Note: This document is a translation of a part of the original Japanese version and provided for reference purposes only.
In the event of any discrepancy between the Japanese original and this English translation, the Japanese original shall prevail.

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Company name: Nippo Ltd.
Name of representative: Yasuchika Iwasa, President
(Securities code: 9913; Tokyo,Nagoya Market)
Inquiries: Hirotsugu Mizuguchi, Executive Officer & General Manager of Corporate Planning Division
Telephone: +81-52-218-3161

Notice of Long-term Business Targets for 2031

Nippo Ltd., hereby announces that it has established Long-term Business Targets for the year 2031, as set forth below.

1. Background to the New Targets

Nippo is seeking to capitalize on its long-standing strengths as an expert trading company specializing in high-performance production materials and as a manufacturer of precision plastic molded parts. Those strengths include the company's sales methodology focused on delivering solutions to clients' technical issues and superior QCD developed over long years of manufacturing experience.

With society on the cusp of transformative change, Nippo strives to improve corporate value over the mid-to-long term and help usher in a sustainable society. The company recognizes the importance of creating truly unique, more beneficial value and selling these widely if it is to achieve those goals and, to that end, has established Long-term Business Targets for 2031 that outline the company's long-term vision and basic policies for achieving it.

2. Long-term Vision

(1) What We Aspire to Be

An essential company that delivers unique value to help clients further their manufacturing businesses and help society achieve sustainability

(2) Future Strengths

Nippo is determined to bolster its current strengths (i.e., sales methodology focused on delivering solutions to clients' technical issues and superior QCD developed over long years of manufacturing experience) with new strengths: new products, materials, and services born from Nippo's unique ideas.

3. Basic Policy

(1)

Growing manufacturing as a share of total sales	
Aim	To be reclassified on the Tokyo Stock Exchange from wholesale to manufacturing
KPIs	Grow manufacturing as a share of total sales from the current ½ to ⅔+ by 2031

(2)

Launch & expand a new segment: eco-products	
Aim	To use our business as a vehicle for environmental protection
Actions	Launch an eco-products division to manufacture and sell products and key modules developed with partner companies and universities so as to help protect the environment. Resources will be added as required to get the new division up and running.

(3)

Review balance of financial discipline and growth investment to facilitate more aggressive investment in growth	
Aim	To boost momentum in corporate growth through aggressive investment in growth and human capital
KPIs	Max. net D/E ratio 0.6

※Detailed financial targets are available in filings made regarding our Medium-Term Management Plans for 2025, 2028, and 2031.

※Business reporting for the new eco-products section is scheduled to begin during the period covered by Medium-Term Management Plan for 2028.

More information on Nippo's Long-term Business Targets for 2031 is available at the company's corporate website (https://www.nip.co.jp/english/ir/.assets/vision2031_en.pdf).

NB: Plans described in this document are based on various data that are believed to be reliable, but such plans do not constitute a promise or guarantee. Actual results may differ due to uncertainties and other factors.