

# The 7<sup>th</sup> 3years plan



MARUICHI **2030** VISION 1<sup>st</sup> Stage

MARUICHI STEEL TUBE LTD.

April 5th, 2024

# 1. The 6<sup>th</sup> 3 years plan Review - Financial

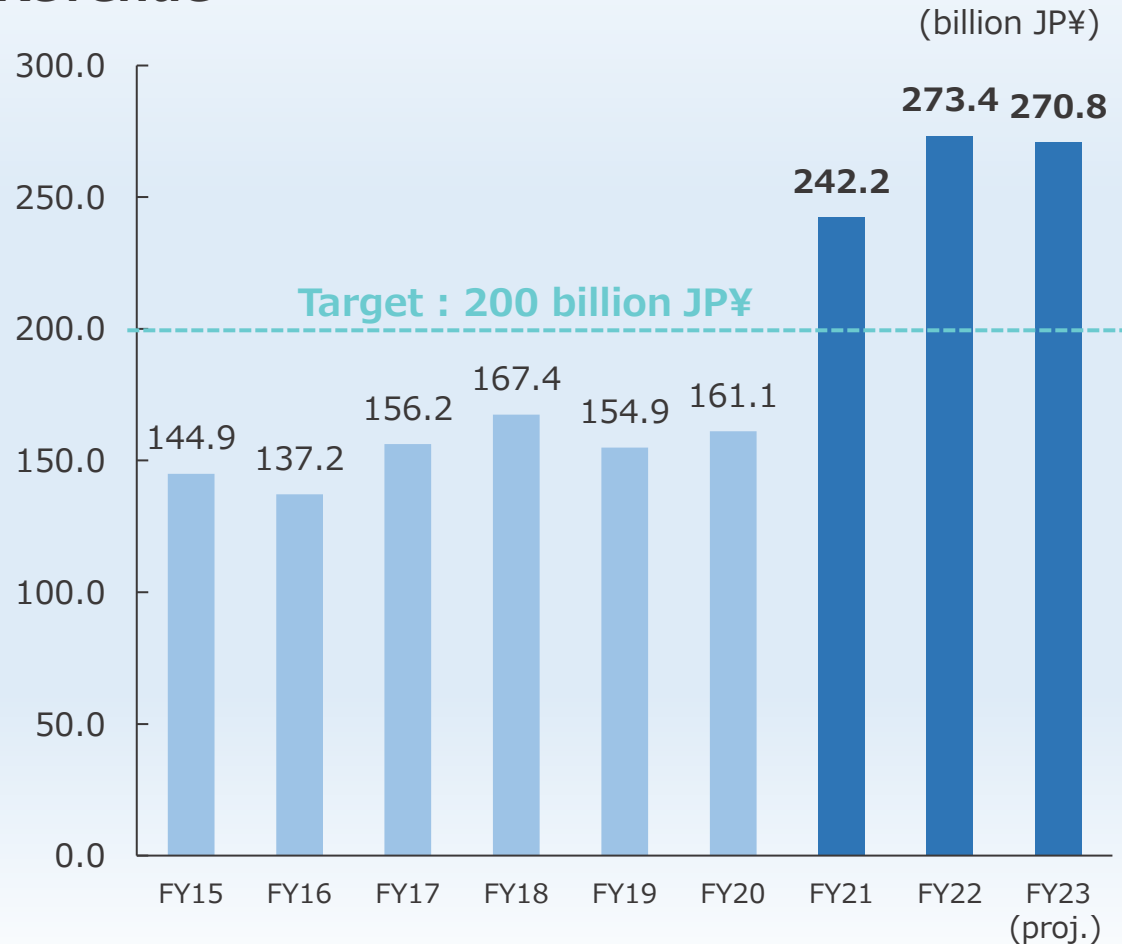
Major key targets were achieved. 2023 Revenue and Operation Profit is expected to far exceed the target.

Dividend payout schedule will be based on consolidated net profit starting from 2023. (by 2022 unconsolidated base)

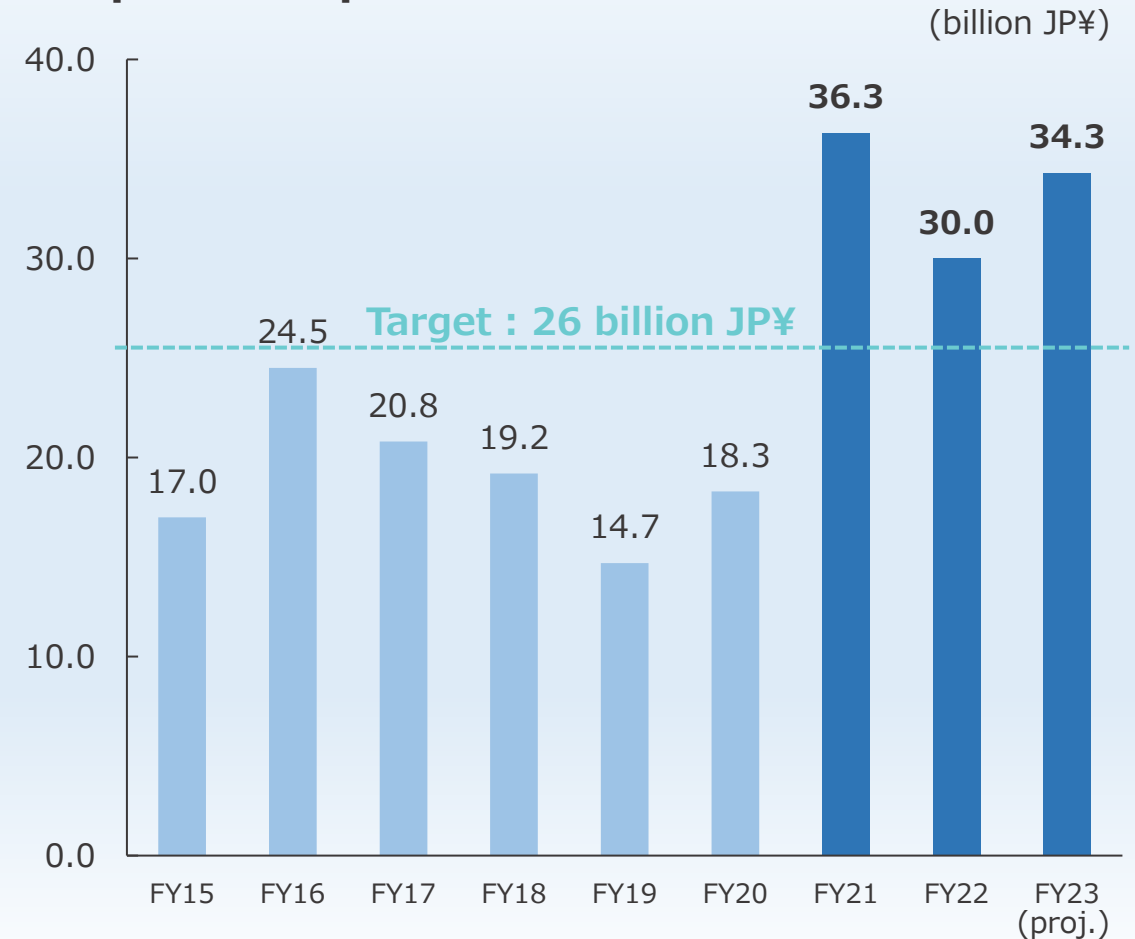
	targets	FY2021	FY2022	FY2023 (Published in Feb)
<b>Revenue</b> (billion JP¥)	<b>200.0</b>	224.2	273.4	<b>270.8</b>
<b>Op. Profit</b> (billion JP¥)	<b>26.0</b>	36.3	30.0	<b>34.3</b>
<b>ROS</b>	<b>13.0%</b>	16.2%	11.0%	<b>12.7%</b>
<b>ROE</b>	<b>6.5%</b>	9.8%	7.9%	<b>7.6%</b>
<b>Dividend payout Ratio</b>	<b>50% of Unconsolidated Net Profit</b>	50% (¥ 91/share)	50% (¥ 109.5/share)	<b>40% of Consolidated Net Profit</b> (¥ 124.5/share)

## Exceeded Revenue & Op. Profit Targets (FY23 projected)

### Revenue



### Operation profit



# 1. The 6<sup>th</sup> 3 years plan Review - Cap-EX and Depreciation

Domestic Cap-Ex was on target.

Off-Shore Cap-Ex exceeded by 6.5 billion JP¥ Mil due to MST-X start up.

		(billion JP¥)			
	TTL in 3 yrs. (plan)	FY2021	FY2022	FY2023 (proj.)	TTL in 3 yrs. (proj.)
<b>Cap-EX.</b>					
Domestic	<b>16.8</b>	3.7	5.3	8.4	<b>17.5</b>
Off Shore	<b>2.7</b>	1.4	1.9	7.6	<b>10.9</b>
TTL	<b>19.5</b>	5.1	7.2	16.1	<b>28.3</b>
<b>Depreciation</b>					
Domestic	<b>12.6</b>	4.1	3.9	4.1	<b>12.2</b>
Off shore	<b>5.0</b>	1.8	2.4	2.6	<b>6.8</b>

※Amount is based on payment

## ■ Domestic

<b>Cap-Ex on domestic carbon tube mills</b>	<ul style="list-style-type: none"> <li>✓ <b>Stretch Reducer Renewal (Sakai Plant)</b> (May 2023)</li> <li>✓ <b>No. 2 Bundling Area Renewal (Tokyo Plant)</b> (Mar 2024)</li> <li>✓ <b>Next Generation Mill (Nagoya Plant)</b> (May 2025)</li> <li>✓ <b>Color Coating Line Renewal (Nagoya &amp; Tomakomai Plants)</b> (Feb 2024 Nagoya, Jun 2021 Tomakomai Plant)</li> <li>✓ <b>No.1 Mill Renewal (Kyushu Plant)</b> (Oct 2023)</li> <li>✓ <b>High Speed Cutting Machine (Maruichi Kohan Hamamatsu)</b> (Sep 2022)</li> </ul>
<b>Cost Reduction Projects</b> (Maruichi Stainless)	<ul style="list-style-type: none"> <li>✓ <b>BA (Bright Annealing) Capacity Increase</b></li> <li>✓ <b>Automation and reduction of workforce</b></li> </ul>
<b>DX for production efficiency</b>	<ul style="list-style-type: none"> <li>✓ <b>Utilizing tablets for real time data exchange and communication</b></li> <li>✓ <b>Digitalization of paper works</b> (Invoice, Shipping Notice, Test Certificates)</li> <li>✓ <b>Introducing RPA</b></li> <li>✓ <b>Quality Control Management System utilizing AI and ERP</b></li> </ul>
<b>Environmental</b>	<ul style="list-style-type: none"> <li>✓ <b>CO<sub>2</sub> Reduction</b> Renewable Energy use / Low Carbon Emission Fuel (Carbon Neutral LNG) / In House Solar Panel</li> <li>✓ <b>Publication of ESG related info (CDP, TCFD)</b></li> <li>✓ <b>The 3<sup>rd</sup> party certificate of CO<sub>2</sub> Emission</b></li> </ul>
<b>Human Resource</b>	<ul style="list-style-type: none"> <li>✓ <b>Exchange training program within the group company</b></li> <li>✓ <b>Maruichi Diversity Meeting</b></li> </ul>

## ■ Off Shore

<b>SUNSCO</b>	<ul style="list-style-type: none"> <li>✓ <b>Increased Export Business to cover slow Vietnam market</b> Coils: Mexico, USA Tubes: USA, Australia</li> <li>✓ <b>#2 Cold Rolled Mill</b> (Jun 2021)</li> <li>✓ <b>Paid off loans (0 debut)</b> (Mar 2024)</li> </ul>
<b>Motorcycle and Automotive</b>	<ul style="list-style-type: none"> <li>✓ <b>KUMA/India Manesar #1 &amp; #2 mill accumulators·uncoilers</b> (Dec 2023)</li> <li>✓ <b>MMX/Mexico #2 High Speed Cutting Machine</b></li> </ul>
<b>Maruichi Stainless Steel</b>	<ul style="list-style-type: none"> <li>✓ <b>Maruichi Stainless Texas</b> (Mar 2024 construction completion, Oct 2024 Production Starts)</li> </ul>
<b>Human Resource</b>	<ul style="list-style-type: none"> <li>✓ <b>Reducing Expatriates 35(3)</b> (Mar 2021) ⇒ <b>27(2)</b> (Mar 2024) *(<u>executives</u>)</li> </ul>
<b>Environmental</b>	<ul style="list-style-type: none"> <li>✓ <b>CO<sub>2</sub> Reduction</b> Utilizing renewable energy / In house Solar Panel</li> </ul>

## ■ Shareholder Return / Community Contribution

<b>Dividend Payout</b>	<ul style="list-style-type: none"> <li>✓ <b>50% payout (Unconsolidated base) FY21 &amp; FY22 (as scheduled)</b></li> <li>✓ <b>40% payout (Consolidated base) FY23 (improved)</b></li> </ul>
<b>Community Contribution</b>	<ul style="list-style-type: none"> <li>✓ <b>Multiple Education Programs, Contribution for cultural activities, Participation to disaster relief programs</b></li> </ul>

# 1. The 6<sup>th</sup> 3 years plan Review - Details



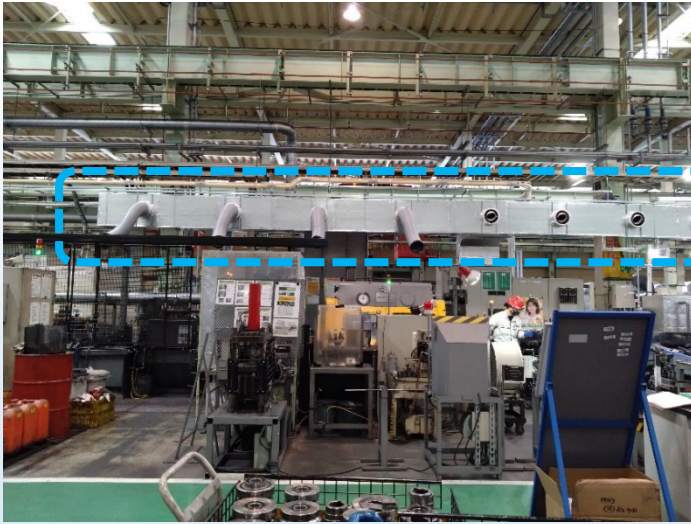
✓ Maruichi Stainless / BA (Bright Annealing)  
Capacity Increase

✓ Maruichi Stainless Texas / exterior•interior



✓ SUNSCO / #2 Cold Rolled Mill

# 1. The 6<sup>th</sup> 3 years plan Review - Details



✓ Introduction of air conditioners in factories



✓ Utilizing tablets



✓ Promotion of DE&I  
(Maruichi Diversity Meeting)



## “Planting Seeds” phase to achieve MARUICHI 2030 VISION

### Our Strength

- Integrated Production-Sales Business Model
- Strong Partnership with suppliers and customers
- Quick Decision Making process and strong financial background
- High Quality Stainless Tube for Semi-Conductor Industry and De-Carbonization Technology

### Business Environment

- More DX
- Carbon Neutral, Renewable Energy
- More Infrastructure Projects (off shore)
- Shrinking Domestic Market

## MARUICHI 2030 VISION

MKK will become a key player to support  
**Semi Conductor Industry · Decarbonization Society ·**  
**Our infrastructure**

### Basic Policy

Based on ESG conscious management

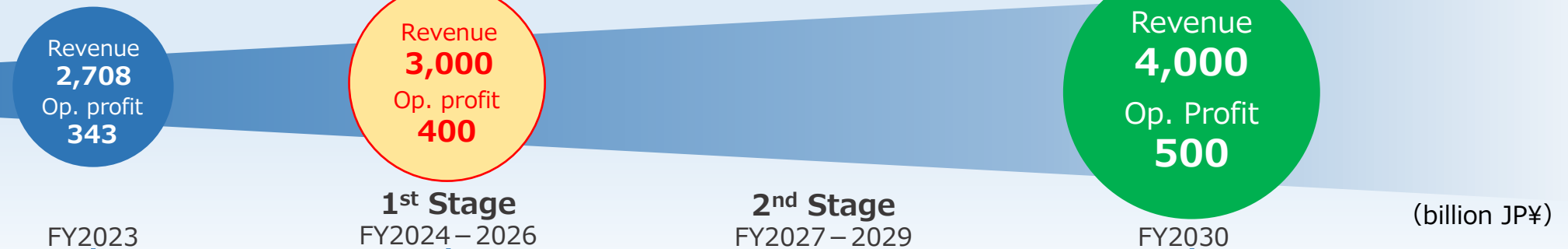
**Growth Business**

- ✓ Supporting new field (semi conductor industry and decarbonaization technology)

**Core Business**

- ✓ Continuing to support our infrastructure

### The 7<sup>th</sup> 3 years plan



New Start

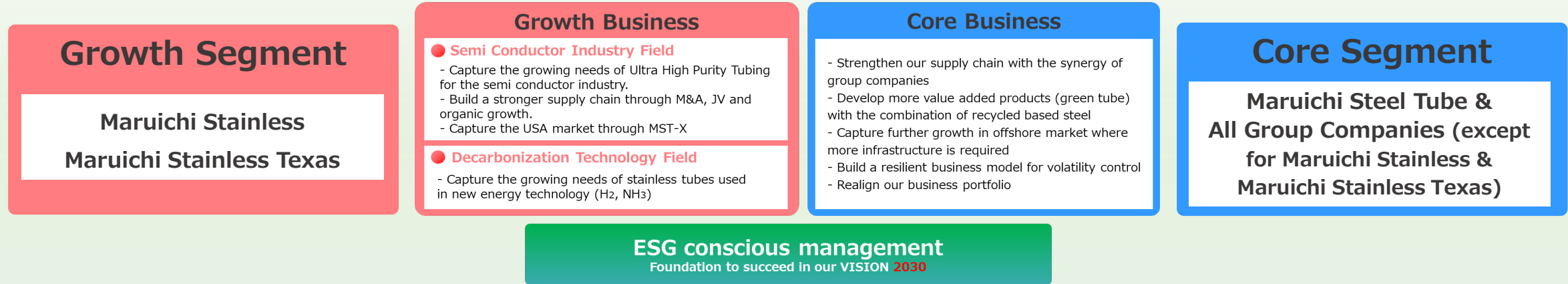
Planting Seeds

Enhancement of Growth Model

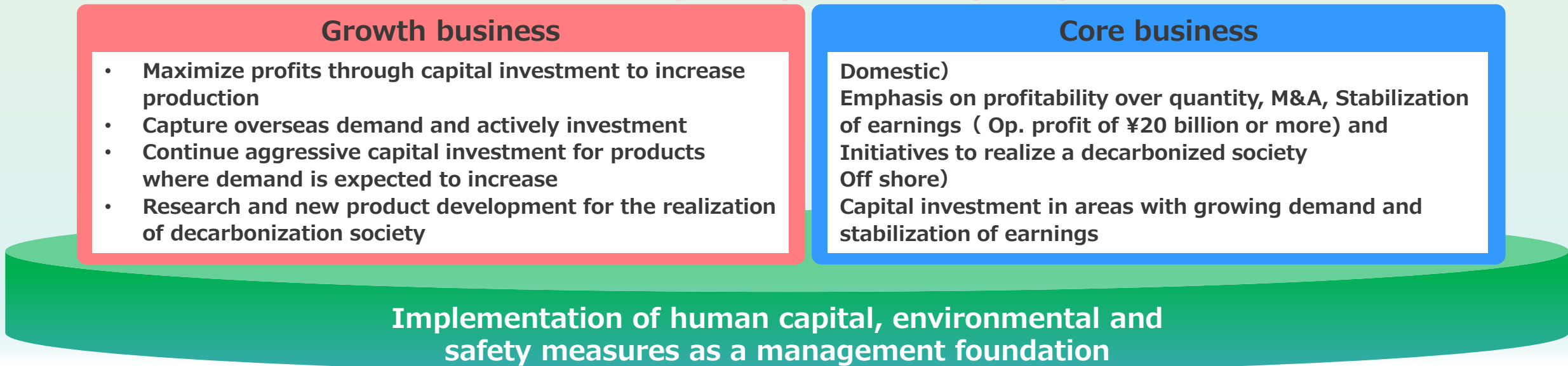
Vision Achievement & Sustainable Growth

## Establishing Key Concept based on MARUICHI 2030 VISION

### MARUICHI 2030 VISION

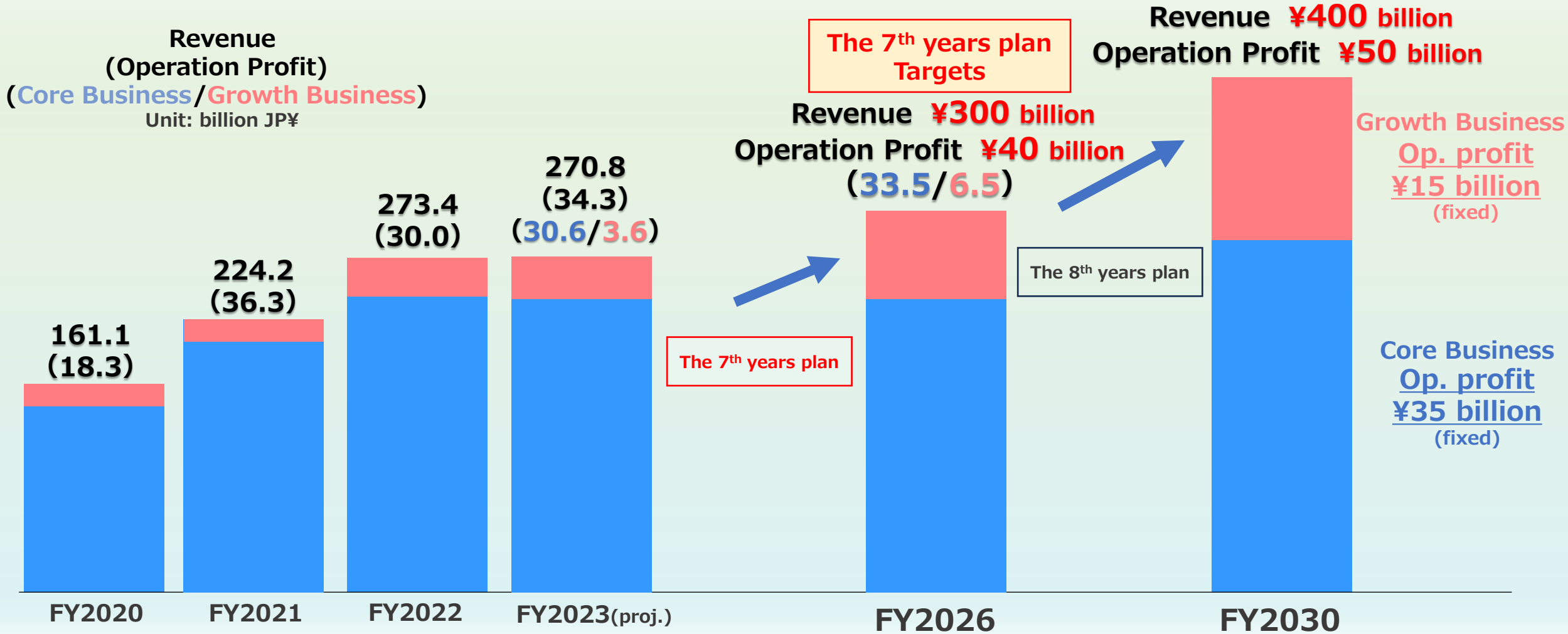


## The 7<sup>th</sup> 3 years plan basic policy



## 2. The 7<sup>th</sup> 3 years plan - Growth

Aiming for Revenue ¥400 billion, Operation profit ¥50 billion



## 2. The 7<sup>th</sup> 3 years plan - Financial

	FY2023 (proj.)	FY2026 (The 7 <sup>th</sup> 3 years plan)	2030 Vision
<b>Revenue</b> (billion JP¥)	270.8	<b>300.0</b>	400.0
Core Business	242.8	255.0	
Growth Business	28.0	45.0	
<b>Op. profit</b> (billion JP¥)	34.3	<b>40.0</b>	<b>50.0</b>
Core Business	30.6	33.5	35.0 (fixed)
Growth Business	3.6 <small>(composition ratio 10%)</small>	6.5 <small>(composition ratio 16%)</small>	15.0 (fixed)
<b>ROE</b>	7.6%	<b>8.0%</b>	<b>10%</b>
<b>Consolidated Dividend Payout Ratio</b>	40% (JP¥124.5/share)	<b>45%</b>	<b>50%</b>

## 2. The 7<sup>th</sup> 3 years plan - Financial

	FY2023 (proj.)	The 7 <sup>th</sup> years plan		
		FY2024	FY2025	FY2026
<b>Revenue</b> (billion JP¥)	<b>270.8</b>	<b>271.0</b>	<b>285.0</b>	<b>300.0</b>
Core Business -Domestic	135.0	135.0	135.0	135.0
Core Business -Off shore	107.7	107.5	112.5	120.0
Growth Business	27.9	28.5	37.5	45.0
<b>Op. profit</b> (billion JP¥)	<b>34.3</b>	<b>35.0</b>	<b>37.5</b>	<b>40.0</b>
Core Business -Domestic	20.6	21.0	21.0	21.0
Core Business -Off shore	9.9	11.3	11.5	12.5
Growth Business	3.6	2.7	5.0	6.5
<b>ROE</b>	<b>7.6%</b>			<b>8.0%</b>
<b>Consolidated Dividend Payout Ratio</b>	<b>40%</b> (JP¥124.5/share)	<b>41%</b>	<b>43%</b>	<b>45%</b>

## Domestic Core Financial

Revenue ¥135.0 billion

Op. Profit ¥21.0 billion

2023 Revenue ¥135.0 billion

2023 Op. Profit ¥20.6 billion



## Basic Policy

- Improving Profitability by Enhancing Supply Chain and Utilizing inter-group synergy
- Aiming ¥21.0 billion operational profit
- More market penetration through M&A
- Carbon Neutral



### MARUICHI 2030 VISION

#### Growth Business

- **Semi Conductor Industry Field**
  - Capture the growing needs of Ultra High Purity Tubing for the semi conductor industry.
  - Build a stronger supply chain through M&A, JV and organic growth.
  - Capture the USA market through MST-X
- **Decarbonization Technology Field**
  - Capture the growing needs of stainless tubes used in new energy technology (H<sub>2</sub>, NH<sub>3</sub>)

#### Core Business

- Strengthen our supply chain with the synergy of group companies
- Develop more value added products (green tube) with the combination of recycled based steel
- Capture further growth in offshore market where more infrastructure is required
- Build a resilient business model for volatility control
- Realign our business portfolio

Creating values by more efficient Procurement, Production, Sales and Transportation

ESG conscious management  
Foundation to succeed in our VISION 2030

### Flexible and Resilient Business Model

#### Investment for efficient production

New Generation Mill

#### More Productivity through IoT

New ERP DX

#### M&A

Better profitability

#### Diversifying Supply Source

Procurement Optimization

#### Value Added (high profit) Sales

Utilizing Profile Tube, Fabrication Capability

#### CO<sub>2</sub> Reduction

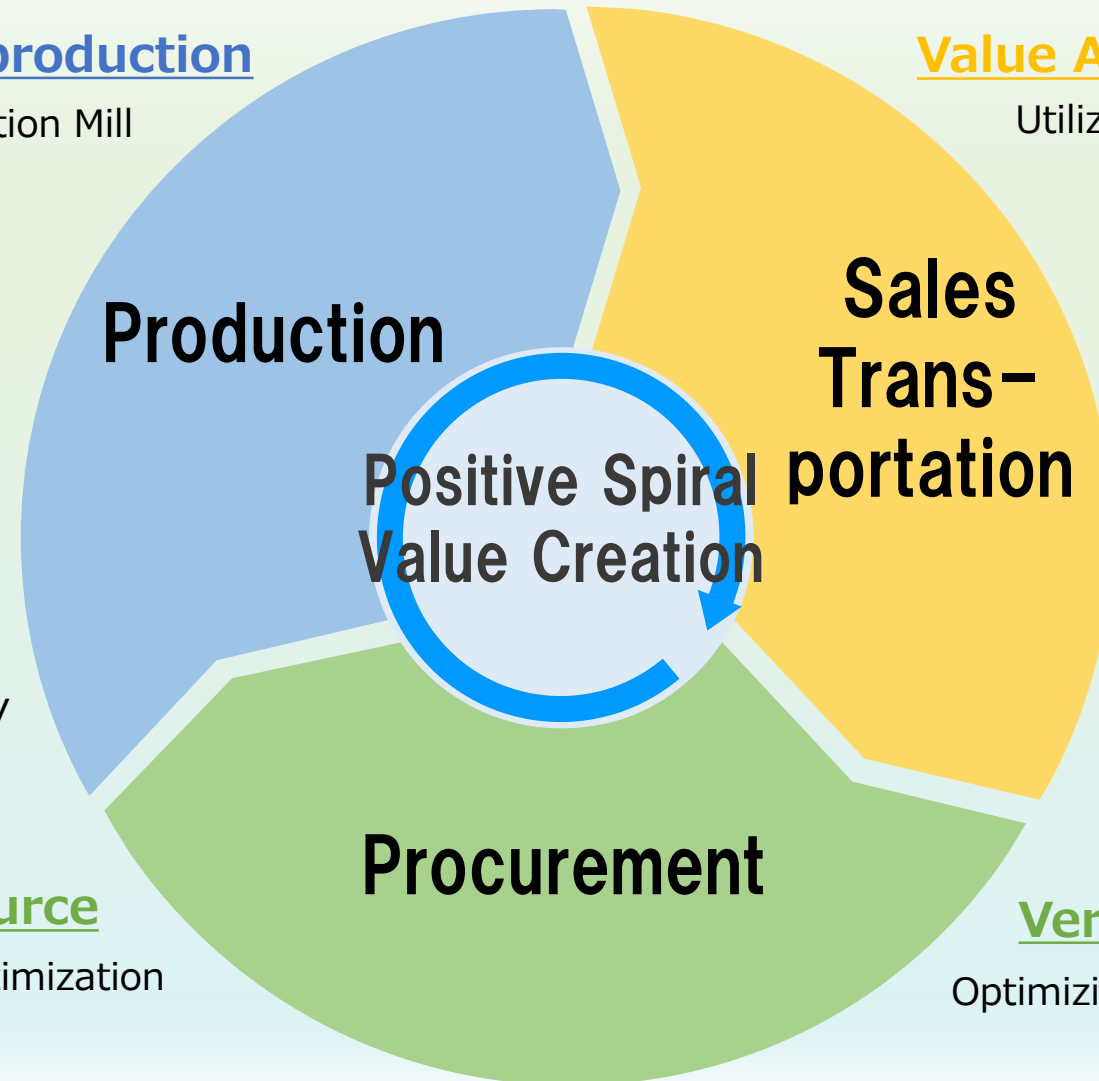
Low Carbon Footprint Tube

#### Better Transportation

Optimizing Supply Chain

#### Vertical Integration

Optimizing Takuma Plant Use



### Key Measures

#### ① Procurement

- ✓ **Diversifying Supply Source and optimizing Takuma Plant Utilization**

#### ② Production

- ✓ **Cost Reduction & Better Delivery through Optimized Production**
  - Better production planning to accommodate small lot / small order
- ✓ **New Generation Mill, IoT, DX for better production**
  - New Generation Mill (Nagoya – 6" mill) as a pilot plant to evaluate the feasibility
  - Continue to Improve Production Efficiency through IoT & DX

#### ③ Sales & Transportation

- ✓ **Value Added Products**
  - More Galvanized Tube & Sheet Sales utilizing Takuma Plant
  - Synergy with Profile Tube Business(Toyo Superior) & Fabrication Capability (Alpha Metal)
- ✓ **CO<sub>2</sub> Reduction and Low Carbon Emission Products**
  - Designing low carbon footprint tube through
- ✓ **Enhancing Supply Chain to reduce transportation cost**
  - Optimizing Warehouse Capability & Logistics

### M&A

- ✓ **Narrowing acquisition targets to create more value and synergy**



## Off Shore Core Financial

Revenue ¥120.0 billion

Op. Profit ¥12.5 billion

2023 Revenue ¥107.7 billion

2023 Op. Profit ¥9.9 billion

←  
App. 25%UP

## Basic Policy

- Aggressive Investment in Growing Market
- Reinforcing Business Foundation for more profit  
(Cap Ex, Procurement, Sales Strategy & Inventory Control)
- Improving Op. Profit by 25% by taking advantage of M&A opportunities



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ESG conscious management  
Foundation to succeed in our VISION 2030

**More Growth by timely & flexibly adjusting to own local market objectives**

### North Americas

### Key Measures

#### ① USA : Stable Profit Improvement by differentiating from competitors

##### ✓ West Coast (MAC/MOST)

- Inventory adjustment, joint procurement and marketing program between MAC/MOST to achieve cost reduction and better inventory control

##### ✓ Mid - West (Leavitt/MNT)

- Leavitt / comprehensive product line to cover various industries will help
  - to increase profit margin through small diameter tube
  - procurement program by hedging market risk to sales price
- MNT / establishing a local tube supplier status where there is little competitions close by

##### ✓ Nationwide

- Inventory Turn Improvement to mitigate volatile market
- Cap Ex to reduce production costs and more value added products  
(Leavitt : Galvanized Tube Production. MNT : Slitting Capability)

#### ② Mexico : Aiming at Near Shoring Market Growth

##### ✓ MMX/Monterrey Plant/to cover USA South Market

##### ✓ Capturing Non-Automotive Steel Tube Market

Asia / India

Key  
Measures

M&A

### ① Vietnam (SUNSCO)

#### ✓ Minimizing Volatility

- Pipe & Tube : Expanding Marketing Area & Sales to Japanese Companies
- Sheets: Super Light Gauge Sheet Promotion utilizing #2 CRM for better profitability

#### ✓ Enhancing Production

- Higher Productivity and better yield
- Improving Product Quality (Galvanized & Color Coated Sheets)
- HR program improvement

#### ✓ ESG Management (CO<sub>2</sub> Reduction)

### ② Philippine (MPST)

#### ✓ Capturing growing Motorcycle Market

- High Speed Cutting Machine
- New Tube Mill

### ③ India (KUMA)

#### ✓ Capturing growing Automotive & Motorcycle Market

#### ✓ New Tube Mill (Gujarat Plant)

#### ✓ North America is the Main Target, creating more value & synergy with existing business

**Growth Segment Financial**

**Revenue ¥45.0 billion**

**Op. Profit ¥6.5 billion**

**2023 Revenue ¥27.9 billion**

**2023 Op. Profit ¥3.6 billion**

←  
App. 75%UP

**Basic Policy**

- Capturing Growing Demand by increasing production capacity
- Expanding Business Locations to international market
- Aggressive Investment to capture new demand
- R&D to realize decarbonization society



**More Investment to capture Semi Conductor Market and Decarbonization Technology Demand**

**MARUICHI 2030 VISION**

**Growth Business**

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- Build a resilient business model for volatility control
- Realign our business portfolio

**ESG conscious management**  
Foundation to succeed in our VISION 2030

### Key Measures

- ✓ **Capturing Growing Semi-Conductor Market through more capacity**
    - BA Tube Capacity: 250,000ea/month, Cold Drawing: 500MT/month, Coil tube: 50,000m/month
      - Integrated Production Line From Hot Extrusion to BA Tube Production
      - BA Tube 250,000ea/month capacity by 2026
  - ✓ **Growing Business with excellent partners**
    - Key Markets : Japan / Taiwan where more growth is expected
  - ✓ **MST-X (USA) success**
    - 90,000ea/month
    - Start brain storming to utilize unused property in Texas
  - ✓ **New product development for the use of H<sub>2</sub>, NH<sub>3</sub>**
  - ✓ **Market Research to locate further growth and prepare for future investments**
  - ✓ **Establish supply chain to capture Semi-Conductor and H<sub>2</sub> related demand in India**
- 
- ✓ **Will evaluate M&A and new investment opportunities to strengthen the existing supply chain**

### M&A

## 2. The 7<sup>th</sup> 3 years plan - Investments

### Investment Plan

**¥130 billion in the 7<sup>th</sup> 3 years plan**  
(2030 vision plan: Total ¥200 billion)

Investment Resource comes from current cash and future cash flow

### MARUICHI 2030 VISION

### The 7<sup>th</sup> 3 years plan

(billion JP¥)

	Overview	Growth	Core	TTL	Growth	Core		TTL	Detail
						Domestic	Off shore		
Investment for Growth	Capacity Expansion to meet new opportunity	40.0	8.0	48.0	50.0		5.5	55.5	<ul style="list-style-type: none"> <li>✓ Expansion of stainless steel business</li> <li>✓ MMX/Monterrey, MPST and KUMA Increase production capacity</li> </ul>
	JV & Partnership BZ	7.0		7.0					Expected to formulate a plan during the current medium-term plan period
	Supply Chain Enhancement		3.0	3.0		1.0		1.0	✓ Construction of Hirano Pipe Center (Maruichi Kohan)
	M&A to optimize business portfolio	20.0	20.0	40.0	20.0	20.0		40.0	✓ Actively engage M&A opportunities
Investment for Better Business Foundation	HR & ESG's "S"		12.0	12.0		12.0		12.0	✓ Air conditioners in production lines, improvement of work environment, development of new systems
	Renewal and New Generation Production Line		40.0	40.0	2.0	17.5	2.0	21.5	✓ Next Generation Mill (Nagoya plant), Equipment renewal
	ESG's "E"	50.0		50.0					Expected to formulate a plan during the current medium-term plan period
	TTL	117.0	83.0	200.0	72.0	58.0		130.0	

### Domestic Core (¥30.5 billion)

- Air Conditioners in Production Line : ¥9.0 billion
- New Generation Mill (6") Nagoya : ¥3.5 billion
- Maruichi Kohan / Hirano Pipe Center : ¥1.0 billion
- Improvement of Sakai Plant Work Environment : ¥2.5 billion
- Efficiency Improvement (Takuma Plant CRC line) : ¥2.0 billion
- New ERP Development (Commissioning 2029) : ¥2.0 billion

### Off Shore Core (¥7.5 billion)

- MNT Slitter Installation : \$5 million
- MMX Monterrey Plant (New) : \$25 million
- MPST High Speed Cutting Machine, #2 Tube Mill (New) : \$10 million
- KUMA New Mill : \$3 million

### Growth (¥52.0 billion)

- Expansion of Stainless Production Capability : ¥50.0 billion
- Adding BA furnace capacity : ¥500 million
- Automated Inspection System for leaner production : ¥150 million
- R&D (Maruichi Stainless) : ¥200 million

### M&A (¥40.0 billion)

- Actively Engage M&A opportunities

## 2. The 7<sup>th</sup> 3 years plan - Cap-EX and Depreciation

¥90.0 billion in 3 years

(billion JP¥)

	FY2021	FY2022	FY2023 (proj.)	TTL in 3 yrs. (proj.)	FY2024	FY2025	FY2026	TTL in 3 yrs. (plan)
<b>Cap-EX.</b>								
Core Business -Domestic	2.6	3.1	6.5	12.3	9.5	10.5	10.5	30.5
Core Business -Off shore	1.4	1.1	1.2	3.6	4.0	2.5	1.0	7.5
Growth Business	1.1	3.0	8.4	12.4	22.0	17.0	13.0	52.0
TTL	5.1	7.2	16.1	28.3	35.5	30.0	24.5	90.0
<b>Depreciation</b>								
Core Business -Domestic	3.4	3.2	3.3	9.9	3.3	3.9	4.6	11.8
Core Business -Off shore	1.8	2.4	2.6	6.8	2.5	2.7	2.7	7.9
Growth Business	0.7	0.7	0.8	2.3	1.2	1.4	1.7	4.3
TTL	5.9	6.3	6.7	19.0	7.0	8.0	9.0	24.0

※Amount is based on payment

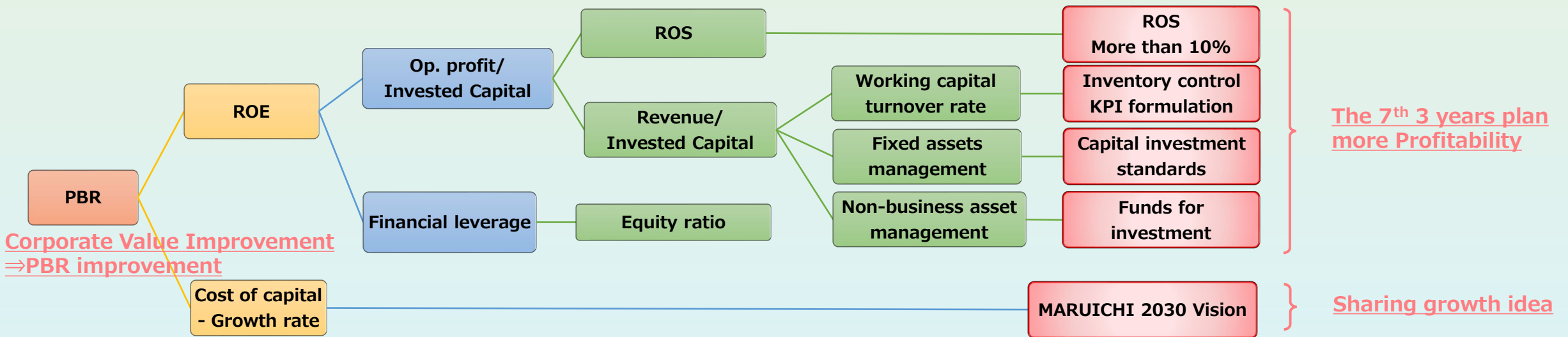


## Capital Policy

**Target : ROE 8.0% (projected ROE 7.6% in 2023)**

### [Concept]

- ① Recognizing our capital cost as approximately 5.4%, and sharing our growth idea through MRUICHI 2030 VISION
- ② Execute our investment plans in line with this 3 years plan to improve our ROE
- ③ Target ROE 8.0% and 45% dividend payout of consolidated net profit to achieve PBR 1+ and self sustainable corporate value



### Environment

# Domestic CO<sub>2</sub> Emission (Scope 1+2) ▲35% (from 2013) (▲31.4% 2023 projected)

## Basic Policy

- Aiming for carbon neutrality in 2050 while considering economic rationality
- Aiming for a 35% reduction (from 2013) by 2026 as an intermediate goal
- Improving product value by reducing CO<sub>2</sub> emissions

### 〈Domestic〉

#### ✓ Promoting CO<sub>2</sub> emissions reduction activities

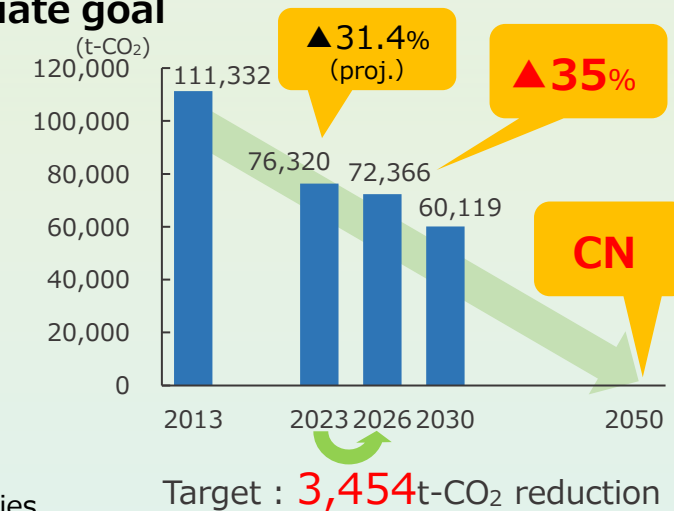
- Utilization of electricity derived from renewable energy : ▲1,550t-CO<sub>2</sub>  
(Sakai plant/70% of Purchased electricity, Takuma plant/40%)
- In house solar power generation (Maruichi Kohan) : ▲10t-CO<sub>2</sub>
- Promoting energy saving activities and improving productivity : ▲ 2,000t-CO<sub>2</sub>  
※ We assumes an increase in emissions due to the expansion of other production facilities and a reduction in the emission intensity of electricity used

#### ✓ Designing low carbon footprint tube according to customer needs

### 〈Off shore〉

#### ✓ Promoting CO<sub>2</sub> emissions reduction activities

- SUNSCO / HCM Conversion to low carbon fuels (LPG⇒CNG、LPG boiler⇒biomass boiler)
- KUMA / Bangalore Utilization of electricity derived from renewable energy
- Considering the introduction of solar power generation (in house)



## Key Measurement

### Human Capital

## Create an Exciting Work Environment

### Basic Policy

- **More motivations**
  - Improve Employees engagement (Improve Engagement Score)
  - DE (Diversity Equity) & I (Inclusion)
- **Secure & develop Human Resource for our growth. Mitigate HR shortage**
  - Better Training and Education System
  - Improve Work Environment

### Key Measures

- ✓ **Distribute Restricted Stock to Employees (MARUICHI 2030 Vision HR Investment)**
- ✓ **1on1 Meeting <sup>\*1</sup>, Introducing Mentorship (Improve Engagement, Better Training and Education System)**
- ✓ **「MARUICHI Global Forum 2025」<sup>\*2</sup> (to Improve Engagement)**
- ✓ **Develop DE&I conscious work place**
- ✓ **R&D Budget, Establish Training Facility & Training Program**
- ✓ **Installing A/C for Tube Mills. Review workload and reduce where it is necessary**

\*1 1on1 Meeting : regular one-on-one dialogue held by superiors to develop and motivate subordinates

\*2 「MARUICHI Global Forum 2025」 : an initiative to gather up to half of MKK Group employees from Japan and overseas to Osaka to develop employees

### Safety

## Better Work Place. Secure Safe and Well Being Environment

### Basic Policy

- Achieve Accident Free Work Place
- Reduce Recordable Incidents
- Reduce Work Related Risks to create safer work environment

### Key Measures

- ✓ Safety is No.1
- ✓ Comprehensive Safety Training Program
- ✓ Safety Training Program including business partners
- ✓ Through Investigations of work related incidents to develop safer and to achieve accident free work place
- ✓ Self Sustainable program for better Safety Operation Procedures
- ✓ Reduce Work Related Hazards by continuous risk assessment
- ✓ Scheduled Health Check-up program to prevent illness and to maintain mental well being

## Forward-looking statements

Our discussion may include predictions, estimates or other information that might be considered forward-looking. While these forward-looking statements represent our current judgment on what the future holds, they are subject to risks and uncertainties that could cause actual results to differ materially. You are cautioned not to place undue reliance on these forward-looking statements, which reflect our opinions only as of the date of this presentation. Please keep in mind that we are not obligating ourselves to revise or publicly release the results of any revision to these forward-looking statements in light of new information or future events. Throughout today's discussion, we attempted to present some important factors relating to our business that may affect our predictions. You should also review our most recent financial statements and reports for a more complete discussion of these factors and other risks, particularly under the heading "Risk Factors." A copy of our press release and financial tables can be viewed and downloaded on our website <https://www.maruichikokan.co.jp/en/ir/index.html>.

# Appendix : MARUICHI 2030 Vision

# 『MARUICHI VISION 2030』

 To become a 100 year old company still in business  
MARUICHI X HUNDRED

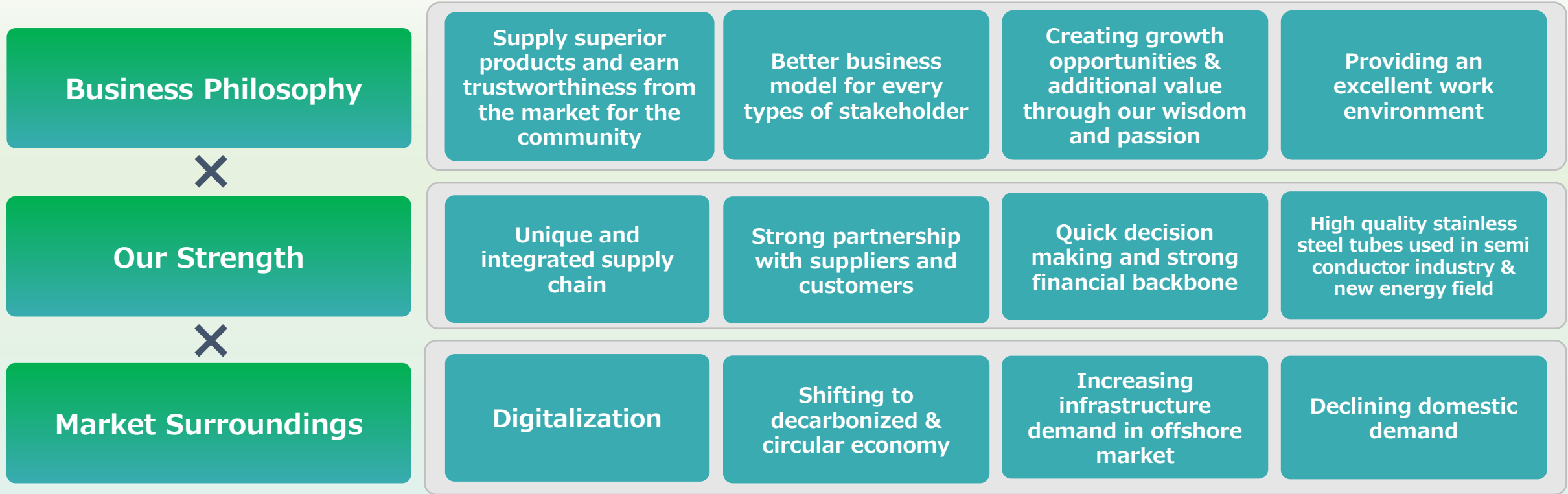
**MARUICHI STEEL TUBE LTD.**  
**October 17th, 2023**

## ROE 10%, Dividend Payout ratio 50%

	FY2023 (projected)	FY2030
<b>Revenue</b> (billion JP¥)	273.5	<b>400.0</b>
<b>Operation profit</b> (billion JP¥)	30.5	<b>50.0</b>
<b>ROE</b>	7.0%	<b>10%</b>
<b>Consolidated Dividend Payout Ratio</b>	JP¥110/share (38.9%)	<b>50%</b>



# Our Philosophy, our strength & the market surrounding us



## MARUICHI VISION 2030

MKK will become a key player to support  
**Semi Conductor Industry · Decarbonization Society · Our Infrastructure**

Target **Semi Conductor Industry & Decarbonization Society** as our **New Business Field**  
Further growth in **Core Business Field**

## New Business

### ● Semi Conductor Industry Field

- Capture the growing needs of Ultra High Purity Tubing for the semi conductor industry.
- Build a stronger supply chain through M&A, JV and organic growth.
- Capture the USA market through MST-X

### ● Decarbonization Technology Field

- Capture the growing needs of stainless tubes used in new energy technology (H<sub>2</sub>, NH<sub>3</sub>)

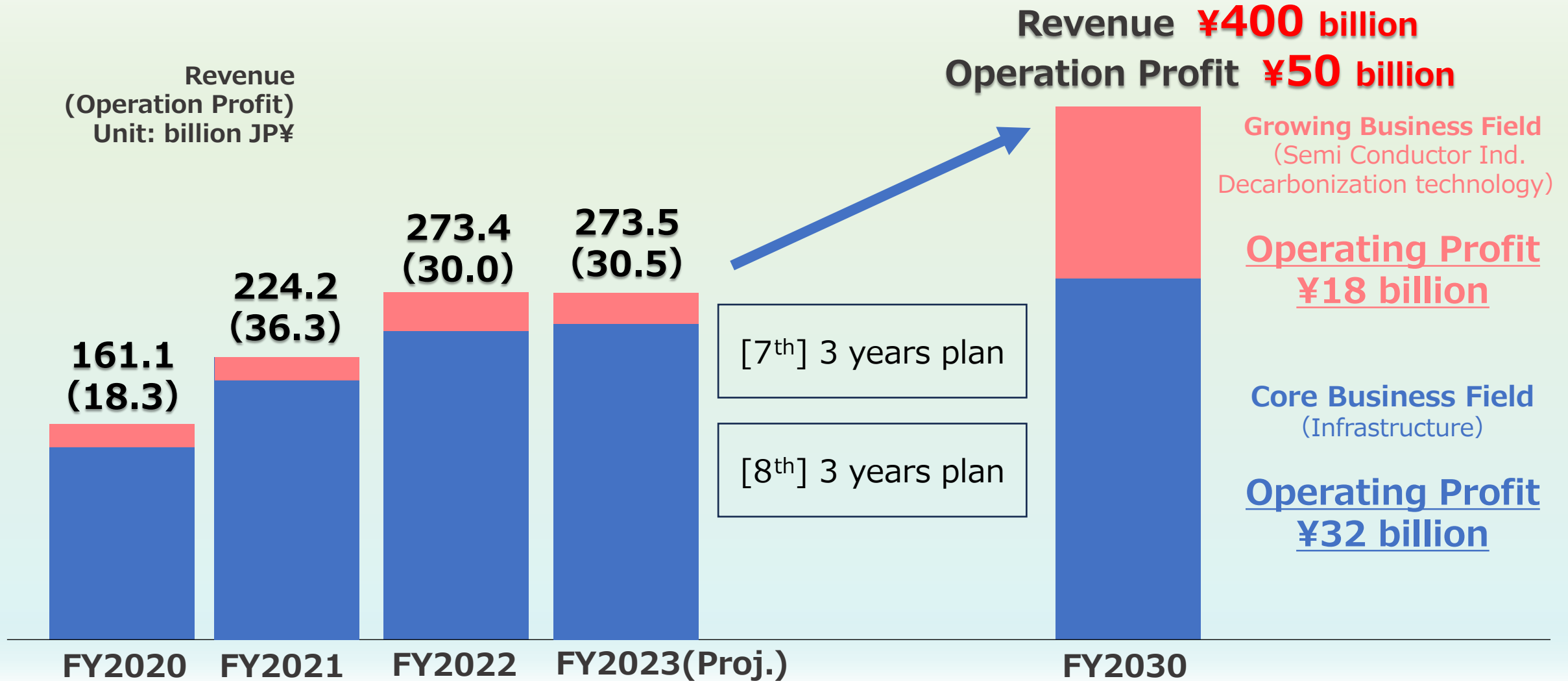
## Core Business

- Strengthen our supply chain with the synergy of group companies
- Develop more value added products (green tube) with the combination of recycled based steel
- Capture further growth in offshore market where more infrastructure is required
- Build a resilient business model for volatility control
- Realign our business portfolio

## ESG conscious management

Foundation to succeed in our VISION 2030

# Radical Change in the business portfolio



## Aggressive Investment Plan

▶ Cumulative Investment Plan by 2030: **¥200 billion**

