



NPC incorporated

Business Plan and Potential for Growth

December 2025

**NPC Incorporated
(TSE:6255)**

1. Business Model
2. Market Environment
3. Competitiveness
4. Business Plan
5. Risk Information

Company Policy

We, through creation of products,
aim to be a company needed by nature, society, and people.

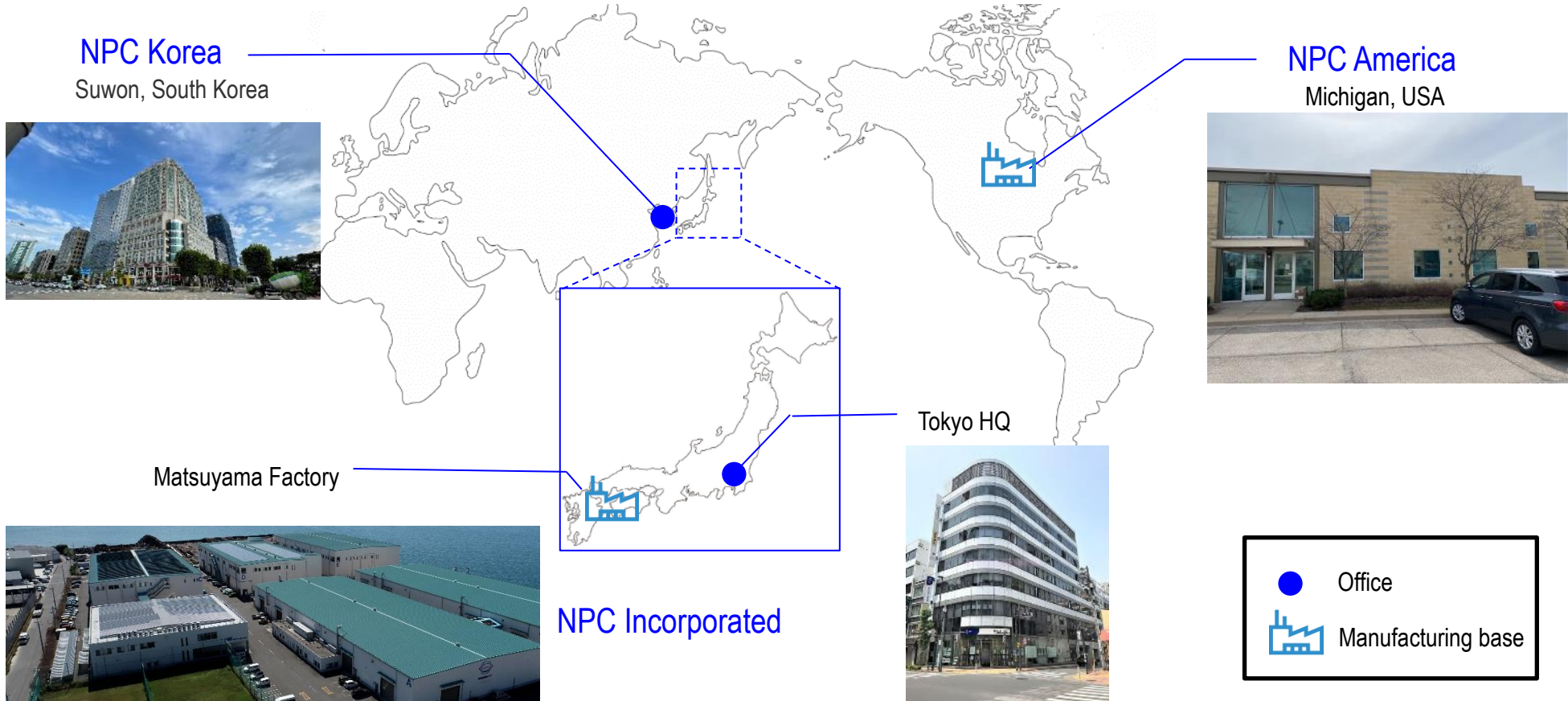


Matsuyama
Factory

Company Name	: NPC Incorporated
Establishment	: December 1992
Activity Bases	: Tokyo Headquarters/ 1-7-15 Higashi-ueno, Taito-ku, Tokyo Matsuyama Factory/ 2889 Nishihabu-machi, Matsuyama-shi, Ehime
Capital	: 2,812 million yen (as of August 2025)
Employee	: 168 (consolidated) (as of August 2025)
Fiscal year end	: August 31
Stock Market	: TSE Growth
Stock code	: 6255

Group Network

Name	Function	Employee
NPC Incorporated	Sales, Procurement, R&D, Design, Manufacturing, O&M	164
NPC America Automation Inc. (consolidated subsidiary)	Sales, Design, Manufacturing, O&M	4
NPC Korea Co., Ltd. (non-consolidated subsidiary)	Sales, Procurement	2



■ PV module manufacturing equipment



■ Solar panel recycling machines



■ Automation machines



■ Vacuum-related equipment



■ Inspection service for solar power plants



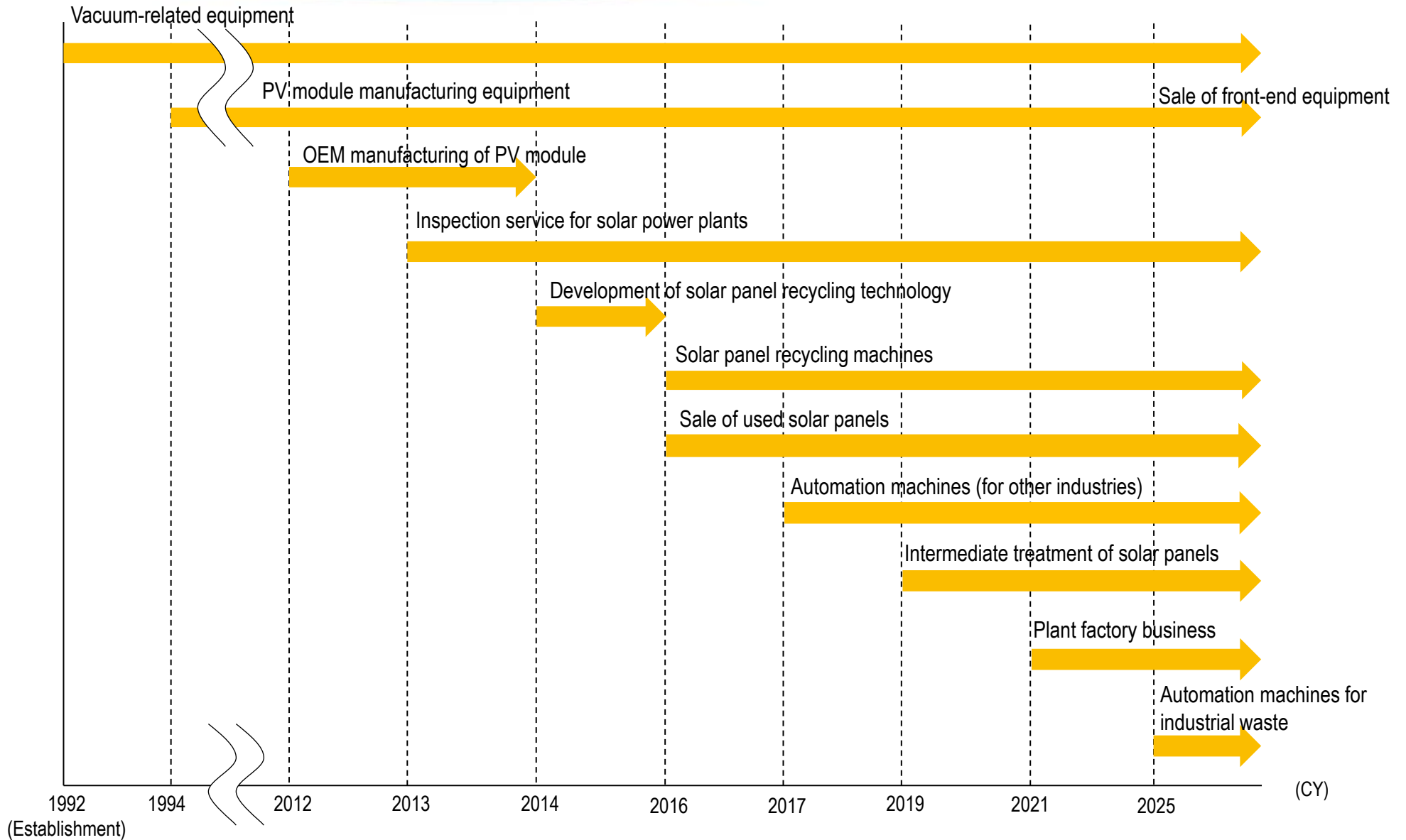
■ Reuse/recycling of solar panels



■ Plant factory business

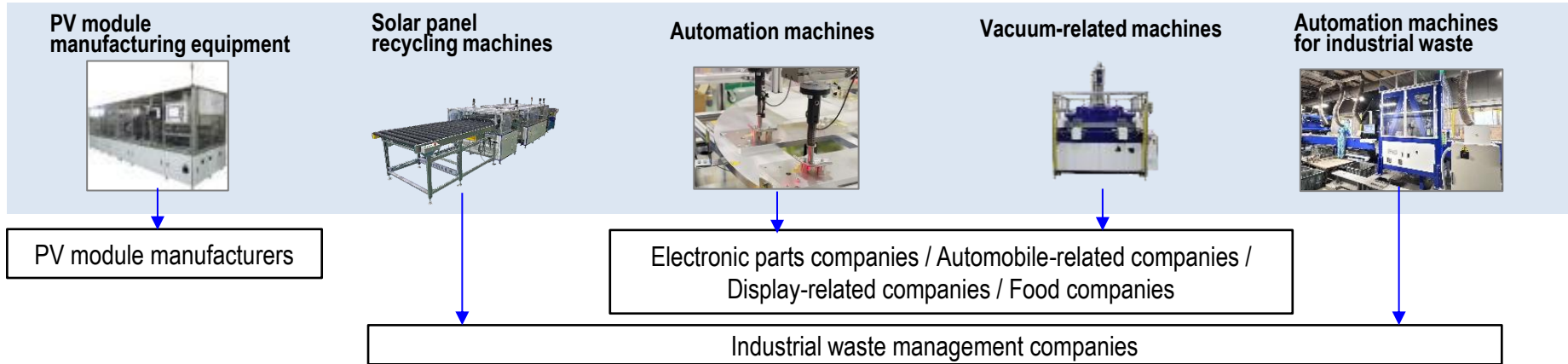


History of Business Expansion

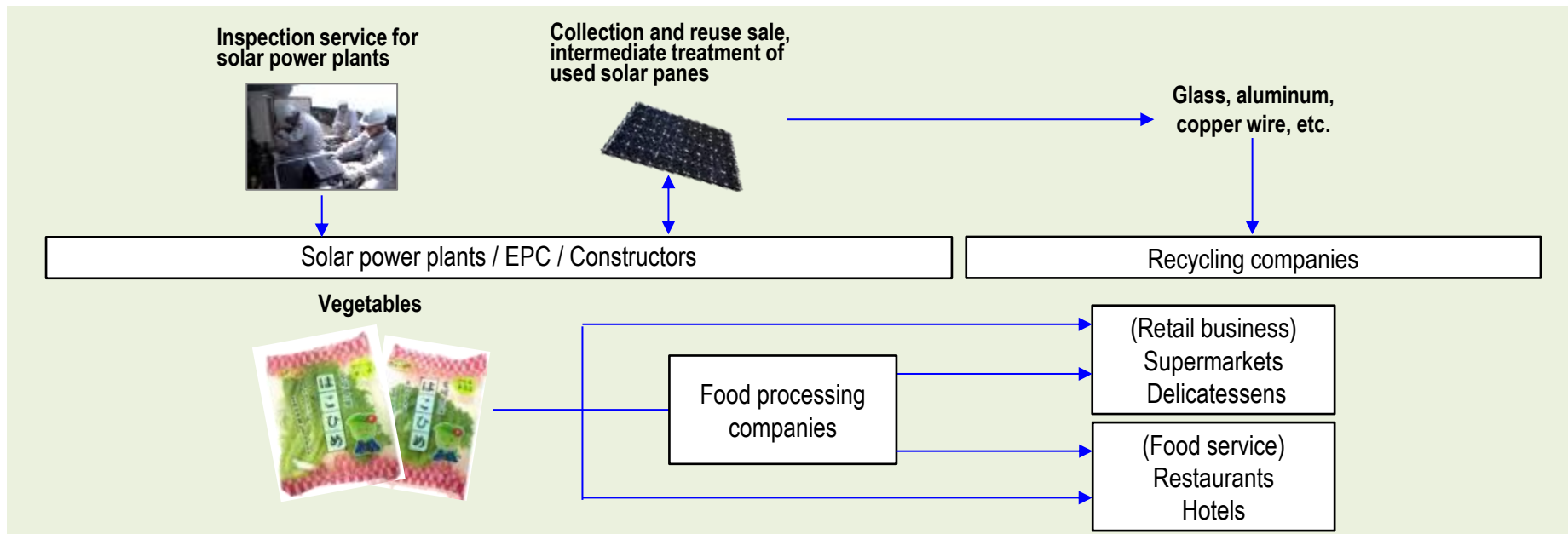


Target of Each Business

Machinery



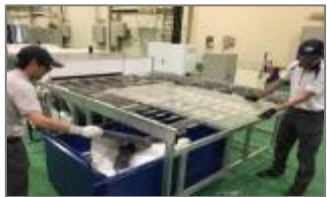
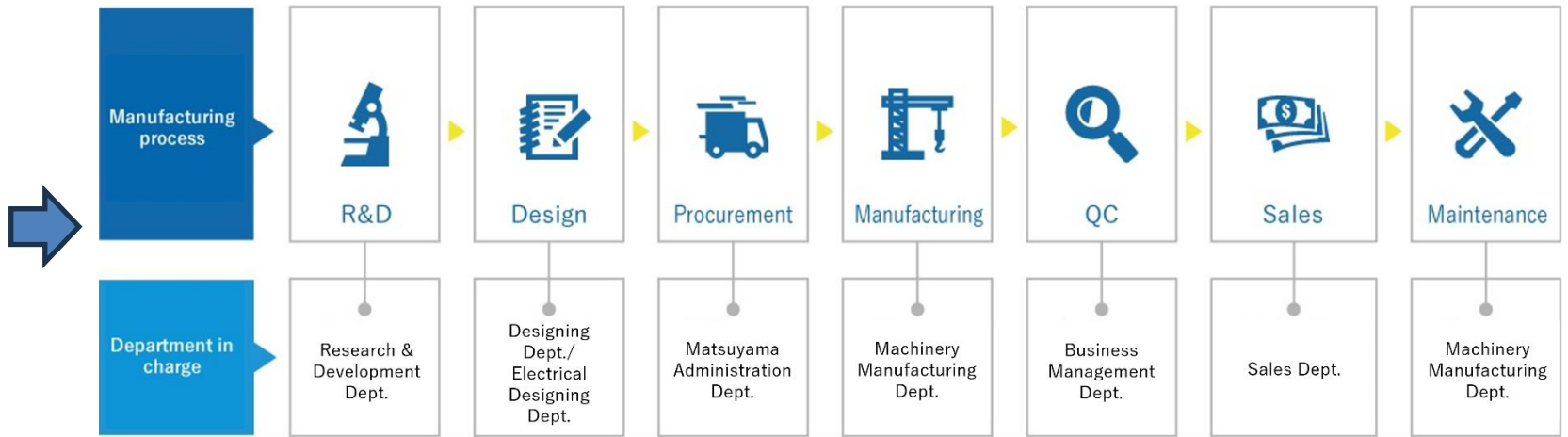
Environmental Services



What we do at our factory



Manufacturing equipment



Solar panel recycling (intermediate treatment)

Disassemble solar panel using our solar panel recycling machines (intermediate treatment), sell recoverable valuable materials such as aluminum and copper wires to recycle

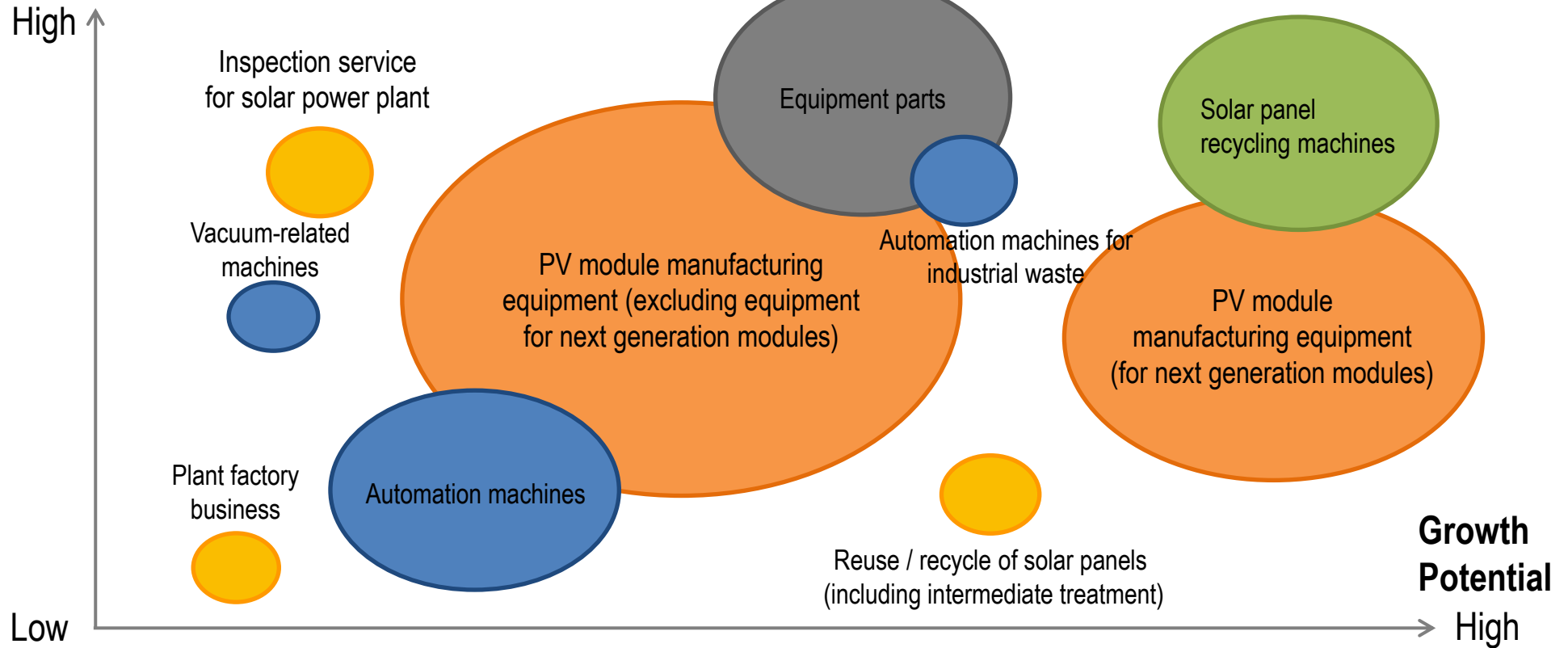


Plant factory

Utilize portion of the electricity generated with the solar panel on the rooftop of the factory to grow lettuce "Hakohime" at the artificial light plant factory. "Hakohime" is shipped within Ehime prefecture.

Business scale, growth potential, and profitability of our products and services

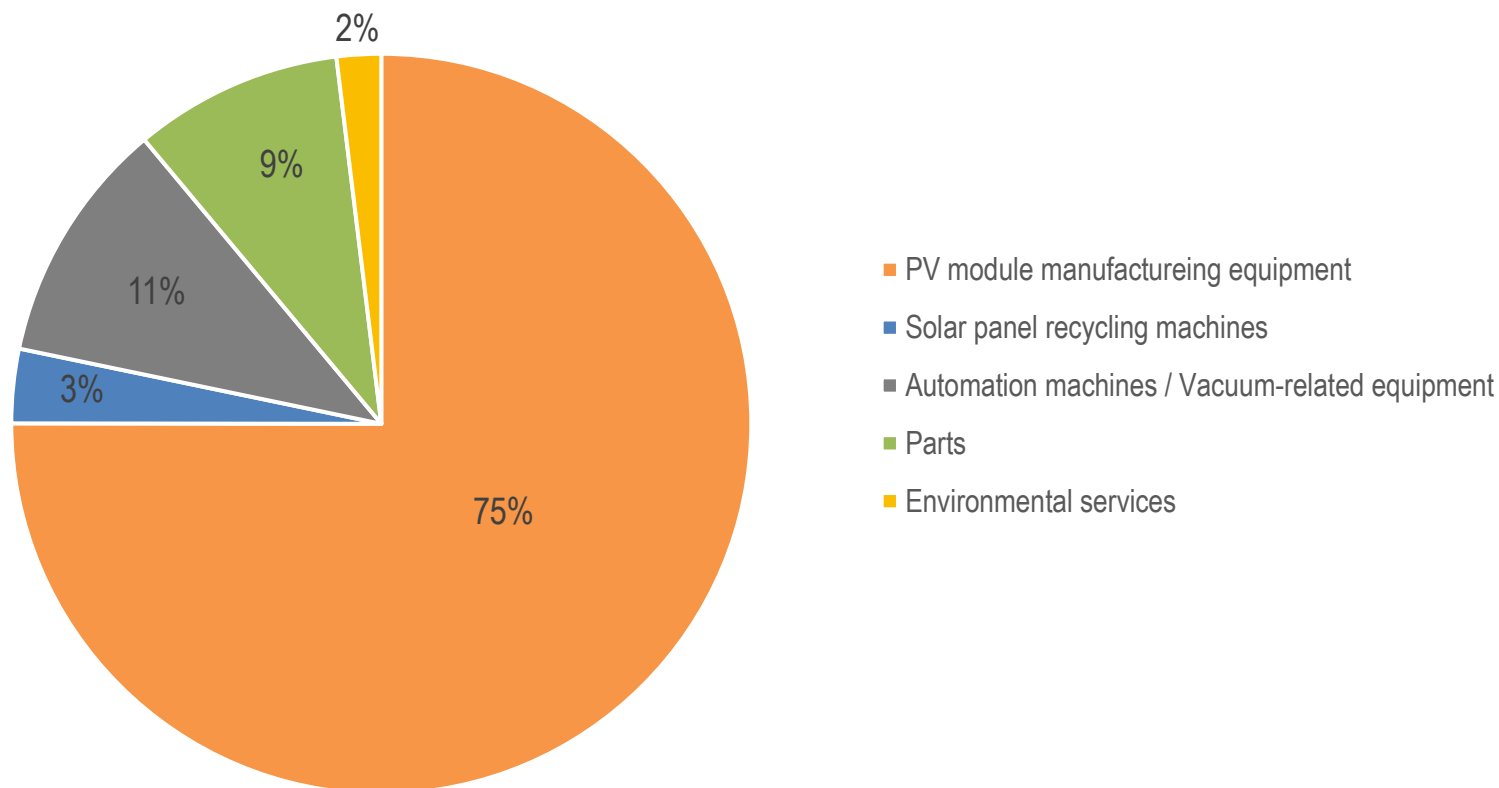
Profitability



- The weighted average gross profit margin for past 5 years: 30.3%
- PV module manufacturing equipment is stably profitable as we can take advantage of our 30 years' experience in the industry.
 - PV module manufacturing equipment business consists of new equipment and upgrading & expansion of existing equipment.
 - Profitability of upgrading & expansion is higher than new equipment as they are implemented on our own equipment installed in customers' facilities.
- Sales to domestic companies tend to be less profitable than the sales to overseas companies as there are many competitors.
- Solar panel disassembly equipment has high profit margin as it is equipped with our proprietary technology.
- Solar panel inspection service also has a high profit margin due to our original technology for detailed inspections.
- Benchmark of overall gross profit margin is 25%, but aim to constantly achieve gross profit rate of 30%.

Sales Composition

Sales breakdown of past 3 years



【Notes】

- The numbers related to sales in the above graphs are based on the accumulated sales amount from FY2023 to FY2025 (JPY 29,279 million).
- Currently, there is an overreliance on First Solar; however, we are aiming to reduce the imbalance in the future while maintaining business with First Solar, by increasing sales of manufacturing equipment for next generation modules such as perovskite PV module and solar panel recycling machines.

1. Business Model
2. Market Environment
3. Source of Competitiveness
4. Business Plan
5. Risk Information

PV Module Manufacturing Equipment (1)

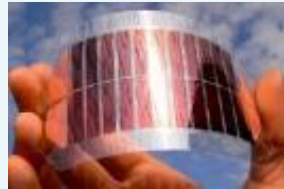
PV modules to which our manufacturing equipment is targeted

Thin-film PV modules

NPC's target

Crystalline PV modules

Next-generation PV modules such as perovskite

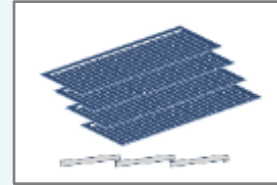


Thin-film (CdTe) PV modules



PV modules for special use

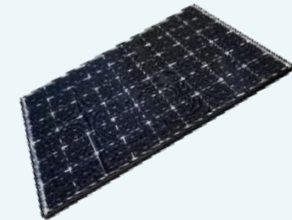
Building-integrated modules



Module for satellites



General crystalline modules



We offer custom-made high-end manufacturing equipment, which is required to manufacture thin film modules and special-purpose crystalline modules (such as BIPV modules and satellite solar modules). As an equipment manufacturer in this field, we have no specific competitor.

Our main customers are PV module manufacturers in the US and Japan. Among other companies, we have done business with our largest customer, US-based First Solar (listed on NASDAQ), for nearly 20 years.

We also target next-generation PV modules such as perovskite PV. Perovskite stands for a name of a crystal structure. Using this structure, PV modules can be manufactured with coating technology at low-cost. As this technology enables soft and light-weight PV modules which can be installed where crystalline modules cannot be installed, it is regarded as a key technology in energy transition. Researches are underway for mass production.

Crystalline modules account for approximately 90% of PV module market.

They are used for purposes such as mega solar power plants or general in-house power generation and mainly manufactured by Chinese and Korean PV module manufacturers.

In addition, the manufacturing process for general panels is standardized and Chinese equipment manufacturers provide manufacturing equipment. We do not offer manufacturing equipment for these modules.

PV Module Manufacturing Equipment (2)

US PV market

US PV market is the second largest in the world.

(Source: National Renewable Energy Laboratory (2025). Winter 2025 Solar Industry Update.)

-Minimum generation cost of solar power generation in US is \$38/MWh, which is lower than \$71/MWh of fossil fuel generation. (Source: 2025 Levelized Cost of Energy+, LAZARD, 2025)

-Actions regarding solar power generation are taken not only as a federation, but also on a state and regional basis. 12 states and 3 districts have legislated to transit to 100% clean energy by 2050 at the latest (includes 5 states and districts that will transit to 100% renewable energy), and many of the major corporations in the US invests or own solar power plants or place PV panels on their properties.

US major customer

First Solar:

World's top-class thin-film (CdTe) PV manufacturer

- First Solar has abundant order backlog (54.5GW) backed by the favorable market environment. Capital expenditure for capacity expansion to increase the production of standard products and R&D for new products is expected to continue in response to the strong demand.

- US domestic annual nameplate manufacturing capacity is expected to be 17.7GW in 2027 by the capital investment in South Carolina.

- R&D of perovskite PV module is in progress.

- NPC has provided equipment for all the factories that are in operation. Other than sales of equipment for new factories, there is also continuous business such as upgrading of equipment in operation and parts sales. We will be promoting sales of front-end equipment.

Start of operation	Location	Production capacity (GW) (at the start of operation)
In operation	Ohio, Malaysia, Vietnam	9.8
In operation	Ohio	3.3
In operation	India	3.3
In operation	Ohio	0.9
In operation	Alabama	3.5
In operation	Ohio	Silicone and thin-film tandem module R&D line
In operation	Ohio	Perovskite development equipment
2026	Louisiana	3.5
2026	South Carolina	3.7

(Prepared by NPC based on First Solar's Earnings Call)

Perovskite PV modules

Market has not yet established since perovskite is a new technology, still under R&D.

It is predicted that in 2040, market size in Japan will be 34.2 billion yen, and in worldwide will be 4 trillion yen

(Source: Fuji Economic Research Institute (2025). 2024 New and Next-Generation Photovoltaic Cells Development Trend and Future Market Prospects.)

■ Actions of Japanese government

Assistance related to production

- Aim to establish a gigawatt-scale production system by 2030
- Establishment of installation methods for locations where it was not possible to install conventional solar panels
- To enhance international competitiveness, reduce manufacturing costs by building a stable supply chain (including raw materials)

Assistance related to creating demands

- Aim to introduce 20GW by 2040
- Assistance for local governments and companies to install film-type perovskite PV module to places that it was not possible to install conventional solar panels

Assistance related to establishment of mass production technology

- Aim to achieve the power generation cost to reach a point where market is self-sustainable by 2040
- Subsidize R&D for tandem technology

Strategies for overseas expansion

- Based on reflections on the past (decline in global market share of Japanese companies in the crystalline silicon market, the loss of superiority in manufacturing technology, and the outflow of technology and human resources), the following will be implemented:
 - Early acquisition of overseas markets, prompt establishment of international standards for reliability assessment, collaboration with friendly nations that possess advanced research institutions

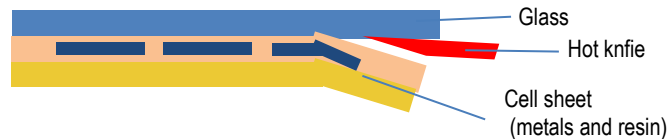
■ Trends in Japanese manufacturers

- Companies that have not manufactured solar cells before entered the market, R&D is being conducted by various manufacturers.
- Type of panel being developed differ depending on the company, such as flexible film type and building material-integrated type.
- Many manufacturers have announced the start of commercialization or test sales in 2025 and 2026, and mass production is expected to begin in a few years.

Solar Panel Disassembly Equipment (1)

Examples of recycling methods

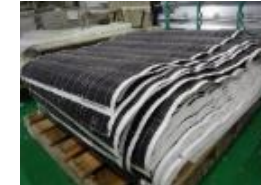
Method	Processing method and other details	Main equipment manufacturers
Hot knife separation method	Method to separate glass and cell sheet, which contains silicon and other metals, using a blade heated to about 300°C. Glass is collected as sheet glass.	NPC Incorporated
Crushing	Method to physically crush solar panel glass using a tool such as hammer or roller and remove the glass part.	Kankyo Hozen Service Co., Ltd., Tiger-Chiyoda Machinery Co., Ltd., Kinki Industrial Co., Ltd., and Donico Inter Co., Ltd.
Blasting	Method to fix the solar panel, spray abrasive to crush glass, and scrape it away.	Mirai Sozo K.K.
Heat treatment	Method to put the solar panel in the furnace, pyrolyze the sealer (resin) at a high temperature of several hundred degrees and remove glass and metal.	Shinryo Corporation and Niimi Solar Company



Glass



Glass from broken solar panel



Cell sheet

(Based on research by NPC)

Features and advantages of the heated blade separation method

- NPC proprietary treatment method with 4 patents. No competitors with the same technology.
- High recyclability as glass can be collected as sheet glass and metals do not mix in.
- Energy-saving and rapid treatment (a solar panel is processed in 60 seconds).

Solar Panel Disassembly Equipment (2)

Features and competitive advantage of the new product “EVA Scraper”

- Use our original method (brush scraping method) which is a patented technology, therefore no competitor with same technology

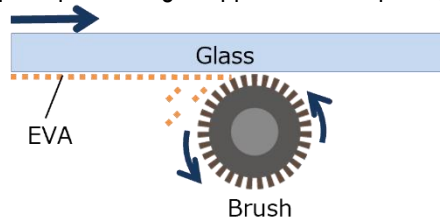
*What is a “brush scraping method”?

---Method that scrapes off EVA by rotating a special brush on the surface of glass after separation from cell sheet.

- Reduces the residue to a level that glass could be closed-loop recycled (according to the evaluation done by sheet glass manufacturer) by removing the remaining EVA from glass after separation from cell sheet.

- Only need electricity and a compressor to use this machine as it processes in a dry state, and the removed EVA is collected by the dust collector.

- High speed processing of approx. 60 sec./panel, which is the same speed as the Glass Separator



Business collaboration with a sheet glass manufacturer and its effect on our business

NPC

- Sales of solar panel recycling machines
- R&D to improve recyclability

Collaboration

AGC



- Closed-loop recycling of cover glass that is separated using our equipment
- Advice on equipment specifications
- Purchase glass that is separated using our equipment
- Support development of logistics network for efficient collection of glass cullet

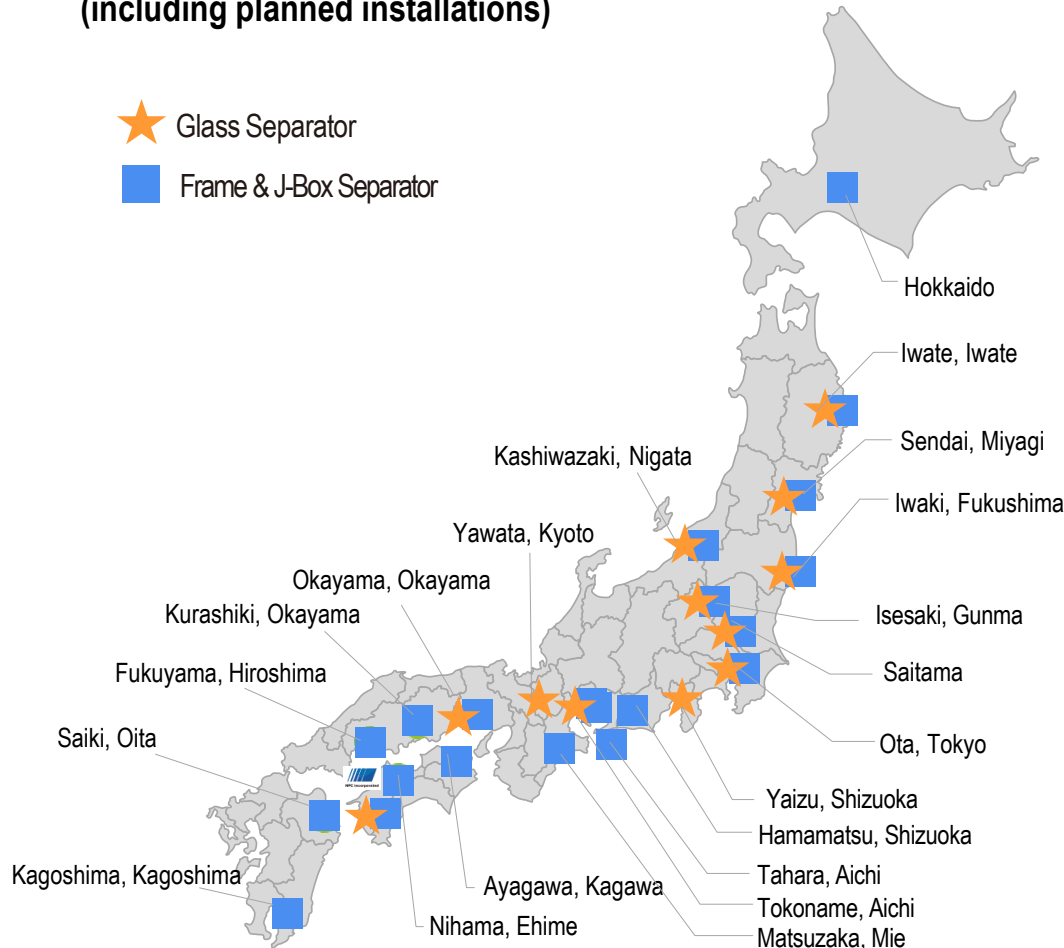
- Barrier to start solar panel recycling have been lowered, since closed-loop recycling and purchasing of glass realized. While cover glass is the largest part of solar panel, those had not realized until now.
- It is necessary for the glass to be separated using our Glass Separator and EVA Scraper for the glass to be purchased; therefore, it is expected that competitive advantage and demand of our equipment will largely increase.

Solar Panel Disassembly Equipment (3)

Achievements as of FY2025

■ Locations of our equipment installed in Japan (including planned installations)

-  Glass Separator
-  Frame & J-Box Separator



■ Locations and quantities of our equipment installed overseas

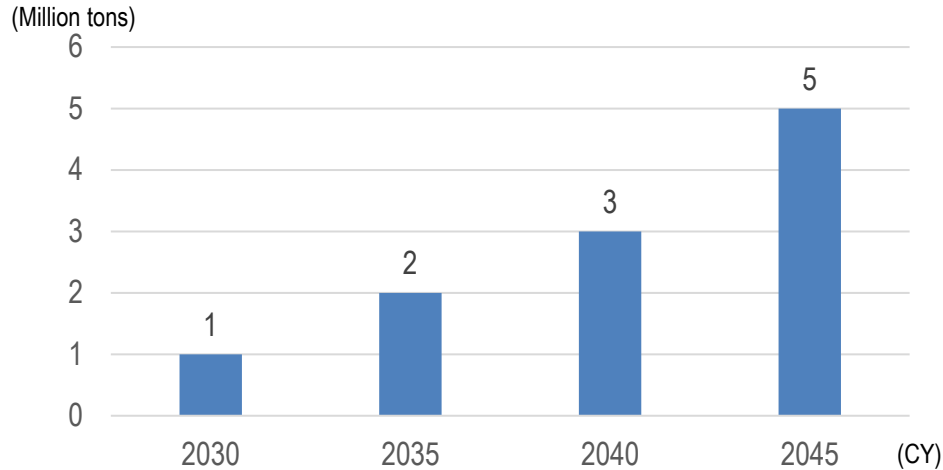
	France (1 company)	
	Glass Separator	1
	Frame & J-Box Separator	4
	Australia (1 company)	
	Glass Separator	1
	Frame & J-Box Separator	1
	USA (1 company)	
	Frame & J-Box Separator	2
	Czech Republic (1 company)	
	Glass Separator	1
	Frame & J-Box Separator	1
	Taiwan (1 company)	
	Glass Separator	1
	Frame & J-Box Separator	1

The evaluation of the use of glass separated by our equipment as recycled glass (sheet glass) by a major European sheet glass manufacturer has been favorable.

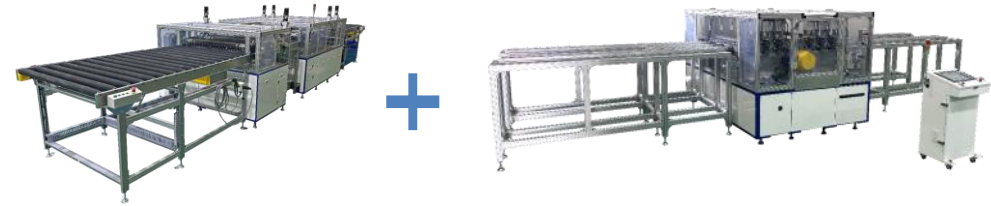
Solar Panel Disassembly Equipment (4)

Market and future prospects of NPC

Estimation of global waste solar panel volume (for each year)



(Reference: Status-of-PV-Module-Recycling, IEA PVSP, 2022)



Glass Separator

EVA Scraper

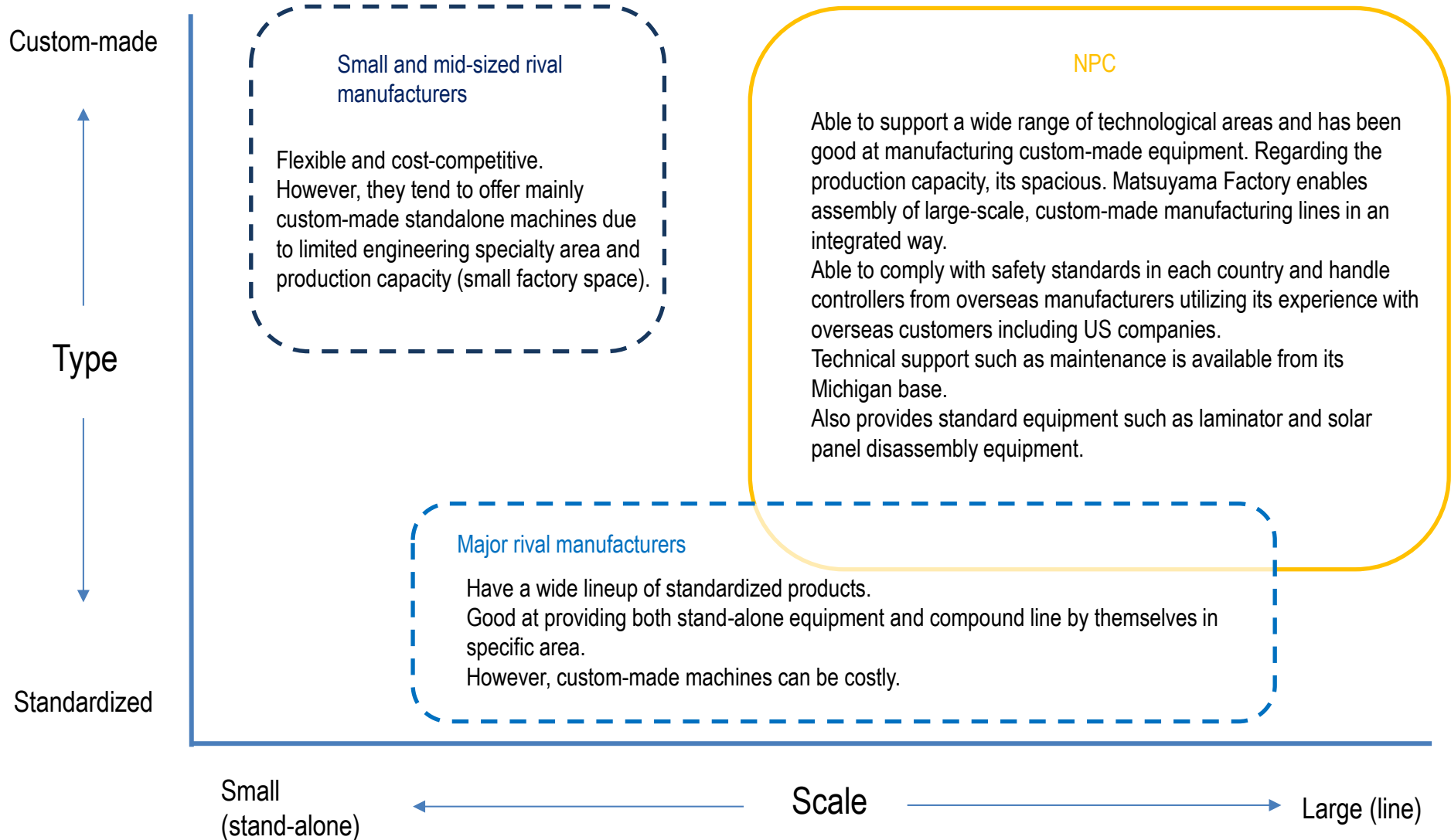
The estimated shortage of recycling units (including those from other companies) in Japan at the peak of solar panel disposal, calculated based on the current domestic processing capacity of solar panel recycling facilities and the peak installation volume (as estimated by the Ministry of Economy, Trade and Industry and the Ministry of the Environment).

→**250~300 machines**


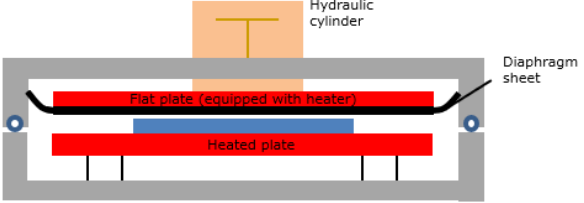

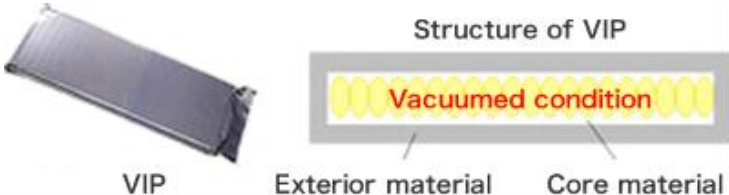
- Japan : Installations of equipment using subsidies such as from Ministry of the Environment, Ministry of Economy, Trade and Industry, and local governments are continuing. Press releases were issued from AGC Inc. and Central Glass Co., Ltd. informing that they have succeeded on closed-loop recycling of cover glasses that were separated using NPC's glass separator (hot knife separation method)
- Greece : A subsidy of 300 euros per ton of solar panels will be provided to businesses responsible for paying recycling costs
- Italy : A subsidy of €10 per panel will be provided for recycling
- Australia : Landfilling of solar panels is banned in the Victoria state, and some other states are considering to ban as well. Recycling companies are building their own networks and conducting treatments
- France : Soren, the organization responsible for recycling discarded solar panels in France (recovering and recycling 77% of them), has launched a tender to select next year's processing contractor. Envie, our customer is expected to be reselected
- USA : Demand for frame separator is expected to lead the way.

Automation Machines, Vacuum-related Equipment (1)

Strong area of Japanese rival manufacturers and NPC



Lineups of vacuum-related equipment

<p>Vacuum laminator</p> 	<p>Equipped with an original laminating technology that combines diaphragm and flat plate press technology</p> 	<p>Application -PV module -Electric parts -Laminated glass etc.</p>
<p>VIP sealing machine</p> 	<p>The vacuum insulation panel (VIP) is applied to energy saving refrigerators and vending machines, helping to reduce environmental load. Research on using the material for buildings is progressing.</p> 	<p>Application -VIP sealing</p>

-Vacuum-related machines are used for product development as they have wide application such as layering, laminating, sealing, and forming.
 There are some manufacturers in Japan and overseas that manufacture similar products.
 -Easy to secure profits as it is standard products with NPC's core technology.

Market size of inspection service

	Existing market	New market
Type of inspection	Projects approved under FIT	Non-FIT projects
Pre-operation self-inspection	Projects to be built Approx. 15GW	Non-FIT projects such as PPA projects by companies and local governments increase.
Pre-operation self-check	Pre-operation inspection will be implemented when they start operation	Pre-operation self-check (inspection) is obligated to small-sized(10kW to 50kW) solar systems by new law in March 2023.
Regular inspection for projects in operation	Projects in operation Approx. 50GW Inspections increase as power plants increase.	Inspections increase as power plants increase.

Inspections implemented

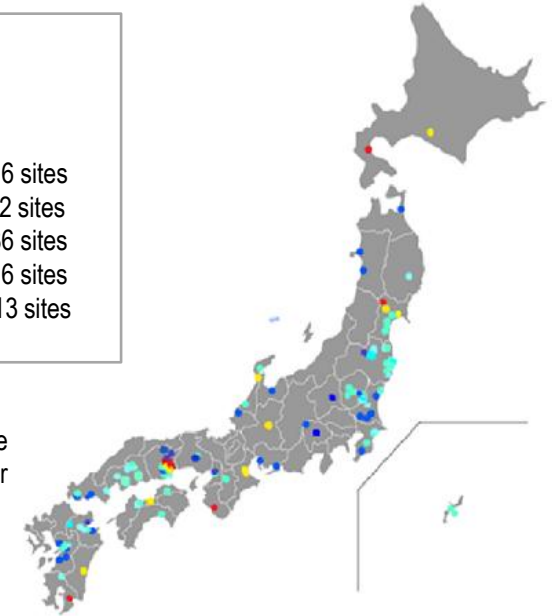
Inspected power plants: 373

(As of FY2025)

< 2MW	216 sites
● 2MW-10MW	42 sites
● 10MW-50MW	86 sites
● 50MW-100MW	16 sites
● > 100MW	13 sites

<Reference>

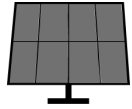
Large-sized solar power plants for which we implemented inspections: Bizen Mega Solar (Okayama) 111MW Onikoube solar power plant (Miyagi) 146MW



- FIT (feed-in tariff) is a system to purchase electricity at fixed prices that began in Japan in 2012, under which utility solar power plants are being installed for the purposes of selling electricity. When the plants are installed, many different voluntary inspections may be conducted as pre-operation inspections in addition to statutory inspections.
- The targeted market of inspection is expanding due to an increase in solar installation for self-consumption by PPA in factories, public facilities, etc., and due to pre-operation self-check, that has become an obligation to small solar systems, the size of which is common to the abovementioned self-consumption projects.
- Market size of regular inspection corresponds to the amount of power plants in operation, and the market size is expected to be stable since there will be both FIT and non-FIT projects that are expected to be in operation.
- NPC can provide not only legal inspection service, but also various voluntary inspection services. We have many competitors in statutory inspections and quality improvement services such as weeding and panel cleaning, and drone IR inspections, and they are small- and medium-sized electric companies and local construction companies. On the other hand, for I-V and EL inspections, which require more precise technologies among voluntary inspections, there is little competition as we possess our original inspection technologies (technology that speeds up I-V inspection (patented) , technology that enables to perform inspections equivalent to pre-shipment inspections (EL inspection), in outdoor environment).
- Although many competitors offer statutory inspections and simple inspections, NPC can inspect power plants across Japan with the same quality through our nationwide inspection network, Solar Wellness. We also provide customers with a report that contains our proprietary expertise after inspection to differentiate us from our competitors.

Reuse and Recycling of Solar Panels (Disassembly Service)

Estimation of the number of panels to be discarded in Japan



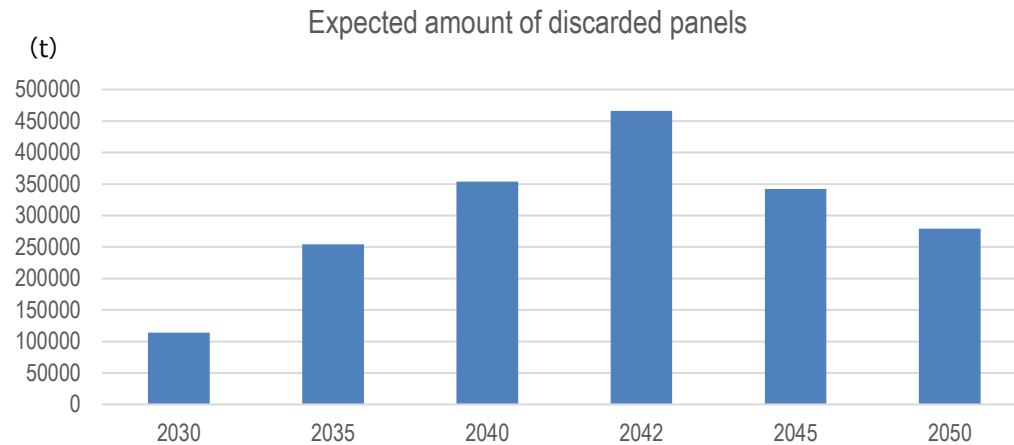
End-of-life solar panels

Equal to approx. 29.4 million panels

Expected to increase from late 2030s and reach maximum of

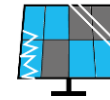
500 thousand tons/year

Even compared to the current processing volume of automobiles and the four home appliance items handled under the Home Appliance Recycling Law, a similar level of disposal is expected in the future.

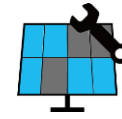


Source: Ministry of the Environment (2024). FY2023 Survey and Study on Promoting Recycling of Construction Waste and End-of-Life Renewable Energy Power Generation Equipment[Report on Survey and Study on Promoting Recycling of End-of-Life Renewable Energy Power Generation Equipment (Section 3.(2))].

Panels damaged from heavy rain and hurricane



Damaged panels



Defective panels



Panels damaged by a disaster in 2018 Photo by PVeye

- The figure on the left shows the estimation made by the Ministry of Environment. Since it is expected that there will be an increase in solar panels that reach its end of life from around 2030, amount discarded is expected to rapidly increase from that point on.
- The figure on the left includes residential solar panels.
- The figure on the left does not include panels damaged by disasters and defective panels. Therefore, in reality, a large number of panels can actually be discarded at an earlier date.

Demand trends and past results of reused solar panels

Needs of sellers

- Dismantlement after the power generation business is discontinued
- Disposal as a result of replacing solar panels
- Spare solar panels in stock
- Solar panels submerged by a disaster, etc.

Matching of needs

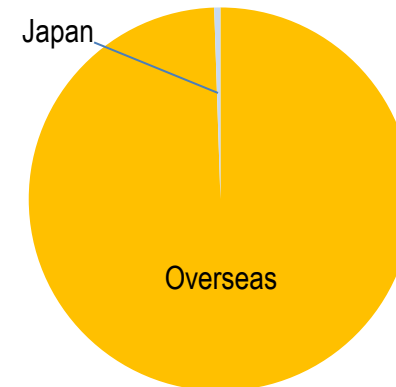


Needs of buyers

- Solar panels distributed in the Japanese market that are evaluated to be of high quality
- Affordable panels for in-house solar power generation



Destinations of reused panels



- Our advantages over competitors are as follows.

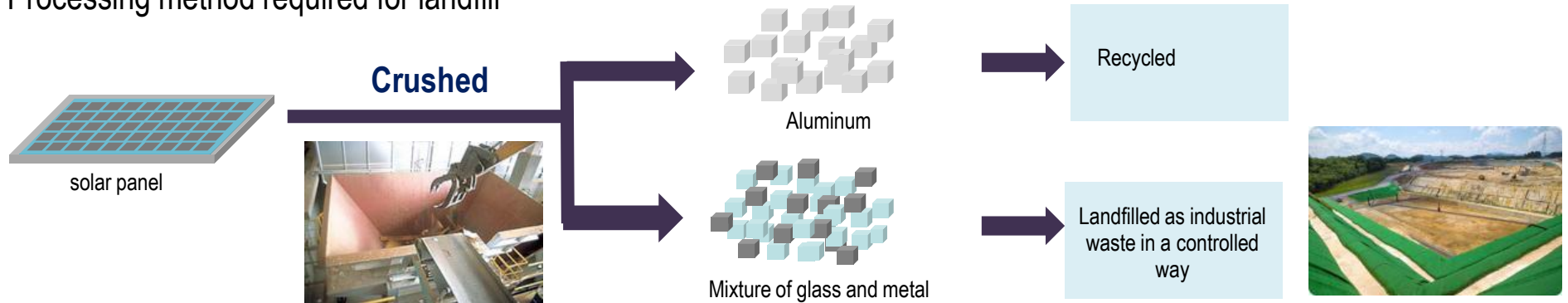
- (1) Best cost deals (minimum safety inspection, no warranty in principle, and direct distribution)
- (2) Reliability based on deep insights on and experience with solar panels (We have not dealt in low-quality panels.)
- (3) Network in the industry built through inspection services for solar power plants (about 1,000 companies)

- Of the needs of sellers, most replaced solar panels and unused solar panels in stock were collected by around 2019. Although, demand for replacement/repowering is increasing again. There are currently not many solar panels damaged by disasters.

- However, as the price of new panels has declined, the transaction price of reused panels has fallen, and the market size is showing a shrinking trend.

Solar Panel Recycling (Disassembly of Solar Panels)

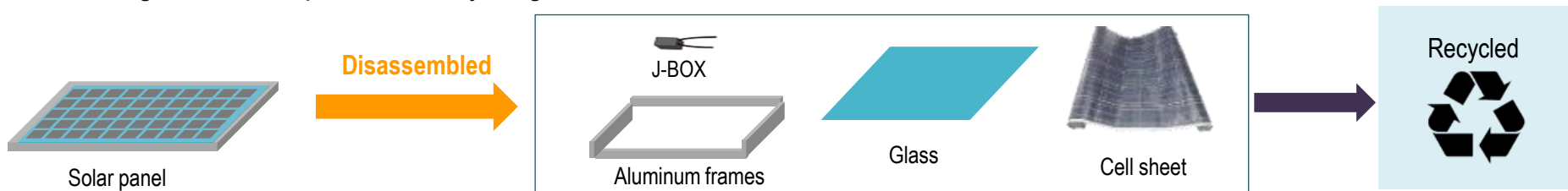
■ Processing method required for landfill



Solar panels have a robust structure focused on durability and sealability and are difficult to disassemble. In particular, the glass part and the metal part are laminated using resin (EVA) and very difficult to separate. Therefore, solar panels are crushed with a shredder, which generates a mixture of glass and metal. As a result, most parts are unrecyclable and landfilled in many cases though some materials such as aluminum used in the frame are recycled.

Because hazardous substances such as lead are used in the solar panel manufacturing process, they must be landfilled at a controlled final disposal site. This leads to landfill facilities running out of space in the future, a large environmental impact and high costs.

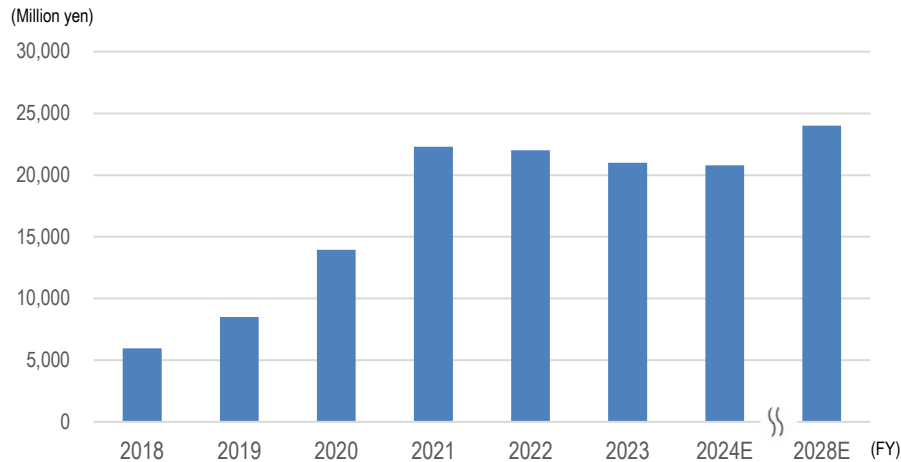
■ Processing method required for recycling



Glass accounts for a large part of the panel weight. Other components such as aluminum frames, silicon cells and copper wires contain metals. Because glass and metals are processed and recycled in different ways, it is important to first separate glass and metals to recycle solar panels. Collected glass can be reused, for example, as civil engineering material or sandbags. Collected metals are recycled at refineries and other facilities.

At NPC, we automatically remove the J-BOX and aluminum frames from the solar panel and separate the part of glass and cell sheet laminated with resin using our original method called "heated blade separation method".

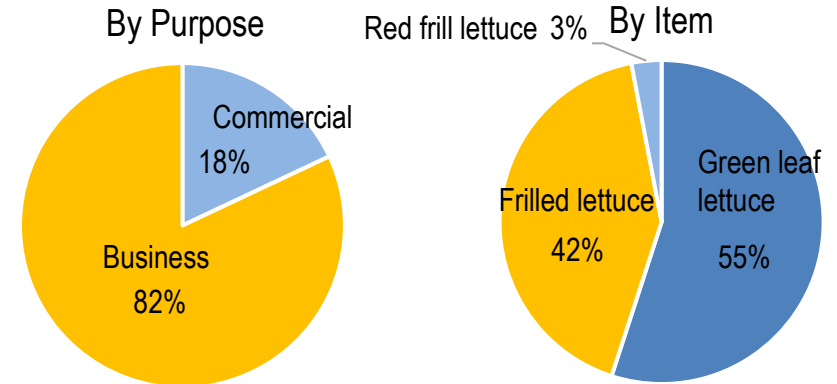
Scale of the plant factory market



Demand for vegetables produced in plant factories is increasing due to the low risk of contamination by foreign substances, and demand is expected to grow in the future since the time and labor required for cleaning and other processes is less compared to traditional way of growing.

(Source: , Yano Research Institute Ltd. (2024). The Now and Future of the Plant Factory Market.)

Sales performance



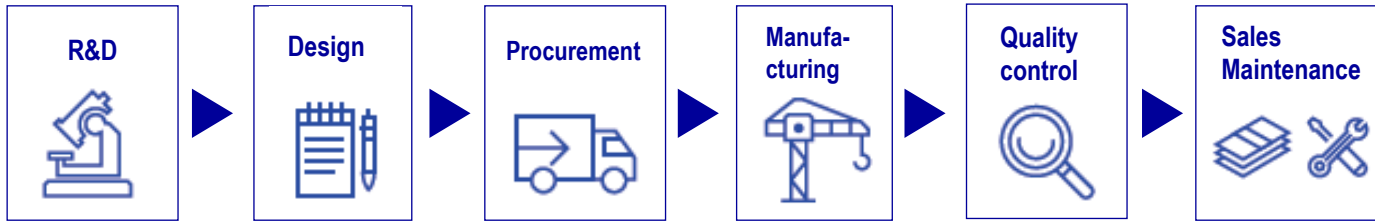
We installed facilities in building D of our factory, reducing depreciation costs.

- Plant factories are powered through in-house solar power generation using the rooftop solar power system to reduce utility costs and achieve clean energy production. We employ reused solar panels in the solar power system, establishing a recycling business model.
- As the plant factory market is expanding due to the demand for safe and secure vegetables, we mainly address local needs in Ehime Prefecture. As of the end of FY2022, we achieved full production of 60 t/year and almost all the products have been sold out. The high quality of our lettuce is highly rated as Hakohime brand and sold for commercial use to regular customers. We have also sold this product for consumer use at supermarkets and grocery stores.
- As the material cost and labor cost have been increasing, and sales price cannot be set to the expected level, the investment in the plant production was booked as an impairment loss under extraordinary loss for the fiscal year 2022. (82 million yen)
- As this business contributes to improve company recognition among the public, it is contributing to an increase in new graduate hiring.
- However, there are few competitors in plant factory business in Ehime area and needs for stable supply of vegetables is expected to increase due to climate change. We switch to items with higher added value and reduce cost to continue the business.

1. Business Model
2. Market Environment
3. Source of Competitiveness
4. Business Plan
5. Risk Information

Production System and Capacity

Integrated manufacturing system

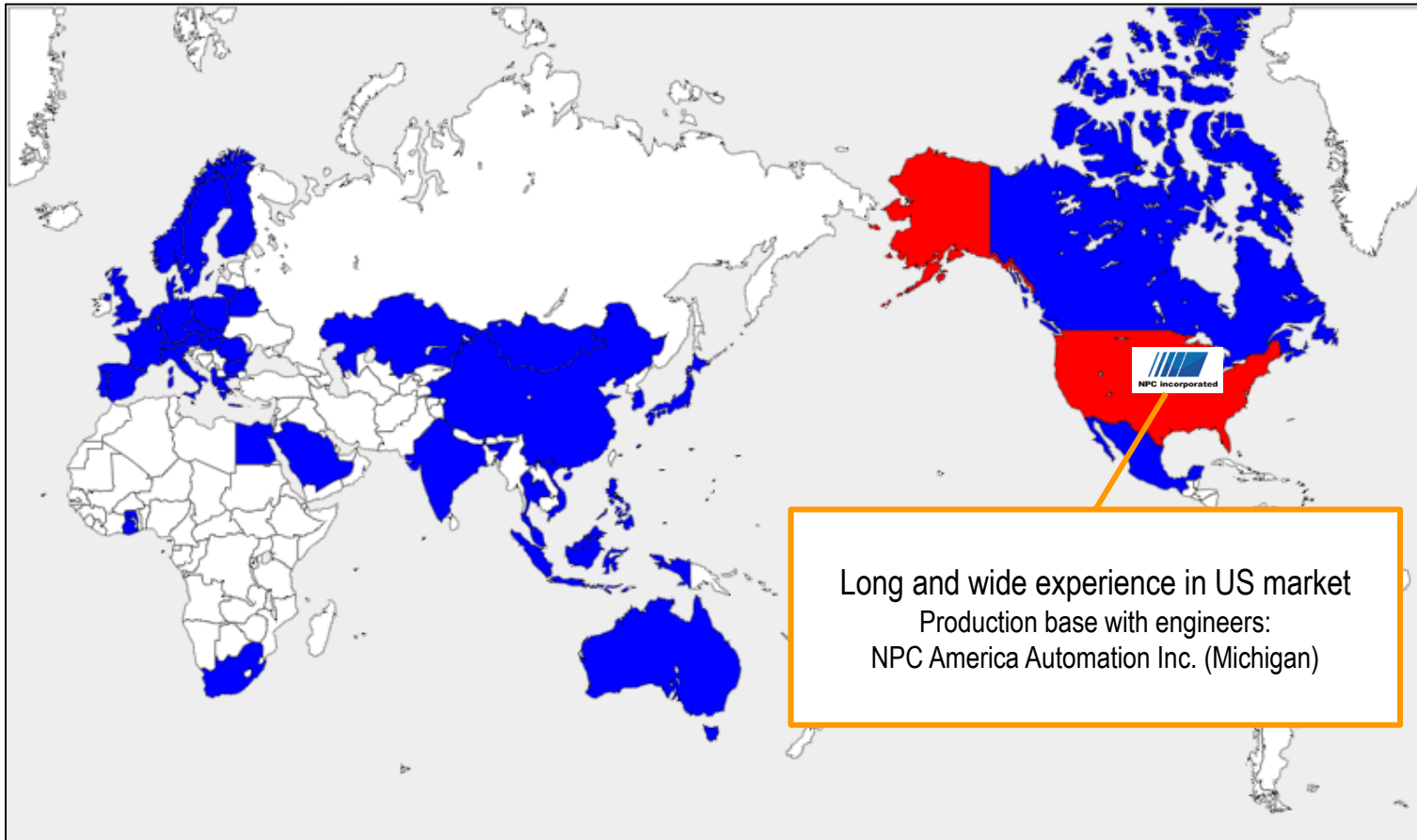


Production capacity of Matsuyama Factory



Matsuyama Factory, our production base, has 170 employees (including fixed-term employers) and all the manufacturing functions such as R&D, design, manufacturing, and maintenance. This system enables quick and accurate response to requests from customers. The 5 spacious assembly buildings (height: 8m, area: 40 x 100m) assure vast space for manufacturing any kind of equipment including a large-scale lines. We enhance production capacity by consigning some assembly work to cooperated companies.

Overseas Experience and North American Office



Long and wide experience in US market
Production base with engineers:
NPC America Automation Inc. (Michigan)

We have delivered equipment to more than 50 countries around the world and met local safety standards including the European CE standards. In particular, we can meet the safety standards required in the U.S. market such as the UL and NEC and manufacture machines using Rockwell controllers as required by U.S. customers based on about 30 years of experience in the country. In addition, one of our advantages is our manufacturing base with engineers stationed in Michigan, from which we can locally provide technical support and market our products to Japanese companies.

Wide Range of Technical Strengths and Expertise on Equipment Manufacturing



Inspection/
measurement
technology



Soldering technology



Dispensing
technology



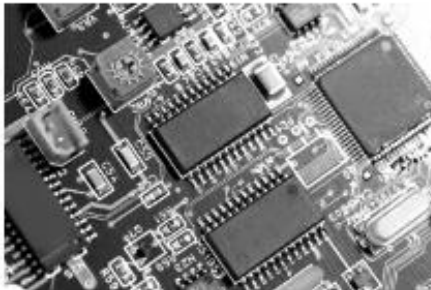
Automated material supply/
Transfer technology



Vacuuming/
Bonding technology



Data analysis
technology



Electronic Parts



Display



Automobile



Logistics

Since we entered the PV module industry in 1994, we have developed automation machines for the junction, application, automatic material supply, transfer, image processing and other processes, starting with vacuum laminators based on the vacuum technology, and provided them as an integrated manufacturing line. We now provide equipment as energy-saving solutions in diverse industries including the electronic parts, automotive and display industries by leveraging the technologies and insights we have accumulated for over 30 years to design and manufacture automation machines for industries other than the PV module industry as well.

A Wide Range of Business Deployment in the Solar Industry

Manufacturing

Inspection & maintenance

Reuse & recycling



PV module manufacturing equipment



Inspection service for solar power plants



Reuse panel sales



Recycling of solar panels



Solar panel inspection machines



Solar panel recycling machines

Starting with PV module manufacturing equipment, we have provided a variety of services for all aspects from the manufacturing of PV modules through recycling of solar panels, offering solar power plant inspection equipment, inspection services, reuse and recycling, panel disassembly equipment, and other offerings. We used to be involved in contract manufacturing (OEM production) of PV modules and have developed solar-related businesses based on this experience.

Management Team and Experienced Engineers



Masafumi Ito, President & CEO

- School of Mechanical Engineering, College of Engineering of Osaka Prefecture University
- Sales engineer of automation machines in Itoman Corp.
- Directed business expansion and technical development of PV module manufacturing equipment since NPC entered PV industry
- Expanded various PV-related businesses as CEO



Kazuo Hirose, Senior Managing Director

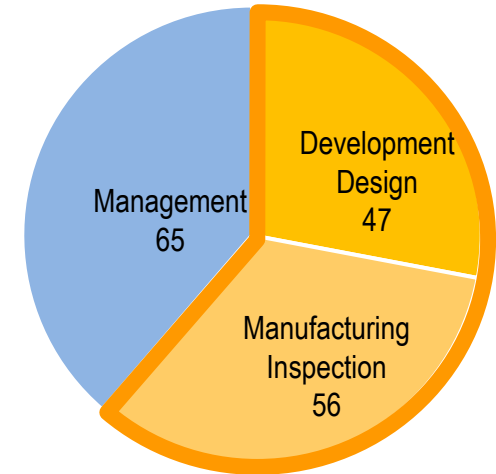
- Engineer in Itoman Engineering Corp.
- Directed development of vacuum-related equipment after establishment of NPC
- In charge of the entire management divisions



Toshiyuki Yauchi, Managing Director

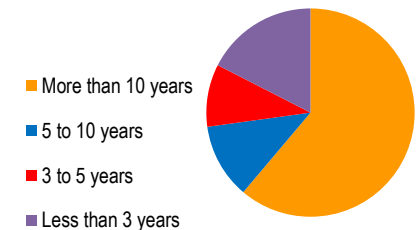
- Engineer in manufacturers such as Mazda, etc.
- Successive service in various technical posts in NPC
 - Design of an integrated PV module manufacturing line
 - Development and design of new mechanisms for automation machines, solar panel disassembly equipment, etc.

Breakdown of number of employees (consolidated, as of August 31, 2025)



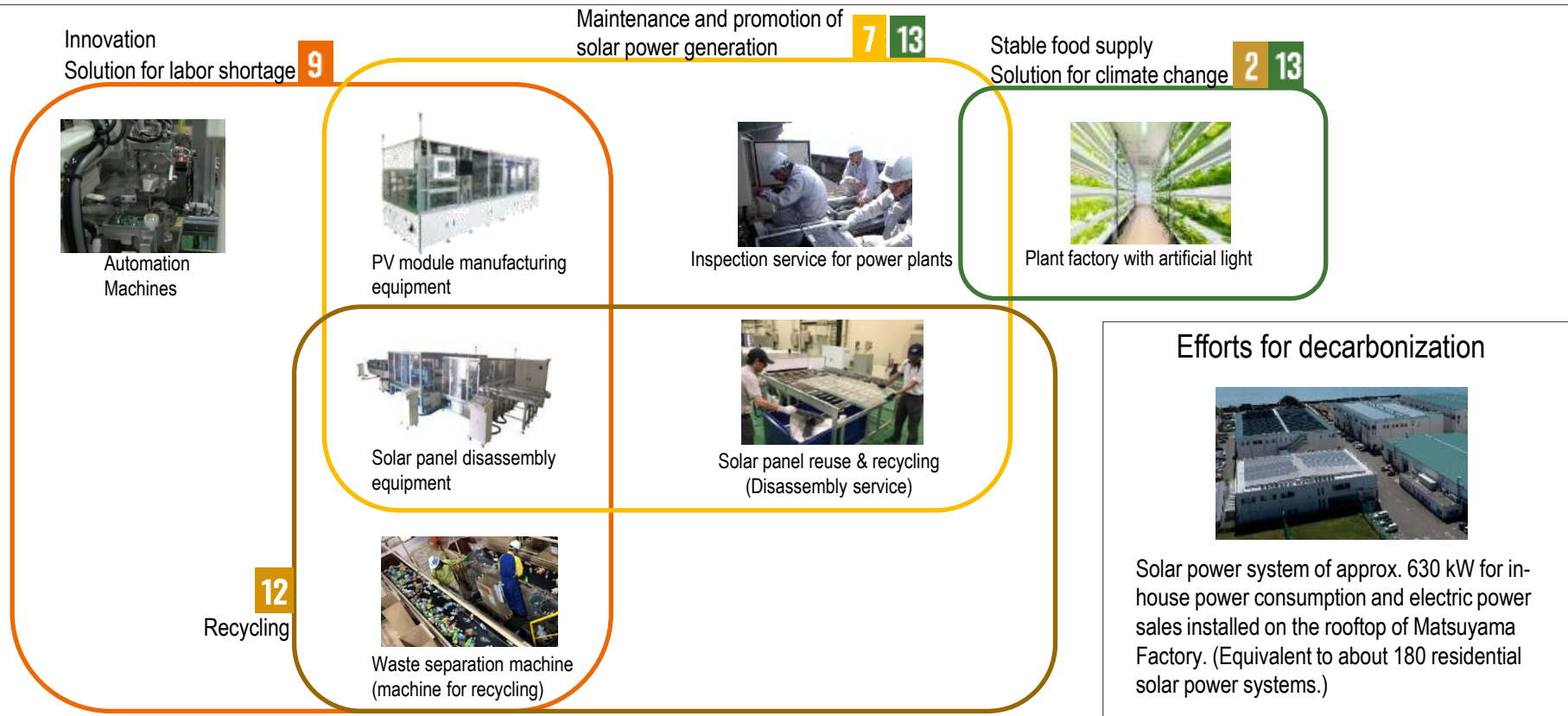
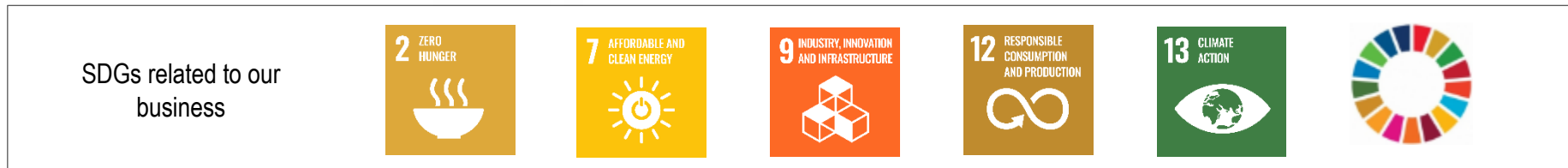
Approximately two-thirds of the employees are engineers

Number of years enrolled for the engineers indicated above:



All of our inside directors have an engineer background and over 30 years of experience in the machine manufacturing industry including the solar industry. Not only are they familiar with the solar industry, since each member of the management team has a network of contacts and information sources based on their many years of business experience, our company can make appropriate business decisions. In addition, because many of our employees are experienced engineers who have worked for us for a long time, we have a framework where skilled engineers develop younger engineers.

Businesses that Contribute to SDGs



Automation Machines



PV module manufacturing equipment



Inspection service for power plants



Plant factory with artificial light



Solar panel disassembly equipment



Solar panel reuse & recycling (Disassembly service)



Waste separation machine (machine for recycling)



Solar power system of approx. 630 kW for in-house power consumption and electric power sales installed on the rooftop of Matsuyama Factory. (Equivalent to about 180 residential solar power systems.)

We have contributed to the spread and sound operation as well as sustainable development of renewable energy through providing equipment and solar-related services. We will continue to deploy businesses that contribute to sustainability around the PV modules and solar panels, for example, through developing businesses in new fields to address climate change and recycling-related equipment.

Patents, Compliance with Overseas Safety Standards, License and Registration

■ Patent

Patented technology	Number	Description
PV module manufacturing equipment	1	Laser inspection mechanism
Vacuum-related machines (laminator)	4	Hot air press mechanism / hot plate mechanism
Solar panel recycling machines	5	Hot knife separation technology / aluminum frame separation mechanism / EVA removal mechanism

■ Compliance with overseas safety standards

Area	Standard/directive	Standard number and outline
EU	CE	EN ISO 12100, EN ISO 13849-1, EN ISO 13850, EN ISO 13857, EN ISO 14120, EN ISO 60204-1 General principles for design, safety-related parts of control systems, emergency stop, electrical requirement of machines, etc.
North America	NEC	NFPA 70、NFPA 79、ANSI RIA R15.06 National electrical code, electrical standard for industrial machinery, and industrial robots and robot systems - safety requirements
Canada	CSA	CAS Z431、CSA Z432、CSA Z434、CSA C22.1 Basic and safety principles, safeguarding of machinery, etc.
Semiconductor	SEMI	SEMI S2、SEMI S10、SEMI S22、SEMI S1、SEMI S8 Environmental, health, and safety guideline, electrical design, risk assessment and risk evaluation process, equipment safety labels, etc.

■ License, registration, and permission

License, registration, and permission	Registration date, license number
Environmental management system ISO14001	March 30, 2006 E1217
Quality management system ISO9001	August 27, 2009 Q2899
Used goods merchant license	August 29, 2016 Tokyo 306601606280 / September 23, 2016 Ehime 821080001389
Registered electrical contractor	December 15, 2016 Ehime Chuyo Local Bureau 2021155
Industrial waste disposal license	April 4, 2019 License No:08920209040
Industrial waste collection and transportation license	June 4, 2020 License No:03807209040

1. Business Model
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Short-term Business Plan: Review of Company Actions for FY 2025

	Company actions	Review at the end of FY 2025
PV module manufacturing equipment	<ul style="list-style-type: none"> ■ Receive orders of equipment for First Solar's capital investment. Book sales of equipment for new factory in Louisiana and for R&D of perovskite PV module. ■ Receive orders of equipment for perovskite PV module. 	<ul style="list-style-type: none"> ■ Booked sales of equipment for First Solar's new facility in Louisiana and for R&D of perovskite PV module. ■ Acquired an order of perovskite PV module manufacturing line, received order and booked sales of R&D equipment from Japanese companies. ■ Booked sales of new crystalline silicon PV module manufacturing equipment and upgrading of equipment to a domestic PV module manufacturer
Automation machines Vacuum-related equipment	<ul style="list-style-type: none"> ■ Book the sales of the orders received in FY2024 ■ Strengthen relationship with the US subsidiary of Japanese automobile related company. ■ Acquire long-term customers, reinforce sales activity of vacuum related equipment which is used for development of various products. 	<ul style="list-style-type: none"> ■ Booked sales of equipment to domestic electronic components manufacturer. ■ Booked sales of equipment to Japanese-owned company in the US. ■ Booked sales of automation machine for industrial waste.
Inspection service for solar power plant	<ul style="list-style-type: none"> ■ Acquire orders of pre-operation inspection for power plants to be built and regular inspection for power plants in operation. 	<ul style="list-style-type: none"> ■ Implemented periodic and spot inspections as planned.
Reuse and recycling of solar panels	<ul style="list-style-type: none"> ■ Establish a solar panel collecting network. ■ Improve the recycling rate of equipment and reduce recycling cost by developing use of collected materials. 	<ul style="list-style-type: none"> ■ Started consideration of cooperation with KYOCERA Communication Systems Co., Ltd. for building end-of-life panel collection network. ■ Conducted R&D to improve recyclability.
Solar panel recycling machines	<ul style="list-style-type: none"> ■ Book the sales of orders received in FY2024. ■ Enhance sales and acquire orders in target regions such as Japan, Europe, Australia, and USA. ■ Develop products to improve recycling rate. 	<ul style="list-style-type: none"> ■ Acquired orders of three frame & J-Box separators and a glass separator to Japanese companies, and two frame & J-box separators and a glass separator to overseas companies. ■ Booked sales of three frame & J-Box separators and a glass separator to Japanese companies, and two frame & J-box separators and a glass separator to overseas companies. ■ Launched sales of EVA scraper (new product).
Plant factory business	<ul style="list-style-type: none"> ■ Continue operation as sustainable business that improves company recognition. 	<ul style="list-style-type: none"> ■ Continued full production and full sales as sustainable business that improves company recognition. ■ Started sales of red frill lettuce for industrial use.
New business	<ul style="list-style-type: none"> ■ Pursue study/R&D of the as closed-cycle land-based aquaculture of shrimp and other marine products. ■ Pursue study/R&D of health beverage etc., using discarded lettuce. 	<ul style="list-style-type: none"> ■ Conducted study on businesses of closed-cycle land-based aquaculture and health beverage etc.; however, decided not to proceed

Business Results for FY2025

Consolidated Statement of Income

(Million yen)

	FY2024		FY2025							
	Results (A)		Initial forecast (As of Oct. 15, 2024)		Revised forecast (As of Apr. 10, 2025) (B)		Results			
	Amount	Vs. Sales (%)	Amount	Vs. Sales (%)	Amount	Vs. Sales (%)	Amount	Vs. Sales (%)	Vs. (A) (%)	Vs. (B) (%)
Sales	10,797	100.0	10,925	100.0	9,294	100.0	9,272	100.0	(14.1)	(0.2)
Gross profit	3,579	33.1	3,205	29.3	3,093	33.3	3,101	33.4	(13.4)	0.3
SG&A expenses	1,143	10.6	1,135	10.4	1,189	12.8	1,180	12.7	3.2	(0.8)
Operating income	2,436	22.6	2,069	18.9	1,904	20.5	1,920	20.7	(21.2)	0.8
Non-operating income	4	0.0	3	0.0	9	0.1	21	0.2	425.0	133.3
Non-operating expenses	14	0.1	4	0.0	17	0.2	19	0.2	35.7	11.8
Ordinary income	2,426	22.5	2,069	18.9	1,896	20.4	1,922	20.7	(20.8)	1.4
Extraordinary income	-	-	-	-	-	-	-	-	-	-
Extraordinary loss	-	-	-	-	-	-	-	-	-	-
Net income before tax	2,426	22.5	2,069	18.9	1,896	20.4	1,922	20.7	(20.8)	1.4
Income tax-current	722	6.7	519	4.8	701	7.5	535	5.8	(25.9)	(23.7)
Income tax-deferred	27	0.3	-	-	-	-	61	0.7	125.9	-
Net income attributable to owners of the parent	1,676	15.5	1,549	14.2	1,195	12.9	1,325	14.3	(20.9)	10.9

Note: 1. The numbers parenthesized represent minus figures.

2. Percentages at vs. (A), (B) and represent increase/decrease rate.

Short-term Business Plan: Business Results for FY 2025

Changes from Initial Forecast

Sales

Despite some shortfalls in parts sales, overall sales was generally in line with the expectation.

Major components of sales:

- First Solar: Equipment for new factory in Louisiana, R&D equipment for perovskite PV module
- R&D equipment for perovskite PV module (2 Japanese companies)
- New equipment and upgrading of crystalline silicon PV module manufacturing equipment (Japanese company)
- Solar panel recycling machines
 - Frame & J-Box Separator: Japan - 3 units, overseas - 2 units
 - Glass Separator: Japan - 1 unit, overseas - 1 unit
- Automation machines (Japanese electronic components manufacturer, Japanese-owned automobile components manufacturer in the US)
- AI robotic sorter for industrial waste management companies
- Sales of equipment parts fell short of target in H2

Gross profit

- Generally aligned with expectations since while sales of equipment parts, which are products with high profit margins, fell short of our targets in the second half of the fiscal year, cost reduction in on-site operations was successful.

SG&A expenses

- No large difference from the previous year.

Operating income, ordinary income, net income attributable to owners of the parent

- Operating and ordinary income exceeded the expectation due to a slight increase of gross profit and a slight decrease of SG&A expenses
- Net income exceeded our expectations due to decrease in income tax caused by increase in ratio of foreign tax credits, and a change in category under tax effect accounting

Short-term Business Plan: Company Actions for FY 2026

<p>PV module manufacturing equipment</p>	<ul style="list-style-type: none"> ■ Book sales of perovskite PV module production line to a Japanese company. ■ Acquire orders of R&D equipment and pilot line for perovskite PV module from Japanese companies. ■ Acquire orders of R&D equipment and pilot line for perovskite PV module from First Solar. Book sales of perovskite R&D equipment, additional equipment, and upgrading of equipment to First Solar. ■ Start provision of front-end equipment through business alliance with Gosan Tech Co., Ltd. (Korean company).
<p>Solar panel recycling machines</p>	<ul style="list-style-type: none"> ■ Enhance sales and acquire orders in target regions such as Japan, Europe, Australia, and USA. ■ Development of new products such as recycling machine for solar panels with broken cover glass. ■ Strengthen sales by emphasizing high recyclability of our Glass Separator and EVA Scraper, and about purchasing of separated glass through collaboration with AGC Inc.
<p>Automation machines Vacuum-related equipment</p>	<ul style="list-style-type: none"> ■ Strengthen relationship with the Japanese-owned automobile related company in the US. ■ Strengthen sales and acquire orders of automation machines for industrial waste.
<p>Inspection service for solar power plant</p>	<ul style="list-style-type: none"> ■ Acquire orders of pre-operation inspection for power plants to be built and regular inspection for power plants in operation.
<p>Reuse and recycling of solar panels</p>	<ul style="list-style-type: none"> ■ Continue consideration of cooperation with KYOCERA Communication Systems Co., Ltd. regarding processing discarded panels from KCCS's solar power plants using NPC's network. ■ Improve the recycling rate of equipment and reduce recycling cost by developing use of collected materials.
<p>Plant factory business</p>	<ul style="list-style-type: none"> ■ Continue operation as sustainable business that improves company recognition. ■ Development of products with high additional value.

*Please also refer to “Business Information FY2025”, disclosed on October 10th, 2025, for company actions of FY2026.

Short-term Business Plan: Business Forecast for FY 2025

Consolidated Statement of Income

(Million yen)

	FY2026 forecast			
	1 st half		Full year	
	Amount	Vs. Sales (%)	Amount	Vs. Sales (%)
Sales	907	100.0	8,014	100.0
Gross Profit	401	44.3	1,952	24.4
Operating Income	△189	△20.8	760	9.5
Ordinary Income	△184	△20.4	766	9.6
Net income attributable to owners of the parent	△252	△27.8	531	6.6

- Sales are expected to be biased towards the second half of the fiscal year.
- Since there was no large-scale order from First Solar which was expected at the start of the year, sales are expected to be lower than the previous

Capital expenditures, depreciation expenses,

(Million yen)

	FY2024	FY2025	FY2026 forecast	Remarks
Capital expenditures	79	63	49	-Purchase of software for designing equipment -Replacement of machineries -Purchase of network security product
Depreciation expenses	218	228	229	-Remains almost the same as the previous fiscal year
R&D expenses	57	109	114	-Development of solar panel recycling machine -Development of automation machines for industrial waste management industry

Medium-term Management Plan

Reason of withdrawal and withholding of medium-term management plan

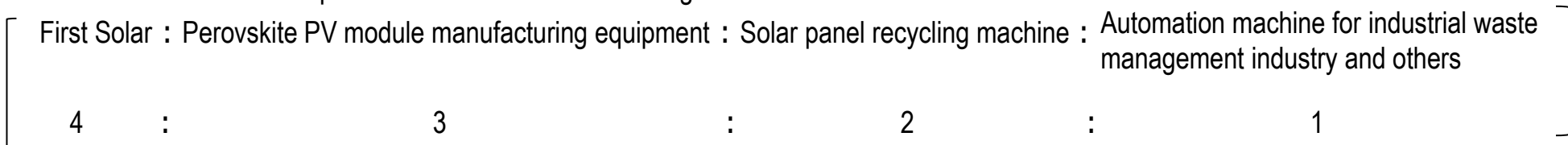
- Changes to the tariffs and policies regarding renewable energies in the US
 - Effecting First Solar’s supply chain (e.g., raw materials) to be unstable, which is causing their directions regarding capital investment to be unpredictable (changing from strengthening production facility for existing products to development of new products)
- As perovskite PV module is a new technology, the future market size and full-scale market expansion heavily depends on development and testing progress of PV module manufacturers
 - =difficult at this point to predict equipment demand
- Capital investment of the customer in the electronic components industry, which the Company identified as a second major customer, has been stalling due to the situation of the semi-conductor market
 - We have been working on the acquisition of new stable customers that replaces its position; however, it is not proceeding as expected



Withhold from announcing since it is not possible to guarantee appropriateness and accuracy of the medium-term targets

Medium-term business strategy

- Reduce imbalance to a specific customer while maintaining business with First Solar



- Aim to constantly achieve gross profit rate of 30%

(High value-added technology, standardized products, expansion into untapped market, cost reduction, etc.)

Improve profitability by adding key pillars of the business that contributes to the environment and is high value-added, while maintaining business with existing solar panel manufacturer



First Solar

- Provision of equipment for new production facilities, reallocation of facilities, and equipment upgrading
- Provision of equipment for R&D of new products and pilot production



Perovskite PV Module Manufacturing Equipment

- Provision of equipment for confirmed order for a domestic company, acquire orders towards further market expansion
- Start provision of front-end equipment (inkjet printing equipment)
- Adapting to new technologies such as tandem technology



Solar Panel Recycling Machine

- Making our recycling technology a de facto standard of the industry, development of new products
- Building relationship with glass manufacturers
- Building network for collecting discarded solar panels



Automation Machine for Industrial Waste

- Uncovering demand of automation technology for labor issues (safety, hygiene, labor shortage, etc.)
- In-house development AI technology
- Expansion of lineup of standardized products

1. Business Model
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Business Risks and Countermeasures (1)

Description of risk	Countermeasures, etc.	Timing	Possibility	Impact
Risks associated with the stagnation or deceleration of the solar market - Decrease in sales and profits - Impairment loss of assets	- Enhance products and services for installed solar panels. - Enhance products and services for discarded panels. - Expand automation machine business and new business other than solar.	Occasionally	Low	Large
Exchange rate fluctuations - Exchange rate loss - Deterioration of price competitiveness (when the yen is strong) - Increase in overseas procurement costs (when the yen is weak)	- Basically, conduct business with overseas customers in yen. - Reserve exchange rate when exceptionally conducting business in foreign currency. - Increase the overseas procurement ratio when the yen becomes strong.	Occasionally	Medium	Small
Variations associated with the sales recording time and the profit rate of individual projects - Decrease in sales and profits (including carry-over) - Decrease in profit margins	- Improve quality through efforts according to ISO 9001. - Review the progress of processes in each project and address problems at an early stage as needed. - Reduce risks of failure to satisfy specifications and delay through pre-shipment inspections.	Occasionally	High	Medium
Variations in the business environment of large customers - Decrease in sales and profits - Shrinkage or suspension of deals	- Strengthen relationships with large companies through research and development as well as cost reductions. - Strengthen marketing targeting customers other than large customers. - Develop automation machines and environmental business so as not to heavily rely on large customers.	Occasionally	Low	Medium
Price increase of parts and raw materials - Decrease in profit due to increase in manufacturing costs	- Maintain purchase price as low as possible through negotiation with suppliers. - Reflect the increase in parts price to selling price of machines through negotiation with customers.	Occasionally	Low	Large
Securing working capital for major domestic projects - Effect on funds management in cases without advance payment	- Strengthen the financial structure by increasing the equity ratio and maintaining extra cash reserves to be able to handle the risk - Consider loaning from banks as necessary	Occasionally	Low (High for the next few years)	Small

Business Risks and Countermeasures (2)

Description of risk	Countermeasures, etc.	Timing	Possibility	Impact
Natural disaster - Decrease or loss of production capacity	<ul style="list-style-type: none"> - The cell production system allows us to continue production activities as long as staff and space are secured. - Ensure flexible production capacity using partner factories. - Land with low risks of tsunami damage, flood damage and sediment disaster 	Unknown	Medium	Large
Deferred tax assets -Changes in projections and assumptions on taxable income expectation -Revisions of the tax system, including tax rate changes, revisions of accounting standards, etc.	<ul style="list-style-type: none"> - Carefully assess feasibility of the profit plan to book deferred tax assets based on the taxable income which is reasonably and conservatively calculated. - Regularly revise recoverability of deferred tax assets. 	Occasionally	Medium	Medium
Lack of production capacity due to increase in orders - Lack of human resources due to rapid increase in orders and aging of engineers. - Overdue deadlines, failure to meet required specifications, and opportunity loss.	<ul style="list-style-type: none"> - Outsource some work to partner companies. Accept temporary workers. - Enhance recruitment of young engineers. - Secure sufficient production period by negotiation with customers. 	Occasionally	Medium	Medium

Thank you very much for your interest in NPC!

“We, through creation of products,
aim to be a company needed by nature, society and people.”

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The information in this material has been made for making our business plan and strategies. It is not for a solicitation, offer to buy or sell securities or enlightening people.

Next disclosure of “Business Plan and Potential for Growth” is scheduled for November 2026.