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ASB

Form Your Vision

Financial Results

Year Ending September 2021

Nov. 25, 2021

Nissei ASB Machine Co., Ltd.

(TSE 1st section, Code Number 6284)

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I. Results for the year ending Sept. 2021

Review of the Period Ending Sept. 2021

Achieved the record-highest value of sales, though orders received slowed down in the 2nd half

Sales Front	● **Secured the second-highest orders received despite restrictions to sales activity because of COVID-19 crisis** ● Continually received orders for PF36, mass-production machines for beverages from domestic customers ● Received orders for double layer molding machines from domestic customers
Technology Front	● Enhanced product competitiveness by further evolution of ZC technology ● **Progress in implementation and further development of environment-conscious technologies such as double layer container** ● Continuing development of a new machine model, which is capable of molding high quality and high value-added containers in mass production (ZC : Zero Cooling System)
Manufacturing Front	● Completed enhancement of mold manufacturing capacity in India plant. Additional capital investment is ongoing. ● Restructuring flexible production system in Japan. Furthermore, acquired a building site for a new domestic factory ● **Optimizing global production system for production increase and dispersion of risk**

Financial Results (Summary)

Achieved the record-highest value of sales and profit in each phase

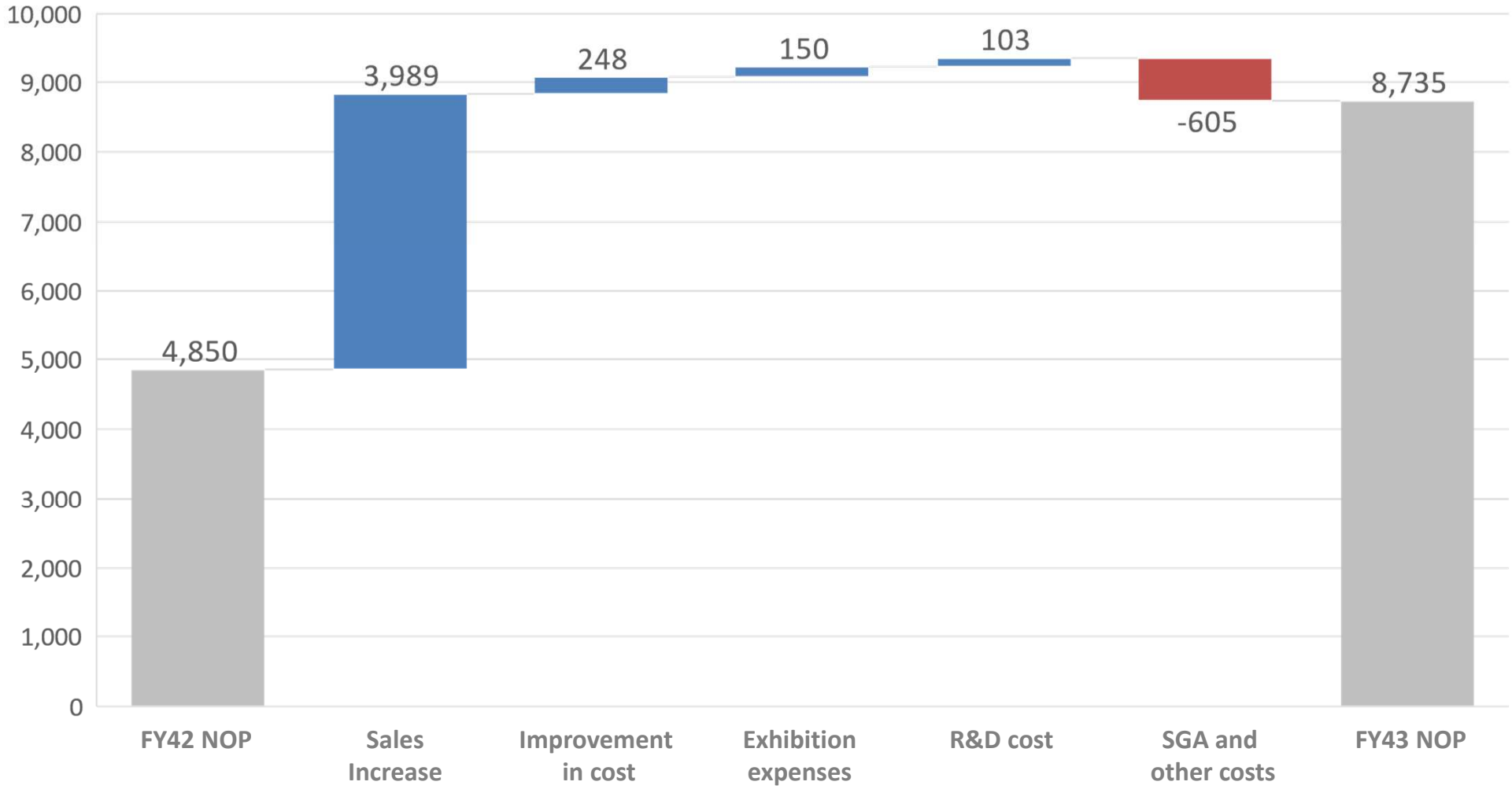
(Unit: million yen)

	2020/09 total	Q1	Q2	Q3	Q4	**2021/09 Total**	Year on Year Comparison		[Reference]	
							Amount of Change	Rate of Change	**Disclosed forecast as at Aug. 2021**	Rate of Change
Net Sales	27,254	7,886	9,989	9,496	8,518	**35,890**	8,635	31.7%	36,600	(1.9%)
Gross Profit	12,340 45.3%	3,739 47.4%	4,860 48.7%	4,473 47.1%	3,504 41.1%	**16,577** **46.2%**	4,236	34.3%	-	-
Selling, General and Administrative Expenses	7,489 27.5%	1,821 23.1%	1,938 19.4%	2,026 21.3%	2,055 24.1%	**7,841** **21.8%**	351	4.7%	-	-
Operating Profit	4,850 17.8%	1,918 24.3%	2,922 29.3%	2,446 25.8%	1,448 17.0%	**8,735** **24.3%**	3,885	80.1%	8,700	0.4%
Ordinary Profit	4,669 17.1%	1,716 21.8%	3,791 38.0%	2,475 26.1%	1,593 18.7%	**9,576** **26.7%**	4,907	105.1%	9,400	1.9%
Profit Attributable to Owners of Parent	4,239 15.6%	1,285 16.3%	2,674 26.8%	1,744 18.4%	976 11.5%	**6,680** **18.6%**	2,440	57.6%	6,600	1.2%

Factors for Changes in Operating Profit (Year on Year Comparison)

Increased sales turnover contributed to drastic increase in operating profit

(Unit: million yen)



(Rounded Figure)

Order Quantity by Product

Orders received decreased by ¥1.2 billion compared to previous year due to restrictions to sales activity because of COVID-19 pandemic

(Unit: million yen)

	2020/09 total	Q1	Q2	Q3	Q4	**2021/09 total**	Year on Year Comparison	
							Amount of Change	Rate of Change
Stretch Blow Molding Machine	20,623	6,864	4,821	3,913	3,028	**18,628**	(1,995)	(9.7%)
Molds	8,344	2,375	2,113	2,093	2,261	**8,843**	499	6.0%
Ancillary Equipment	2,144	791	516	447	384	**2,139**	(5)	(0.2%)
Parts / Other	3,135	833	780	877	856	**3,347**	212	6.8%
Total	**34,248**	**10,865**	**8,231**	**7,332**	**6,530**	**32,959**	**(1,288)**	**(3.8%)**

Order Backlogs by Product

Order backlogs at the end of period maintained second-highest level, although it decreased compared to the amount at the end of previous period

(Unit: million yen)

	2020/09 Q4	2021/09				Comparison with end of previous Q4	
		Q1	Q2	Q3	**Q4**	Amount of Change	Rate of Change
Stretch Blow Molding Machine	9,147	11,641	10,415	9,054	**7,142**	(2,004)	(21.9%)
Molds	5,279	5,437	4,928	4,119	**4,192**	(1,086)	(20.6%)
Ancillary Equipment	928	1,224	1,173	1,175	**984**	56	6.1%
Parts / Other	117	111	94	94	**131**	14	12.5%
Total	**15,471**	**18,415**	**16,611**	**14,443**	**12,451**	**(3,020)**	**(19.5%)**

Order Quantity by Region

Strong orders in South / West Asia, whereas drastic decrease in Europe due to effects caused by COVID-19 pandemic

(Unit: million yen)

	2020/09 total	Q1	Q2	Q3	Q4	2021/09 total	Year on Year Comparison	
							Amount of Change	Rate of Change
Americas	11,483	3,274	2,616	2,323	2,486	**10,700**	(782)	(6.8%)
Europe	7,369	2,110	1,006	1,294	929	**5,341**	(2,028)	(27.5%)
South / West Asia	8,919	2,942	3,109	2,299	2,125	**10,476**	1,556	17.4%
East Asia	6,475	2,537	1,499	1,415	989	**6,441**	(33)	(0.5%)
Total	**34,248**	**10,865**	**8,231**	**7,332**	**6,530**	**32,959**	**(1,288)**	**(3.8%)**

Order Backlogs by Region

Decreased especially in Europe due to slow-down of orders received

(Unit: million yen)

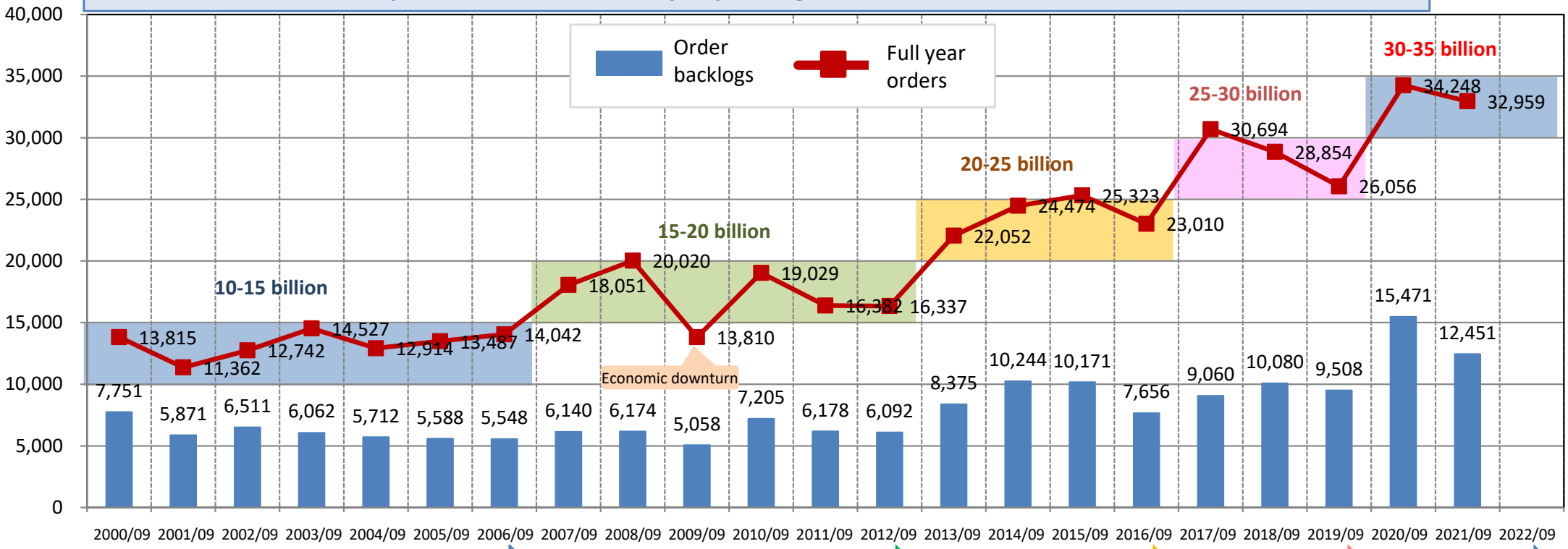
	2020/09 Q4	2021/09				Comparison with end of previous Q4	
		Q1	Q2	Q3	**Q4**	Amount of Change	Rate of Change
Americas	5,628	6,215	5,194	4,280	**4,445**	(1,183)	(21.0%)
Europe	3,475	3,904	2,789	1,997	**1,399**	(2,075)	(59.7%)
South / West Asia	4,000	4,453	4,727	4,344	**3,826**	(174)	(4.4%)
East Asia	2,367	3,841	3,899	3,821	**2,780**	412	17.4%
Total	**15,471**	**18,415**	**16,611**	**14,443**	**12,451**	**(3,020)**	**(19.5%)**

Long-Term Changes in Orders Received and Order Backlogs

Established ¥30 billion-scale structure.
Continuing growth investment prospecting future expansion of business.

Boost demands by market penetration of ZC and launch of a mass-production machine model for beverages.
Intend to further expand orders received by exploiting market of environment-conscious containers.

Unit: million yen



Approx. 10 years
Emergence into India

Approx. 6 years
Maximized effects of molding machine production in India (on track)

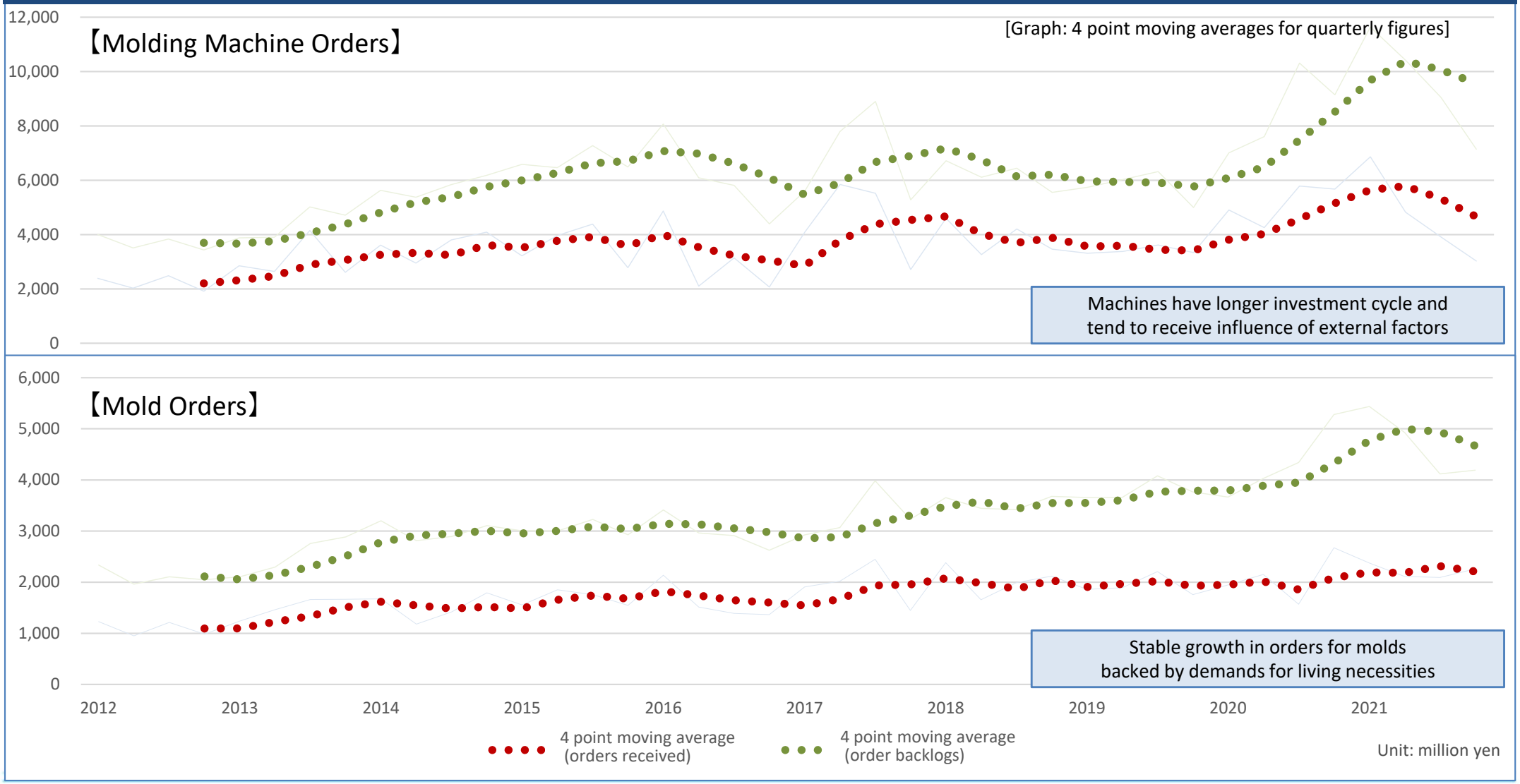
Approx. 4 years
Production of molds in full progress in India.
Development of molding machines to improve mass production.

Approx. 3 years
Manufacturing capacities enhanced.
Development of ZC.

Next Stage
Enhancement of competitiveness. Expansion of shares.

Long-Term Changes in Orders Received and Order Backlogs by Product (moving average)

Orders for molding machines received influence of external factors, whereas orders for molds maintain stable growth



Sales Comparison by Product

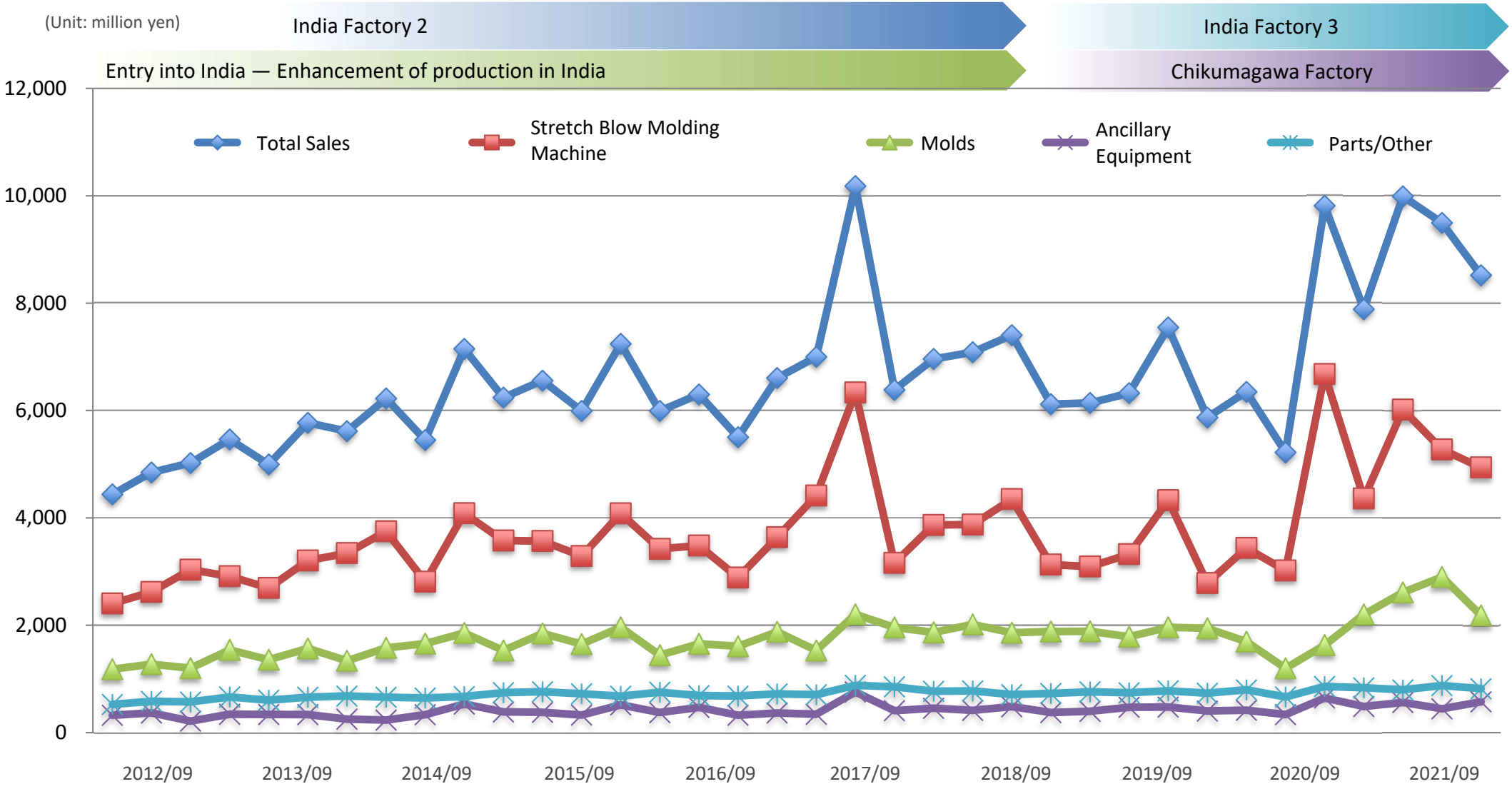
Achieved the record-highest sales in every product category

(Unit: million yen)

	2020/09 total	Q1	Q2	Q3	Q4	**2021/09 total**	Year on Year Comparison	
							Amount of Change	Rate of Change
Stretch Blow Molding Machine	15,928	4,362	6,017	5,274	4,940	**20,595**	4,667	29.3%
Molds	6,467	2,201	2,612	2,898	2,184	**9,896**	3,428	53.0%
Ancillary Equipment	1,802	487	561	445	575	**2,069**	266	14.8%
Parts / Other	3,056	835	797	877	818	**3,329**	272	8.9%
Total	**27,254**	**7,886**	**9,989**	**9,496**	**8,518**	**35,890**	**8,635**	**31.7%**

Sales Trend by Product

Recorded higher level of sales in every product category throughout the year



Sales Comparison by Region

Drastic sales increase especially in Americas and South / West Asia

(Unit: million yen)

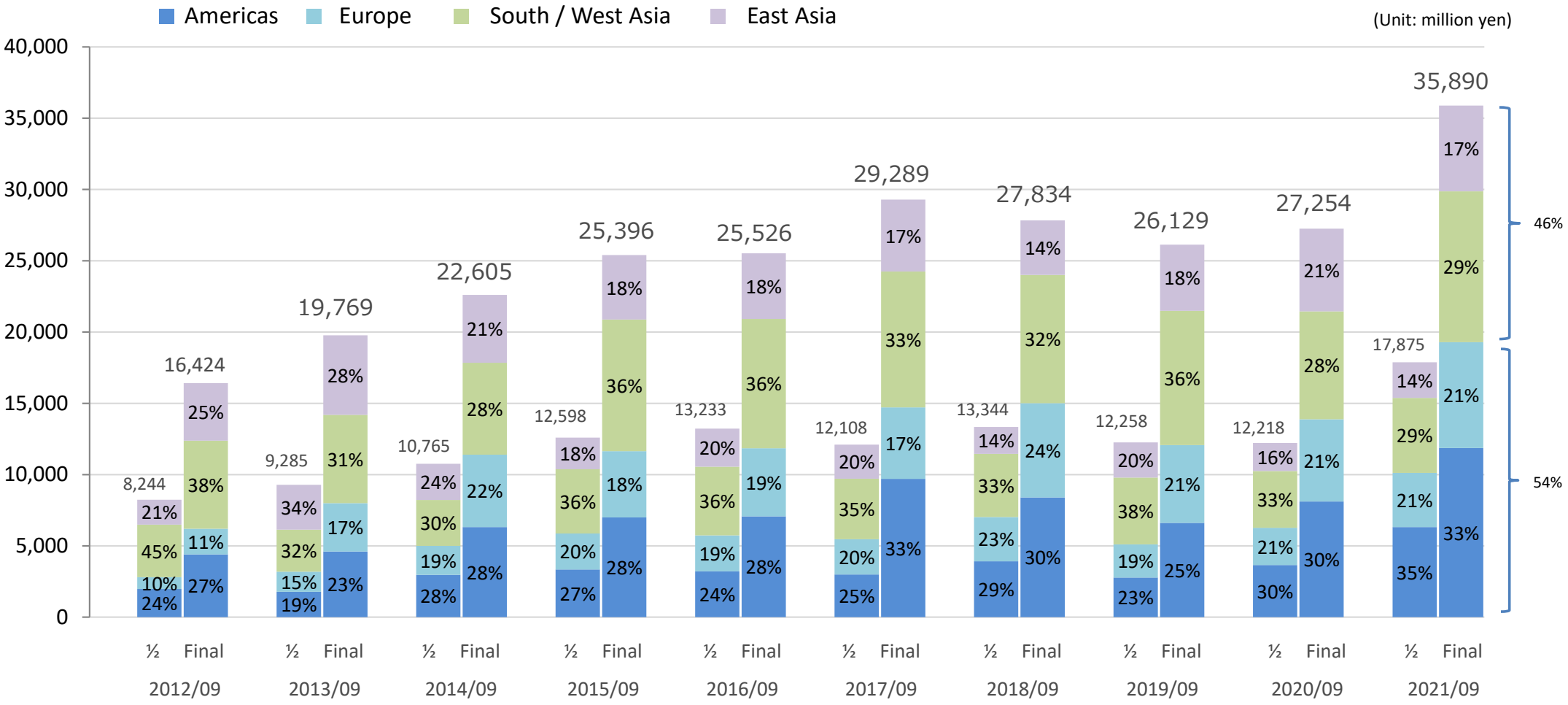
	2020/09 Total	2021/09 Total					Year on Year Comparison	
		Q1	Q2	Q3	Q4		Amount of Change	Rate of Change
Americas	8,115	2,683	3,634	3,237	2,316	**11,871**	3,755	46.3%
Europe	5,770	1,680	2,121	2,086	1,527	**7,416**	1,646	28.5%
South / West Asia	7,562	2,470	2,792	2,679	2,643	**10,585**	3,022	40.0%
East Asia	5,806	1,051	1,440	1,493	2,030	**6,016**	210	3.6%
Total	**27,254**	**7,886**	**9,989**	**9,496**	**8,518**	**35,890**	**8,635**	**31.7%**

Sales Trend by Region

Standing firm on balanced sales composition with Europe, Americas and Asia

India Factory 2 — India Factory 3

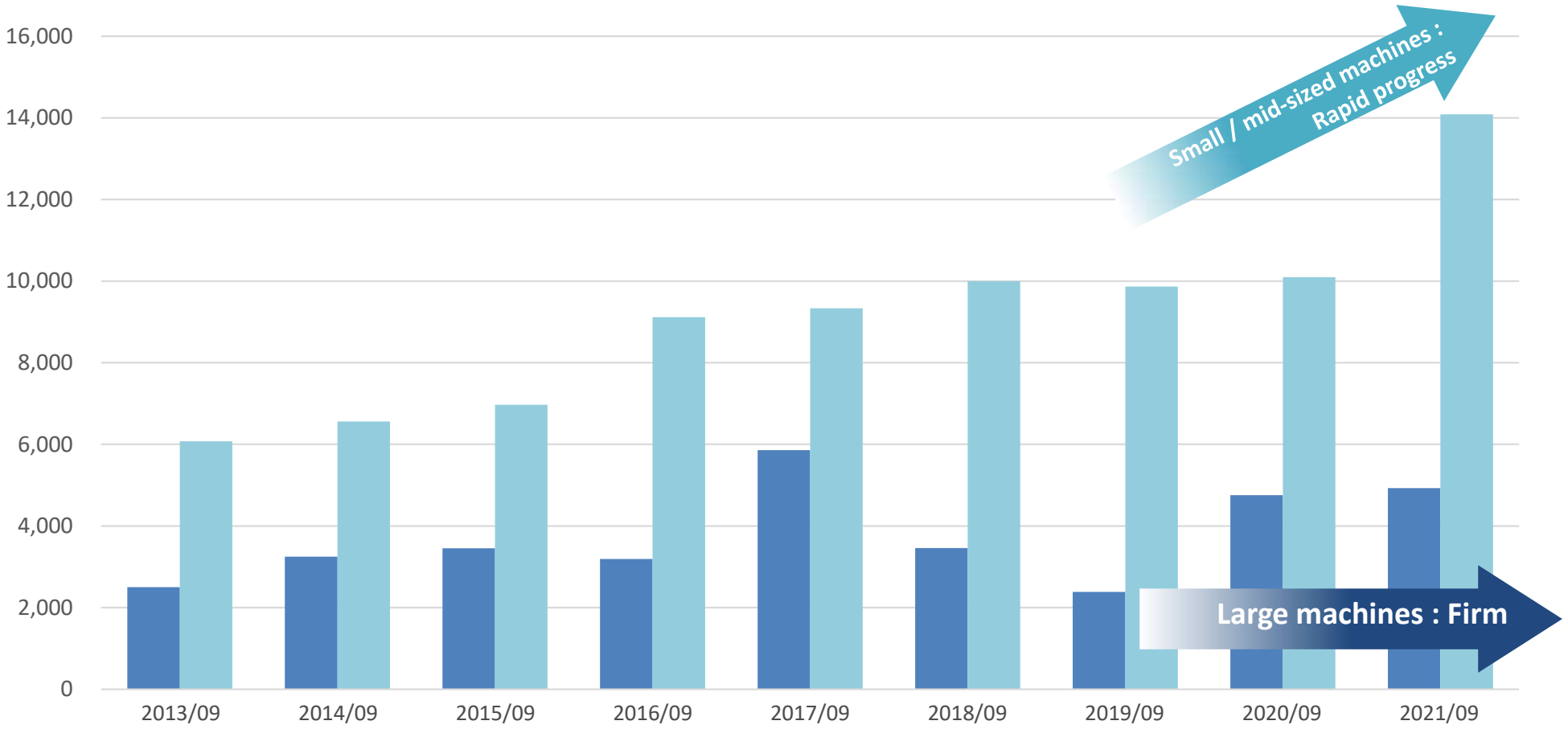
Entry into India — Enhancement of production in India — Chikumagawa Factory



Sales Trend by Molding Machine Category

Rapid progress in sales of small / mid-sized machines.
Sales of large machines maintain stable level.

(Unit: million yen)



Small / mid-sized machines: ASB-70DP Series / ASB-50MB / ASB-12M
Large machines: ASB-150DP Series / ASB-650EX Series / PF24, 36 Series

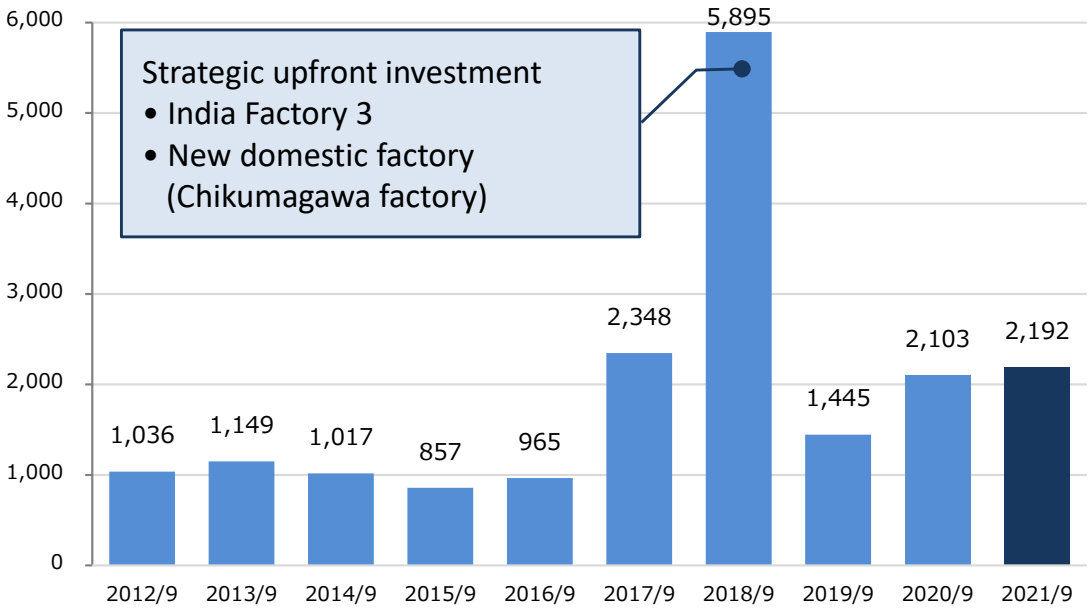
Capital Investment/R&D Cost

Proactive investment in capital and R&D

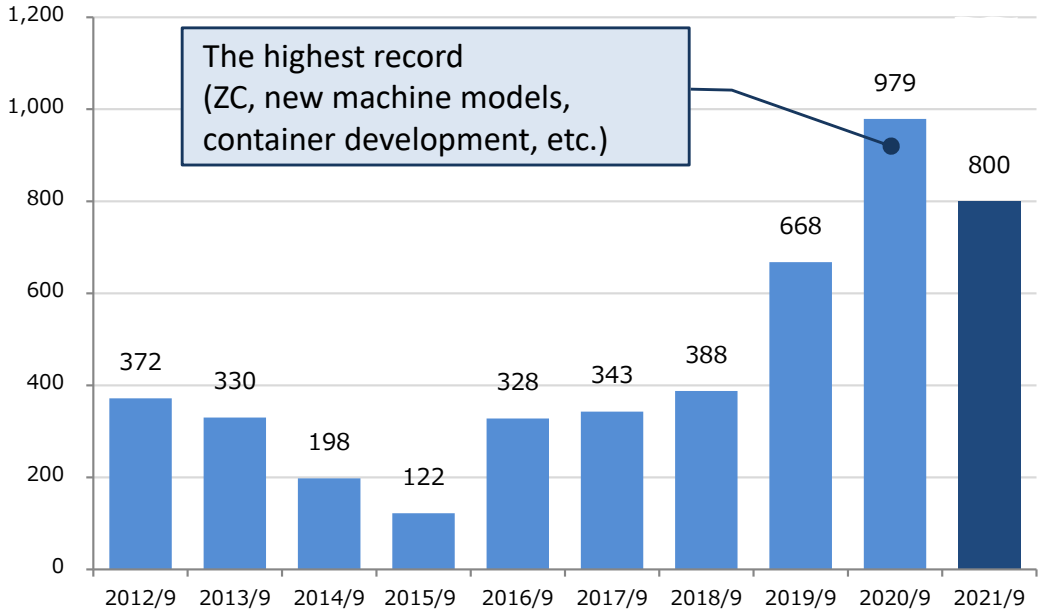
(Unit: million yen)

	2020/09 total	**2021/09 total**
Capital expenditure	2,103	**2,192**
Depreciation cost	1,371	**1,556**
R&D cost	979	**800**

Capital Expenditure Trend



R&D Cost Trend



Consolidated Balance Sheets (Overview)

Secured abundant current cash on hand prospecting future capital investment

(Unit: million yen)

	2020/09	2021/09	Amount of Change
Current Assets	42,020	46,318	4,297
Cash, deposits, and securities	19,199	20,389	1,189
Notes and accounts receivable-trade	7,817	6,841	(976)
Merchandise and finished goods	1,772	2,363	590
Work in process	5,874	7,690	1,816
Raw materials and supplies	6,176	7,749	1,573
Non-Current Assets	15,879	17,958	2,079
Property, plant and equipment	14,001	15,142	1,141
Intangible assets	106	120	14
Investments and other assets	1,771	2,694	923
Total Assets	**57,899**	**64,276**	**6,376**
Total Liabilities	26,515	26,374	(140)
Current liabilities	11,783	13,679	1,896
Non-current liabilities	14,731	12,695	(2,036)
(Borrowings)	14,935	13,036	(1,898)
Total Net Assets	31,384	37,901	6,516
Total Liabilities and Net Assets	**57,899**	**64,276**	**6,376**

Consolidated Statements of Cash Flows (Overview)

Implemented investment, repayment, and dividends payment resourcing from cash flows from operating activities. Maintaining almost the same capital level as in the previous period.

Unit: million yen

	2020/09	2021/09
Cash flows from operating activities	8,690	5,580
Cash flows from investing activities	(1,895)	(1,876)
Cash flows from financing activities	4,131	(2,877)
Effect of exchange rate change on cash and cash equivalents	(162)	363
Net increase (decrease) in cash and cash equivalents	10,763	1,189
Cash and cash equivalents at beginning of period	8,435	19,199
Cash and cash equivalents at end of period	19,199	20,389

Cash flows from operating activities

- While profit increased drastically, working capital became deteriorated due to increase in inventories corresponding to measures to increase production volume. As a result, cash flows from operating activities decreased compared to the previous period.

Cash flows from investing activities

- Expenditure of ¥1.8 billion due to continuing capital investment to mold manufacturing facility in India, etc.
- Free cash flows, deducting cash flows from investing activities from cash flows from operating activities, maintained drastically positive.

Cash flows from financing activities

- There was ¥7 billion of newly financed capital in the previous period.
- Expenditure of ¥2.8 billion in this period mainly due to scheduled repayment of borrowings and dividends payment.

II. Financial forecast for the year ending Sept. 2022

Financial Forecast for the Year Ending Sept. 2022

Forecasting decrease in sales and profit, while increasing capital investment for expansion of business competitiveness

Unit: million yen

	2021/09 Results	**2022/09 Forecast**	Rate of Change
Net sales	35,890	**30,000**	(16.4%)
Operating profit	8,735 24.3%	**5,400** **18.0%**	(38.2%)
Ordinary profit	9,576 26.7%	**5,500** **18.3%**	(42.6%)
Profit attributable to owners of parent	6,680 18.6%	**3,800** **12.7%**	(43.1%)
Dividends per share	¥100	**¥100**	-
Capital expenditure	2,192	**4,000**	82.5%
Depreciation cost	1,556	**2,000**	28.5%
R&D cost	800	**600**	(18.4%)

III. Focus measures for the year ending Sept. 2022

Focus Measures for the Year Ending Sept. 2022

Keyword is “Evolution and Penetration”

1.
Capture demand & expansion of market share

2.
Optimization of global production system

3.
Development of new machine models

Focus Measures for the Year Ending Sept. 2022 (Capture demand / expansion of market share)

1. Capture demand / expansion of market share

(1) Further market penetration of ZC

- ✓ Proactive sales activity of machines equipped with ZC (cultivation of new customers)
- ✓ Promote changeover of existing machines to ZC specification (promotion of replacement)
- ✓ Expansion of varieties of applicable containers

(2) Exploitation of new container market (Evolution and improvement of existing machine models)

- ✓ Expansion of varieties of applicable containers molded by PF36
- ✓ Market penetration of double layer container molding machine
- ✓ Shortening time for mold changeover (QMC : Quick Mold Change)
- ✓ Exploitation of HDPE container market

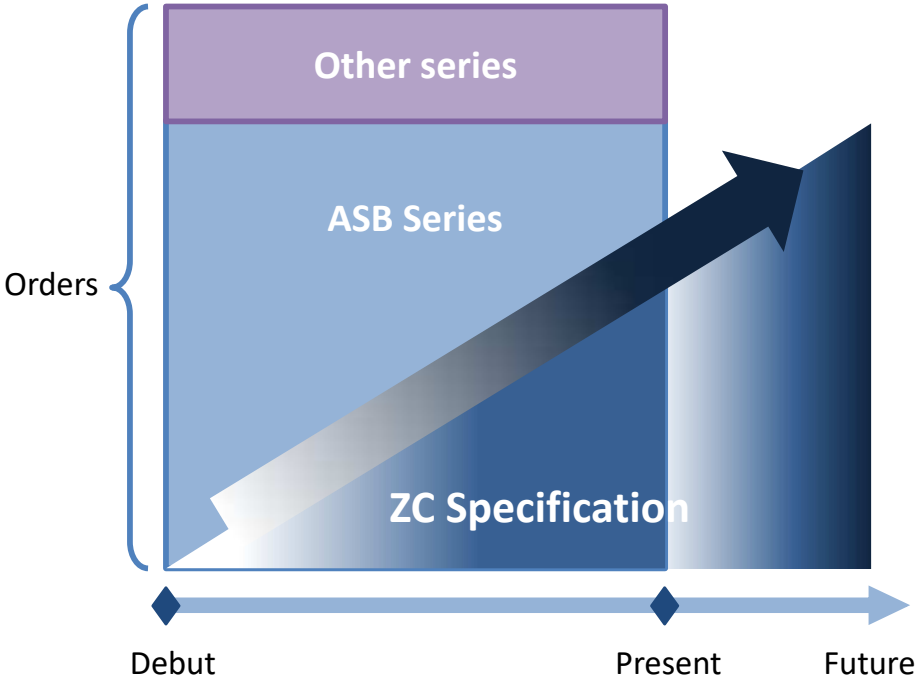
(3) Resumption of full-scale sales activities

- ✓ Resumption of full-scale overseas sales activities
- ✓ Proactive participation in international exhibition

Focus Measures for the Year Ending Sept. 2022 (Capture demand / expansion of market share)

Market Penetration of Zero Cooling System

Progress of ZC



- ZC is equipped on our core-product, ASB series (except for some small-sized machines)
- Steadily increasing orders since its debut in Dec. 2018.
  It is equipped on ASB series currently as standard specification.
- Intending further market penetration by resuming full-scale sales activities and expansion of varieties of applicable containers

(ZC : Zero Cooling System)

Expansion of varieties of applicable containers molded by ZC

Evolution in understanding optimal shape of preform for each container type

Evolution of molding method for each container shape

Expansion of varieties of applicable containers molded by ZC

- **Molding of high-difficulty containers (improvement of molding quality)**
- **Shortening molding cycle time**

Focus Measures for the Year Ending Sept. 2022 (Capture demand / expansion of market share)

PF36 - Expansion of varieties of applicable containers and deployment into overseas market

- Mass-production of narrow-neck containers (Examples: 500ml bottles for water…18,000 bottles/h)
- Produces high-quality containers in smaller footprint than 2-step machines
- **Strategic machine targeting to expand our shares in mass-production market of PET containers for beverages**

(Market scale of 2-Step machines: based on our internal investigation)

Future plan

Expansion of varieties of applicable containers

One series can mold **from small-sized containers of 120ml to bottles for water dispenser over 12L**.
Highly versatile and superior cost performance.

Deployment into overseas market

Receiving substantial inquiries from overseas market where demand for daily-life drinking water is strong.
Intend to capture demand in developing countries.

Focus Measures for the Year Ending Sept. 2022 (Capture demand / expansion of market share)

Double Layer Container - A new technology to enable beautiful design and environmental acceptability

(Applications of double layer container)

- ✓ **Double layer technology enables to achieve glass-like appearance and beautiful design.**
- ✓ **It furthermore enables to mold environmentally conscious containers by utilizing recycled PET for outer layer.**

Environment-conscious double layer container for foods and beverages

Air-less pump containers

Beautifully designed containers in glass-like appearance

(Future prospects)

- ✓ **Receiving orders for double layer molding machines from previous year**
- ✓ **Superior designability with extra thick wall and base, and highly reputed in cosmetic containers market**
- ✓ **To be proactively deployed into domestic and overseas market**

Focus Measures for the Year Ending Sept. 2022 (Capture demand / expansion of market share)

Shortening time for mold changeover (QMC : Quick Mold Change)

Aim of development

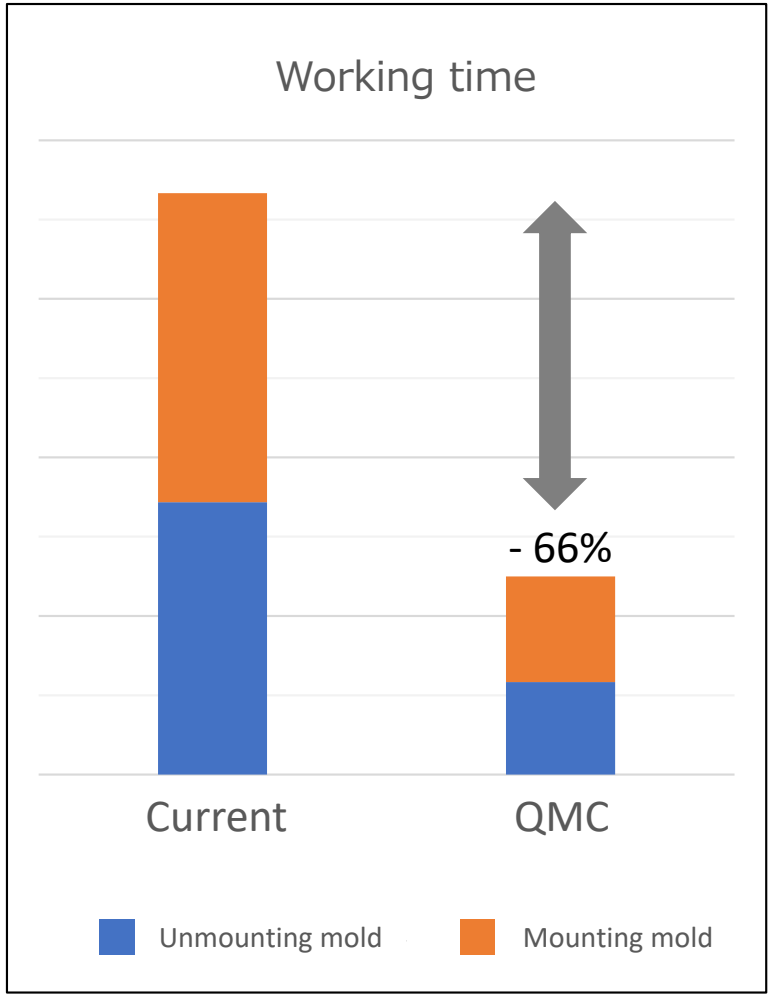
- ✓ To improve overall productivity by reducing preparation time in addition to shortened cycle time by ZC. Provides a solution for production of variety of containers in small-lot, which is most typical in production of cosmetic containers

Advantages for customers

- ✓ Mold changeover time reduced to one third (compared to our conventional method)
- ✓ Drastic improvement in container productivity
- ✓ Securing safety using designated jigs for changeover

Applicable machine model

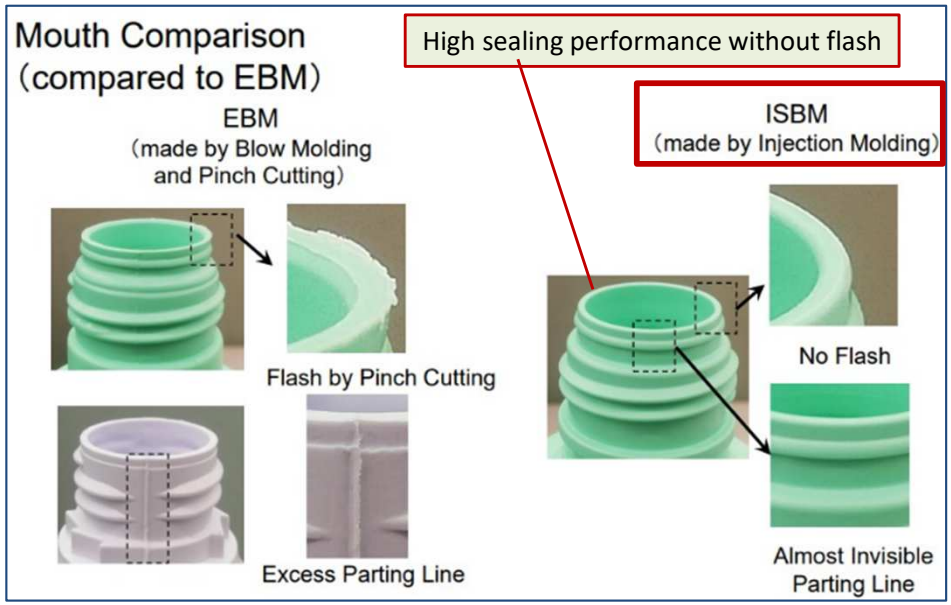
- ✓ Applying to small- to mid-sized 1-step machine models (ASB series) in order

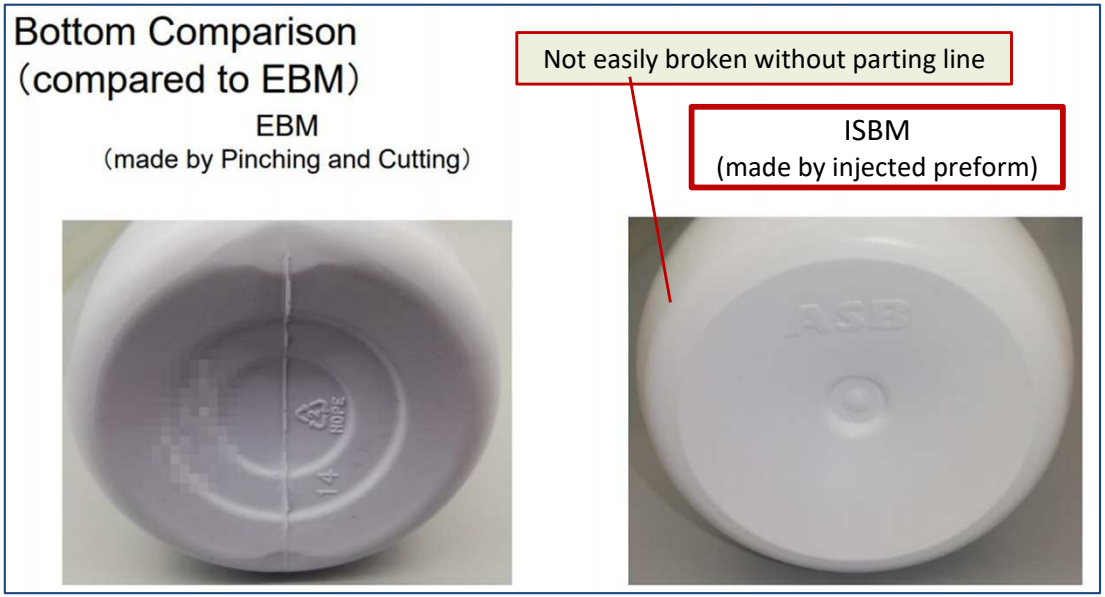


Focus Measures for the Year Ending Sept. 2022 (Capture demand / expansion of market share)

Exploitation of HDPE container market

- HDPE (High Density Polyethylene) is a plastic material which has strong chemical resistance and superior light-shading ability so is frequently used for agrochemicals, detergents, pharmaceuticals, etc. (container requires sealing performance)
- **Containers molded by our existing machine model (1-Step machine) has excellent quality without flash nor parting line comparing to that molded by extrusion blow molding machines**



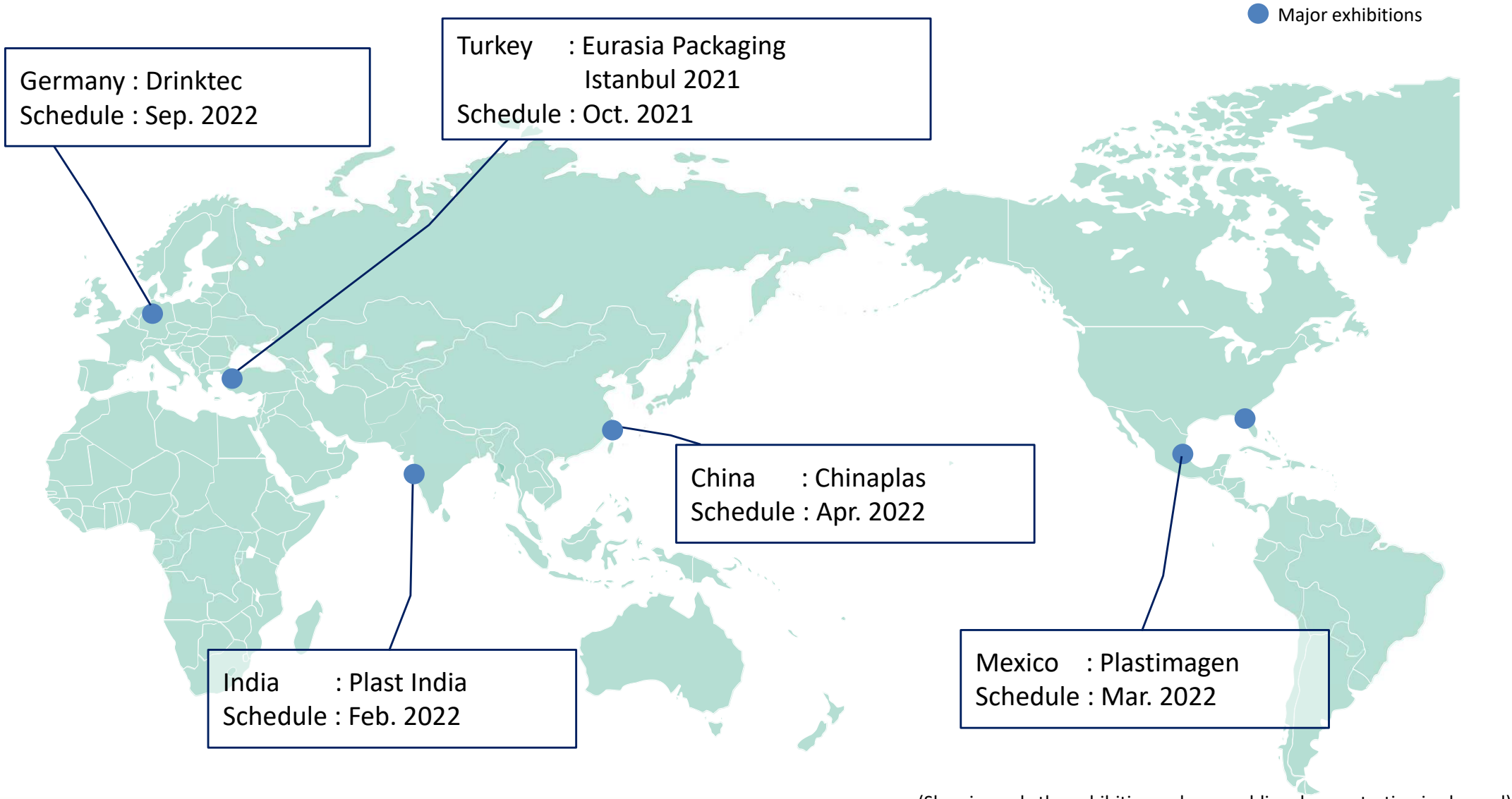


- **Exploit large market of containers for agrochemicals, detergents, etc. by appeal of superiority in container quality**

ASB-70DP Series

Focus Measures for the Year Ending Sept. 2022 (Capture demand / expansion of market share)

Actively exhibiting at the major exhibitions worldwide

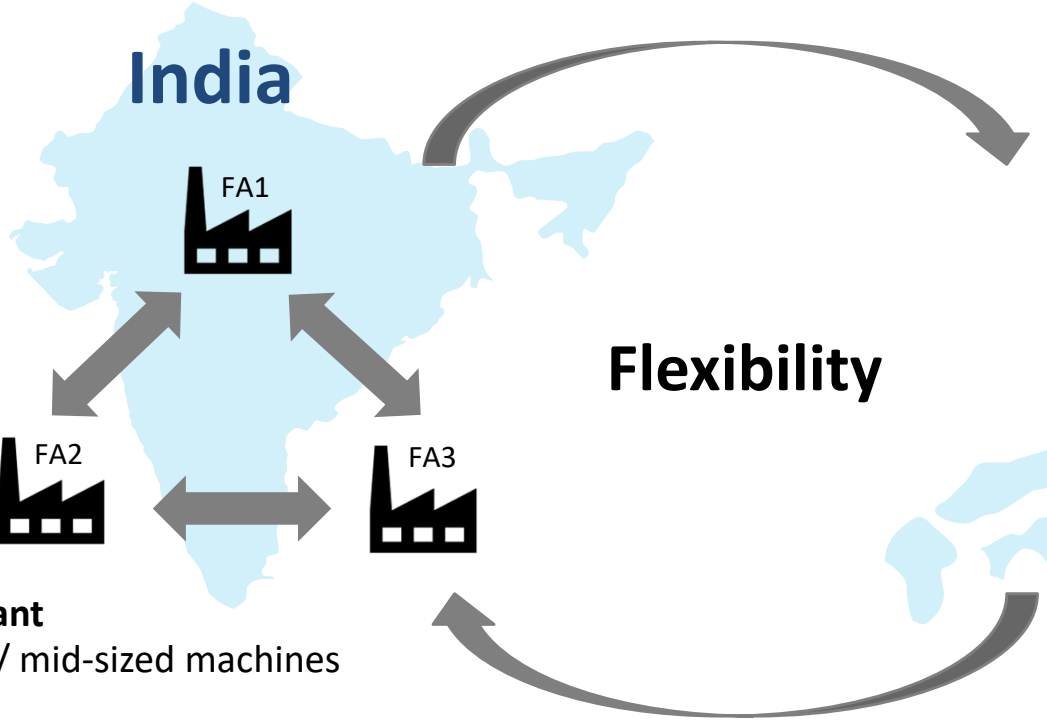


(Showing only the exhibitions where molding demonstration is planned)

Focus Measures for the Year Ending Sept. 2022 (Optimization of global production system)

2. Optimization of global production system

India : Investment growth for the future business expansion
Japan : Construction of flexible production system capable of both R&D and manufacturing



India Plant
✓Small / mid-sized machines
✓Molds
- **Enhancement of mold manufacturing capacity**
- **Expansion of production volume by effectively managing 3 factories**
  Enhancement of profitable structure

Domestic factories
✓Large / special / R&D machines
✓Small / mid-sized machines (Parts procurement, assembly)
- **Deploying facility to retouch molds in HQ factory**
- **Flexible production system between HQ / Chikumagawa factory / affiliate companies**
- **Respond to production increase and dispersion of risk**

Focus Measures for the Year Ending Sept. 2022 (Optimization of global production system)

Fullest utilization of India plant

➢ Continue growth investment for the future expansion and further enhance profitable structure

Continuing growth investment prospecting future business expansion

1. Investment in a new factory building :

- Acquired a adjacent factory in the previous year predicting factory space shortage in the future

2. Investment in machine tools, etc. :

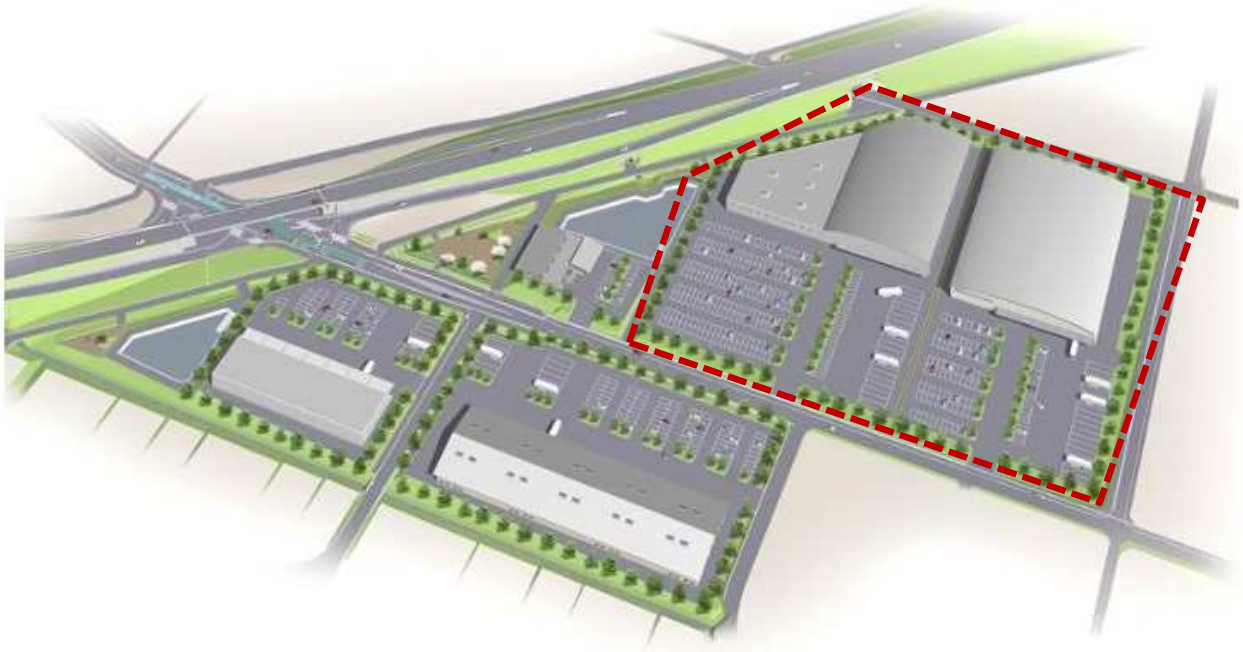
- Ongoing investment to machine tools, etc. ¥3.3 billion in total
- Investment in mainly machine tools for production for machine parts and mold parts
- To be completed in March 2022

Aiming at further promotion of in-house production, shortening delivery time, and enhancement of profitable structure

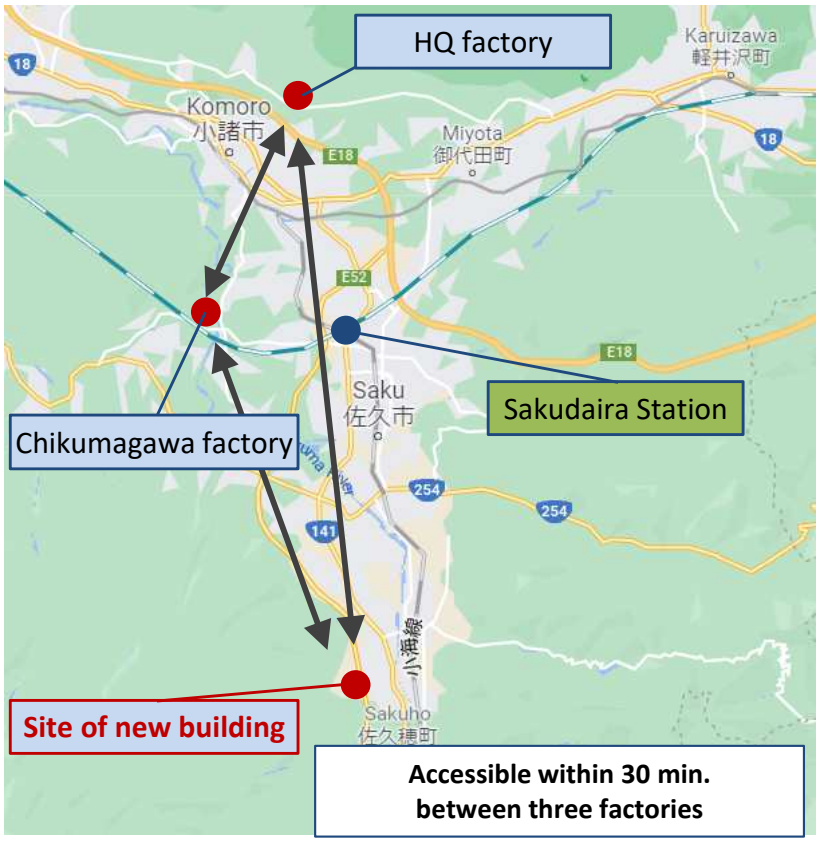
Focus Measures for the Year Ending Sept. 2022 (Optimization of global production system)

Acquisition of site for a new domestic factory

- Acquired a building site near HQ factory and Chikumagawa factory preparing for future business expansion
- Flexibly restructure production system of three production bases in Japan



(image provided by Saku City)



Location : Nakaotagiri, Saku-shi, Nagano-ken (in Saku-Usuda inter industry complex)

Plant area : Approx. 43,000m^2 (Chikumagawa factory : Approx. 27,000m^2)

Acquisition cost : Approx. ¥800 million

- Adjacent to Saku-Usuda IC of Chubu Odan Expressway
- Approx. 12 km to Sakudaira Station of Hokuriku Shinkansen (Approx. 16 min. by car)
- Approx. 22 km to HQ factory (25 min. by car via Expressway)
- Approx. 16 km to Chikumagawa factory (18 min. by car via Expressway)

Focus Measures for the Year Ending Sept. 2022 (Development of new machine models)

3. Development of new machine models

Injection Molding Machine (IMM)

[On sale]

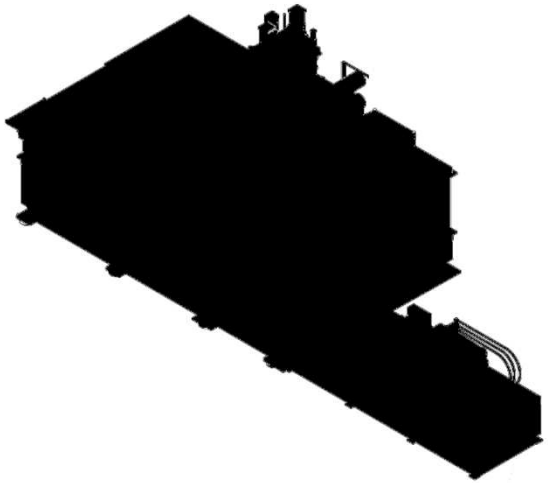
AIME (ASB Injection Molding-Electric)

(A machine model made in India satisfying both global quality and cost competitiveness)

Aiming to capture demand for the ancillary products (Caps, handles, etc.) around our main business and improve customer satisfaction

Large-sized ISBM

[Under development]



New machine model (1-Step large machine)

[Features]

Molding of wide variety of containers from narrow-neck to wide-mouth

Molding of high-quality containers by equipped ZC technology

Exploit new market, where 2-Step machines cannot enter

Focus Measures for the Year Ending Sept. 2022 (Development of new machine models)

3. Development of new machine models (Environment-conscious technologies)

Double layer container

- A revolutionary double layer molding process that enables container to be molded depending on the applications by changing combination of the two materials in a variety of thickness and molding order

[Features of designated machine]

- **Broaden container molding options**
  Food safety, function, design, environmental acceptability (R-PET)
- Developed a designated machine, which consists of "six stations" with additional injection mold and injection unit
- Capturing demand, volume production model is under development

ASB-12M-2INJ

Returnable / Refillable (RR) containers

- Returnable PET bottle market is just starting to develop
- Exploit future market with development of new model machine

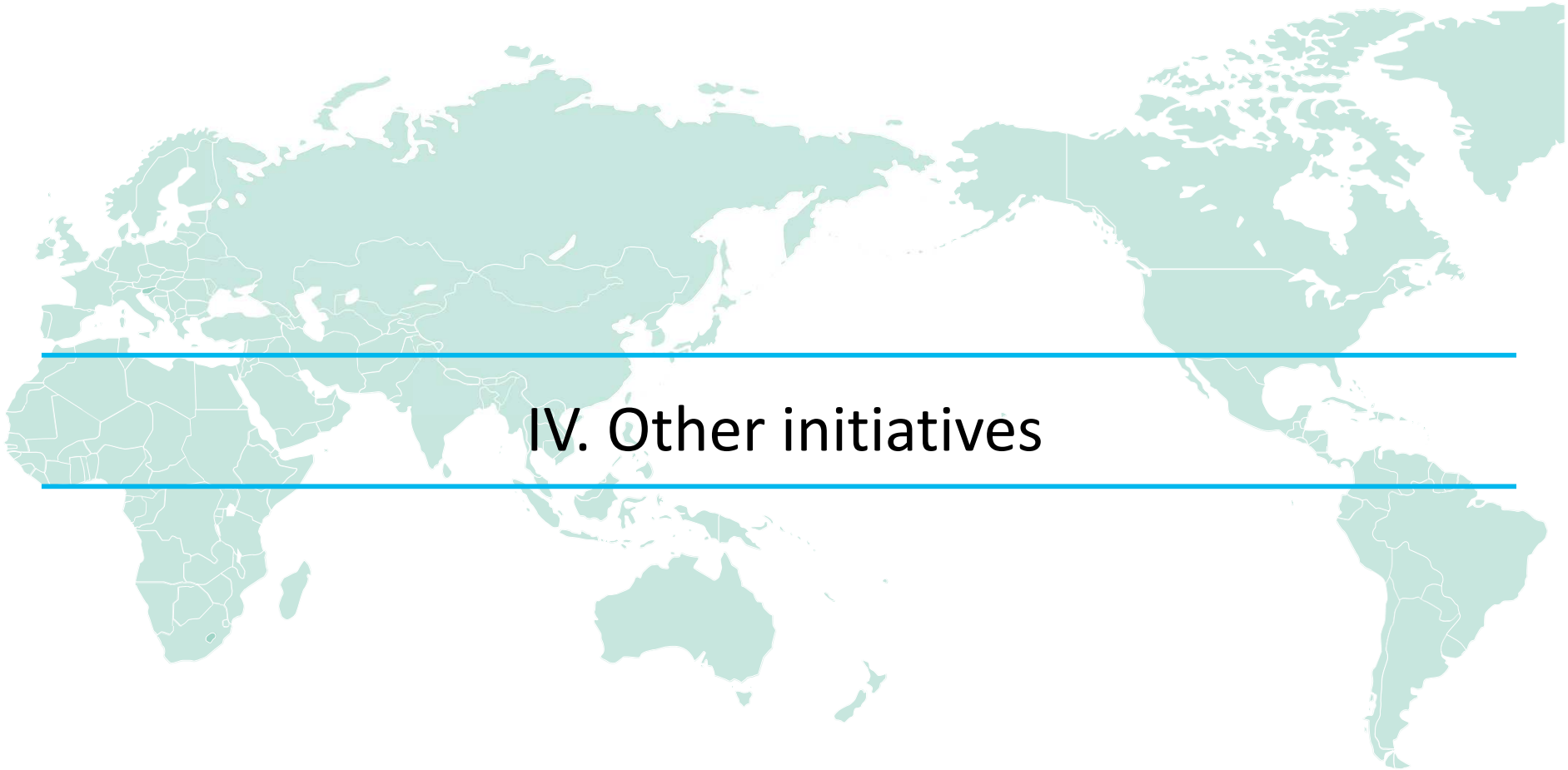
[Features of RR containers]

- **High heat-resistance**
  Resistant to repeated washing at high temperature with low shrinkage ratio

- **High quality**
  High-transparency, glossiness, and designability

- **Drastically reduces consumption of virgin PET resin**
  Despite a returnable & refillable bottle being heavier than its one-way equivalent, because the RR bottle can be re-used up to 20 times, converting a product line to RR containers can result in a total raw material saving of up to 90%

EU : Single-Use Plastics Directive (Utilization ratio of recycled material to PET bottles is to be 25% by 2025, and 30% by 2030)
Japan : Resource Circulation Strategy for Plastics (Reuse or recycle 60% of plastics packaging by 2030)
SDGs : International goals for sustainable development by 2030
⇒ New model machine is under development to establish environment-conscious container market

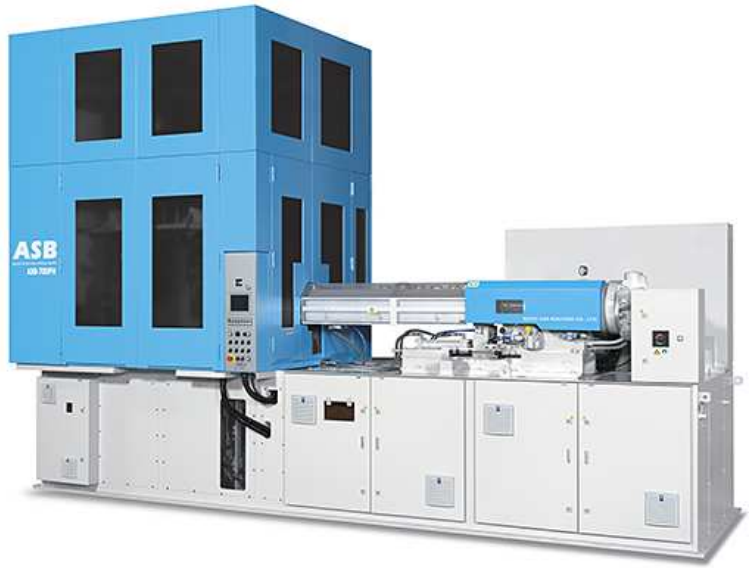


IV. Other initiatives

Other initiatives

Containers for vaccine (Vials)

- Completed molding test by our ASB series machine
- Its high-quality and fast cycle molding was highly evaluated by our customers
- Continuing negotiations heading towards contracts



ASB-70DP Series

(Material : COP, COC)

Other initiatives

Investment to and collaboration with a venture corporation

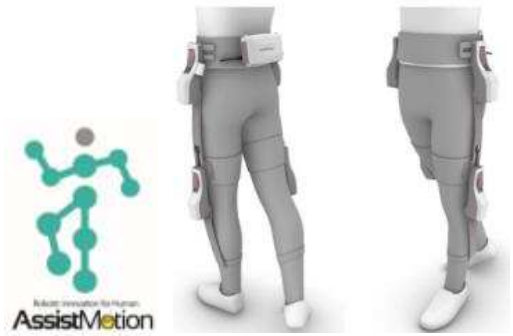
Investment in a venture corporation originated from Shinshu University

We have invested in AssistMotion Inc., a venture corporation originated from Shinshu University.

[Corporate profile] **AssistMotion Inc.**
A venture corporation which devotes to R&D of wearable robots and soft actuators
(Shinshu University OVIC, Ueda City, Nagano Prefecture http://assistmotion.jp/)

[Reason for investment]
- Human resource development and support for local economy through industry-academia collaboration
- Sympathy with its corporate philosophy (Solutions to the super-ageing society)

[Future development]
- Interactions between cutting edge engineers
- Study for generation of business synergy



Walking motion assisting robot, curara®

Industry-academia collaboration

We are collaborating with universities in the metropolitan areas and Nagano Prefecture for basic researches of stretch blow molding.

[Contents of researches]
- Molding test of various plastic materials
- Quality improvement of plastic molding

[Purpose]
- To discover seeds and needs of new containers and molding methods through molding tests using most advanced and various materials
- Interactions between young engineers
- To secure talented young human resources

Thank you very much

Inquiries related to IR

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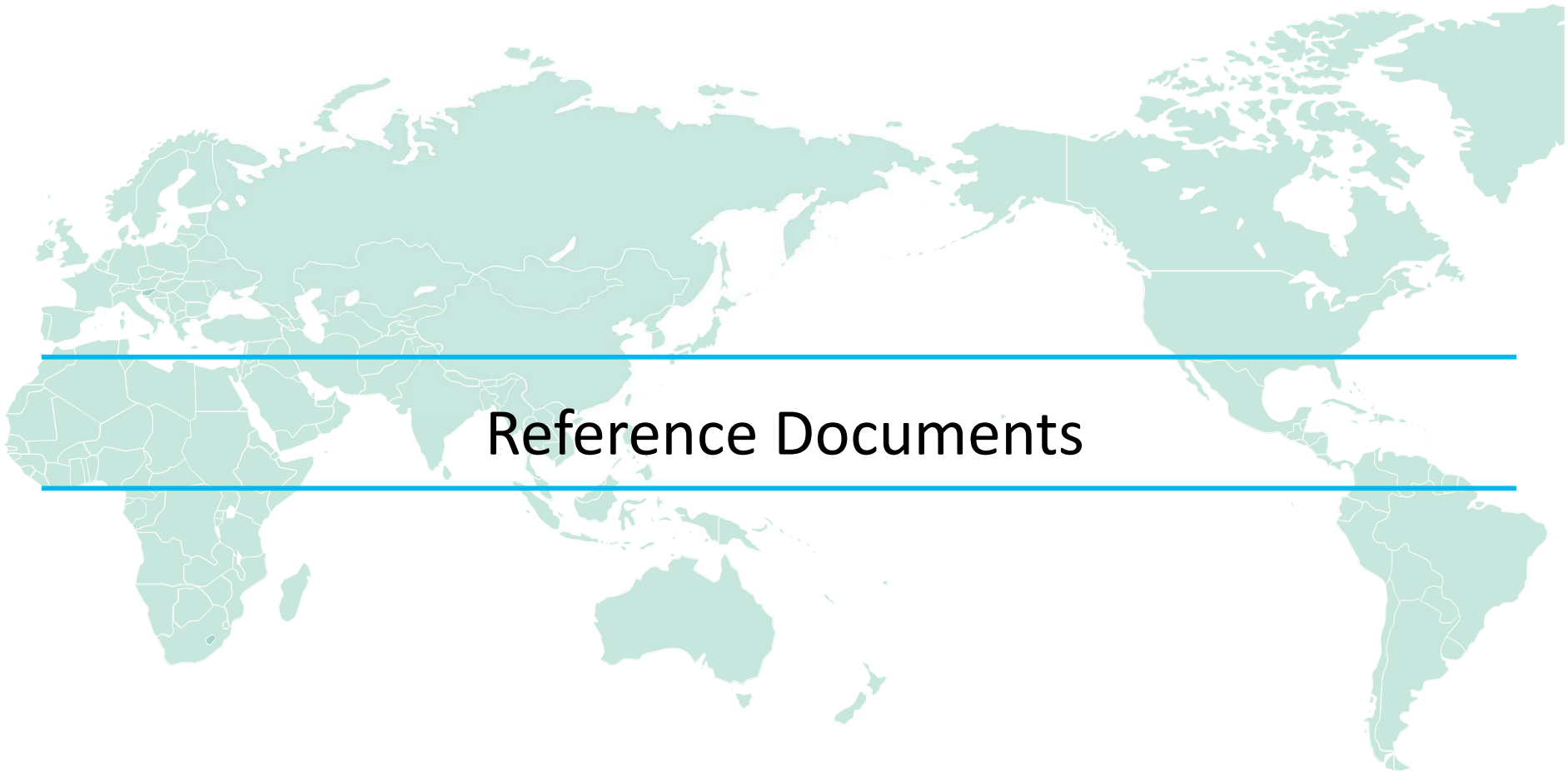
Telephone： +81 (0)267-23-1560
e-mail：ir-info@nisseiasb.com

Note regarding future outlook

This document serves as an informational guide for investors and is not a solicitation tool for trade.
Future predictions listed in this document are based on targets and forecasts and are neither affirmed nor guaranteed.
Please be aware that our future performance may differ from our current projections for the future.
Statements regarding the industry are based on various reliable data, but we do not guarantee its accuracy or integrity.
Regardless of the manner in which investors choose to utilize this document, it is presented with the understanding that it is to be used based on the customers' own judgement and risk, and ASB does not assume responsibility in any instance.



Reference Documents

Company Overview

Company Name	NISSEI ASB MACHINE CO., LTD.
Established	8 November 1978
Representative	Representative Director, Chairman and CEO: Daiichi Aoki　Representative Director, President and COO: Junichi Miyasaka
Headquarters	4586-3 Koo, Komoro-shi, Nagano
Operations	The development, manufacturing and retail of “stretch blow molding machines” used to make PET and other plastic containers, molds, ancillary equipment and parts
Employees	Consolidated : 2,093　Individual : 222 (as of 30 September 2021)
Consolidated Subsidiaries (14 entities)	NISSEI ASB COMPANY (USA) NISSEI ASB CENTRO AMERICA, S.A. DE C.V. (Mexico) NISSEI ASB SUDAMERICA LTDA. (Brazil) NISSEI ASB GmbH (Germany) NISSEI ASB MEDITERRANEA, S.L.U. (Spain) ASB INTERNATIONAL PVT. LTD. (India) NISSEI ASB PTE. LTD. (Singapore) NISSEI ASB (THAILAND) CO., LTD. (Thailand) NISSEI ASB SOUTH AFRICA (Pty) LTD. (South Africa) PT. ASB INDONESIA (Indonesia) NISSEI ASB FZE (UAE) NISSEI ASB AFRICA LTD. (Nigeria) Nitto Kogyo Corporation (Nagano) Machine Mate (Nagano)

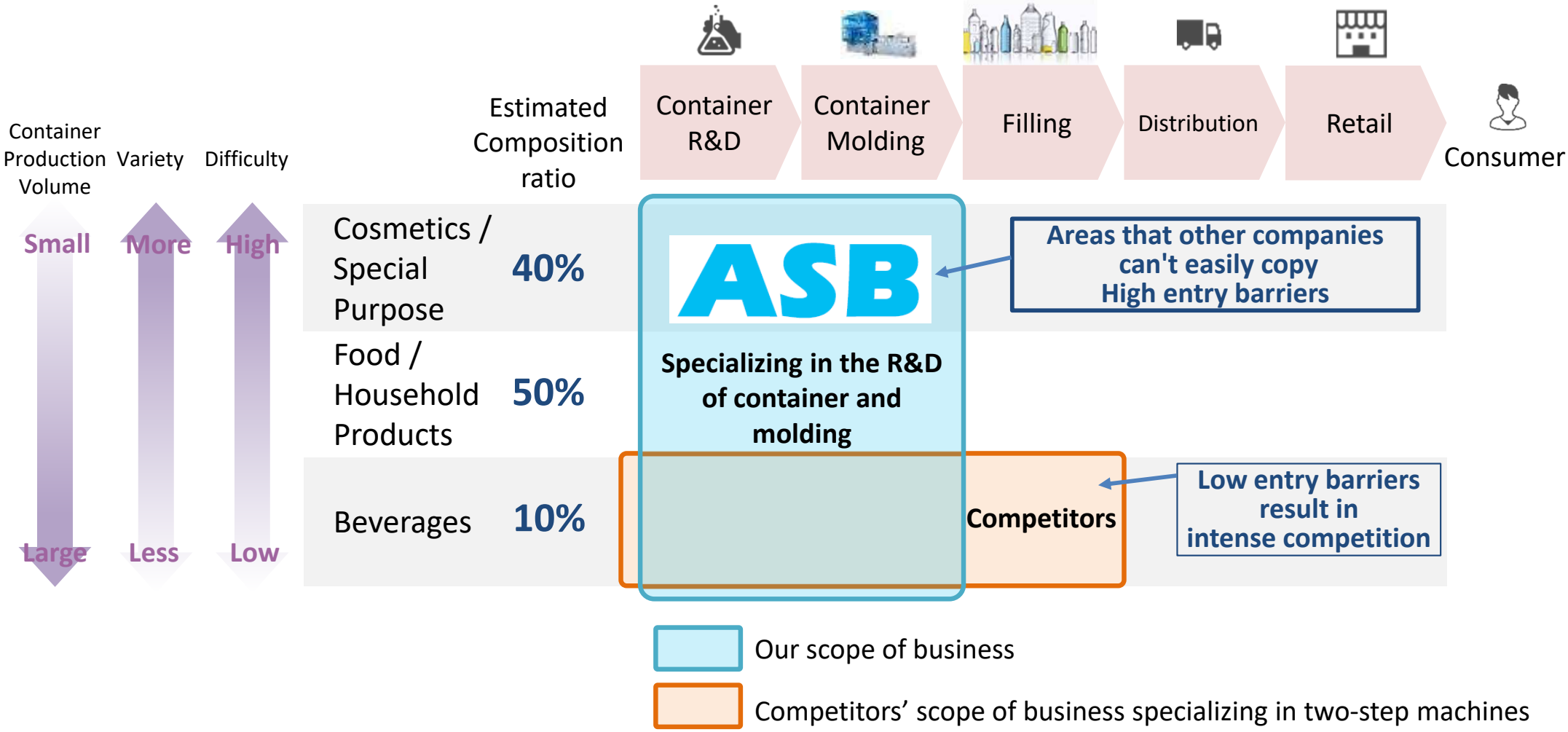
- Facing Mount Asama, it is a scenic environment rich in nature through all seasons.
- Two factories and an administrative building are positioned on property 2.4 times the size of Tokyo Dome.

(Altitude 940 m <same altitude as Karuizawa Station>, about 30 minutes by car to Kyu-Karuizawa Ginza)

ASB's Business Areas

Leading company in container development

ASB's area of expertise is in "Small Quantity / Multi-products / High Difficulty"



ASB's Business Areas

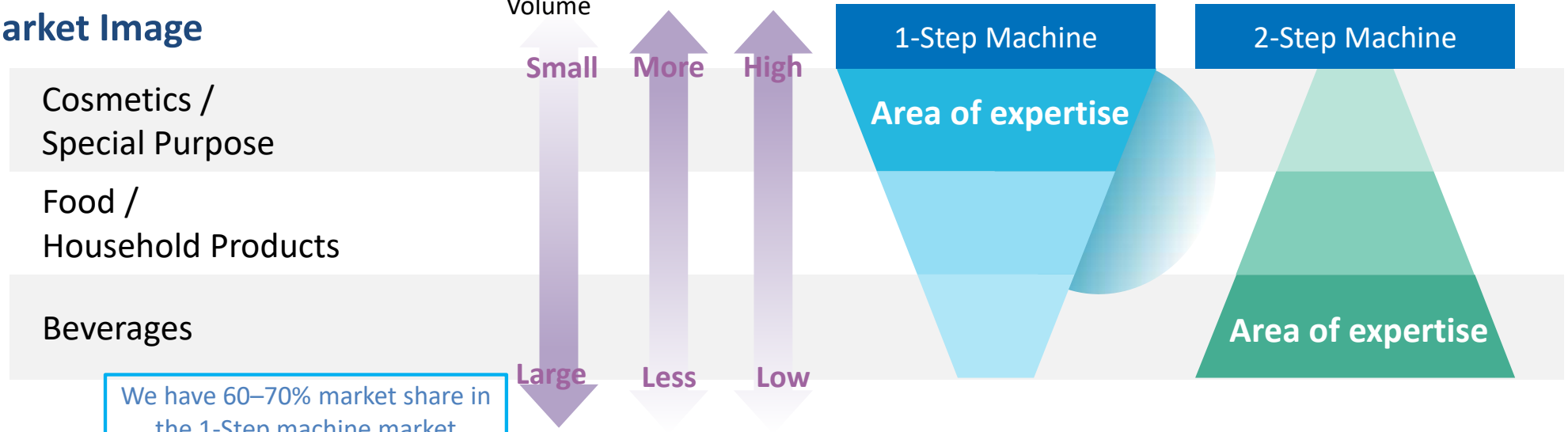
Attention increases for 1-step molding machines

Our areas of expertise expands through technical improvement in line with environmental changes and diversification of needs

Capable of offering high value-added containers with superior quality and cost performance

Expansion of demand for 1-step machines from container end-users and container manufacturers

Market Image



We have 60–70% market share in the 1-Step machine market

Main manufacturers of 1-Step Machine

- ASB
- Aoki Technical Laboratory, Inc.

Segregated areas of expertise

Main manufacturers of 2-Step Machine

- Sidel (France)
- Krones (Germany)
- SIPA (Italy)
- CHUMPOWER (Taiwan) etc.

Examples of Containers Molded by our Machines

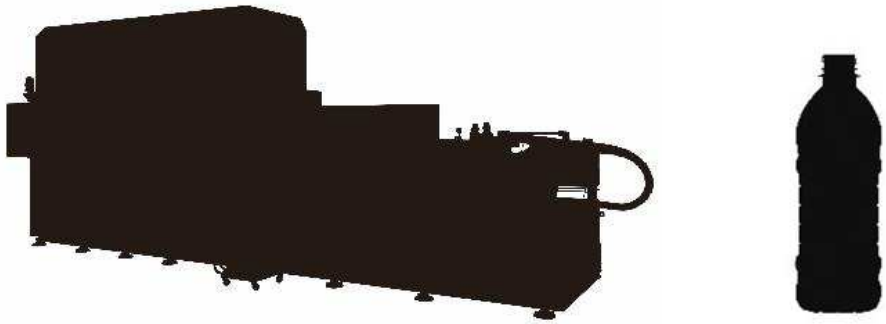
Wide varieties of containers for living necessities

	Category	Examples
	**Cosmetics**	Beauty lotion, milky lotion, moisturizing lotion, perfume, mascara, hair-care and skin-care products, etc.
	**Foodstuffs**	Soy-sauce, sauce, ketchup, mustard, dressing, seasonings, spices, edible oil, instant coffee granules, dried foods, pickles, supplement tablets, etc.
	**Household products**	Shampoo, hair conditioner, liquid hand soap, antiseptics, mouthwash, dishwashing detergents, laundry detergents, air freshener, engine oil, etc.
	**Beverages**	Mineral water, bottles for water dispenser, juice, tea, carbonated soft drinks, milk beverages, liquors, etc.
	**Special containers**	Pharmaceuticals (infusion), baby feeding bottles, toner containers, etc.

PET Bottle Production Method

ASB's area of expertise is 1-step machine

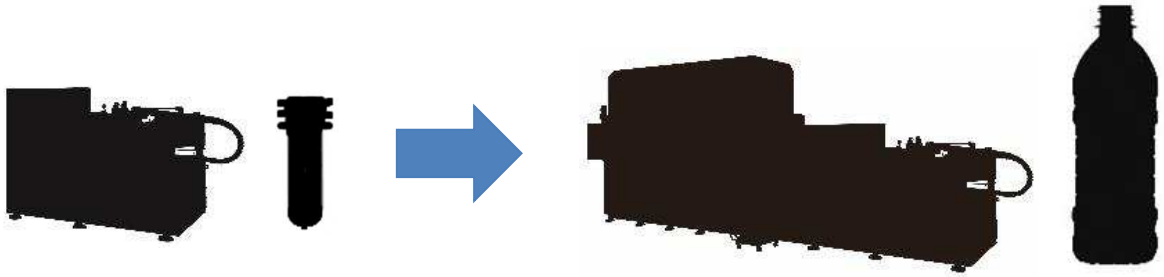
1-Step machine



Features of 1-Step machine

- **PET container can be produced in one machine**
- Small investment cost, small footprint
- Superiority in production of variety of containers in small- to mid-sized lots
- Suitable to produce high value-added containers in various designs, sizes and shapes
- **ASB's area of expertise**

2-Step machine



Preform molding machine **Blow molding machine**

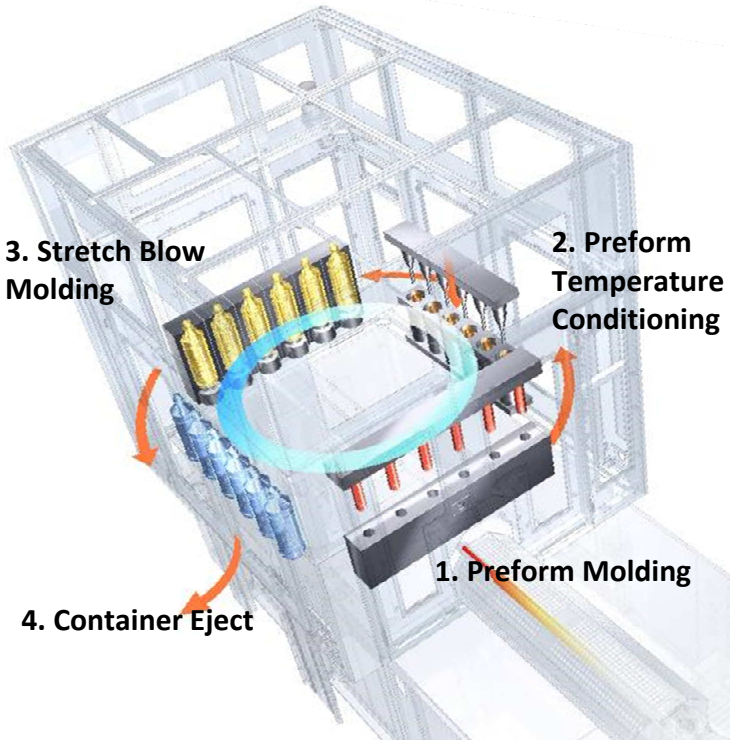
Features of 2-Step machine

- **Requires two or more machines** including preform molding machine, preform handling and blow molding machine
- Large investment cost, large footprint
- Superiority in mass-production of simple-shaped bottles
- Suitable to produce a singular shape of bottles such as for beverages

Zero Cooling System

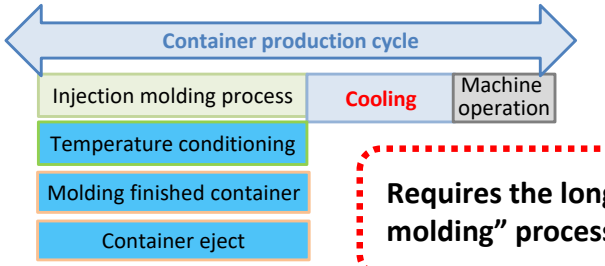
(The most remarkable success in epoch-making development ever since the ASB's establishment)

Zero Cooling System, a technology that improves productivity and container quality



Conventional production process

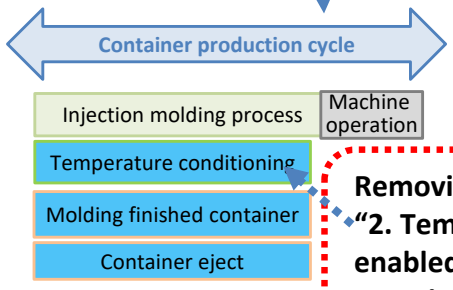
1. Preform molding
2. Temperature conditioning
3. Stretch blow molding
4. Container eject



Requires the longest time to "1. Preform molding" process

Production process by ZC

1. Preform molding
2. Temperature conditioning
3. Stretch blow molding
4. Container eject



Removing cooling process and combining it to "2. Temperature conditioning" process enabled drastically shorter cycle time of container production

* The above is an image of the production process. It is different from the actual.

Features of our machines

Applying our own 4-station method
Each process operates simultaneously to produce finished containers

* Zero Cooling System (Patent registered)

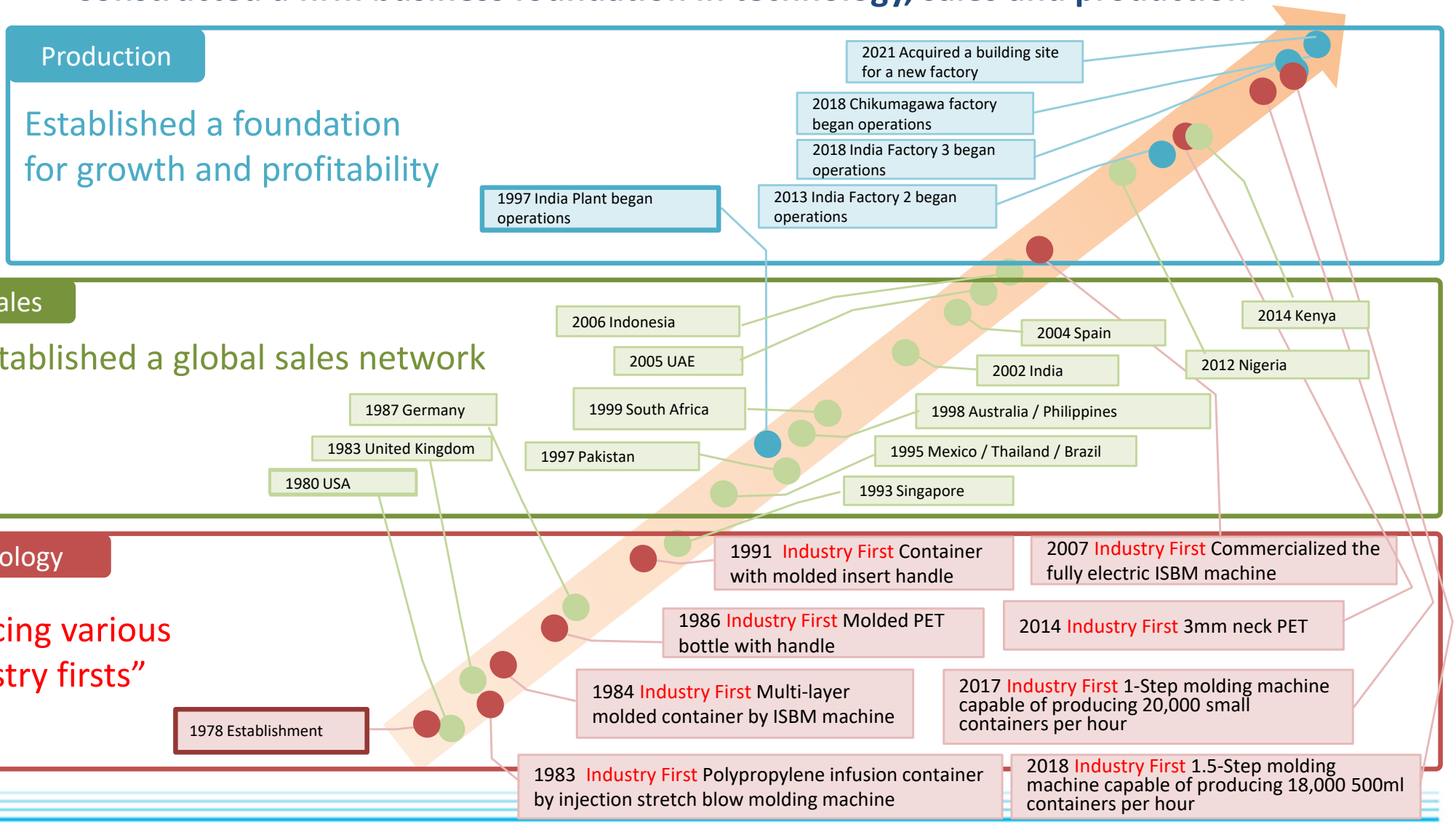
Improved productivity and container quality by Zero Cooling System

1. Increase in productivity (by 50%) by shorter molding cycle time
2. Increase in physical strength (by 15%)
3. Scope for light-weighting (reduction by 5-10%)
4. Improved appearance and visual quality
   Improvement in visual defects such as "fisheye"(teardrop-shaped prism), "body ring"(uneven stretch), "orange peel"(rough orange-peel-like surface), etc.

Changes in Business Activities

Produced many industry-first technologies since its establishment

Constructed a firm business foundation in technology, sales and production



Why Customers Support Us

"Ironclad cycle" of trust from customers, created through 40 years of business

End-Users

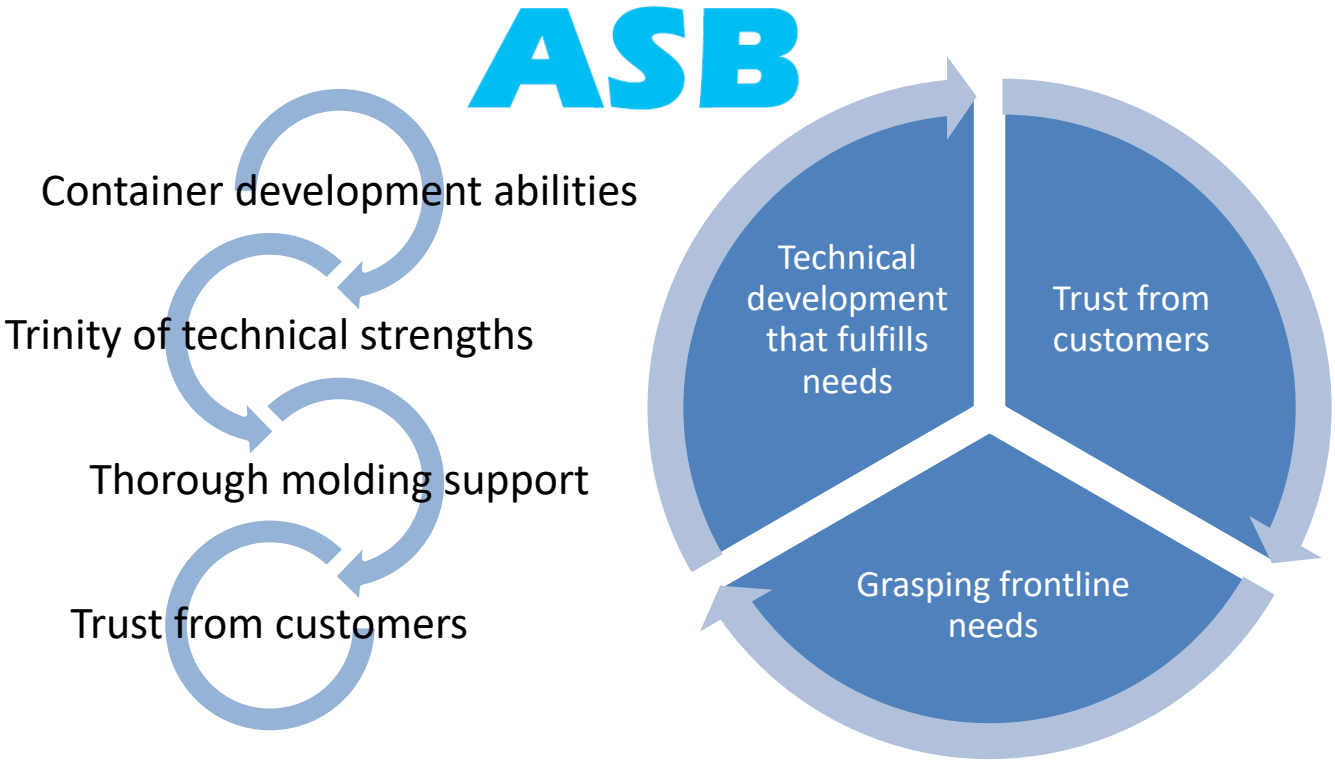
Differentiation of own-product
(High-end-oriented / Originality)

Container Manufacturers

Advanced / Complicated specifications
Achieve positive ROI

Material Manufacturers

Development of new materials
(Addressing environmental issues)



- Bearing the thought in mind that "What customers ultimately require is PET containers, not molding machines", technicians visit customers in Japan and abroad with "Trinity (Machine / Mold / Molding technique) of technical strengths" and perform "Thorough molding support" till the customer is satisfied with quality of containers, which results in gaining "Trust from customers".
- Also, our technicians gain experiences in return and accumulate highly complicated technical know-how, such as suitable temperature control for molding. "Trust from customers" enhances our reputation further, which enables us to grasp frontline needs earlier than competitors. We develop the technology to satisfy such needs and supply products which can gain further "Trust from customers".
- This "Ironclad cycle" is the strength of ASB, and the reason why customers support us. <Article in an industry magazine in 2013>

Efforts Addressing the Environmental Issues

Leading the industry with efforts to environment-conscious technologies since its establishment

- **Our molding machines are applicable to many kinds of materials**
- Promoting technological development for the "3R + Renewable" concept and supplying a wide range of container options
- Participating in the ecology enlightenment activities led by industry associations and governmental organizations, and actively promoting the environment-conscious technologies

	[Initiatives]	[Specific examples]
Reduce	Reduced material consumption	**Zero Cooling System** enables further reduction of container weight (reduction of material) by 5-10%
Reuse	Proposal of molding reusable containers	Participated in the first test of reusable PET bottles in Japan. Deployed **bottles for water dispenser** to the worldwide market.
Recycle	Molding various recycled materials including PET	30 years of recycled PET molding experience. **Promoting container molding using recycled materials by double layer molding process.**
Renewable	Challenges to new materials such as biodegradable plastics	Promoting molding of new materials collaborating with material makers. First successful **BioPBS** bottle molding in the world.

Efforts Addressing the Environmental Issues

Trends addressing plastic issues by countries

Japan

Resource Circulation Strategy for Plastics (abstract)

- Reuse or recycle **60%** of plastics packaging **by 2030**
- Effectively utilize **100%** of used plastics by reuse or recycle **by 2035**
- Introduce **approx. 2 million tons** of biomass plastics **by 2030**

EU

Single-Use Plastics Directive

- Single-use plastics such as trays, cutlery, straws, etc. are to be banned by 2021 (**excluding bottles for beverages**)
- Collect **90%** of used bottles for beverages **by 2029**
- Utilization ratio of recycled material to PET bottles is to be **25% by 2025**, and **30% by 2030**

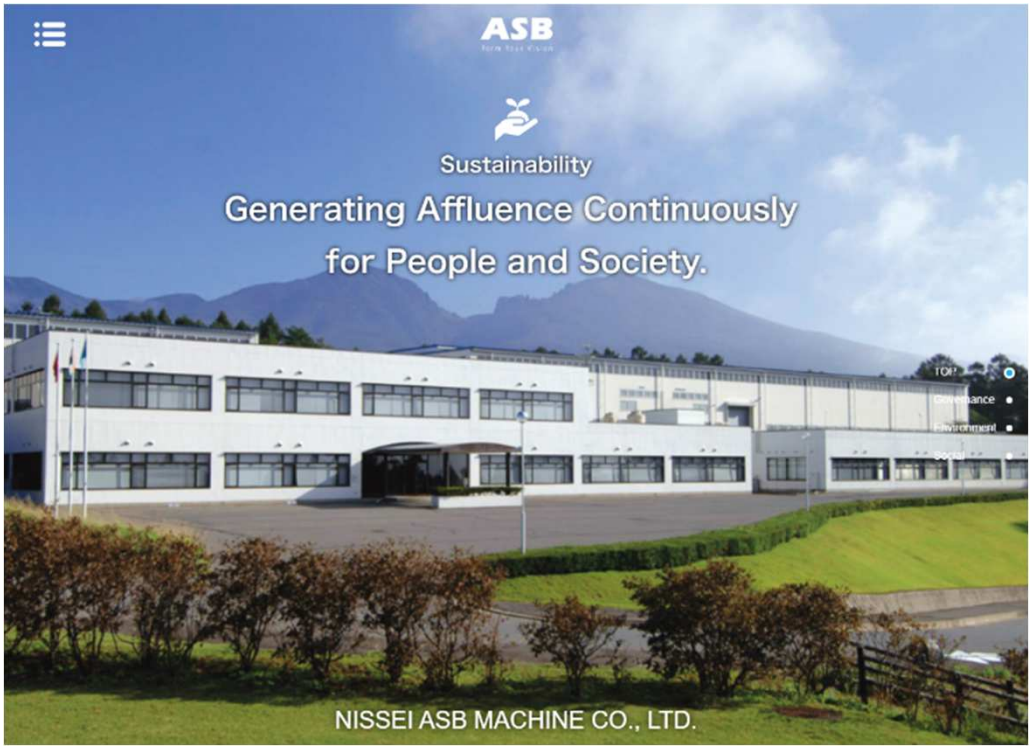
India

Ban on Single-Use Plastics

- **Abolish** single-use plastics **by 2022**
- Plan to ban **6 kinds** of single-use plastics (cups, trays, **small-sized bottles [<=100ml]**, straws and plastic bags)

Initiatives for SDGs

Publishing a wide variety of examples of CSR/ESG from domestic and abroad



- Launched a sustainability site to publish “CSR/ESG” (Corporate Social Responsibility / Environmental, Social Governance) activities that we have been actively engaged in
- Contents consist of ESG, and publishing our wide varieties of examples of SDGs, environment-conscious technologies, CSR activities, etc.
- We will occasionally update new activities. Please visit our website.
- http://nisseiasb.co.jp/csr/

Consolidated Performance of Previous Years

(Unit: million yen, yen, %)

	2013/09		2014/09		2015/09		2016/09		2017/09		2018/09		2019/09		2020/09		2021/09	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Net Sales	19,769	*100.0*	22,605	*100.0*	25,396	*100.0*	25,526	*100.0*	29,289	*100.0*	27,834	*100.0*	26,129	*100.0*	27,254	*100.0*	35,890	*100.0*
Operating Profit	3,298	*16.7*	3,971	*17.6*	3,821	*15.0*	4,525	*17.7*	6,104	*20.8*	5,120	*18.4*	4,304	*16.5*	4,850	*17.8*	8,735	*24.3*
Ordinary Profit	4,043	*20.5*	4,867	*21.5*	4,257	*16.8*	4,123	*16.2*	6,954	*23.7*	5,281	*19.0*	4,193	*16.0*	4,669	*17.1*	9,576	*26.7*
Profit Attributable to Owners of Parent	2,737	*13.8*	3,076	*13.6*	2,487	*9.8*	2,532	*9.9*	4,571	*15.6*	4,349	*15.6*	3,154	*12.1*	4,239	*15.6*	6,680	*18.6*
Dividends per Share (yen)	40	-	40	-	40	-	40	-	60	-	60	-	60	-	60	-	100	-
Dividend Payout Ratio (%)	21.9	-	19.5	-	24.2	-	23.7	-	19.7	-	20.7	-	28.5	-	21.2	-	22.4	-

Inquiries related to IR

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