



Long-term Vision

「TOWA Vision 2032」

Mid-term business plan I

FY2022~FY2024

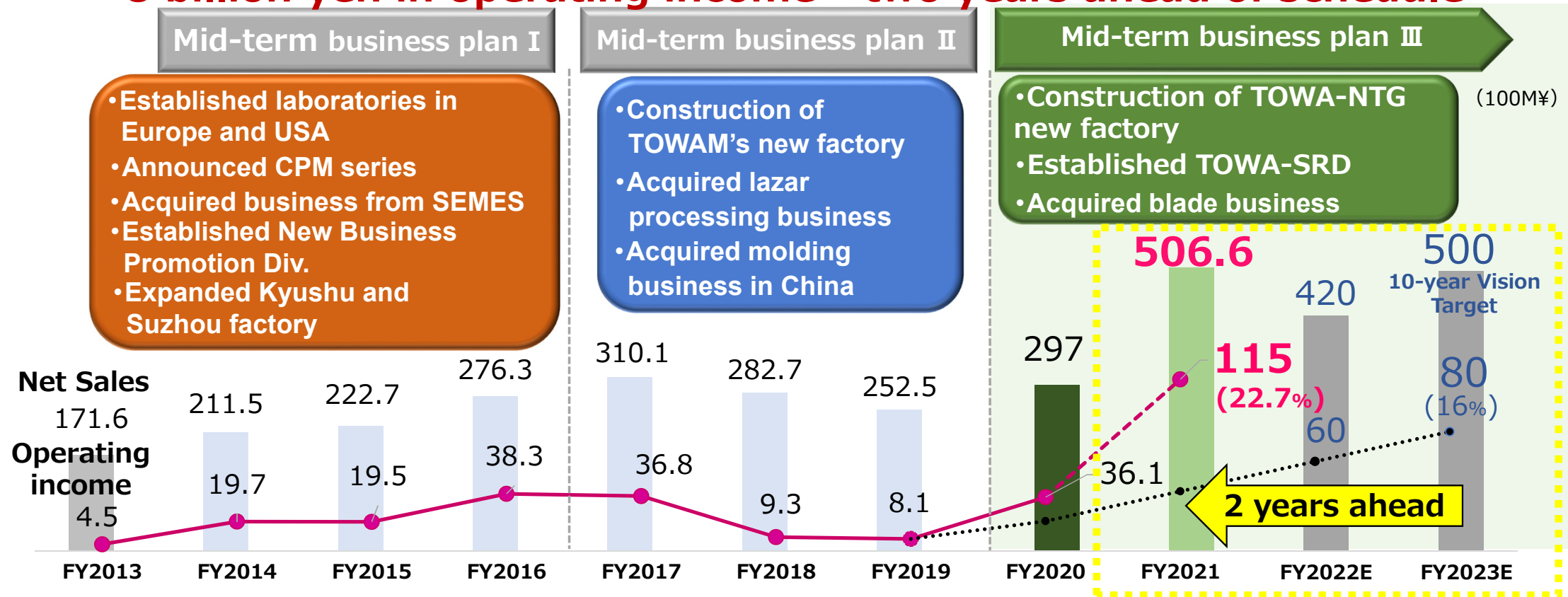
TOWA CORPORATION

Main content

- 1. TOWA 10-year Vision Review**
2. New Long-term Vision
「TOWA Vision 2032」
3. Mid-term business plan I

TOWA 10-year Vision Review

By aggressive investment in view of business scale expansion, we achieved "50 billion yen in net sales and 8 billion yen in operating income" two years ahead of schedule



TOWA 10-year Vision Review 【Semiconductor】

TOPICS

Maintain the top share of Molding Equipment

- Increased TOWA's presence in advanced package development by establishing its own laboratories and participating in international research organizations
- Expanded Compression Molding Equipment market by expanding application of Compression technology (NAND Memory, Communications IC, etc.)
- Released innovative equipment (Semiconductor of the Year 2016 Grand Prix Award, Next Generation Compression Molding Equipment)

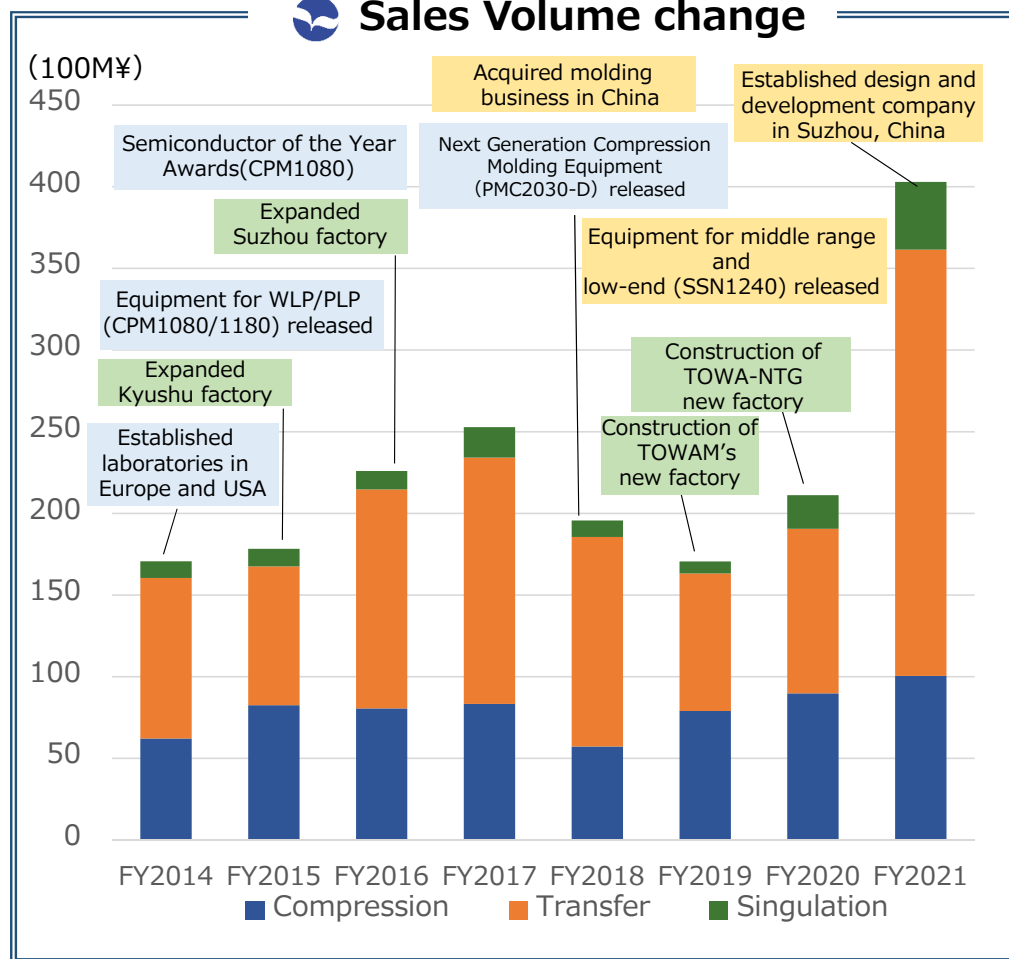
Meeting the rapidly expanding demand of the Chinese Market

- Acquired new customers by establishing a system that customers can enjoy total support from design and production of semiconductor manufacturing equipment to sales and after-sales service just in China
- Development of Transfer molding equipment to meet the need for replacement of manual molding equipment and local production of molds to enhance market competitiveness and expand the target market to middle range and low-end

Established production system that can flexibly meet market changes

- Aggressive capital investment to significantly increase production capacity
- Due to review of production system, we realized both production capacity expansion (Prior production) and moderation inventory (Production after ordered)
- Strengthened alternative production systems at multiple sites as risk management

Sales Volume change



TOWA 10-year Vision Review 【Fine Plastics】

Expanded net sales by enhancing the product supply capacity for the high added value products by utilizing Japan's leading facilities

TOPICS

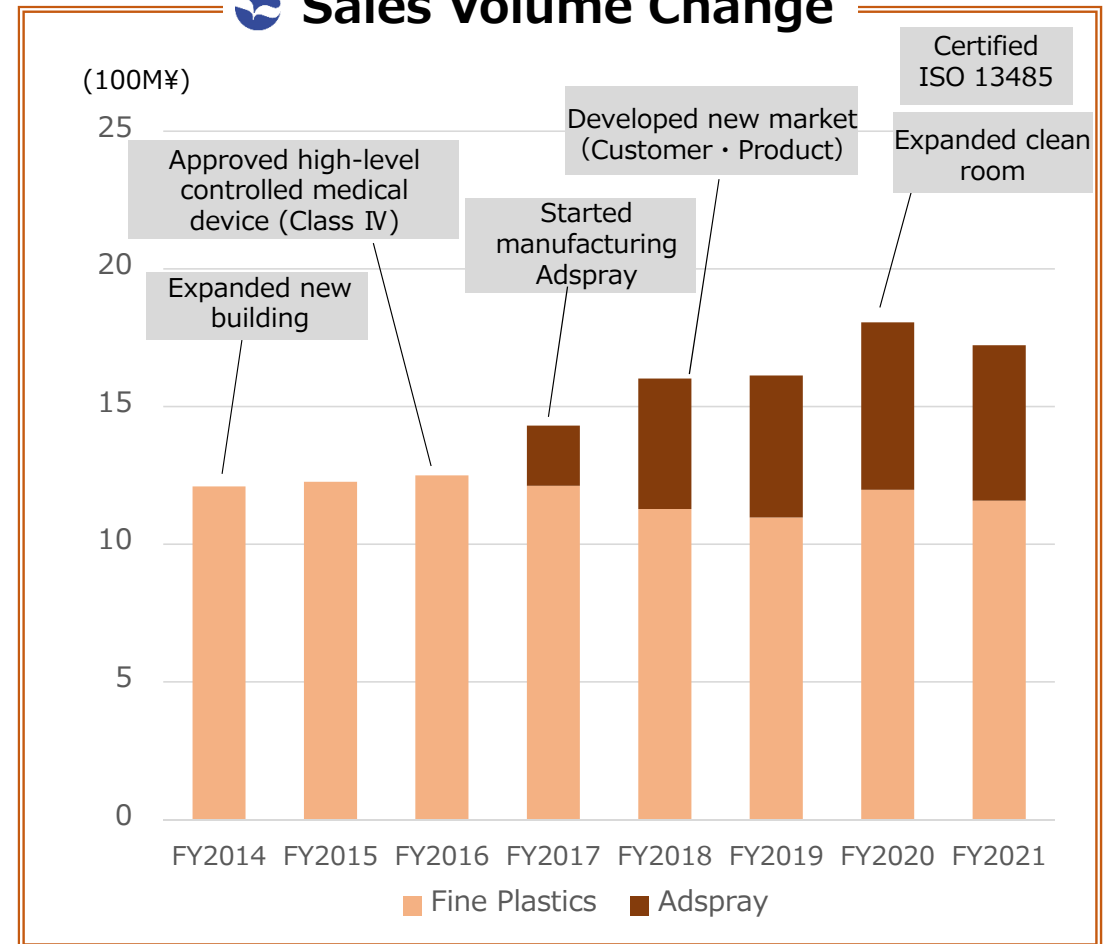
Order received · Sales

- Developed new customers by utilizing Japan's leading integrated production facilities, capable of injection molding to assembly in a clean room
- Developed new market through combining fine processing technology and injection molding technology, TOWA's core

Production System

- Approved by Ministry of Health, Factory for high-level controlled medical device (Class IV) and we started manufacturing Adspray.
- Certified ISO 13485 (Quality Management System for Medical Equipment)

Sales Volume Change



TOWA 10-year Vision Review 【New business & Laser】

TOPICS

Enhance TSS (Total · Solution · Service) business

- Started selling Mold Release Films used as release material in molding process
- Acquired molding business of Samsung's subsidiary and started remodeling business of molding equipment

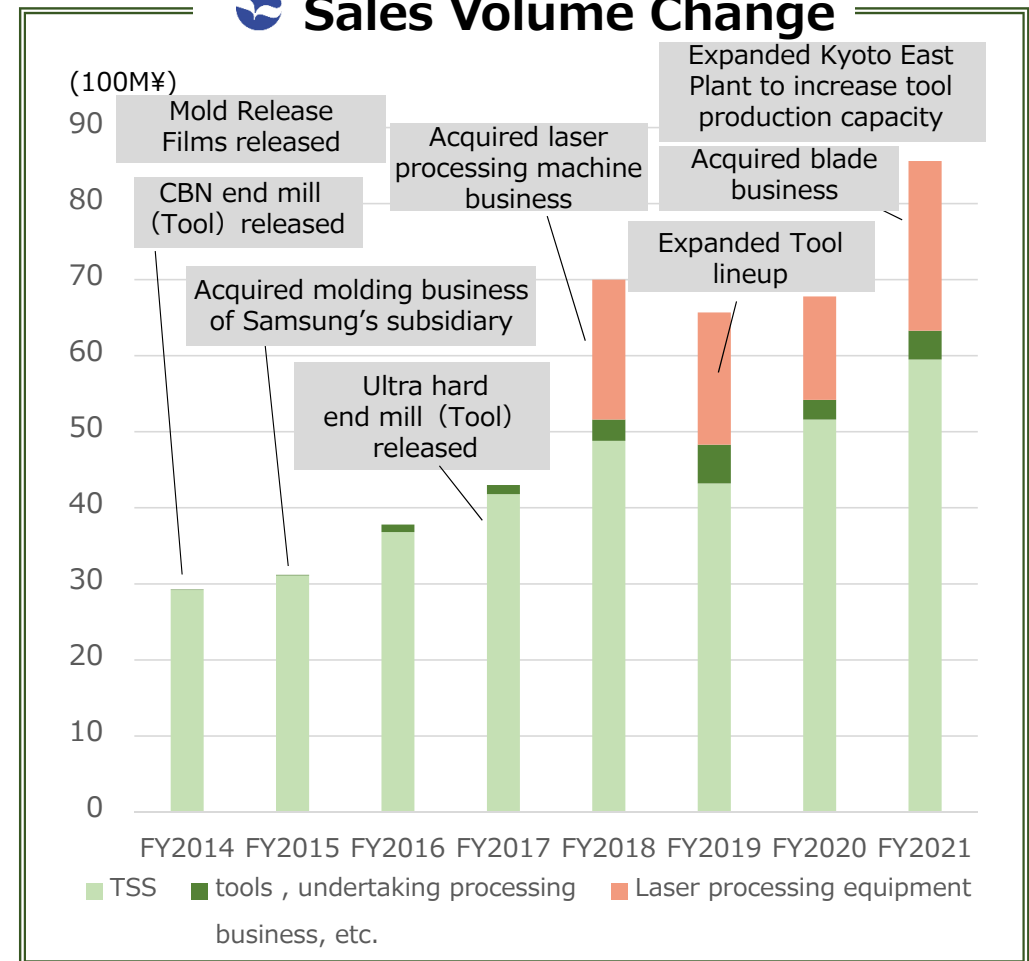
Develop New business by M&A

- Acquired all shares of OMRON Laserfront Inc. and took over Laser processing equipment business
- Acquired all shares of Fine International Co., Ltd. , and took over blade business related to singulation equipment

Started New business based on TOWA's core technologies

- Released in-house developed end mill (tool) that support ultra-precision processing technology for resin sealing molds for semiconductor
- Started under processing business applying TOWA's core technologies (ultra precise processing technology, fine processing technology, coating technology)
- Expanded Kyoto East Plant to increase tool production capacity

Sales Volume Change



TOWA 10-year Vision Review [ESG & Shareholder Return]

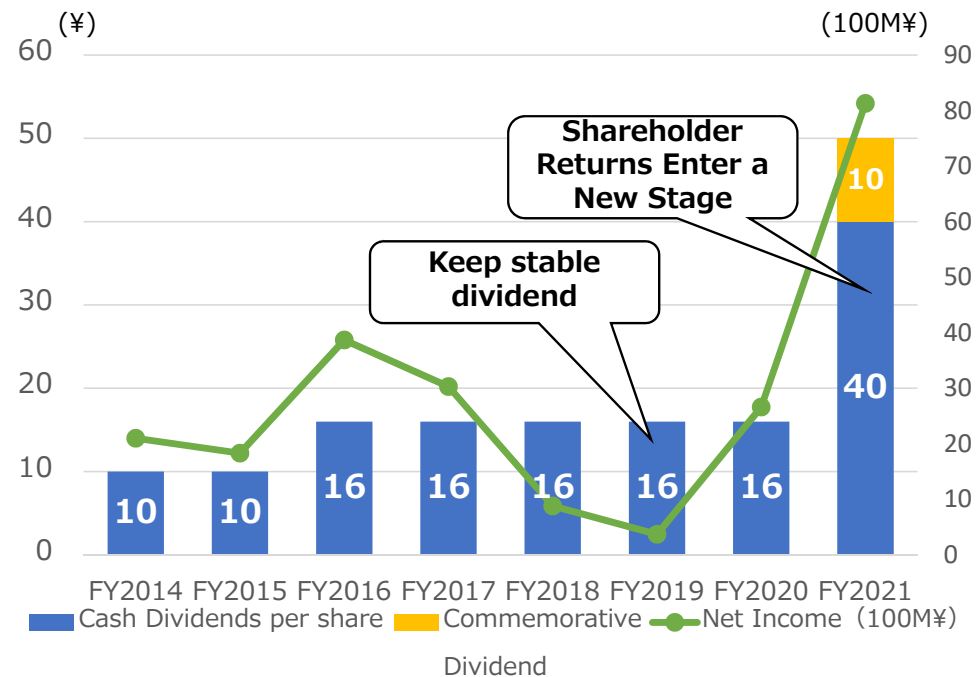
Activities to Achieve ESG



- Expand sales of Compression Molding Equipment with high environmental performance
 - ▶ Reduces CO2 emissions by approximately 70% compared to Transfer Molding
 - ▶ Zero resin waste used in the semiconductor molding process
- Switched the electricity used at all major domestic establishments to the renewable energy derived electricity and promoting solar panels
- Introduced a new reemployment system that allows employees to continue working at the same level of treatment as full-time employees after retirement
- Increased an Outside Director (woman)
Increased the ratio of outside directors to more than one-third, while ensuring diversity
- Established the highly independent Nomination and Compensation Committee
 - ▶ The Chairperson is an Independent Outside Director
 - ▶ Majority of the members are Independent Outside Directors

Net Income and Cash Dividends Volume Change

- ▶ Established financial base capable of keeping stable and continuous dividends
- ▶ Strengthen shareholder returns following expansion of business scale



Main content

1. TOWA 10-year Vision Review
- 2. New Long-term Vision
「TOWA Vision 2032」**
3. Mid-term business plan I

Long-term Vision

TOWA Vision 2032 Theme

「To the top of the world with change」

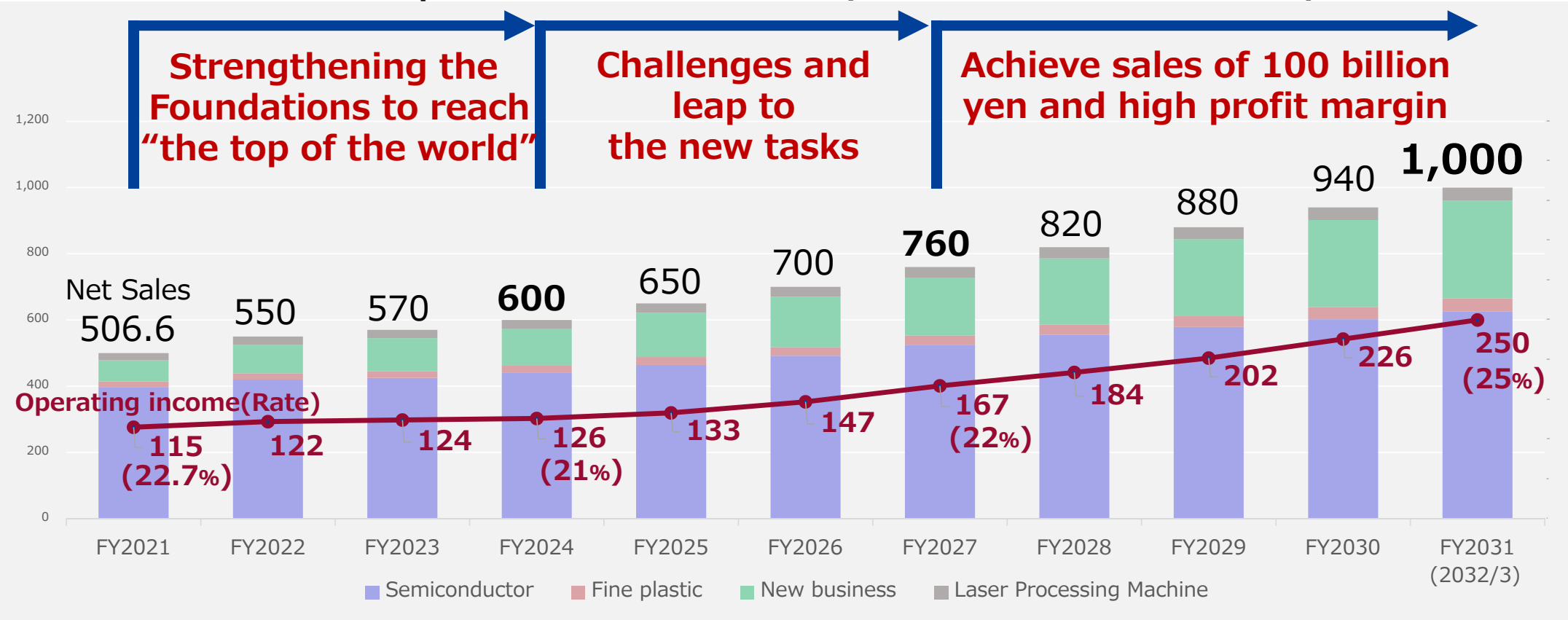
TOWA wants to be :

- The world's leading company that continues to create customer value through packaging process proposals
- A company that realizes sustainable society with TOWA's technology
- A well-known company realized by proactive information dissemination
- A company where employees can work with a smile, where corporate culture is passed on and diverse values are respected

Numerical Target for Long-term Vision

TOWA Vision 2032

Mid-term business plan I Mid-term business plan II Mid-term business plan III (100M¥)



Long-term Vision

TOWA Vision 2032

(100M¥)

	FY2024	FY2027	FY2031 (2032/3)
Net Sales	600	760	1,000
Semiconductor	440	525	625
Fine plastic	22	28	40
New business	112	175	295
Laser Processing Machine	26	32	40
Operating income	126	167	250
Operating margin	21.0%	22.0%	25.0%

Main content

1. TOWA 10-year Vision Review
2. New Long-term Vision
「TOWA Vision 2032」
- 3. Mid-term business plan I**

Mid-term business plan I

Mid-term business plan I

FY2022 ~ FY2024

(Theme)

Process innovation by TOWA

Mid-term business plan I

(100M¥)

	FY2022	FY2023	FY2024
Net Sales	550	570	600
Operating income	122	124	126
Operating margin	22.2%	21.8%	21.0%
Ordinary income	122	124	126
Net income	85	87	88

※Net income=Income attributable to the shareholders of TOWA CORPORATION

Mid-term business plan I

(100M¥)

	FY2022	FY2023	FY2024
Net Sales	550	570	600
Semiconductor	420	425	440
Fine plastic	19	20	22
New business	86	100	112
Laser Processing Machine	25	25	26

Mid-term business plan I

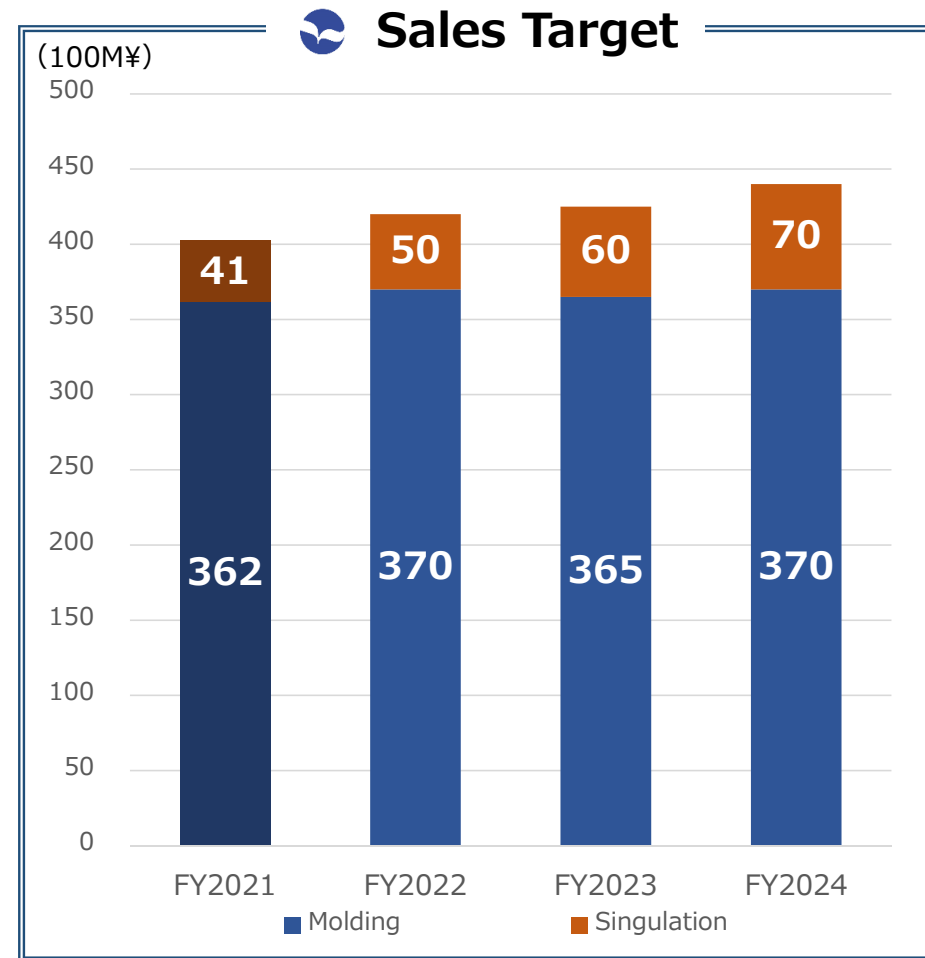
Basic Policy

- ① Make added-value inherent to our proprietary technologies, quality and business processes (know-how) into business through paradigm shift and improve.
- ② Strengthen market competitiveness and financial base by maximizing throughput with DX.
- ③ Expand new businesses and profits based on our core technologies.
- ④ Nourish human resources who have various challenging minds and lead the next generation.
- ⑤ Enhance corporate value by actively dealing with SDGs and ESG.

Mid-term business plan I (Business Strategies)

Semiconductor manufacturing equipment business

- ① Strengthen profitability of Semiconductor manufacturing equipment business by using added-value to expand process business
- ② Reinforce our production system and financial base by practicing MIP (Minimal Inventory & Period) designed to shorten lead time and reduce inventories
- ③ Anticipate customer needs and develop products meet SDGs and ESG investment promptly by proactively investing resources in development
- ④ Expand markets through collaboration between singulation and blade



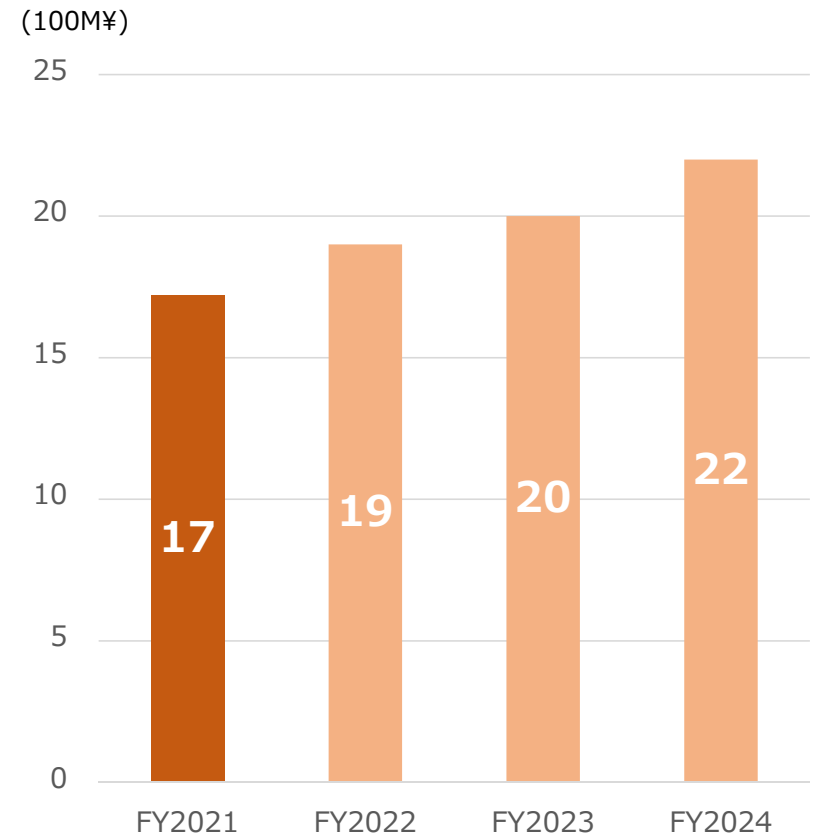
Mid-term business plan I (Business Strategies)

Fine plastic business

- ① Enhance the added-value of the TOWA brand and increase the business scale on core technologies developed in Fine Plastics business
- ② Further pursue quality, cost and delivery in order to build a stable profitable structure
- ③ Diversify products by utilizing medical device licenses



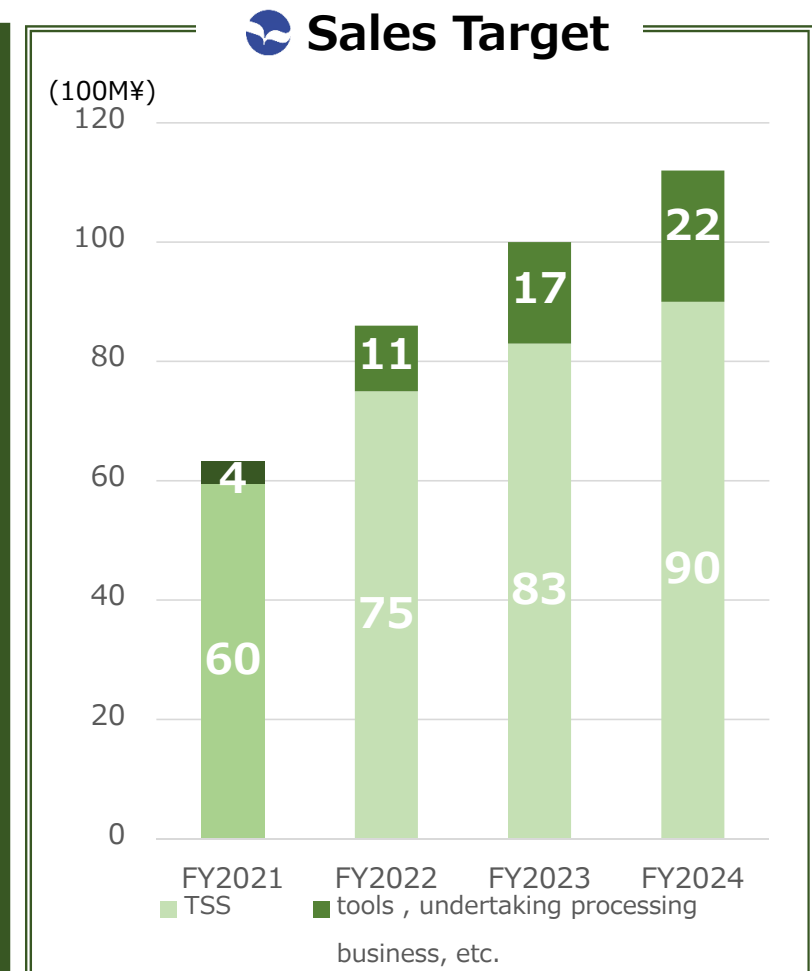
Sales Target



Mid-term business plan I (Business Strategies)

New business

- ① Develop applications of our core technologies in order to create new core business that will help reshape our business portfolio
- ② Realize new business development through the creation of TOWA-original products
- ③ Contribute to the stable operations for customers through TSS business and secure the long-term relationships
- ④ Improve competitiveness and increase market share by utilizing our global production bases to reduce costs

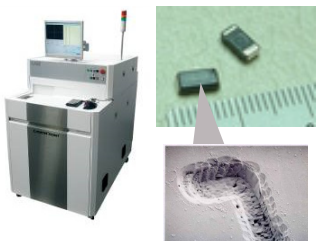


Mid-term business plan I (Business Strategies)

Laser processing machine business

- ① Aim at "value creation" and "value acquisition" by creating new products through enhanced applications
- ② Make full use of TOWA Group's production and sales bases in order to increase production capacity, reduce costs, and strengthen sales system and services
- ③ Grow into a company which can provide problem-solving business by thoroughly pursuing customer processes

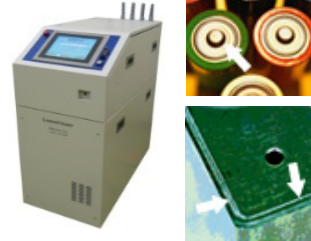
(Laser Trimmer)



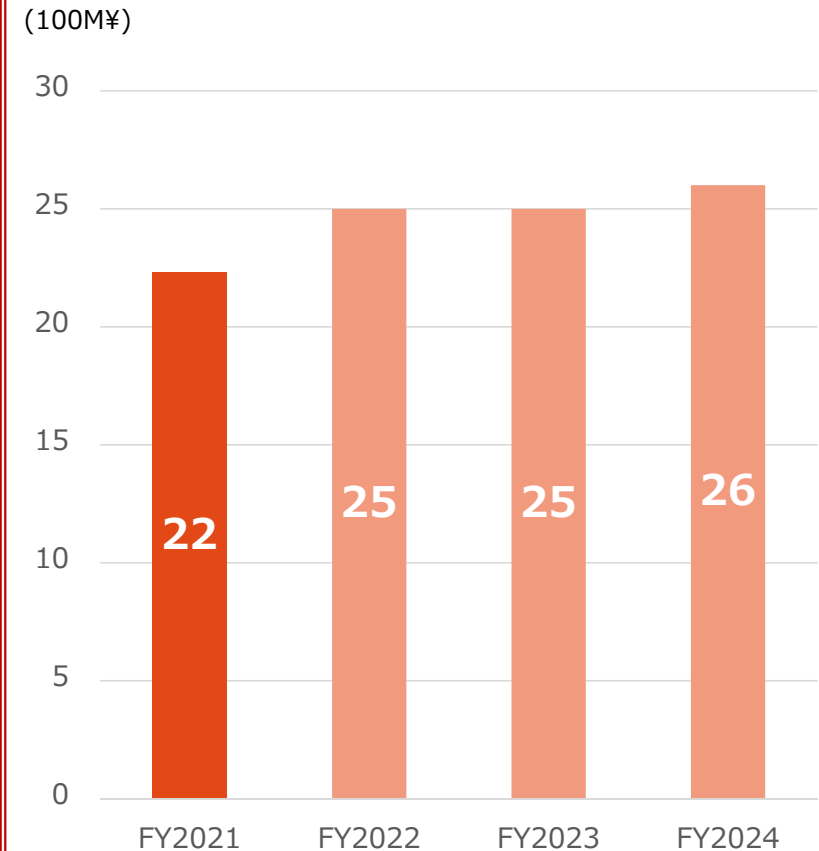
(Wafer Marker)



(Laser Welder)



Sales Target



Mid-term business plan I (Strategies by function)

Sales strategies

- ① Enhance process support and build business models that can be produced only with our technology, thereby expanding sales and improving profitability
- ② Expand the range of utilization of our proprietary compression devices
- ③ Build a global sales, management system and service system in order to increase customer satisfaction

Development strategies

- ① Develop new products that meet the needs of our customer through paradigm shift
- ② Establish de facto standards through mold process development and the next-generation molding innovation
- ③ Promote the environment friendly development that be awareness of SDGs and ESG

Production strategies

- ① Optimize our global production and purchasing system in order to reduce costs and shorten lead times
- ② Improve production technologies in order to increase confidence in quality
- ③ Work to make high value-added products with DX
- ④ Nourish human resources and build a business structure that can respond to changes in the environment (risks)

Human resources/organizational strategies

- ① Global expansion of TOWA bases for wide-ranging business support from process development to solution proposals
- ② Nourish global human resources who lead the next generation
- ③ Promote work style reform by improving operational efficiency with DX
- ④ Found "TOWA School" for passing down TOWA's technologies and culture

T O W A V i s i o n 2 0 3 2

「To the top of the world with change」



《Contact》

TOWA CORPORATION Corporate Planning Dept.
5 Kamichoshi-cho, Kamitoba, Minami-ku, Kyoto 601-8105
Telephone number : 075-692-0251

This presentation material contains TOWA Group's forward-looking statements regarding, including but not limited to, plans, policies, finances, technologies, products, services and results. Such forward-looking statements are the judgements made by the Group based on available data, assumptions and applicable methods etc. as of the presentation date, and contain various risks and uncertainties. Also, new risks and uncertainties can occur anytime and it is impossible to predict the occurrence and the effect of them. Thus, please understand the actual results could considerably differ from the forward-looking statements.