

Accounting period

From January 1 to December 31

Record date for year-end dividends

December 31

Record date for interim dividends

June 30

Annual meeting of shareholders

March each year

Holder of list of shareholders and managing agency for designated accounts

Mitsubishi UFJ Trust and Banking Corporation

Contact

Stock Transfer Agency Department, Mitsubishi UFJ Trust and Banking Corporation

1-1 Nikko-cho, Fuchu-shi, Tokyo 183-0044

Tel: 0120-232-711 (toll free)

Listed stock exchange

Standard Market, Tokyo Securities Exchange

Public notice method

On-line public notice.

Publication at URL <https://convum.co.jp>

(Public notices shall be published in the Nihon Keizai Shimbun newspaper when accidents and other causes prevent on-line public notice.)

Notes

1. With the computerization of stock trading, in principle, account managing agencies (securities companies and other parties) where shareholders maintain accounts perform various procedures, including procedures for changing shareholder addresses and requesting share purchases. Please ask the securities company where you maintain an account about these procedures. Please note that the holder of the list of shareholders (Mitsubishi UFJ Trust and Banking Corporation) does not offer any of these services.
2. Mitsubishi UFJ Trust and Banking Corporation has been appointed as the account managing agency for the procedures associated with shares recorded in special accounts. Please ask the account managing agency for special accounts stated above (Mitsubishi UFJ Trust and Banking Corporation) about such procedures. Mitsubishi UFJ Trust and Banking Corporation branches across Japan serve as intermediaries for these procedures.
3. The main and branch offices of Mitsubishi UFJ Trust and Banking Corporation pay dividends receivable.

74th Term Business Report

January 1, 2024 ▶ December 31, 2024

CONVUM
CONVUM Ltd.



e•HAND
electric
easy
eco-friendly

e•HAND electric suction hand SGE series



As a pioneering manufacturer of vacuum absorption equipment, we will aim to be a company that is trusted by society, and strive for continuous corporate growth, through manufacturing attractive products.

As the new President and Representative Director of CONVUM Ltd. since March 22, 2024, I would like to take this opportunity to extend my warmest greetings and to express our sincere appreciation to our shareholders for their support.

By focusing on new product development and maintaining our high level of quality, we hope to continue our unwavering efforts to evolve “CONVUM” into the future.

Together with our shareholders, employees, and many stakeholders, we will respond to customers’ requests and strive for continuous corporate growth.

We are pleased to present our results for the 74th term from January 1, 2024 to December 31, 2024.

March 2025

President and Representative Director **Yutaka Sato**

Management Philosophy

Caring about people and making great efforts to weave together our creative ideas with the requirements of our customers, while contributing greater value to society.

Corporate Mission

- Caring about our customers.
- Offering each of our employees the optimum working conditions and working environment.
- Carrying out development by the integration of individual ideas and customer requirements.
- Promoting alliances with other companies, and sharing the benefits obtained from them.
- Transparency of management.
- Giving a high level of importance to internal communications such as reporting, informing and consulting.
- Promoting a professional relationship in which everyone can trust and rely on each other.

Responding Flexibly to Changes in the Market

Amid a rapidly changing global situation, the environment surrounding us is also entering a period of significant transformation. The range of applications for vacuum equipment, our main product, is also expanding. As we enter our 75th term in 2025, together with the CONVUM brand, we will accelerate our entry into new markets and respond with flexibility to changes in the environment. In our efforts to keep launching high-quality products into the market, we will strive to enhance the satisfaction of our customers and shareholders by focusing on human resources development and more efficient production. We look forward to your continued patronage in the years to come.

Top Interview

Q1 — Please describe the business results of the 74th term.

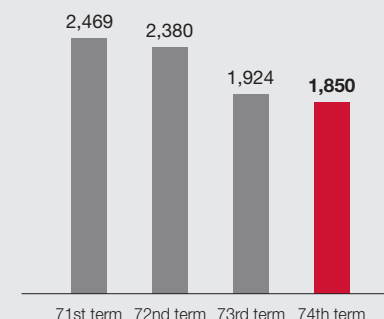
The Group’s consolidated net sales for the 74th term amounted to 1,850 million yen, a decrease of 3.8% year on year. In the Japanese market, while there was a decline in demand for semiconductor production equipment and in the maintenance market in the first half of the year, it gradually recovered in the second half of the year. Demand for products related to Robot Hands was brisk amid the trends toward labor reduction and automation in production facilities, and we expanded sales activities centering on capturing new customers. The Company’s net sales amounted to 1,535 million yen, a decrease of 2.0% year on year.

In the South Korean market, while we experienced a decline in demand for semiconductor production equipment, we expanded sales activities centering on products related to solar panels, camera lenses, and secondary batteries. With this, sales in the South Korean market increased by 4.4% year on year to 385 million yen.

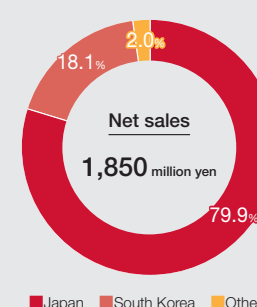
In Thailand, following a slowdown in automobile-related demand, we actively launched products for robot system-related and food-related equipment. However, sales in the Thailand market decreased by 28.2% year on year to 38 million yen.

Consolidated Financial Highlights

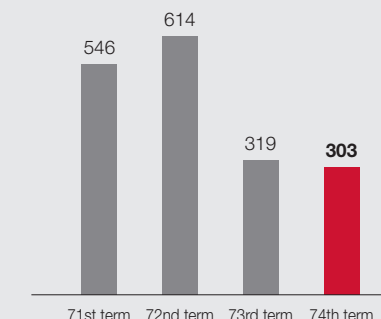
■ Net sales (million yen)



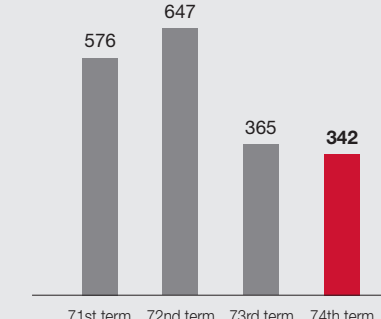
■ Sales distribution by region



■ Operating income (million yen)



■ Ordinary income (million yen)



In terms of profitability, we made progress by reviewing selling prices through price revisions, reducing manufacturing costs, and reviewing overall expenses. As a result, while consolidated ordinary income fell by 6.2% year on year to 342 million yen, profit attributable to owners of parent increased by 4.4% year on year to 248 million yen.

Q² — Please describe your performance forecasts and major initiatives for the fiscal year ending December 31, 2025.

For the 75th term, we expect to record consolidated net sales of 1,979 million yen, consolidated ordinary income of 307 million yen, and profit attributable to owners of parent of 220 million yen. To achieve these targets, we will execute the following initiatives.

We will forge ahead with fundamental research and new product development specifically focusing on our unique vacuum absorption-related equipment.

Labor costs, as well as raw material costs, have been rising sharply, but we will focus on promoting automation in production processes, improving production efficiency, and ensuring stability and quality.

In addition, for the expansion of global sales in areas other than Asia, we will promote overseas e-commerce in regions

where we do not have distributors and forge new partnerships in our efforts to establish new markets.

Q³ — Finally, please provide your message to shareholders.

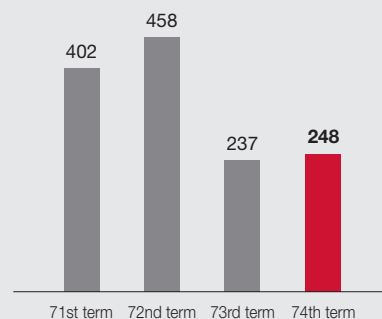
To fulfill the expectations of our shareholders and other stakeholders, we will continue to seek sustainable growth and enhance our corporate value. Going forward, we will emphasize speed to actively promote the development and commercial launch of attractive new products. We will strive to contribute greater value to society as expressed in our management philosophy.

Regarding the distribution of profits to shareholders, we make it a basic policy to ensure returns to shareholders based on business results and consideration of the need to secure resources to fund investment for the future.

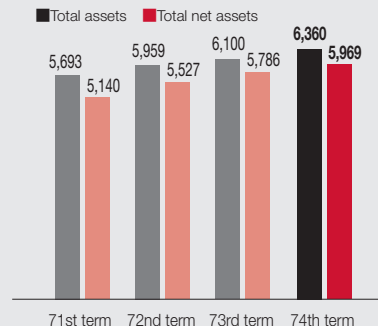
Pursuant to this policy, regarding dividends for the 74th term, we propose an annual dividend of 50.00 yen per share, consisting of an interim dividend of 25.00 yen per share and a year-end dividend of 25.00 yen per share.

We will devote our full energies to achieving management objectives to meet the expectations of all our shareholders, and therefore sincerely ask for the continued and unwavering support and cooperation of our shareholders.

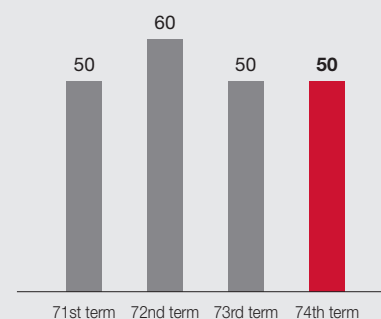
■ Profit attributable to owners of parent (million yen)



■ Total assets / Total net assets (million yen)



■ Dividends (yen)



Topics

Corporate commercial starts airing on TV in Iwate

In November 2024, we started airing a TV commercial in Iwate Prefecture. With this, we will work on recruitment and the enhancement of our corporate brand in Iwate, where our main plant is located.



Iwate Office

Head Office

Osaka Office

CONVUM ejectors

Net sales 600 million yen

Sales distribution ratio

32.4%

Consolidated net sales of this product segment for the year under review were 600 million yen due to improvements in the utilization rate of production facilities for semiconductor production equipment and various types of automation machinery. The sales distribution ratio of this product segment was 32.4% of overall product sales, down 1.9 percentage points year on year.

EJECTOR (CONVUM)

Ejectors are vacuum generators that use compressed air to generate suction. They are so named because compressed air is released (ejected) from the nozzle.



About CONVUM

CONVUM is a coined word, created by using the imagery of generating vacuum using compressed air from a compressor as well as of a device that can “control vacuum.” CONVUM is a registered trademark of the Company.

Pressure sensors

Net sales 128 million yen

Sales distribution ratio

6.9%

Demand weakened due to the reduction in demand for general machinery and semiconductor production equipment. As a result, consolidated net sales for the year under review amounted to 128 million yen. The sales distribution ratio of this product segment was 6.9% of overall product sales, down 24.8 percentage points year on year.

SENSOR

Pressure sensors measure the pressure displacement with an internal pressure-sensitive element that converts the output to an electrical signal. Our company's pressure sensors, which focus on air pressure, are used for a variety of applications including suction confirmation, seating confirmation, and source pressure management.



Vacuum pads

Net sales 964 million yen

Sales distribution ratio

52.1%

As demand for capital investment recovered and production activity at existing installations increased, there has been large-scale demand for semiconductor production equipment. Consolidated net sales for the year under review were 964 million yen, partly due to growth in demand for new products targeting robot-related industries. The sales distribution ratio of this product segment was 52.1% of overall product sales, down 3.4 percentage points year on year.

PAD

The vacuum pad is a product that utilizes the suction (negative pressure) obtained from a vacuum generator to adsorb and lift workpieces (adsorbate). Other than the “vacuum pad,” it is also called “suction pad,” “suction cup,” or “cup.” The pad acts as that of a human “hand” or “finger.”



FA equipment and others

Net sales 156 million yen

Sales distribution ratio

8.5%

Sales increased markedly due to the introduction of new Robot Hand products into the market, and through increased product recognition. As a result, consolidated net sales for the year under review amounted to 156 million yen. The sales distribution ratio of this product segment was 8.5% of overall product sales, up 10.1 percentage points year on year.

ROBOT-HAND

Robot Hand can be fitted to various types of robots. Customers can use the Robot Hand right away without any special designs, as we have prepared a wide range of flanges to fit the various types of robots made by various robot manufacturers.


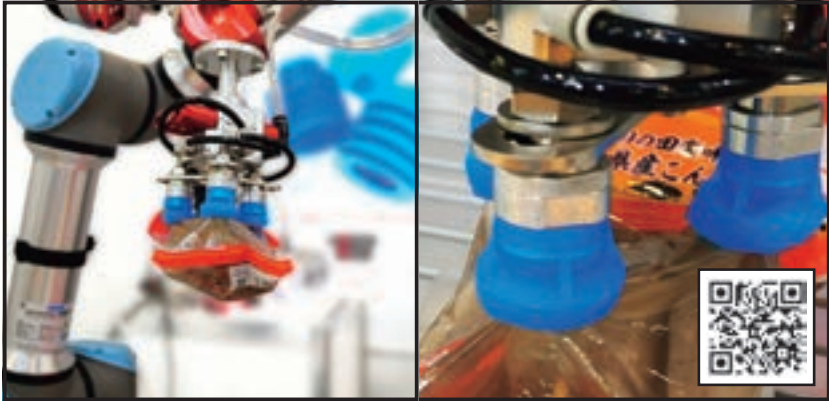


As factory automation equipment, our products are incorporated into various manufacturing processes and equipment for various industries.

SGR Conveyance of bags of liquid by vacuum hand specially designed for bags



HGL Adsorption conveyance with vacuum pad specifically designed for food products



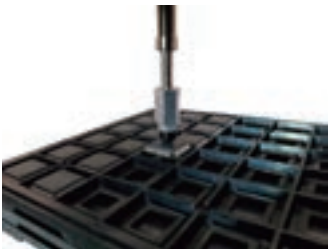
SGP Conveyance of heavy items with Robot Hands that have built-in ejector



The CONVUM Group's products and technologies are deployed in an extensive range of industrial applications, contributing to the automation of production processes and enhancing the quality of products.

Key Point!

Measures to combat electrostatic discharge (ESD protection) are becoming an essential factor in manufacturing processes that involve electronic devices. We have newly developed "Elec-Con," a material of CONVUM's proprietary design, and it is being used in the vacuum conveyance of many electronic components. It is managed with a surface resistance of 1.0×10^6 to $9.9 \times 10^9 \Omega$, which is more stringent than general standards, and all products are tested before shipment.



Topic 1 Establishment of new brand statement and corporate logo in 2025



Our new logo embodies our brand statement of "Together with the region, bringing the manufacture of attractive products to the world." It embodies our philosophy while also conveying the positive message of inspiring people with attractive creativity. We will continue to grow as a development-oriented company toward our goal of being a manufacturer that is trusted by all our stakeholders. At the same time, we will strive to contribute to the local community through manufacturing.

Topic 2 Expansion of the No. 5 Plant at our Iwate Office

We installed new rubber product production machinery and testing equipment at the No. 5 Plant at our Iwate Office, increasing the production capacity of vacuum pads by 15%. Our ESD Pads (electrostatic discharge protection pads) developed for the semiconductor market, which is expected to grow, and Hygienic Pads (antimicrobial pads), developed for food processing plants, have been well received by customers and sales volumes of these products are expected to increase. We will secure sufficient production capacity to meet this kind of demand and meet the requirements of our customers.

150-tonne vacuum press machines



ESD pad surface resistance testing equipment



6-inch open roll mixer



Automated rubber material cutting machine



Vacuum pad external appearance inspection equipment



Consolidated Balance Sheet (Unit: Thousand yen)		
Accounts	73rd term As of December 31, 2023	74th term As of December 31, 2024
Assets		
Current assets	3,452,678	3,657,154
Fixed assets	2,647,696	2,703,488
Total assets	6,100,375	6,360,642
Liabilities		
Current liabilities	159,649	234,138
Long-term liabilities	153,815	156,848
Total liabilities	313,464	390,986
Net Assets		
Shareholders' equity	5,471,811	5,641,983
Accumulated other comprehensive income	269,350	285,760
Non-controlling interests	45,749	41,911
Total net assets	5,786,911	5,969,656
Total liabilities and net assets	6,100,375	6,360,642

Consolidated Statement of Cash Flows (Unit: Thousand yen)		
Accounts	73rd term January 1, 2023 to December 31, 2023	74th term January 1, 2024 to December 31, 2024
Cash flows from operating activities	460,566	481,528
Cash flows from investing activities	(185,614)	(189,503)
Cash flows from financing activities	(92,763)	(75,956)
Effects of exchange rate changes on cash and cash equivalents	18,285	10,398
Increase (decrease) in cash and cash equivalents	200,474	226,466
Cash and cash equivalents at beginning of fiscal year	2,232,765	2,433,239
Cash and cash equivalents at end of fiscal year	2,433,239	2,659,706

Consolidated Statement of Income (Unit: Thousand yen)		
Accounts	73rd term January 1, 2023 to December 31, 2023	74th term January 1, 2024 to December 31, 2024
Net sales	1,924,052	1,850,703
Gross profit	983,637	939,928
Selling, general and administrative expenses	663,807	636,320
Operating income	319,829	303,608
Ordinary income	365,489	342,723
Income before income taxes and minority interests	349,544	344,569
Profit	236,824	240,104
Profit attributable to non-controlling interests	(657)	(7,895)
Profit attributable to owners of parent	237,481	248,000

Highlights of the results for the 74th term

- Consolidated net sales decreased by 3.8% year on year to 1,850 million yen while consolidated operating income decreased by 5.0% to 303 million yen. On a non-consolidated (individual business performance) basis, net sales decreased by 2.0% to 1,535 million yen, and operating income increased by 0.3% to 302 million yen. These results were due to the decrease in operating income of our consolidated subsidiaries in South Korea and Thailand.
- Total net assets amounted to 5,969 million yen, mainly due to a 170 million yen increase in retained earnings and a 23 million increase in valuation difference on available-for-sale securities. The shareholders' equity ratio was 93.2%.

Corporate Information	
Company name	CONVUM Ltd.
Establishment	April 16, 1951
Capital stock	¥748,125,000
Address of head office	2-6-18 Shimomaruko, Ota-ku, Tokyo
Domestic offices	Iwate, Tokyo, Osaka
Consolidated subsidiaries	CONVUM KOREA CO.,LTD. CONVUM (THAILAND) CO.,LTD.
Number of employees	88 (Consolidated number of employees)

Officers (As of March 21, 2025)	
President and Representative Director	Yutaka Sato
Senior Managing Director	Takayuki Kunimatsu
Director	Tatsuo Sugiyama *
Full-Time Corporate Auditor	Shinichi Sato
Corporate Auditor	Tsutomu Tomoda *
Corporate Auditor	Hirokazu Makimura *

Note: The people with asterisks are outside directors or outside corporate auditors.

Status of Shares		
Number of authorized shares	Number of issued shares	Number of shareholders
6,600,000	1,657,000 (Of which treasury stock: 100,448 shares)	926 (A decrease of 107 from the previous term-end)

Major Shareholders		
Shareholder	Number of shares held	Ratio of shareholding
Ise Kosan Co., Ltd.	282,760	18.17
Sugako Ise	126,020	8.10
HIKARI TSUSHIN, INC.	114,400	7.35
Koji Ise	82,410	5.29
Izumo Sangyou Corporation	53,300	3.42
MTAsia Corporation	36,000	2.31
Shinichi Kamiya	35,100	2.25
Kyoko Nakanishi	31,100	2.00
NICHIDEN Corporation	28,000	1.80
Atsushi Ogawa	26,700	1.72

(Notes) 1. Although the Company holds treasury stock, it is excluded from the list of "Major Shareholders" above.
2. The number of treasury stock is deducted from the number of issued shares in calculating the ratio of shareholding.

Our website



We update our investor relations and other corporate information on the website as needed and invite you to check back regularly.

<https://convum.co.jp>

