Tokyo Stock Exchange (Standard Market)/Fukuoka Stock Exchange
Securities Code: 6998

Nippon Tungsten Group

Mid-term Business Plan
2028

May 14, 2026

NIPPON TUNGSTEN CO.,LTD.

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Ⅰ.Our Vision

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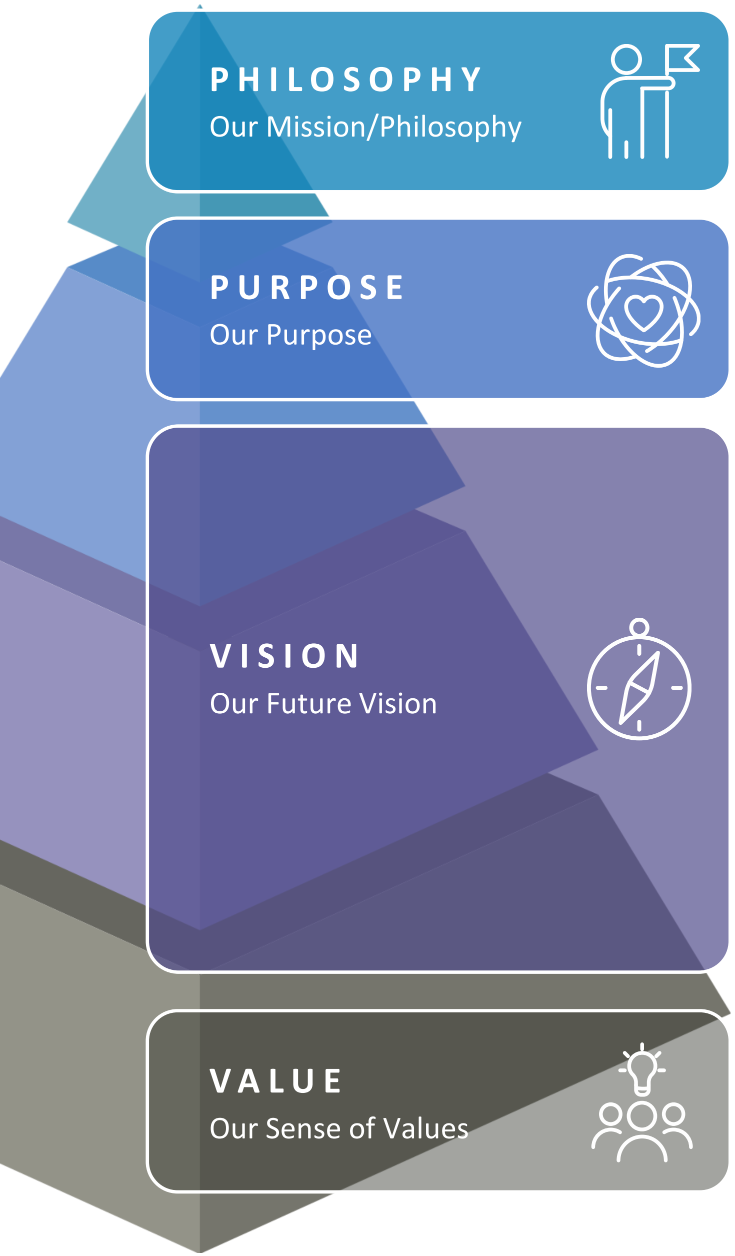

Corporate Philosophy

We’re creating a bright future for our employees and for people around the world through the following effort s:
- We ’re continuing to tackle the challenge of creating value in businesses originating from materials.
- We ’re constantly seeking to be the best supplier and an irreplaceable partner.

Purpose

BUILDING A BETTER WORLD FROM LESS.

Sustainable Vision 2050

Together with our partners who share the purpose “BUILDING A BETTER WORLD FROM LESS,” we continue to create solutions beyond material constraints, aiming for the world without social challenges including resource depletion and climate change.

Centennial Vision 2031

With our organizational challenge and the power of material & design, we create greater value with less time and capital, accelerating our contribution to a sustainable world.

Vision 2028

Secure the position as a trusted company for all stakeholders by overcoming the constraints of people and resources through individual performance and connection.

Code of Conduct (Value)

- Our passion is to tackle every challenge without fear of failure. ········· Challenge
- Based on a keen awareness of our primary roles, we take prompt and responsive action to achieve shared goals. ······· Ownership
- We do our utmost to exceed expectations based on good faith efforts to grasp the needs and perspectives of others ·········· Integrity

02 Basic Policy (Sustainable Vision 2050) | 5 Pillars for Success

Together with our partners who share the purpose "BUILDING A BETTER WORLD FROM LESS," we continue to create solutions beyond material constraints, aiming for the world without social challenges including resource depletion and climate change.

CN
Carbon Negative
Carbon negative initiatives

CE
Circular Economy
Effective use of scarce resources

CV
Creation of Value
Shift in value propositions and new value creation

CW
Upward spiral of creativity and well-being
Upward spiral of creativity and well-being

CX
Creation with real & digital transformation
Integration of physical and digital

Sustainability Management

03 Mid-term Business Plan | Overview

FY2050

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5 Pillars for Success: CN | CE | CV | CW | CX

FY2031

Centennial Vision 2031

With our organizational challenge and the power of material & design, we create greater value with less time and capital, accelerating our contribution to a sustainable world.

Mid-term Business Plan 2028

Key Corporate Strategy

Vision 2028 — **Secure the position as a trusted partner for our customers by overcoming the constraints of people and resources through individual performance and connection.**

CV / CE — Value maximization through scarce resources
- Initiatives for circular business model
- Advancement of value creation process
- Optimization of business portfolio

CW — Upward spiral of creativity and well-being
- Advancement of human capital management
- Enhancement of vision management

KGI

	Operating profit	ROE
FY2028	700M JPY+	5 %+
FY2031	2B JPY+	10 %+

KPI 2028

	KPI	
01	Engagement score (vs FY2025)	+6 %
02	Value added per usage of scarce resources (vs FY2025)	+10 %
03	Composition ratio of operating profit in core/growth business (vs FY2025)	+10 %
04	Composition ratio of operating profit in new products launched by 2028	10 %

Ⅱ. Mid-term Business Plan 2028 /Corporate Strategy

01 Mid-term Business Plan 2028｜Vision 2028/Corporate Strategy

As "people" and "resources" become relatively more valuable, we will create real value recognized by the market and customers through our corporate strategy, considering the "constraints" such as labor shortages due to declining workforce and risks in raw material procurement as "opportunities" for corporate transformation.

Vision 2028

Secure the position as a trusted partner for our customers by overcoming the constraints of people and resources through individual performance and connection.

Corporate Strategy

Key Strategy

CV **CE**

(1) Value maximization through scarce resources

Key initiatives

① Initiatives for circular business model

② Advancement of value creation process

③ Optimization of business portfolio

CW

(2) Upward spiral of creativity and well-being

Key initiatives

①Advancement of human capital management

②Enhancement of vision management

(3) DX strategy

(4) Alliance strategy

(5) Financial and capital strategy

02 Quantitative Vision | KGI

We will enhance corporate value through consistent corporate restructuring that integrates business strategies for improved profitability (earning power) and financial strategies for higher capital efficiency to constantly maximize our social and market contribution.

FY2031 Operating profit **2B** JPY+ **ROE 10** %+

We will overcome the constraints of people and resources and establish a solid foundation for significant future growth.

FY2028 Operating profit **700M** JPY+ **ROE 5** %+

Business strategies for improved profitability

Maximization of people and resources

- Business restructuring
- Human capital management

Financial strategies for higher capital efficiency

Agile financial strategy

- Capital cost-oriented management
- Enhanced shareholder return

03 Primary KPI

To achieve Vision 2028, we aim to improve our corporate value by fostering a corporate culture of pursuing value creation, building a circular business model, selecting/focusing on core businesses, and accelerating a value creation process.

KPI 01

Engagement score (vs FY 2025)

+6 %

Company supported by individual challenge and performance

KPI 02

Value added per usage of scarce resources (vs FY2025)

+10 %

Business model beyond the constraint of resources

KPI 03

Composition ratio of operating profit in core/growth business (vs FY2025)

+10 %

highly profitable corporate structure by selecting/focusing on core businesses

KPI 04

Composition ratio of operating profit in new products launched by 2028

10 %

Company driving forward sustainable value creation

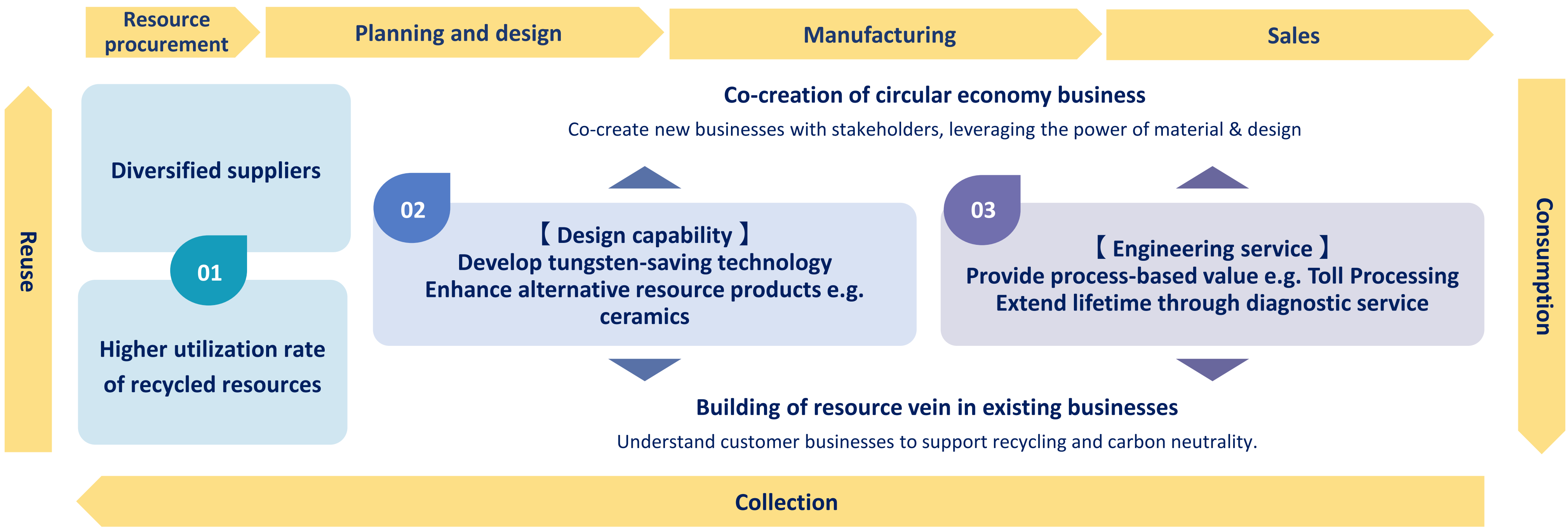
Enhancing corporate and social value of Nippon Tungsten Group

① Initiatives for circular business model

With our power of material & design, we will transform our business into one that can create better value from less scarce resources.

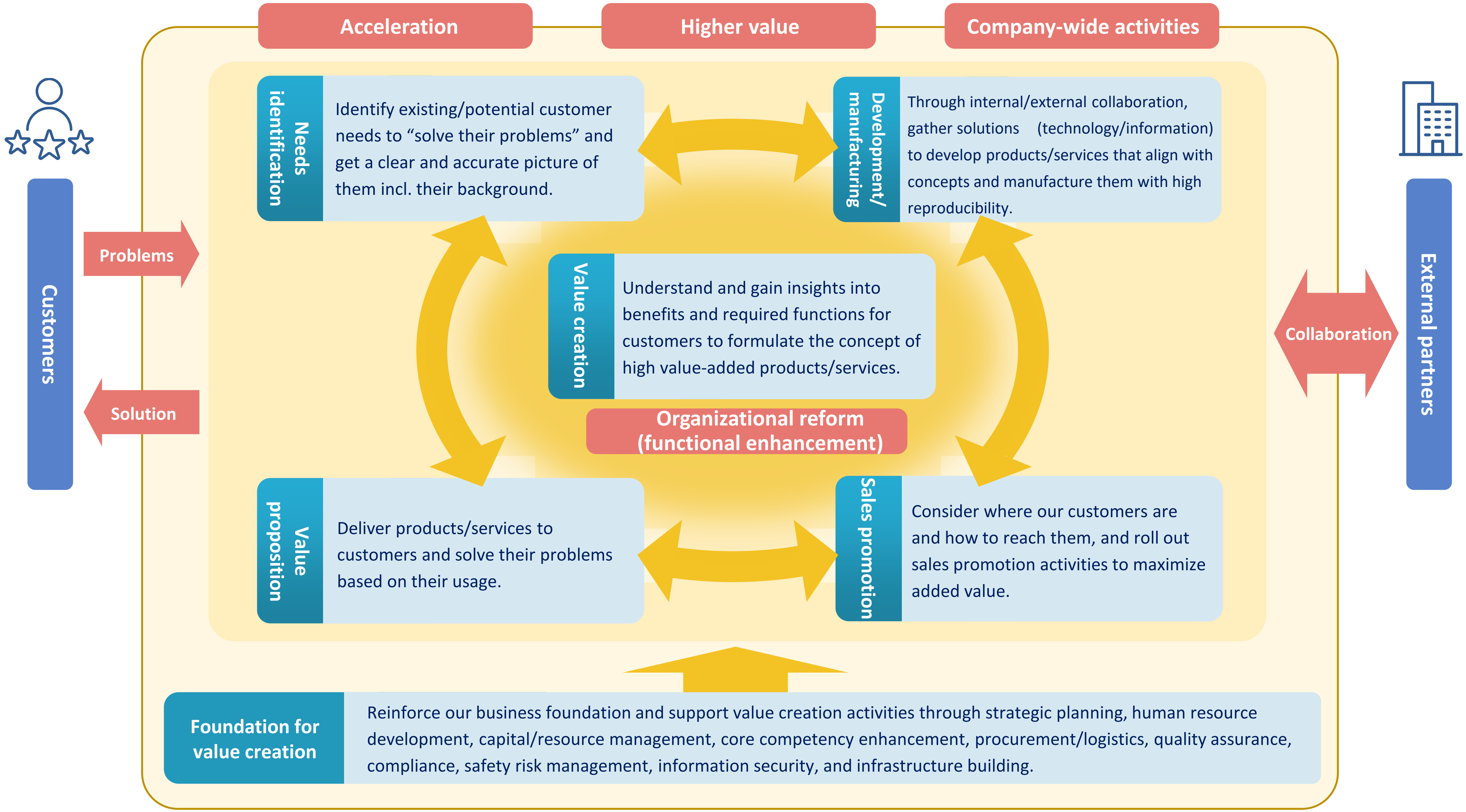
- **01** Diversified procurement of scarce resources
- **02** Higher utilization efficiency and alternatives of scarce resources
- **03** Enhanced engineering service business

Initiatives for circular business model



② Advancement of value creation process

We will transform into an innovation company by implementing and accelerating the value creation process as company-wide activities.



③ Optimization of business portfolio

We will strive to maximize the profitability and growth potential of our group through business selection/focus and the enhancement of revenue base in "core businesses" while accelerating strategic investment in "growth businesses."

Growth business

Accelerate business growth and pioneer new markets
【Investment of resources】

Core business

Enhance revenue base and cash generation
【Expanded market share/servitization】

Machine parts business

- MAZELLOY® for twin screw kneading extruder (Growth business)
- NT Die Cutter® (Core business)
- Substrate for HDD magnetic head (Core business)

Parts for semiconductor manufacturing equipment

- Toll Processing (Core business)
- Power supply terminal (Growth business)

Electric parts business

- Resistance Welding Electrode (Core business)
- Medical tungsten wire/rope (Core business)

Shift in resource

Value shift business

For products other than the above, we will carefully consider their business viability for higher value, while making flexible decision on withdrawal or downsizing as required.

③ Optimization of business portfolio

For “core and growth businesses,” we will implement key business strategies including “circularization of scarce resources,” “global expansion,” “aggressive investment,” and “service enhancement.”

Market	Equipment for sanitary products/medical parts		Semiconductor/electronic parts			Auto parts	Industrial equipment/parts
Product categories	NT Die Cutter®	Medical tungsten wire/rope	Substrate for HDD magnetic head	Parts for semiconductor manufacturing equipment Toll Processing	Parts for semiconductor manufacturing equipment Power supply terminal	Resistance Welding Electrode	MAZELLOY® for twin screw kneading extruder
Business strategies	Global expansion Circularization of scarce resources	Global expansion Circularization of scarce resources	Aggressive investment	Service enhancement	Aggressive investment Circularization of scarce resources	Global expansion Circularization of scarce resources	Aggressive investment Circularization of scarce resources

③ Optimization of business portfolio

We will build a resilient business structure through four strategies across core/growth businesses.

	Circularization of scarce resources	Global expansion	Aggressive investment	Service enhancement
Business strategies	**Sustainable value creation** Resiliency independent of environment	**Powerful presence in promising markets** Co-creation with partners to accelerate market penetration	**Maximized capital efficiency** Growth through customer acquisition and monetization by business reinforcement	**Problem-solving professionals for customers** Explore challenges alongside customers
Initiatives	❶ Diversify procurement methods of scarce resources ❷ Recycle scarce resources ❸ Initiatives for circular business model ❹ Develop tungsten-saving technology ❺ Develop tungsten alternative technology	❶ Enhance overseas partners ❷ Sales outsourcing ❸ Reinforce collaboration with group companies ❹ Expand product lineup ❺ Empower global talent	❶ Pioneer market and enhance the branding of growth business ❷ Expand value chain e.g. assembly ❸ Invest in core businesses to enhance stable supply system and profitability ❹ Build stronger collaboration with business partners	❶ Understand and co-develop business models of customers ❷ Offer on-site diagnostics and technical support by engineers ❸ Expand into services leveraging manufacturing process/technology

Corporate Strategy | (2) Upward spiral of creativity and well-being

① Advancement of human capital management

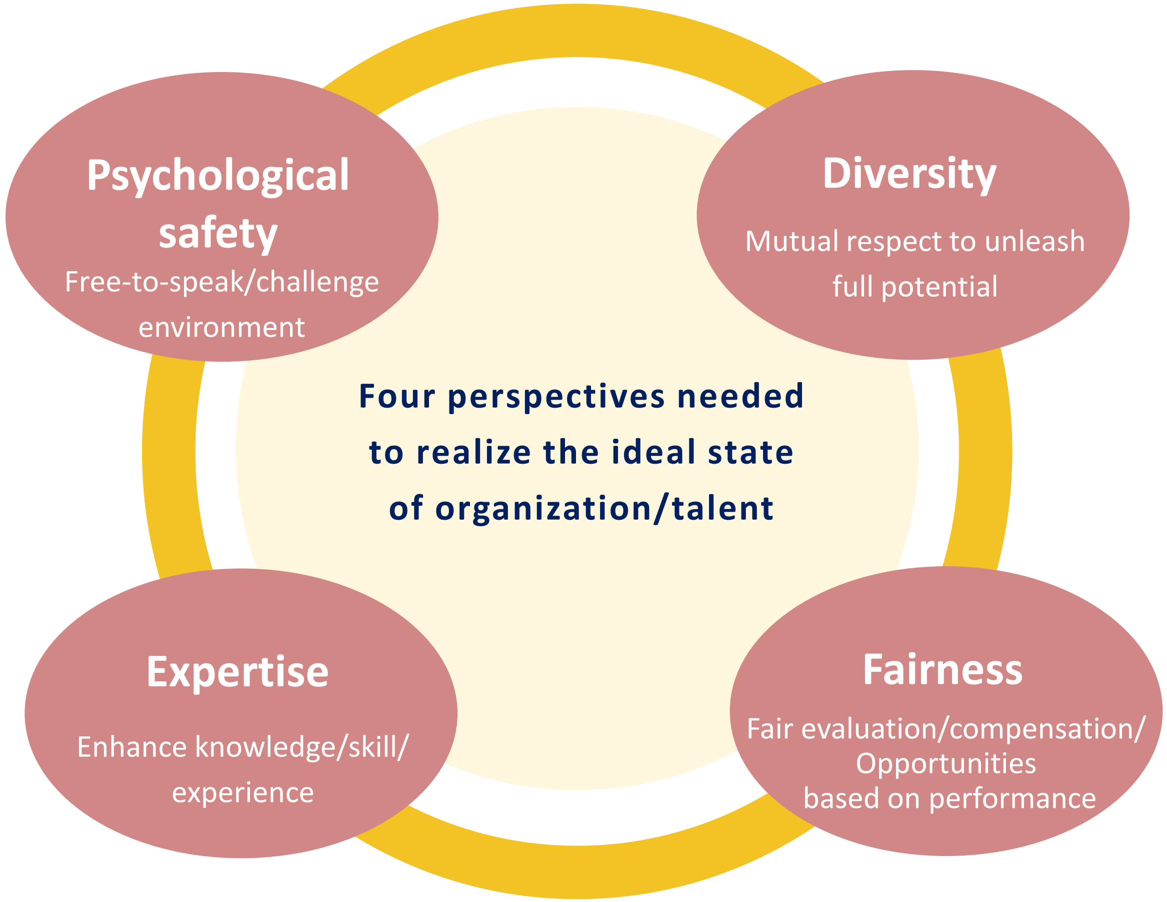
To achieve mid- to long-term growth, we will foster corporate culture where people with diverse sense of values can find their work fulfilling and actively collaborate on value creation.

Ideal state of organization 2028

❶ All employees can work together as one towards the same goal
❷ Bring together rich individuality of each employee to create value
❸ Be proud of and confident in who they are

Ideal state of talent 2028

❶ Able to put emphasis on credibility and trust
❷ Able to respect others' individuality
❸ Highly motivated to tackle new things regardless of their scale

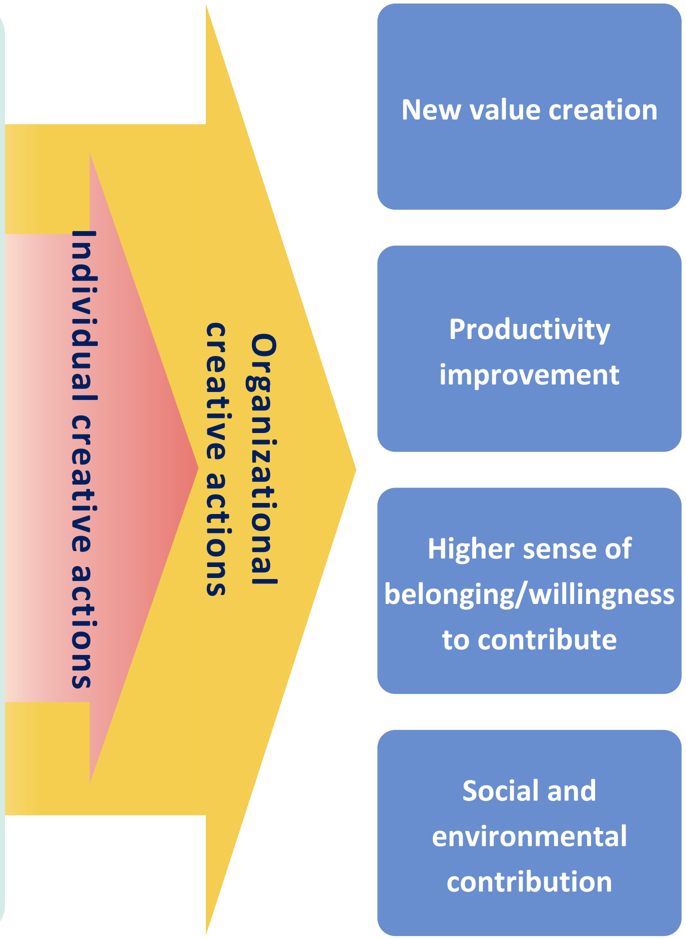


① Advancement of human capital management

To achieve the ideal state of organization/talent, we will drive forward key initiatives based on four perspectives and constantly create new value through individual and organizational creative actions.

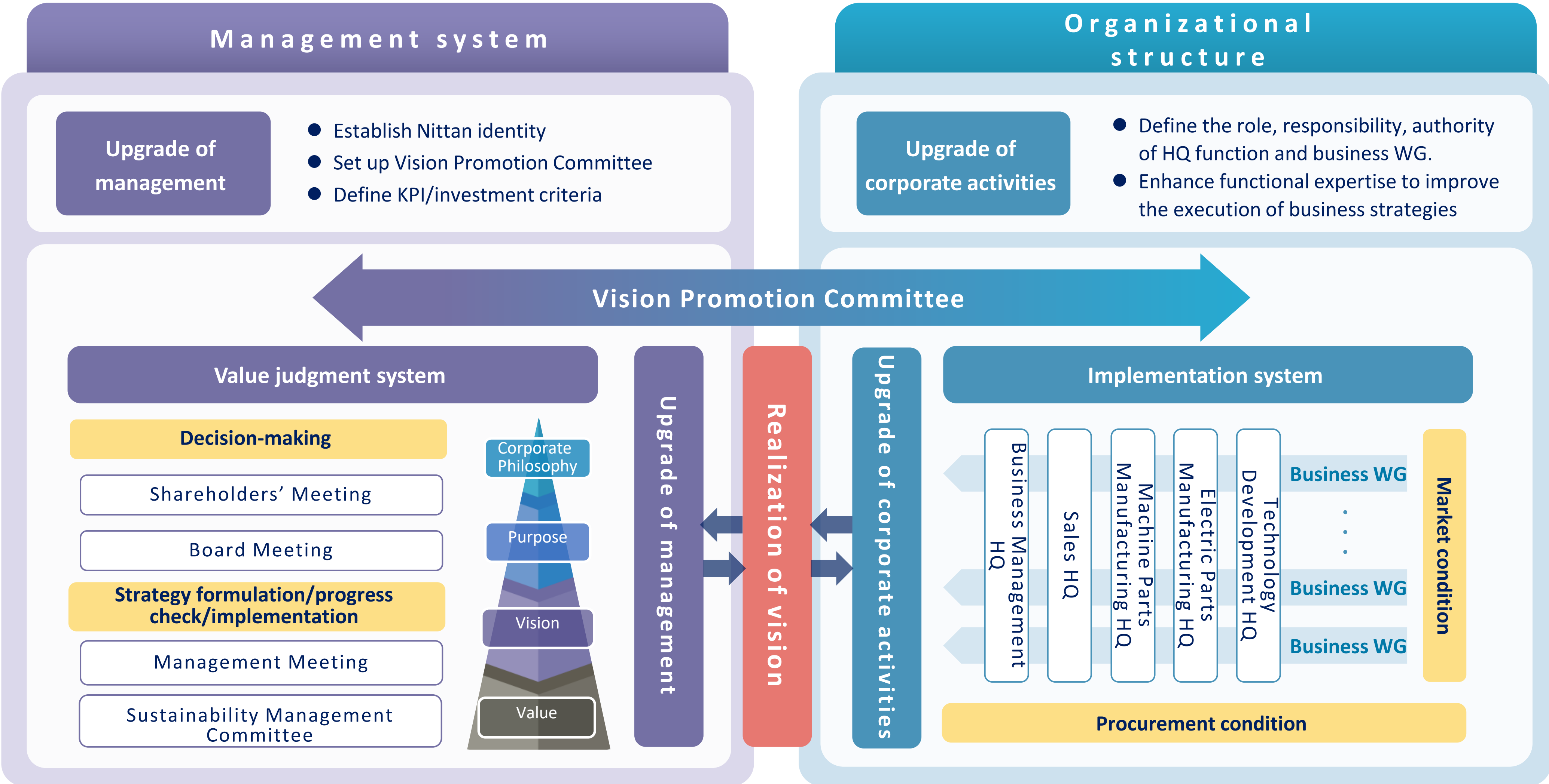
Key initiatives

Key initiatives	
Building psychologically safe environment	❶ Conduct periodic surveys on psychological safety to identify and eliminate obstructive factors. ❷ Be committed to building psychologically safe workplace and fostering a culture of turning failure into mutual growth
Shared vision and innovative culture	❶ Share visions at town hall meetings etc. ❷ Provide employees with opportunities for proactive challenges e.g. open call project
Support for well-being and self-realization	❶ Align company's "Must-do" and employees' "Will-do" to fully support their self-realization ❷ Establish new personnel system allowing diverse people come together and demonstrate full potential ❸ Promote safe and healthy management
Providing fair evaluation and opportunities to challenge	❶ Support learning and growth to improve intellectual thinking capabilities and professional skills ❷ Review evaluation/compensation systems and stipulate expected behaviors and results



② Enhancement of vision management

We will upgrade our management and corporate activities in parallel, and the “Vision Promotion Committee” will coordinate these efforts to realize our vision.



06 Corporate Strategy｜（3） DX Strategy

We will drive DX in four areas of management, development, sales, and manufacturing to enhance our competitive advantage through the integration of digital and physical factors.

Data-driven, prompt business decision

DX for management

- Visualize and share management information utilizing management dashboard

Competitive product development

DX for development

- Share/standardize technical knowledge
- Utilize data-driven material development (materials Informatics)

Timely solutions for customers

DX for sales

- Reinforce the integration of production and sales management tools
- Formulate sales strategy based on customer and market data

Productivity improvement with digital technology

DX for manufacturing

- Automate/streamline production process with digital technology, and drive preventive maintenance for equipment
- Digitize tacit knowledge for skill transfer

DX infrastructure

01｜Support structure	02｜literacy/talent	03｜Terms of use	04｜Embedded governance
Company-wide DX promotion structure	IT infra readiness and talent development	Centralized database	Security policy deployment

07 Corporate Strategy｜（4）Alliance strategy

To address potential price fluctuations and supply risks of scarce resources due to geopolitical factors etc., we will establish a sustainable supply chain foundation through cross-industry collaboration across development, raw material procurement, and recycling areas.

Lower dependency on scarce resources	Lower supply disruption risk	Breakaway from primary resource dependency

Define technical development, material procurement, and recycling as primary alliance areas
【Reinforce supply chain resilience】

Value chain	Development	Procurement	Recycling
Initiatives	● Joint R&D on alternative materials and resource-saving technologies ● Technical collaboration via consortium	● Joint procurement ● Long-term contract ● Diversification of partnerships ● Collaboration with national government	● Establishment of collection scheme
Alliance partners	● Fellow manufacturers ● Universities, public research institutes ● Client companies/raw material producers	● Fellow/non-fellow manufacturers ● Raw material producers ● Public agencies	● Fellow manufacturers ● Client companies ● Recycling firms

①Capital allocation (FY2026 – 2028)

With increased operating cash flow and cash & deposits on hand as funding sources, we will allocate investments to core/growth businesses, enhancement of safety foundation, research and development, and human capital as well as striving for higher shareholder returns.

Maximize Operating CF

- Improve earning power by accelerating value creation process
- Enhance profit structure by leveraging growth investment in core businesses

Optimize cash & deposits level

- Set the holding ratio of cash & deposits (surplus funds will be actively allocated to growth investment)

Cash inflow

Pre-investment operating CF
6,900

Utilization of cash & deposit
700

Cash outflow

Capital investment
4,200

R&D investment
1,500

Human capital investment
900

Shareholder return
1,000

Unit: million JPY

Active strategic investment

- Accelerate investment in core/growth businesses
- Further enhance safety foundation for manufacturing equipment
- Invest in business foundation e.g. DX

Development for sustainable value creation

- Develop tungsten-saving technology
- Develop tungsten alternative technology

Priority investment in human capital

- Enhance education/training structure to support capacity building/career development of employees
- Improve engagement
- Enhance working environment incl. employee benefits

Stable and sustainable shareholder return policy

- Raise dividend payout ratio: 30% -> 40%
- Raise minimum dividend: 50JPY -> 60JPY

②Shareholder return policy

From the perspective of ensuring stable and sustainable shareholder returns, we will revise our return policy from existing "target dividend payout ratio: 30% and annual minimum dividend: 50JPY" to "target dividend payout ratio: 40% and annual minimum dividend: 60JPY" to further enhance shareholder returns.

Cash outflow

- Capital investment 4,200
- R&D investment 1,500
- Human capital investment 900
- Shareholder return 1,000

Unit: million JPY

Active strategic investment
- Accelerate investment in core/growth businesses
- Further enhance safety foundation for manufacturing equipment
- Invest in business foundation e.g. DX

Development for sustainable value creation
- Develop tungsten-saving technology
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Priority investment in human capital
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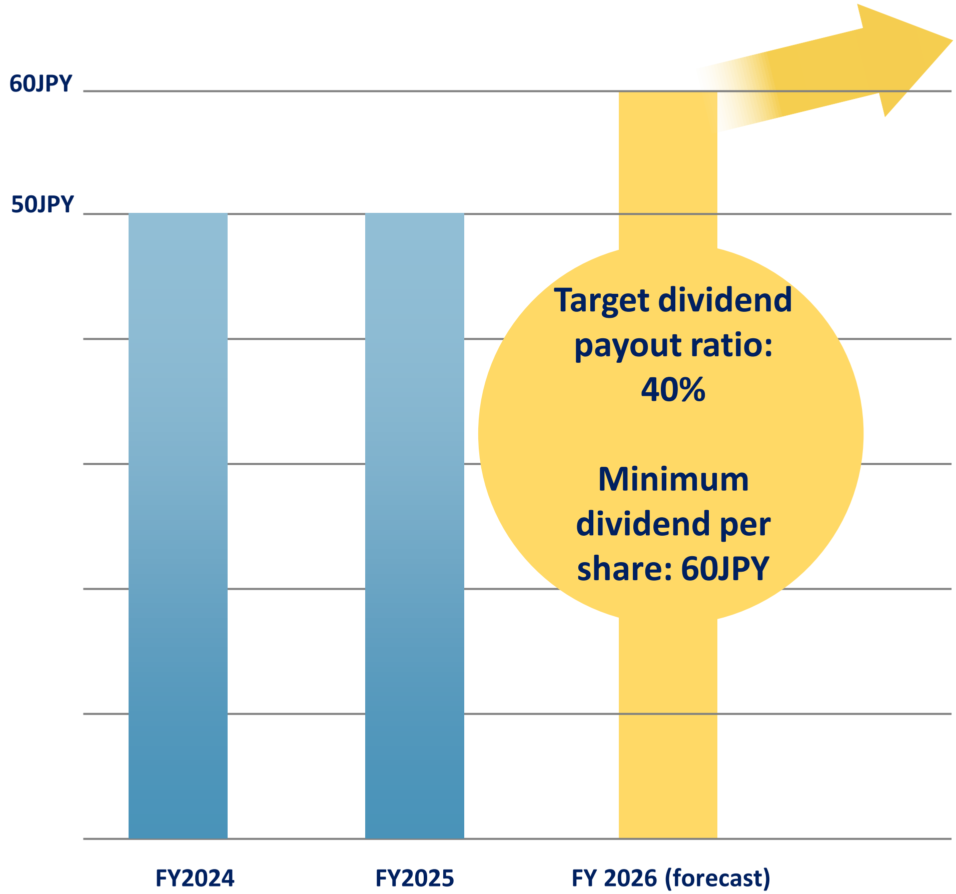
Annual dividends per share



Important Notes:

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The information contained herein is our own prediction based on available data as of the publication, and therefore may be subject to risks and uncertainties. Please note that this does not guarantee the achievement of projected results.

Please be advised that internal factors of our company as well as external factors such as changes in business environment may directly or indirectly affect our business performance which will potentially differ from the forecasts provided in this document.

We kindly ask you to make the final investment decision solely at your own discretion.