiency. From now, we will accelerate a new growth strategy by achieving growth as well as returns. Through this growth strategy, for the final year of the next mid-term management plan (FY2029), we aim to achieve EBITDA margin of 12%. Through this, we hope to reach an operating income target of 15.0 billion JPY, and as a result of enhanced capital efficiency, ROE of 8%.

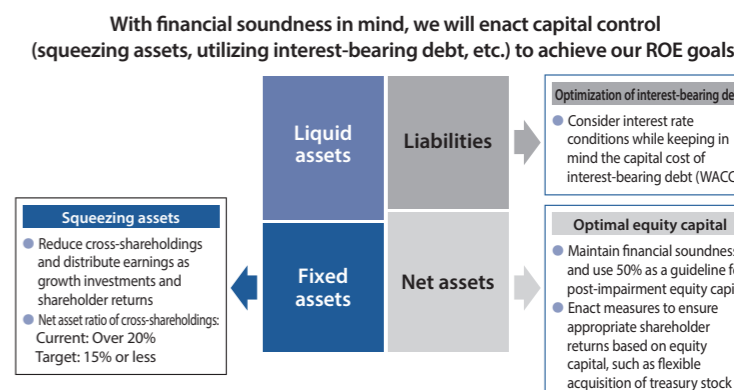
To achieve this, we will increase productivity by reducing costs, further digitalize after-sales service, and create synergy for equipment and after-sales service through 3-in-1 activities using the Elastikos network, developing in new business fields to secure profits. Additionally, the operating cashflow generated through these initiatives will be fully used for growth investment and shareholder returns, in our efforts to ensure the efficient use of capital.



Balance sheet improvement (capital efficiency)

We are continuously working to improve our balance sheet in order to sustainably increase our corporate value and strengthen our financial base. As part of these efforts, we are systematically implementing measures that contribute to the improvement of capital efficiency. First, from the perspective of strengthening governance and improving capital efficiency, we are aiming to reduce the net asset ratio of cross-shareholdings to 15% or less by reexamining the purpose for which they are held. The proceeds from the sale of these cross-shareholdings will be used for growth investment and shareholder returns to improve ROE and other financial indicators.

Additionally, along with properly managing and utilizing interest-bearing debt, reducing the interest burden, and adjusting the short- and long-term balance, we will strengthen our financial soundness and flexibility, with a target shareholders' equity ratio of 50%.

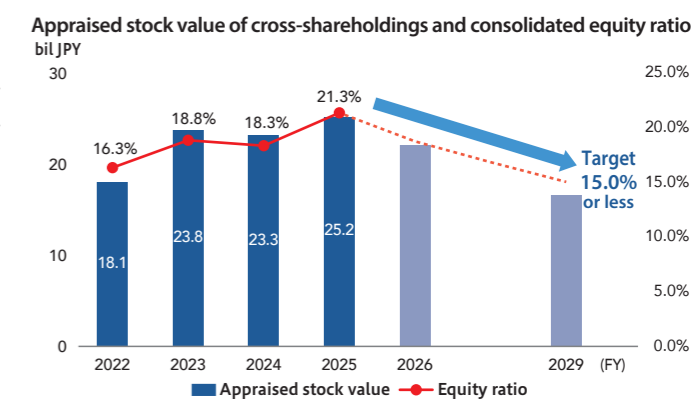


Sustainable growth through efficient use of capital

As a measure to enhance corporate value, we are focusing on expanding growth investments through the efficient use of capital. In addition to operating cashflow generated from business activities, from the perspective of capital efficiency, we will convert our investment securities holdings into cash as needed. These funds will be used within the scope of depreciation and amortization for investments to improve existing businesses as well as M&A and capital investment for growth.

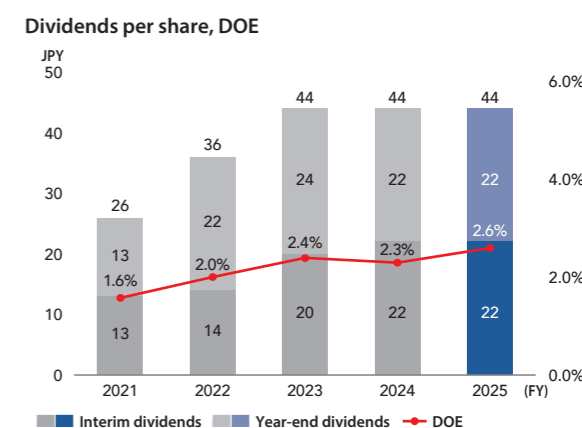
For cross-shareholdings, taking into account the overall business strategy and relationships with business partners, we are also considering the option of gradually selling our shareholdings from the perspective of capital efficiency. Once every year, the Board of Directors also reviews the appropriateness of holding the entire listed cross-shareholdings by comparing the risk of reducing the shareholdings in light of the cost of capital with the benefits associated with holding the shares (business income, dividends, capital gains, etc.).

We will further reduce our cross-shareholdings with the target of net asset ratio of 15% or less by FY2029, with the ultimate goal of improving our capital efficiency. Funds generated from these sales will be strategically used for growth investment. As one example, we are proceeding with the construction of a facility for the mass production of metal and ceramic parts using 3D printers, and we plan to establish a structure to manufacture high-value-added products mainly for data centers. The total cost of this project is projected to be 10 billion JPY.



Policy on shareholder returns

Our basic policy for shareholder returns has always been to link dividend payments to business performance based on stable dividends and an increase in consolidated net income. We will pay dividends while remaining conscious of DOE and return profits to shareholders in consideration of the shareholders' equity ratio. For FY2026, we plan to pay a full-year dividend of 48 JPY (increase of 4 JPY), with an expected payout ratio of 45.2%. With an eye to further enhancing shareholder returns through profit growth, we aim to achieve a P/B ratio of 1x or more by striking a balance between investment in sustainable growth and stable profit returns.



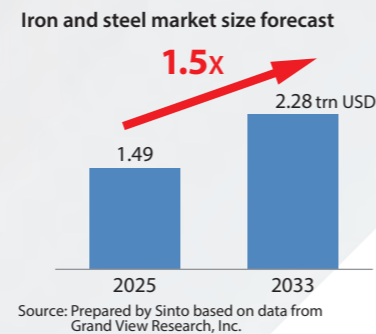
Strategy 1

Business domain: Giving form and life to process materials

Our business began with casting production, and we have developed the “form creation segment” through providing foundry equipment. After this, based on the idea of “giving form and life to process materials,” we developed into the “surface creation segment” through surface treatment processes such as sand removal from casting surfaces. Finally, we expanded our business to the “material creation segment” as we developed materials for advanced manufacturing. We are redefining our business domain based on these “three creations” supported by “five supporting technology segments,” and we are developing it across various sectors, from metal materials such as iron and aluminum, to ceramics and beyond.

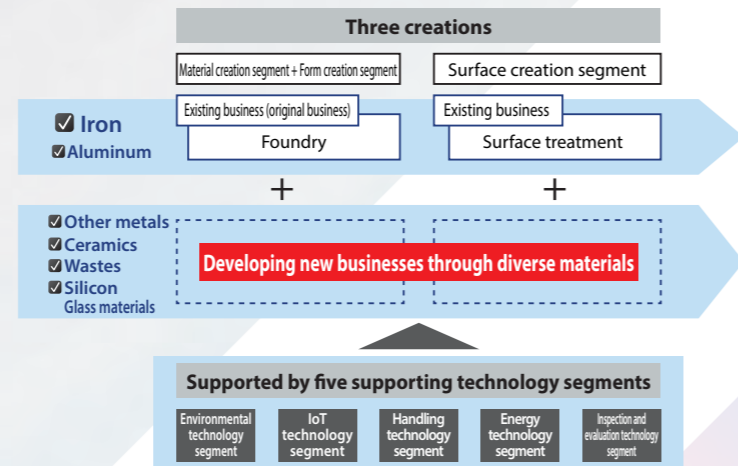
▶ Stability of demand in the iron market

Iron is a key material that supports a wide range of industries, and as an indispensable material in both society and industry, stable trends are forecasted for the mid-to-long term. In addition, on the back of infrastructure investment and expanding industrial activities, continued demand is expected. We will use this stable market environment as a foundation for our business, to continue to secure profitable opportunities in the future.



▶ Developing in growth markets with various materials

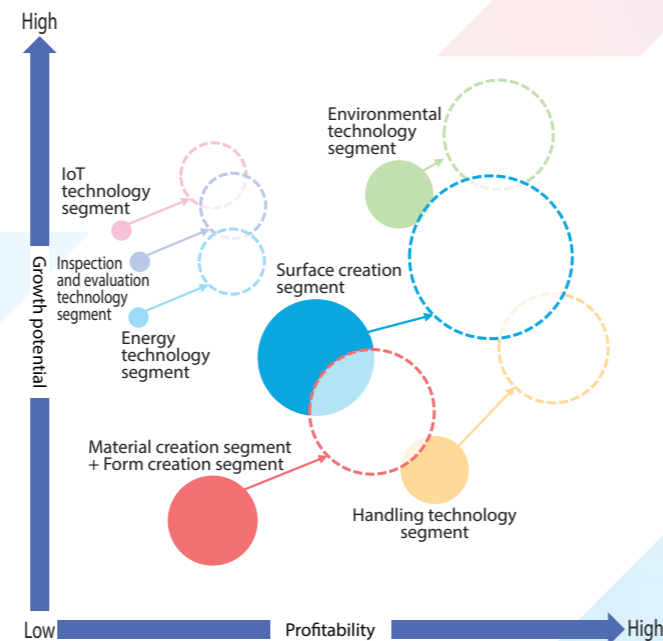
In the future, by applying the technologies originally used for iron in our existing foundry and surface treatment businesses, we will expand our range of materials to include ceramics and silicon as well as waste materials. Utilizing our global customer base developed through our foundry business, we will accelerate our entry into the global market. One example of this is the development of our ceramics business from global cooperation through Sinto Advanced Ceramics (see P.33). Furthermore, we will continue to refine our existing businesses while making proactive and apt investments in new ventures, thereby achieving both the expansion of our business domain and the strengthening of our revenue base. Through these initiatives, we will expand into growing markets while contributing to the resolution of social issues.



▶ Business portfolio strategy

From this perspective, our business portfolio is organized into existing and new businesses based on the three segments of material creation, form creation, and surface creation, and we are pursuing strategies tailored to the characteristics of each. In existing businesses, we will strengthen profitability by improving productivity and upgrading value-added products based on a stable revenue base. Meanwhile, we will aggressively invest in new businesses based on their market growth potential and nurture them as mid-to-long-term growth drivers. Furthermore, we will clarify the positioning of the “five supporting technology segments” based on growth potential and profitability, and we will allocate resources appropriately to achieve sustainable growth and improve corporate value.

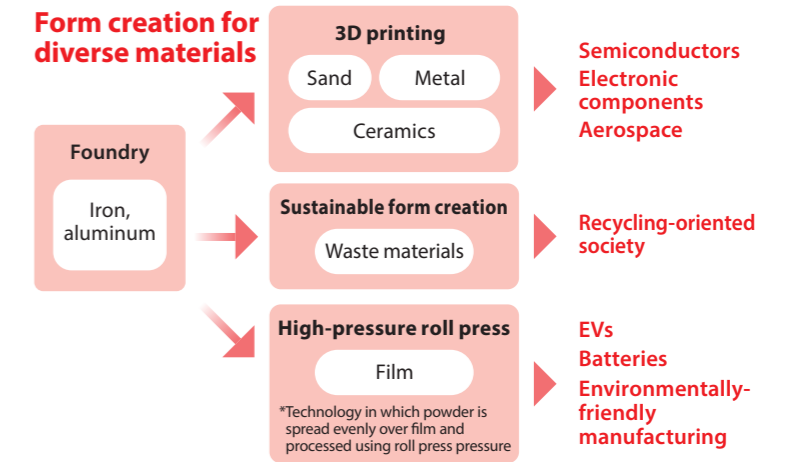
Business domain	Description, main products
Material creation segment + Form creation segment	Foundry business, 3D printing business
Surface creation segment	Blasting machines, polishing and laser processing equipment
Environmental technology segment	Dust collection equipment, gas treatment equipment, water treatment equipment
IoT technology segment	IoT products that contribute to visualization of data in factories
Handling technology segment	Handling/transport systems, force sensors
Energy technology segment	Electric cylinders, servo presses
Inspection and evaluation technology segment	Testing and high-precision measurement equipment



Material creation segment + Form creation segment

In foundry, our original business, we have earned a high level of recognition and trust over the years. Now, utilizing our technologies and network, we are taking on the challenge of providing new form creation that transcends conventional boundaries. “Form creation” refers not only to the creation of product forms, but also to a comprehensive approach to creating high-value-added products using iron and various other materials, with foundry technology as a starting point. Our goal is to expand the possibilities of iron casting and provide new value to society and our customers while maximizing the use of existing technologies and networks. In addition to “form creation,” we are also engaged in “material creation” to provide state-of-the-art materials, enabling us to offer optimal manufacturing solutions.

Expanding possibilities in materials through the form creation segment



▶ Making better castings

Target materials: Iron, aluminum
Field contribution: Wide variety of fields including automotive, iron and steel, industrial machinery, etc.

As a technique that allows us to freely form iron into any shape, casting production was and still is an essential industry. However, with the changing times, the business environment around casting has also shifted, and combined with concerns about environmental impact, factories located in towns have been pushed out to the suburbs. Under the vision of “making better castings,” we aim to enhance the potential of castings and to create foundries that “can make castings in the middle of town,” a catchphrase that expresses our desire to be useful not only to the people who work there but also to the residents of the surrounding community.

At the time of our founding, we took on the challenge of mechanizing the foundry and completed the first domestically-produced molding machine. Since then, we have built a history of form creation in foundry by constantly developing original technologies that add high value to casting products, to achieve our goal of “making better castings.” Through these activities, 6,077 customers* use our foundry equipment around the world.

*Number of customers as of the end of March 2026

We have formulated a five-step evolutionary process to make better castings to respond to the shifts that the foundry industry has been facing in recent years: a material shift from iron to aluminum, a regional shift to move production bases to areas of demand, and a needs shift toward higher-precision casting quality. As we move toward more advanced foundry systems, we are investing in producing zero waste or recycling waste for further form creation, thereby differentiating ourselves from our competitors.

Five steps of evolution toward “making better castings”

- 1 Supporting stable operations**
We support casting production that meets customers' needs.
- 2 Realizing high-precision castings**
We use advanced technologies to produce high-precision castings.
- 3 Improving the work environment**
We contribute to a safe and comfortable work environment.
- 4 Considering the local community**
We reduce waste and noise, acting as a good neighbor.

5 Being used as a community resource
We turn foundry plants into community resources welcomed by local residents.
Creating foundry plants that are recognized by the local community

Examples of ideas to bring joy to the local community

- Sandboxes for children using recycled casting sand*
- Greenhouses using heat generated by factories

*Sand used to make sand molds for castings



3D printing (additive manufacturing)

Target materials Ceramics, metals, sand, plastics, etc.
Field contribution Semiconductors, electronic components, aerospace, medical

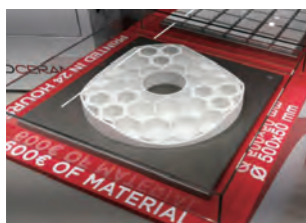
3D printers are in the spotlight as a next-generation manufacturing technology. Our focus is form creation using a wide variety of materials through the use of 3D printing technology. We contribute to environmentally-friendly manufacturing by reducing waste generation through solutions using less energy and fewer resources, and also by reusing waste.

Strengthening the ceramics business

Ceramics have excellent hardness, heat resistance, corrosion resistance, and electrical insulation properties, but their high hardness also makes machining difficult. Our 3D printing technology is expected to help solve these challenges and play an active role in a wide range of growth areas. Not just limited to form creation, our ceramics powders are used in material creation, and we propose the optimal materials for each application.

Supporting large and small items, from prototyping to mass production

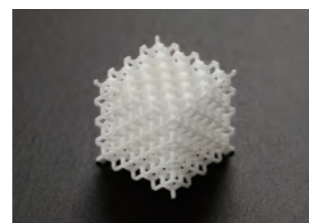
We provide a full range of services from material selection, design proposals, and 3D printing method selection to molding, sintering, inspection, and other manufacturing processes to meet the needs of our customers.



Satellite mirror component with a diameter of 50 cm



Sample with a minimum hole diameter of 0.3 mm



Sample of a complex internal lattice structure



Hollow and monolithically molded semiconductor wafer transfer hand

Taking on challenges in growth areas

Semiconductors and electronic components

These ceramic parts for semiconductor manufacturing equipment have a long service life due to their high hardness and excellent wear resistance, and their hollow structure enables them to be lightweight.



Suction tables utilized in semiconductor manufacturing equipment

Aerospace

A Sinto Group company in the U.S. was selected by NASA as a company to support space exposure experiments. If the 3D printer samples we provide are evaluated as effective in the harsh environment of outer space, we expect to be able to apply this technology to manufacturing a wide variety of parts.



Large 3D printer for ceramics

Medical

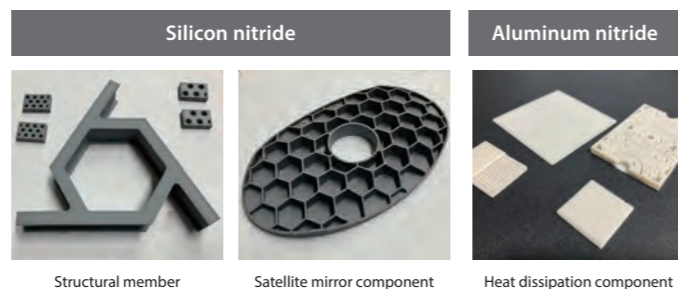
The excellent properties of ceramics are utilized to create complex shapes with high precision and high reliability. We provide custom-made, one-of-a-kind products tailored to each patient with short delivery times.



Orthodontic (wired) bridges

Focus on non-oxide ceramics in addition to conventional alumina

From FY2025, in addition to conventional oxide ceramics (mainly alumina), we began manufacturing with non-oxide ceramics such as silicon carbide, silicon nitride, and aluminum nitride. As non-oxide ceramics find expanding adoption in aerospace, medical, and semiconductor manufacturing applications in Europe and the United States, the Sinto Group is promoting the development of products that take advantage of hollow and complex shapes. Through these efforts, we aim to further develop our business by expanding into growing markets.



Structural member

Satellite mirror component

Heat dissipation component

Value creation through collaboration with our Nakama

Case ① Acquisition of German 3D printing business Strengthening global development of ceramics business through cooperation spanning Japan, Europe, and the United States

In November 2025, we acquired Bosch Advanced Ceramics ("BAC"), a 3D printing contract manufacturing business for high-precision ceramic components developed by Bosch Business Innovations GmbH. This acquisition is intended to accelerate the global development of ceramic products and strengthen our manufacturing base centered on additive manufacturing technology. Thus, we established a new company, Sinto Advanced Ceramics Europe, to inherit BAC's business, followed by the establishment of Sinto Advanced Ceramics USA, a production base in the United States. In Japan, our domestic group company Sinto V-Cerax was renamed Sinto Advanced Ceramics to unify the group company names in Japan, Europe, and the United States. Through this, we are further strengthening global technological collaboration by integrating the molding technology, additive manufacturing technology, and design and materials technology possessed by our core centers in each region.



Signing ceremony

Case ② 3D printing for a wide variety of materials

We have concluded an exclusive distribution agreement in Japan with Exentis, a manufacturer of 3D printers used for mass production, and are deploying this technology to form creation using a wide variety of materials. Their 3D printing technology is capable of manufacturing products of fine, complex shapes with high precision and in a short time. Supporting a wide range of materials, including metallic, ceramic, plastic, and bio-based raw materials, and through collaboration with Exentis, we will focus on developing our business in a wider range of fields.



Products made using an Exentis 3D printer

Form creation for the future using waste materials

Target materials Waste materials

In the future, we will also focus on form creation that reuses materials that were previously considered waste. For example, we are working on the development of a 3D printer that utilizes wood scrap (sawdust) produced when cutting wood with a saw. In this way, we are promoting form creation for the future that contributes to the realization of carbon neutrality by giving new value to materials that were previously discarded and transforming them into value-added products.



Samples made from waste sawdust

High-pressure roll presses

Target materials Film **Field contribution** EVs, batteries

With our high-pressure roll press technology capable of processing continuous sheet materials, we are opening up new possibilities in form creation. This technology is capable of various kinds of pressing treatment, performing consistently at speeds of 100 meters per minute, including compression of rechargeable battery electrodes used in EVs, as well as laminating films together or films with metal foils, and forming powders arranged on films. This enables stable, high-quality manufacturing for rechargeable batteries and flexible circuit boards, contributing to improving productivity and product quality. Furthermore, we are the only company in the industry to offer an all-electric roll press. Since no operating oil is used, this eliminates the risk of leaks and standby noise, vastly improving the work environment and contributing to improved product reliability and stability.

In addition, because this technology helps to reduce carbon emissions during the manufacturing process, we expect to see further expansion as a technology that responds to demand for environmentally-friendly manufacturing processes especially in the European market, where environmental restrictions are only becoming stricter.

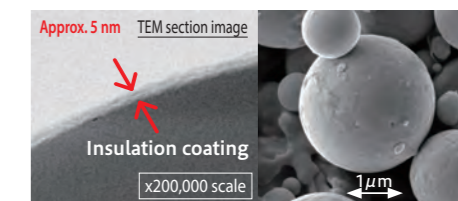


High-pressure roll press

Soft magnetic metal powder

Field contribution Semiconductors, electronic components

Based on the manufacturing technologies that we have cultivated over the years for abrasives used in surface treatment, we have been pursuing the microparticulation and stabilization of soft magnetic metal powders to provide them at the micron level. These powders are used as core materials in electronic components supporting high-speed, compact, and high-frequency communication in electronic devices, automobiles, and other applications. In recent years, demand has been growing across many markets as data volumes increase with the spread of generative AI and 5G communications. Electronic components have shifted from conventional ferrite to metal powder materials for inductors and other applications, increasing the need for high magnetic properties, fine powder, and insulation coating technology. As one of the key materials in electronic components to meet these needs, our soft magnetic metal powders are expected to see increased demand in the future.



Approx. 5 nm TEM section image

Insulation coating

x200,000 scale

1 μm



Surface creation segment

Our “surface creation” began with removing sand, impurities, and burrs from castings using blasting technology.* It has since evolved to meet the needs of the times and changes in the industrial structure. We have now expanded our surface creation business domain to include micromachining to form small holes and grooves in surfaces, surface conditioning for harder and longer-lasting surfaces, and joining of dissimilar materials such as metals and resins. In addition, to expand our range of processes suitable for various materials, we are developing new laser-based surface treatment methods to complement our conventional blasting processes, and we are also working to provide solutions through composite processing that combines multiple processing technologies.

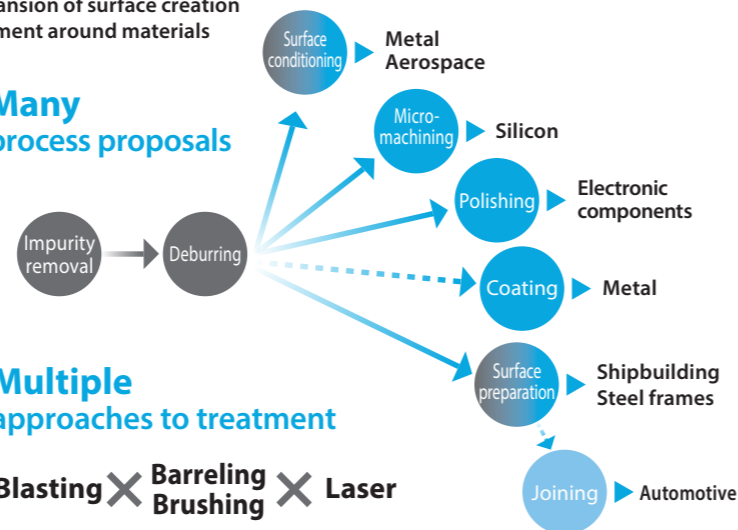
*Processing method that shoots metal spheres (abrasives) against the surface of workpieces

Expansion of surface creation segment around materials

Many process proposals

Multiple approaches to treatment

Blasting X Barreling X Laser



► Laser processing

While previously we have primarily used blasting, we are now adopting new surface processing methods exposing surfaces to laser light. These methods boast high-speed, high-precision, and non-contact processing that limits damage to surfaces, and they are also environmentally friendly as they do not generate waste. Laser processing is being used in many growing fields.

■ Aerospace

Parts used in aerospace fields require high precision and durability. Laser peening and shot peening are used to improve the strength, durability, and reliability of important parts such as turbine blades. Laser cleaning is also used for surface treatment such as cleaning parts and removing deposits from surfaces.

■ Semiconductor and electronic components

With the rapid growth of AI, there has been heightened demand for next-generation semiconductors used in data centers and for communications parts. Processing using UV nanosecond and UV picosecond lasers enables precise and stable micromachining at the micron level.

■ Medical

Lasers can be used for non-contact processing, enabling precision processing while maintaining sterile conditions. Laser processing is utilized in the production of equipment used in medical settings, and high-precision, high-durability laser marking is also used for traceability of advanced medical parts and medicine tablets.

Examples of laser processing



Example application of laser peening process (turbine blades for aircraft)



Rust removal using laser cleaning, before (left) and after (right) treatment



Example of laser marking

► Surface conditioning

By exposing the surface of materials to laser light, this process improves surfaces by applying compressive residual stress to surface layers. This enables treatment limited to very small areas (hole edges, gear valleys, etc.) without affecting the product surface, and service life improvement can be expected due to deeper stress application. For example, high safety and reliability are required in the aerospace industry. The key to this is to achieve both light weight and high durability. Rather than making materials thicker and heavier, our technology for strengthening surfaces extends the service life of components and contributes to weight reduction, allowing us to expand to applications in fields where future growth is expected, such as the aerospace and aviation sectors.

Target materials Metals
Field contribution Aerospace



Laser peening process

► Micromachining

Our micromachining technology enables micron-level precision machining of grooves and holes in hard-to-process materials such as glass, silicon wafers, and ceramics. Now, with the advance of digitalization, this technology is being adopted in the electronics and precision components industries, which are expected to see continued growth. In the pin machining of ceramic electrostatic chucks used in semiconductor manufacturing processes, the use of quantitative injection control technology to achieve uniform pin height with high accuracy helps to maintain uniform silicon wafer temperatures and contributes to the stability of film deposition quality.

Additionally, with our unique developing technology, we enable uniquely precise, high-aspect-ratio development for thick dry films. With the spread of AI, increasing demand for GPUs and other components is predicted, and we expect our technologies to be used in processes such as pillar forming for power semiconductor substrates.

Target materials Glass, silicon, ceramics
Field contribution Semiconductors, electronic components



Example of developing process

► Joining of dissimilar materials

Our joining technology directly bonds different materials using nano-level surface roughness without adhesives, freely combining the inherent properties of dissimilar materials such as metals and resins to create products with new functions and performance, such as heat dissipation, airtightness, and magnetism, in addition to weight reduction. This technology will play a crucial role in fields such as EVs and autonomous driving, where electrification is a trend expected to grow in the future.

Target materials Metal and resins
Field contribution EVs



Joined metal and resin sample

► Composite processing

Along with proposals for form creation through 3D printers using metal additive manufacturing (metal AM), by combining these technologies with our long years of surface treatment expertise, we are able to resolve issues faced by metal AM such as surface roughness and strength, promoting high-value-added manufacturing. For example, by using our barrel polishing and peening technologies together, we can introduce our original “barrel peening” method to both smoothen and strengthen surfaces, to expand the range of applications for new molding methods such as additive machining.



Metal AM sample before (left) and after (right) surface treatment

Value creation through collaboration with our Nakama

Case ① Expansion of our laser business through collaboration with partners

We are strengthening our long-lasting ties with LASERAX and expanding sales of laser machining equipment through our Laser Solution Lab, which was established in Aichi Prefecture in FY2025. LASERAX's equipment has the advantage of high output and high precision and can support integrated services from test machining to contract processing. Through this initiative, we are expanding the scope of surface treatment using lasers by developing into growing markets such as medical equipment, semiconductors and electronic components, and the automotive field.



Laser Solution Lab opened at Oharu Works

Case ② Problem solving and value enhancement through integration of metal AM and surface treatment technologies

Together with SOLIZE, we are collaborating to expand metal AM prototype manufacturing and contract production. By combining the metal AM technology of SOLIZE with our surface treatment technology, we are pursuing the resolution of issues such as strength and surface roughness of molded products and the production of high-value-added products. By providing design, modeling, and surface treatment in an integrated manner, we are improving quality, reducing costs, and expanding applications to realize sustainable manufacturing.



Samples of SOLIZE 3D printed products processed with our surface treatment

► Synergy strategy with Elastikos

In 2024, we acquired Elastikos, a French company engaged in the surface treatment-related consumables business. This is a strategic initiative aimed at sustainable growth of the surface treatment business and strengthening its competitiveness on a global scale. By combining the strengths of both companies, we will further increase customer value and strengthen our business foundation.

Aim of the acquisition

1 Expand customer base

Elastikos is a consumables manufacturer with sales to approximately 10,000 customers worldwide, building a stable customer base, especially in emerging markets such as India. With this acquisition, we are expanding our business by attracting new customers and strengthening our access across many geographic areas. This will greatly expand customer contacts in the surface treatment business, deepen our understanding of customers' issues and needs, and create future opportunities for proposals (cross-selling) of related products such as equipment and after-sales service.

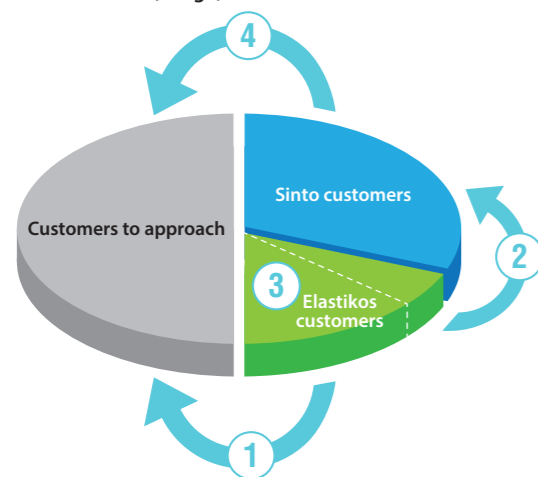
2 Reduce cost of capital

This acquisition is positioned as a growth strategy as well as a capital policy aimed at strengthening our financial base. By leveraging the stable cashflow generated by the consumables business, we aim to optimize our procurement structure and reduce our cost of capital from 7.0% to around 6.5%. Cash generated from the acquisition will be used to secure liquidity on hand to fund stock acquisitions and refinance existing debt, thereby achieving both financial soundness and capital efficiency.

Synergy strategy with Elastikos

Utilizing the customer database of both companies, we aim to respond to the needs of our existing 40,000 customers around the world through integrated 3-in-1 activities. We will also work together to acquire new customers, regardless of the business field or application.

Abrasives market share (image)



- ① On top of our strong support system, we will use Elastikos's network to approach new markets.
- ② For existing Elastikos customers, we will create opportunities for use beyond abrasives, such as equipment and after-sales service.
- ③ Elastikos will make proposals from new perspectives to respond to the various needs of their existing customers.
- ④ We will strengthen our development in the peening and precision processing markets using our differentiated technologies and know-how.

Objectives

Our long-term goal is to increase sales per customer by 1.5 times in Europe and Asia, and to double the number of customers in North America. We strive to be #1 in both sales volume and global market share.



Five supporting technology segments

Along with supporting our "three creations" and enabling the development of our business, these "five supporting technology segments" resolve issues faced by our customers and stakeholders, contributing to the advance of society.

Environmental technology segment

Enabling workers' health, safety, and comfort

Through our environmental technologies developed from pollution prevention in factories, such as dust collection, gas treatment, and water treatment, we are making efforts to create a work environment that is not only safe and healthy for workers but also comfortable. A safe and comfortable environment creates a place in which all workers can thrive, and it also reduces the risks surrounding the company.

Advanced fire countermeasure systems

Conventionally, factory fire risks have been a major issue for companies, and the importance of countermeasures has increased dramatically in recent years. In response to this, we offer a complete fire prevention system, from the suction port to the main unit to the exhaust air, to realize a safer and more secure factory. Effective countermeasures are applied to each area, and the combination of these measures greatly improves safety.

We will continue to further strengthen the three measures of fire prevention, early detection, and fire spread prevention to enhance plant safety, thereby reducing the risks surrounding companies and contributing to the realization of a safe factory environment.



Our Amenity Meter visualizes the factory environment

Our Amenity Meter, launched in FY2023, has realized visualization of the broader work environment in factories and has garnered a high reputation from major enterprises as a revolutionary tool. In FY2025, we added functions for estimating legally mandated work management classifications, to further contribute to achieving safe workplaces. This has received a great response as a groundbreaking function that enables real-time estimation of environmental conditions that were previously only identified once a year. We will continue to evolve by providing even more functionality to realize even safer, more secure, and more comfortable factory environments.



IoT technology segment

Addressing labor shortages at manufacturing sites through digital transformation

With continuing issues in the manufacturing industry such as the serious labor shortage and increasingly aging equipment, more and more customers are forced to deal with sudden breakdowns. In addition to the visualization technology we have developed at production sites, we combine and analyze control and sensor data collected using virtual sensors, enabling advanced management of signs of abnormalities and trends in equipment, and helping to resolve our customers' issues. These solutions are available both through the cloud and with on-premise tools, accommodating all work environments.

We provide value in the following two areas: Firstly, "remote monitoring" enables efficient maintenance and service work by monitoring equipment conditions and enabling abnormality detection. Secondly, "Package by C-BOX" utilizes data to create value, enabling high-level analysis of equipment data using virtual sensors, image processing, and visualization functions.

In addition, in February 2026, we began offering the "Sensor Integration Platform by C-BOX," which enables centralized management, visualization, and analysis of sensors from multiple manufacturers in an on-premise environment. We will continue to improve the accuracy of data analysis utilizing rapidly evolving AI technology, supporting quick decision-making, reduction of labor shortages, and improved productivity.



Handling technology segment

Force sensors Visualization of force, enabling automation and motion analysis

With our 6-axis force sensor ZYXer as a core product, we provide solutions to social issues such as resolving labor shortages by automating various tasks in the manufacturing field. The sensor simultaneously detects load (F) in three axes (X, Y, Z) and the moment (M) around each axis, contributing to automation of skilled work and improved quality and productivity through the quantification of force data. In addition, with top-class signal speed and high detection accuracy, it minimizes the time lag even against the fastest robot movements, enabling minute force control. These features have been well received, resulting in increasing product awareness, with six domestic robot manufacturers having adopted the product as an option. Sales have also been trending strongly.

Furthermore, in August 2025, we launched a new original product utilizing the same technology, Force Plate. This ground reaction force meter can analyze human motion by measuring the ground reaction force exerted on the plate surface and the point of action between the sole and the plate. This movement analysis is expected to be used in various fields such as sports and medicine/rehabilitation. In addition to the traditional target market of the manufacturing field, we aim to further increase sales by expanding into new markets.



Shaft fitting by a robot equipped with ZYXer



High knees game experience

Transport devices Logistics enabling energy savings, labor savings, automation, and safety

We develop, manufacture, and sell high-precision, high-quality products such as lifts, conveyors, and systems in the material handling field. In the lift field, we are strengthening our lineup of electric lifts, such as high-head lifts and high-performance pantograph servo lifts, and in the conveyor field, we are working toward the market launch of conveyors with an entanglement prevention mechanism as a safety measure. For systems, we are promoting the development of new products and expanding our product lineup, including debinders for unloading truck beds and containers, and mobile step eliminators that can be used in environments where there are no platforms, such as the Dansa Racooda scissor lift. Dansa Racooda eliminates steps on a logistics site, and it has received praise for its contributions to reducing workload, improving safety, and shortening work time. In March 2026, we achieved 150 total unit sales of the product.

Amid rising demand for logistics efficiency and labor savings solutions, we contribute to the rationalization of cargo handling worksites. In addition, we are focusing on responding to the needs and trust of customers in a wide range of fields (factory logistics, e-commerce warehouse logistics, transport logistics, entertainment, nursing care, medical equipment, etc.) by promoting the launch of new fully automatic unloading systems incorporating image processing technology.



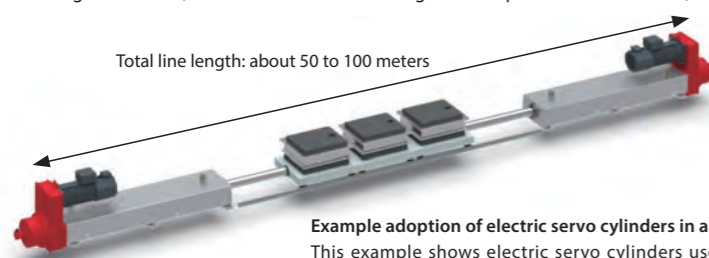
Dansa Racooda installed at a cargo worksite

Energy technology segment

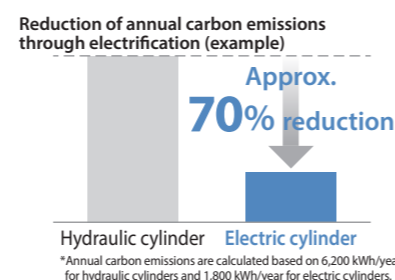
Electric cylinders Replacing hydraulic cylinders to reduce power consumption and carbon emissions

Unlike hydraulic cylinders, electric cylinders are energy-efficient actuators powered by electric motors. Not only does this enable precise and flexible movement, but by replacing hydraulic cylinders with electric cylinders, power consumption and carbon emissions can be reduced by approximately 70%, contributing to the creation of carbon-neutral factories. Also, unlike hydraulic cylinders, there is no oil leakage, making for a clean environment. Furthermore, electric cylinders save space and reduce noise, resulting in improved working conditions, and we can expect continued stable growth from the perspectives of precision and the environment.

In February 2026, we introduced the next evolution with an improved user interface and a template function that greatly enhances usability. Furthermore, the help function and automatic calibration function contribute to labor savings, while cycle time is shortened through simultaneous data transfer during processing. In addition, the brake circuit monitoring function prevents breakdowns, improving productivity.

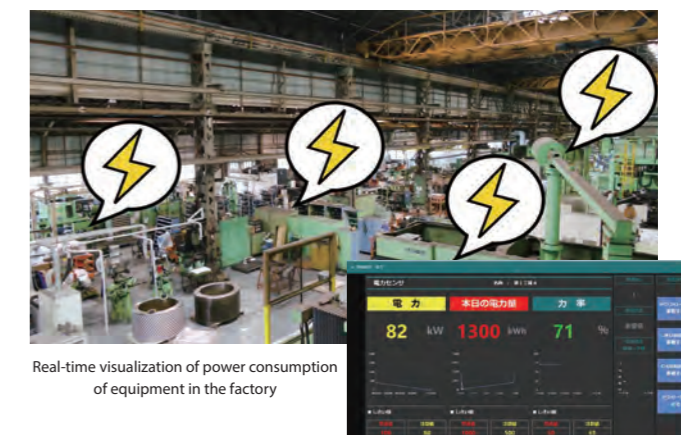


Example adoption of electric servo cylinders in a casting line
This example shows electric servo cylinders used to transfer molds. Conventionally this would be performed by hydraulics.



Visualization/reduction of power consumption Achieving carbon neutrality in manufacturing sites

With our experience as an equipment manufacturer, our strength is in our ability to realize digital transformation at the site level and to propose equipment/devices in sets that can reduce power consumption. In this way, we will continue to make proposals for realizing a sustainable society in a wide range of manufacturing fields. By utilizing IoT technology, it is possible to visualize power consumption at every level, from the entire company to each individual machine, thereby enabling actions to reduce unnecessary power consumption. Furthermore, by proposing energy-saving products such as the electric cylinders mentioned before, we promote the reduction of power consumption and carbon emissions.

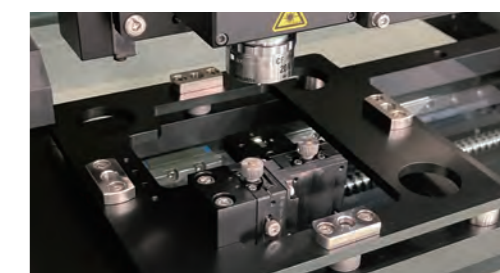


Real-time visualization of power consumption of equipment in the factory

Inspection and evaluation technology segment

Surface length and shape measurement High-precision dimensional measurement

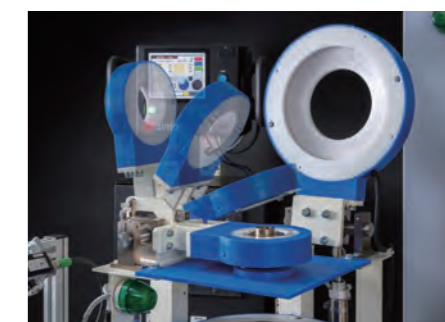
The expanding use of AI has resulted in a boom in the construction of data centers. In this age of advancing digital innovation, components for semiconductors, displays, optical communications, etc., are becoming increasingly dense and precise, increasing the demand for accurate dimensional measurement in research and development and the manufacturing process. The SMIC series of precision 2D coordinate measuring machines, capable of measuring fine line widths as thin as 0.5 micrometers (1/2000 of a millimeter), is so reliable in its absolute measurement accuracy that the machines are used not only to measure various precision electronic components, but also to evaluate the accuracy of the equipment used in the manufacturing process of those components, supporting Japan's precision manufacturing.



Measuring the dimensions of an MT ferrule (a connector component for optical fibers)

Surface evaluation Contributing to quality assurance and production efficiency

Our surface evaluation technology Sightia™ makes it possible to visualize changes in material properties, thereby contributing to improved production efficiency by preventing defective products from being sent to the next process; it is also possible to measure the product condition before processing and designate processing settings that suit the condition of each individual product. Furthermore, our surface evaluation equipment can measure stress in just 15-20 seconds, the fastest in the world, making it possible to inspect all items in a lot. This data is then remotely connected to our Technology Center, where operation status and measurement results can be communicated to engineers in real time, enabling us to provide optimal process proposals.



Surface evaluation technology Sightia™

Electrical property inspection High-precision and efficient one-stop inspection

We aim to improve our corporate value by strengthening our unique business domain that combines mechatronics with electrical measurement technologies. Based on testing technology for conventional fossil fuel vehicles, we are expanding our business into the field of high-speed, high-precision electrical measurement testing for electric vehicles such as BEVs. Centered on our original electrical property tester, we provide complete inspection solutions with the 3-in-1 functions of carrying, touching, and measuring, for everything from power semiconductor chips to eAxls. In this way, we contribute to the quality assurance of next-generation mobility.

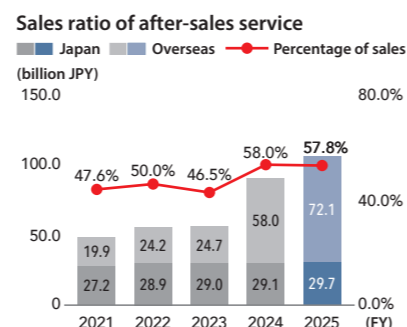


Electrical property inspection equipment

After-sales Service

Sales from after-sales service* amounted to 72.1 billion JPY overseas (up 24.3% year-on-year), with a major increase in sales of consumables and after-sales service. On the other hand, in Japan, despite a slight downward trend in customer facility utilization rates overall, we achieved a slight increase to 29.7 billion JPY (up 2.0% year-on-year), responding to customer needs for investment in equipment maintenance to maintain productivity. The sales ratio of after-sales service to consolidated net sales was 57.8%, maintaining a high overall ratio. We will continue to further expand our after-sales services and provide timely service to our customers, resulting in a stronger, sustainable revenue base.

*Total sales of consumables, parts, and modification



▶ Providing after-sales service that ensures equipment never stops

With the motto of “preventing our customers’ equipment from stopping,” our after-sales service supports the stable operation of our customers’ equipment by utilizing the Sinto Support System, which combines digital technology (including IoT) and the skills and knowledge we have cultivated over many years in the field. Recently, as the number of skilled engineers and maintenance personnel has been decreasing at manufacturing sites, the role required of maintenance operations has become more sophisticated every year. To address these issues that customers are facing, we deploy our after-sales service both in person and through digital tools. By visualizing operation data and monitoring warning signs, we can detect signs of stoppage or abnormalities early, shifting from the conventional maintenance style of repairs after an incident occurs, to an improved level of preventive maintenance that anticipates issues beforehand. Additionally, using timely awareness and analysis of the equipment conditions through digital tools in combination with strong skills developed on site, we continuously support the stable operation of our customers’ equipment. We will continue to strengthen our after-sales service so that customers can operate our equipment with peace of mind.

Preventive Maintenance

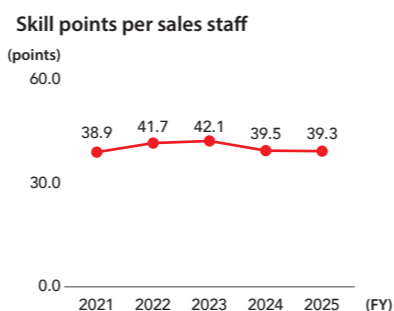
- Warning sign management**
Alarms to prevent breakdowns or abnormalities during operation
- Trend management**
Data collection to identify issues and implement improvement measures
- Plant management**
Visualization of the worksite environment to protect workers’ safety and health

Corrective Maintenance

- Remote restoration support**
Remote support to minimize downtime

Human resource development and skill improvement for universal after-sales service

As we expand our business globally, we regard the provision of after-sales service without regional differences as an important theme. This is based on our management philosophy of HEART (Human Enrichment & Achievement through Reliable Technology), in which we build relationships of trust through reliable technology, and develop and succeed together. To achieve this, through support tools and standardized business processes utilizing digital technology, we are working to standardize the skill level and quality of response of our technicians at our worldwide locations. In addition, we regularly hold Black Belt Meetings, during which the heads of after-sales service departments of overseas group companies gather to promote common global skill management and evaluation criteria. Through these efforts, we provide stable service that is not dependent on location or personnel, and we have established a system that ensures the long-term reliable operation of our customers’ facilities.



Research and Development, Intellectual Property Strategy

Research and Development

▶ Promoting expansion of our business domain of “giving form and life to process materials”

We are actively conducting research and development to expand our business domain of “giving form and life to process materials,” which we have been working on for many years. The core of this business domain are the material creation segment, form creation segment, and surface creation segment, along with the five supporting technology segments that support them. Particularly, for developing applications for 3D printing technologies, and with the purpose of creating business in response to social issues such as sustainability, carbon neutrality, and labor savings, we invested 2.8 billion JPY, or 1.6% of our consolidated sales, in research and development in FY2025 toward the development of technologies and products. We are also strengthening our efforts in joint development with universities and research facilities and further promoting co-creation with partner companies.

▶ Strengthening collaboration in technological development with bases in each country

Currently, our primary development bases are located in Japan, but we are working to accelerate technological development in other regions and create a global development system as One Global Sinto. Today, we are engaged in regular technological exchange in the foundry and surface treatment businesses, and we have been discussing business strategies from a global perspective to be deployed in each region. By utilizing our customer service bases in each country and capturing customer needs, we are developing appropriate strategies for each region.

Intellectual Property Strategy

▶ Strengthening our intellectual property portfolio

As the core of our business domain of “giving form and life to process materials,” we are continuing to strengthen our intellectual property portfolio based on the material creation segment, form creation segment, and surface creation segment, as well as the five supporting technology segments that support these three creations. In addition to newly developed technologies, we aim to maintain and strengthen our competitiveness by proactively filing applications for intellectual property rights (patents, utility models, and designs) that fill gaps in our portfolio. Furthermore, we aim to secure an advantage in terms of intellectual property by filing patent applications not only for our core technologies but also for the peripheral technologies that support them.

▶ Contributing to business through intellectual property (maintaining and strengthening competitiveness and risk management)

■ Avoiding intellectual risk

We respect the intellectual property of others and ensure that we do not infringe on their rights. To prevent litigation and legal risks from occurring, we regularly monitor the rights of other companies in each business field and cooperate with business divisions to thoroughly investigate and review the results of such monitoring.

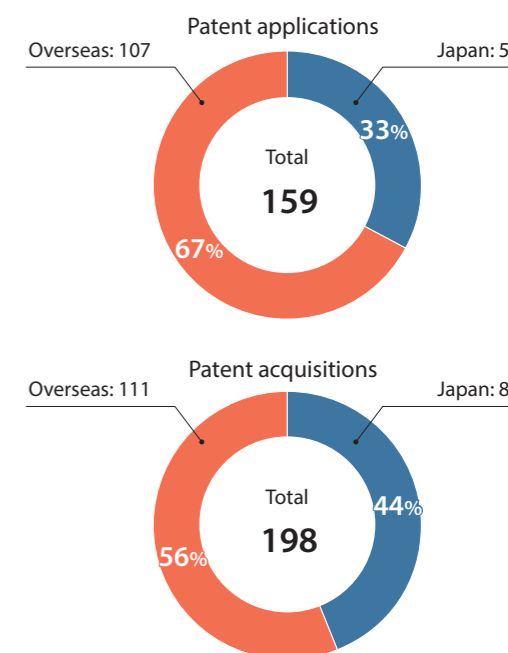
■ Utilizing intellectual property information

In addition to our existing business domain, we are enacting intellectual property analysis in new business areas. Based on the direction of each business division, we are able to develop intellectual property strategies that are suited to the business environment. Through this intellectual property analysis and the proposed strategies, we are organizing our intellectual property structure with considerations also made from development and sales perspectives.

■ Intellectual property human resource development

We offer intellectual property training as per rank and job type, striving to increase motivation to invent and create, respect the rights of others, and protect our own company’s rights. For instance, by holding training every year for employees planning to take the intellectual property management skills examination, we are raising awareness of intellectual property topics across the company.

FY2025 results for patent applications and acquisitions

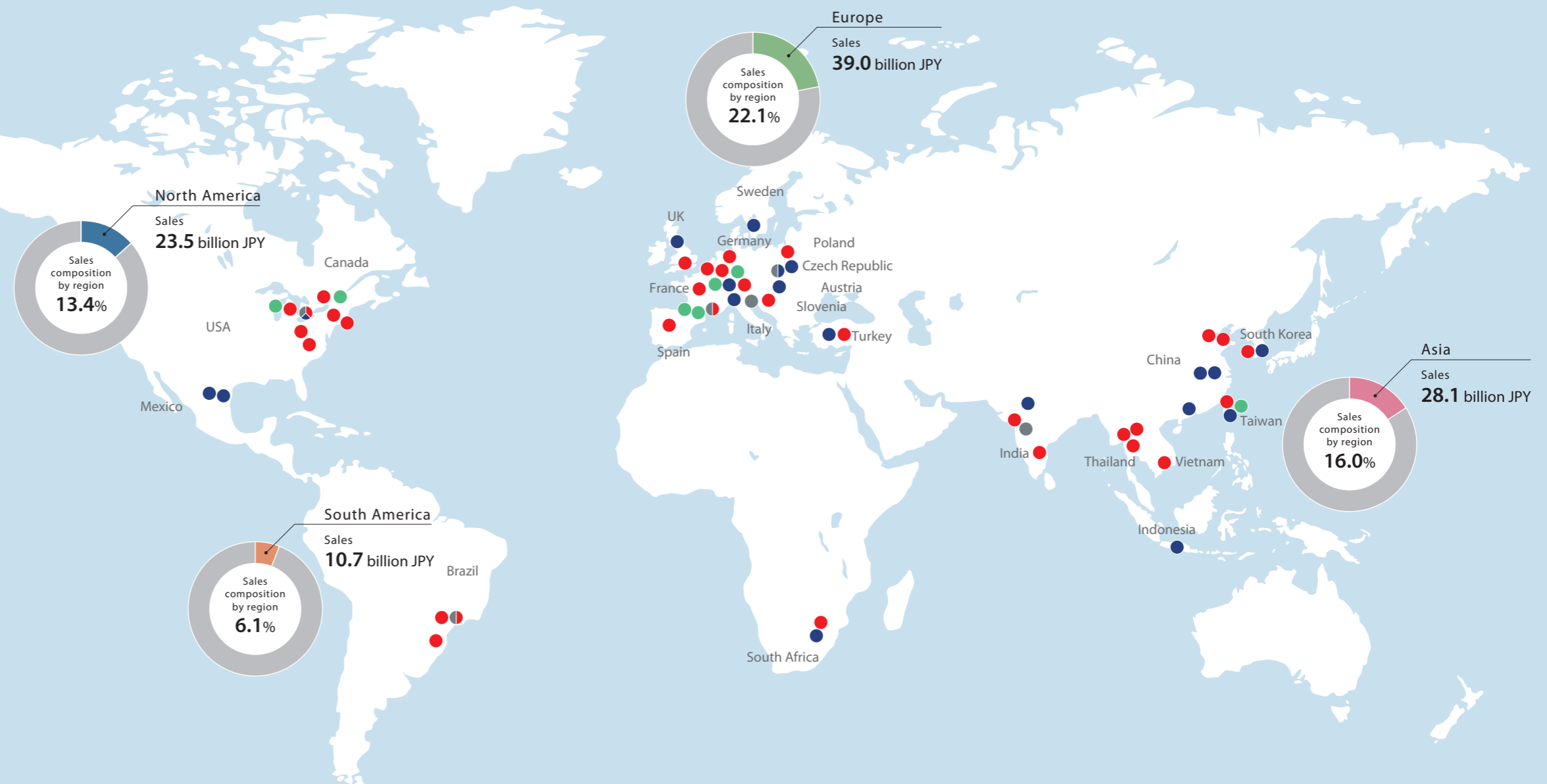


One Global Sinto (Global Business Foundation)

The overseas expansion of our company started in 1959 when we began technical cooperation with Wheelabrator Inc. (USA) for the shot blast field, as the first step in building collaborative relationships with overseas companies. Then, in 1963, we established Sintobrador, Ltd. in Japan as a joint venture with Wheelabrator, and in 2009, Sintokogio and Sintobrador merged together as one, strengthening our business base as the Sinto Group.

Our first overseas subsidiary was established in Taiwan in 1968. Subsequently, the development of foundry technology resulted in the establishment of after-sales service bases for customers in the high-demand foundry industry, along with manufacturing bases for new growing industries. This global network set the foundation for our current business development.

We utilize this network to expand our market share for our existing businesses and to promote development in new businesses. Sinto has also developed a global 3-in-1 business model that provides equipment, parts/consumables, and after-sales service to customers after equipment is delivered. With the motto of "preventing our customers' equipment from stopping," we provide stable supply of parts and services by expanding our network to locations close to the customer. Through this, we aim to deepen bonds with our customers. Our global network spans across various regions all around the world.



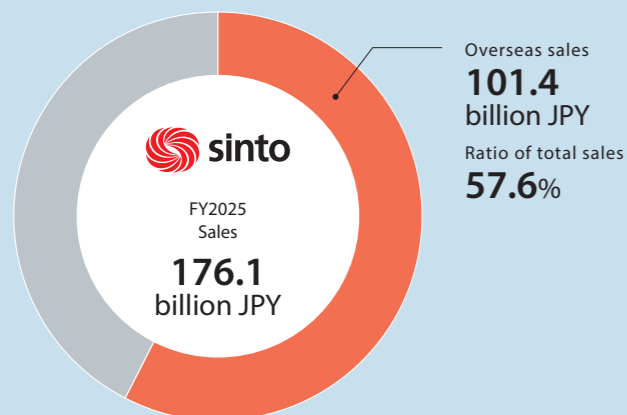
Subsidiaries outside of Japan

(as of March 2026)

59 locations in **23** countries and regions

- Management company
- Manufacturing base
- Support base
- Technical center

Overseas sales composition



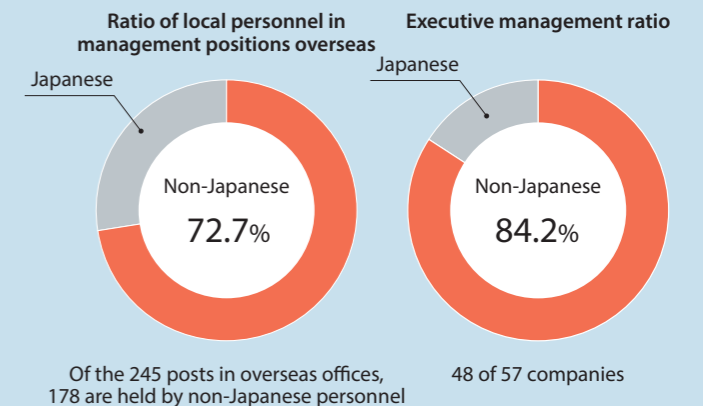
Global management structure

Every year, we host the Sinto International Conference for the executive management of all overseas group companies. This is an opportunity for our global group of companies to come together to ensure a fully shared understanding of the global management policies, and to address topics such as risk management and the promotion of sustainability activities to strengthen our global management structure. In developing our overseas business, we emphasize our idea of trust-based management. By entrusting management of day-to-day operations to the local people while we provide technology and capital, we aim to achieve management that is rooted in each local area under a unified business vision as One Global Sinto.

While entrusting operations to local human resources, through appropriate monitoring, we are continuously improving efficacy of risk management and governance on a global scale (see P.51). Incorporating local perspectives, our companies in each region take the lead as we strengthen our global management structure.

Activating our global human resources

Currently, 48 of the 57 major overseas group companies are headed by local staff. In addition to embracing the diverse values of the world and managing operations based on local roots, we formulate business strategies from a global perspective and develop customer-focused responses in each region. We also believe it is necessary to increase management transparency, develop an organizational structure that can respond flexibly and quickly to changes in the business environment, and establish a group-wide compliance system.



Strategy 2

Creating an organization in which diverse human resources can play an active role

We regard respect for human rights and the individuality of each employee as a foundation of our management style, and diversity serves as a source of new value creation and sustainable growth. We promote Diversity, Equity, and Inclusion (DEI) to create an environment where people of various backgrounds, including age, gender, nationality, disabilities, values, and work styles, can recognize each other and maximize their abilities.

DEI is not simply a set of measures targeting specific demographics; rather, it is a management initiative designed to enhance a company's competitiveness by enabling diverse talent to leverage and combine their respective strengths. In this era of rapid change, we must move beyond simply continuing to work as we always have and instead constantly reexamine the questions: "Why are we doing this work?" and "What value are we creating?" We believe that by promoting DEI and encouraging each employee to reflect on and continually refine their potential through these questions, we can foster personal growth and contribute to the company's overall competitiveness and sustainable growth.

"Our employees are at the heart of our company." Guided by this philosophy, we are working to create an environment suited to an era where people choose their employers. DEI is not an initiative for the sake of others; it is an effort to shape the future of our company and an opportunity for each employee to focus on their own personal growth.

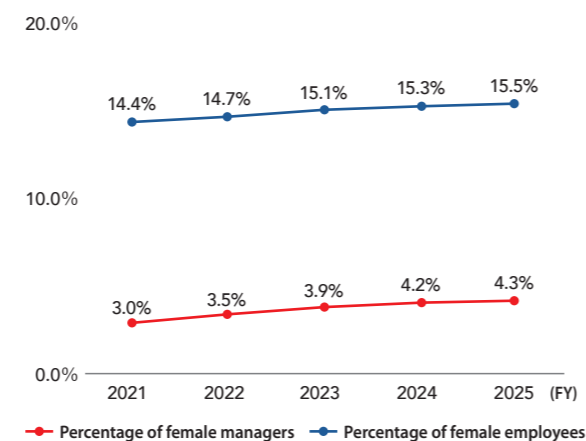
Promoting career advancement for female employees

We regard the creation of an organization in which diverse human resources can play an active role as one of our important management issues, and we are continuously working on the promotion of women in the workforce. As of March 2026, the ratio of female managers was 4.3%, and we aim to increase this to 5.0% by March 2027. In addition, the percentage of female employees has continued to increase steadily to 15.5% as of March 2026. We will not only improve these figures but also promote an environment in which women with ambition and ability can broaden their career choices, thereby leading to sustainable growth and value creation for the organization as a whole. Below are some examples of specific initiatives.

>> Aichi Women's Brilliance Company Certification

In April 2026, we obtained certification as an "Aichi Women's Brilliance Company" under Aichi Prefecture's certification program for companies promoting women in the workforce. Aichi Prefecture certifies companies and organizations that are actively working to promote the advancement of women, and we believe that our efforts to create a comfortable work environment and systems, as well as our ongoing diversity initiatives, have received a certain level of recognition. We will continue to aim for sustainable enhancement of corporate value through the creation of an environment where diverse human resources can demonstrate their abilities.

Percentage of female managers / Percentage of female employees



Aichi Women's Brilliance Company Certification

>> BIP Promotion Group

The BIP Promotion Group, which was established at each business site as an initiative to promote the further advancement of female employees, expanded in FY2025 to cover more departments in the second year of the program. The BIP Promotion Group promotes grassroots improvements based on on-site information, and through these initiatives, we have enabled significant man-hour reductions by streamlining the entire business process, automating tasks through RPA, and more. At an information exchange gathering for the BIP Promotion Group, members shared best practices and consulted with each other about problems they were facing. In connection with our System Department, we also held a digital expo including demonstrations of business automation using RPA and PowerApps that each promotion office has been recommending. This provided an opportunity for employees in various departments to learn about the efforts of the BIP Promotion Group, leading to the lateral deployment of improvement examples and the fostering of a company-wide improvement mindset.

In addition to reduced man-hours and increased work efficiency, these activities serve as an opportunity for each member to consider their own careers, becoming a springboard for members to seek out their own strengths and desires for what they want to do, such as becoming an "information pro" using digital tools. We will continue to accelerate our efforts to improve productivity and further promote women in the workforce throughout the company by utilizing digital tools and strengthening internal and external collaboration.



Information exchange gathering

>> DEI Promotion Program

With the belief that diversity is a source of new value, we have positioned the promotion of DEI as one of our key management tasks. As a first step, we are actively and intensively working on the promotion of women in the workforce. In April 2025, the DEI Promotion Project was launched, spearheaded by external director Yukako Uchinaga and with other directors as active members. Based on the factors hindering women in the workforce, this project set three priority issues: improving career awareness, creating a comfortable workplace suited to Sinto, and reforming corporate culture such as customs and unspoken rules. Promotion of DEI is not simply about promoting women, but rather supporting the careers of each individual, and changing the consciousness of the company as a whole to accept more diverse viewpoints and work styles.

To help resolve these issues, we have launched the DEI Promotion Program, "Sinto Women's Challenge Team." Female employees of different ages and occupations participate in this program of their own volition, bringing diverse perspectives and discussing the future with the directors. A total of four teams have been formed based on three key themes, with each team proactively promoting its own initiatives. Specifically, we are enacting various measures such as conducting awareness surveys through in-house questionnaires, launching an online community for female employees to network with each other, holding lectures on the so-called "old boys' network" for all employees, and posting awareness posters. In parallel with team activities, we are also working to build internal and external networks and improve our skills by holding exchange meetings with female managers who are active in other companies, as well as study sessions aimed at improving problem-solving skills. In this way, we are striving to create a corporate culture in which everyone, regardless of gender, can demonstrate their abilities, while allowing employees to take the initiative in solving problems, leading to the formulation of more effective policies.

* Traditionally male-dominated organizations and communities that have cultivated unique cultures and traditions



Meeting to report on activities



DEI Promotion Program logo

>> Starting new businesses from a female perspective

A new Surface Creation Team consisting of three women was established in April 2026. This team is taking on the challenge of reconfiguring our carefully developed surface treatment technology to be more in tune with users' lifestyles, and expanding our primarily B-to-B business domain into the B-to-C consumer market. We are working to create new value by taking advantage of the characteristics of our technology, which can be applied not only to metals but also to a wide variety of other materials, including plastics, glass, and natural materials. In addition to emphasizing the stories and social backgrounds that go into our products, we are also working to establish new business models such as e-commerce sales and brand building. Through these efforts, we promote women in the workforce and engage their creativity and innovation throughout the organization.

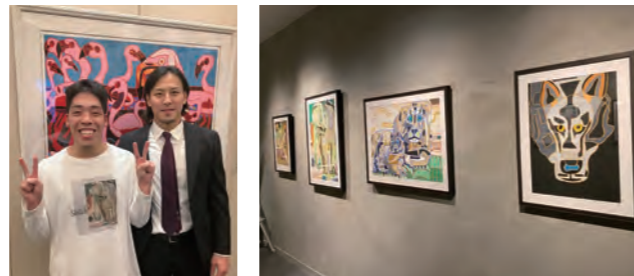


Example of a Surface Creation Team product

Supporting the success of people with disabilities

By providing a workplace in which all employees are comfortable working in accordance with their abilities and aptitudes, along with expanding employment opportunities for persons with disabilities, we aim to enable them to feel confident and proud of their work. As part of these efforts, we opened the Sinto Farm, a corporate farm in which individuals with intellectual and mental disabilities are employed to grow crops for our welfare facilities and other uses. Furthermore, we support our employees who participate in the Abilympics, encouraging them to develop new knowledge and skills based on their wish to further contribute to the workplace. In the Mechanical CAD category, our employee won the gold medal when he participated at the National Abilympics in 2008. Since then, he has continued to work hard, winning the gold medal again at the National Abilympics in 2023. As of March 2026, the percentage of our employees who have disabilities is 2.5%, satisfying the statutory employment rate.

Shinnosuke Akimoto, who works at Sinto Farm, is emblematic of these efforts. In addition to being diligent at work, Shinnosuke is also trying his hand at painting as an Art Brut* artist with the support of the Wonder Heart General Incorporated Association. His works, full of free expression and inner vitality, have been highly acclaimed at exhibitions around the country, and in December 2025, he held a solo exhibition at the Foreign Correspondents' Club of Japan. In addition, he continues to swim competitively and is active in a variety of socially connected arenas, and we will continue to support his activities in all these arenas. Going beyond simply meeting legal employment quotas, by respecting each individual's desire to take on new challenges and working together to create opportunities to engage with society, we can achieve sustainable corporate growth and the realization of a more prosperous society.



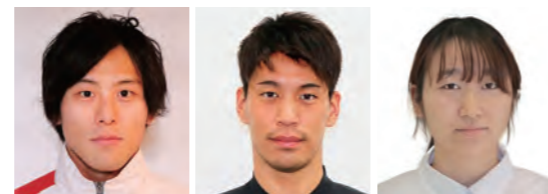
Shinnosuke Akimoto (left) with athlete employee Takaya Yasue
Exhibition held at the Foreign Correspondents' Club of Japan

*Free form of artistic expression not limited to preconceived ideas

Support for athlete employees

We respect the skills of each employee and strive to foster a corporate culture that allows employees to constantly take on challenges and improve their life potential. As part of these efforts, we encourage employee growth through support for sports activities. In addition to athlete employees that compete in swimming and sport climbing, in July 2025, we hired curling mixed doubles athlete, Go Aoki. In April 2026, we welcomed a new swimmer, Kodai Nishiono, further expanding the range of activities of our athlete employees.

The athletes are working daily to improve and strengthen their skills while balancing work and competition, and we actively support them as they take on these challenges.



Swimming: Takaya Yasue Swimming: Akira Namba Sport climbing: Nanako Kura



Curling mixed doubles: Go Aoki Swimming: Kodai Nishiono

Activating expert employees

At our company, employees who continue to work after the retirement age (60 years) are referred to as "expert employees" whom we rely on for their extensive experience, advanced skills, and knowledge. In an era of diversifying lifestyles and work styles, we respect the diversification of life choices; we believe it is crucial to provide an environment for older employees to continue working in the way that suits them best. In FY2024, we reviewed our personnel system for these older employees, revising and adapting the three primary features below:

1 Review of work style

We categorize expert employees into two types: those who will continue their managerial roles and those who will work as staff in their departments. Among the latter, we have established a task force and introduced a system that allows those who tackle the company's challenges to receive the same compensation as they did before the retirement age.

2 Extension of employment period

We have extended the employment period of our expert employees to the end of the fiscal year when they reach 65 years. As a result, employees can proceed with their work based on a full-year plan. Furthermore, we hope that by having these employees step into a new phase as our company's alumni at the end of the fiscal year, it will deepen the bonds among all employees.

3 Introduction of a second retirement allowance

We have introduced a second retirement allowance as part of our welfare system; this will allow our alumni to enjoy their retirement with peace of mind.

Fostering a comfortable workplace

To create an environment in which employees can work safely and securely as a foundation for promoting DEI, we are implementing measures from various perspectives, such as enhancing work-life balance and stimulating internal communication. This section introduces our efforts to promote DEI from both a systemic and a cultural perspective, and to create a workplace where diverse human resources can thrive.

Initiatives to increase job satisfaction

In FY2025, we redesigned our uniforms based on feedback from female employees working on the production floor. By prioritizing ease of movement, functionality, and a better fit for diverse body types, while also paying close attention to color schemes and design, we have created uniforms that are comfortable and pleasant to wear. Through these initiatives, which incorporate feedback from the front lines, we are working to foster a workplace environment where female employees can work with greater enthusiasm and fully demonstrate their abilities.



An initiative to revamp the uniforms, led primarily by female employees on the front lines

Initiatives to eradicate harassment

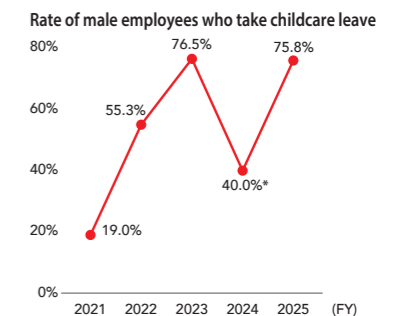
We regularly conduct workshops for employees and managers in an effort to eliminate all types of harassment. Furthermore, through our Sinto Speak-Up System (internal whistleblower system) (see P.55), we have established internal and external consultation services to cultivate an environment in which it is easier for employees to consult with experts on issues. Through these initiatives, we are working toward early identification and resolution of workplace harassment issues.

Sinto Speak-Up System



Promoting work-life balance

To deepen understanding of male childcare leave, we hold seminars for managers, and we make efforts to familiarize regular employees with the childcare support system; through these efforts, we are working to improve our rate of childcare leave for male employees. Furthermore, there has been a rise in male employees choosing to utilize our system for shortened work hours for childcare and sick/injured childcare leave. This shows that use of our work-life support systems based on employees' requirements has taken root. Enacting initiatives to enable employees to manage a healthy balance between their personal lives and work, we will continue to expand our personnel system to allow all employees to work efficiently in a way that suits their lifestyles.

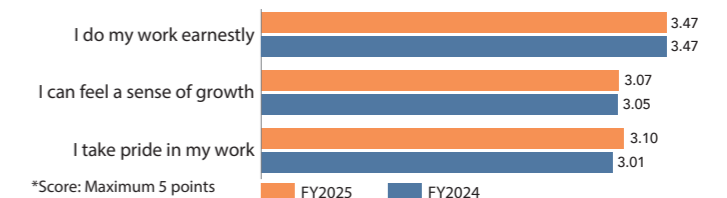


*Due to a revision of the childcare support system, more employees chose to take childcare leave in FY2025, resulting in a temporary decline in FY2024.

Improving engagement

Every year, we conduct an engagement survey for all employees. The collected data is used to understand the actual conditions of employee growth and sense of fellowship between employees, and to further improve the work environment and culture by expanding human resource programs.

Engagement indicators, company average (employee consciousness survey)



*Score: Maximum 5 points

Cultural club activities

As cultural activities, we hold regular events at each business site such as mochi-pounding parties and cherry blossom viewing, led by employees who do the organizing themselves. These events allow employees and management, as well as their families, to deepen their bonds through communication. Furthermore, we support the regular activities of 16 physical/sports clubs and 6 cultural clubs within the company, with club activities after work or on days off, promoting lively communication and health activities for employees. At the 2025 Toyokawa Inter-Company Sports Festival, 15 teams from our physical/sports clubs participated, and in addition to building connections within and outside of the company, Sinto won the top place overall for the first time in six years, and the 15th time accumulatively.



Cultural club activities

We also support the sports activities of our employees. In addition to our athlete employees, regular employees are also active in various fields. As a few examples, sumo wrestler Akira Fukunaga participated in the National Sports Festival held in Shiga Prefecture in September to October 2025, our soft tennis club has produced a player who competes at the national level, and we have employees engaged in swimming as well. Our employees are achieving good results in each competitive field.

Strategy 3

Strengthening the company's governance with the Board of Directors



- 1 Yoshiki Ueda
Chairman of the Board
- 2 Yasuhito Yamauchi
External Director
- 3 Yukako Uchinaga
External Director
- 4 Hiroshi Kurihara
External Director
- 5 Masato Tsuru
External Director

▶ Roundtable discussion among the external directors

Having made the difficult decision of a one-time impairment loss for our European business, Sinto is facing an unprecedented time of change in the company's history. Rooted in our "Motivation, Effort, and Growth Acceleration (MEGA)" principle for human resource development, we must focus on securing profitability and evolving into a truly global company. Our five external directors met for a candid discussion about the company's future, laying down a roadmap toward our 100th anniversary in 2034.

» What are Sinto's strengths, and what are its weaknesses to overcome?

Ueda: The culture of sincerely responding to customers' needs, and the consolidated network enabling local production for local consumption on a global scale. These are undoubtedly strong assets that the company should be proud of. That being said, keeping in mind issues that came to light in past investment strategies, there is a need for the company to further strengthen its management discipline. For example, this would include having a standard measurement for evaluating capital costs to decisively retain or eliminate unprofitable businesses. It is essential to develop mechanisms to ensure this management transparency and effectiveness to maximize corporate value as the company works toward 100 years.

Yamauchi: This also applies to the actual conditions on the worksite. While the concept of "actual site, actual products" has become widely recognized throughout the company, there remains further opportunities to deepen understanding and strengthen alignment across the organization. In other words, the company must work on employees' sense of ownership of

issues, to move together in the same direction. For an organization to achieve its goals, it is critical to have shared values. A sense of urgency only has meaning when it is implemented in specific actions. Each employee needs to carefully consider how their own work should change on site to make improvements on a fundamental level. By improving on-site capabilities in the true sense, I believe the company will be able to break through this stagnation.

Uchinaga: In the three main businesses of surface treatment, foundry, and environment, along with customer support, the company maintains high technological capabilities which enable continuous profit generation, with a strong established sense of values. The major task now is to accelerate decision-making to narrow down and eliminate areas of investment. A company has only limited management resources, and it is important to select



and concentrate operations based on new business areas. Therefore, the company must clarify its priorities and criteria for considering profitability and future prospects based on objective figures, for strict evaluation of its businesses. Establishing this structure for business selection and concentration will be the driving force for enhancing competitiveness.

Kurihara: Sinto's strength lies in its technologies and know-how developed over many years in foundry and surface treatment, and the existence of earnest employees who support these businesses. Furthermore, the company's stance in working to truly understand its customers has resulted in high market shares and deep trust within the industry. In recent years, the company has also greatly increased its presence in the global market. That being said, the company cannot simply be content with long-standing trust. Instead, it needs to consider how to swiftly transfer its technologies and know-how to the next generation, applying digital tools for further standardization and globalization. It is essential to establish and effectively utilize a global structure to smoothly deliver the Japan-famous "Sinto quality" around the world. This is the largest issue to overcome for the company to move to the next level of growth.

Tsuru: Sinto's greatest strength is its unmoving philosophy of "MEGA." Trusting in the autonomy of employees, Sinto directly aligns personal growth with the company's success. Along with this culture of respect for human dignity, the company considers objective facts based on elaborate data to make managerial decisions. This is an especially powerful weapon amid a rapidly changing market. On the other hand, with the increasing expansion of its overseas business, the company must further strengthen efforts and initiatives for global governance, ensuring a unified sense of values across the group while also bringing out the unique strengths of each company. This means determining what is truly important and concentrating management resources in fields that create true value, without being tied down to specific formats or customs. That resolute commitment to change is what the company needs most right now.

» Evaluation of initiatives to strengthen governance and risk management

Ueda: In Japan, we have seen the reinforcement of governance items such as the supervisory function and effectiveness of the Board of Directors, leading to concrete results. However, on a consolidated basis, there is still work to be done. What is important now is to objectively consider business risks and returns based on capital costs, and to set common measurements (criteria) for strict evaluation. To achieve this, the company requires the presence of a CFO to be the president's right-hand man, constantly verifying the business portfolio and encouraging decisions for business selection and concentration from the optimal viewpoint. It is important to establish this position immediately to clarify the criteria for investment and withdrawal, and to ensure management discipline through strict operation based on these criteria.

Yamauchi: To add to the previous comment, governance of the overseas group companies will continue to be an important focus area for the company. Along with strengthening the monitoring function for the overseas group companies, it is necessary to visualize conditions at each company. We must redefine and reinstate the role of the executive in charge of management, which has been unfilled for some time, and appoint an expert who can objectively understand the actual situation on site. An open work environment that allows the real voices from workers on site to reach the management is a vital aspect of effective risk management.

Uchinaga: As the two gentlemen before me stated, ensuring effectiveness is key. The system itself is in place, but we must be careful that the means does not become the end. If a company focuses too much on observance and confirmation of detailed rules, the larger connection with strategic goals may become unclear. Governance is not only a protective shield for defense, but also a compass for aggressive investment. Detailed rules for management are important, but even more so, the company needs to thoroughly focus on confronting the real risks and opportunities for business and leveraging them for growth.

Kurihara: Governance and the supervisory function of the Board of Directors has been progressively enhanced for a strong foundation in Japan. The next priority is solidifying the effectiveness of this governance on a global scale for the rapidly expanding overseas group companies. The structure for monitoring conditions is coming together, but I believe it is still necessary to further strengthen actual operations. Starting with suitable visualization of the situation at each group company, while also using IT systems, it is urgent for the company to visualize management information around the world in real time and build a structure across borders to prevent risks before they occur.

Tsuru: Enacting various measures to strengthen governance, the framework for the management structure is being put into place. However, the act itself of establishing the system and mechanisms cannot be the end goal. What is important is to continue verifying that the system is working properly, based on the actual business situation, including the atmosphere on site. Particularly with the expansion of the overseas group



companies, overall group governance is becoming increasingly important. This does not simply mean uniform control from Japan, but rather application of rules adapted to the unique situation in each country and region, in coordination with overall group governance from Japan. It is important to maintain this balance and build a flexible but strong management structure based on trust.

» Acceleration of progress to realize sustainable growth

Ueda: To achieve sustainable growth as a truly global company, Sinto must have enthusiasm and new ideas for earning power, now more than ever. Now with its expanded business scale, to prevent each division from falling into partial optimization, the company must steer toward overall optimization with a focus on company-wide profits and capital efficiency. Essential for this is the existence of a CFO that acts as a command post, reorganizing

unprofitable businesses and taking the lead for bold investments in growing fields. When a strong management structure based on objective figures is solidly in place, the company's high technological capabilities can be applied to achieve true global competitiveness.



Yamauchi: I agree with his comment that the perspective of overall optimization is of critical importance. Furthermore, a major driving force for accelerating further growth is undoubtedly the workers on site. Orders from above will not move an organization. Each and every employee must think for themselves about how to make today better than yesterday, and tomorrow better than today,

reducing unnecessary work and creating an autonomous organization through continuous improvement. The role of the company headquarters is not to control the worksites, but rather to create an environment in which workers can take on new challenges without fear of failure. By lighting a fire under the latent potential of the worksite, I believe the company can ascend to the next stage.

Uchinaga: In the next growth phase, the company needs to carefully verify the results of the M&A activities up until now and redefine its global competition domains. The key for this is clarifying authority and responsibility based on job descriptions. To further enhance effective management at every level, the company should boldly proceed with transfer of authority to the responsible members in each position. By doing so, the speed of decision-making on site will greatly improve. Individual autonomy and swift judgment are the strongest weapon for winning in the drastically changing global market.

Kurihara: The trigger for growth is drastically improved productivity combined with technology. By reducing internal processes, time saved by employees through reduced work can be applied to serving customers directly. For example, incorporating physical AI in foundry processes will lead to labor savings and the transfer of techniques and technologies. The resources generated from this shift need to be concentrated in growing areas such as the environment business and the Indian market. However, simply drawing up the structure will not make it a reality. The company must follow through on its business plan with unwavering resolution. This combination of strong will and dynamic change is what will create a growth curve leading to the 100th anniversary.

Tsuru: Based on our discussions today, I believe what is necessary for sustainable growth is the thorough selection and concentration of business. It is important to have the courage to make clear what needs to be cut out, taking inventory of the various development themes and strictly determining what should receive continuous investment and what should be cut off. Sinto's "MEGA" philosophy certainly does not mean maintaining the status quo or postponing pain. Making calm management decisions based on facts and applying management resources to future growth areas is what will lead to true growth.

>> Future vision and message for the 100th anniversary in 2034

Ueda: Looking back on the 10 years since I was appointed as an external

director, Sinto has steadily evolved while maintaining a solid foundation. However, with the high speed of change in the business environment such as increasing geopolitical risks, the company needs to accelerate its progress right away. Sinto's solid foundation is in its approach of local production for local consumption, and of taking good care of employees. Now, it is important to bring these strengths together for the company to realize its true potential as an organization. The corporate governance code revision recommended by the Tokyo Stock Exchange is the perfect opportunity for the company to transform. As for the external directors with our different backgrounds, we offer our full cooperation to do whatever it takes to increase the company's corporate value. With our strong determination and our commitment to sound governance, we will continue to support Sinto's development in the future.

Yamauchi: With a history of almost 100 years, and aiming for the next 100 after that, Sinto is a company that serves society, its customers, and its employees. It is a company that offers value, that inspires people to say, "I'm glad Sinto is here." That, in turn, makes employees proud of their company. With pure intentions behind its actions, I look forward to seeing Sinto's future as a company that everyone can be proud of.

Uchinaga: Today, I shared some stern remarks about many issues that the company faces, but considering things from another perspective, we can say that despite various issues, Sinto has steadily progressed in business until today. Breaking out of the shell of homogeneity, I hope Sinto positions its 100th anniversary as its second founding, turning diversity into energy. With its wealth of opportunities and endless upsides and potential, I am confident in the great success of Sinto.

Kurihara: As was just mentioned, Sinto has many issues to overcome, but it also has many firm strengths developed over its long history. That is the reason business has been able to continue for over 90 years. Now, with rapid changes among customers, technologies, and competitors, there is no longer time to spare on slow deliberations. What is important now is swiftly turning deliberations into action with speedy implementation. By staying ahead of change and applying overwhelming speed to reliable strengths, I am certain that Sinto will be able to continue its strong growth into the future.

Tsuru: Based on today's discussions, I see the coexistence of transformation and succession as an important theme. Sinto's "MEGA" philosophy is an important part of the company's identity which should be protected until 100 years and beyond. However, true succession is not simply maintaining status quo, but rather updating oneself in response to the changing times. Please



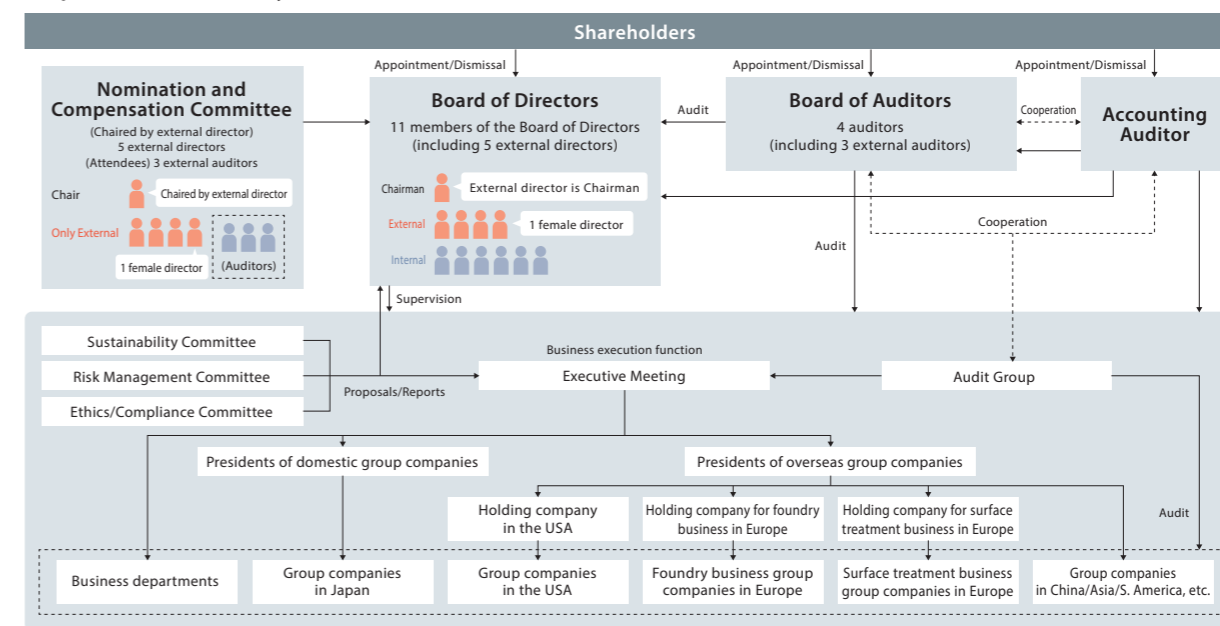
do not be afraid of pruning away unprofitable branches and making room to cultivate future growth. In reaching the milestone of 100 years, I hope to see Sinto combine succession and transformation, continuing to be a company that is needed by society. I, myself, will continue to support the company in order to achieve this goal.

Corporate governance

>> Basic approach

The company's basic management policy is to enhance corporate value from a long-term perspective and to ensure appropriate and efficient business execution. We have established a corporate governance system that enhances the transparency of decision-making and appropriately incorporates monitoring and supervisory functions.

Corporate Governance System



Building a governance structure for global management through "trust-based management"

>> Basic approach

For global management, we believe that leaving decisions to local management and then performing proper evaluation of those results is an important source of added value for the company. Therefore, our basic stance is to transfer authority to each group company for decision-making led by local management, based on a set of rules. This is not simply a hands-off approach, but rather, we enact appropriate monitoring from the local perspective, and it is also important to carefully confirm areas of potential risk or inappropriate action in each country and region. Therefore, we receive confirmation in writing from each overseas group company that they are enacting appropriate management based on rules set by the company. In this way, we strike a balance between delegation and supervision, building a structure for thorough management with local staff taking the lead.

By incorporating perspectives from each region such as the U.S., Germany, and China, we are able to create a highly effective global strategy. With capable foreign staff joining our group leadership and by achieving both transfer of authority along with risk management, we aim to maximize the collective power of our group overall, leading to enhanced corporate value. From now on, with the added perspective of diversity, we will have many Japanese and local personnel from each region actively participate in creating an effective business strategy for the future.

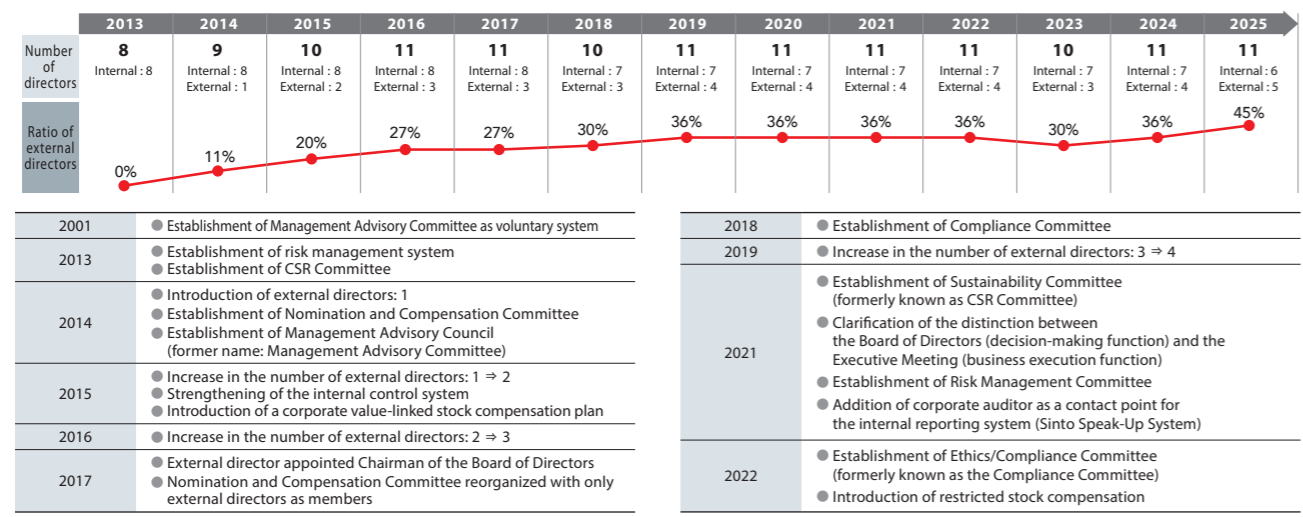
>> Examples of initiatives for quantitative and qualitative global management

To further enhance the effectiveness of our global management, we are enacting initiatives to strengthen risk management and management monitoring from the local point of view, using quantitative data from each company. Along with utilizing J-SOX (internal control reporting system) and an internal control framework, we organize this data and visualize the management status of each overseas group company, enabling yearly monitoring on a global scale.

To ensure objectivity and adaptation to local circumstances, we incorporate the local perspective in the management control of each company. For example, in addition to certified public accountants, in Europe and the U.S., external directors allow us to build a risk management structure that is specific to regional characteristics.

Additionally, for qualitative management, we hold regular meetings as continuous opportunities for face-to-face discussions with each member of local management. In addition to eliminating the sense of distance with the Board of Directors, this increases the sense of unity and level of engagement among management, enabling close cooperation between Japan and overseas to identify and resolve issues. Through these initiatives, we respect the autonomy of each group company while also increasing the effective governance of the overall group, thereby improving the quality of our global management.

Changes in governance structure



Board of Directors

Our Board of Directors consists of 11 directors, with an external director as the Chairman. The directors are decided by resolution of the Board of Directors after the board receives reports from the Nomination and Compensation Committee, which selects the candidates. In consideration of diversity in our Board of Directors, a female external director has been appointed since FY2021. The Board of Directors met 16 times in FY2025 to make crucial decisions about the group and engage in lively discussions about management strategy as well as mid-to-long-term management business challenges, providing oversight for the operating conditions of the directors and executives. The Board of Directors is not just a decision-making body, but rather a place to propose various ideas to management, enabling a higher quality of decision-making by exchanging opinions from different perspectives. Based on these lively discussions among board members and executives, the company makes decisions on issues such as mergers of sister companies, new business development and partnerships, and investment in human resource development and initiatives for human capital.

Board of Auditors

The Board of Auditors consists of four auditors. Three out of the four are external auditors who ensure the appropriateness of decisions made by the Board of Directors with their objective perspectives. The Board of Auditors also works with financial auditors as required to ensure the accuracy of the financial audit, and with internal control departments to improve audit quality and effectiveness. The Board of Auditors is not just a body placing checks on the company, but rather, it ensures the soundness of decision-making by confirming a suitable process for discussions engaged among the Board of Directors and executives, providing transparency in business decisions. In FY2025, the Board of Auditors met 16 times.

Nomination and Compensation Committee

We have established a Nomination and Compensation Committee as a private body to select candidates for directors/auditors and discuss the validity of the executive compensation system. With a focus on independence, this committee consists of five external directors and three external auditors. Being operated only by external members ensures independence from management and an objective viewpoint, thereby supporting a highly transparent governance structure. The committee met three times in FY2025, reporting to the Board of Directors after discussing the evaluations of internal directors who are also executive officers, and nominating candidates for director with a high degree of independence and objectivity.

Executive Meeting

Sintokogio has 22 executive officers, with six concurrently serving as directors. The Executive Meeting is a body that deliberates on matters related to business execution. Its members include the top management of in-house companies, business divisions, and sales, production, development, and administrative divisions, along with the responsible parties representing each relevant committee. It makes resolutions, shares reports, and holds discussions on the status of business execution every month. While the Board of Directors acts as a decision-making and control function, the Executive Meeting is a place where business challenges are discussed in detail, leading to concrete actions. The meeting was held 12 times in FY2025.

Internal control

To ensure appropriate business execution throughout the Sinto Group, we have established a basic policy for our internal control system. The Ethics/Compliance Committee (with the president as the chair and internal directors as the members) was independently formed to focus solely on compliance and governance, and it is currently moving forward with its initiatives. Furthermore, based on the Financial Instruments and Exchange Act's internal control reporting system, our audit section conducts audits at regular intervals to confirm that internal control is being developed and administered properly. Subsequently, we receive an assessment from our auditing firm and submit an internal control report to the Financial Services Agency every fiscal year.

Board effectiveness assessment

In FY2025, we began conducting an evaluation of the effectiveness of the Board of Directors with the objective of periodically verifying whether the Board of Directors as a whole is functioning properly, identifying issues, and continuing improvement efforts. In performing the assessment, we commissioned a third-party organization to conduct questionnaires and interviews with all directors and auditors.

Background of the board effectiveness assessment for FY2025

- We have determined that it would be effective to obtain the support of an external organization to conduct a more objective and multifaceted analysis of the Board of Directors' operations and to organize issues.
- The objective is to verify whether the Board of Directors is appropriately fulfilling its expected roles, responsibilities, and duties, and to link this to sustained improvement in the effectiveness of governance and corporate value through the identification of issues and the implementation of improvement plans.

Evaluation method

(1) January to March 2026: Evaluation and analysis

- For transparency and objectivity of the evaluation, a third-party organization prepared the evaluation method and evaluation items for the current fiscal year and discussed and determined them with the office of the Board of Directors.
- The third-party organization conducted an effectiveness evaluation questionnaire for all directors and auditors and tabulated and analyzed the results.
- The third-party organization conducted interviews with all directors and auditors based on the results of the anonymized questionnaire analysis.

Overview

Evaluated persons	All 11 directors and 4 auditors
Evaluating agency	Third-party organization
Evaluation method	Questionnaire to all directors and auditors and individual interviews (approx. 1 hour)
Evaluation period	January through April 2026 (including preparation period)
Evaluation items	① Board level ② Board operations ③ Board composition ④ Board support system ⑤ Board discussion content ⑥ Oversight by the Board ⑦ Nomination and Compensation Committee operations ⑧ Free remarks

(2) April 2026: Board discussions

- At the April 7, 2026 meeting of the Board of Directors, the results of the anonymized evaluation were reported by the third-party organization, and the future courses of action were discussed.
- The Board of Directors meeting held on April 23 of the same year resolved the details of the announcement.

Summary of evaluation results and response policies

Evaluation results	<ul style="list-style-type: none"> • The Board of Directors highly evaluated the appointment of external directors with experience as representative directors of listed companies and knowledge of a wide range of industries, leading to improved effectiveness of the Board of Directors and lively discussions based on their accurate opinions and suggestions. • In addition, the following issues were recognized, and the Board of Directors decided on a policy based on each issue.
--------------------	---

No.	Key issue	Policy
1	Strengthen problem-solving structure in preparation for Board of Directors	■ Perform thorough management by confirming actual conditions on the actual worksite to bring back to the Board of Directors for discussions to enhance risk management and governance
2	Strengthen structure for conducting Board of Directors meetings (enhance functions of office of Board of Directors)	■ Promote advance preparations to deepen understanding of background of discussion topics and improve level of deliberations in conducting Board of Directors meetings
3	Expand global management control structure	■ Further strengthen communication between local management and Board of Directors to enhance corporate value as a consolidated group

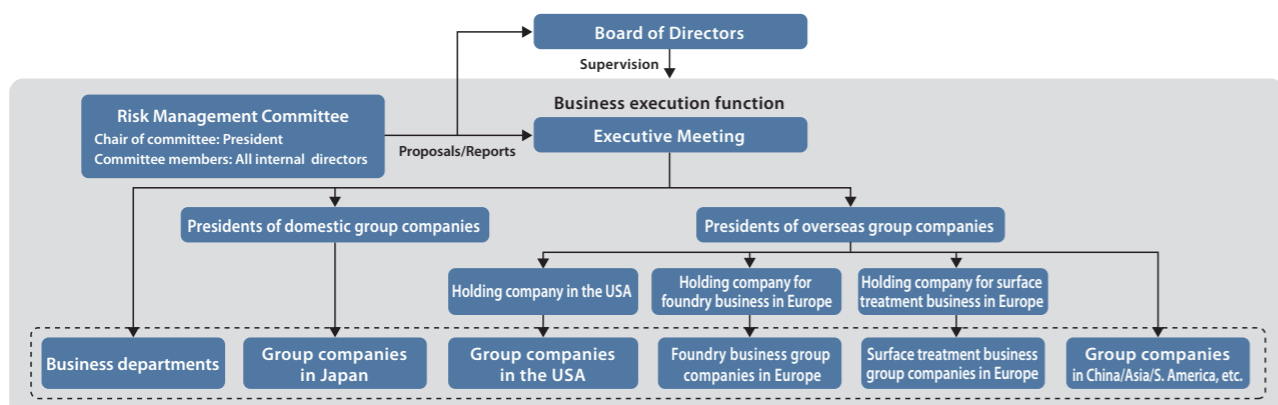
Risk Management

Basic approach

Our company's business activities are influenced by various risks internally and externally. Recognizing risk management as a critical management issue, we address it accordingly. Within the internal control system basic policy approved by our Board of Directors, we have established fundamental policies on risk management and developed a risk management system with risk management protocols.

Risk management structure

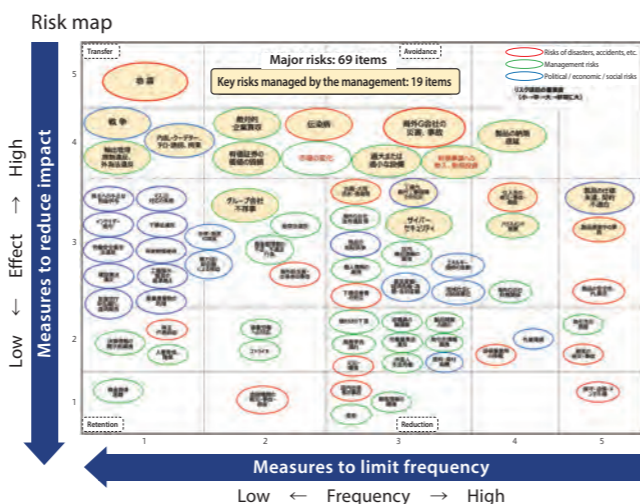
We have a Risk Management Committee under the Board of Directors, with our president acting as its chairman and the internal directors as its members, which manages risks at each department. We have established a basic policy for handling each type of risk, and we have developed systems to reduce risks, enacting initiatives to raise awareness while monitoring the implementation status of this risk management. We conduct a survey of business risks twice a year, including items that have not had any issues previously. The survey results are discussed by the Risk Management Committee and are regularly reported to the Board of Directors for monitoring.



Risk awareness and countermeasures

For each department's response to risks in business activities, the executive overseeing that department confirms the response status, evaluating the response using a risk management table. The seriousness of risks is visualized by mapping them onto a risk map that indicates the impact on business activities and frequency of occurrence. This process helps to narrow down key risks for prioritized countermeasure implementation, with the ultimate goal of reducing impact to decrease overall risks.

As key management risks, three risks have been selected: Business Continuity Planning (BCP), information security, and workplace safety. An internal committee has been established to lead in managing these risks using the PDCA cycle. Moreover, for various other risks, responsible departments have been designated, and necessary management systems/methods (including management regulations) have been established, thereby setting risk limits and establishing reporting and monitoring systems to manage risks both individually and comprehensively.



Revision of the BCP manual

We maintain BCP inventory to ensure that we do not inconvenience our customers in the event of a large-scale disaster that halts production and supply. Considering recent changes in demand, logistics, and production volume, we regularly revise the definitions and rules for inventory. Furthermore, we have reviewed our response to the issuance of emergency information for the Nankai Trough earthquake and our response to fires and explosions. In the event of a disaster, we aim to minimize the impact on the safety of our employees and the business operations of our customers and partners by keeping the manual constantly up-to-date for proper management.

Compliance

Basic approach

Our company defines compliance not merely as "following laws and regulations" but as the company and individuals "acting fairly and equitably in light of corporate ethics and social norms." We educate our employees to promote compliance activities as a company and to pay attention to their behavior as individuals. The execution of the compliance program is evaluated annually from the perspectives of whether the system exists, whether the system is being promoted, whether the system is being utilized, and whether results are being achieved; these evaluations are used to inform our actions for the following year.

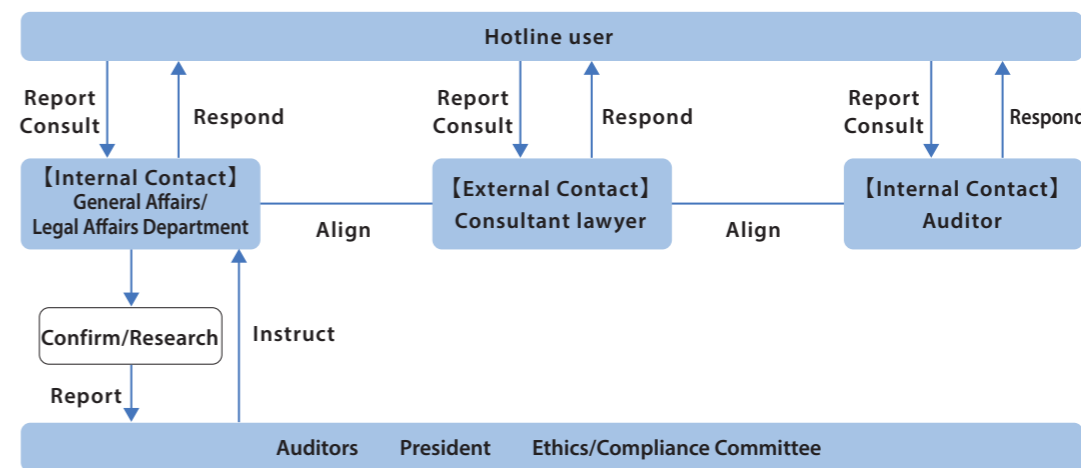
Operation and monitoring of the Sinto Speak-Up System (internal whistleblower system)

While practicing actions as per the Sinto Corporate Ethics and Conduct Policy, if there are actions that violate laws or ethics, or if it is unclear whether they do so, employees first consult with their supervisors to resolve the issue. Next, for specialized consultations, the matter is resolved by consulting the responsible department through the supervisor. In cases when it is difficult or impossible to consult with the supervisor or responsible party for whatever reason, we have established and operate the "Sinto Speak-Up System Consultation Desk" as an internal reporting channel. This desk includes three channels: our General Affairs/Legal Affairs Department, internal auditors, and external lawyers.

The purpose of this system is to detect signs of misconduct early, prevent misconduct by eliminating its root causes, and ensure self-corrective actions within the organization. By utilizing this system, we aim to protect employees and create an organization that grows from its mistakes. The confidentiality of whistleblowers and consultants is maintained, and any adverse treatment because of reporting or consulting is prohibited. If required, we establish an investigation system and respond appropriately while sharing information with the whistleblower and consultant.

In FY2025, 20 consultations were received, with 18 completely resolved, and the remaining 2 in progress. The annual activity status is reported to the Ethics/Compliance Committee, and the results are reported to the Board of Directors. We continuously monitor specific internal reporting cases and the overall operation of the internal reporting system at the internal desk.

Basic operation flow of the hotline



Compliance program

We address compliance in the three areas of (1) laws and regulations, (2) internal company rules and regulations, and (3) social norms such as SDGs and ESG, management incorporating human rights, etc. With respect to compliance violations, we consider the four areas of (1) law and regulation violations, (2) accounting fraud, (3) information leaks, and (4) labor issues.

For our compliance program, the Ethics/Compliance Committee formulates and executes the plan for yearly activities based on the basic policy for the internal control system as decided by the Board of Directors. To prevent compliance violations, we make improvements to our internal structure (review of internal regulations and codes of conduct), conduct trainings and learning opportunities for employees, and stay up-to-date on the latest information.

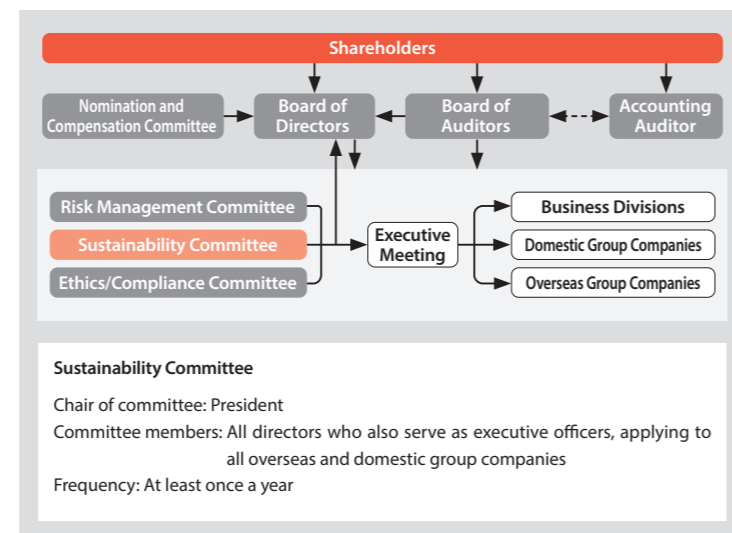
Sustainability Management

Basic policy

As Sinto, we have pursued world-class technology and expanded our business globally under the management philosophy of HEART (Human Enrichment & Achievement through Reliable Technology). Valuing the spirit of manufacturing, we stand by our customers and deliver new value as a manufacturing company that supports customers' manufacturing. We deepen our bonds with all stakeholders involved with our company and tackle various social issues as a company that continues to be chosen. We aim to realize an environmentally-friendly circular society; a safe, secure, and prosperous society through manufacturing; and a society in which people experience a sense of achievement, growth, and happiness.

Governance

The Sustainability Committee, chaired by our president, evaluates various issues related to sustainability within the company, deliberating and following up on issues related to business strategy. The activities of the committee are reported to and overseen by the Board of Directors.



Risk management

The Sustainability Committee shares information with the Risk Management Committee on items evaluated as high-risk from the perspectives of Environment (E), Social (S), and Governance (G), and manages them comprehensively.

Efforts toward sustainability reporting

From the perspective of sustainability management, we are promoting efforts to disclose information regarding our material issues (materiality) within the company under the framework of Environment (E), Social (S), and Governance (G).

Identification of sustainability topics (disclosure requirements)

We have conducted a materiality assessment from two perspectives: "financial materiality," which refers to the impact of the global environment and society on the company, and "impact materiality," which refers to the impact of the company on the global environment and society. Through this assessment, we have identified key sustainability topics that are important to our company.

Examples of sustainability topics

Reducing greenhouse gases

Review of carbon emissions reduction targets

Working toward FY2030 as well as our 100th anniversary in FY2034, we originally set targets to reduce Scope 1 and 2 carbon emissions by 3% per year. However, we discovered that to achieve carbon neutrality in 2050 to match Japan's national target, we would need to reduce emissions by 3.45% each year from the base year, FY2021. Therefore, we have reset our targets.

2030 Target:

Scope 1 and 2: Carbon emissions reduced by 31% compared to FY2021

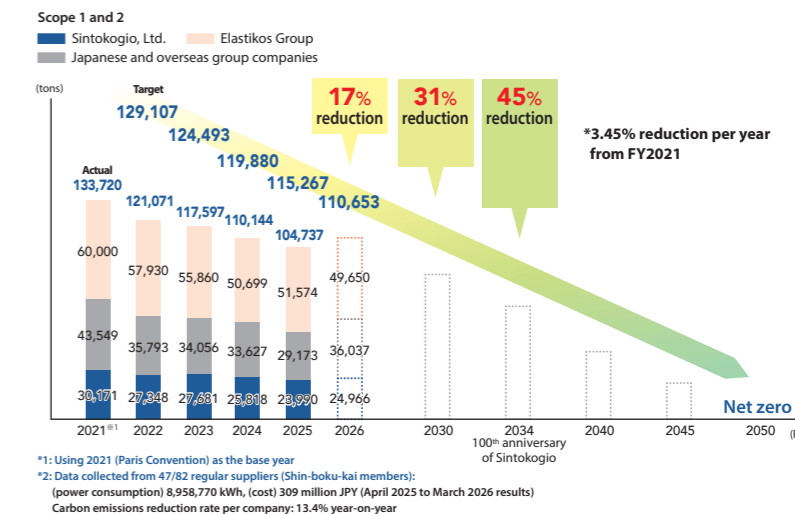
2034 Target:

Scope 1 and 2: Carbon emissions reduced by 45%

2050 Target:

Achieve Scope 1 and 2 carbon neutrality

Carbon emissions reduction and targets



Building bonds with society and stakeholders

Respect for human rights

To realize our management philosophy, we are making efforts to promote respect for human rights of all individuals affected by our group's business activities throughout the entire group and fulfill our responsibilities. Regarding our stakeholders, we promote respect for human rights across the entire supply chain through the "Sinto Business Partner Guidelines: For Our Future Nakama." While no serious issues have been identified at this time, we will continue our efforts to respect human rights to realize a sustainable society and increase our corporate value.

○ Elimination of discrimination: In all employment situations*, discrimination based on race, ethnicity, national origin, religion, gender, etc. will not be tolerated.

All employment situations refers to application, hiring, promotion, wages, dismissal, work assignments, and disciplinary actions.

○ Respect for human rights: Any form of harassment in the workplace based on race, ethnicity, national origin, religion, gender, etc. will not be tolerated.

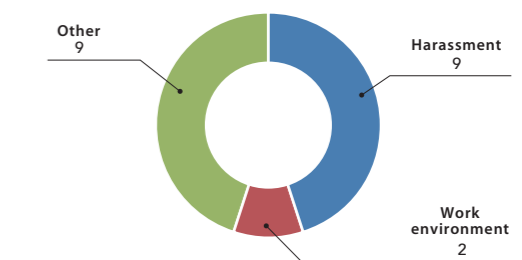
○ Prohibition of child labor: The employment of children who have not reached the working age as defined by the laws and regulations of each country and region is not permitted.

○ Prohibition of forced labor: All labor must be voluntary, and employees must be guaranteed the freedom to leave their employment. Forced labor will not be tolerated.

○ Wages: We will comply with the laws and regulations of each country and region regarding minimum wage, overtime, wage deductions, piece-rate wages, and other benefits.

○ Working hours: We will comply with the laws and regulations of each country and region regarding the determination of employees' working hours (including overtime), the provision of holidays and annual paid leave, and other related matters.

Complaints raised (number and type) in FY2025 (cases)



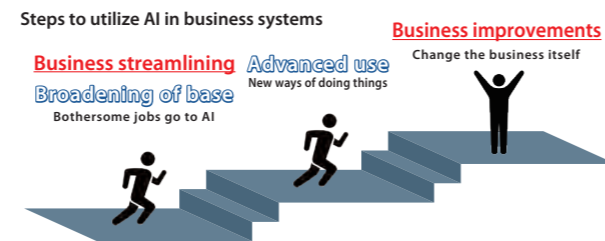
Strengthening technology and manufacturing for sustainable growth

■ Initiatives to use AI

We have begun company-wide use of generative AI to improve operational efficiency and create new value. In FY2025, with the start of using generative AI within the company, we revised our system usage regulations and established guidelines for generative AI usage to build a foundation for safe and appropriate use. At the same time, a company-wide study session on generative AI was held based on the concepts of expanding the base of AI use and delegating routine and high-load tasks to AI. In addition, a working group was formed by inviting personnel interested in AI utilization from various divisions. The group conducts research on new AI technologies and becomes beta users, determining whether or not the technology can be applied to business operations, deploying it across the company, and conducting educational activities. These efforts have promoted understanding and use of generative AI while ensuring security, and the number of daily users has tripled compared to the previous fiscal year.

Currently, based on internal documents and accumulated knowledge, we are promoting efforts to utilize the RAG (Retrieval Augmented Generation*) functions across the board for information retrieval and response to inquiries that occur on a daily basis in each department. Until now, employee training has been conducted mainly through on-the-job training, but through the RAG system, we will create an environment in which employees can access necessary information on their own, thereby improving learning efficiency and work execution. In the future, we will gradually expand the use of generative AI to core operations and promote the transformation of our business processes, while improving the quality of service to our customers and enhancing business productivity. At the same time, we will promote further utilization of generative AI in cooperation with AI vendors.

*AI technology that generates answers by referring to internal data



Healthy and sustainable management

■ Information security initiatives

In today's digital society, cyber attacks and other threats are becoming more sophisticated every year, posing a serious risk to the continuation of corporate activities. In this environment, we are aware that vulnerability countermeasures and the development of a system to prepare for incidents are essential to ensure the safety and stability of information systems. We have established a 24/7/365 monitoring network for our information systems and have a system in place to respond promptly when any unusual behavior is detected. At the same time, we have established a cyber BCP response flow and manual that cover everything from initial response to recovery in the event of an incident, in an effort to minimize damage and achieve early recovery. In preparation for a serious incident requiring a long period of time to recover systems, we have established a recovery system (CSIRT) and alternative business methods. Currently, to enhance the effectiveness of these systems, we conduct periodic simulation drills.

In addition to technical measures, personnel measures are also important. Therefore, targeted email training and information security education are continuously conducted throughout the company to raise employee security awareness. In the future, we will promote compliance with the Security Measures Evaluation System that the Ministry of Economy, Trade and Industry (METI) is planning to launch. By undergoing evaluation by a third party, we will objectively verify and further advance our information security measures.

There is no end to information security measures, and we will continue to monitor the latest threat trends, continuously checking and enhancing the status of our own measures, and working to improve the level of information security.

■ Initiatives to prevent fraudulent acts such as bribery

Our company adheres to the "Sinto Corporate Ethics and Conduct Policy" and equivalent codes of conduct for overseas group companies, ensuring compliance with relevant laws and regulations in the countries and regions where we operate. Various forms of illegal and corrupt practices such as bribery and conflicts of interest are regulated as they hamper fair business transactions. To prevent such corrupt practices, we have established guidelines for the strict use of entertainment expenses and the exchange of gifts, and we ensure thorough dissemination for full understanding.

In our relationships with business partners, we distribute the "Sinto Business Partner Guidelines: For Our Future Nakama" to all partners and regularly hold information exchange meetings to promote and ensure understanding of our principles on fair and equitable transactions, compliance with laws and regulations, and safety, quality, and environment. Furthermore, in the "Basic Transaction Agreement," which we revised in FY2023, we have added clauses related to fraud prevention (including bribery) and respect for human rights. We regularly distribute this agreement to all of our business partners globally and have successfully concluded the agreement with most of them.

Disciplinary action taken (number and types)	(cases)		
	FY2023	FY2024	FY2025
Reprimand	3	2	0
Pay cut	2	1	1
Suspension	3	1	0
Encouraged resignation/ disciplinary dismissal	4	0	0

Initiatives for the Environment

Our environmental activities started in the late 1940s, before the term "pollution" was widely used, when we began to improve the environment at foundry factories. Then, in 1963, during an era when economic growth was taking precedence over environmental issues, we sent out a corporate advertisement to the world with the words "manufacturing that is kind to flowers" as a warning against environmental problems. For over 60 years, we have continuously promoted the reduction of our environmental impact.



Corporate advertisement in 1963: "Manufacturing that is kind to flowers"

Environmental management

Environmental Policy

As a member of the global society, we seek to actively reduce environmental burdens in all areas of our business activities, work to prevent pollution, and achieve a sustainable society.

Actions

1. Comply with environmental laws and regulations
2. Promote the prevention and reduction of waste
3. Work to effectively use resources and energy to eliminate waste and reduce carbon emissions
4. Work to develop technology and products that offer reduction of environmental burdens throughout their lifecycle
5. Perform internal environmental training and strive to improve staff awareness
6. Publicly share the environmental policy
7. Take actions to continuously improve the global environmental management system

▶ Environmental management system certification

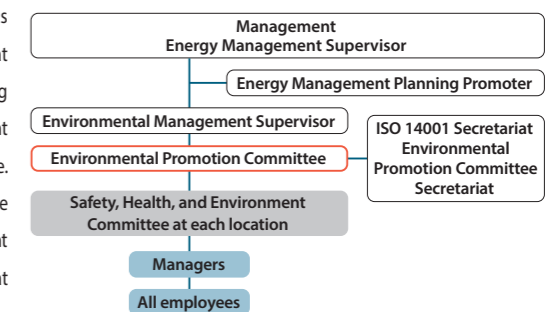
To promote the continuous reduction of our environmental impact, we have established environmental policies, objectives, and targets; we have put in place an environmental management system that includes plans, systems, and processes for initiatives to achieve them. Eight Sintokogio manufacturing sites and 12 domestic/overseas group companies have obtained ISO 14001 certification, an international standard for environmental management. Furthermore, our domestic partner companies are working to obtain certification under "ECO Action 21" established by the Japanese Ministry of the Environment.

▶ Environmental training

We systematically provide environmental education (general and specialized) for all employees engaged in activities associated with the environmental management system, as per their roles and job descriptions. In particular, for specialized education, we utilize internal and external training sessions to systematically train employees to acquire qualifications, such as certifications for energy management, pollution managers, and hazardous substance handlers, which are necessary for the performance of their duties.

▶ Environmental management system diagram

Our environmental management system is in accordance with environmental management standards (ISO 14001) and the Environmental Promotion Committee, and it includes a company-wide system that comprehensively manages initiatives and progress. The company director in charge of the Manufacturing Platform Division also serves as the company's top management in charge of ISO 14001, Energy Management Supervisor based on the Energy Conservation Law, and chairman of the Environmental Promotion Committee. At the company-wide Environmental Promotion Committee meeting held every month, the committee discusses, promotes, and reports on the progress of environmental management goals, and it shares excellent case studies. The contents are communicated through the Safety, Health, and Environment Committee at each location; thus, these company-wide policies and initiatives are disseminated to all employees.



Disclosure based on TCFD recommendations

In June 2022, we endorsed the Task Force on Climate-related Financial Disclosure (TCFD) recommendations, and we have continued to work to enhance the disclosure of climate change-related information in line with them. For our company, which uses a large amount of energy in our foundry business and other operations, carbon neutrality is a pressing issue, and we are promoting activities to address it.



► Governance

Our company positions climate change and topics related to nature as an important management theme, and we incorporate this theme in our business operations and mid-to-long-term business decisions. The internal committees related to these issues continuously deliberate on these topics. Information about the role and topics of each committee can be found in the “Sustainability Management” section on P.56.

► Strategy

We examined the world in two scenarios: less than 2°C increase in global average temperature from pre-industrial revolution (“Under 2°C scenario”) and a 4°C increase (“4°C scenario”).

Scenario	Worldview
Under 2°C scenario	Business impacted by changes with the transition to a decarbonized society (major transition risks) <ul style="list-style-type: none"> • Shifts to stronger regulations related to climate change, carbon tax adoption, electric power composition of non-petroleum fuel, and EV production • Society as a whole heads for decarbonization. Actions for decarbonization of companies are evaluated, and adoption of decarbonization equipment in factories and offices is promoted.
4°C scenario	Business impacted by physical harm from climate change (major physical risks) <ul style="list-style-type: none"> • Limited adoption of regulations related to climate change • Advancing severity of abnormal climate events, frequent natural disasters • Rising temperatures causing a worsening labor environment and limited availability of water in some regions

We examined risks and opportunities that have a major impact on our company for both the Under 2°C and 4°C scenarios. We estimated the approximate financial impact, and through our internal Sustainability Committee, we deliberated on countermeasures for risks and opportunities that will have a large impact.

In the table below, we have listed risks and opportunities that we estimated to have a large impact on our company. Upon performing financial impact analysis, we deliberated on countermeasures for carbon tax adoption, transition to low-carbon technology, increased extreme climate phenomena, and low carbon emission products/services.

Theme	Category	Subcategory	Identified climate change risks/opportunities	Countermeasures
Transition risks	Governance & law	Carbon tax adoption	<ul style="list-style-type: none"> • Increased expenses from paying carbon tax • Increased costs for purchasing materials with high carbon intensity 	Initiatives to reduce carbon emissions by 3.45% year-on-year
		Stronger energy saving policies	<ul style="list-style-type: none"> • Reduced sales from contracting gasoline vehicle market 	Expansion of products for the EV market
	Technology	Transition to low-carbon technology	<ul style="list-style-type: none"> • Increased costs from early updates to existing equipment • Decreased sales due to slow development for environmental parts and services • Increased R&D expenses for development of environmental parts and services 	Promoting sales of environmentally-friendly products (202 products) and expanding product lineup
Market	Changes in energy market	<ul style="list-style-type: none"> • Increased energy costs including switching to renewable energy 	Installation of solar power generators	
Physical risks	Acute	Increased extreme climate phenomena	<ul style="list-style-type: none"> • Suspension of business operations and loss of sales opportunities due to increased frequency of floods 	Enhancing BCP (reinforcing factories, increasing inventory of parts and consumables)
	Chronic	Rising average temperature	<ul style="list-style-type: none"> • Additional costs for heat measures with rising temperatures • Plant stoppage and increased operating costs from limited availability of fresh water associated with droughts 	Implementation of air conditioning and heat shield roofs in the factory
Opportunities	Resource efficiency	Improving productivity	<ul style="list-style-type: none"> • Reduced plant operation costs through reduced use of energy 	Reducing waste through visualization of electricity
	Energy sources	Policies for use of renewable energy	<ul style="list-style-type: none"> • Increased sales for industries related to renewable energy 	Development of products and services related to solar power generation and wind power generation
	Products/services	Low carbon emission products/services	<ul style="list-style-type: none"> • Increased sales through expansion of recycling services • Improving sales by developing and rolling out environmentally-friendly products and services 	Recycling of consumables and collected dust, promoting sales of environmentally-friendly products (202 products) and expanding product lineup
	Market	Creating new markets	<ul style="list-style-type: none"> • Increased sales in EV market 	Proposals for changing from hydraulic to electric cylinders

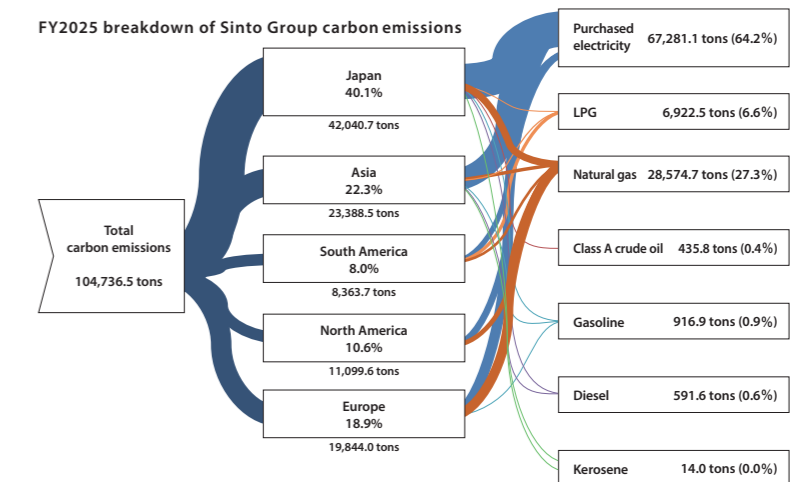
Reducing greenhouse gases

► Eco-factory (Scopes 1 and 2)

Looking toward the achievement of carbon neutrality, each employee gets creative when taking action for energy conservation around them, making efforts to reduce carbon emissions generated by our manufacturing.

Visualization of energy consumption

Energy consumption is monitored by region and type, and reduction strategies are developed and executed with a particular focus on high-consumption regions and energy types. For Japan, we are focusing on Osaki Works, with the highest level of energy usage, as we pursue initiatives to reduce power consumption.



Electric power visualization at business sites

As one of our eco-factory initiatives, we are promoting the visualization of electric power. Koda Works has successfully completed the visualization of power consumption across four levels: the entire worksite, each building, each product line, and each individual machine unit. By measuring power consumption not only for the entire worksite and each building but also for each production line, it has become easier to identify wasted energy and implement energy-saving improvements. For instance, at the machine level, the timing of compressor and air conditioning unit startups is monitored, allowing for staggered startups to reduce peak demand power. In the future, based on the data collected at the worksite, we plan to explore and progressively implement measures to reduce power consumption. Furthermore, we aim to use Koda Works as a model case to promote the visualization and reduction of power consumption at other worksites.

Procurement and utilization of renewable electricity through off-site PPA

As part of our efforts to realize a decarbonized society, we have begun procuring electricity derived from renewable energy sources by utilizing off-site physical PPA services.* In this initiative, electricity generated by our exclusive farm-based solar power plant is supplied to three business sites in Aichi Prefecture through an electric power company. As a result, we expect to use approximately 610,000 kWh of renewable electricity and reduce carbon emissions by approximately 252 tons per year. The contract term is 20 years, which enables long-term stable procurement of renewable energy and contributes to reducing the risk of electricity price fluctuations.

This power plant is located on a farm combining solar power generation and agriculture, and it contributes to securing sustainable income for local agriculture. In the future, we will consider installing further power generation facilities to expand the use of renewable energy and contribute to the realization of a sustainable society through the promotion of locally produced, locally consumed energy.

*Projects combining the purchase of electricity generated by renewable energy sources installed off the electricity user's premises together with environmental value



Our exclusive farm-based solar power plant

Heat shielding and insulation measures for factory and office buildings

Against the backdrop of increased air conditioning load caused by rising temperatures, we are implementing heat shielding and insulation measures in our factory and office buildings to both improve the working environment and conserve energy. At factories, existing exterior walls were covered with thermal insulation and heat shields to reduce indoor temperatures by approximately 3°C. In office buildings, thermal barrier paint was applied to window glass to reduce temperatures near the windows by approximately 5°C. These efforts are expected to reduce power consumption by air conditioners throughout the year.



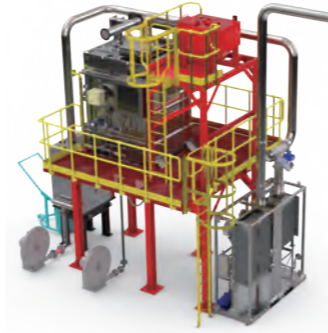
Factory with heat shielding and insulation measures on exterior walls



Thermal barrier paint being applied to window glass

Reduction of environmental impact using heat recovery system

Omega Sinto Foundry Machinery in the UK is developing an innovative heat recovery system to reduce the environmental impact of the casting process. Conventionally, waste heat of approximately 180°C generated in the sand reclamation process was released directly into the atmosphere, but this new system recovers this unused energy and reuses it as electricity. This effectively utilizes energy that would have been lost in the past, contributing to improved efficiency and reduced carbon emissions throughout the process. Furthermore, the facility itself is equipped with a power generation function, making it a green power source that can self-sufficiently supply part of its electricity. The modular design allows for installation in existing facilities as well as new facilities, and it is expected to be applied in a wide range of sites. We will continue to work toward the realization of sustainable manufacturing through the development of technologies that achieve both energy conservation and low carbon emissions.



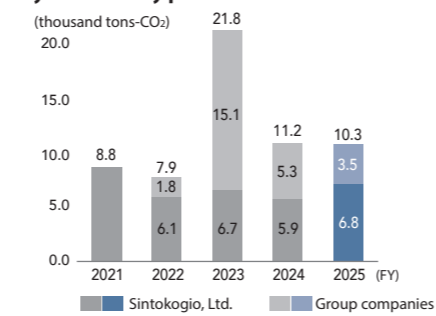
Heat recovery system (image)

► Eco-products/eco-logistics (Scope 3)

Of the 15 Scope 3 categories, we have determined calculation methods and are collecting data for the following 5 categories, enacting initiatives for the reduction of carbon emissions.

Category	FY2025 initiative	Key Performance Indicators (KPI)	FY2025 results
Category 4: Upstream transportation and distribution	(Eco-logistics) Convert transportation method of abrasives to rail/ships with less environmental impact and increase ratio of this kind of transportation	Carbon emissions: 1% reduction year-on-year	Carbon emissions 18% increase year-on-year
Category 6: Business travel	Aggregation of FY results according to the agreed upon aggregation method	Undecided	670 t-CO ₂ /year
Category 7: Employee commuting	Aggregation of FY results according to the agreed upon aggregation method	Undecided	1,683 t-CO ₂ /year
Category 11: Use of sold products	(Eco-products) Calculate carbon emissions during operation for each system sold to customers	Customer contribution carbon emissions: 1.5% reduction year-on-year	10,348 t-CO ₂ /year
Category 12: End-of-life treatment of sold products	(3R) Utilize cardboard as packaging material	Customer contribution carbon emissions: 0.6 t-CO ₂ /ton	0.03 t-CO ₂ /year

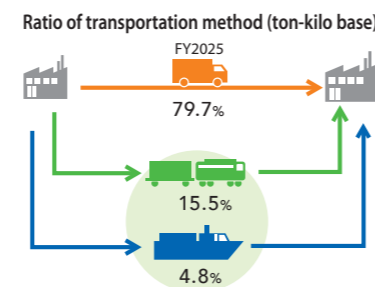
Category 11: Use of sold products Contribution to carbon emissions reduction by eco-friendly products



*Values are for Sintokogio, Ltd. until FY2021. Starting FY2022, these values include domestic/overseas group companies.

Review of transportation methods (Category 4: Upstream transportation and distribution)

Shifting abrasives shipments from truck transportation to rail or ships (with less environmental impact) contributes to reducing carbon emissions during shipping. Our current total transport volume per method is as follows: 15,542,100 ton-km by truck, 425,500 ton-km by rail, and 159,100 ton-km by ship. We will continue to increase the ratio of rail and ship transportation in the future. We are also promoting the use of circulating shipments between locations and optimizing shipping schedules to consolidate shipment dates. By the end of FY2025, these efforts have resulted in a 38.6% reduction of carbon emissions. We will continue these initiatives in the future, contributing to the reduction of our environmental impact.

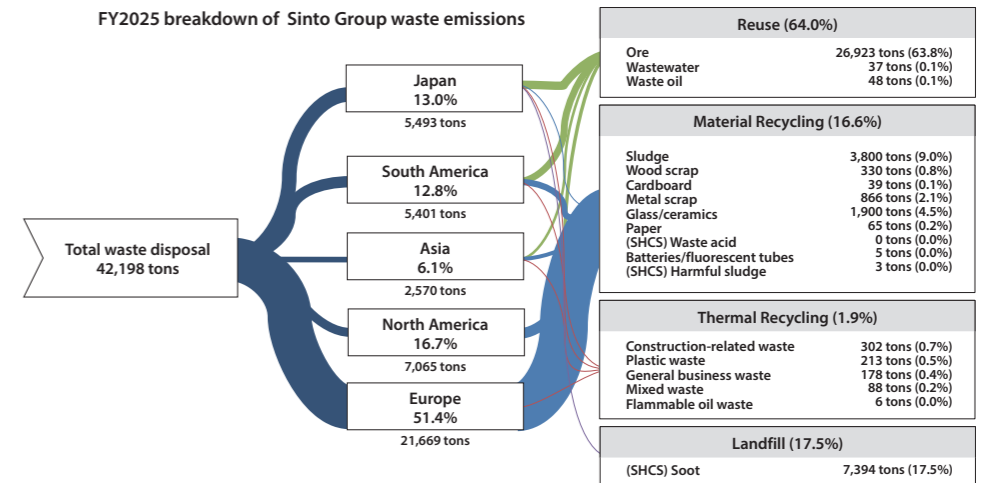


Resource circulation and conservation

► Initiatives for resource circulation

Visualization of waste emissions

Waste emissions are monitored by region and by type, and reduction measures are planned and implemented with an emphasis on the regions and waste types with the highest emissions. Most of the waste is ore, sludge, and metal scraps. On the other hand, as common waste reduction measures that can be enacted across all business sites, we are promoting initiatives related to plastic pallets and cardboard.



Use of on-site plastic pallets

Wooden pallets had been used for cargo handling operations at the plant, but they were fragile and had to be replaced frequently. By reviewing pallet operations and switching to plastic pallets, which are more durable than wooden pallets, we reduced the pallet replacement frequency and the amount of wood waste. Furthermore, plastic pallets are shared between factories to limit the number of new pallets purchased. In FY2025, we concluded a buy-back contract for waste plastic pallets, turning waste into materials of value and contributing to the reduction of waste emissions. We will continue to set individual targets for reducing the amount of wood and plastic waste at each business site, rigorously managing these targets by comparing them with actual performance.

► Water conservation initiatives

Aboveground water piping

In recent years, the continued use of water and sewage pipes in Japan has become a problem, as replacement of these pipes has not progressed even though they have exceeded their useful life. At our company as well, water utility costs at Toyokawa Works had remained high compared to those at Ichinomiya Works, which is of a similar size, leading to concerns about potential leaks in the underground piping.

Since locating and repairing leaks in buried pipes requires a significant amount of time and money, we have installed aboveground water supply pipes to enable early detection and prompt response in the event of a leak. As a result, over the 10-month period ending in September 2025, we achieved a year-on-year reduction of 1,912,000 JPY (approximately 2,600 m³) in water and sewerage charges, while also reducing carbon emissions associated with water production by 1.2 tons.



Aboveground water piping

Fostering eco-awareness

► “Actions for ourselves” of all our employees around the world

Bringing together all of our employees around the world to act as one, we set our own Environmental Awareness goal as an 18th SDG. Through this initiative, which began in FY2021, we promote a culture in which each individual can feel personal responsibility to take decisive action for the environment.

Establishment of Sinto Group's original goal



Human Resource Strategy

For Sinto, we believe that “being a company chosen as an arena for our employees to realize their full potential” is a core value for the sustainable growth of the company. Based on this vision, we have redefined the company as “a place for self-development and growth,” and we work to provide an environment in which each employee can independently learn, challenge themselves, and achieve self-realization. The relationship between people (employees) and companies has changed. In the past, it used to be that companies chose people, but now, people choose companies. Amid diversifying values and changing work styles, we aim to create and foster a corporate culture in which each employee takes pride in their work and constantly moves forward and takes on challenges, growing as individuals and charting their own careers regardless of age or gender. We believe that realizing the idea of a company as “a place for self-development and growth” will bring out our employees’ full potential, and by extension, result in the sustained growth and development of the company itself.

▶ Basic stance (“MEGA”)

For Sinto, our human capital management entails encouraging the motivation and growth of each employee and providing them with a place where they can make the most of their cultivated abilities. The core philosophy of our company’s human resource system is the principle of “Motivation, Effort, and Growth Acceleration (MEGA).” “MEGA” is a management style that encourages employees to have a sense of purpose in life so that they work with enthusiasm, maximizing the potential of each employee. We truly believe that human resources (employees) are a company’s greatest asset, and the name “MEGA” reflects our idea that the growth and success of human resources will result in the development of the entire company. Furthermore, to contribute to our customers and society, based on the spirit of our management philosophy HEART, we believe that it is important for each employee to acquire world-class skills and techniques to further evolve. Now in an era in which people can live over 100 years, “MEGA” is the base for our employees to maximize their potential during their lifetime at the company. We are continuing to develop our human resources system for the long period from joining the company to retirement, aligning the company’s goals with the employees’ own goals, encouraging individuals to proactively improve their abilities and skills, and rewarding those who work hard to develop their skills.



ISO 30414 certification and periodic review



Human Capital Report (Japanese)
<https://www.sinto.co.jp/ir/library/human-capital-report/>



In March 2024, we acquired ISO 30414 certification, an international guideline for disclosing information related to human capital. We are the second machine manufacturer in Japan, and the fourth company in the domestic manufacturing industry, to do so. Since receiving the certification, we have further accelerated our initiatives for employee growth, and in March 2026, we passed the third-year periodic review for recertification. Furthermore, in conjunction with acquiring ISO 30414 certification, we have published the 2025 Human Capital Report that summarizes quantitative information regarding our human capital.

*Total number of Japanese companies that have received certification: 21 companies (as of March 31, 2026)

▶ Human resource policy

■ Growth of each employee

- Securing and developing creative human resources with the desire and ability to contribute to business growth from a long-term perspective
- Providing opportunities for each individual to realize their full potential and experience growth and self-actualization

■ An organization in which members share a sense of purpose in life and work

- Building relationships of mutual trust based on communication and teamwork, and working together to achieve goals
- Fairly evaluating not only results but also work processes and actions such as level of effort and willingness to take on challenges, resulting in improved engagement of those who have worked hard

■ Creating a good work environment

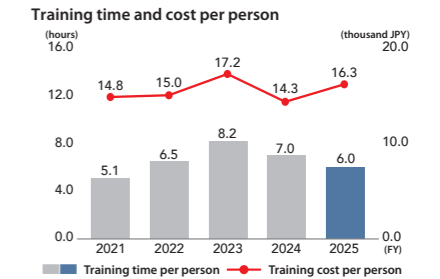
- Respecting and integrating diverse values and ways of thinking, resulting in new ideas
- Establishing a culture of active engagement among diverse human resources, diverse workplaces, and diverse work styles

Human resource development

To properly respond to changes in the business environment and constantly develop new technologies and products, based on the principle of “MEGA,” we have established human resource development by job grade, and we have put in place various tools and resources for personnel development.

▶ Enhanced human resource development system

Employee growth is crucial for the sustainable development of a company. To encourage the growth of individual employees, we have prepared 51 different kinds of training by rank, specialized training, and so forth. These trainings are suitable for each rank and occupation so that the employees acquire the knowledge and specialized skills required to perform their work. In FY2025, we did a comprehensive review of rank-based and specialized training so that employees can independently build their careers more effectively.



▶ Evaluator training

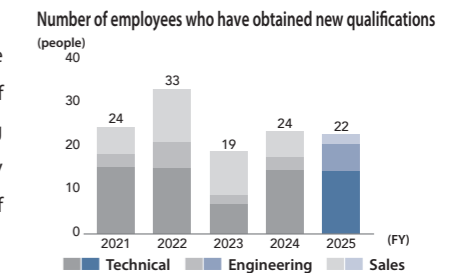
With increasing diversity in work styles and approaches to career development among the workforce, it is crucial for fair evaluations to take place so that superiors and their subordinates can build a firm relationship of trust. For that reason, during FY2023 and FY2024, we reviewed the curriculum for evaluator training, and we held trainings for all members in managerial positions. These managers and supervisors who serve as evaluators not only deepened their understanding of our company’s evaluation system and purpose but also enacted roleplaying activities based on the company’s unique case studies to improve interview and communication skills when providing feedback to their subordinates.

▶ Evaluating hard work and willingness to develop skills

We operate a system that awards points to employees for their efforts to develop their abilities, rewarding them for their motivation and hard work. Focusing on employees who put effort into developing their own abilities, such as participating in self-development training, obtaining skill certifications, and obtaining official qualifications, the system has resulted in an increase in employee motivation for self-development since its introduction.

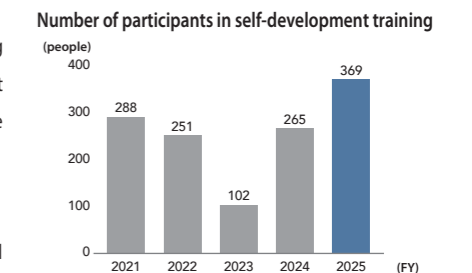
■ Sinto Career System

We have established a unique system for honing specialized skills for each job type, encouraging those in technical and sales positions to obtain in-house qualifications. Through this system, the skills of employees are evaluated regardless of their job grade or age, and understanding their own standing (level) allows employees to grasp the direction of their growth. This system is being expanded globally as group-wide universal qualifications for employees not only in Japan but all over the world, as one of the methods of increasing the capabilities and skills of all members worldwide.



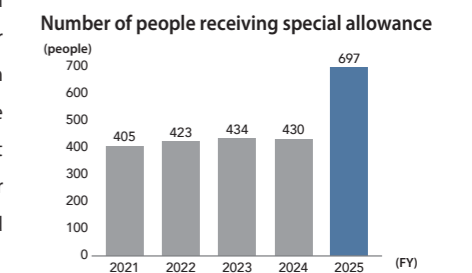
■ Promoting self-development

We offer self-development training (20 courses) and correspondence courses (100 courses) supporting employees’ growth and skill development, including anger management, resilience, and other topics that focus on technical, physical, and mental strength. The offerings are regularly revised to consistently provide the best learning opportunities as per the changing times and the needs of the employees.



■ Special allowance

This system encourages employees’ motivation and effort, promotes self-development, and offers real compensation for those efforts. Separate from regular performance evaluations, this system is intended to evaluate individuals’ efforts and growth. Based on the points earned by employees for improving their skills and knowledge, a special allowance is added to their salary each month, making it possible for them to improve their own compensation directly. Additionally, points are also offered for skills and knowledge that are not directly related to work. Rewarding employees for proactively acquiring skills that might be useful later on and investing in their own future, we hope to empower employees to shape their own career paths and accelerate their growth. In April 2025, we increased the allowance amount and reconsidered the criteria for earning an allowance, encouraging more employees to use the system.



Health management

We place great importance on the health of our employees, aiming to revitalize our organization by maintaining and improving employee health. We have established a Health Promotion Committee comprising departments that are responsible for health management (including occupational physicians, public health nurses, and clinical psychologists), our health insurance association, and health-responsible personnel at each business site. Through this system, we provide support and educational activities that improve both mental and physical health. As a result, we have been certified as a "Health & Productivity Management Outstanding Organization" again in 2026.



▶ Health policy and health promotion activities

We have revised the "Health Management Declaration" established in FY2022 for our employees and have published it as the "Health Policy" effective FY2024. To enable employees to lead a healthy and happy professional life, we conduct activities for primary prevention (prevention in advance), secondary prevention (early detection and early response), and tertiary prevention (prevention of recurrence) of health issues through the establishment of Health Month and Health Promotion Day, health guidance opportunities for the prevention of lifestyle-related diseases, and various measures for mental health.

▶ Seminars for physical and mental health

Every year, we conduct awareness campaigns on physical and mental health to raise our employees' health awareness. In FY2025, we held seminars led by occupational physicians, public health nurses, clinical psychologists, and external instructors on topics such as sleep, mental health and communication, health issues specific to women, how to interpret the results of regular health checkups, and minor physical ailments.

▶ Health Month and Health Promotion Day

Every year, April is designated as Health Month, and we hold seminars and other educational activities to raise health awareness and encourage people to take their health into their own hands. We also designate every Wednesday as Health Promotion Day, encouraging employees to go home on time to maintain their physical health and refresh their minds by setting aside time for sports, hobbies, and sleep. In addition, free tickets for use of the gym in Sinto Heart Arena (Toyokawa City Gymnasium; see P.70) are distributed to promote exercise habits.

Indicators related to health and work style*1

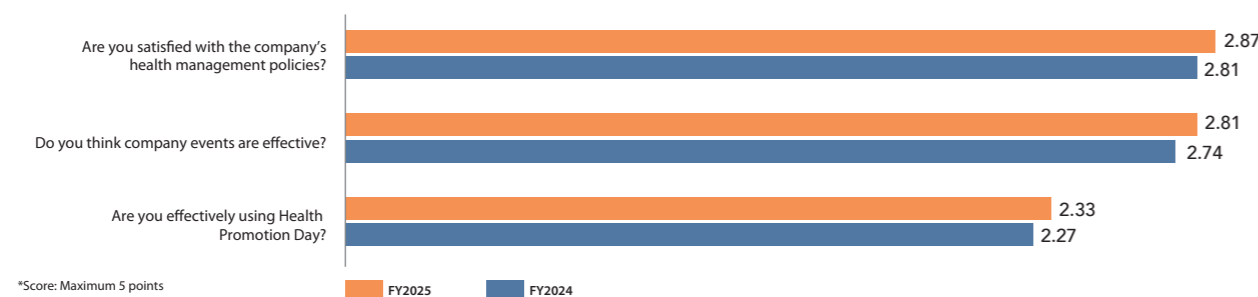
Item	FY2023	FY2024	FY2025
Health checkup participation rate	100%	100%	100%
Rate of findings from health examinations	70.8%	65.3%	70.3%
Rate of receiving a detailed follow-up examination	72.0%	29.0%	65.9%
Specific health guidance implementation rate*2	22.1%	37.0%	21.0%
Stress check examination rate	98.7%	97.2%	97.4%
High stress rate	19.0%	17.3%	17.4%
Overtime hours worked (monthly average)	21 hrs	20 hrs	20 hrs
Leave of absence rate	0.20%	0.80%	0.25%
Rate of annual paid leave taken	74.4%	76.0%	72.4%
Number of days of annual paid leave taken	13.8 days	14.1 days	13.4 days
Presenteeism*3	85.0%	74.1%	73.1%

*1: Data collection range: Sintokogio, Ltd.

*2: Sinto (Japan) employees aged 40 years and over who are insured by Sinto Health Insurance

*3: Began survey in 2023 using the University of Tokyo's "one-question method"

Indicators for health management, company average (employee consciousness survey)



Occupational safety and health

Safety Policy

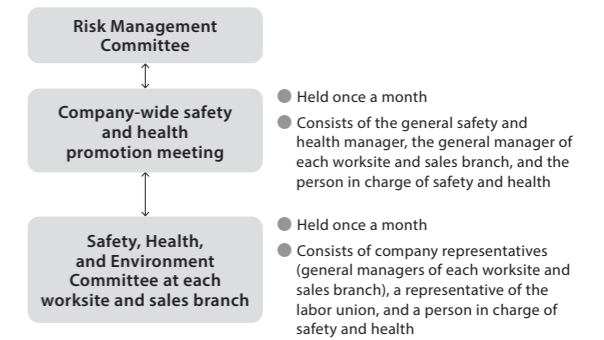
We respect humanity and aim to be a company that receives trust and understanding from all customers, based on the basic principles of prioritizing safety and promoting and maintaining health. All employees will work together to promote safety and health activities.

Actions

1. Properly understand and comply with safety- and health-related laws and regulations
2. Promote the creation of a comfortable work environment with attention to safety, hygiene, and health
3. Conduct periodic audits and promote continuous improvement of the health and safety management system
4. Prevent lifestyle-related diseases among employees
5. Provide guidance, education, and support for safety and health management for subcontractors
6. Participate in government and community activities related to health and safety

▶ Promotion structure

A company-wide safety and health promotion meeting is held every month to inform employees of the safety and health activity policies, promote the expansion of ideas across divisions, report results, and discuss issues at each business site to make improvements. The general managers and safety representatives of each business division attend the meeting, and they convey the content of the meeting to the Safety, Health, and Environment Committee at each worksite and sales branch to promote company-wide policies and initiatives. By collecting employee opinions and applying these ideas, labor and management work together to promote safety and health activities.



Major initiatives for occupational safety and health

We have obtained Occupational Safety and Health Management System (OSHMS) certification at all eight of our business locations in Japan, and we have created a work environment in which all employees can independently work on safety activities by following the PDCA cycle. Through risk assessments for all equipment, we identify sources of danger and conduct risk reduction activities, promoting the creation of a safe and secure workplace. Moreover, meetings for safety and encouragement are held for supervisors and representatives of subcontractors prior to construction work performed during holidays, with all related parties pledging to be able to say "I'm home" with a smile.

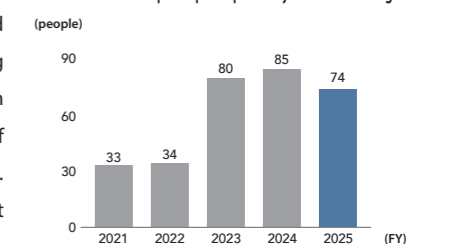


▶ Initiatives for safety

Increasing safety awareness

We conduct monthly inspections at our eight domestic business locations, and by conducting on-site patrols with the management supervisors, we aim to create a safe and vibrant workplace and prevent labor accidents before they occur. The management supervisors participate in the morning meetings, confirming that their thoughts are reaching everyone on site, and that safety and health activities and risk prediction activities are being performed. We have also made a daily collection of industrial accidents and shared it across departments, enacting repeated enlightenment activities. Furthermore, all members of executive management (including the company president) conduct patrols during on-site construction work and speak to the people involved to achieve zero accidents.

On-site construction patrol participation by executive management



Confirming the worksite in response to new regulations

With the introduction of new regulations for chemical substances, we regularly confirm the operational status at each worksite in response to these regulations. At monthly worksite visits, we do checks of whether the person in charge of chemical substances has been appropriately selected, and whether that person's responsibilities are being properly fulfilled. In particular, we look especially at whether protective equipment is being used during work, and whether chemical substances stored in separate containers are properly labelled to show danger and toxicity levels. In case any issues are found, we instruct the person in charge to make corrections immediately, ensuring before any accidents happen that there are no threats to the workers' health.

Stakeholders

Customers

▶ In pursuit of customer satisfaction

To always be chosen by customers, we have an internal slogan of “not just selling products.” We make regular visits to all customers who have purchased products or services from us, work together with them to resolve their problems and issues, and ultimately aim to contribute to our customers’ growth. We offer detailed after-sales maintenance and timely support using digital tools that our customers can trust, and as a result, they order parts and consumables from us. Through these efforts, we aim to improve customer satisfaction to keep our customers happy for many years to come.

To always be chosen by customers

- ▶ Customer-oriented proposals
- ▶ Immediate response
- ▶ Being a good advisor

▶ Proposals through the use of our Online Solution Site

As points of contact with customers, in addition to our main homepage on which we share information about our products and services, we provide an Online Solution Site as an information base to support customers in resolving their issues. This Online Solution Site is not just an information outlet, but rather a communications channel for offering solutions and know-how to customers, supporting a deeper understanding of products and technologies to resolve their issues.

Providing easy-to-understand solutions through videos and study sessions

To offer proposals and solutions to customers in an easy-to-understand manner, we provide information through videos and study sessions. In FY2025, we released videos explaining how to inspect dust collectors, focusing on dust collector fires as a potential operational risk for customers. In addition, for customers who wish to gain a deeper understanding, we hold a number of study sessions at our company to help them acquire the correct knowledge.



Proposals specific to your industry in our Connection Room

We have established our new Connection Room as part of our Online Solution Site. This is a place to gain a deeper understanding of our industry-specific technologies, products, and services. As the first phase of this initiative, we have released content for customers in the semiconductor and electronic components industries, providing information that contributes to solving various issues, including precision processing, inspection, and measurement technologies. Currently, we are expanding our services to the shipbuilding industry, steel industry, and battery industry, among others. By presenting our strengths in an easy-to-understand manner by industry, we aim to create opportunities for co-creation, leading to visits and inquiries at each business site. Since its establishment, the access count has been steadily increasing, and we will continue to expand business opportunities by introducing our technologies and products according to the characteristics of each industry.



The Connection Room on our Online Solution Site (Japanese) <https://www.sinto.co.jp/connection/>

▶ Using digital technology to enable rapid troubleshooting

With the aim of minimizing downtime for our customers and enabling swift recovery support, we offer corrective maintenance that provides remote restoration support for equipment and production lines, and a monitoring system that remotely monitors changes in trends that can be a predictor of failure. These systems have been installed in more than 1,400 units in total, contributing to customers’ stable operation and improved productivity through a timely support system that utilizes digital technology.

▶ Strengthening staff development to foster good advisors

We place importance on being a good advisor to our customers and proposing the best solutions to their problems and issues. In order to continue to be the best partner for our customers, we provide ongoing training to improve the skills of each of our sales representatives, utilizing our in-house educational facilities. By learning in an environment closer to practice, trainees gain a deep understanding of the worksite and accumulate proposals to prevent our customers’ equipment from stopping.

Quality management

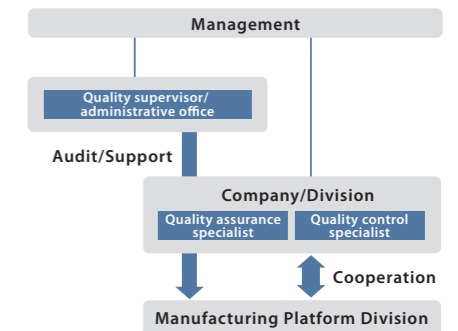
Our company has established a Quality Policy that is the basis for continuous quality management improvement group-wide, in order to provide reliable products with trusted technology to our customers worldwide.

You can find our Quality Policy on our website. (Japanese) <https://www.sinto.co.jp/ir/esg/social/>



▶ System for promoting quality

By establishing a quality management system and thoroughly implementing the PDCA cycle in each organization, we ensure product safety, secure product quality, and prevent quality problems. At the core of the system, a quality supervisor and administrative office oversee the promotion of quality across the company. Each in-house company and business division also has quality assurance and quality control specialists who prepare quality plans for each project and work to ensure quality. The entire company, from management to production divisions, implements our quality policies.



▶ Improving drawing quality to eliminate recurrence of defects

With the slogan of “preventing recurrence of defects, with zero defects in the main unit,” we categorize machine parts into three categories (main body, auxiliary, and surrounding), and we are working to achieve zero defect recurrences. For each part, we further classify the design drawings as new, repurposed, etc., and we analyze defects as having occurred on the customer side or on our side as the manufacturer. Other aspects that we examine include people and methods as we consider countermeasures to prevent recurrence. Currently, we continue to have zero defect recurrences in the main body, and the number of recurrences in auxiliary and surrounding parts has also been reduced to only a few cases per year. In the future, we will continue to work closely with each business division to prevent recurrence.

▶ Providing safe products

To improve the safety and security of customers who use our equipment, we encourage them to obtain Safety Assessor qualifications based on international safety standards; in FY2025, 8 new employees obtained Safety Sub-assessor qualifications. We also represent Japan in the TC306 committee* and are working on ISO standardization of safety requirements for foundry equipment and terminology. Eight ISOs have been issued so far, and in the future, after the global safety standards are made into JIS standards, they will be introduced to the Japanese foundry industry.

*A technical committee that considers international standards for foundry machinery. The main participating countries are China, Germany, France, Italy, Denmark, Switzerland, the UK, and Japan.

Total certified employees	
Safety Assessor	14 employees
Safety Sub-assessor	169 employees

Supply chain management

Our basic procurement policy focuses on sourcing high-quality, eco-friendly, and cost-effective products and services to realize our corporate philosophy.

You can find our basic procurement policy on our website. (Japanese) <https://www.sinto.co.jp/ir/esg/social/>



▶ Promotion of green procurement

We globally implement the “Sinto Business Partner Guidelines: For Our Future Nakama.” Through the sustainability policy, environmental policy, and environmental action plan included in the guidelines, we work to reduce the environmental impact throughout the supply chain. Additionally, we have requested cooperation from members of Shin-boku-kai, which consists of suppliers of purchased and manufactured goods, and received consent from all member companies (82 in total) to disclose environmental data. We also compile and share improvement case studies to contribute to reducing the environmental impact among members. In the future, we will continue to work to further reduce our environmental impact throughout the supply chain by providing regular opportunities for communication, and by introducing and distributing our improvement case studies regularly.

► Collaboration with suppliers (Shin-boku-kai activities)

We are committed to manufacturing together with our suppliers, who are our important business partners. We regularly hold information exchange meetings with our suppliers' association, Shin-boku-kai, to spread our ideas and understanding about fair and equitable transactions, legal compliance, and safety, quality, and the environment. In FY2025, we held a tour of our shipping yard to show our pallet yard and our efforts to reuse and recycle corrugated cardboard materials. The corrugated cushioning material introduced at the tour was adopted by two member companies, contributing to a reduction in the use of plastic cushioning material.

In cooperation with Shin-boku-kai members, we will continue to actively promote initiatives for visualization and reduction of power consumption along with 3R activities to realize a sustainable and recycling-oriented society. In addition, we are strengthening cooperation with our subcontractors through the network of the Construction Safety and Health Cooperative Association, a group of companies responsible for equipment installation work, to ensure co-existence and co-prosperity with our business partners.



Information exchange meeting

Initiatives to enhance brand recognition

We view the improvement of corporate recognition as an important issue and are promoting efforts to communicate the appeal of our corporate brand in a wide range of areas. These activities will not only enhance corporate value and brand image but also strengthen recruiting capabilities. We will continue our initiatives to become a company that is familiar to and trusted by society.

Naming rights acquired for Toyokawa City Gymnasium

■ Contributing to society through health

We have acquired preferential negotiation rights for the naming rights of the Toyokawa City Gymnasium in Toyokawa City, Aichi Prefecture, and have decided on the nickname "Sinto Heart Arena" for this facility. The name, which doubles up on the company's management philosophy of HEART, was chosen in the hope that it would be familiar and easy for all citizens to remember. Along with contributing to the local community and improving our corporate recognition, this initiative also contributes to the health management of the company.



Naming rights acquired for Toyokawa City Gymnasium



"Sinto Heart Arena" sign at the front entrance

Sinto: Start of mini broadcasting

■ Supporting young engineers involved in manufacturing

From September 2025, Chubu-Nippon Broadcasting Corporation (CBC) began airing the mini-program "Mirai e Tsudzuke! Tech" ("Tech that continues into the future"). In light of the national WorldSkills competition (2025-2027) and the international WorldSkills competition (to be held in Aichi Prefecture in 2028), we are putting a spotlight on young engineers' challenging spirit and polished skills. Along with sending encouragement to engineers who work hard every day, this program expresses our sincere hopes to revive the pride of manufacturing in Japan, create new value for manufacturing, and contribute to social prosperity.



Introducing young engineers

We have posted videos of past broadcasts on our website. (Japanese)



Sponsor contract signed with ComoNe

■ Supporting spaces for next-generation learning

We have become a sponsor for Common Nexus (ComoNe), a new facility established by the Tokai National Higher Education and Research System with the goal of co-creation with the local community. With direct access from the Nagoya University subway station, it opened in July 2025 as a space for exploration not only for students and educators, but for all kinds of community members, from neighborhood children to corporate and government workers. Sinto has received naming rights for a seminar room as well as advertising space within the facility and along the passage from the subway. Along with boosting our brand power, we will continue to support activities for education and research.



Exterior view of ComoNe



Inside ComoNe



Naming rights acquired for seminar room "SINTOKOGIO SAND THEATER"

Social contribution activities

■ NAGAI Foundation for Science & Technology award ceremony

In FY2025, grants and plaques were awarded to the recipients of the Foundation Awards (13 recipients) and the Encouragement Grants (18 recipients). The Foundation was established in 1983 by the late Kakichi Nagai to honor researchers and academic research organizations in Aichi Prefecture and to award research grants. Since its establishment, the Foundation has awarded 725 grants and honors; many of the selected projects involve ambitious research themes proposed by young researchers, and there are high hopes for their future practical applications.



■ Tours for local high school students (USA)

Roberts Sinto welcomed local high school students to the manufacturing site for a tour and introduction to the latest technology. It was a valuable opportunity to support the development of the next generation of human resources and to increase their interest through on-site experience.



■ Community cleanup activities (Germany)

Employees of Heinrich Wagner Sinto are engaged in keeping their community clean. Together with colleagues from German, Chinese, and Turkish group companies, our team collected garbage, contributing to beautifying the local area and improving environmental awareness.



■ Providing a venue for bicycle competitions

In conjunction with the Tokai Cyclocross Round 2: iRC TIRE CUP 2025 cyclocross race, we provided our Shinshiro Works as the venue. Cyclocross is a sport that involves running on a course with muddy terrain and obstacles. This will be the fourth time that the company has provided the venue. We contribute to the development of the next generation, promotion of health, and revitalization of local communities through sports.



■ Support for kart racers (Brazil)

Sinto Brasil helped 8-year-old kart racer Romeo Ferrante take on the challenge. We continue our sponsorship activities with the aim of promoting sports and nurturing young people, while monitoring their growth.



■ Support activities for impoverished families (China)

Qingdao Sinto supported a charity event organized by the local police station through donations and volunteering. We delivered daily commodities and food purchased with donations to those in need and also participated in roundtable discussions.



Communication with shareholders and investors

We aim to achieve sustainable growth and enhance our corporate value over the mid-to-long term by promptly, accurately, and fairly disclosing crucial information on our business activities and strengthening communication with our shareholders and investors. In FY2025, we published our integrated report, held semi-annual online briefings for analysts and institutional investors, and conducted individual IR interviews with a total of 17 companies. We also held tours of our facilities, giving visitors an opportunity to inspect our manufacturing site (Toyokawa City, Aichi Prefecture) and providing explanations focusing on our initiatives for future growth. Furthermore, we participate in two IR fairs and hold an online briefing annually to actively engage in dialogue with individual investors. We will apply the valuable opinions we receive from everyone to enhance our quality of management and engage in dialogue to deepen our business activities for shareholders and investors.



IR fair

<https://www.sinto.co.jp/ir/> (Japanese)



Executives

As of April 2026

▶ Directors and auditors



▶ Executives (Biography)

Directors



1 Yoshiki Ueda

Chairman of the Board

Apr 1976 Joined Mitsubishi Corporation
Apr 2008 Mitsubishi Corporation Director, Senior Vice President
Jun 2010 Mitsubishi Corporation Technos President and CEO
Jun 2016 THK Co., Ltd. Outside Director Audit and Supervisory Committee Member (present)
Sintokogio, Ltd. External Director
Jun 2017 Sintokogio, Ltd. Chairman (present)



2 Atsushi Nagai

President

Apr 1984 Joined Sintokogio, Ltd.
Jun 1996 Director
Jun 2000 Managing Director
Jun 2002 Senior Managing Director
Jun 2004 Vice President
Jun 2006 President (present)



3 Kenichi Nakamichi

Director
Senior Managing Executive Officer

Apr 1989 Joined Sintobrador, Ltd.
Apr 2012 Blast Division General Manager
Jul 2014 Executive Officer Blast Division General Manager
Jul 2015 Managing Executive Officer Blast Division General Manager
Jun 2020 Director International Operations General Manager
Apr 2022 Director Managing Executive Officer CASTEC COMPANY President
Apr 2024 Director Managing Executive Officer CASTEC COMPANY President Accounting & Finance Control
Apr 2026 Director Senior Managing Executive Officer CASTEC COMPANY President Accounting & Finance Control (present)



4 Hiroyuki Takeda

Director
Senior Managing Executive Officer

Sep 1992 Joined Sintobrador, Ltd.
Mar 2016 (China) Qingdao Sinto Machinery Co., Ltd. General Manager
Apr 2020 Executive Officer
Mar 2021 (China) Qingdao Sinto Machinery Co., Ltd. Chairman Chief Representative for China
Apr 2023 Executive Officer Sales Division General Manager
Jun 2023 Director Managing Executive Officer Sales Division General Manager
Apr 2024 Director Managing Executive Officer SURFACETEC COMPANY President Chief Representative for China
Apr 2026 Director Senior Managing Executive Officer SURFACETEC COMPANY President Sales Control Chief Representative for China (present)



5 Hiromitsu Uchiyama

Director
Managing Executive Officer

Apr 1983 Joined Toyota Motor Corp.
Jan 2011 Toyota Motor Corp. Engineering Dept. Battery/FC Production General Manager
May 2020 Sintokogio, Ltd. Advisor
Jul 2020 Managing Executive Officer Development Division General Manager
Jun 2021 Director Managing Executive Officer Development Division General Manager
Apr 2024 Director Managing Executive Officer Business Promotion Division General Manager Human Resources Control (present)



6 Mikio Nakane

Director
Managing Executive Officer

Apr 1985 Joined Sintokogio, Ltd.
Jul 2015 Environment Division General Manager
Jul 2016 Executive Officer Environment Division General Manager
Apr 2018 Managing Executive Officer ECOTEC COMPANY President
Jun 2022 Director Managing Executive Officer ECOTEC COMPANY President
Apr 2024 Director Managing Executive Officer Production Division General Manager Environment Supervision System Control
Apr 2026 Director Managing Executive Officer Manufacturing Platform Division General Manager Environment Supervision System Control (present)



7 Takashi Suzuki

Director
Managing Executive Officer

Apr 1988 Joined Sintokogio, Ltd.
Apr 2019 ECOTEC COMPANY Deputy President
Jul 2022 ECOTEC COMPANY Deputy President Environment Division General Manager
Apr 2023 Executive Officer ECOTEC COMPANY President Environment Division General Manager
Apr 2024 Managing Executive Officer ECOTEC COMPANY President Environment Division General Manager
Jun 2025 Director Managing Executive Officer ECOTEC COMPANY President Environment Division General Manager
Apr 2026 Director Managing Executive Officer ECOTEC COMPANY President Technical Collaboration Control (present)



8 Yasuhito Yamauchi

External Director

Apr 1968 Joined Toyota Motor Corp.
Jun 1995 Toyota Motor Corp. Director
Jun 2001 Toyota Motor Corp. Executive Managing Director
Jun 2005 Aisin Seiki Co., Ltd. (Current: Aisin Corp.) President
Jun 2015 Sintokogio, Ltd. External Director (present)



9 Yukako Uchinaga

External Director

Jun 1971 Joined IBM Japan Ltd
Apr 1995 IBM Japan Ltd Director
Apr 2004 IBM Japan Ltd Director Senior Managing Executive Officer in charge of Development and Manufacturing
Apr 2007 Specified Non-profit Corporation Japan Women's Innovative Network (J-Win) Chairperson
Apr 2008 Benesse Corp. Director and Vice Chairman Berlitz Corporation Chairman/President/CEO
Sep 2013 GRI, Inc. President (present)
Jun 2021 Sintokogio, Ltd. External Director (present)
Jun 2022 NTT, Inc. External Director (present)
Apr 2024 Specified Non-profit Corporation Japan Women's Innovative Network (J-Win) Founder and Honorary Chairperson (present)



10 Hiroshi Kurihara

External Director

Apr 1978 Joined Fuji Xerox Co., Ltd. (Current: FUJIFILM Business Innovation Corp.)
Oct 2004 Fuji Xerox Co., Ltd. Executive Officer Production Service Division General Manager
Jun 2009 Fuji Xerox Co., Ltd. Director Managing Executive Officer Domestic Sales Division General Manager
Jun 2013 Fuji Xerox Co., Ltd. Director Senior Managing Executive Officer
Jun 2015 Fuji Xerox Co., Ltd. Representative Director President
Jun 2018 Fuji Xerox Co., Ltd. Special Advisor
Jun 2020 Japan Telework Association Chairman
Jan 2021 GiG Works Inc. Outside Director (present)
Apr 2021 HUMAN LIFE Co., Ltd. Outside Director (present)
Mar 2023 Cyber Security Cloud, Inc. Outside Director (present)
Jun 2023 ASTI CORPORATION Outside Director Auditor (present)
Jun 2024 Sintokogio, Ltd. External Director (present)
Jun 2025 Japan Telework Association Advisor (present)

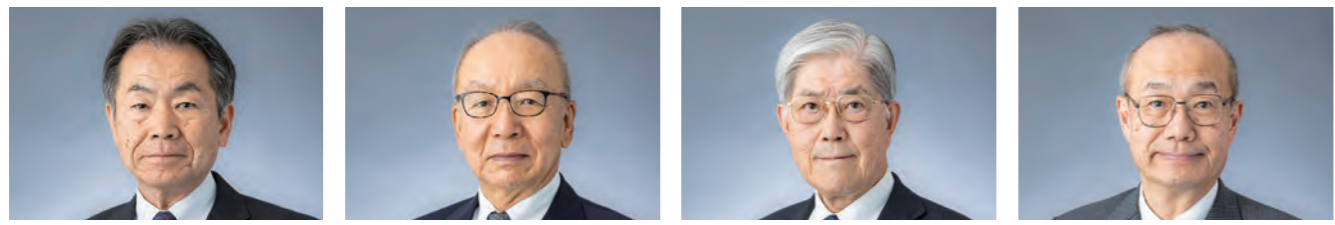


11 Masato Tsuru

External Director

Apr 1970 Joined Sumitomo Bank
Mar 1973 Joined Nihon Oil Seal Industry Co., Ltd. (Current: NOK CORPORATION)
Jun 1985 Nihon Oil Seal Industry Co., Ltd. Representative Director and President
May 2006 Japan Auto Parts Industries Association Chairman
Apr 2018 NOK CORPORATION Representative Director and Chairman
Jun 2024 NOK CORPORATION Advisor (present)
Jun 2025 Sintokogio, Ltd. External Director (present)

Auditor



<p>12 Tsuyoshi Goto Full-time Auditor</p> <p>Apr 1980 Joined Sintokogio, Ltd. Jul 2015 Executive Officer Production Center Manager Jun 2016 Director Production Center Manager Apr 2019 Director in charge of Production Division Jun 2019 Auditor (present)</p>	<p>13 Takami Onodera External Auditor</p> <p>Apr 1980 Joined The Mitsubishi Bank, Ltd. Jun 2006 The Mitsubishi Bank, Ltd. Executive Officer Financial Planning Department General Manager May 2010 The Mitsubishi Bank, Ltd. Executive Committee Senior Executive Officer Jun 2013 Mitsubishi UFJ Securities Holdings Co.,Ltd. Vice President Jun 2018 Mitsubishi UFJ NICOS Co., Ltd. Chairman of the Board and Representative Director Jun 2023 Mitsubishi UFJ NICOS Co., Ltd. Special Advisor (present) The Takigami Steel Construction Co., Ltd. Outside Director (Audit and Supervisory Committee Member) (present) Sintokogio, Ltd. External Auditor (present)</p>	<p>14 Ken Ito External Auditor</p> <p>Apr 1971 Joined Fuji Xerox Co., Ltd. (Current: FUJIFILM Business Innovation Corp.) Mar 1999 Fuji Xerox Co., Ltd. Corporate Officer Head of Software Development Division Sep 2002 Fuji Xerox Information System Co., Ltd. Representative Director President Apr 2007 Fuji Xerox Palo Alto Research Center Representative Director Chairman & CEO Apr 2012 Japan Advanced Institute of Science and Technology Visiting Professor of Industry-Academia- Government Collaboration (present) Jun 2023 Aspen Institute Japan Director Advisor (present) Jun 2024 Sintokogio, Ltd. External Auditor (present)</p>	<p>15 Ichiro Kanomata External Auditor</p> <p>Apr 1977 Joined Hitachi, Ltd. Dec 2002 Hitachi, Ltd. Enterprise Server Division Information and Communications Dep. Accounting Director Jan 2006 Hitachi Kokusai Electric Inc. Head of Finance Division Apr 2011 Hitachi Management Partner, Corp. Director Head of Finance Shared Services Division Apr 2014 Hitachi Medico, Ltd. Full-time Auditor Apr 2016 Hitachi Industry & Control Solutions, Ltd. Full-time Audit & Supervisory Board Member Apr 2019 Systems and Services Business Unit of Hitachi, Ltd. Part-time Audit Committee Member Hitachi-Omron Terminal Solutions Corp. Part-time Auditor Jun 2024 Sintokogio, Ltd. External Auditor (present)</p>
---	--	--	--

▶ Managing Executive Officers/Executive Officers



<p>1 Managing Executive Officer Ramesh Babu Krishnan</p> <p>5 Executive Officer Akihiro Yoshimoto</p> <p>9 Executive Officer Seiichiro Hoga</p> <p>15 Executive Officer Yoshitoki Yabuta</p>	<p>2 Managing Executive Officer Kenichi Furuya</p> <p>6 Executive Officer Hideaki Morita</p> <p>10 Executive Officer Michael Halsband</p> <p>16 Executive Officer Andreas Klein</p>	<p>3 Executive Officer Yoji Ikedo</p> <p>7 Executive Officer Yoshinori Kawaguchi</p> <p>11 Executive Officer Hiroataka Matsui</p> <p>17 Executive Officer Julius Cesar do Nascimento</p>	<p>4 Executive Officer Takeshi Hirayama</p> <p>8 Executive Officer Asuka Ieda</p> <p>12 Executive Officer Hiroshi Arima</p> <p>18 Executive Officer Takashi Koyama</p>	<p>13 Executive Officer Atsushi Suzuki</p> <p>19 Executive Officer Daisuke Sakata</p>	<p>14 Executive Officer Junji Tanaka</p> <p>20 Executive Officer Kazuhiro Oda</p>
--	---	--	--	---	---

Composition and Operation of Directors

Sinto has established a system in which the Board of Directors plays a central role in making appropriate management decisions and effectively supervising business execution. In the composition of the Board of Directors, we emphasize independence, expertise, and diversity, and strive to establish sound and disciplined corporate governance through a highly transparent executive compensation system and effective management.

▶ External directors/external auditors

To promote fair and transparent administration, we have five external directors and three external auditors. There is no special interest between the company and its external directors/external auditors. They are independent directors with no conflict of interest with general shareholders, and their appointment is reported to the Tokyo Stock Exchange.

	Name	Reason for Selection	Attendance at Board of Directors	Attendance at Board of Auditors
External Directors	Yoshiki Ueda	With a wealth of experience as a corporate executive and insight in management, including experience in trading company management, he was selected to fulfill the position of external director to supervise our management appropriately and strengthen the supervisory function of the Board of Directors.	16/16 times	—
	Yasuhiro Yamauchi	With a wealth of experience in manufacturing and broad perspective in corporate management as a corporate executive of an automotive company, he was selected to fulfill the position of external director.	16/16 times	—
	Yukako Uchinaga	With a wealth of experience in corporate management and broad perspective and deep insight in IT and diversity, she was selected to fulfill the position of external director.	16/16 times	—
	Hiroshi Kurihara	With experience in the management and operation of an international organization, he was selected to fulfill the position of external director.	16/16 times	—
	Masato Tsuru	With a wealth of experience in corporate management, he was selected to fulfill the position of external director.	11/11 times	—
External Auditors	Takami Onodera	With deep insight in financial operations and a wealth of experience at financial institutions, he was selected to audit the business execution of directors from an objective perspective.	16/16 times	15/16 times
	Ken Ito	With a wealth of experience and deep insight in information systems, he was selected to audit the business execution of the directors from an objective perspective.	16/16 times	16/16 times
	Ichiro Kanomata	In addition to deep insight in finance and accounting from his experience at an electronics manufacturer, with a wealth of experience as an auditor, he was selected to audit the business execution of the directors from an objective perspective.	16/16 times	16/16 times

► Skills and diversity of our directors

To ensure appropriate decision-making and management supervision, the Board of Directors ensures diversity as per management plans and strategies, and appoints directors with a wealth of experience, high level of insight, and high degree of expertise. Internal directors are appointed with expertise in sales, development/engineering/production, and administration, to ensure balance in knowledge, experience, and ability. The five independent external directors have experience as representative directors of listed companies and have a track record in corporate management. They provide advice and recommendations based on their diverse backgrounds in sales, technology, manufacturing, information, and sustainability.

■ Skill matrix

	Name	Assoc.	Expertise/experience required for directors								
			Corporate Management	Industry Knowledge	Global Business	Environment/Sustainability	Sales/Marketing	R&D/Technology/Production	Organizational Management, HR/Planning/Finance	DX/IT Security	Governance/Risk Mgt.
Directors	Yoshiki Ueda	External Independent	★	☆ (Trading)	☆		☆		☆		★
	Atsushi Nagai		★	☆	★				☆		★
	Kenichi Nakamichi			☆	☆				☆		☆
	Hiroyuki Takeda			☆	☆			☆			☆
	Hirimitsu Uchiyama			☆				☆	☆		☆
	Mikio Nakane			☆		☆		☆		☆	☆
	Takashi Suzuki			☆		☆		☆			☆
	Yasuhito Yamauchi	External Independent	★	☆ (Automotive)	☆				☆		★
	Yukako Uchinaga	External Independent	★	☆ (IT)	☆			☆	☆	☆	★
	Hiroshi Kurihara	External Independent	★	☆ (Precision tools)	☆			☆		☆	★
Masato Tsuru	External Independent	★	☆ (Automotive, Electronics)	☆			☆			★	
Auditors	Tsuyoshi Goto			☆				★			☆
	Takami Onodera	External Independent		☆ (Banks)	☆				☆		★
	Ken Ito	External Independent		☆ (Systems)	☆				☆		★
	Ichiro Kanomata	External Independent		☆ (Electronics)					☆		★

Notes: • This table does not show all expertise/experience. ★ refers to a high level of expertise and experience that is particularly important for decision-making for the Board of Directors, and ☆ refers to other relevant expertise and experience.
 • For the external directors with experience in the management of listed companies, for their wealth of knowledge and experience, they are marked with ★ for Corporate Management.
 • Experience is based on both past and current positions. • Composition: 14 male directors, 1 female director (6.7% female)

Corporate Management	Three or more years of executive experience at a listed company working to increase corporate value
Industry Knowledge	Three or more years of executive officer or supervisory experience in the relevant industry, with a high degree of insight
Global Business	Three or more years of experience in overseas assignments or business operations with overseas companies, with a high degree of insight
Environment/Sustainability	Three or more years of experience in environmental business or environmental response work, with a high degree of insight
Sales/Marketing	Three or more years of experience in sales in a trading company or sales department, with a high degree of insight
R&D/Technology/Production	Three or more years of experience in R&D, engineering technology, or production, with a high degree of insight
Organizational Management, HR/Planning/Finance	Three or more years of experience in departments such as business divisions, human resources, planning, and accounting and finance, with a high degree of insight
DX/IT Security	Three or more years of experience in an IT company or IT-related department, with a high degree of insight
Governance/Risk Mgt.	Able to make appropriate responses and judgments based on a high level of insight into the relevant industry and expertise

► Compensation for executives

We have five external directors and three external auditors in our Nomination and Compensation Committee to improve transparency regarding directors' compensation; this enables a fair and objective perspective for evaluating each director and the system and criteria for compensation.

Compensation system

Compensation is made up of basic compensation based on position, restricted stock, director bonuses, and mid-to-long-term incentives. We introduced restricted stock to enable sustained improvement of corporate value and to promote corporate management from the shareholders' perspective. In FY2025, a resolution was passed to offer restricted stock to the 19 full-time directors and executive officers. Director bonuses and mid-to-long-term incentives are dependent on our business outcomes that indicate our earnings such as operating income and improved ROE, considering the conventional paid amount and other factors. Under this system, the rate of change increases with each rise in rank.

Determination process

The Nomination and Compensation Committee selects candidates for directors and auditors. It evaluates and discusses the compensation system of directors as well as compensation, bonuses, and so forth for each director. The final decision is made during the Board of Directors meeting. The director bonus is determined based on the amount decided at the Board of Directors and shareholders' meetings, the standard amount as per the position, and evaluation by the committee.

Total amount of remuneration by officer category, total amount of remuneration by remuneration type, and number of eligible officers (FY2025)

Classification	Number of eligible officers	Amount of remuneration, etc. by type (thousand JPY)			Total remuneration (thousand JPY)
		Basic Remuneration	Performance-linked remuneration		
			Bonuses	Share-based remuneration	
Directors	13	126,948	—	26,338	153,286
Auditors	4	45,675	—	—	45,675
Total	17	172,623	—	26,338	198,961

*The above figures include remuneration for the fiscal year of two directors who resigned as of the 128th shareholders' meeting on June 24, 2025.

Data from the Previous 11 Years

	Unit	FY2015	FY2016	FY2017	
Business results	Sales	mil JPY	94,232	95,048	104,231
	Operating income	mil JPY	5,712	4,887	4,798
	Operating profit on sales	%	6.1	5.1	4.6
	Ordinary income	mil JPY	5,536	5,844	5,994
	Net income attributable to parent company shareholders	mil JPY	2,706	3,358	6,030
	Capital investment	mil JPY	2,790	3,415	2,669
	Depreciation	mil JPY	2,619	2,655	2,782
	Research and development expenses	mil JPY	1,612	1,580	1,642
	Research and development to sales ratio	%	1.7	1.7	1.6
Sales by region	Japan	mil JPY	56,909	58,170	60,310
	China	mil JPY	8,901	7,098	8,895
	Asia	mil JPY	9,881	8,616	10,360
	United States (starting FY2025)	mil JPY	—	—	—
	North America (including the U.S. through FY2024)	mil JPY	10,076	11,039	14,942
	Europe	mil JPY	6,037	7,424	6,514
	South America	mil JPY	2,426	2,699	3,207
Financial status	Gross assets	mil JPY	139,207	142,759	162,629
	Net assets	mil JPY	88,899	91,775	101,095
	Interest-bearing debt (excluding lease obligations)	mil JPY	15,940	15,904	18,865
Cashflow	Cashflow from business activities	mil JPY	2,491	7,765	6,195
	Cashflow from investment activities	mil JPY	-5,142	1,551	-1,170
	Cashflow from financial operations	mil JPY	24	-1,388	1,069
	Free cashflow	mil JPY	-2,650	9,317	5,025
	Balance of cash and cash equivalents	mil JPY	18,865	26,640	33,282
Stock information	Dividends	JPY	16	18	21
	EPS (equity per share)	JPY	50.58	63.08	113.26
	BPS (book-value per share)	JPY	1,587.79	1,646.55	1,796.88
	Payout ratio	%	31.5	28.6	18.6
Management index	ROE (return on equity)	%	3.1	3.9	6.6
	ROA (return on assets)	%	1.9	2.4	3.9
	Debt equity ratio	multiplier	0.19	0.18	0.20
	Capital adequacy ratio	%	60.7	61.4	58.8
	EBITDA	mil JPY	8,455	7,662	7,696

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
	110,076	102,703	82,544	99,247	106,381	115,495	150,224	176,178
	5,586	4,734	1,718	2,606	2,242	5,409	3,004	3,831
	5.1	4.6	2.1	2.6	2.1	4.7	2.0	2.2
	6,487	4,732	3,070	4,478	3,951	7,510	3,226	3,364
	5,412	2,879	606	2,835	6,187	8,706	2,757	-16,262
	3,079	5,501	2,418	3,571	3,277	3,671	6,242	8,806
	3,034	3,117	3,052	2,928	2,963	2,749	5,365	7,171
	1,786	2,032	2,535	2,589	2,514	2,561	2,566	2,873
	1.6	2.0	3.1	2.6	2.4	2.2	1.7	1.6
	62,095	60,591	50,413	59,085	56,788	62,320	66,165	74,751
	10,496	11,056	7,787	11,681	10,935	10,234	11,856	12,604
	11,430	10,652	8,580	8,892	12,320	12,979	14,493	15,496
	—	—	—	—	—	—	—	18,339
	11,899	8,311	7,149	7,889	10,325	11,400	19,782	5,211
	9,553	6,959	5,911	7,334	9,150	10,955	28,854	39,043
	4,602	5,133	2,701	4,364	6,861	7,604	9,071	10,731
	164,986	156,461	164,201	168,586	171,367	187,963	236,764	227,360
	101,465	99,849	104,124	109,641	111,755	127,140	127,125	118,830
	19,087	19,593	20,280	19,486	14,956	14,444	49,129	48,708
	7,040	5,075	8,088	4,091	5,491	5,937	2,352	8,843
	-1,755	-3,125	-1,801	-1,188	-1,623	-744	-30,326	-4,081
	-1,673	-1,160	-1,141	-2,754	-7,092	-3,025	15,267	-6,024
	5,285	1,950	6,286	2,902	3,868	5,192	-27,974	4,762
	36,277	37,041	42,306	42,964	40,658	43,579	32,056	31,223
	22	24	24	26	36	44	44	44
	101.66	54.10	11.39	53.28	117.93	166.23	52.59	-309.80
	1,803.01	1,770.62	1,858.22	1,956.15	2,020.43	2,301.09	2,280.45	2,115.08
	21.7	44.5	211.3	48.9	30.6	26.6	84.0	—
	5.6	3.0	0.6	2.8	5.9	7.7	2.3	-14.1
	3.3	1.8	0.4	1.7	3.6	4.8	1.3	-7.0
	0.20	0.21	0.21	0.19	0.14	0.12	0.41	0.44
	58.2	60.2	60.2	61.7	61.7	64.1	50.5	48.9
	8,954	8,177	5,073	5,736	5,336	8,197	9,823	13,234

ESG Data from the Previous 5 Years

			Unit	FY2021	FY2022	FY2023	FY2024	FY2025	
Environment	Water usage	Sinto Group*	m ³	133,542	241,244	223,196	440,900	522,326	
	Energy usage	Sinto Group	TJ	1,845	1,766	3,995	3,777	3,652	
	Electricity usage	Sinto Group	MWh	154,259	143,274	334,133	323,691	306,617	
	Carbon emissions	Sinto Group	t-CO ₂	133,720	121,071	117,597	110,144	104,737	
	Scope 1	Sinto Group*	t-CO ₂	6,216	18,738	38,393	33,909	37,455	
	Scope 2	Sinto Group*	t-CO ₂	23,955	44,402	79,204	76,235	67,281	
	Sales intensity	Sinto Group	t-CO ₂ /mil JPY	0.74	0.59	1.02	0.73	0.59	
	Contributions to carbon emissions reduction in customers' manufacturing	Sinto Group*	t-CO ₂	8,888	7,859	21,822	11,259	10,348	
	Waste emissions	Sinto Group*	t	5,350	15,345	45,542	42,649	42,198	
	Recycled volume	Sinto Group*	t	5,286	15,113	34,649	42,412	39,139	
	Recycling rate	Sinto Group*	%	98.8	98.5	76.1	99.4	92.7	
	Composition of transport method (abrasives)		Sintokogio, Ltd.						
	Truck		%	87.5	87.7	84.4	85.6	79.7	
	Rail		%	4.3	5.6	8.0	8.9	15.5	
	Ship		%	8.3	6.6	7.5	5.5	4.8	
	Number of employees who obtained Eco Test certification	Sintokogio, Ltd.	people	18	16	38	29	63	

*Values are for Sintokogio, Ltd. until FY2021. Starting FY2022, these values include domestic/overseas group companies.

			Unit	FY2021	FY2022	FY2023	FY2024	FY2025	
Social	Number of employees	Sinto Group	people	4,042	3,986	3,963	4,844	4,760	
	Ratio of overseas employees	Sinto Group	%	44.6	45.1	46.1	56.4	55.6	
	Ratio of local personnel in management positions overseas	Overseas group companies	%	65.1	65.8	68.0	73.3	72.7	
	Ratio of female employees	Sintokogio, Ltd.	%	14.4	14.7	15.1	15.3	15.5	
	Ratio of female managers	Sintokogio, Ltd.	%	3.0	3.5	3.9	4.2	4.3	
	Employment rate of persons with disabilities	Sintokogio, Ltd.	%	2.1	2.4	2.5	2.6	2.5	
	Ratio of men who took childcare leave	Sintokogio, Ltd.	%	19.0	55.3	76.5	40.0	75.8	
	Average days of leave	Sintokogio, Ltd.	days	40.9	28.4	57.7	97.4	106.3	
	Training hours per person	Sintokogio, Ltd.	hours	5.1	6.5	8.2	7.0	6.0	
	Training investment per person	Sintokogio, Ltd.	k JPY	14.8	15.0	17.2	14.3	16.3	
	Employee turnover	Sintokogio, Ltd.	people	108	134	132	95	102	
	Turnover rate	Sintokogio, Ltd.	%	5.2	6.3	6.4	4.7	5.0	
	Age distribution of employees		Sintokogio, Ltd.						
	15-19 years of age		people	14	22	16	18	29	
	20-29 years of age		people	379	347	346	339	351	
	30-39 years of age		people	470	428	384	373	352	
	40-49 years of age		people	481	483	457	427	413	
	50-59 years of age		people	491	513	524	552	568	
	60-64 years of age		people	162	166	172	180	172	
	65-69 years of age		people	53	54	60	78	85	
70 years of age or more		people	20	17	22	18	18		
Number of employees who have obtained new qualifications	Sintokogio, Ltd.	people	24	33	19	24	22		
Number of employees who took self-development training courses	Sintokogio, Ltd.	people	288	251	102	265	369		
Employees earning MEGA allowance	Sintokogio, Ltd.	people	405	423	434	430	697		
Disabling injury frequency rate	Sintokogio, Ltd.	-	0.25	0.00	0.00	0.23	0.26		

Governance	Number of directors	Sintokogio, Ltd.	people	11	11	10	11	11
	Ratio of external directors	Sintokogio, Ltd.	%	36.4	36.4	30.0	36.4	45.5
	Ratio of female directors	Sintokogio, Ltd.	%	9.1	9.1	10.0	9.1	9.1
	Number of auditors	Sintokogio, Ltd.	people	4	4	4	4	4
	Ratio of independent auditors	Sintokogio, Ltd.	%	50.0	50.0	50.0	75.0	75.0
	Number of executive officers	Sintokogio, Ltd.	people	18	21	21	26	22
	Ratio of female executive officers	Sintokogio, Ltd.	%	5.6	4.8	4.8	3.8	4.5
	Use of internal whistleblower system	Sinto Group	cases	17	14	14	17	20

Corporate Profile / Stock Information

Corporate Profile

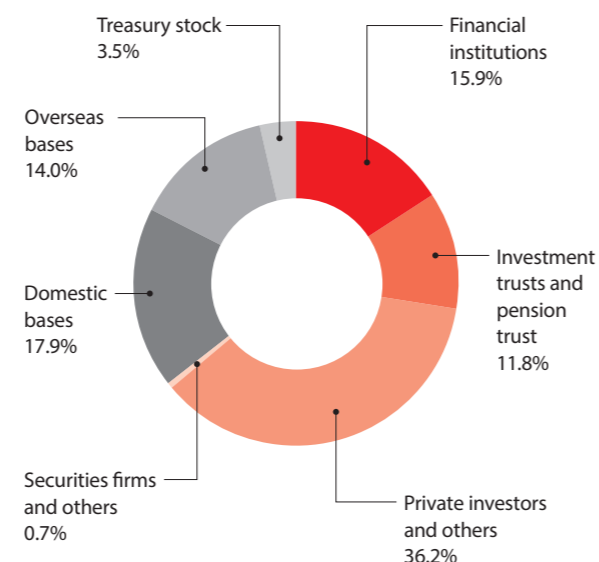
As of March 31, 2026

Company name	Sintokogio, Ltd.
Establishment	October 2, 1934
Paid-in capital	5,752 million JPY
Headquarters	Dainagoya Building 24F, 3-28-12 Mei-eki, Nakamura-ku, Nagoya 450-6424
Phone number	+81 52-582-9211
Website	https://www.sinto.com
Number of employees	Consolidated: 4,760 Sintokogio, Ltd.: 1,662
Consolidated subsidiaries	76 companies
Equity method affiliates	14 companies

Stock Information

Ticker code	6339
Total number of authorized shares	230,476,000
Total number of issued shares	54,580,928
Total number of shareholders	64,509
Share unit number	100
Listings	Tokyo Stock Exchange Prime Market Nagoya Stock Exchange Premier Market
Shareholder registry administrator	Mitsubishi UFJ Trust and Banking Corporation
Regular general meeting of shareholders	June
Independent auditing firm	Deloitte Touche Tohmatsu LLC

Composition of shareholders



Major shareholders (Top 10)

Name of major shareholder	Number of shares held (thousands)	Ratio of share holding (%)
The Master Trust Bank of Japan, Ltd.	4,962	9.41%
Meiji Yasuda Life Insurance Company	2,276	4.32%
MUFG Bank, Ltd.	1,989	3.77%
Resona Bank, Limited	1,668	3.16%
STATE STREET BANK AND TRUST COMPANY 505103	1,635	3.10%
The NAGAI Foundation for Science & Technology	1,505	2.85%
Custody Bank of Japan, Ltd.	1,432	2.71%
Sinto Employee Shareholder Association	1,275	2.42%
Sinto Monozukuri Shareholder Association	1,258	2.38%
Mitsubishi UFJ Trust and Banking Corporation	722	1.37%

*Sintokogio, Ltd. owns 1,899 thousand shares in treasury stock but is excluded from the list of major shareholders.

Returns to shareholders

Total shareholder return (TSR*)

	1 year	3 years		5 years		10 years	
		Cumulative	Annual	Cumulative	Annual	Cumulative	Annual
Sintokogio	14.9%	29.7%	7.5%	41.8%	7.2%	23.7%	2.0%
TOPIX	34.6%	87.4%	23.3%	102.2%	15.1%	228.2%	12.6%
TOPIX Machinery	50.0%	109.7%	28.0%	119.2%	17.0%	315.6%	15.3%

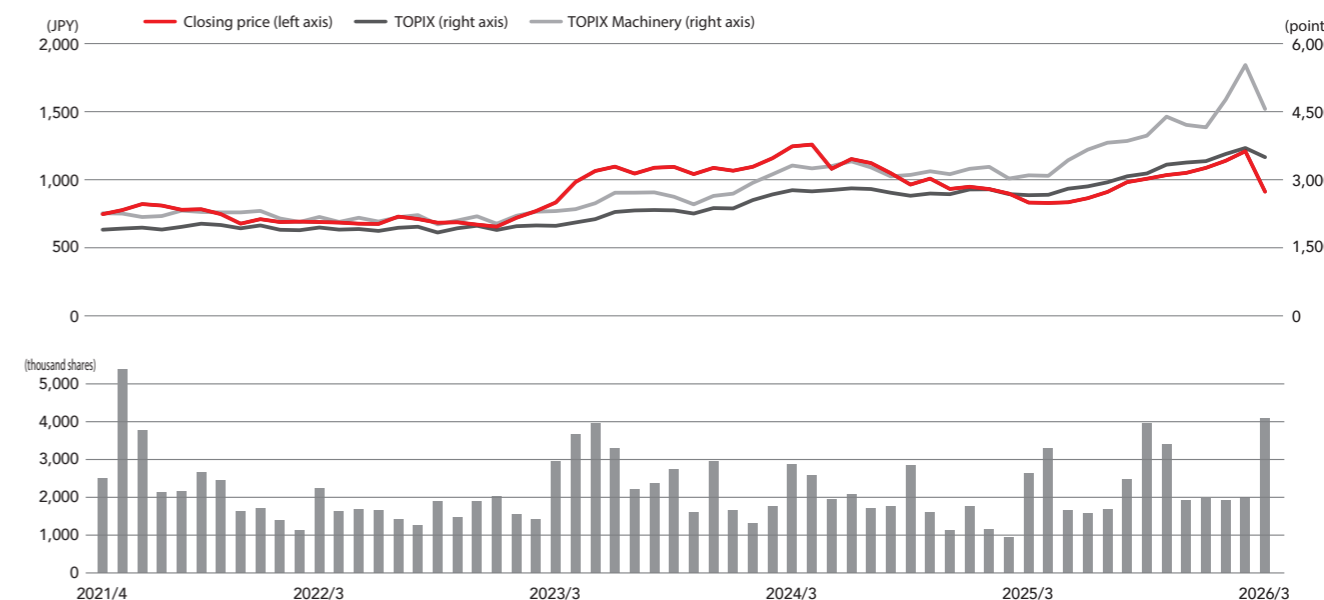
*The sum of capital gains and dividends, representing the total yield on a shareholder's investment

Dividend yield*

	2017/3	2018/3	2019/3	2020/3	2021/3	2022/3	2023/3	2024/3	2025/3	2026/3
Dividend yield (%)	1.86	1.89	2.30	3.18	3.10	3.77	4.32	3.53	5.29	4.82
Dividends per share (JPY)	18	21	22	24	24	26	36	44	44	44

*Calculation formula: Dividends per share ÷ final stock value

Stock prices and transactions



SINTOKOGIO, LTD.

3-28-12, Mei-eki, Nakamura-ku, Nagoya 450-6424, Japan
Website: <https://www.sinto.co.jp>
Global site: <https://www.sinto.com>

“Let’s Go Team Sinto”
Sinto Group’s Company Song
An expression of our thoughts
and corporate philosophy



VOC
FREE T&K

