

Tokyo Stock Exchange (TSE): 6264

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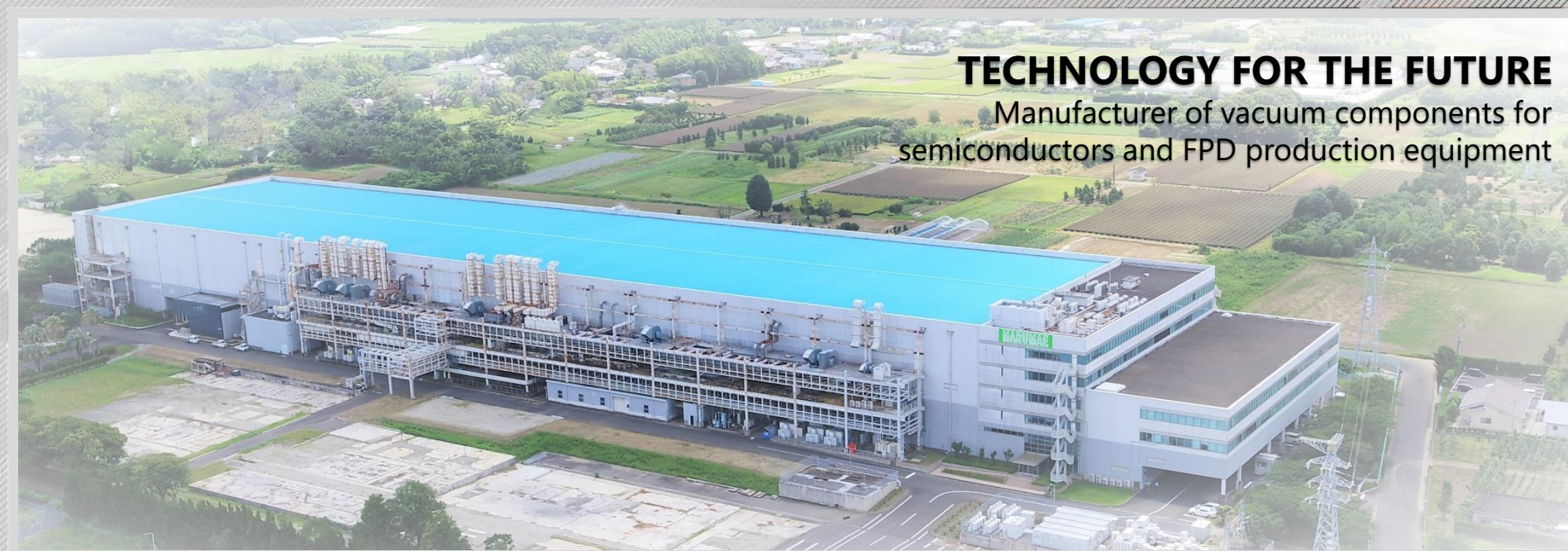
MARUMAE CO., LTD.

Q1 FY2024 Financial Results Summary

December 28, 2023

TECHNOLOGY FOR THE FUTURE

Manufacturer of vacuum components for
semiconductors and FPD production equipment



1. Overview of Financial Results

P/L Analysis

P/L	First Quarter of the Fiscal Year Ended August 31, 2023		First Quarter of the Fiscal Year Ending August 31, 2024		
	Amount (millions of yen)	Ratio (%)	Amount (millions of yen)	Ratio (%)	YoY change ratio (%)
Orders received*	1,815	—	946	—	(47.9)
Order backlog*	1,987	—	954	—	(52.0)
Net sales	2,487	100.0	1,117	100.0	(55.1)
Cost of sales	1,585	63.7	971	86.9	(38.8)
Gross profit	902	36.3	146	13.1	(83.8)
Selling and administrative expenses	233	9.4	169	15.1	(27.4)
Operating profit	668	26.9	(22)	(2.0)	—
Ordinary profit	663	26.7	(49)	(4.4)	—
Extraordinary loss (income)	(2)	0.0	0	0.0	—
Profit	467	18.8	(39)	(3.5)	—
EPS (yen)	37.00	—	(3.10)	—	—

Point

1. Status of orders received*

- Semiconductor sector: 639 million yen (51.1% YoY decrease)
- FPD sector: 277 million yen (102.9% YoY increase)
- Other sectors: 28 million yen (92.2% YoY fall)

2. Net sales

- 55.1% YoY decrease
(Details by sector on the next page)

3. Cost of sales

- Outsourcing expenses: 238-million-yen fall (69.6% YoY reduction)
- Material costs: 223-million-yen decline (73.7% YoY decrease)
- Labor costs: 115-million-yen decrease (27.1% YoY decrease)

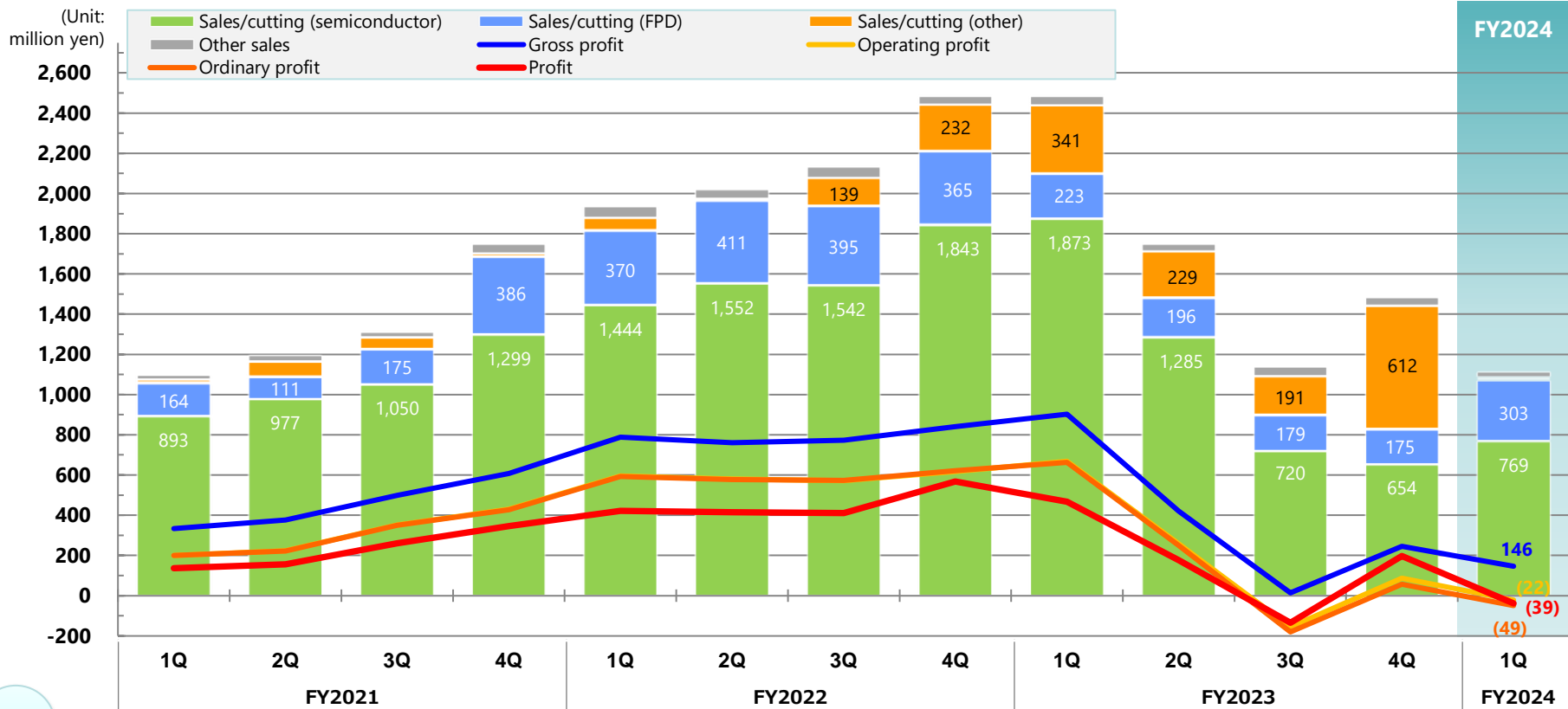
4. Selling and administrative expenses

- Personnel expenses: 29-million-yen decrease (27.1% YoY decrease)
- R&D expenses: 14-million-yen decrease (43.2% YoY reduction)

*Orders received and order backlog include materials supplied for a fee.

1. Overview of Financial Results

Trends in Quarterly Business Results



Point

1. Sales declined due to a small number of parts for equipment used to produce solar cells.

- Semiconductor sector: 769 million yen (58.9% YoY decrease)
 - Bottomed out, but stagnant due to continued inventory adjustment.
- FPD sector: 303 million yen (35.7% YoY increase)
 - Sales recovery in G6 and G8 OLEDs.

- Other sectors: 12 million yen (96.4% YoY decrease)
 - Solar cell production equipment parts sharply declined.

2. Profitability fell due to lower sales and utilization ratio, etc.

- Provision for loss on orders received etc., decreased by 53 million yen from the end of the previous fiscal year.
- Net loss recorded: 39 million yen.

* This graph shows quarterly figures, but the numbers in the comments for each point are those for the fiscal year under review.

1. Overview of Financial Results

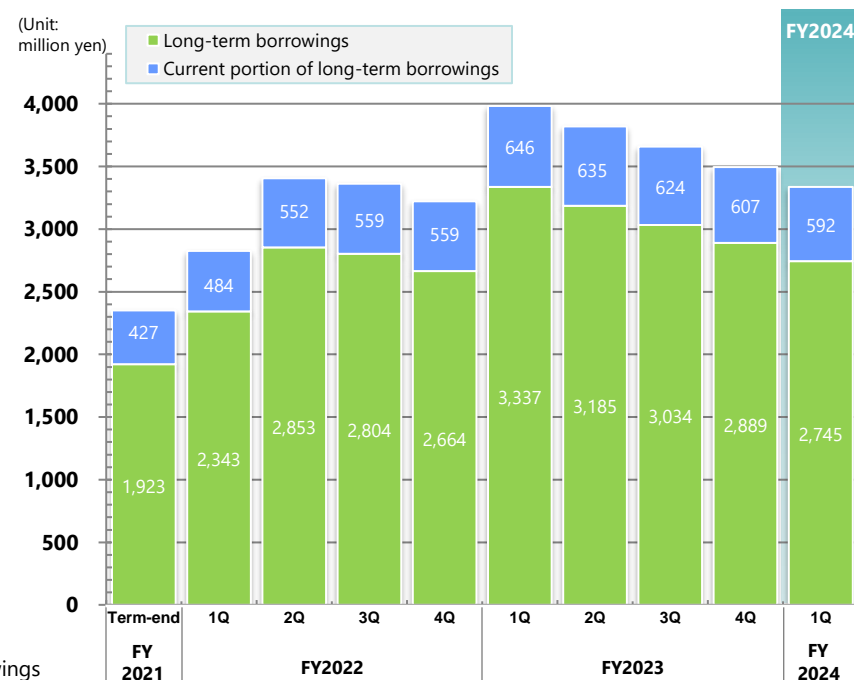
B/S Analysis

B/S	Fiscal year ended Aug 2023 End of Fiscal Year	Fiscal year ending Aug 2024 End of Q1
	(Unit: million yen)	
Current assets	5,448	5,232
Cash & deposits	3,496	3,472
Trade receivables (Notes receivable - trade, accounts receivable - trade, and electronically recorded monetary claims - operating)	982	1,038
Inventories	813	655
Non-current assets	6,163	5,957
Buildings and land	2,537	2,511
Machinery and equipment	3,271	3,081
Current liabilities	1,165	1,153
Interest-bearing liabilities (short-term)*	607	592
Non-current liabilities	2,973	2,829
Long-term borrowings	2,889	2,745
Total liabilities	4,138	3,983
Total net assets	7,473	7,207
Total assets	11,612	11,190

* Interest-bearing liabilities (short-term): Short-term borrowings + current portion of long-term borrowings

Point

- Assets: 11,190 million yen (421-million-yen decrease from the end of the previous fiscal year)**
 - Property, plant and equipment: 215-million-yen decrease
 - Inventories: 157-million-yen decrease
- Liabilities: 3,983 million yen (154-million-yen decline from the end of the previous fiscal year)**
 - Long-term borrowings: 144-million-yen decrease
 - Accounts payable - trade: 50-million-yen decrease
- Net assets: 7,207 million yen (266-million-yen reduction from the end of the previous fiscal year)**
 - Dividend paid: 227 million yen
 - Net loss for the quarter: 39 million yen
 - Equity ratio: 64.4% → 64.4%



2. Business Environment

Future Environment and Policies by Sales Sector

Semiconductor

- ◆ The logic market environment remains stagnant, but leading-edge DRAM is expanding.
- ◆ Received mass-production purchase orders from a new customer. Significant progress made in achieving the medium-term plan of 14 billion yen in sales.
(Mass production will start at about 40 million yen/month and is expected to reach 60 million yen/month by the end of this fiscal year.)

FPD

- ◆ Increase in investment plans for OLED G6 and G8.
- ◆ OLED G8 capex is expected to continue beyond 2024.
- ◆ Continue the strategy of expanding market share by leveraging EBW.

Others

- ◆ PV* in China has stagnated, delaying orders for a new PV line scheduled to start in the middle of 2Q.
- ◆ Received an order for a prototype of new solar cell equipment.
- ◆ Work continues to confirm the timing of the new PV line's implementation, but this is still uncertain.

* PV is the abbreviation for photovoltaic. It refers to photovoltaic power generation

3. Financial Results Forecast for FY2024

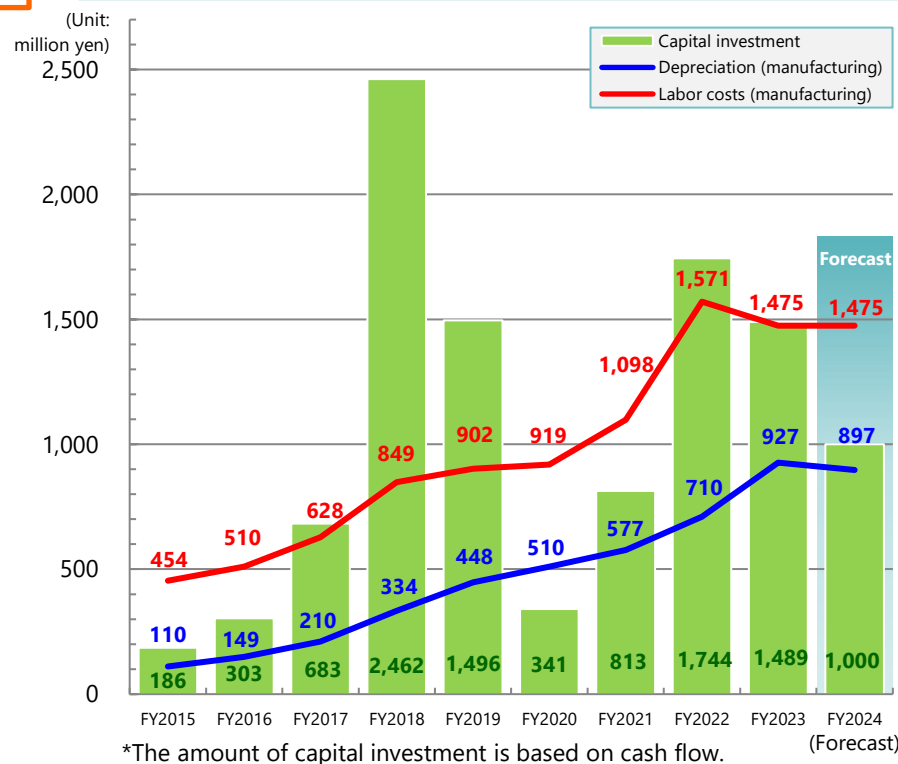
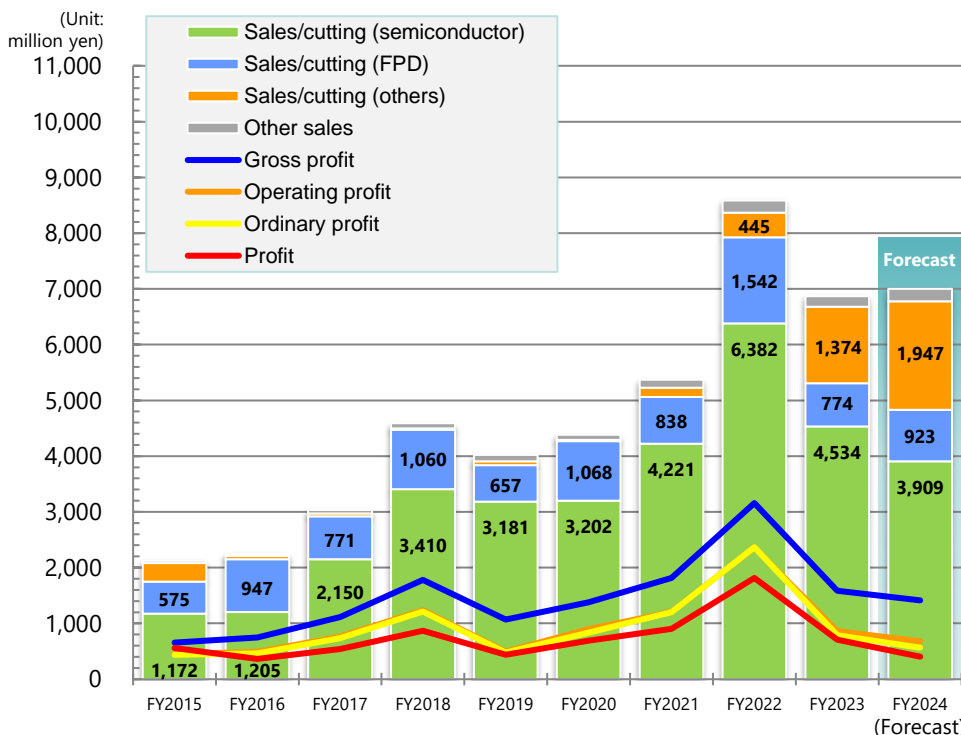
Forecast for FY2024 (Profit/Loss, Capital Investment, and Fixed Costs)

Financial forecast for FY2024	Net sales (million yen)	Operating profit (million yen)	Ordinary profit (million yen)	Profit (million yen)	Earnings per share (yen)
Q2 (Cumulative)	2,400	(82)	(160)	(113)	(8.94)
Full year	7,000	680	562	400	31.64

Orders for semiconductors have increased from new customers, but there is a risk of downward revision to sales in the Other sales sector.

Point

- ✓ Semiconductor market stagnation continues, but DRAM is improving
- ✓ Started receiving mass-production orders from new semiconductor customers, which will contribute to sales in the 2nd half.
- ✓ Started preparations for investment to increase production in 2025 (long-term delivery products).
- ✓ PV orders did not reach our target. Sales may be delayed.



*The amount of capital investment is based on cash flow.

Our goal as a company is for our technology to make a social contribution through sustainable management.

Notes

Information that refers to future events, including the information listed in this material and content that has been orally explained, is an outlook based on certain assumptions, which include variable elements such as evaluations by Marumae's management.

This material has been prepared for shareholders and investors for them to grasp the current status and management policies of Marumae and does not provide readers with a basis for making any investment decision such as the purchase or sale of Company shares. The Company bears no responsibility for any investment decision.

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For inquiries regarding this material, please contact the following:

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E-mail: inquiry_en@marumae.com

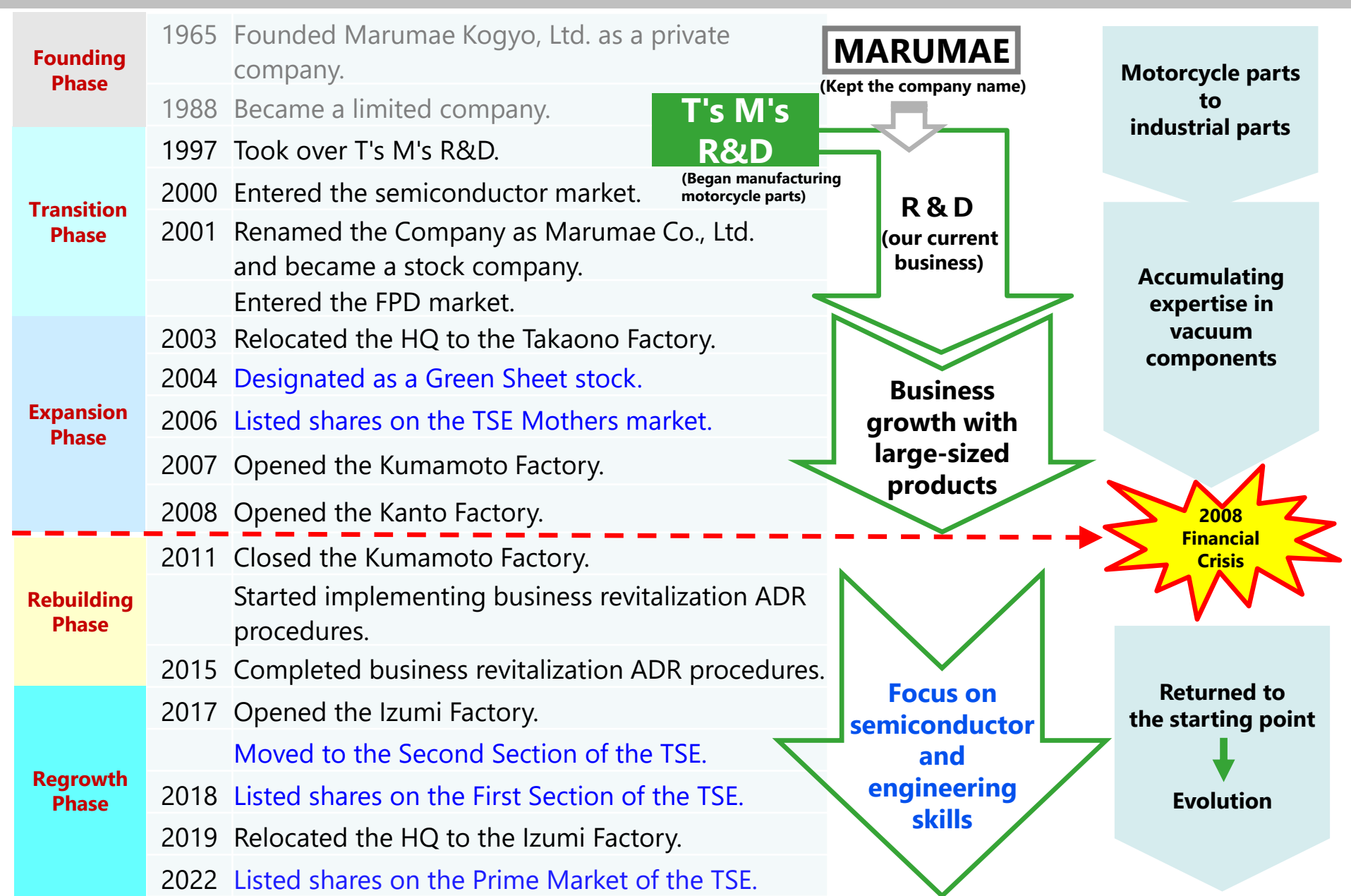
Company Profile

Reference (Our History)

We got our start in motorcycle racing.

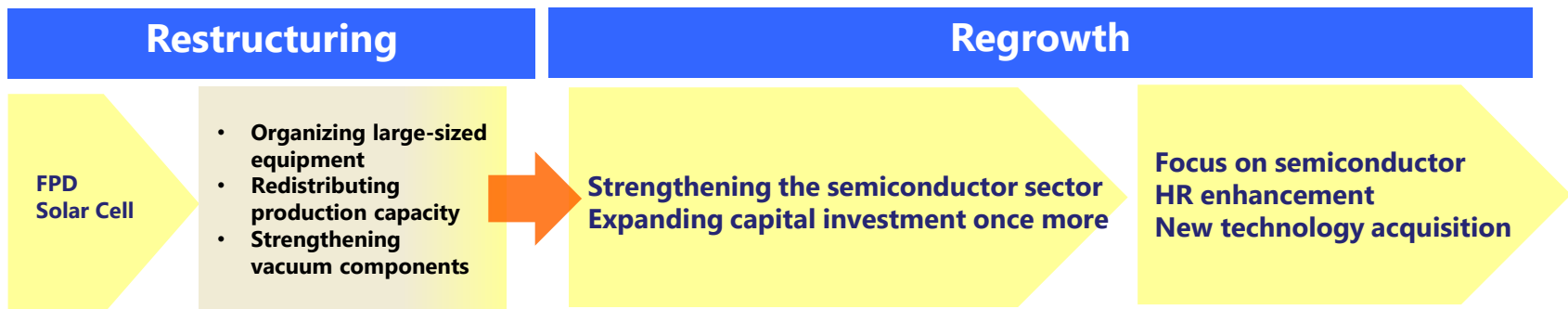
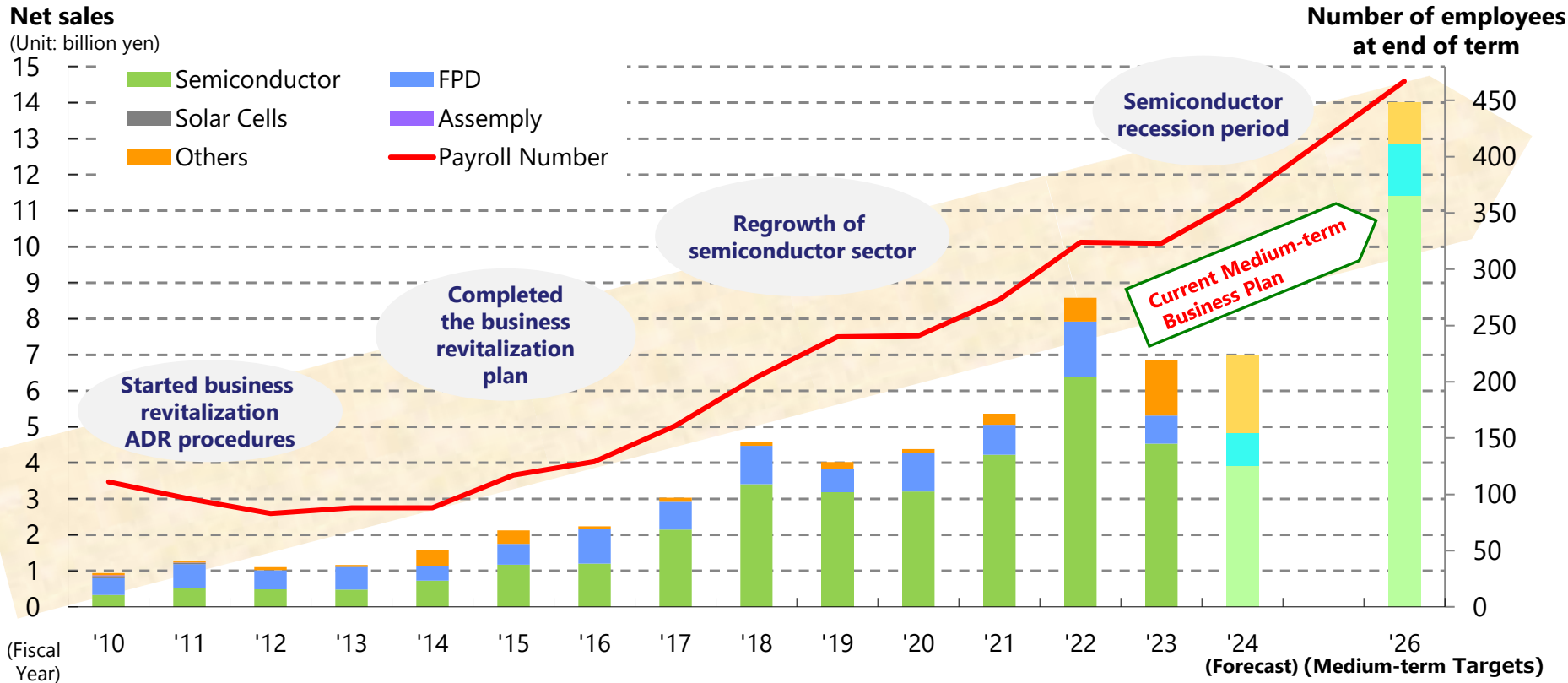


Reference (Our History & Business Transition)



Reference (Our History & Business Transition)

Business Growth & Growth Drivers



Reference (Business Overview)

Major Processes and Products

Our products provide core support for semiconductor and FPD production equipment.

Main processes of customers who use our products:

(Semiconductors)

Etching
CVD
Coating/developing
Cleaning

(FPD)

Etching
CVD
Coating/developing
Sputtering
Cleaning
Ion implantation

Our main products:

Vacuum chambers
Shower heads
Exhaust plates
Electrostatic chucks
Heaters
Upper electrodes
Targets
Parts for transfer systems
Various vacuum components

* This photo is a sample image

Reference (Company Overview)

Company name	Marumae Co., Ltd.	Total number of issued shares	13,053,000 shares
Established	October 1988	Share unit number	100 shares
Capital	1,241,150,000 yen (as of November 30, 2023)	Total number of shareholders	11,914
Executives	<ul style="list-style-type: none"> Toshikazu Maeda, President and Representative Director Kota Kaizaki, Director Hiroto Ando, Director Akiko Kadota, Outside Director Kumiko Seko, Outside Director Keiji Hokanishi, Director (Audit and Supervisory Committee Member) Satoshi Momokino, Outside Director (Audit and Supervisory Committee Member) Takaaki Yamamoto, Outside Director (Audit and Supervisory Committee Member) Hirotsugu Miyakawa, Outside Director (Audit and Supervisory Committee Member) 	Major shareholders (Common shares)	<ul style="list-style-type: none"> Toshikazu Maeda 4,829,117 shares The Master Trust Bank of Japan, Ltd. (trust account) 806,600 shares Misako Maeda 504,000 shares Custody Bank of Japan, Ltd. (trust account) 202,500 shares STATE STREET BANK AND TRUST COMPANY FOR STATE STREET BANK INTERNATIONAL GMBH, LUXEMBOURG BRANCH ON BEHALF OF ITS CLIENTS: CLIENT OMNI OM25 197,161 shares Nomura Securities Co., Ltd. 182,758 shares Yoshiko Maeda 180,000 shares Koei Igarashi 169,000 shares NOMURA PB NOMINEES LIMITED OMNIBUS-MARGIN (CASHPB) 142,700 shares Marumae Kyoeikai 128,600 shares
			(Note) There are 412,494 treasury shares (as of August 31, 2023).
Number of employees	318 (including 135 temporary workers) as of November 30, 2023, and approx. 28 dispatched workers	Management philosophy	<ul style="list-style-type: none"> Seek technological perfection Respect competition and cooperation Contribute to society as a company that focuses on technology <p>We focus on parts machining, which is the foundation of the <i>monozukuri</i> (manufacturing) that supports our economy. To become a company that can support comprehensive manufacturers in various areas, we aim to be a leading parts machining company with advanced technology and supply capabilities.</p>
Locations	<ul style="list-style-type: none"> Izumi Factory (Headquarters): 2141 Onohara, Izumi, Kagoshima 899-0216, Japan Takaono Factory: 3816-41 Okubo, Takaono, Izumi, Kagoshima 899-0401, Japan Kanto Factory: 2-17-15 Hizaori, Asaka, Saitama 351-0014, Japan 		
Business description	<ul style="list-style-type: none"> Design, manufacture, and machining of precision machinery and equipment Design and manufacture of precision machine components Design, manufacture, and sale of industrial and medical equipment Development and sale of software Plate working Plumbing Transportation Real estate leasing 		