October 15, 2024

To all persons concerned:

NPC Incorporated
1-7-15 Higashi-ueno, Taito-ku
Tokyo 110-0015, Japan

Announcement on Medium-term Management Plan

NPC Incorporated ("the Company", "our", "we") announced its medium-term management plan for three years from FY2024 to FY2026 on October 11, 2023. The Company hereby announces its new medium-term management plan for three years from FY2025 to FY2027.

Description

1. Background

The Company first announced its medium-term management plan on October 12, 2022, and is revising it as necessary. Based on the recent progress of our business and customer and market trends, the Company has decided to revise the medium-term management plan.

2. The basic policy of the medium-term management plan

As for the PV module manufacturing equipment, demand for equipment is expected to continue to increase, due to the steady growth of the business of a US PV module manufacturer which is our main customer. Furthermore, development of next generation PV modules such as perovskite PV module is in progress both domestically and overseas. Therefore, demand for manufacturing equipment for mass production is expected in the future.

As for the solar panel disassembly equipment, demand increase in domestic and overseas market is expected. In addition to the high evaluation of our technology in the market, environmental awareness is growing and movements toward legislating a law regarding panel recycling are present in several countries. The Company will be reinforcing sales activities to capture the demand, and by doing so, we expect the sales to grow continuously as in the previous announcement.

As for the automation machines, it is expected to contribute to the business by acquiring major customers that could build a continuous relationship, and by strengthening sales activities of the vacuum bonding machine which is used for development of various products.

In terms of profit, we are making an upward adjustment from the previous announcement. The plan anticipates a temporary decline compared to FY2024, however, this is only because the profit of FY2024 largely exceeded the expectation. The Company will continue to work on reducing costs such as purchasing costs and man-hours in the manufacturing process, and sales efforts to ensure a solid profit margin.

3. Performance targets (consolidated)

(Million yen)

	FY2024 (result)	FY2025 (plan)	FY2026 (plan)	FY2027 (plan)
Sales	10,797	10,925	12,000	13,000
Operating Income	2,436	2,069	2,200	2,600

*Forward-looking statements in this report such as financial results forecasts are based on the information available to NPC Incorporated at the time when this report is prepared and the assumption that the forecasts are reasonable. The actual results may significantly differ from the forecast due to various factors.

4. Other

Please refer to the “Presentation material for the financial results for the fiscal year 2024” as well, which is to be disclosed on October 17, 2024, for more details.

END