

nms Holdings Corporation New Medium-Term Business Plan

FY2023 (fiscal year ending March 31, 2024) to FY2025 (fiscal year ending March 31, 2026)

April 24, 2023

nms Holdings Corporation
(TSE Standard 2162)

Piece of Innovation.

nms
Holdings

1. New Medium-Term Business Plan Consolidated KPI

Solidify the achievements from measures thus far and target growth rooted in quality

- The forecast called for substantial growth in both net sales and profit in fiscal year ended March 31, 2023 due to special factors such as the restoration of production levels and the benefits from revising selling prices to cover the steep rise in the price of parts during the second half. In contrast to this, during fiscal year ending March 31, 2024, inventory adjustments resulting from the restoration of production levels will continue through the first half and the business base will be strengthened in preparation for a rebound from the second half onward. Strategic investments that had been curbed previously will be re-examined and implemented, and this will lead to growth from fiscal year ending March 31, 2025.
- We plan to maximize the unique characteristics of the business model and achieve sustained growth in net sales and profit from fiscal year ended March 31, 2025 onward. The growth will come from the HS Business and contributions to performance from the North American EMS Business, underpinned by labor shortages in the manufacturing industry.
- Shareholder return during the current Medium-Term Business Plan: We will gradually raise dividends in line with profit growth to return profit to shareholders while directing cash into internal reserves and growth investments.

Consolidated Financial KPI

(Million yen, except where otherwise noted)

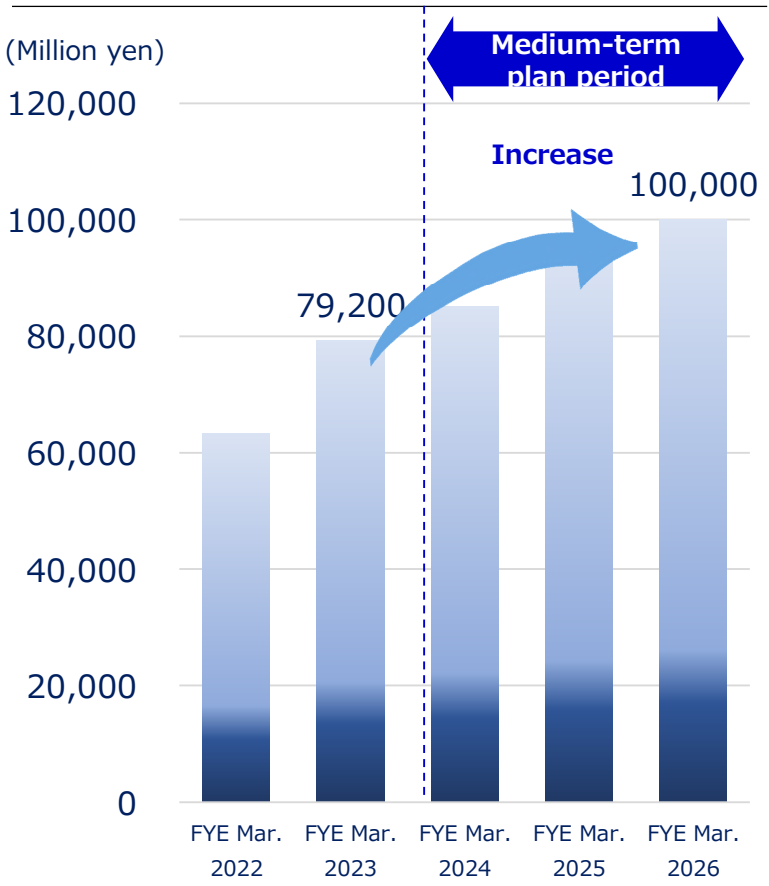
* Figures for FYE Mar. 31, 2023 are the forecast disclosed when the revised earnings forecasts were announced on April 19, 2023.

	Medium-Term Business Plan Numerical Targets				
	FYE Mar. 31, 2022 Results	FYE Mar. 31, 2023 Forecast*	FYE Mar. 31, 2024	FYE Mar. 31, 2025	FYE Mar. 31, 2026
Net sales (YoY growth)	63,200 (15.4%)	79,200 (25.2%)	85,000 (7.3%)	93,000 (9.4%)	100,000 (7.5%)
Operating income (Operating margin)	-360 (-0.6%)	1,370 (1.7%)	1,800 (2.1%)	3,100 (3.3%)	4,200 (4.2%)
Profit attributable to owners of parent	-1,900	330	550	1,700	2,500
Earnings per share	-121.17 yen	21.55 yen	35.39 yen	109.37 yen	160.84 yen
Dividends per share	5 yen	6 yen	7 yen	14 yen	28 yen
EBITDA	1,150	2,800	3,200	4,500	5,600

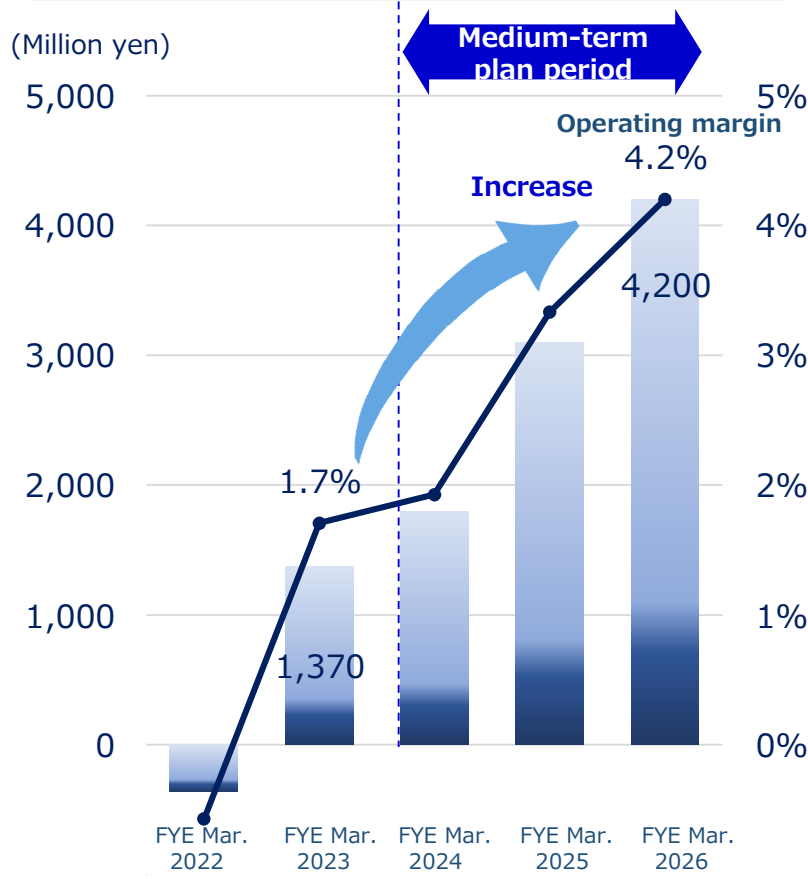
2. Net Sales & Operating Income: From Improvement to Growth

Begin to reap the return on investments made up to this point and plan to use our unique business model to achieve growth in net sales and operating income

Trend in Net Sales



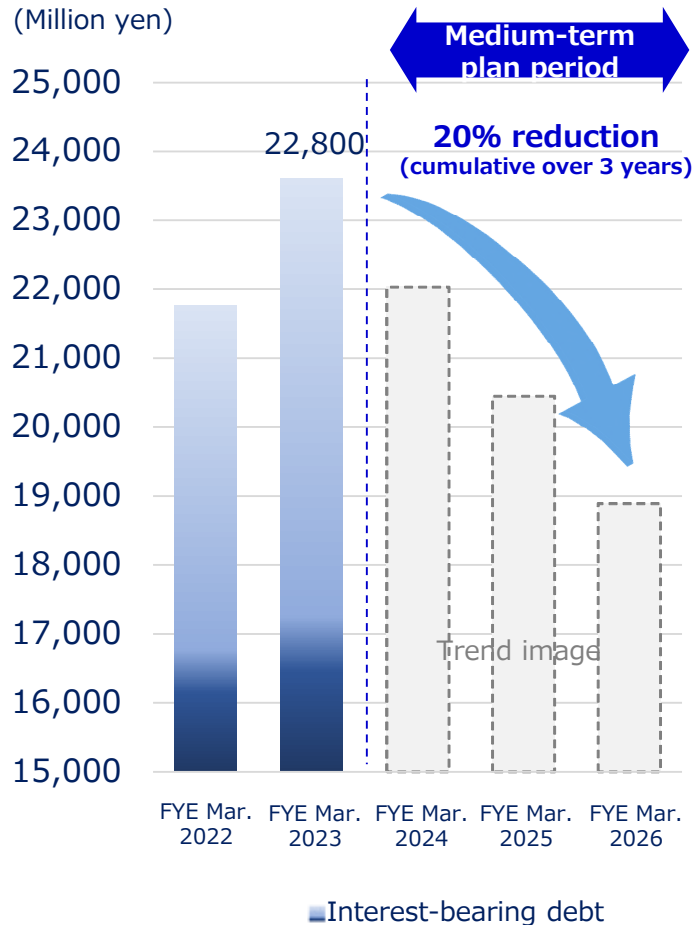
Trend in Operating Income



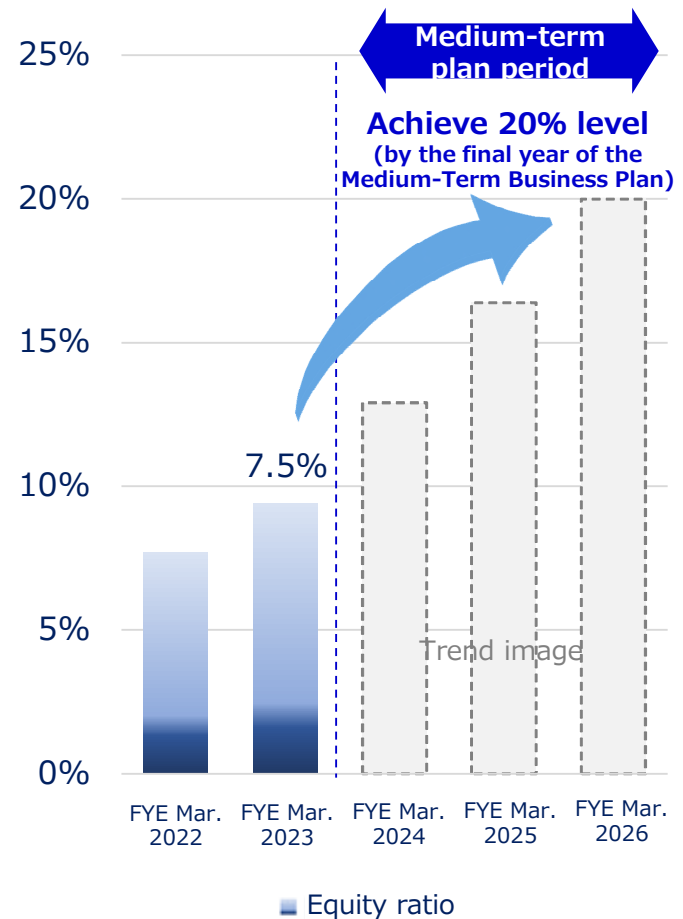
3. Improve Financial Soundness as the Base for Growth

**Target improvement in financial soundness
by strengthening cash management and reducing interest-bearing debt**

Trend in Interest-bearing Debt



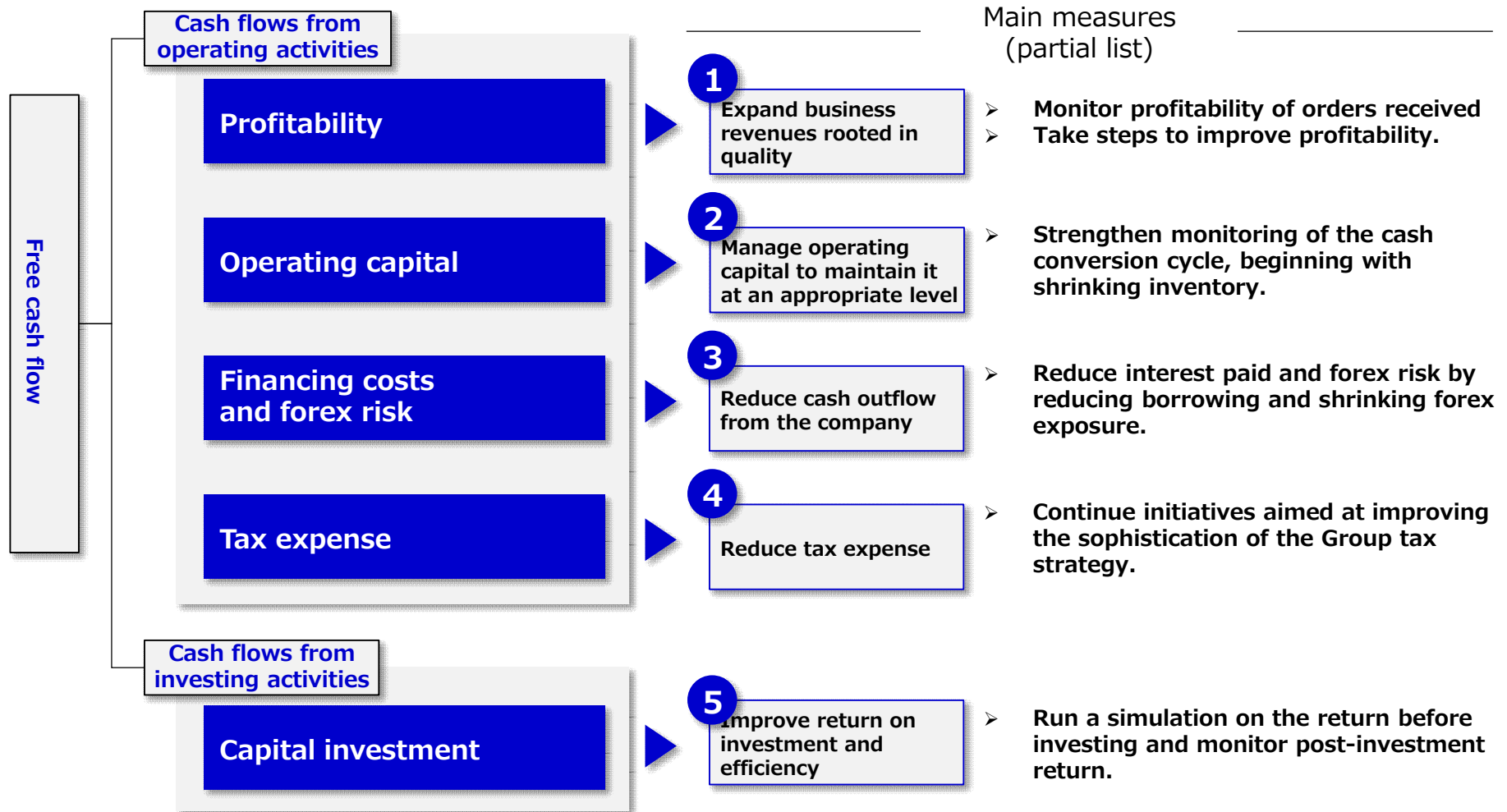
Trend in Equity Ratio



4. Creating a Base to Support Growth

Strengthen the Group business base and generate 7 billion yen in total free cash flow during the 3 years of the Medium-Term Business Plan

The Group will work as a team on various measures to build a cash generating structure and generate free cash flow



5. Surrounding Business Environment: Turn Changes in the Environment into Opportunities

- Labor shortages, lack of progress in job mobility, an aging society with fewer children being born, and younger generations moving away from the manufacturing industry
- Shift to fabless manufacturing, accelerating segmentation of functions by business format and multipolarization of the supply chain
- Increasing geopolitical risk and changes in the market environment caused by fluctuation in exchange rates
- Balance between transferring control over overseas production and return to domestic production, and flexible, agile response
- Increasing sophistication in functionality of end products, based on the key words of decarbonization and electric vehicles . . .

Use our unique features to turn changes into opportunities!

nms Holdings
Group
key words

■ **Originality** ■ **Diversity** ■ **Multipolarity**

<p>Unique business model</p>	<ul style="list-style-type: none"> ● Business structure that can combine the human resource business with the manufacturing business. ● Grow the Group as a whole by generating cash in the human resource business, generating stable sales and profit of a certain scale in the manufacturing business, and segmenting functions according to different business formats.
<p>Distinctive analog technology</p>	<ul style="list-style-type: none"> ● Use advanced technology and the sophisticated analog technology and expertise we have accumulated in design and component modules, etc. to ensure safe, reliable end products. ● Capable of a wide range of response stemming from highly proficient human resources in every business segment, from design to repair.
<p>Distinctive Group business resources</p>	<ul style="list-style-type: none"> ● Possess effective options and functions and can propose solutions for a wide range of needs to respond agilely to changes in the manufacturing business environment, from staffing services to contract services on the customer's premises (HS Business), contract production at nms Group bases (EMS Business), and other solutions.
<p>Excellent customer portfolio</p>	<ul style="list-style-type: none"> ● Work together with top manufacturers in many areas and industries from the time a company is established. ● Advance a partner strategy with customers in each country and region and expand our business globally.
<p>Global expansion according to business characteristics</p>	<ul style="list-style-type: none"> ● Operate the human resource business in countries and regions where Japanese manufacturers have established plants (China and ASEAN), and possess the expertise to operate a virtuous cycle, beginning with the development of highly proficient foreign nationals, and continuing until they are established and contributing actively in their home countries. ● Have production bases in Japan, China, ASEAN, and North America, and work with the customer's global strategy in the manufacturing business.

6 . Overview of three Business Segments

- **HS (Human Resource Solution) Business**
- **EMS (Electronics Manufacturing Service) Business**
- **PS (Power Supply) Business**

Basic Policy

- Solidify the benefits from measures implemented in fiscal year ended Mar. 31, 2023 and strengthen both the base and businesses to increase agility and achieve growth rooted in quality.
- Build a rock solid business base while achieving a balance between what is optimal for the part and what is optimal for the whole during the current Medium-Term Business Plan.



Key Strategies

[Strengthen the base]

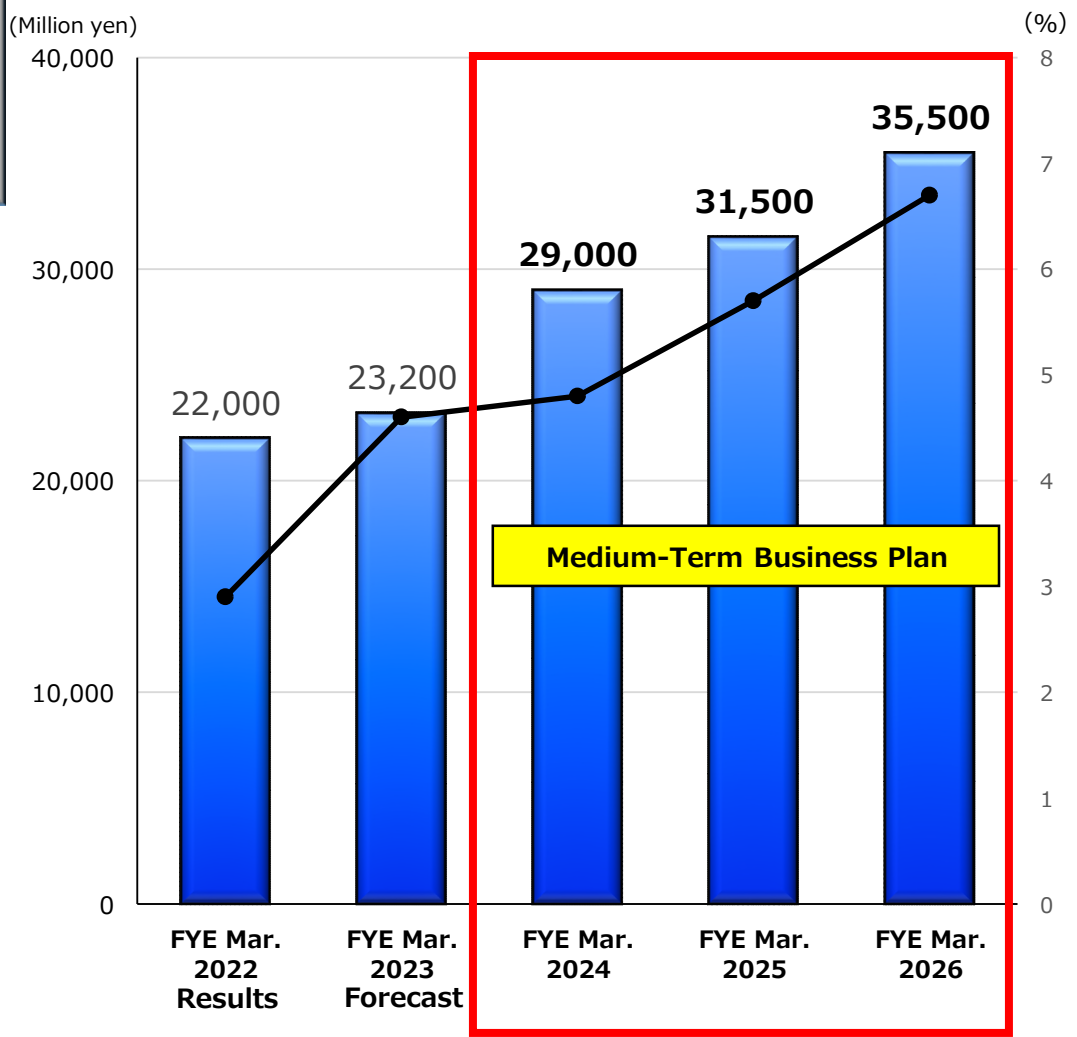
- Redesign functions/organization and reinforce organizational strengths.
- Digital transformation (DX) of the HS Business
⇒ Use digital technology and AI to accelerate improvement in business operating efficiency.

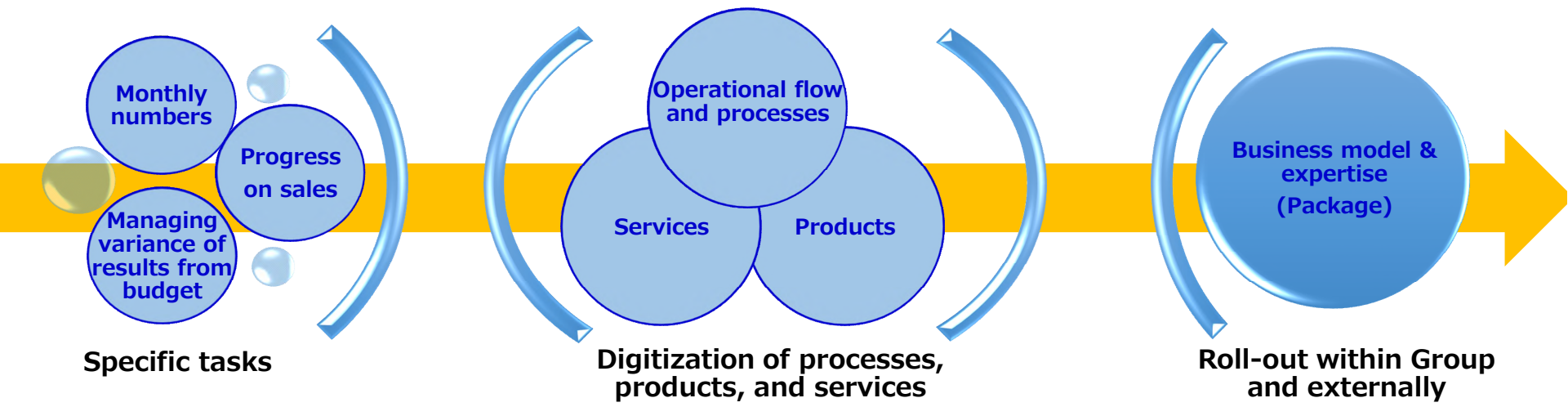
[Strengthen businesses]

- Roll out global platform services
⇒ Build a one-stop platform for providing services from hiring overseas human resources to supporting them until they are fully established.
- Use our unique characteristics to provide new services and solutions.



Segment Net Sales and Profit Margin





Phase 1
Digitization of specific tasks

Digitize analog information and establish an environment that enables collection and accumulation of data.
Example:
Manage monthly numbers, progress on sales, etc. on Salesforce from fiscal year ending Mar. 31, 2024.

Phase 2
Digitization of operational flow and processes

Optimize operational flow within business divisions and cross-organizational processes, use digital tools, and accumulate expertise.
Example:
Integrate management of company housing, worker personnel matters, management of company-owned vehicles, etc. in one system from fiscal year ending Mar. 31, 2025.

Phase 3
Digitization of services and products

Digitize services and products, and develop them.
Example:
Have DX-centered businesses and products by fiscal year ending Mar. 31, 2025.

Phase 4
Roll-out within Group and externally

Roll out accumulated expertise and developed products and services with the Group and externally, and expand business scale.
Example:
Sell packages within the Group and externally from fiscal year ending Mar. 31, 2026 onward.

Issues the manufacturing industry in Japan is confronting

Decentralization of production to the ASEAN region is accelerating due to labor shortages in the manufacturing industry/restructuring of the value chain.

Needs are expanding from workers with manual skills to workers with knowledge.

**nms Group
policy on
solutions**

Develop global experts and allocate them as highly proficient human resources.

- ◎ nms will test and certify manufacturing skills and develop human resources through a full training menu.
- ◎ Visualize the skills of human resources in the organization and use this to enhance strategic organizational strengths.
- ◎ Also re-establish the highly proficient human resources nms has developed at the overseas plants of customers.

Global Platform Services

Maximize use of nms Group strengths and provide a customized training menu and simulation of reallocation.

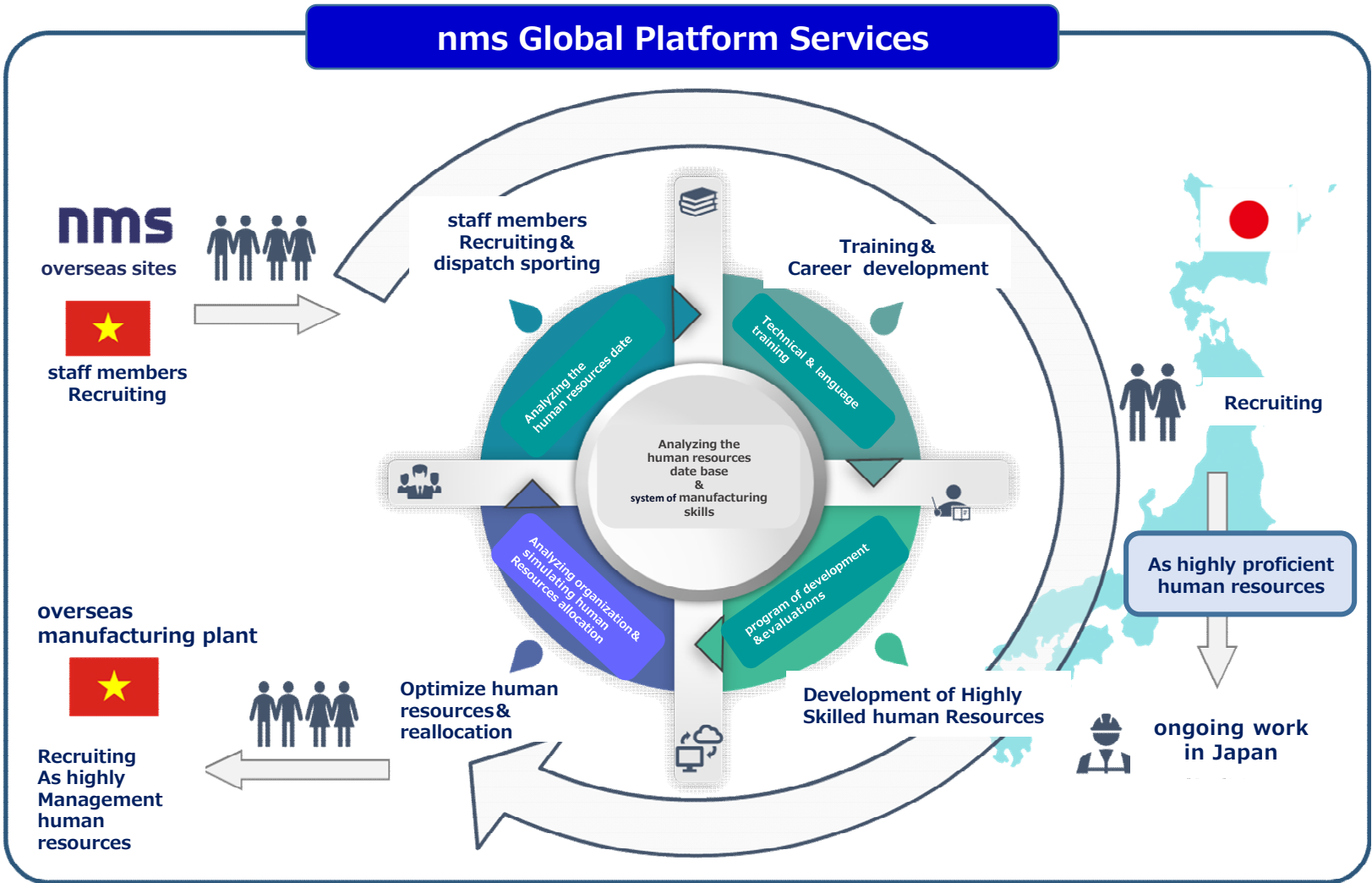
- ◎ Customize training content by taking the corporate culture, goals, and other factors at each site into consideration.
- ◎ Compile comprehensive information on each human resource (qualifications, track record in various areas, customer evaluations, etc.) and consider the optimal allocation by integrating this information and visualizing and simulating organizational capabilities.
- ◎ Provide ongoing support to maintain the motivation to reach career goals.

**Resolve labor shortages in
the manufacturing
industry/plants**

**Develop smart,
global human resources**

**Optimize human resources
throughout
the entire supply chain**

Develop smart, global human resources. Optimize human resources throughout the entire supply chain.



Characteristics of nms

Global support structure

- Bases in China and ASEAN region
- Stable provision of foreign nationals

Alliance with the Group's EMS business

- Labor-saving devices and combined proposals

Wide range of service content

- Manufacturing worker dispatch/Contract manufacturing/Repair business
- Contract training of foreign nationals

System for human resources skilled in engineering

- Engineer dispatch
- Contract engineering

Case example

Providing services in an industrial park in Vietnam

TLIPs (Sumitomo Corporation)

services provided by nms



contract manufacturing



operations support



Labor-saving devices



Management



Staff dispatch

Rental factory · Supply stable infrastructure

TLIPs (Thang Long Industrial Parks 1, 2, and 3)

[Extensive line-up of human resources and services to meet the needs of customers]

- **Human Resources:** Manufacturing human resources, engineers, senior experts in manufacturing systems, and foreign national human resources
- **Domestic business:** Redefine "dispatch" and "contracting" and propose and provide the optimal form of service for the customer's business characteristics.
- **Overseas business:** Use the expertise nms has already amassed by operating overseas to function as a bridge between Japan and overseas and adapt it to the customer's need for transferring control of overseas production, establishment of new operations, etc.

Manufacturing support services in Vietnam

nms × TLIPs

nms allied with TLIPs (Thang Long Industrial Parks 1, 2, and 3), which were developed and are operated jointly by Nippon Manufacturing Service (nms) and Sumitomo Corporation, and is providing services.



We provide manufacturing support to customers, whether it is a new overseas business or an established overseas business.

Provided by TLIPs

[Around 25 years of business experience]
 Production space (leased plant)
 Supply stable infrastructure
 (electricity and water)



Provided by nms

[Around 10 years of business experience]
 Contract manufacturing and production
 management
 Human resource development and dispatch
 Handles HR & general affairs matters on
 behalf of TLIPs



We provide operating support based on the extensive experience both companies have in Vietnam and necessary services according to the customer's needs.

[Case 1]

Assisted with contract manufacturing as the second plant when the global production structure was revised to exit Japan and China and expand production in Vietnam

[Case 2]

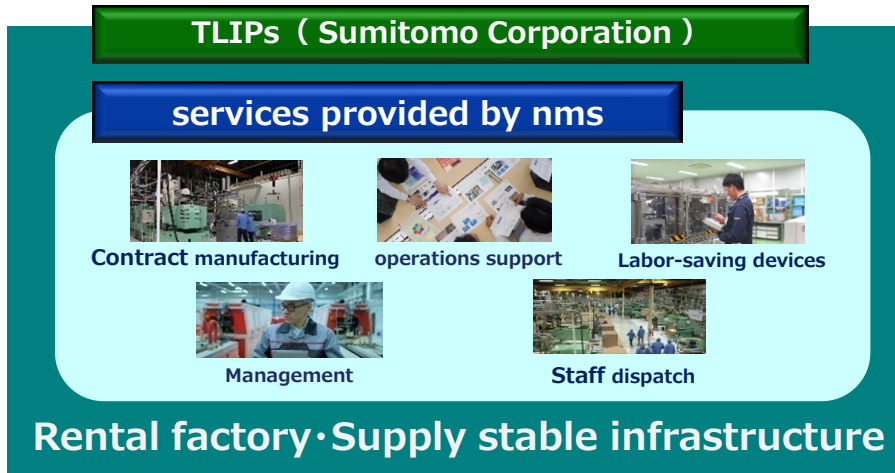
Provided a contract manufacturing system with excellent cost-performance to achieve a vertical startup (full production in a short time span), reduce the cost of resident representatives, and reduce the financial burden of building a plant, etc.



[Services provided by nms]

Made-to-order manufacturing support services according to the needs of the customer

■ **General diagram of services in TLIPs**



TLIPs (Thang Long Industrial Parks 1, 2, and 3)

■ **TLIPs Details**

(as of July 2022)

	Location	Total Developed Area	No. of Companies in Park
Thang Long Industrial Park 1 (TLIP1)	Hanoi City	274 ha	104
Thang Long Industrial Park 2 (TLIP2)	Hung Yên Province	346 ha	80
Thang Long Industrial Park 3 (TLIP3)	Vĩnh Phúc Province	213 ha	27

■ **nms x TLIPs (Sumitomo Corp.)**



(as of July 2022)

Concrete Example: Joint Japan-Vietnam Initiative, Initiatives in the 8th Phase

- **NMS International Resources Co., Ltd. (hereafter, nms IR) is the HS Business base in Vietnam. nms IR participates in the Vietnam-Japan Joint Initiative and Working Team on Development of Highly Skilled Human Resources, a framework for dialogs on policies through cooperation of the governments of Vietnam and Japan and Japanese companies, and is developing highly skilled human resources in Vietnam.**
- **The purpose of the Vietnam-Japan Joint Initiative is to increase the industrial competitiveness of Vietnam. The framework was established through an agreement between the Japanese and Vietnamese heads of state in April 2003.**
- **nms IR participated in the Working Team on Development of Highly Skilled Human Resources during the 8th Phase and used the expertise it has accumulated in developing human resources from the 10 years of business experience it has gained in Vietnam.**
- **Three areas—supporting industries, innovation, and development of highly skilled human resources—were established based on the strong desire of Vietnam.**
- **nms IR will continue to solve the problems of Japanese companies that have operations in Vietnam and contribute to industrial development in Vietnam.**

[nms IR] Throwing out various ideas during discussion



[Vietnam-Japan Joint Initiative: 11 Working Teams in 8th Phase]

1. Progress on establishing system infrastructure to promote investment

1. Case law/civil judgment enforcement systems, promotion of fair and free competition
2. Law on Investment and the Law on Enterprises
3. Improvement in all working environment issues
4. Law on Public-Private Partnership
5. Reform of state-owned enterprises and capital market
8. Improvement in all issues pertaining to revision of land laws

2. Progress on establishing environmentally friendly and sustainable business and industrial infrastructure

6. Electricity structure and how to create the best mix of energy sources in Vietnam
7. Improvement in laws and regulations related to natural gas pipeline construction to promote import and widespread use of LNG

Demands from Vietnam in addition to those noted above:

9. Development of supporting industries, 10. Promoting innovation, and 11. Development of highly skilled human resources

* From materials on the Vietnam-Japan Joint Initiative (JCCI Vietnam-Japan Joint Initiative Steering Committee)



[nms Vietnam]
Daily technical training also conducted at the manufacturing plant

Basic Policy

- Achieve a Win/Win situation for all parties through a combination of “Mega EMS” to provide mass-produced products of Japanese quality at a lower cost and “made-to-Order EMS” in mature markets.
- Use Engineering Manufacturing Service, a proprietary manufacturing concept of the nms Group, to strengthen our partner strategy and achieve sustained growth.

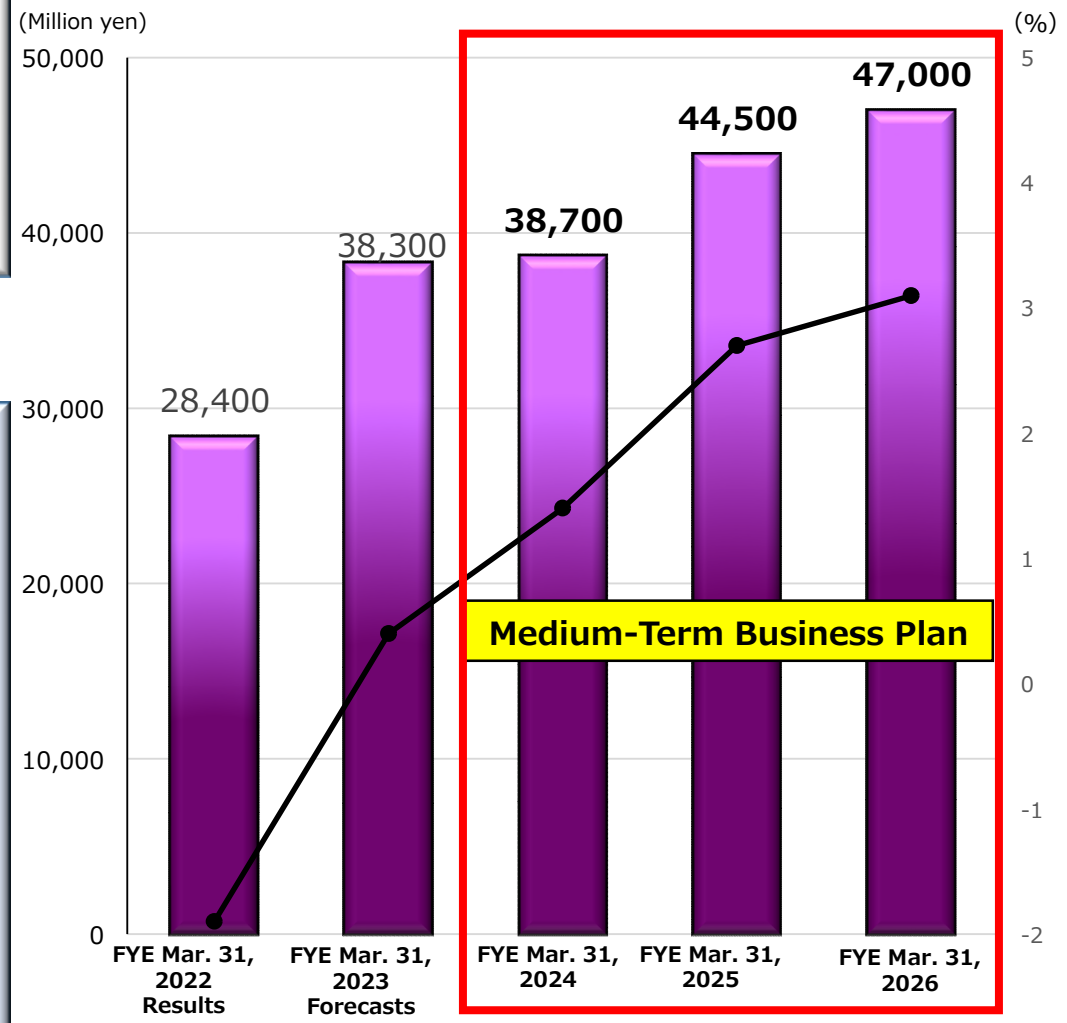


Key Strategies

- Turn the Malaysian base into a cash cow and thereby strengthen the function of circulating Group business resources.
- Improve profitability and achieve sustained growth by restructuring the portfolio of the base in China.
- The strategic investment bases in Vietnam and Mexico will make genuine contributions to financial performance.
 - Vietnam: Use press stamping technology as leverage to expand orders
 - Mexico: Engineering tools + automotive-related contribution
- Strengthen and increase the sophistication of functions at domestic bases essential to agility in the global production structure (sales, technology, procurement, and management).



Segment Net Sales and Profit Margin



[Key Goal Indicator]

Maximize the investment in innovation and benefits achieved from measures thus far to acquire a sustainable business base that makes the TKR Group globally competitive and become a TKR “EMS” (Engineering Manufacturing Service) company!

1.	Achieve 50 billion yen in sales and transform the portfolio into a portfolio of market segments that are resilient to external risks.
2.	Secure net sales of 10 billion yen a year and improve profitability at the Malaysian and Chinese bases. Strengthen and expand the partner strategy.
3.	Invest business resources in strategic bases (Vietnam and Mexico) that will grow substantially in the future and turn them into strategic assets.
4.	Develop human resources and pursue localization in Japan and overseas to support the TKR Group of the future.
5.	Establish a foundation for governance and compliance and level up Head Office functions.
6.	Seize the changes in the environment that will not permit survival with a manufacturing industry that only performs manufacturing as an opportunity and take on the challenge of R&D and the solution business.

Also exit unprofitable businesses and non-essential businesses and strive to maximize profits through sales growth rooted in quality.

[EMS Business] TKR Group Vision

Key Goal Indicator

Maximize the investment in innovation and benefits achieved from measures thus far to acquire a sustainable business base that makes the TKR Group globally competitive and become a TKR “EMS” (Engineering Manufacturing Service) company!

Key Performance Indicators

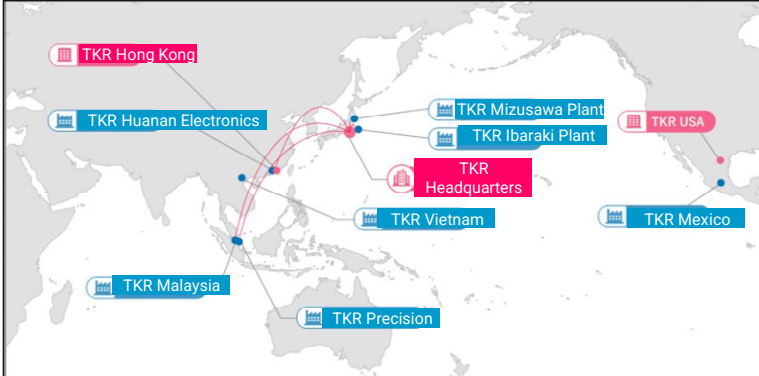
FY2023: Achieve benchmark profit margin at all bases
 FY2024-FY2025: Segment net sales of 50 billion yen and segment profit margins of 3% or higher

Category	Base	Core Business and Policy	Vision (KGI for each base)
New concept EMS [ASEAN]	TKR Manufacturing (Malaysia) Sdn. Bhd.	[Substrate mounting] Use the axial/radial machine line-up to cover mounting up to automotive-related mounting and strengthen the partner strategy.	Don't be distracted by fluctuations in demand and continue to generate stable profit as an “Engineering Manufacturing Service” pioneer and take on the challenge of creating a cash cow and solution business that will support the Group platform.
New concept EMS [ASEAN]	TKR Precision (Malaysia) Sdn. Bhd.	[Precision transfer press stamping] Use mold to press stamping technology to increase value.	
Mega EMS [ASEAN]	TKR Manufacturing Vietnam Co., Ltd.	[Precision transfer press stamping] Use press stamping that can bring out special characteristics in Vietnam to expand the customer base.	Incorporate all functions necessary as a new “Mega EMS” base, develop human resources to become an Engineering Manufacturing Service, and become plants that generate stable sales and profit.
Mega EMS [North America]	TKR de México S.A. de C.V.	[Substrate mounting] Take advantage of the favorable location for logistics as well in areas near national borders to expand engineering tools and the automotive-related substrate mounting business.	
Made-to-order EMS [China]	TKR Huanan Electronics (Dongguan) Co., Ltd.	[Substrate mounting, finished product assembly] Handle all processes from development and design to finished product assembly and reassess the portfolio to transform the base into a base with stable earnings.	Increase the profit margin through a process of concentration and selection, continue to generate stable profit, become a cash cow that supports the Group platform, and take on the challenge of R&D targeted at increasing the value added by the Group.
Made-to-order EMS [Japan]	TKR Mizusawa Plant, Ibaraki Plant (Manufacturing)	[Substrate mounting, finished product assembly] Step up the level of production technology development to support global production.	Increase the profit margin by exiting unprofitable business and through a process of concentration and selection, and transform the structure into one that continues to generate stable profit.
	TKR Head Office (Sales)	Provide cross-organizational support to the Group for Japanese companies, convert to a business model with a long value chain, and strengthen other functions to transform into a business that can generate more profit.	
Made-to-order EMS	R&D (Japan/China)	Link Japan (design) and China (design and prototypes) to establish Group R&D functions and secure profit (cash).	
Made-to-order EMS	New business creation and launch	Build new businesses and new business models (new services) that will lead to the future.	

TKR Manufacturing Vietnam Co., Ltd.

Business Activities

- Sheet metal press stamping, secondary processing for tapping, caulking, cleaning, etc.
- Unit and finished product assembly



Products Produced



Household TV stand

Characteristics

- Installed large presses, ranging from 150 to 400 tons.
- Technical skills are reliably passed down in Japan, enabling high precision stamping.



400-ton press machine (AIDA)



300-ton press machine (PATEC)



150-ton press machines (AIDA)



Exterior view of TKR Vietnam

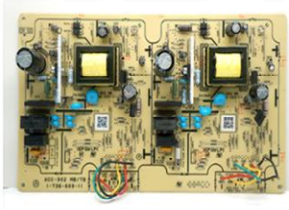
- The largest production base in the nms Holdings Group, with a lot size of 40,000m²
- Established in an area offering many advantages from the perspectives of securing human resources and logistics, this base captures the needs of main customers for increasing production and local production/local consumption, and has expanded the customer base.

TKR de México S.A. de C.V.

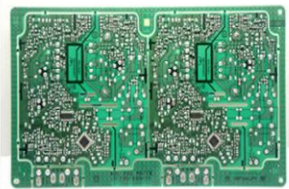
Business Activities

- Electronic substrate manufacture and repair
- Unit and finished product assembly
- Plastic injection molding
- Jig fabrication
- Genuine parts production for automotive manufacturers
- Custom-made fixtures for retail stores (displays)

Products Produced



Electronic Board Manufacturing



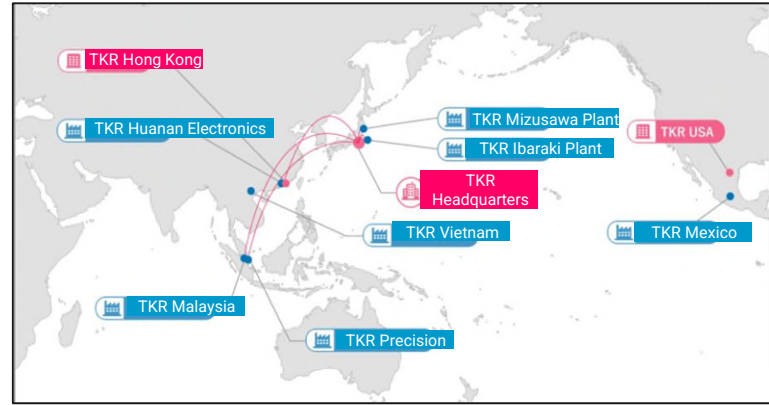
Injection Plastic Molding



Design and Development of Automatization Equipment

Characteristics

- Manufacturing plant in an optimal geographic location connecting the industrial zones of Mexico, the U.S., and Canada.
- A large plant that shoulders the Group's EMS Business, including automotive-related segments in the North and Central American markets, the area with a major concentration of automotive industry companies.



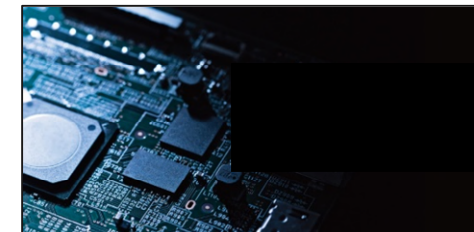
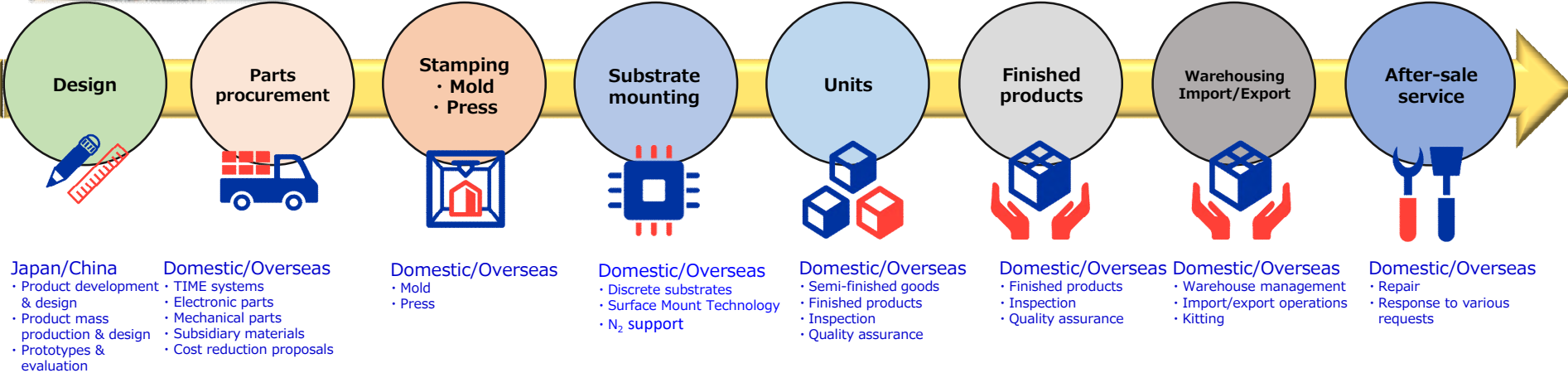
Exterior view of TKR Mexico plant

[EMS Business] TKR Group Business Activities

Uses advanced technology in distinctive analog technology to provide high-performance end products

Business activities: Electronics Manufacturing Service business (substrate mounting, simple pressing, resin molding, assembly, etc.) and electronic equipment repair services
 Design, development, and manufacturing of automotive-related equipment and parts, Business initiatives shared with the customer, and design, development and sales efforts related to such, and startup solution business associated with these.

Built an integrated production process including everything from product development & design and parts procurement to production and after-sale service.



[PS Business] Basic Policy and Key Strategies

Basic Policy

- Strengthen the structure, mainly in high-voltage power supplies and magnet rolls. Expand share and stay the course in the document market.
- Use high-voltage products (Power supplies and transformers) as leverage to accelerate roll-out to the industrial and environmental markets.
- Transform the business into one with a stable profit structure rooted in sales growth.

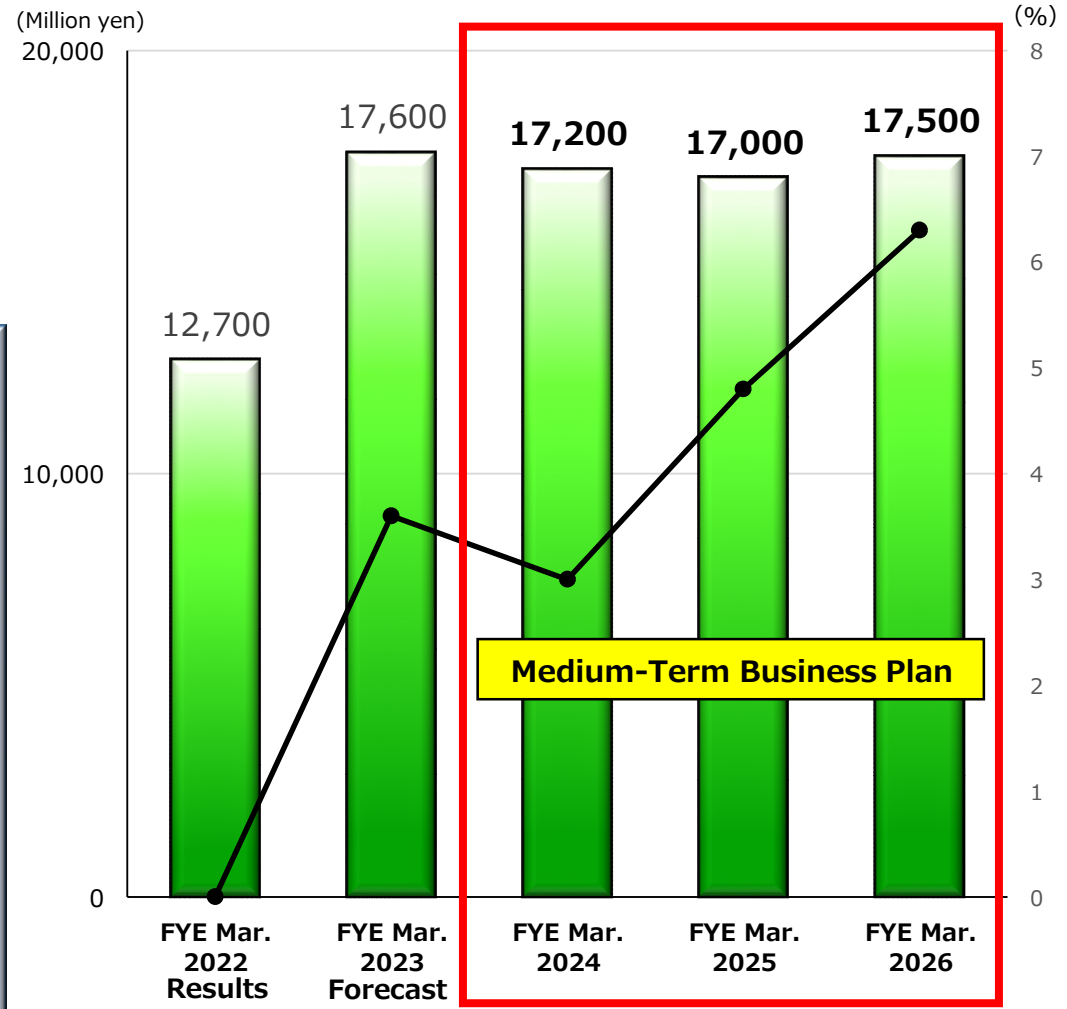


Key Strategies

- High-voltage power supplies/Magnet rolls: Expand share in the document market and strengthen the structure.
- High-voltage power supplies/high-voltage transformers: Roll out to the environmental market (industrial and household segments).
- Low-voltage power supplies: Expand share in the industrial market (robotics and smart factories).
- Beef up resources to achieve sustained growth and energize corporate culture.



Segment Net Sales and Profit Margin



Expand the product line-up and use the results achieved thus far to secure stable business scale and increase profitability through a combination of established core markets and new target markets.

- 1 High-voltage power supplies/Magnet rolls: Expand share in the document market and strengthen the structure.
- 2 High-voltage power supplies/high-voltage transformers: Roll out to the environmental market (industrial and household segments).
- 3 Low-voltage power supplies: Expand share in the industrial market (robotics and smart factories).

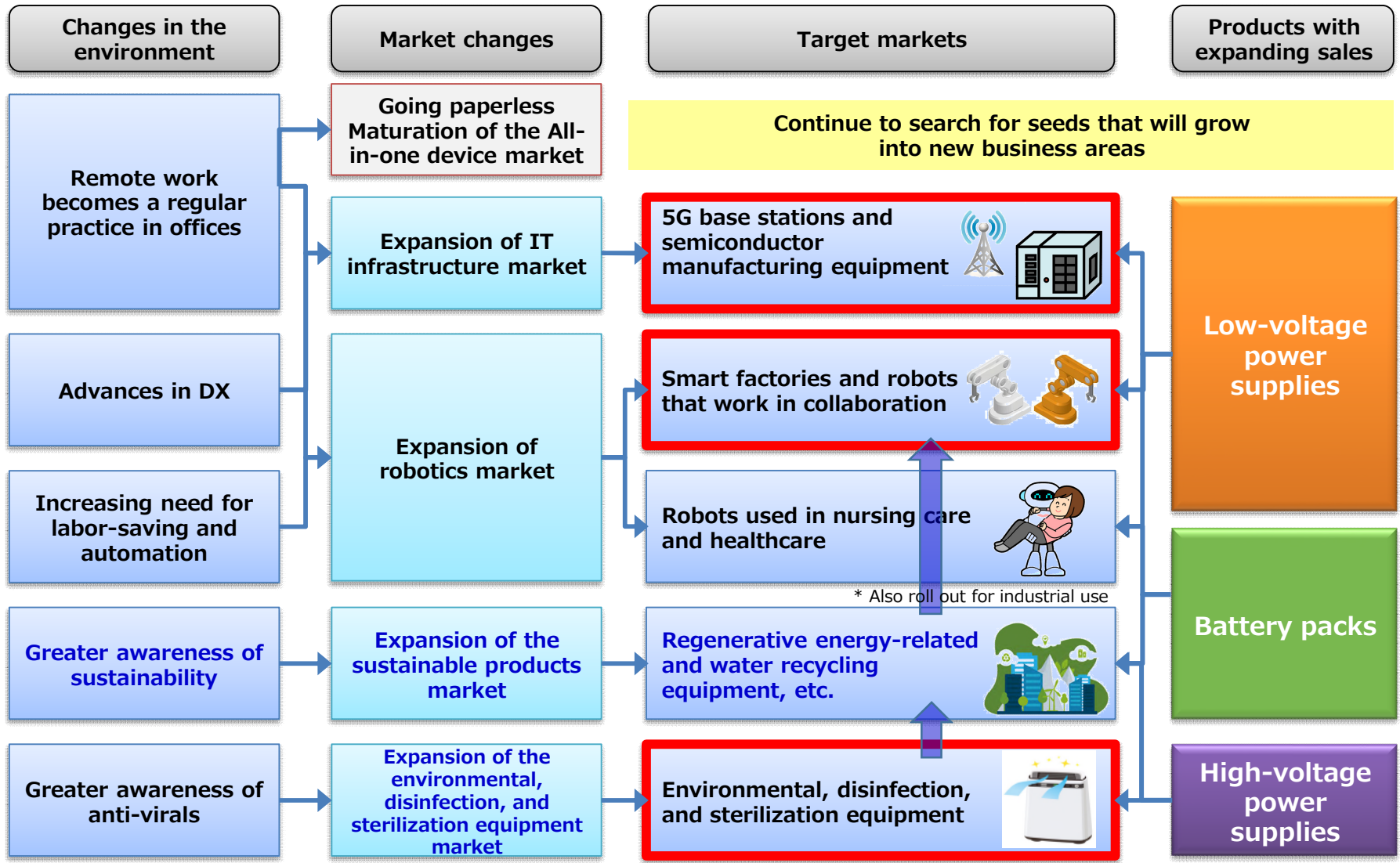
Also establish an R&D center in the Kanto region (April 2023, in Yokohama, Kanagawa Prefecture), strengthen the marketing function, and accelerate the speed of development.



Transform the business into one with a stable profit structure rooted in sales growth.

[PS Business]
New Target Markets: Environment, Decarbonization, and Electrification

The areas of "environmental health" and "decarbonization and electrification" will provide a tail wind to propel new growth in power supply products and will accelerate development of technology for new market segments.

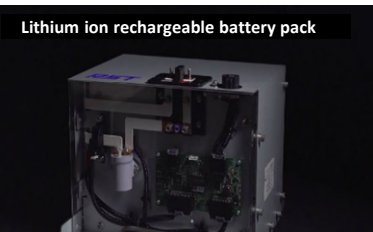
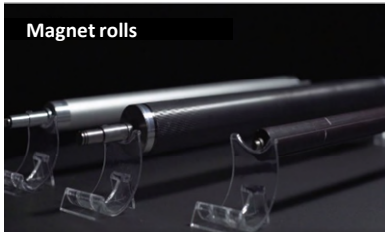


Power Supply Technology Co., Ltd. Head Office/Matsusaka Factory



Business Activities

- Custom power supplies (low/high-voltage)
- Magnet rolls
- Various kinds of transformers (switching/high-voltage)
- Development, design, manufacture, and sale of battery management system related products



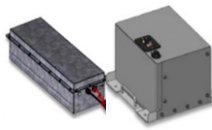
Battery Management System Business



Commercialization of the battery management systems based on the need to move to electric for various kinds of equipment

Also address new needs through development of LiB secondary battery packs

- Purposes for which LiB secondary battery packs are used
 - Ultra-compact mobility
 - Industrial storage systems
 - Emergency back-up batteries



Power Supply Product Development

- 1 Technology designed for high heat dissipation
- 2 High value-added design
- 3 Safe design



● List of Products ●

■ Office equipment segment



■ Lighting segment



PST Huanan Electronics (Foshan) Co., Ltd.

- PST Huanan Electronics (Foshan) Co., Ltd. Shenzhen Branch
- PST Huanan Electronics (Foshan) Co., Ltd. Suzhou Branch

Business Activities

Manufacture of high and low-voltage power supplies, various kinds of transformers, and magnet rolls

- Manufacture of power supplies used in the medical equipment area, all-in-one devices, and road signs and lighting (low and high-voltage), power supply units, and power supply products that achieve energy savings and long lifespans.
- Manufacture of safe, secure high-performance power supplies

■ Mass production of low/high-voltage power supplies and high-voltage modules



- China handles mass production of high-voltage power supplies used in all-in-one devices, medical equipment, and other equipment as it does for magnet rolls.
- The low/high-voltage power supplies designed and developed at the Matsusaka Factory are used in all-in-one devices and printers, medical equipment, air conditioners and outdoor equipment for air conditioning units, as well as various other products.



■ Magnet rolls

Permanent magnets are positioned on cylindrical rollers and are the component that adsorbs and moves printer toner.

PST used its proprietary precision processing technology to achieve mass production of high-performance magnet rolls.

Japan (Matsusaka Factory) produces product prototypes, performs development, and operates a highly efficient structure by segmenting functions and allocating the mass production function to China. The use of ferrite material with high magnetic force developed by PST prevents the toner from flying around and improves image quality.



■ PST Foshan



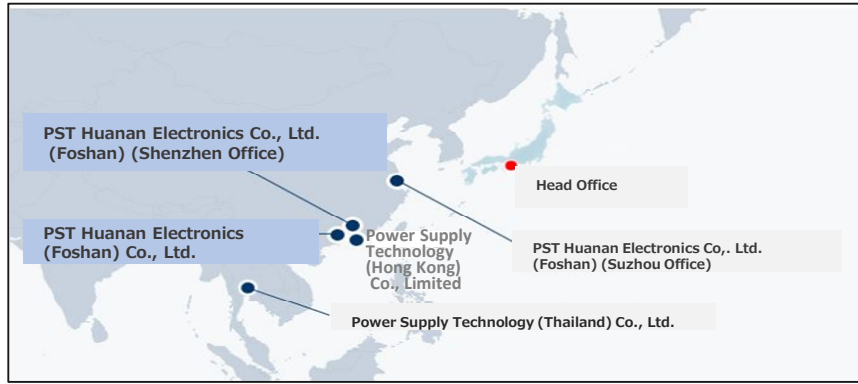
PST Huanan Electronics (Foshan) Co., Ltd. (PST Foshan)

- The management division in the Foshan Plant provides all equipment for the parts production line, low/high-voltage production line, transformer production line, and the production lines for core PST products.
- PST has built a manufacturing system that can respond flexibly to production of all kinds of power supplies.

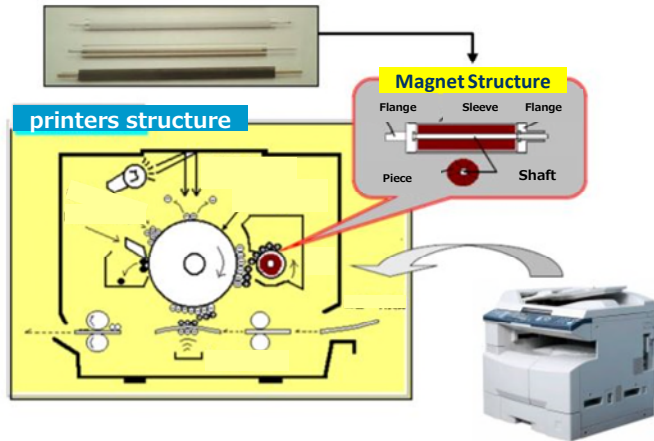
Power Supply Technology (Thailand) Co., Ltd.

Business Activities

Sale of magnet rolls



■ Magnet roll mechanism

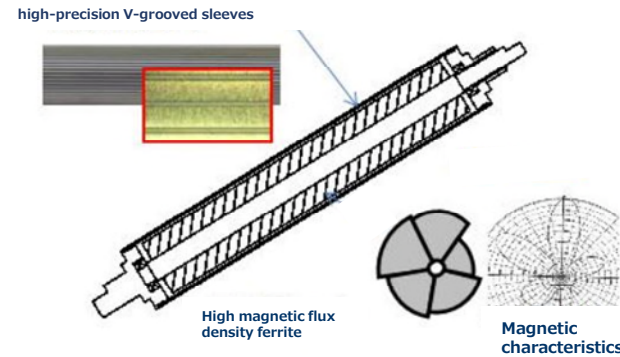


A magnet roll is the component in all-in-one devices and printers that adsorbs and moves the toner. It is used in the developing process.

Monochrome devices have one roll and color devices have four rolls. PST has achieved high quality images, fast printing, long lifespan, and compactness to save space using its proprietary materials, processing, and magnet technology.

■ Characteristics of magnet rolls produced by PST

- (1) Uses ferrite material with a high magnetic force developed by nms and this increases the magnetic force.
- (2) Uses high-precision V-grooved sleeves to stabilize the volume of toner transported.
- (3) The proprietary piecing technique makes it possible to freely adjust the magnetic waveform.



PST (Thailand) is positioned as the sales base for magnet rolls. Expanding to two bases combined with China also makes it possible to respond rapidly to orders from customers.

**“Monozukuri (manufacturing)” is “Hitozukuri (developing human potential)”
Achieve growth that has value by using the agility from these two types of creation.**

The management philosophy of the nms Group talks about “developing human potential.” We have developed our corporate culture based on the belief that “the growth of each and every employee drives our company forward.” The growth and active contributions of each individual employee in each country and region are the source from which we create value for our customers and support the growth of nms. We will continue to dig deeper and accelerate initiatives aimed at “developing human potential” going forward.

<Our Management Philosophy> <https://www.n-ms.co.jp/english/group/rinen.html>

Focus

Diversity & Inclusion

We share a diverse sense of values and actively utilize those differences to incorporate individual ideas and social needs into our business and strengthen our ability to respond to change.

We provide workplaces and venues for demonstrating abilities according to each employee’s work-life balance, job satisfaction, and career aspirations, based on the conviction that we must enable employees and their families to lead stable and spiritually rich lives.

Main Measures

- Work to promote women to officer positions in main Group subsidiaries and elevate women to managerial positions to broaden the reach of diversity.
- Pursue localization in overseas bases (promote local human resources to top management positions).

Main Measures

- Introduce systems to increase workstyle flexibility, such as a telecommuting system and flextime system.
- Create an organization and mechanisms to utilize the ideas and abilities of individuals in work (assign people to internal projects and create other opportunities for them to think and act independently).
- Rebuild the evaluation system and implement other initiatives aimed at career development.

<KGI and KPI in the Current Medium-Term Business Plan> **Ingrain a culture of active contribution by diverse human resources and target sustained growth.**

Promoting the advancement of women

Make progress on promoting women to encourage dynamism and innovation.

Percentage of women in managerial positions:
10% or higher

Promoting the advancement of foreign nationals

Pursue localization of management in overseas bases to increase the dynamism and motivation of local employees.

Percentage of foreign nationals in local top management positions:
50% or higher

Implementing ongoing workstyle reforms

Improve productivity by making sure employees are actively and enthusiastically contributing.

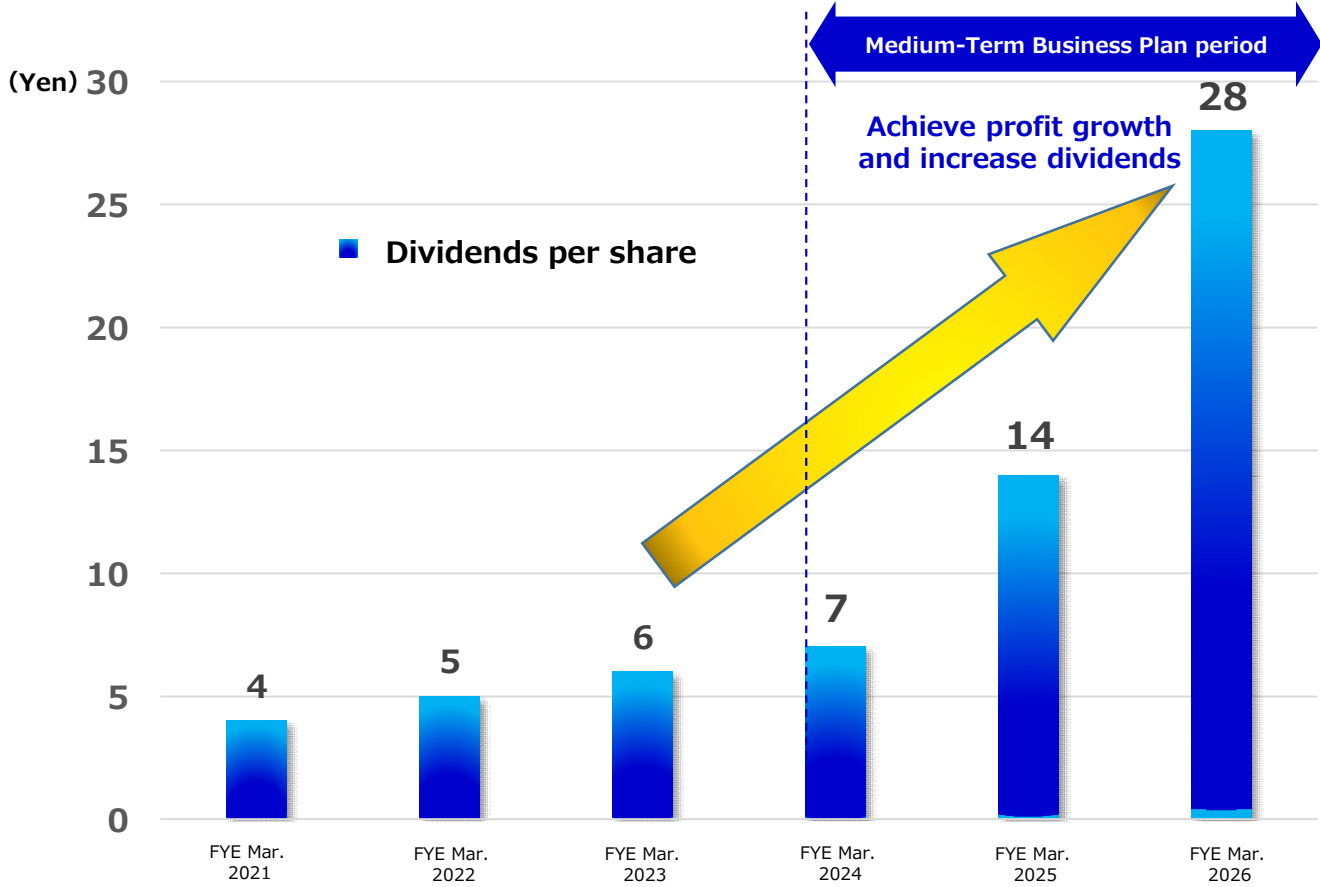
Percentage of employees who take annual paid leave:
60% or higher



8. Shareholder Return Policy

We will achieve profit growth, increase dividends, and meet the expectations of shareholders during the current Medium-Term Business Plan.

The FY2023 to FY2025 Medium-Term Business Plan is positioned as a period for achieving sustained growth and building the base. We plan to gradually increase dividends as a return to shareholders while also directing cash into internal reserves and growth investments.

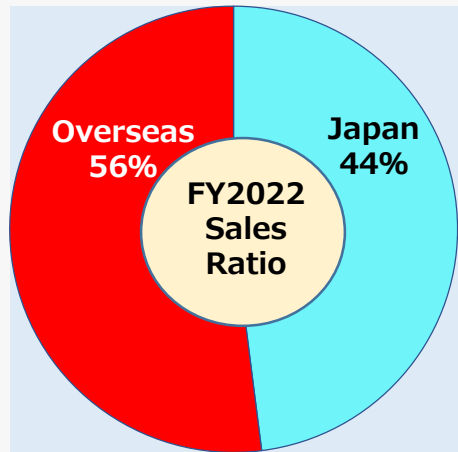


nms Holdings Corporation

<https://www.n-ms.co.jp/english/>

Head Office	Tokyo Opera City Tower 45F, 3-20-2 Nishi-shinjuku, Shinjuku-ku, Tokyo 163-1445, Japan
Representative	Fumiaki Ono, President and CEO
Capital	500,690,000 yen (as of March 31, 2023)
Stock Exchange Listings	Tokyo Securities Exchange (Standard market) Securities Code 2162
Number of group employees	13,885 people (as of March 31, 2023)
Business Activities	Integration of group businesses, management of operations, etc. in the Human Resource Solution (HS) Business, Electronics Manufacturing Service (EMS) Business, and Power Supply (PS) Business
Main Consolidated Subsidiaries	Nippon Manufacturing Service Corporation TKR Corporation Power Supply Technology Co., Ltd.

Group Company
Total 25



Integrate the unique characteristics of each business and capture new demand

China (Hong Kong)

HS EMS PS



Sino-Japan Stafftraining and Dispatch Co., Ltd.
Sino Manufacturing Service Corporation
Wuxi office Shenzhen office Shanghai office
Dongguan office Guangzhou office Suzhou office
TKR Huanan Electronics Co., Ltd (Dong Guan)
PST Huanan Electronics Co., Ltd (Foshan)
Shenzhen office Suzhou office

Thailand • Cambodia • Laos

HS PS



nms(Thailand) Co., Ltd.
Power Supply Technology (Thailand) Co., Ltd.



Representative office of nms (Thailand) Co., Ltd.



NMS Lao Sole Co., Ltd.



TKR Hong Kong Limited
Power Supply Technology (Hong Kong) Co., Limited

Vietnam

HS EMS



NMS International Resources Co., Ltd.
nms Vietnam Co., Ltd.
TKR Manufacturing Vietnam Co., Ltd.

U.S.A • Mexico

EMS



TKR USA, Inc.



TKR de México S.A. de C.V.

Malaysia

EMS



SHIMA Electronic Industry (Malaysia) Sdn. Bhd.
TKR Manufacturing (Malaysia) Sdn. Bhd.
TKR Precision (Malaysia) Sdn. Bhd.

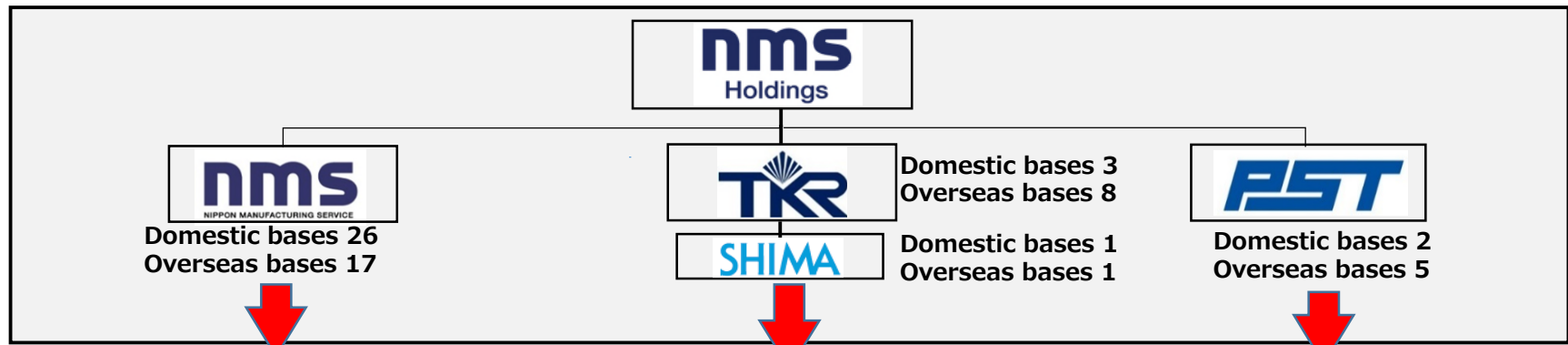


Indonesia

HS

PT. NMS CONSULTING INDONESIA

Bringing Japanese Manufacturing Quality to the World



HS

Human Resource Solution Business

Staff members who are highly knowledgeable about products, manufacturing processes and production sites are taking an active role in each region of Japan, China and ASEAN member countries.

Legal Entity

Nippon Manufacturing Service Corporation

EMS

Electronics Manufacturing Service Business

This business implements total solutions that help customers to improve their competitive strength.

Legal Entity

TKR Corporation

PS

Power Supply Business

This business offers improved solutions that are a step above the rest with our technical expertise as a dedicated power source manufacturer.

Legal Entity

Power Supply Technology Co., Ltd.

Main Consolidated Subsidiaries	Countries/ Regions Entered	Main Business Activities
Human Resource Solution Business (HS Business)		
<ul style="list-style-type: none"> • Nippon Manufacturing Service Corporation • nms Engineering Co., Ltd. • Japan Technical Education organization (JATEO) • Sino Manufacturing Service Corporation • nms Vietnam Co., Ltd. • nms (Thailand) Co., Ltd. • PT. NMS CONSULTING INDONESIA • NMS Lao Sole Co., Ltd. etc. 	<p>Japan China Vietnam Thailand Laos Indonesia Cambodia</p>	<p>General manufacturing services in Japan and overseas</p> <ul style="list-style-type: none"> • Contract manufacturing business (contracting [on-premises contract manufacturing] and contract manufacturing staffing and recruitment services) • IT production engineering business (staffing and recruitment services) • IT and design development engineering business (staffing, recruitment services and contracting) • Logistics service business (distribution 3PL / flow surface processing / staffing) • Contract education/training after entering Japan for technical interns and business support for companies accepting interns concerning the technical intern training program for foreigners • Technical service business (various repairs, rework and analysis / general customer services)
Electronics Manufacturing Service Business (EMS Business)		
<ul style="list-style-type: none"> • TKR Corporation • TKR Huanan Electronics (Dongguan) Co., Ltd. • TKR Manufacturing (Malaysia) Sdn. Bhd. • TKR Precision (Malaysia) Sdn. Bhd. • TKR Manufacturing Vietnam Co., Ltd. • TKR USA, Inc. • TKR de México S.A. de C.V. • SHIMA Electronic Industry Co., Ltd. etc. 	<p>Japan China Hong Kong (China) Malaysia Vietnam U.S.A. Mexico</p>	<ul style="list-style-type: none"> • Electronics Manufacturing Service business (substrate mounting, substrate assembling, simple pressing, resin molding, assembly, etc.) • Labor-saving Device Manufacturing/Sales business • Energy-saving Device Manufacturing/Sales business • Business initiatives shared with the customer, and design, development and sales efforts related to such • Startup solutions business • 3D Printer business (design, manufacture, sales, repair and maintenance)
Power Supply Business (PS Business)		
<ul style="list-style-type: none"> • Power Supply Technology Co., Ltd. • PST Huanan Electronics (Foshan) Co., Ltd. • Power Supply Technology (Thailand) Co., Ltd. • Power Supply Technology (Hong Kong) Co., Limited 	<p>Japan China Hong Kong (China) Thailand</p>	<ul style="list-style-type: none"> • Custom power supply (switching and high-voltage): development, design, manufacturing, sales • Magnet roll: development, design, manufacturing, sales • A wide variety of transformers (switching/high-voltage transformers): development, design, manufacturing, sales • Development, design, manufacture and sale of battery management system related products

None of the information in these materials constitutes a solicitation to purchase or sell shares in nms Holdings Corporation.

The financial forecasts and other forward-looking statements in these materials are based on information available at the time these materials were produced as well as certain assumptions deemed reasonable by the company. Actual results may differ substantially due to various risks and uncertainties.

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