

Fiscal year ending March 2026 to Fiscal year ending March 2028  
Mid-Term Management Plan

## GSI CONNECT Phase 2

**GSI Creos Corporation**

Tokyo Stock Exchange  
(Prime Market) Code: 8101

May 15, 2025

# Table of Contents

<b>1. Review of Previous Mid-Term Management Plan “GSI CONNECT 2024”</b>	<b>P.3</b>
<b>2. Mid-Term Management Plan “GSI CONNECT Phase 2” (2025-2027)</b>	<b>P.7</b>
▫ Vision and Aspirations for 2031 (100th Anniversary of our establishment)	
▫ Mid-Term Management Plan: Basic Policy, Positioning, Quantitative Targets	
<b>2-1. Implement Capital Cost Management [priority measure]</b>	<b>P.13</b>
▫ Business Portfolio Approach and Synergies Among Businesses   ▫ Financial Strategy	
<b>2-2 Strengthen the Group’s Foundations and Promote Collaboration [priority measure]</b>	<b>P.22</b>
▫ Thoroughly Strengthen Global Management Capabilities   ▫ Specific Strategies and Measures for Business Divisions	
▫ Promote DX	
<b>2-3. Promote ESG Management [priority measure]</b>	<b>P.30</b>
▫ E: Create an Affluent Society in Harmony with the Environment	
▫ S: Enrich Human Resources and Promote New Ways of Working	
▫ G: Strengthen Highly Effective Governance Systems	
<b>3. Supplementary Information</b>	<b>P.35</b>



An aerial photograph of a city skyline, likely Tokyo, featuring numerous skyscrapers and a prominent elevated highway in the foreground. The image is overlaid with a semi-transparent teal rectangle that serves as a background for the text.

1

# Review of Previous Mid-Term Management Plan “GSI CONNECT 2024”

## Summary of Previous Mid-Term Management Plan (quantitative)

Two challenges in the previous Fiscal year ended March 2023 to Fiscal year ended March 2025  
Mid-Term Management Plan “GSI CONNECT 2024”

### 1. Reaching new record-high net profit

Achieved 2.3 billion yen in profit attributable to owners of parent, exceeding the 2.2 billion target in the final year of the Mid-Term Management Plan.

### 2. Boosting confidence within capital markets

Maintained stable prime market listing following market restructuring.

(million yen)

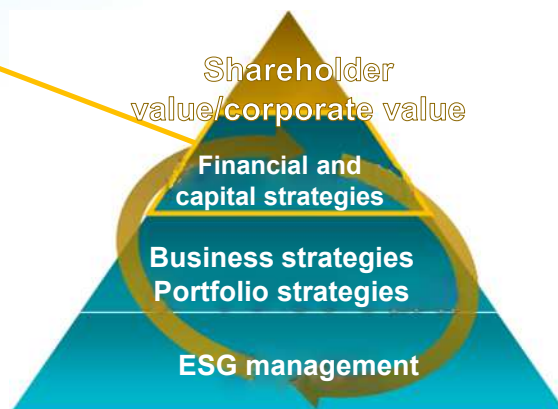
Operating results	Actual results for the Previous Mid-Term Management Plan			Targets of Previous Mid-Term Management Plan	Comparison with target (%)	Achieved (Yes/No)	Reasons for Non-achievement
	FY ended March 2023	FY ended March 2024	FY ended March 2025	FY ended March 2025			
<b>Net sales</b>	131,054	146,194	<b>165,541</b>	<b>135,000</b>	122.6%	<b>Yes</b>	
Textile Materials Division	98,767	114,010	<b>131,049</b>	<b>95,000</b>	137.9%	<b>Yes</b>	
Industrial Products Division	32,286	32,183	<b>34,491</b>	<b>40,000</b>	86.2%	<b>No</b>	Growth slowed in the semiconductor segment, affected by U.S.-China semiconductor regulations, and in hobby & life, where demand from for people shutting themselves up at home subsided
<b>Operating profit</b>	1,829	2,881	<b>2,950</b>	<b>3,500</b>	84.3%	<b>No</b>	Profit declined due to increased logistics and procurement costs, and acquisition-related expenses for the triacetate business
<b>Ordinary profit</b>	1,787	2,999	<b>2,548</b>	<b>3,500</b>	72.8%	<b>No</b>	Expenses increased due to foreign exchange losses, interest payments, and equity-method investment losses
<b>Profit attributable to owners of parent</b>	1,769	2,019	<b>2,358</b>	<b>2,200</b>	107.2%	<b>Yes</b>	
<b>ROE</b>	7.0%	7.6%	<b>8.2%</b>	<b>8.0%-9.0%</b>	-	<b>Yes</b>	
<b>Equity ratio</b>	37.4%	36.4%	<b>37.6%</b>	<b>40.0%</b>	(2.4 pt)	<b>No</b>	
<b>Dividend payout ratio</b>	50.6%	50.4%	<b>50.5%</b>	<b>50.0%</b>	0.5pt	<b>Yes</b>	

# Summary of Previous Mid-Term Management Plan (financial and capital strategies) GSI Creos

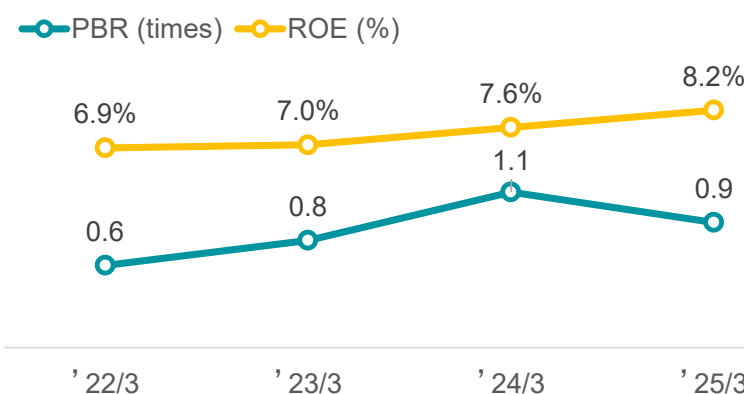
PBR improved as a result of initiatives implemented to enhance corporate value.

## Previous Mid-Term Management Plan financial and capital strategies

- Boost ROE to **8-9%** level
- Pursued “financial strategies” that ensure financial soundness as well as “capital efficiency” including shareholder-return policies
- Proactively invested management resources in sustainable business fields



## Changes in PBR and ROE



## Investment performance (April 2022 to March 2025)

### M&As and business investment

¥4.5 billion

### In-house infrastructure investment

¥700 million

## Expand growth platforms

- Started new businesses
- Expanded global sales network
- Streamlined operations

## Previous Mid-Term Management Plan investment strategies

### M&As and business investment

¥2 billion + α

### In-house infrastructure investment

¥1 billion + α

### New business investment

### Sustainable business investment

### DX-related investments

### Investment in human resources and education

### Investment in business infrastructure development

## Summary of Previous Mid-Term Management Plan (qualitative)

Priority measures		Results
<b>Proactive Investment in Sustainable Business Fields</b>	<ul style="list-style-type: none"> <li>● Acquired triacetate business</li> <li>● Medical clinic business (Brazil)</li> <li>● Polymer business for organic photovoltaics (Canada)</li> </ul>	<ul style="list-style-type: none"> <li>● Joint research projects with ministries and universities (biodegradable resin, nano, bathing clothes for breast cancer patients, etc.)</li> <li>● Natural food colorants processing business (Thailand)</li> </ul>
<b>Ongoing challenge</b>	<b>Continuation of business investment for growth and portfolio optimization</b>	
<b>Enrich Human Resources and Promote New Ways of Working</b>	<ul style="list-style-type: none"> <li>● Capital and business alliance with an internationally-minded HR consulting firm</li> <li>● Managed and expanded Creos Academy</li> <li>● Provided DX human resource development training</li> <li>● Certified as a DX Certified Business by the Ministry of</li> </ul>	<p>Economy, Trade and Industry</p> <ul style="list-style-type: none"> <li>● Improved work environment through relocation of head office and enhancement of facilities and equipment at branch offices</li> <li>● Encouraged paperless operations and digitalized internal processes</li> </ul>
<b>Ongoing challenge</b>	<b>Improvements to the personnel system (evaluation system, transfer rules, global human resources and DX human resource development systems)</b>	
<b>Strengthen Highly Effective Governance Systems</b>	<ul style="list-style-type: none"> <li>● Increased number of outside directors from 3 to 4</li> <li>● Independent outside directors participated in executive board meetings, executive retreats, and other management-related meetings</li> </ul>	<ul style="list-style-type: none"> <li>● Conducted briefings for shareholders and investors</li> <li>● Increased number of press releases and public relations activities, including those by group companies</li> </ul>
<b>Ongoing challenge</b>	<b>Further enhancement of functions of the board of directors and IR activities to appropriately convey corporate value</b>	



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**Mid-Term Management Plan**  
**“GSI CONNECT Phase 2” (2025-2027)**

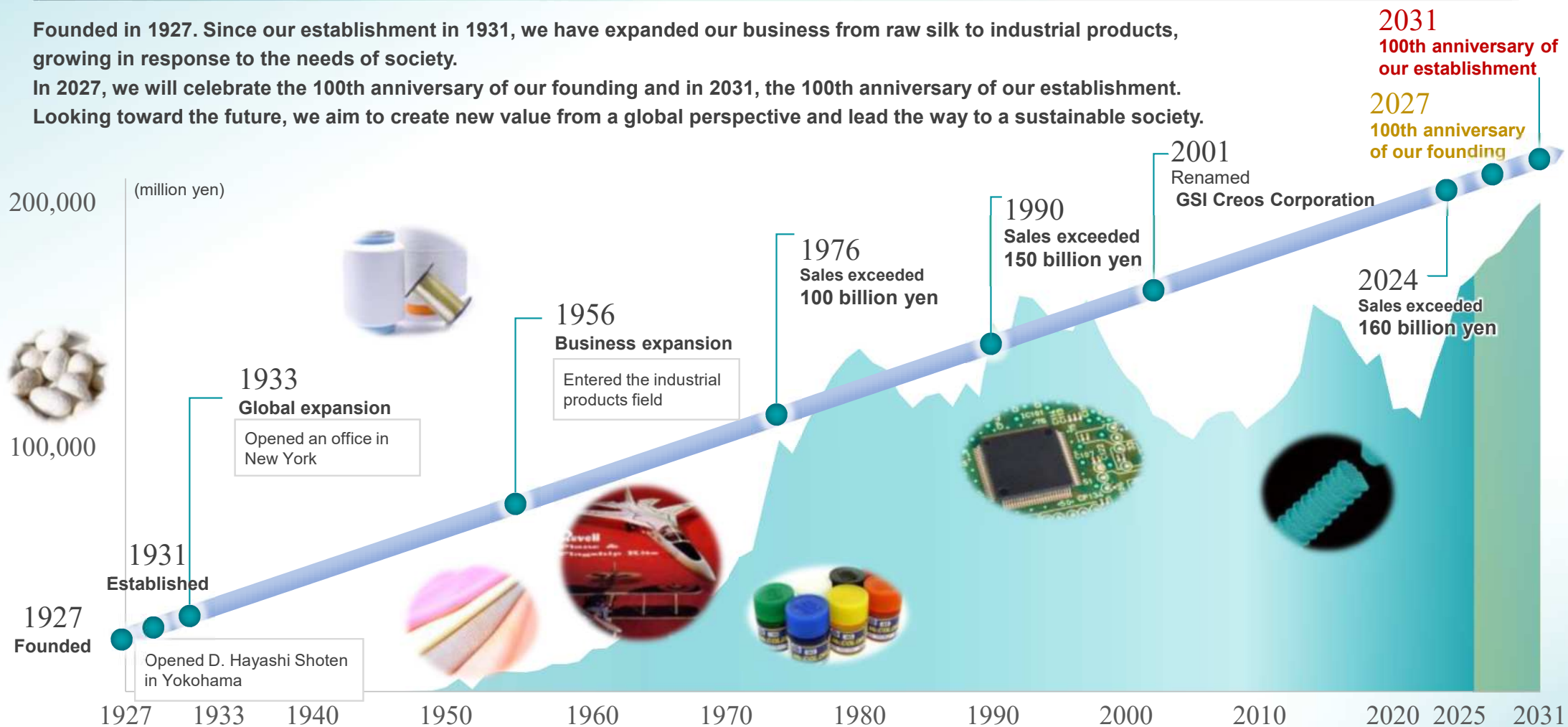


## Growth Trajectory and Vision

Founded in 1927. Since our establishment in 1931, we have expanded our business from raw silk to industrial products, growing in response to the needs of society.

In 2027, we will celebrate the 100th anniversary of our founding and in 2031, the 100th anniversary of our establishment.

Looking toward the future, we aim to create new value from a global perspective and lead the way to a sustainable society.





## Vision and Aspirations for 2031 (100th Anniversary of our establishment)

### Vision for 2031

#### 100 Years and Beyond

**To be an unparalleled business-creating trading company  
that continues to create and innovate**

### Aspirations

- As a Prime-listed company, we have built a strong management foundation that meets market expectations.
- We are developing our business to meet society's expectations by creating exceptional value.
- We are co-creating a sustainable society that fulfills the expectations of all stakeholders.

### Consolidated targets for Fiscal year ending March 2032

**Net sales: 200 billion yen   Net profit: 4 billion yen   Market capitalization: over 50 billion yen**

## Mid-Term Management Plan: Basic Policy and Positioning

### Basic Policy

Based on the foundation established under “GSI CONNECT 2024,” we will increase our corporate value through “**Evolution x Growth**” by continuously taking on challenges without being constrained by existing frameworks.

- This represents the second phase of our long-term goal toward 100th anniversary of our establishment in 2031.
- To weave a new story, we will CONNECT to the new stage, our 100th anniversary, by demonstrating the Group’s strengths through CONNECT between textile materials and industrial products, CONNECT with Group companies and business partners, and CONNECT with communities and society.



#### Positioning of each Mid-Term Management Plan

## Priority Measures under the Mid-Term Management Plan

Accelerate the development of the Group through a combination of “Evolution (innovation)” and “Growth (expansion)”.

### 1 Implement Capital Cost Management

Optimize the business portfolio to **Evolve** and strengthen our foundations and improve ROE to accelerate **Growth**.

## Evolution × Growth

### 2 Strengthen the Group's Foundations and Promote Collaboration

By enhancing the functions of domestic and overseas bases and strengthening cooperation, each base will **Evolve**, contributing to the overall **Growth** of the Group.

### 3 Promote ESG Management


Advance efforts to address social issues and **Evolve** sound management systems to achieve sustainable **Growth**.

## Quantitative Targets (financial items)

Amid an uncertain business environment, affected by U.S.-China trade friction and U.S. trade policies, we will aim to steadily surpass the record-high net profit achieved during the Previous Mid-Term Management Plan period, while continuing to build a solid foundation for our 100th anniversary.

Financial indicators	FY ended March 2025 (actual)	FY ending March 2028 (final year target)
<b>Net sales</b>	<b>165.5 billion yen</b>	<b>177 billion yen</b>
Textile Materials	131 billion yen	132 billion yen
Industrial Products	34.4 billion yen	45 billion yen
<b>Operating profit</b>	<b>2.9 billion yen</b>	<b>4 billion yen</b>
<b>Ordinary profit</b>	<b>2.5 billion yen</b>	<b>4 billion yen</b>
<b>Net profit</b>	<b>2.3 billion yen</b>	<b>3 billion yen</b>
<b>ROE</b>	<b>8.2%</b>	<b>Over 10%</b>
<b>Dividend payout ratio</b>	<b>50.5%</b>	<b>Over 50%</b> *Progressive dividend policy with a minimum payout of 100 yen per share



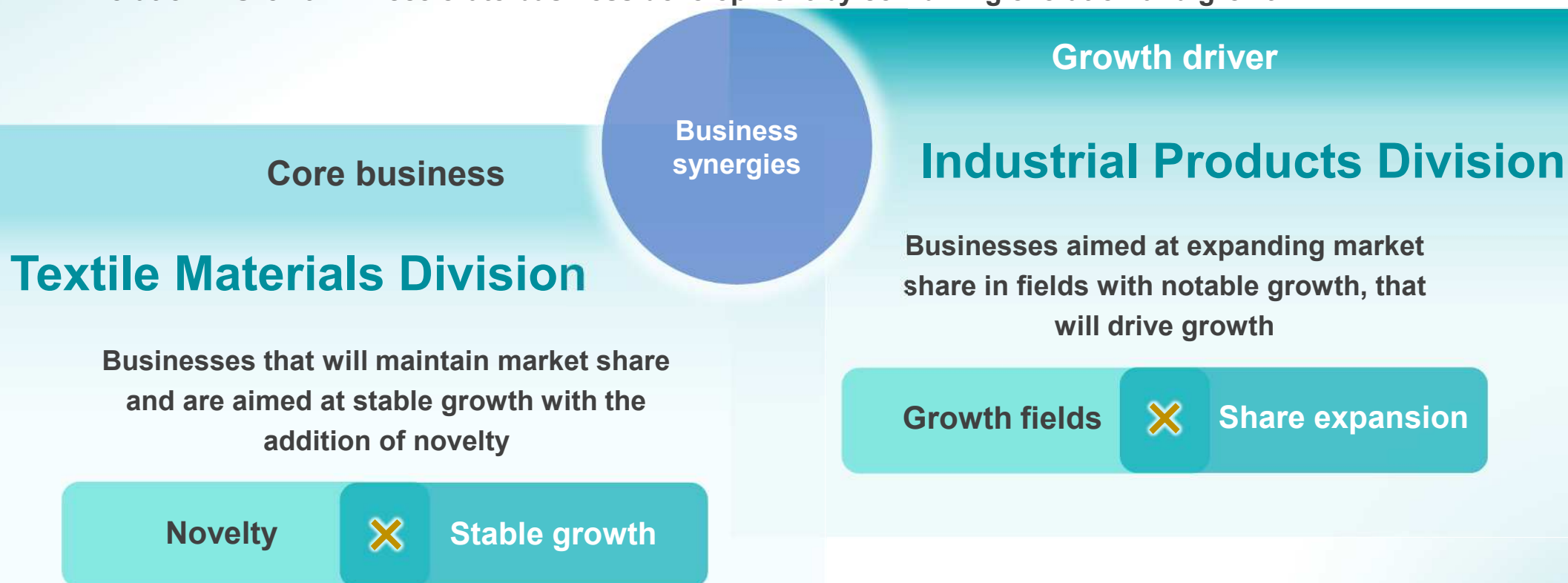


2-1

# Implement Capital Cost Management

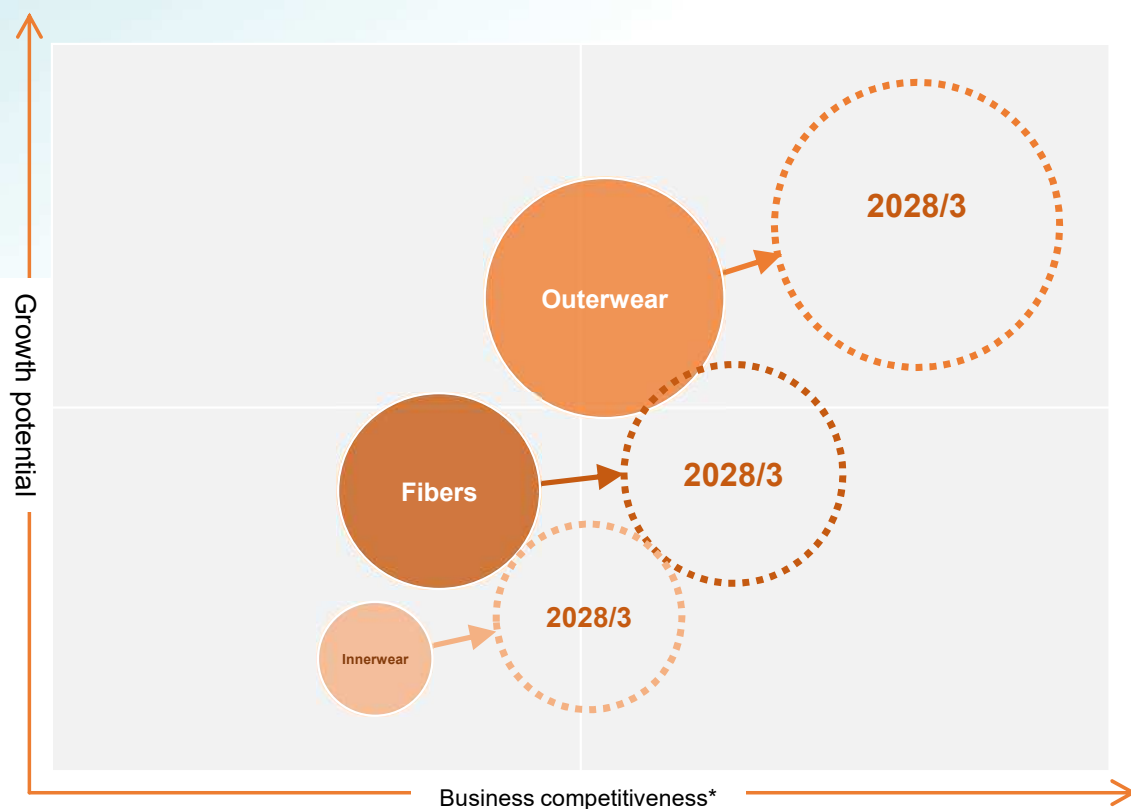
## Business Portfolio Approach and Synergies Among Businesses

- Continue to position Textile Materials Division as the “core business” and Industrial Products Division as the “growth driver”
- “Evolution x Growth”: Accelerate business development by combining evolution and growth



## Portfolio Structure of the Textile Materials Division

Stable expansion as the core business



\*Indicators of competitive advantage derived from factors such as price, quality, technological capability, and brand strength

Fiscal year ending March 2028

**Net Sales Target 132 billion yen**

**Operating profit target 2.5 billion yen**

### Fibers

Mid-Term  
Management plan

**Deepen business foundation**

Focus area

Yarns, textile raw materials

Operating  
profit target

(25/3) ¥600 million ➡ (28/3) ¥700 million

### Outerwear

Mid-Term  
Management Plan

**Growth investment**

Focus area

Fabrics (exports), apparel products

Operating  
profit target

(25/3) ¥800 million ➡ (28/3) ¥1.3 billion

### Innerwear

Mid-Term  
Management Plan

**Profitability improvements**

Focus area

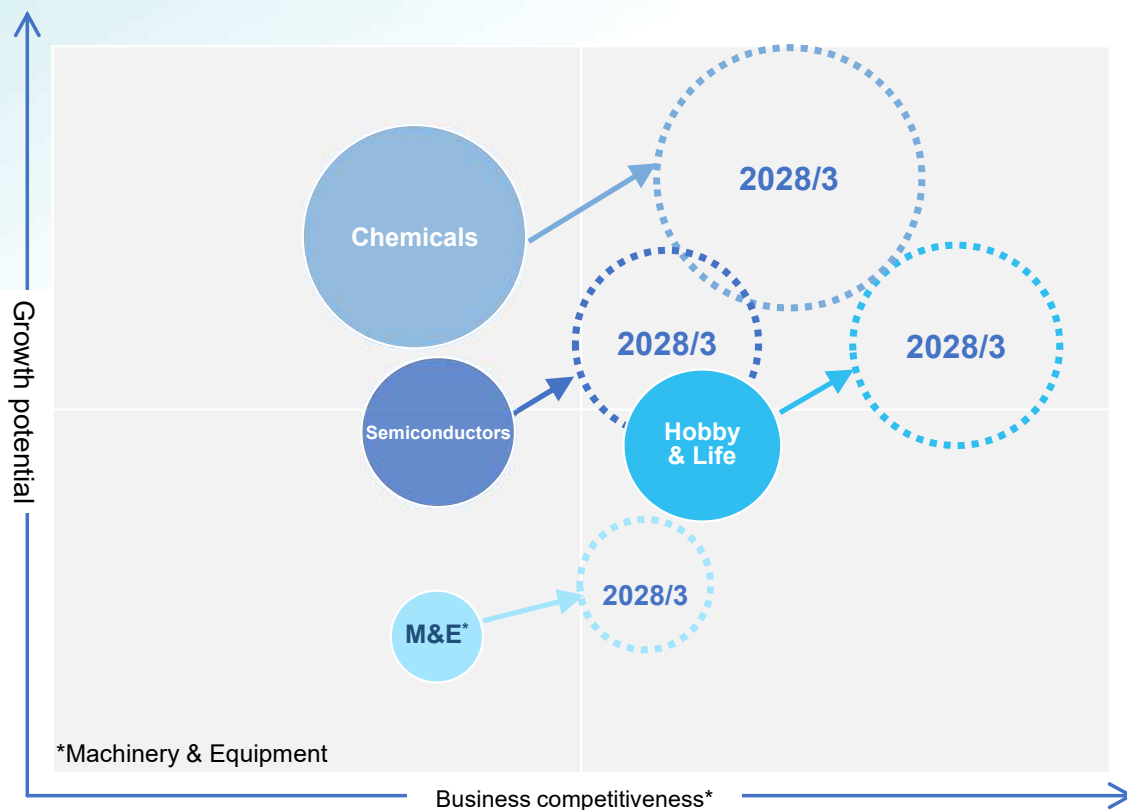
Innerwear, lingerie

Operating  
profit target

(25/3) ¥100 million ➡ (28/3) ¥500 million

## Portfolio Structure of the Industrial Products Division

Aim to expand scale as a growth driver



\*Indicators of competitive advantage derived from factors such as price, quality, technological capability, and brand strength

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Fiscal year ending March 2028

Net Sales Target

45 billion yen

Operating profit target

3.1 billion yen

Semiconductors

Mid-Term  
Management Plan

Establish a new organization

Focus area

Advanced/general-purpose  
semiconductors

Operating profit  
target

(25/3) ¥400 million → (28/3) ¥600 million

Chemicals

Mid-Term  
Management Plan

Growth investment

Focus area

Raw materials for paint, resins,  
nanotechnology

Operating profit  
target

(25/3) ¥900 million → (28/3) ¥1.3 billion

Hobby & Life

Mid-Term  
Management Plan

Overseas expansion

Focus area

Paints for models and related tools

Operating profit  
target

(25/3) ¥500 million → (28/3) ¥900 million

Machinery &  
Equipment

Mid-Term  
Management Plan

Strengthen cooperation

Focus area

Industrial equipment and scientific  
instruments

Operating profit  
target

(25/3) ¥100 million → (28/3) ¥300 million



## Financial Strategy

Maintain financial soundness and a stable PBR of 1.0 or higher.

**PBR=**

**PER** (Price to earnings ratio) **x** **ROE** (return on equity)

➔ **Focus on improving ROE**

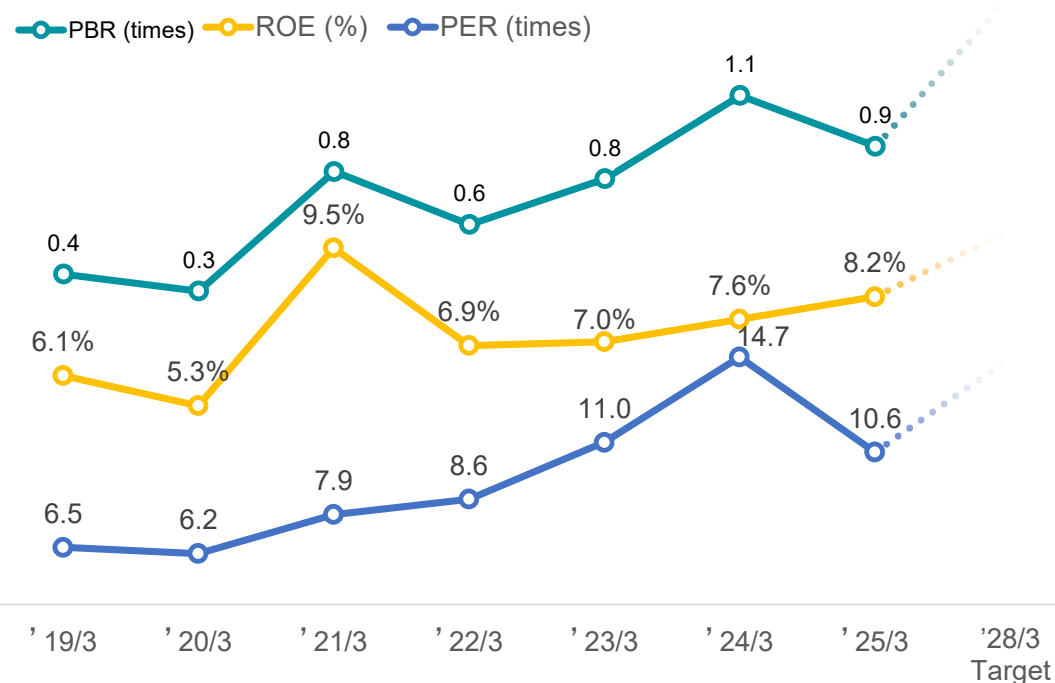
Roadmap to Achieve ROE of over 10% ▶P.18

B/S management policy ▶P. 19

Investment strategy and cash allocation ▶P. 20

Shareholder return policy ▶P. 21

### Changes in PBR, PER, ROE



## Roadmap to achieve ROE of over 10%

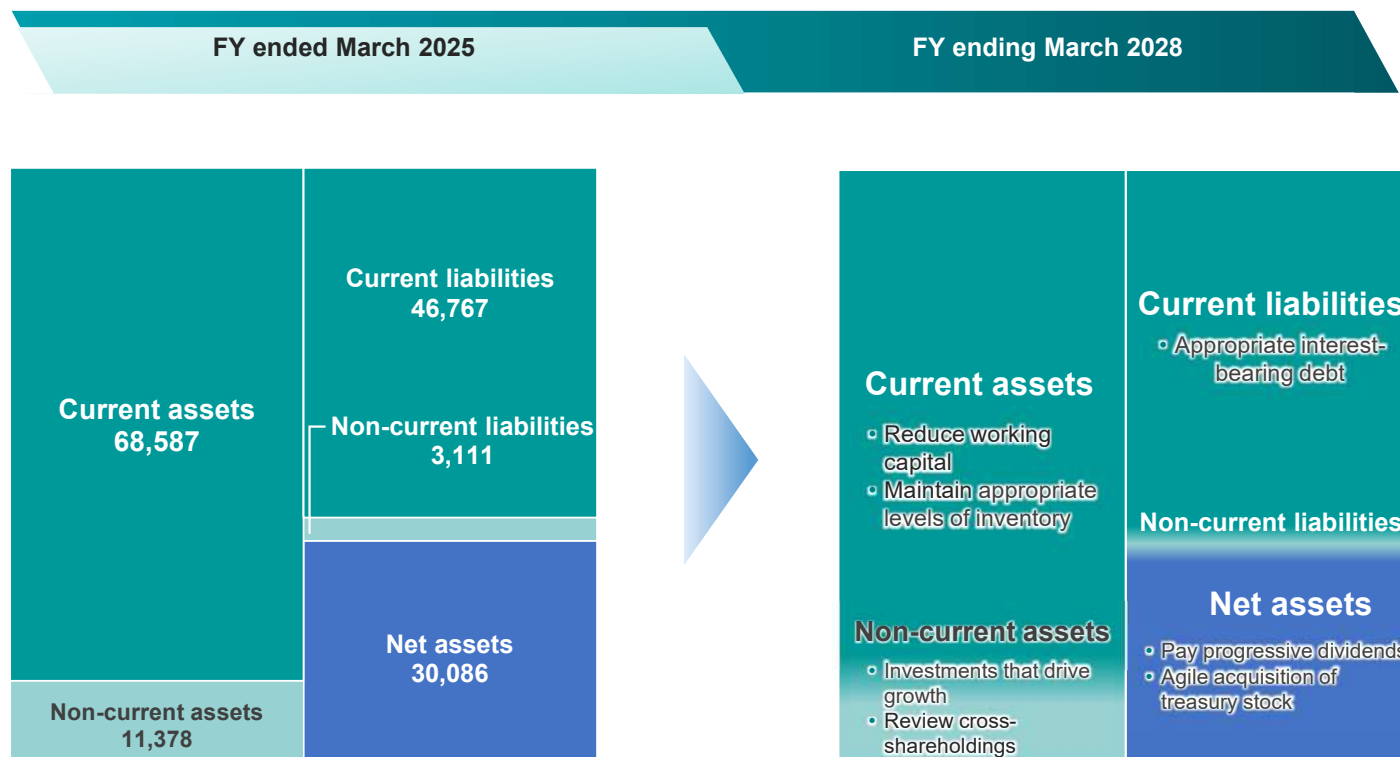
ROE	FY ended March 2025 Actual	Measures to achieve ROE of over 10%	FY ending March 2028 Target
	8.2%		Over 10.0%
<b>Net sales net profit margin</b> $\text{Net profit} \div \text{Net sales}$	1.4%	<ul style="list-style-type: none"> <li>Review portfolio with a focus on capital cost</li> <li>Shift to value-added businesses</li> </ul>	1.7%
<b>Total asset turnover</b> $\text{Net sales} \div \text{Total assets}$	2.1 times	<ul style="list-style-type: none"> <li>Improve asset efficiency across the Group</li> <li>Optimize inventories, reduce financial assets</li> </ul>	2.2 times
<b>Financial leverage</b> $\text{Total assets} \div \text{Equity}$	2.7 times	<ul style="list-style-type: none"> <li>Align shareholder return policy with capital structure optimization</li> <li>Agile acquisition of treasury stock</li> </ul>	2.7 times

## Balance Sheet Management Policy

Balance sheet management focused on capital efficiency

### Balance Sheet Management Policy

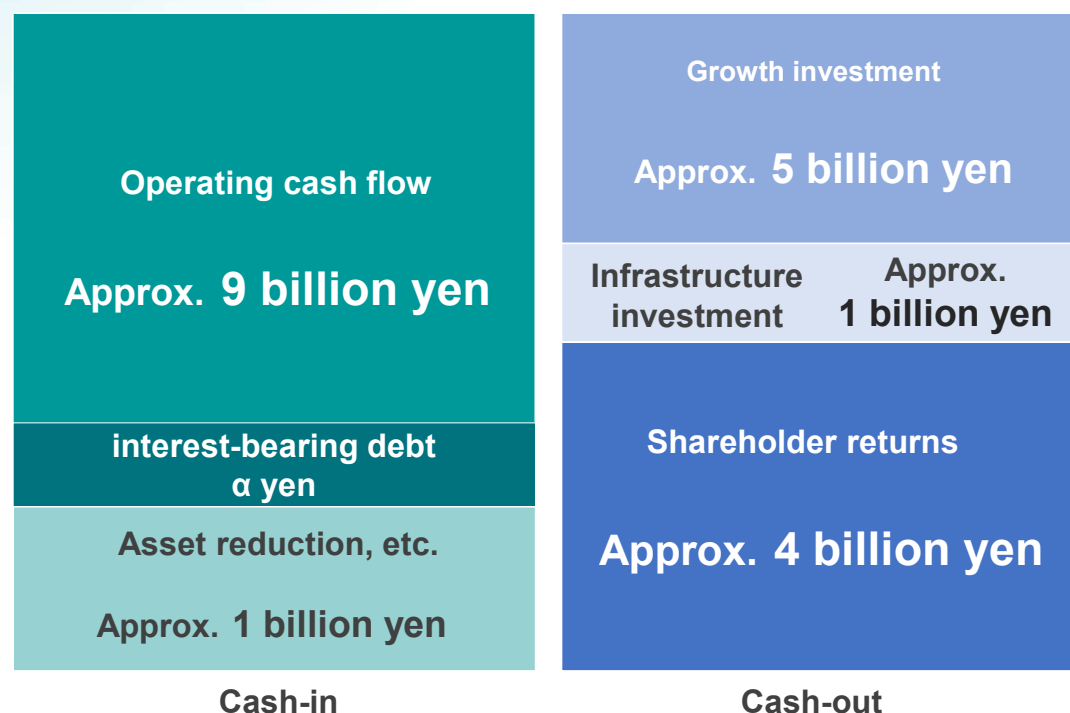
- Reduce working capital and replace fixed assets with more profitable ones.
- Maintain interest-bearing debt at appropriate levels, considering the balance with equity.
- Improve capital efficiency through progressive dividends and agile acquisition of treasury stock



## Investment Strategy + Cash Allocation

Maintain and enhance corporate value at over 1.0x PBR in a stable manner by balancing growth investment and shareholder returns.

“GSI CONNECT Phase 2” (2025-2027) Period Cumulative



Invest in growth areas and growth businesses (M&A)

**5 billion yen + α**

Infrastructure investment (human resources, DX, etc.)

**1 billion yen + α**

- Maintain a dividend payout ratio of **50% or more**
- Progressive dividend policy with a **minimum payout of 100 yen per share**
- Agile **acquisition of treasury stock**
- Continue **shareholder benefits program** (with holding period conditions)



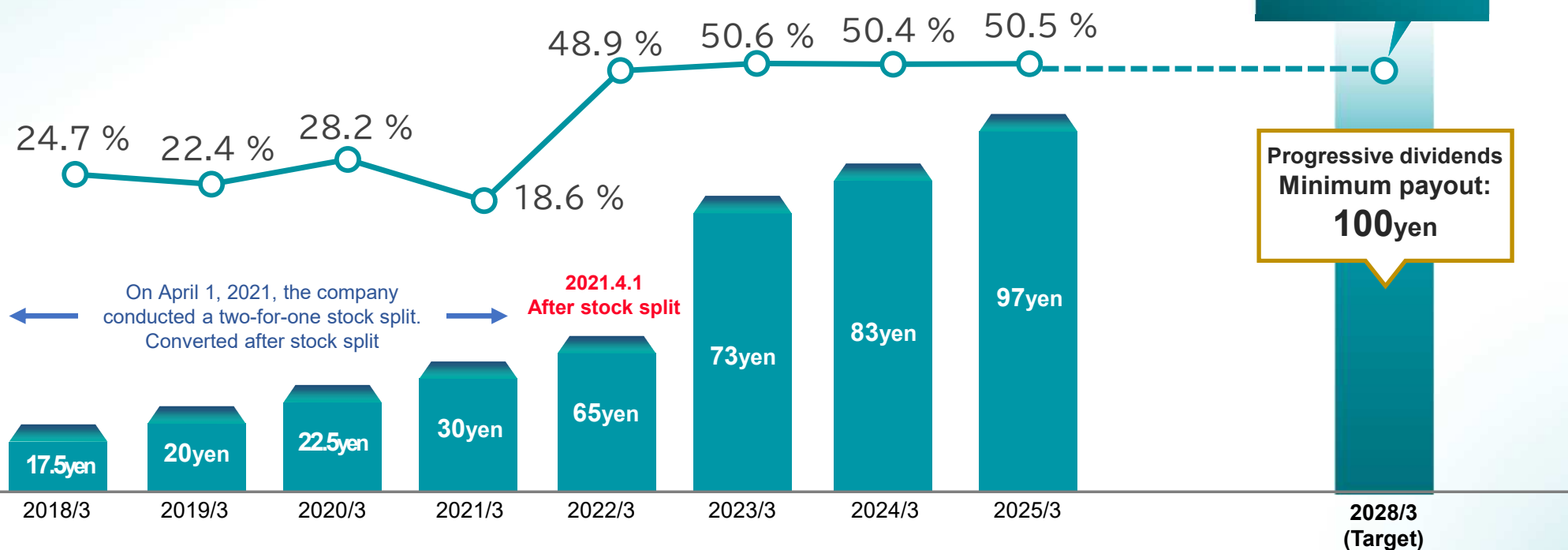
## Shareholder Return Policy

Secure funding for investment in growth areas, while returning profits to shareholders through more stable and sustained earnings growth.

NEW

- Maintain a **dividend payout ratio** of 50% or more
- **Progressive dividend policy** with a minimum payout of 100 yen per share

- Agile **acquisition of treasury stock**
- Continue **shareholder benefits program** (with holding period conditions)



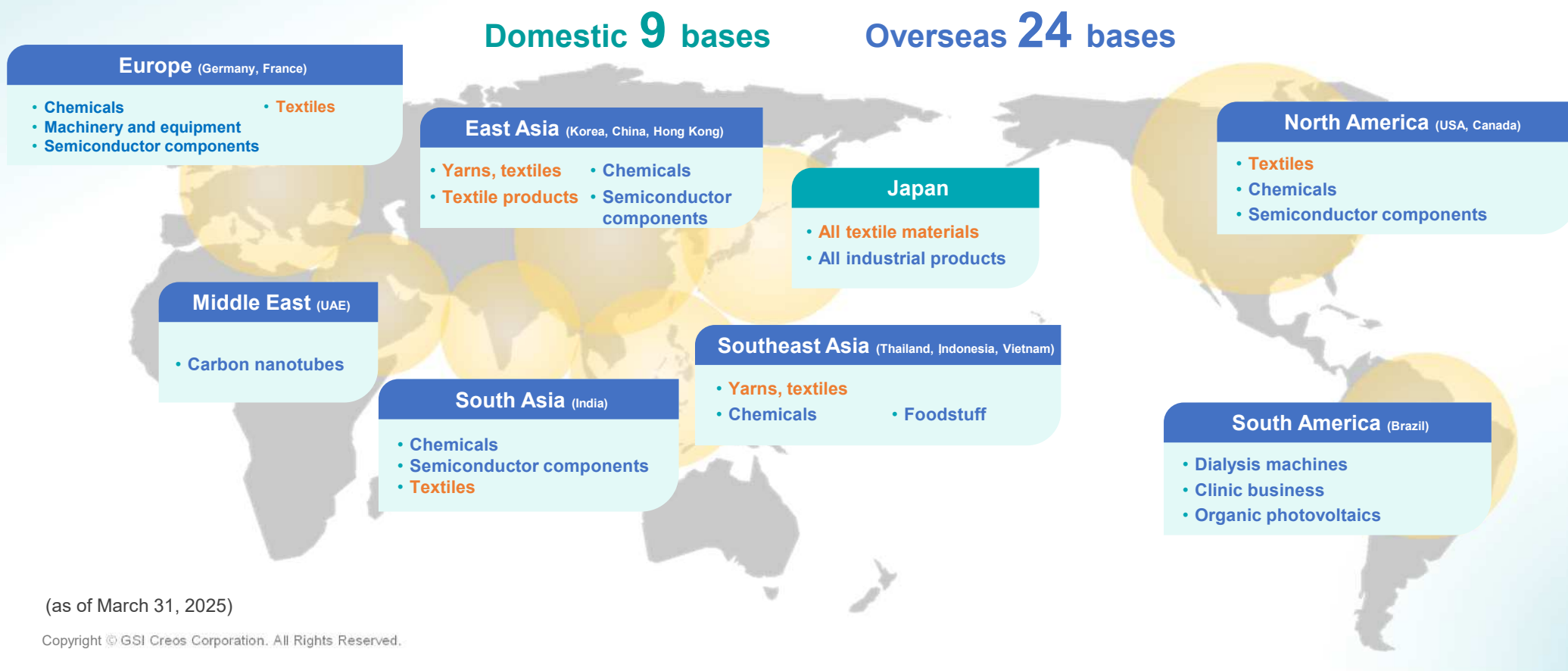


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# Strengthen the Group's Foundations and Promote Collaboration

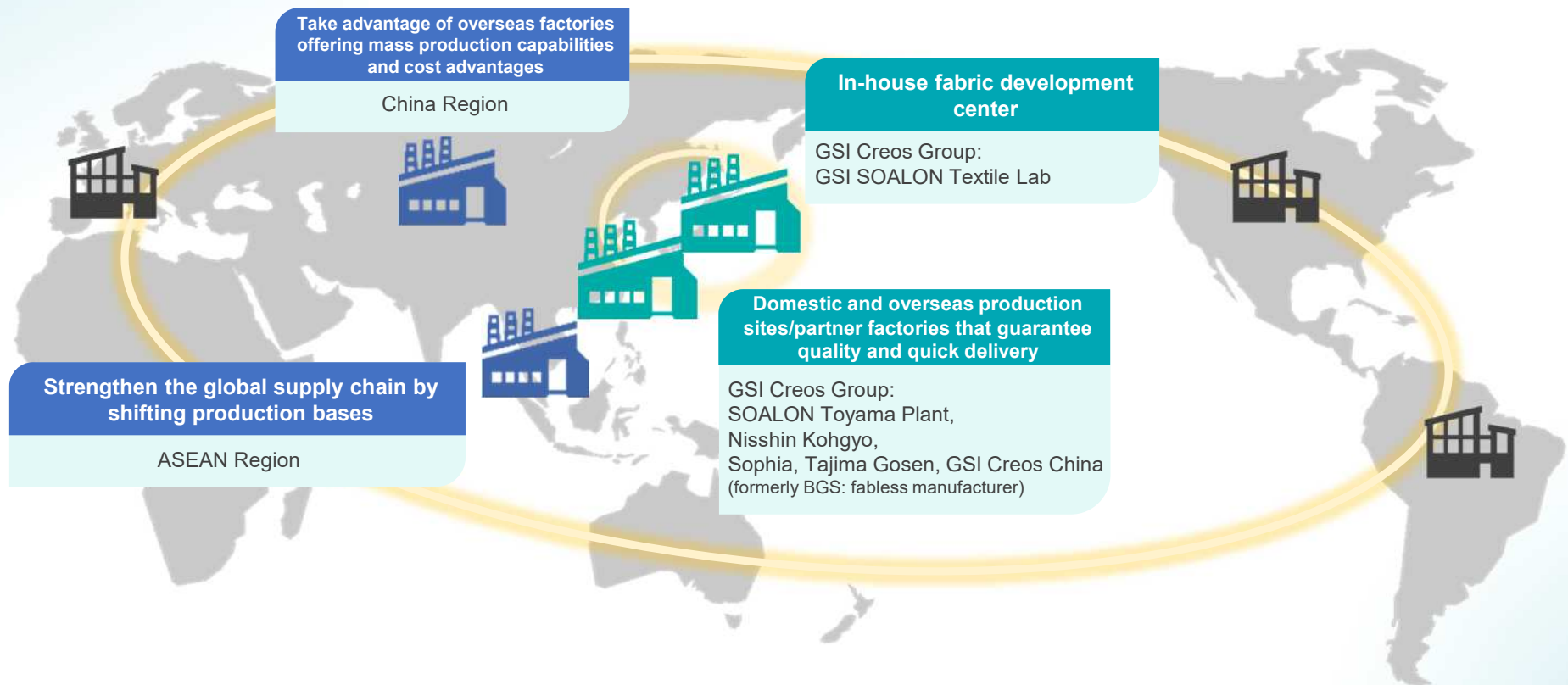
## Thoroughly Strengthen Global Management Capabilities

Expand the functional portfolio of Group bases, strengthen the global supply chain, and enhance coordination between sites and across functions. Expansion into Taiwan and Africa is also under consideration.



## Specific Strategies and Measures (Textile Materials) (1) Strengthen Global Supply Chain GSI Creos

- Provide optimal services to meet customer needs by leveraging the characteristics of our global production sites and partner factories
- Expand solution-based businesses with value-added products, centered on fabric development hubs





## Specific Strategies and Measures (Textile Materials) (2) Focus Business: Soalon

Expand business through synergies between unique, one-of-a-kind products and the comprehensive Textile Materials Division that spans from upstream to downstream



### Synergy (1)

#### Expand products and applications

Move beyond the current focus on women's apparel and expand into sports, athletic, and innerwear segments, the Group's strengths

### Synergy (2)

#### Expand sales channels

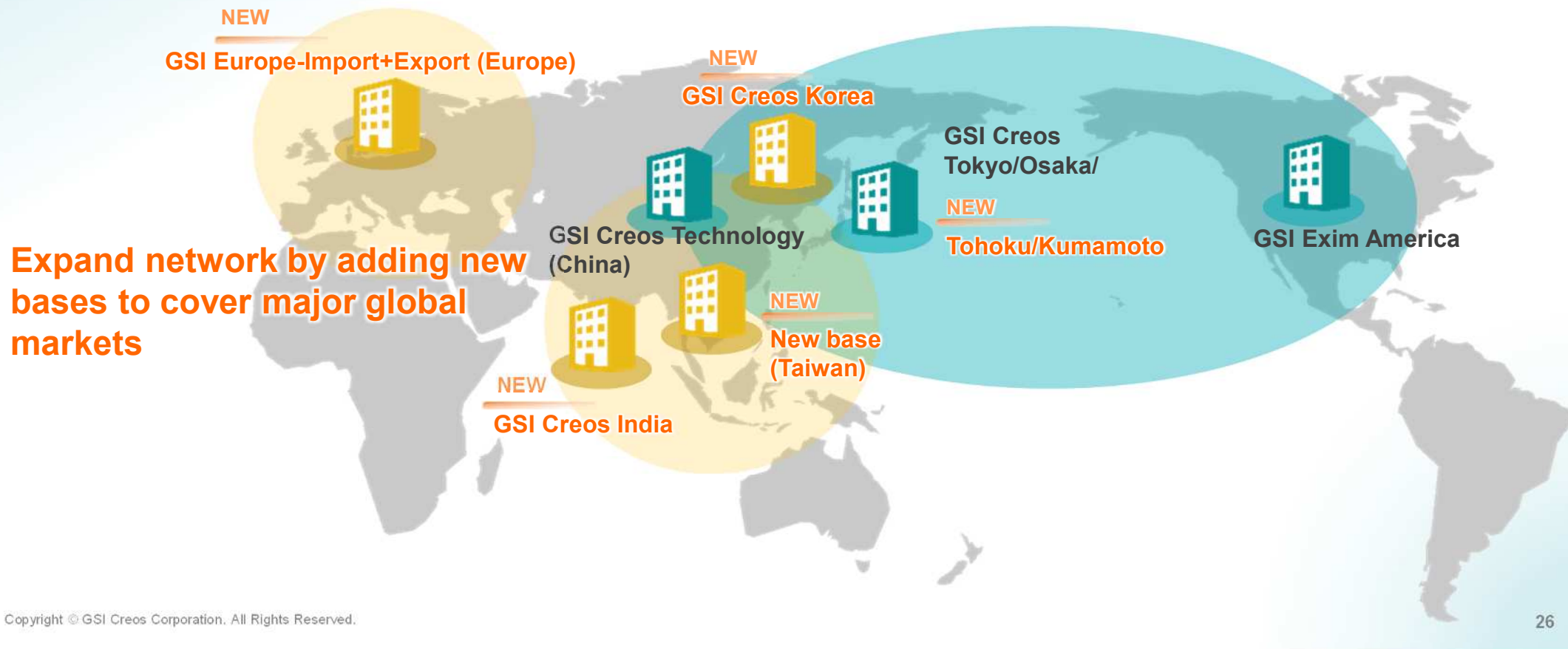
Utilize the Group's global network not only in Japan and Asia, but also across Europe, the U.S., and other key regions

Focus Area: North America, Europe, China, Middle East

## Specific Strategies and Measures (Industrial Products) (1) Semiconductors

Expand sales of components for manufacturing equipment and facilities through collaboration among bases in Japan, the U.S., and China.

Utilize new bases while aiming for entry into cutting-edge semiconductor manufacturing plants.



## Specific Strategies and Measures (Industrial Products) (2) Chemical Products

### Make big waves as a global chemical distributor

Expand sales bases

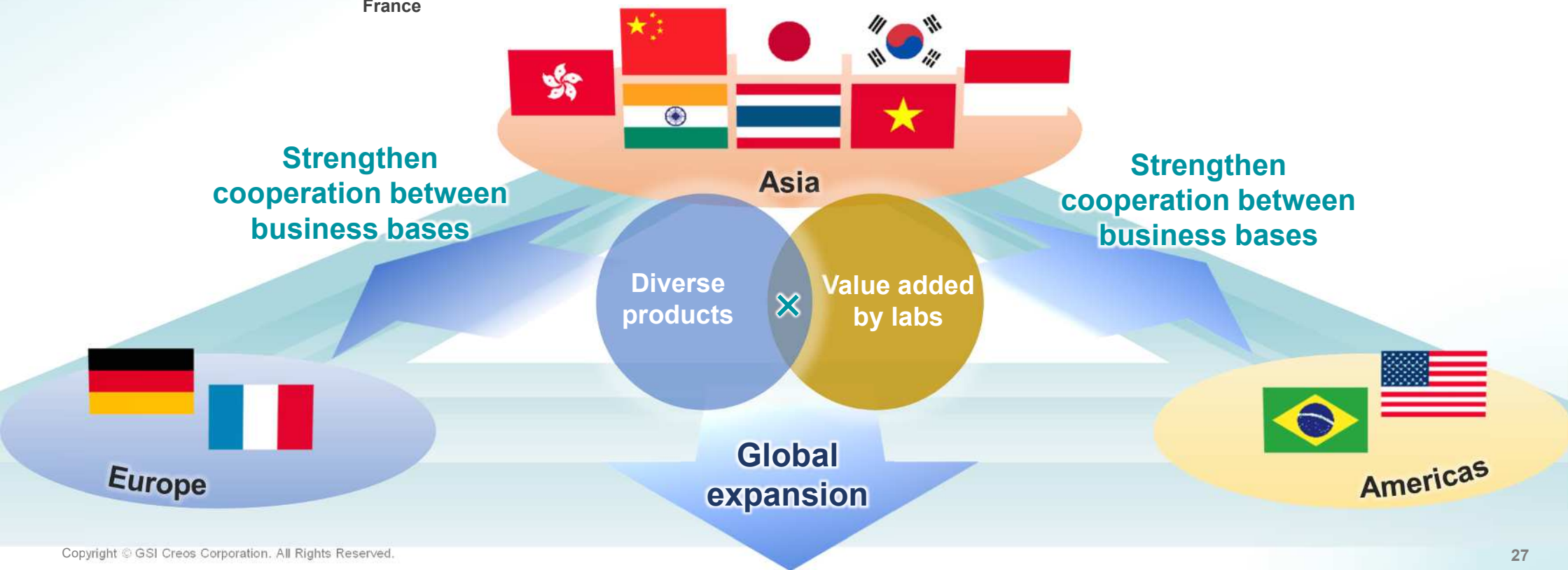
Target areas: Asia, North America, South America, Europe

Expand product lineup

Source and develop not only high value-added products made in Japan, but also products sought by the market, and develop them through Group collaboration

Use R&D bases

Deliver solutions by supporting new formula development and problem solving, utilizing the newly established in-house laboratory in France



## Specific Strategies and Measures (Industrial Products) (3) Hobby & Life

Create value by developing house-brands based on outstanding planning capabilities

- Globally expand house-brands, which are recognized worldwide
- Expand the sale of household goods and partner brand products by leveraging existing sales channels for model-related products

### Sales channels for model-related products



“fav’s room TOKYO”  
brand supporting fandom  
activities

“CON’CELECT”  
nail care brand

Partner brands

### Japanese market

GSI Creos

### European and American markets

GSI Exim America

GSI Europe-Import+Export

GSI Creos Brasil

### Asian markets

GSI Creos China

GSI Creos Korea

## Promote DX (through the sharing and utilization of information and data across the Group)

Starting with our in-house DX initiative (SMILE Project), enhance “information warfare capabilities” by leveraging AI, information, and data, and establish a hybrid business model that combines digital and real-world strengths to enhance corporate competitiveness.

### Three-year roadmap

Fiscal year ending March 2026	Fiscal year ending March 2027	Fiscal year ending March 2028
<ul style="list-style-type: none"> <li>Develop knowledge and digital infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>Promote business process reforms and raise DX awareness</li> </ul>	<ul style="list-style-type: none"> <li>Launch full-scale corporate transformation through DX</li> </ul>

### Strategies

Strengthen information warfare capabilities	<ul style="list-style-type: none"> <li>Build an infrastructure for data collection, accumulation, and analysis</li> <li>Anticipate latent needs by combining transaction data with industry knowledge</li> <li>Propose solutions to complex, cross-industry needs</li> </ul>
Achieve fusion between digital tools and physical engagement	<ul style="list-style-type: none"> <li>Streamline sales activities through automation with AI systems</li> <li>Maximize the impact of human interaction in face-to-face communication</li> <li>Create added value by offering appropriate solutions to customers via a digital and real virtuous cycle</li> </ul>
Reform DX awareness and train human resources	<ul style="list-style-type: none"> <li>Foster a data-scientific mindset</li> <li>Improve overall digital literacy</li> <li>Systematically train DX promotion leaders</li> </ul>





2-3

**Promote ESG Management**

## ESG Initiatives: Further Strengthen Sustainability

- Sustainability Committee, which is directly overseen by the Board of Directors, leads initiatives to resolve sustainability issues facing society and corporations, positioning them as a business opportunity.
- In preparation for the 100th anniversary of our establishment, we will actively address the Group's three material issues to realize our "Aspirations."

### Our Group's Material Issues (priority issues)



#### 1. Create an Affluent Society in Harmony with the Environment



#### 2. Enrich Human Resources and Promote New Ways of Working



#### 3. Strengthen Highly Effective Governance Systems



## Create an Affluent Society in Harmony with the Environment

**We will contribute to climate change mitigation and the realization of a circular economy through sustainable business activities in “Environment”, “Life & Health”, and “Energy” sectors**

### Investment in sustainable businesses

We will proactively invest in the core focus areas of our Group’s sustainable business strategy, “environment,” “life & health,” and “energy.”

- **Environment**

Biodegradable resin, triacetate fiber, etc.

- **Life & Health**

Medical products, healthcare products, etc.

- **Energy**

Nanotechnology, semiconductor-related business, etc.

### Carbon-neutrality

In line with our management philosophy, “For the Global Environment,” we are committed to achieving carbon neutrality by 2050.

- **2050 Net Zero**

In 2022 we began calculating emissions on a non-consolidated basis. In May 2023, we endorsed the TCFD recommendations and expanded emissions calculations to include consolidated affiliates. Our goal is to achieve net zero by 2050.

- **Scope 3 Measurements and Reduction Measures**

With the integration of Soalon, a manufacturer, as an affiliate, we began measuring Scope 3 emissions and evaluating reduction strategies from the first year of the current Mid-Term Management Plan, aiming to reduce emissions across the entire supply chain.



## Enrich Human Resources and Promote New Ways of Working

We will create an environment in which all Group employees can thrive by enhancing our training programs, systematically developing global and professional next-generation leaders, and promoting more efficient business operations through the use of IT


### Strategic human resource development

Enhance training programs for human resource development

Systematically train global and professional leaders

Train and utilize DX human resources

**Strengthen business competitiveness with human capital at the core**



### Foster a challenging organizational culture

Reform human resource and wage systems

Enhance mechanisms and systems to enable diverse human resources to thrive

Develop an environment in which all Group employees can contribute



## Strengthen Highly Effective Governance Systems

To ensure transparency and fairness in management, enable swift decision-making, and appropriately disclose information to stakeholders, we have strengthened the separation between supervisory and executive functions and built a robust corporate governance structure

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Strengthening of the Board of Directors' supervisory function		<ul style="list-style-type: none"> <li>Appointed independent outside directors</li> </ul>	<ul style="list-style-type: none"> <li>(*As of FY ending March 2026: 3 additional directors; ratio of outside officers: 45%)</li> </ul>				<ul style="list-style-type: none"> <li>Appointed female directors (*As of FY ending March 2026: 1 additional directors; ratio of female directors: 23%)</li> </ul>		<ul style="list-style-type: none"> <li>Transferred authority to the Executive Board (reviews agenda items)</li> </ul>		
Accelerated business execution		<ul style="list-style-type: none"> <li>Introduced an executive officer system</li> </ul>								<ul style="list-style-type: none"> <li>Appointed full-time executive officers (Strategic Human Resources Management)</li> </ul>	
Established various committees							Established Sustainability Committee			Appointed Senior Executive Officers	
Remuneration System and Other Measures					<ul style="list-style-type: none"> <li>Introduced restricted stock</li> </ul>	<ul style="list-style-type: none"> <li>Began off-site meetings attended by all directors</li> </ul>		<ul style="list-style-type: none"> <li>Established voluntary Nomination and Remuneration Committees</li> </ul>			
						<ul style="list-style-type: none"> <li>Engaged in dialogue with shareholders and investors (exhibited at IR Fair for Investors)</li> </ul>					

### Initiatives toward future

- Review and improve existing structure and systems
- Promote board diversity (increase number of outside and female directors)
- Consider introducing ESG metrics in the evaluation of officers
- Strengthen the board effectiveness evaluation process (use third-party organizations)
- Engage in active dialogue with stakeholders (1-on-1 meetings with President and CEO, etc.)



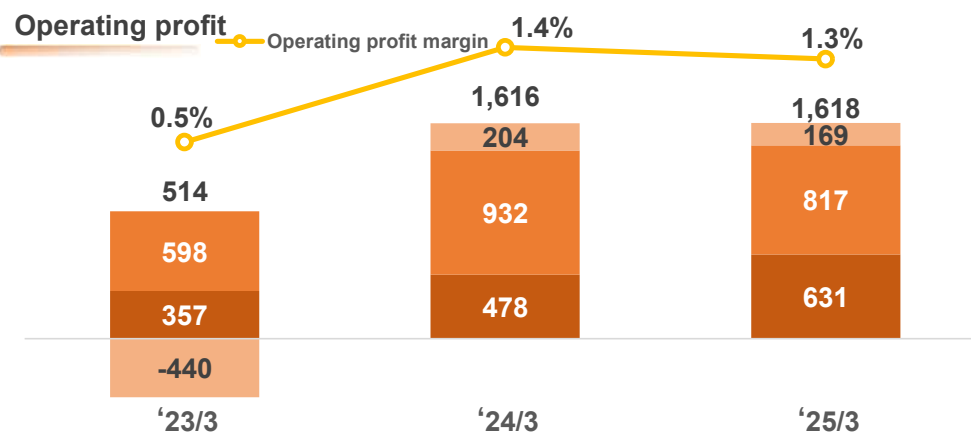
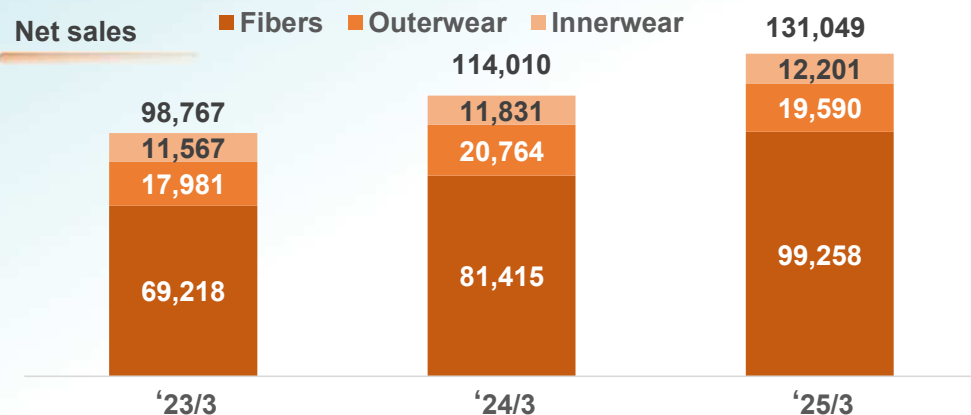
The background of the slide is a photograph of a modern glass skyscraper. The building's facade is composed of a grid of dark frames holding large glass panels. These panels reflect the surrounding environment, which appears to be a dense forest of green trees. The reflection is somewhat distorted by the perspective of the building's angle. A semi-transparent teal horizontal band is overlaid across the middle of the image, serving as a background for the text.

3

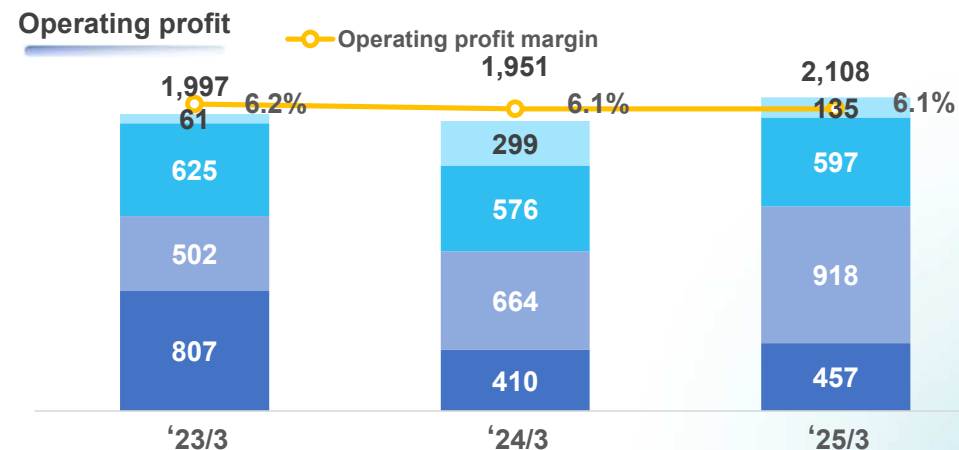
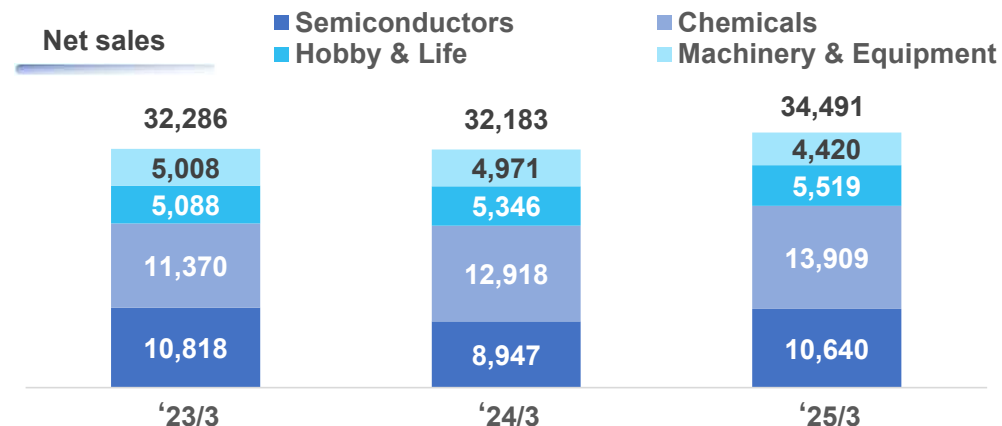
# Supplementary Information

# Review of Previous Mid-Term Management Plan By Segment (Quantitative)

## Textile Materials Division



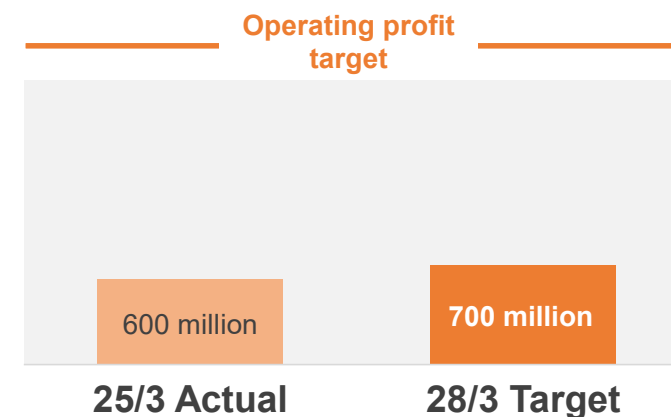
## Industrial Products Division



## Business Portfolio and Priority Measures (By Segment): Fibers

<b>Description of business</b>	<ul style="list-style-type: none"> <li>• Domestic and overseas sales, import and export of raw yarn and textile raw materials</li> <li>• Manufacturing, processing and sale of medical textile raw materials and products</li> </ul>
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<b>Collaborating affiliated companies</b>	<ul style="list-style-type: none"> <li>• GSI Marulontex</li> <li>• SOALON</li> <li>• GSI Trading Hong Kong*</li> <li>• GSI (Shenzhen)*</li> <li>• GSI Creos Korea*</li> </ul> <p style="text-align: right;">*Overseas affiliated company</p>
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### Business environment and market opportunities

- Growing need to address environmental issues and health maintenance

### Strengths and revenue sources

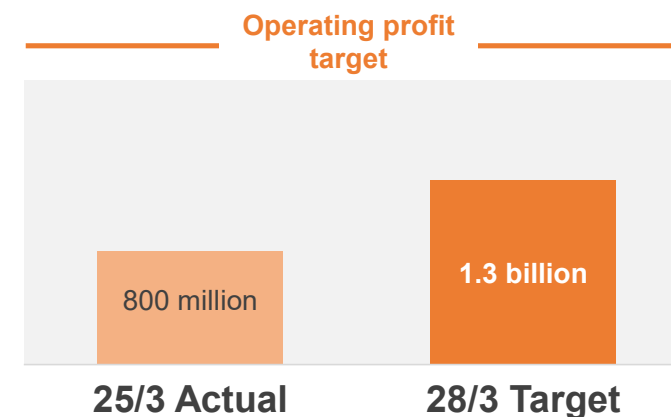
- Stable procurement and supply of raw materials as a result of strengthening relationships with major domestic and overseas manufacturers
- Development and supply of high-quality, low-cost, and environmentally friendly materials

### Policies and Priorities in this Plan

- Deepen the raw materials business cultivated as our core business
- Expand overseas materials (including environmentally friendly materials)

## Business Portfolio and Priority Measures (By Segment): Outerwear

<b>Description of business</b>	<ul style="list-style-type: none"> <li>• Manufacture, wholesale, import and export of textile and apparel products</li> <li>• OEM and ODM of apparel products</li> <li>• Daily necessities</li> </ul>
<b>Collaborating affiliated companies</b>	<ul style="list-style-type: none"> <li>• SOALON</li> <li>• GSI SOALON Textile Lab</li> <li>• GSI Exim America*</li> <li>• GSI Creos China*</li> </ul> <p style="text-align: right;">*Overseas affiliated company</p>



### Business environment and market opportunities

- Rising demand for sustainable products
- Expand transactions through integrated production and sales

### Strengths and revenue sources

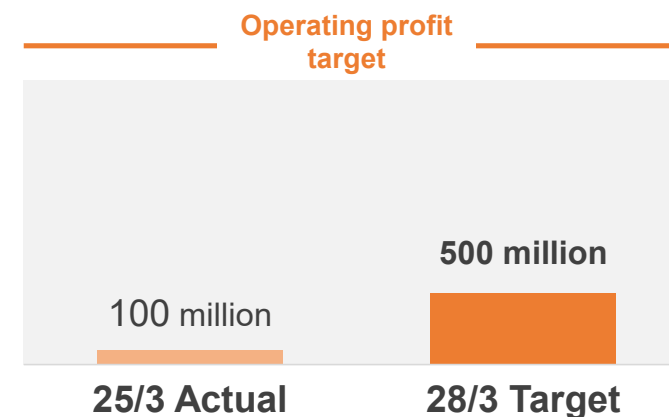
- Planning and proposal capabilities highly regarded by major overseas brands
- Development and provision of proprietary materials valued worldwide
- Planning and production capabilities that allow us to respond to various needs by leveraging our large network of partner factories both in Japan and overseas

### Policies and Priorities in this Plan

- Strengthen the handling of differentiated and proprietary materials (triacetate fiber)
- Deliver high value-added materials by utilizing fabric development bases

## Business Portfolio and Priority Measures (By Segment): Innerwear

<b>Description of business</b>	<ul style="list-style-type: none"> <li>• OEM, ODM, sale, import and export of lingerie and innerwear products</li> <li>• Development and sale of fabrics for innerwear</li> <li>• Sale of house-brand products</li> </ul>
<b>Collaborating affiliated companies</b>	<ul style="list-style-type: none"> <li>• Izumi</li> <li>• GSI ABROS</li> <li>• Nisshin Kohgyo</li> <li>• GSI Creos China* (including BGS) *Overseas affiliated company</li> </ul>



### Business environment and market opportunities

- Respond to diversifying needs that emphasize functionality as well as fashion sense

### Strengths and revenue sources

- Planning and production capabilities recognized by luxury brands and major SPAs
- Robust supply chain that leverages affiliated production sites in Japan and overseas
- Delivery of high value-added materials by utilizing our own factories

### Policies and Priorities in this Plan

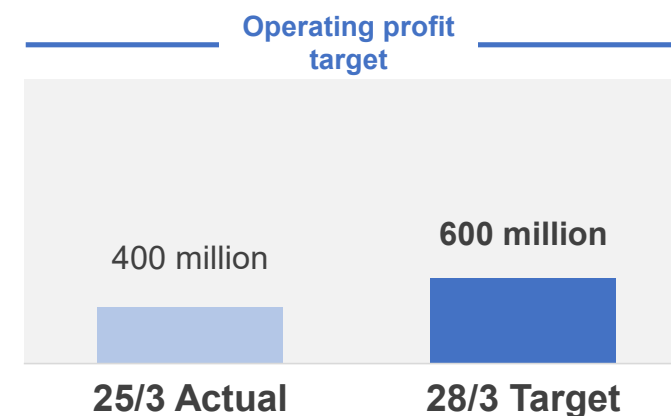
- Improve profitability by restructuring production bases
- Expand sale of high-quality products (Japan quality) to overseas markets



## Business Portfolio and Priority Measures (By Segment): Semiconductors

<b>Description of business</b>	<ul style="list-style-type: none"> <li>• Import and export of parts for cutting-edge semiconductor manufacturing devices</li> <li>• Import and export of general-purpose semiconductor parts</li> <li>• Import and export of parts for semiconductor manufacturing equipment</li> </ul>
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<b>Collaborating affiliated companies</b>	<ul style="list-style-type: none"> <li>• GSI Exim America*</li> <li>• GSI Creos Technology (China)*</li> <li>• GSI Creos China*</li> <li>• GSI Europe-Import+Export*</li> <li>• GSI Creos Korea*</li> </ul> <p style="text-align: right;">*Overseas affiliated company</p>
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### Business environment and market opportunities

- Further increases in demand for semiconductors due to technological innovations
- Response to ongoing U.S.-China trade friction

### Strengths and revenue sources

- Handles leading materials from major domestic and overseas companies
- Established a strong sales base in key regions of the semiconductor market

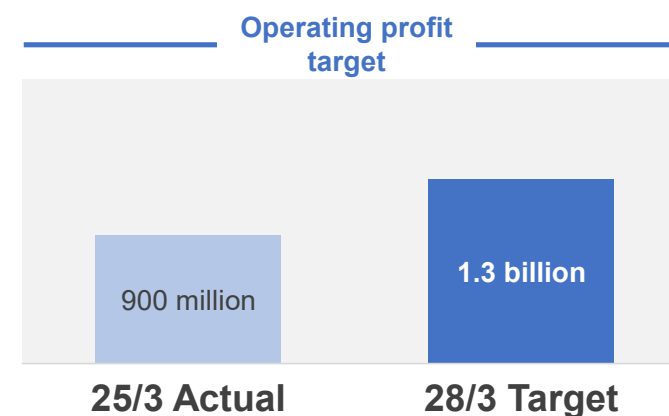
### Policies and Priorities in this Plan

- Establish a new operational structure through the expansion of business bases
- Global expansion of high-quality products (through enhanced import/export capabilities)



## Business Portfolio and Priority Measures (By Segment): Chemicals

<b>Description of business</b>	<ul style="list-style-type: none"> <li>• Import and export of raw materials for paints and other chemical products</li> <li>• Import and sales of functional resins</li> <li>• Domestic sales of films</li> <li>• Development, manufacture and sale of carbon nanotubes</li> </ul>
<b>Collaborating affiliated companies</b>	<ul style="list-style-type: none"> <li>• Sakura Bussan</li> <li>• GSI Exim America*</li> <li>• GSI Creos Brasil*</li> <li>• GSI Europe-Import+Export*</li> <li>• GSI Trading Hong Kong*</li> <li>• GSI Creos China*</li> <li>• GSI (Shenzhen)*</li> <li>• GSI Creos Korea*</li> </ul> <p><small>*Overseas affiliated company</small></p>



### Business environment and market opportunities

- Tightening of chemical regulations and growing awareness of environmental conversation
- Carbon neutral initiatives

### Strengths and revenue sources

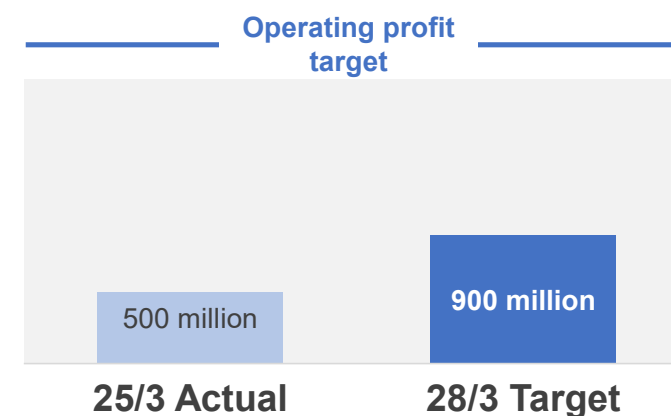
- Globally develops a diverse range of commercial products, from general-purpose to highly functional materials, leveraging the Group's global network
- Develops, manufactures, and supplies proprietary materials (Carbere) and organic photovoltaics (OPV)

### Policies and Priorities in this Plan

- Strengthen coordination among business sites and expand commercial product range
- Deliver value-added solutions tailored to customer needs through use of in-house labs

## Business Portfolio and Priority Measures (By Segment): Hobby & Life

<b>Description of business</b>	<ul style="list-style-type: none"> <li>Domestic and overseas sale of hobby-related products (model paints and related tools)</li> <li>Import and domestic sale of cosmetic raw materials</li> <li>Domestic sale of health foods and healthcare related products</li> </ul>
<b>Collaborating affiliated companies</b>	<ul style="list-style-type: none"> <li>G-Mark</li> <li>GSI Exim America*</li> <li>GSI Europe-Import+Export*</li> <li>GSI Creos Brasil*</li> <li>GSI Creos Korea*</li> <li>GSI Creos China*</li> </ul> <p>*Overseas affiliated company</p>



### Business environment and market opportunities

- Attracts hobby fans around the world
- Respond to diversified demand stemming from lifestyle changes

### Strengths and revenue sources

- Operates “Mr. Hobby,” a house-brand engaged in planning, manufacturing, and sales as a fabless manufacturer
- Provides safe, high-quality and distinctive raw materials (started handling CBD)

### Policies and Priorities in this Plan

- Globally expand partner brand products utilizing the existing house-brand sales network
- Strengthen collaboration with major industry partners

## Business Portfolio and Priority Measures (By Segment): Machinery & Equipment



● Actively develop “**Environment**” businesses within the Group

**Triacetate fiber**  
**Soalon**

**SOALON**  
TRIACETATE



**Applications & features**

Fabrics for major luxury apparel companies

**Differentiation points & social contribution**

- Proprietary sustainable materials
- Obtained FSC® forest certification for natural pulp

**Biodegradable resin**  
**Mater-bi**

 **MATER-BI**



**Applications & features**

Multi-films for agriculture, bags, packages, filaments for 3D printers, etc.

**Differentiation points & social contribution**

- Fully biodegradable in marine and soil environments through microbial action
- Combines plant-derived softness with high interlaminar strength
- Selected for a Ministry of the Environment research project (fishing gear: lures)

**Microorganism rapid testing equipment**  
**Bactester**

**BACTESTER®**



**Applications & features**

Compact, portable devices for on-site testing

**Differentiation points & social contribution**

- No incubation required, measures in approximately 5 seconds
- Can be used across various manufacturing settings including food, chemical, and medical industries

● Actively develop “**Life & Health**” businesses within the Group

**Medical products**



**Applications & features**

Provide cutting-edge treatment for dialysis needs in South America

**Differentiation points & social contribution**

- South American roll-out of high-performance dialysis machines made in Japan
- Operation of dialysis clinics in Brazil (“GSI Creos memorial Clinic”)

**Healthcare products**



**Applications & features**

Product lines that support improved quality of life

**Differentiation points & social contribution**

- Allows surgery patients and foreign visitors to Japan to enjoy bathing facilities (bathing suits)
- Torso support insoles that mold to the shape of the wearer’s foot that uses patented technology
- Femme care brand that supports women’s health and beauty (AURA/BE)

**Hobby-related products**



**Applications & features**

Deliver enjoyment and mental wellbeing to global hobby enthusiasts

**Differentiation points & social contribution**

- Mr. Hobby:  
Globally recognized brand of model-related products
- Fav’s room TOKYO:  
Brand of sundries based on the theme of “fandom activities”
- CON’CELECT:  
High-quality nail care brand for nail artists



## Create an Affluent Society in Harmony with the Environment (sustainable businesses)

GSI **Creos**

- Actively develop “**Energy**” businesses within the Group

### Semiconductor polymer materials Organic photovoltaics (OPV)



#### Applications & features

Combines power generation and heat shielding in a semi-transparent film, can be affixed to windows, etc.

#### Differentiation points & social contribution

- Safe (uses only organic materials, does not contain lead or other hazardous substances)
- Flexible (lightweight, bendable film)

### Nanotechnology Carbon nanotubes “**Carbere®**”



▲ Cup-stacked carbon nanotubes (CSCNT) Carbere®



▲ Bottles and nuts coated with paint containing Carbere®

#### Applications & features

Cup-stacked carbon nanotubes with proprietary structure that excels in dispersibility and length adjustability

#### Differentiation points & social contribution

- Involves collaboration between industry, government, and academia
- High corrosion resistance and coating durability, used in plants in coastal regions or deserts
- Challenge of use in solving problems relating to electrical components for social infrastructure, using recycled high-performance plastics



## Purpose

**As a “Business Producer”  
seeking quality of life for the next generation,  
we realize the happiness of all the people.**

# GSI *Creos*

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