

Establishment of a New Company-Wide Organization to Improve the Effectiveness of New Business Development and Sales Functions

Maxell aims to quickly launch new businesses and strengthen existing growth businesses. To this end, we are promoting company-wide development projects and unifying sales divisions through a company-wide cross-divisional organization that transcends the boundaries of business divisions. We will prepare new businesses and realize sustainable growth toward the next phase (Phase 2) following MEX23.

Until now, Maxell had development function within each business division, along with the development division at the headquarters, which carry out basic and applied research and development. Even though we could create new products that were extended from our existing businesses, we were unable to create new businesses as a major solidification from our limited resources.

To solve this issue, we established the New Business Produce Division in April 2021 as an organization dedicated to promote the creation of new businesses by gathering development themes and resources within each business division. The major change was that we were able to gather engineers who had been in charge of new development at each business division, and lay the groundwork for generating technological synergies across Maxell Group.

Technologies are only viable when all of quality, cost, delivery, and service are available. Therefore, it is necessary to change development operations to design operations. The New Business Produce Division not only develops products but also conducts design operations (engineering concept) to make them saleable products. The mission of the New Business Produce Division is to combine Maxell's technologies from customer information, and to complete products that can be sold as valuable technologies needed to solve customers' problems by collaborating with our sales divisions, and to contribute to the performance of new businesses.

At the same time, sales divisions had previously been structured under business divisions, and there was an essential issue of handling mainly

products of their own business divisions. To resolve this issue, sales divisions also need cross-divisional functions across the Company. Therefore, the Sales & Marketing Division has separated the sales divisions that had been in place within each business division and made them a single organization. It is also one of the purpose to set up new organization to shift the business model from product-out to market-in, by shifting the business initiative from business division to sales & marketing division. As a new attempt after its establishment, we have begun cross-selling across the boundaries of business divisions. Until now, the activities have been limited, such as the sales activity of battery division was limited to sell only batteries, but we are attempting to actively propose products handled by other divisions.

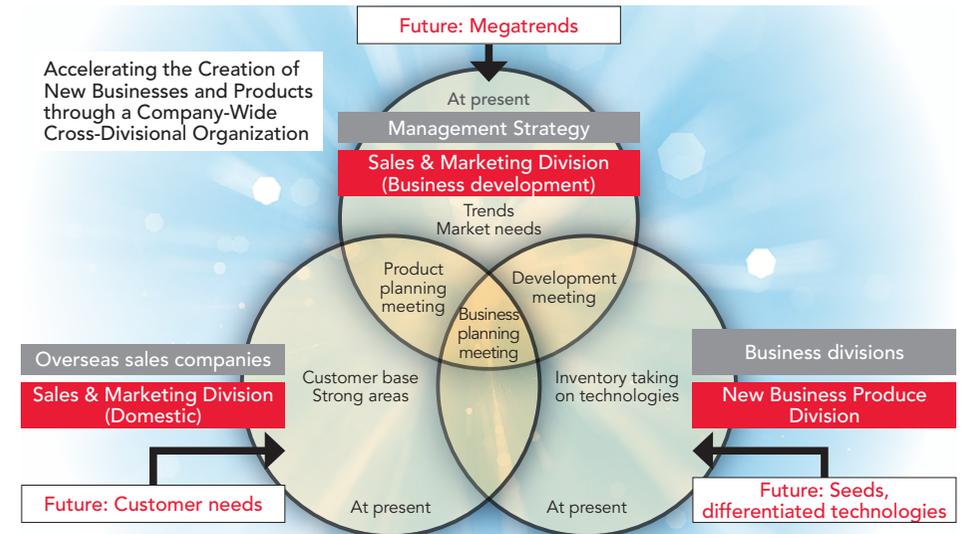
Another important point for Sales & Marketing Division is the development of new businesses that will lead to the future in collaboration with the New Business Produce Division. We share information on the sales channels and commercial distribution of existing businesses, as well as what issues customers face, listing up Maxell's technologies, select areas, product and technologies in which Maxell can compete in the future, and formulate policies and strategies. We will grow our business by combining our core technologies to make up new products, which are not an extension of existing products. In the Americas, Europe and Asia, we will strengthen our four-region global sales structure by establishing a similar cross-divisional structure in which Japan does not play a central role in expanding our business overseas, but expanding it equally and globally.



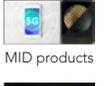
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Direction of Technology Development toward 2030

	In 2023	In 2026	In 2030
Healthcare	 All-solid-state battery	 All-solid-state batteries for vital sensing	 All-solid-state batteries for medical equipment
		 Hygiene control device (bacteria detection device can be used by everyone)	 Image processing for medical equipment
5G/IoT	 MID products	 Electromagnetic wave absorber	 Transparent electromagnetic wave absorbing sheet
	 Aerial display	 Infrastructure IoT system	 Electromagnetic absorber (terahertz compatible)
Mobility	 AR-HUD	 Materials for energy-saving vehicles	 LIB life diagnosis AI (contribution to reuse/recycle)
		 Glass MID	 Biodegradable resin, degradation recycling
		 In-car sensor	 Metal-integrated MID
		 Road surface projection headlamp	

Establishment of a New Company-Wide Cross-Divisional Organization to Improve the Effectiveness of New Business Development and Sales Functions



Examples of New Business Development

As examples of Maxell Group's efforts to generate synergies, we introduce the status of HUDs (Head-Up Displays) and Electromagnetic Wave Absorber, as well as future developments.

HUD (Head-Up Display)

		
Market	<ul style="list-style-type: none"> • HUD-equipped vehicle sales: W/W approx. 10 million units (2022) (Maxell's survey) • AR-HUD installation will expand 2023 onwards due to innovations in CASE* technology and safety improvements. (Maxell AR-HUD products began mass production in April 2021.) 	
Features	Realize high-specification products using Maxell's original imaging and optical technologies <ul style="list-style-type: none"> • Imaginary image distance 13 m, world's smallest class, etc. (Maxell's survey) 	
Maxell's Strengths	<ul style="list-style-type: none"> • Integration of technologies cultivated through the development of projector (optical technology, distant display, high-quality imaging technology, downsizing and power saving) • Ultra-high-precision mold technology and in-house molding technology • Downsizing by self-developed mirrors/lenses, etc. • AR-HUD assembly technology 	

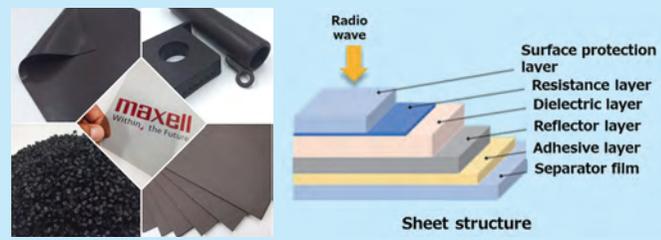
* CASE: C (Connected), A (Autonomous), S (Shared & Service), E (Electric)

Future Development

In the Automotive Imaging System (AIS) business, we will leverage the advantages of imaging technologies and optical technologies to expand globally after entering the largest market of China.

We introduced AR-HUD as an in-car imaging product, but we believe that Maxell's imaging technology is extremely likely to be able to develop video products that include entertainment as in-car and out-of-car imaging devices, as well as imaging products for a variety of fields other than automotive use. Maxell is also ahead of other developments aimed at meeting new needs, such as contactless aerial displays. We will leverage the strengths of technologies that can realize high brightness and high visibility to develop new products in new areas.

Electromagnetic Wave Absorber

		    
Market	<ul style="list-style-type: none"> • Noise Suppressing Components for Automotive Equipment (Millimeter-wave Radar, etc.) • 5G and Noise-Suppressing Materials for Next-Generation High-Speed Communications 	
Features	<ul style="list-style-type: none"> • Lineup of transparent thin-film sheets, rubber sheets, and engineering plastics • Absorption characteristics of transmittant-type • Respond to various frequency bands: In-vehicle: 76–81 GHz Mobile equipment: 28-GHz • Stable Absorption Performance even at Wide Incidence Angle 	
Maxell's Strengths	<ul style="list-style-type: none"> • Analog Core Technologies such as uniform dispersion and thin film coating • Basic patents held (19 domestically, 11 overseas PCT in Europe, North America, China and Taiwan) 	

Future Development

The base technology is Maxell's Analog Core Technologies. By combining our "Mixing & Dispersion," "Fine Coating," and "High Precision Molding & Forming" technologies, we can respond to a variety of absorption characteristics tailored to customer demands. In the future, we will continue to research and develop absorption materials compatible with terahertz waves, which are expected to be put into practical use in 2030, and contribute to the practical application of next-generation high-speed communications such as 6G.