



New Medium-Term Management Plan

# Next Growth 2030

(Covering FY03/2027 to FY03/2031)

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May 15, 2026

**Fuso Chemical Co., Ltd.**

(Tokyo Stock Exchange Prime Market securities code: 4368)

# FUSO CHEMICAL

## New Medium-Term Management Plan: Next Growth 2030

1. Long-Term Vision and Overview of Medium-Term Management Plan
2. Financial and Non-Financial Targets
3. Cash Allocation and Shareholder Return Policy
4. Key Investment Plans
5. Growth Strategies by Business Segment
6. Governance Structure for Pursuing Next Growth 2030
7. Human Capital and Sustainability Initiatives

## Company Motto: “Limitless Progress and Creation”

### Management Philosophy

- Value trust, and make it a principle to be reliable
- Contribute to the nation and society through technology
- Achieve employee fulfillment through prosperous business

### Long-Term Vision

- Evolve as the global niche leader
- Support the future with FUSO technology
- Challenge limits to create new businesses
- Ensure that FUSO business delivers customer satisfaction

# Overview of Medium-Term Management Plan



## Life Science Business Strategy

- Strengthen global cooperation
- Boost surveying and marketing initiatives
- Enhance core competencies (develop new fields)
- Maintain and enhance stable supply and quality assurance

## Electronic Materials Business Strategy

- Stabilize supply and quality
- Address cutting-edge requirements
- Develop new businesses harnessing core technologies
- Reinforce the business foundation

## Production Division Production Framework

- Reinforce the framework for stable production
- Increase productivity
- Gain customer trust
- Enhance the value of human capital

## New Medium-Term Management Plan Next Growth 2030 (covering FY03/2027 to FY03/2031)

### Higher market value

- Achieve high CAGR
- Engage in ROIC-driven management

### Higher human capital value

- Implement human resources strategy in line with the new Management Plan
- Enhance employee engagement
- Other measures

### Increased trust in FUSO

- Establish a committee on enhancing corporate value to promote and manage progress
- Design an executive compensation system linked to the new Management Plan

### Increased sustainability

- Achieve harmony with the local community
- Engage in GHG reduction initiatives

# Next Growth 2030 Targets Toward Higher Corporate Value



## Quantitative targets for financial and other indicators

<b>Growth (KPI)</b>	<b>Net sales/Profit (KGI)</b>	<b>ROIC (KPI)</b>
Net sales CAGR 9% or more	(Billion yen) Net sales 120.0 or more Operating profit 36.0 or more EBITDA 56.7 or more	13% or more
<b>Cumulative dividends</b>	<b>Average annual pay</b>	<b>Growth investments</b>
20.0 billion yen or more	Up 30% or more from FY03/2026	100.0 billion yen (Excluding general capital investment)

## Achievement of long-term vision

<b>Evolve as the global niche leader</b>	<b>Support the future with FUSO technology</b>	<b>Create new businesses</b>	<b>Ensure that FUSO business delivers customer satisfaction</b>
Over 67.0 billion yen in capital expenditure (excluding R&D)	10.0 billion yen in R&D investment (incl. R&D center construction)	Development of related technologies, M&A, etc.	700 million yen or more to support local community activities, sports, etc.

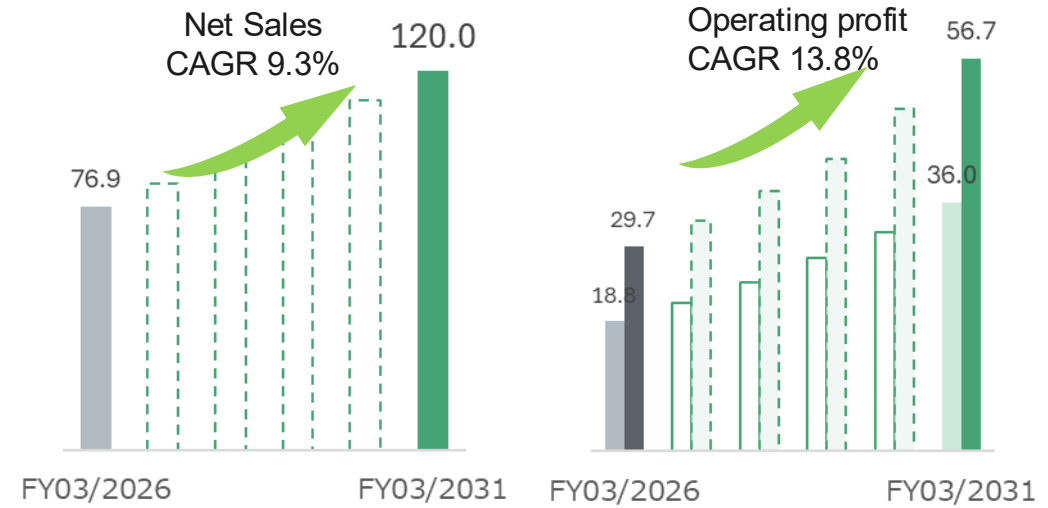
<b>Human capital value</b>	<b>Sustainability</b>
<b>Quantitative targets</b>	
<b>Engagement score</b>	<b>GHG reduction target</b>
Up 10% from FY03/2026	Set by FY03/2029年
<b>Market value</b>	<b>Trust in FUSO</b>
<b>Qualitative targets</b>	
<b>Dividend policy</b>	<b>Responsible organization</b>
Continue with progressive dividend policy	Corporate Value Enhancement Committee
<b>Dialogue with shareholders</b>	<b>Evaluation system</b>
Strengthen ROIC-driven management	Apply to executive compensation

# Next Growth 2030 (Financial Targets to Become the Global Niche Leader)

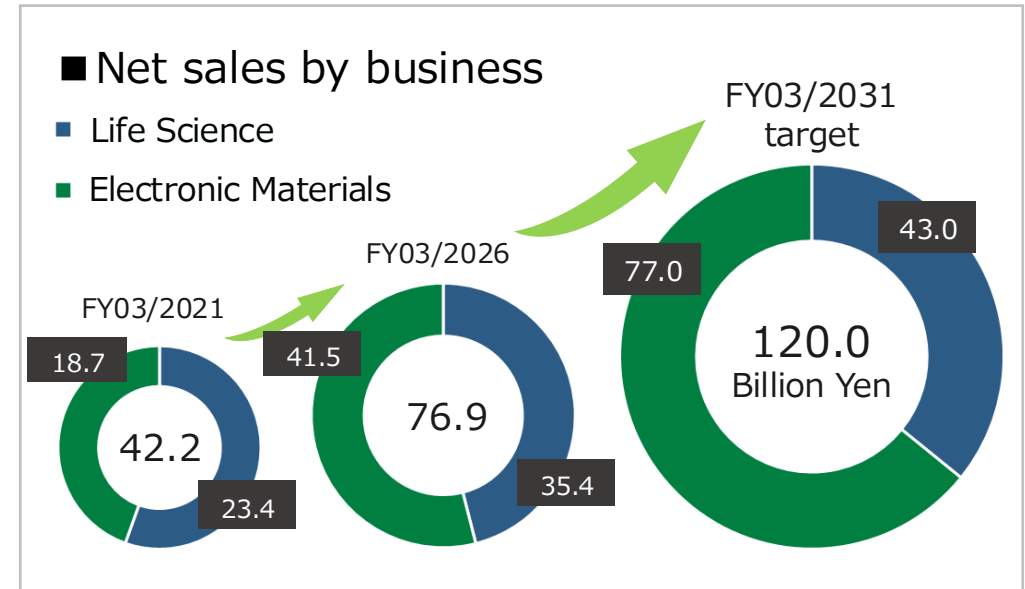


## Next Growth 2030 corporate target

(Billion yen)	FY03/2026 results	FY03/2031 target	CAGR
<b>Net sales</b>	<b>76.9</b>	<b>120.0</b>	<b>9.3%</b>
<b>Operating profit</b>	<b>18.8</b>	<b>36.0</b>	<b>13.8%</b>
<b>EBITDA</b>	<b>29.7</b>	<b>56.7</b>	<b>13.7%</b>



Life Science				Electronic Materials			
	FY03/2026 results	FY03/2031 target	CAGR		FY03/2026 results	FY03/2031 target	CAGR
<b>Net sales</b>	<b>35.4</b>	<b>43.0</b>	<b>4.0%</b>	<b>Net sales</b>	<b>41.5</b>	<b>77.0</b>	<b>13.2%</b>
<b>Operating profit</b>	<b>5.3</b>	<b>7.5</b>	<b>7.2%</b>	<b>Operating profit</b>	<b>15.9</b>	<b>32.0</b>	<b>15.0%</b>
<b>EBITDA</b>	<b>6.9</b>	<b>9.5</b>	<b>6.5%</b>	<b>EBITDA</b>	<b>25.0</b>	<b>50.5</b>	<b>15.1%</b>



Notes: Next Growth 2030 exchange rate assumption: USD 1=JPY 150  
Corporate operating profit and EBITDA include shared costs and other adjustments.

# Cash Allocation and Shareholder Return Policy



(Billion yen)

IN

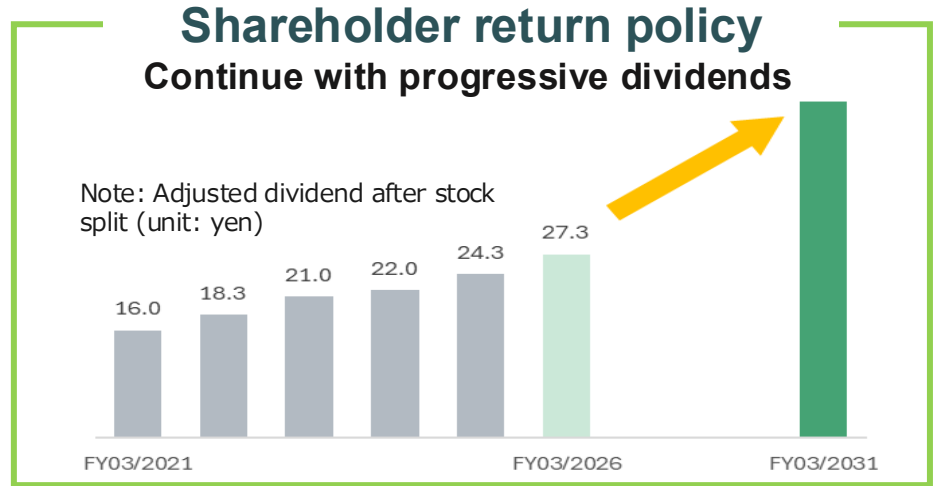
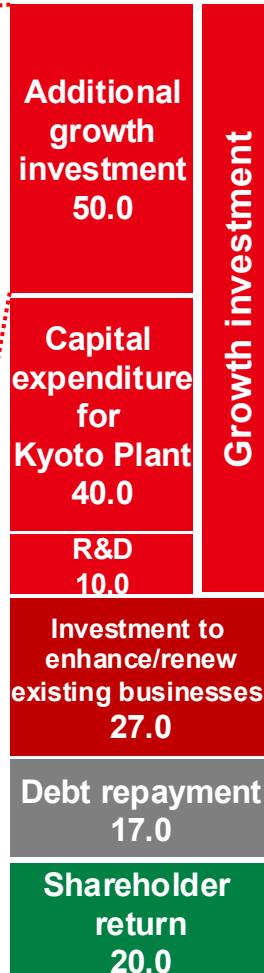
OUT

**Operating cash flow**  
164.0

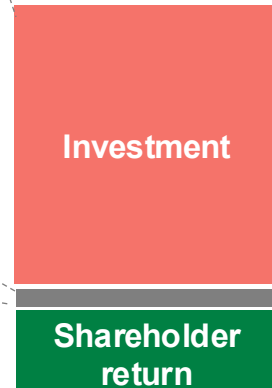
- Further investment in business**
- Additional capital expenditure
  - Transition to smart factories
  - M&A funds
  - AI adoption and other digital transformation (DX) initiatives
- Investment in human capital**
- Workplace environment upgrade
  - Continued base-pay increases
  - Focused investment in highly-specialized talent
- Investment to address GHG emissions**
- Investment in energy efficiency and renewables
  - Production process improvements etc.

- Procurement policy**
- Flexible consideration of fund procurement

- Additional returns**
- Flexible consideration of dividend increases, etc.



(Reference) Cumulative cash outflow during period covered by the previous Medium-Term Plan



Manufacturing facilities for Ultra-high-purity colloidal silica  
Total for period: approx. 50.0

Other (investment in maintenance and renewal, etc.)

Cumulative amount for period: approx. 12.0

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# **Growth Strategies by Segment**

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# Business Segments



## Life Science



- Malic acid
- Citric acid
- Gluconic acid
- Fumaric acid
- Maleic anhydride
- Other acid
  - High purity fruits acid
  - Succinic acid, Lactic acid, Tartaric acid
- Vitamin C
- Food additive formulations



## Electronic Materials



- Electronic Materials
  - Ultra high purity colloidal silica
- Functional Chemicals
  - High purity organo silica sol
  - Silica nano powder
  - Alkyl silicate



# Life Science Business Growth Strategy

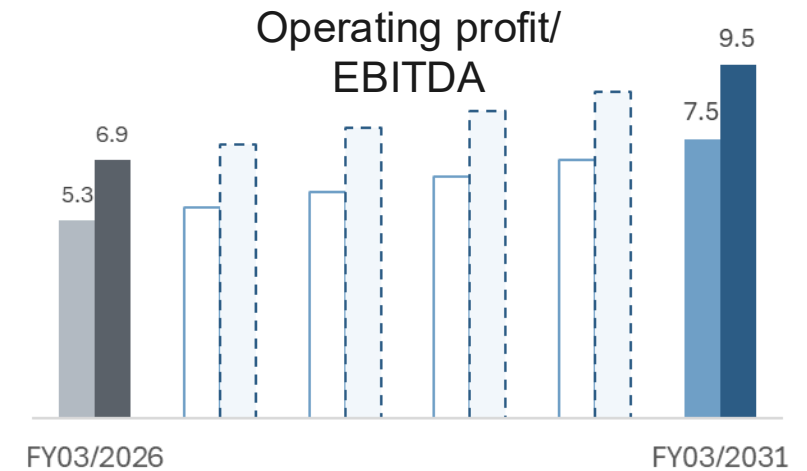
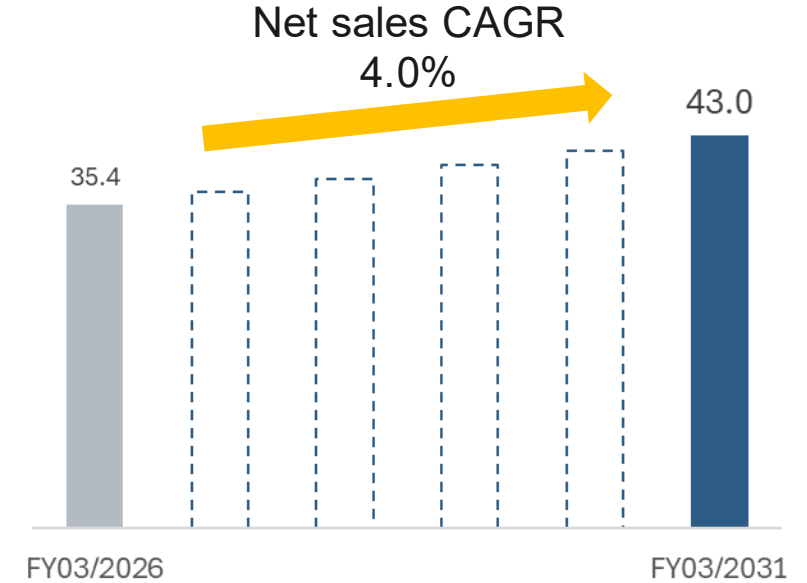


## Segment strategy

1. Strengthen global cooperation
2. Boost surveying and marketing initiatives
3. Enhance core competencies (develop new fields)
4. Maintain and enhance stable supply and quality assurance

(Billion yen)

	FY03/2026 results	FY03/2031 target	CAGR
Net sales	35.4	43.0	4.0%
Operating profit	5.3	7.5	7.2%
EBITDA	6.9	9.5	6.5%



# Increasing Corporate Value: Initiatives by Life Science Business



- **Strength: Among the very few fruit acid producers in Japan, and over 50% of sales generated in overseas markets**

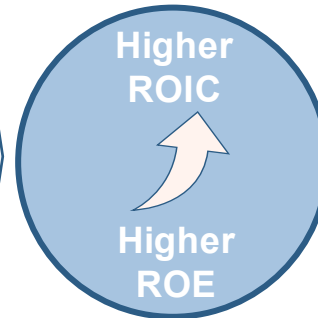
<p><b>Strengthen global cooperation</b></p>	<ul style="list-style-type: none"> <li>China business</li> <li>Southeast Asian markets</li> <li>US and European markets</li> </ul> <ul style="list-style-type: none"> <li>• Integrate strategies with overseas subsidiaries</li> <li>• Increase food additive sales to Asia</li> <li>• Expand share of FUSO's fruit acids in overseas markets</li> <li>• Enhance US operations</li> </ul>
<p><b>Boost surveying and marketing initiatives</b></p>	<ul style="list-style-type: none"> <li>Expand sales of in-house products</li> <li>Grow domestic business</li> <li>Raise revenue per employee</li> </ul> <ul style="list-style-type: none"> <li>• Create markets to gain revenue opportunities</li> <li>• Develop primary industry market</li> <li>• Push hard to expand business, backed by stable production and increased capacity</li> <li>• Find and strengthen relations with business partners expected to grow stably over the long term</li> <li>• Pursue digital transformation to strengthen and make visible the procurement management system</li> </ul>
<p><b>Enhance core competencies /develop new fields</b></p>	<ul style="list-style-type: none"> <li>FFA-related products</li> <li>Antioxidation technology</li> <li>Technology for health benefits of organic acids</li> </ul> <ul style="list-style-type: none"> <li>• Strengthen food loss-preventing products</li> <li>• Uncover demand in the health maintenance and healthcare fields</li> <li>• Develop ultra-high-purity fruit acid product group</li> <li>• Develop new technologies and applications</li> </ul>
<p><b>Maintain and enhance stable supply and quality assurance</b></p>	<ul style="list-style-type: none"> <li>Raise product quality</li> <li>Establish supply system for pharmaceutical-grade products</li> <li>Enhance FUSO brand</li> </ul> <ul style="list-style-type: none"> <li>• Raise production quality with quality management system</li> <li>• Swiftly establish production system for newly developed products</li> <li>• Implement measures to increase brand penetration</li> </ul>

**Higher CAGR**  
Increased confidence in FUSO's growth

**Contribution to operating profit**  
Enhancement of sales capacity backed by technical capabilities

**Increased sustainability**  
Contribution to health and society

**Increased trust in FUSO**  
Core technologies and stable quality



# Strategies for Global Business Expansion



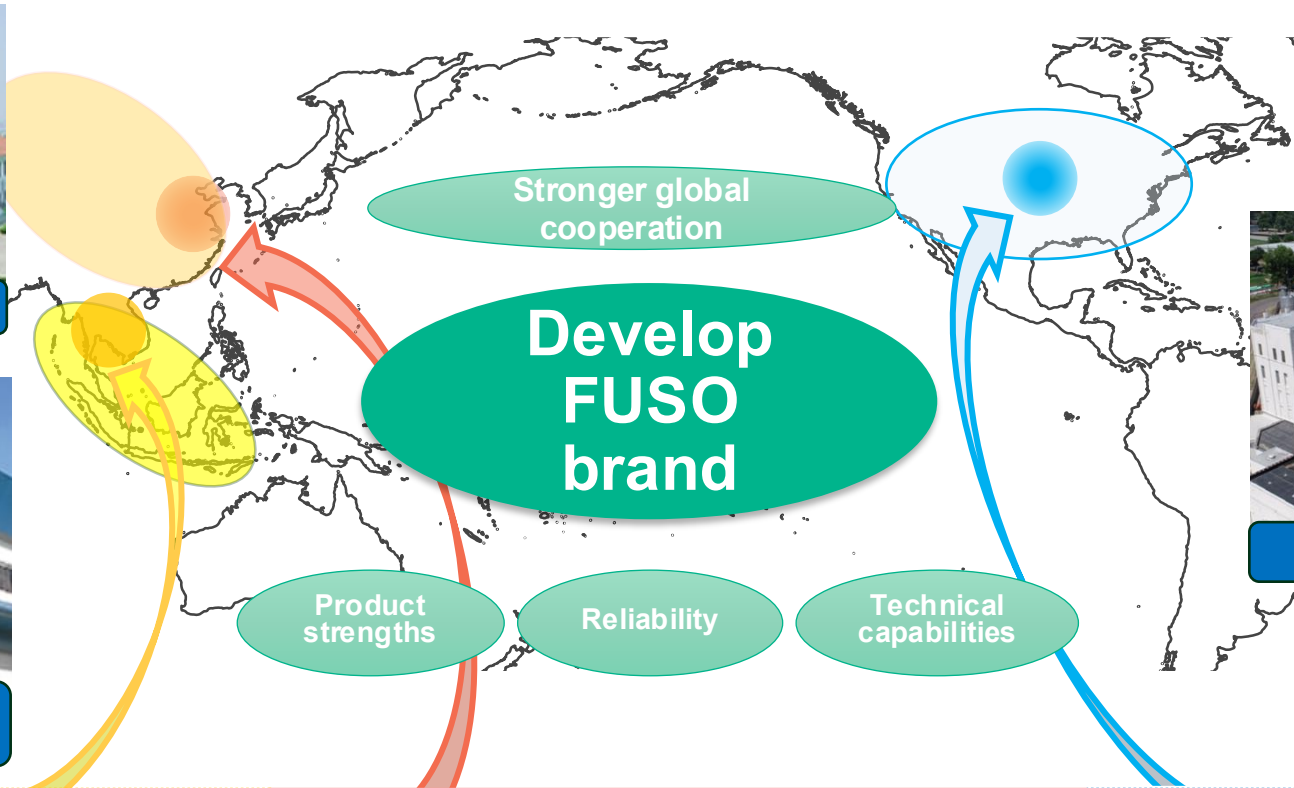
Chinese market



Southeast Asian market



US market



**Thailand FUSO (THAILAND) CO., LTD.**

**Strategic base for expansion in Southeast Asia**  
**Growth strategy**

- Enhance sales and proposal capabilities through skills development of local staff
- Create new business approaches for Asia
- Pursue development as production base (consider production of sodium citrate)

**China Qingdao Fuso Group**

**Key base responsible for manufacturing, sales, and R&D**  
**Growth strategy**

- Boost development of food additives for Chinese market
- Expand sales of high-value-added products
- Expand exports to other regions

**USA PMP Fermentation Products Inc.**

**Sole gluconates manufacturer in North America**  
**Growth strategy**

- Expand production capacity to meet demand growth
- Establish framework for stable supply through technological innovation
- Promote development of primary industry applications

# Electronic Materials Business Growth Strategy



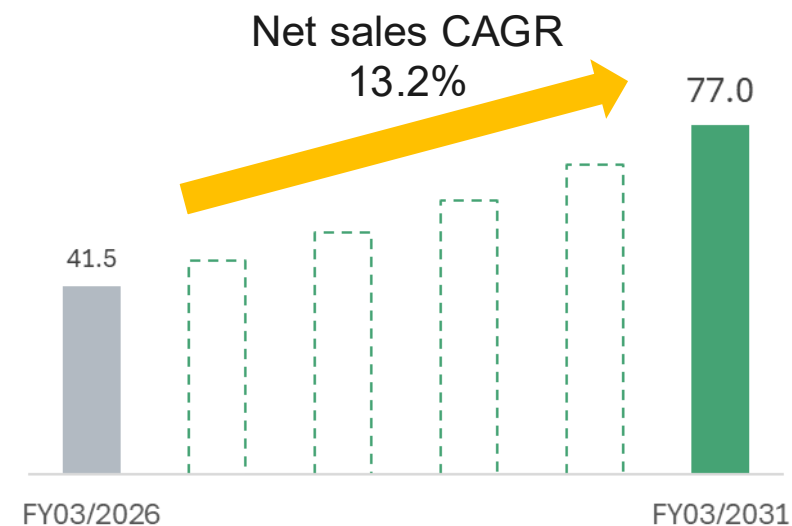
**Top priority: meeting the needs of the rapidly expanding market**

## Segment strategy

1. Stabilize supply and quality
2. Address cutting-edge requirements
3. Develop new businesses harnessing core technologies
4. Reinforce the business foundation

(Billion yen)

	FY03/2026 results	FY03/2031 target	CAGR
Net sales	41.5	77.0	13.2%
Operating profit	15.9	32.0	15.0%
EBITDA	25.0	50.5	15.1%



# Increasing Corporate Value: Initiatives by Electronic Materials Business



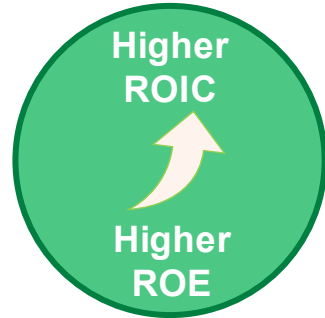
- **Strength: Providing super-high-quality materials, conducting all processes from design to supply and quality assurance in-house**

<b>Stabilize supply and quality</b>	<ul style="list-style-type: none"> <li>Make capital expenditures</li> <li>Address BCP</li> <li>Enhance quality management</li> </ul>	<ul style="list-style-type: none"> <li>Decide on investment timing in view of shifts in demand</li> <li>Produce at multiple locations</li> <li>Strengthen raw materials supply chain</li> <li>Make key processes more robust and raise quality of equipment maintenance</li> <li>Digitalize quality management</li> </ul>
<b>Address cutting-edge requirements</b>	<ul style="list-style-type: none"> <li>Particle size control technology</li> <li>High-purification technology</li> <li>Material design technology</li> </ul>	<ul style="list-style-type: none"> <li>Address next-generation nodes and new materials</li> <li>Strengthen collaboration with users</li> </ul>
<b>Develop new businesses harnessing core technologies</b>	<ul style="list-style-type: none"> <li>Ultra-high purification</li> <li>Particle design and dispersion control</li> <li>Precision analysis and quality assurance</li> </ul>	<ul style="list-style-type: none"> <li>Develop new functional materials</li> <li>Raise the level of analysis and evaluation services offered</li> <li>Expand applications into CMP-related uses and adjacent fields</li> </ul>
<b>Reinforce the business foundation</b>	<ul style="list-style-type: none"> <li>Establish roadmap-based development and an end-to-end development process leading up to bulk production</li> <li>Address environmental concerns through energy efficiency, waste reduction, and more rigorous chemicals management</li> </ul>	

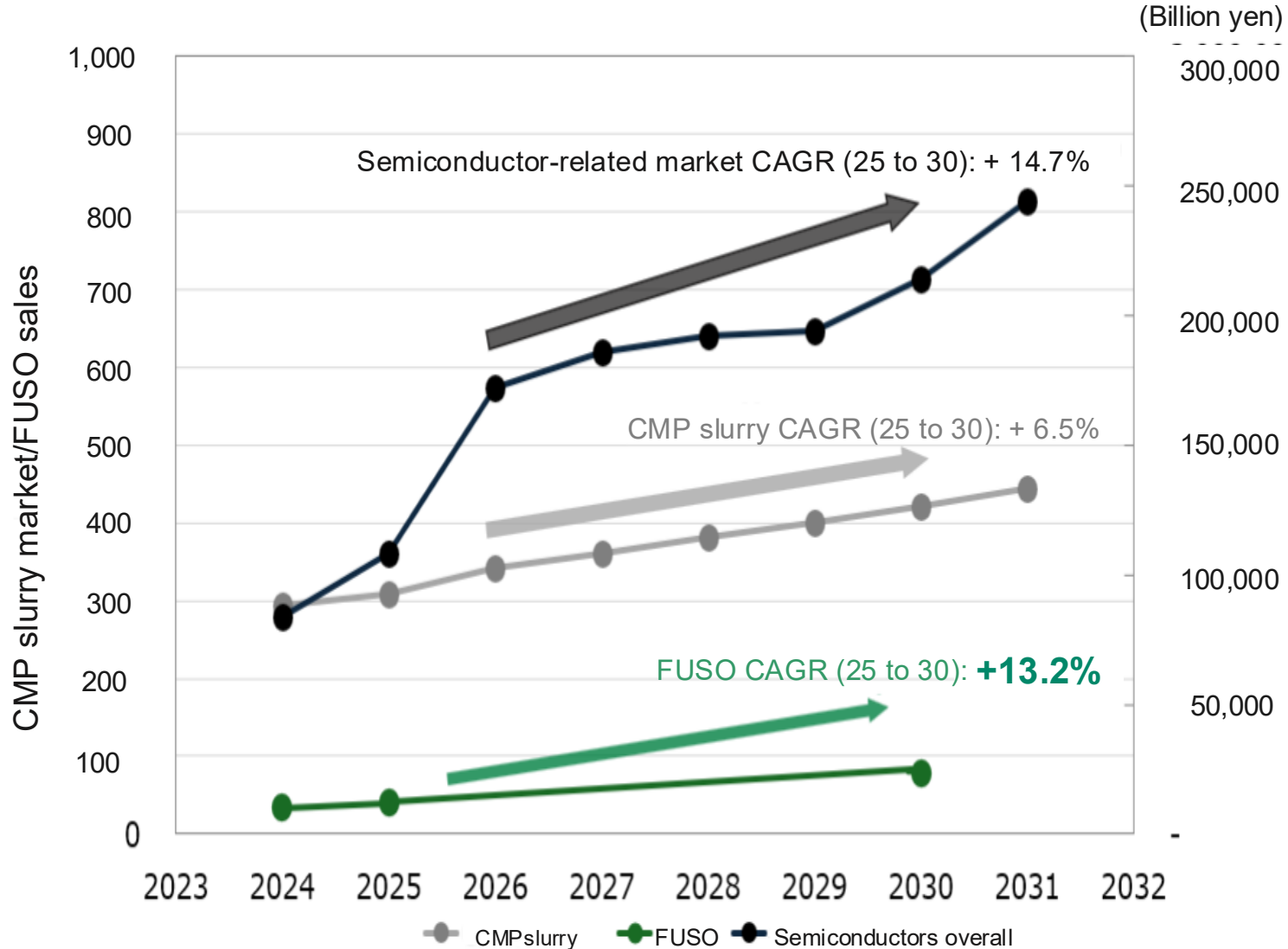
**Higher CAGR**  
Stable and long-term business relationship based on trust in FUSO

**Higher operating margin**  
Technical capability-baked revenue structure resilient to shifts in environment

**Increased sustainability**  
Turn risks into chances to achieve further growth



# FUSO sales in Semiconductor and CMP Slurry Markets



## Application development

Increased CMP process steps in cutting-edge semiconductors for AI use due to reasons including:

- multi-layered wiring
- adoption of BSPDN
- demand for advanced packaging use

## Cutting-edge product development

In the CMP process of cutting-edge semiconductors, opportunities for use have increased for colloidal silica that is:

- even higher in purity
- ultra-high-purity with precision-controlled particle size



Semiconductor market overall

**Growth opportunities exceeding CMP slurry market growth**

Source: Prepared by FUSO based on Fuji Chimera Research Institute material

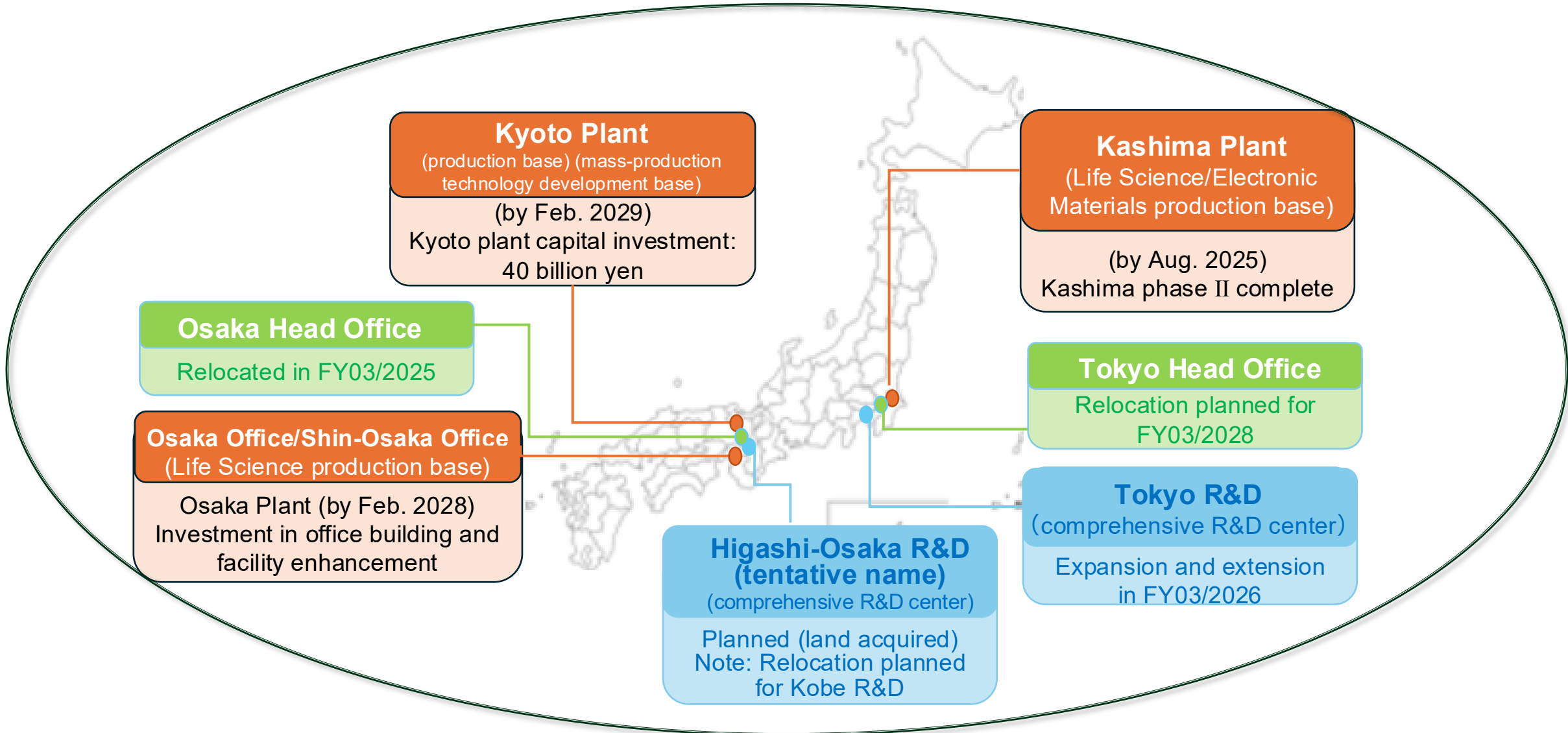
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# Production Framework Reinforcement

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# Domestic Locations and Investments



# Increasing Corporate Value: Initiatives by Production Division



- Strength: Stable production framework that consistently meets customer expectations

Reinforce framework for stable production	Acquire high resilience	<ul style="list-style-type: none"> <li>• Further establish production framework with major plants in east and west Japan</li> <li>• Take action to prevent work-related and equipment accidents</li> <li>• Invest in safety measures</li> <li>• Conduct monitoring for stable facility operation</li> <li>• Enhance maintenance plan</li> </ul>
	Ensure safety and environmental stewardship	
	Strive to fulfill responsibility for stable supply	<ul style="list-style-type: none"> <li>• Promote transition to smart factories</li> <li>• Increase production robustness</li> </ul>
	Further systemization of production processes	
Increase productivity	Improve capital expenditure efficiency	<ul style="list-style-type: none"> <li>• Continuously invest in enhancements</li> <li>• Acquire customer qualifications early</li> </ul>
	Reduce manufacturing cost	<ul style="list-style-type: none"> <li>• Address each expense item separately</li> <li>• Raise overall plant capacity utilization rate</li> </ul>
Gain customer trust	Work toward zero customer complaints	<ul style="list-style-type: none"> <li>• Establish capability to swiftly address issues</li> <li>• Accurately address requests from business partners</li> </ul>
	Invest in boosting production and raising quality	<ul style="list-style-type: none"> <li>• Address environmental issues</li> <li>• Invest in facilities to meet customer requirements</li> </ul>
Enhance value of human capital	<ul style="list-style-type: none"> <li>• Train multi-skilled talent</li> <li>• Raise self-improvement skills</li> <li>• Train the next generation of leaders</li> </ul>	<ul style="list-style-type: none"> <li>• Increase employee engagement</li> <li>• Become a group of professionals</li> </ul>

## Raise fixed asset turnover

Raise level of trust in cutting-edge products

## Increase trust

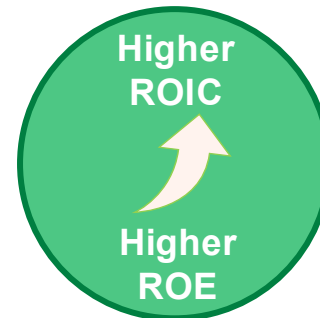
Gain business partner engagement

## Reduce cost to sales ratio

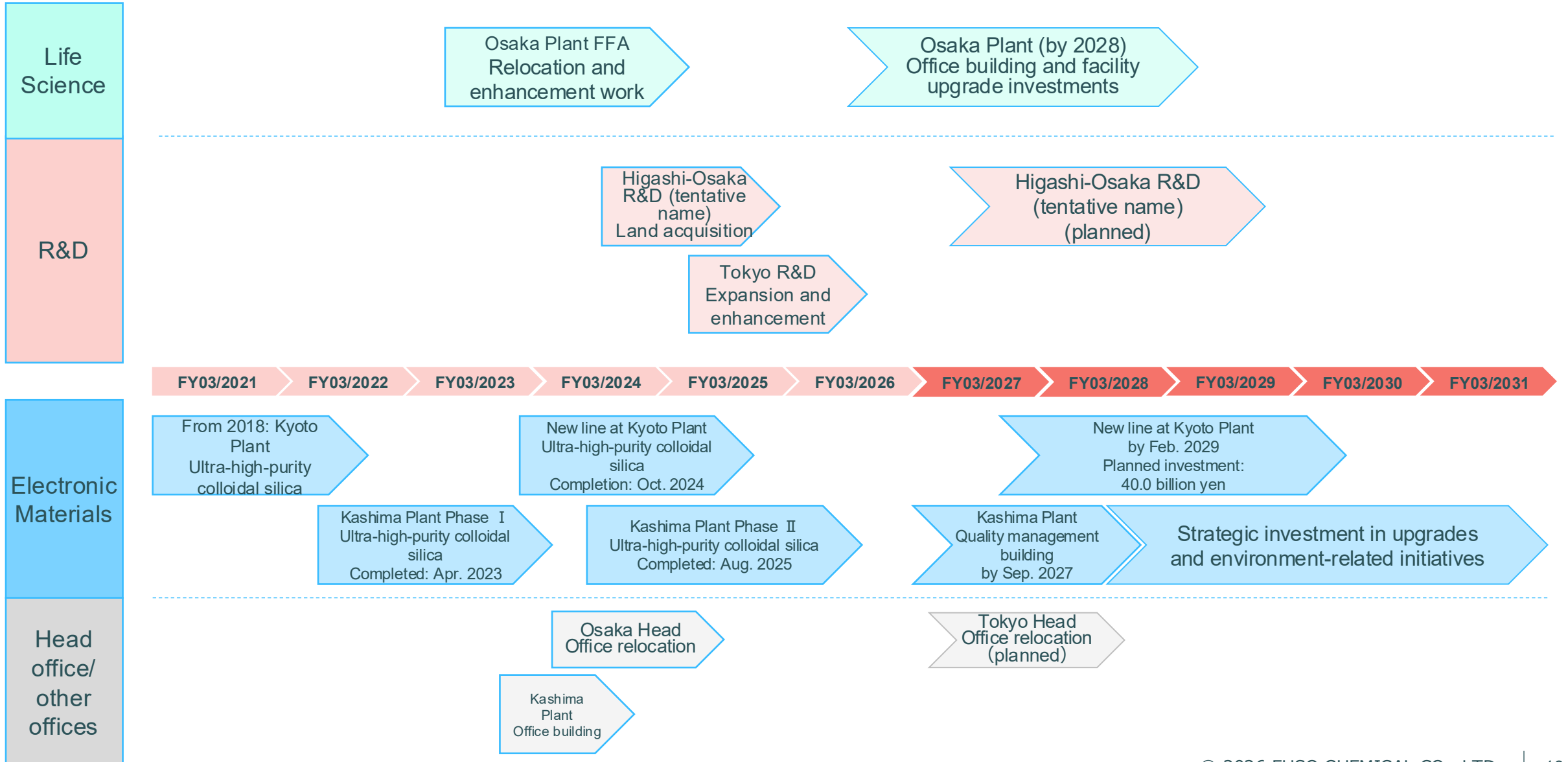
Boost revenues through increased production and through production quality

## Increase productivity

Pursue production by a select group of specialists incorporating DX and AI



# Key Items in Capital Expenditure Plan (Term Covered by Previous and New Medium-Term Plans)



Challenge limits to create new  
businesses

## **Enhancement of R&D Bases**

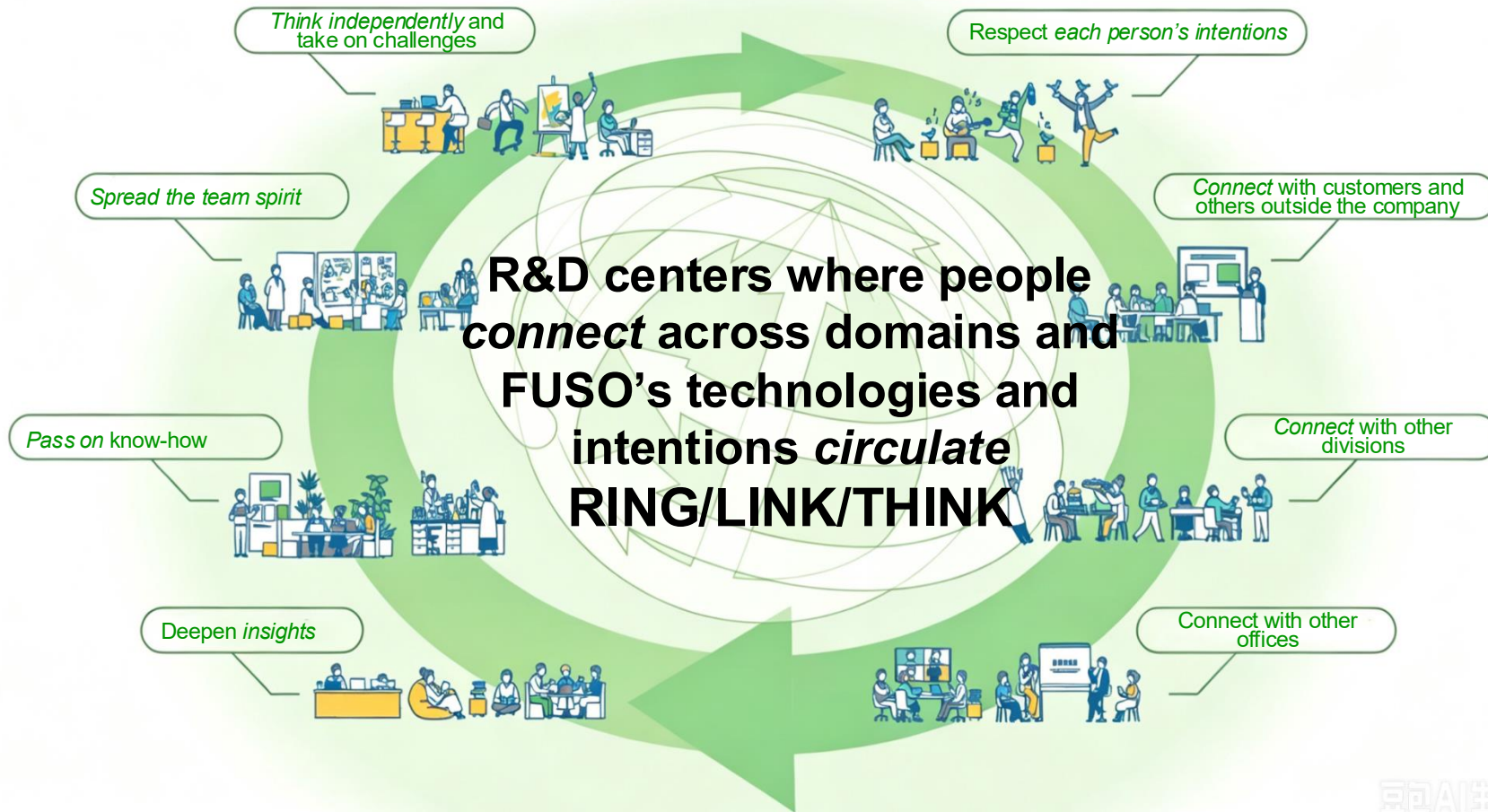
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# Enhancing R&D Centers to Challenge Limits and Create New Businesses



An R&D center will be built in Higashi-Osaka, targeting completion in FY03/2029. Efforts to challenge limits in the development of new products and technology will be further accelerated.



Rendering of Higashi-Osaka R&D Center  
(Planned completion: FY03/2029)



Tokyo R&D: Research center in east Japan  
(Operation will continue after the completion of Higashi-Osaka R&D Center)

# Efforts to Increase Trust in FUSO to Bring the Medium-Term Management Plan to Fruition

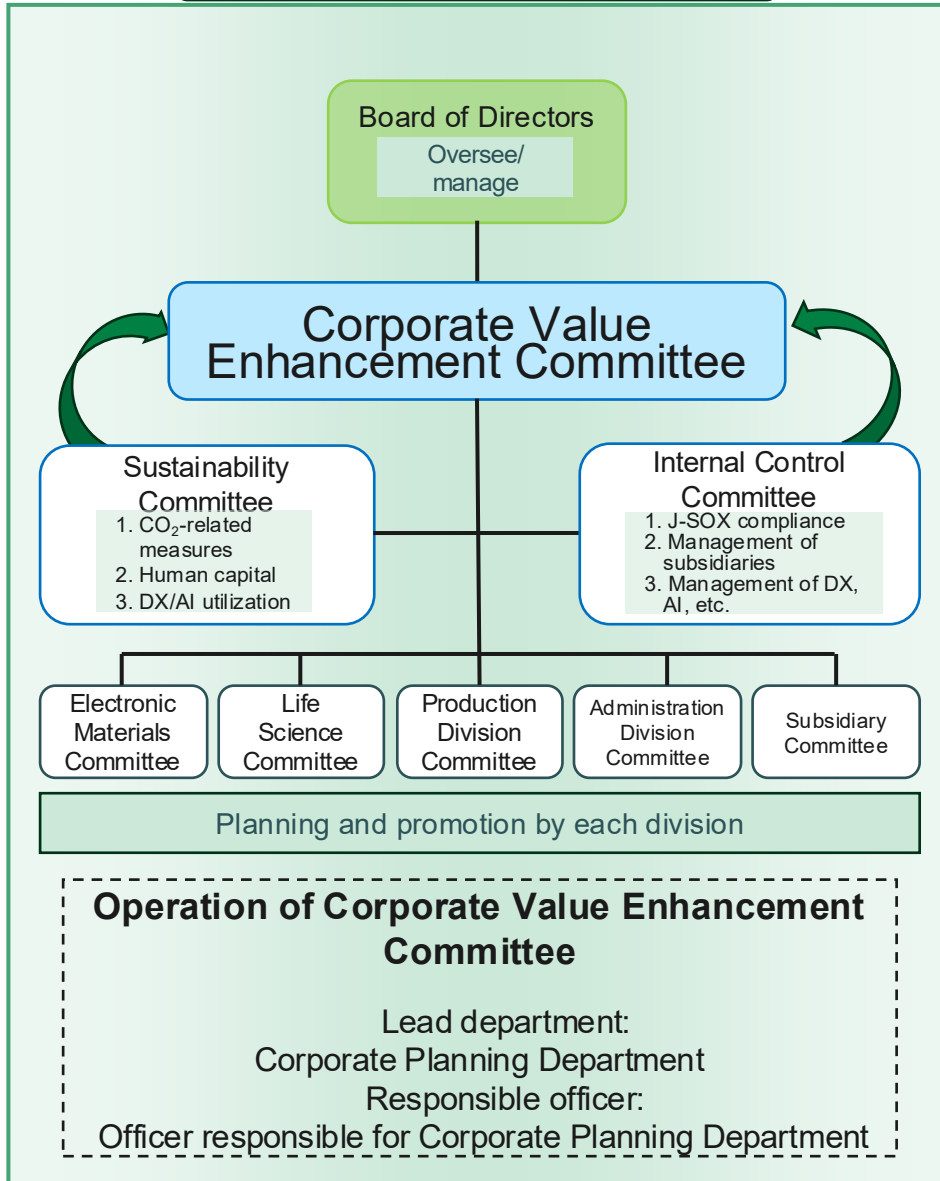
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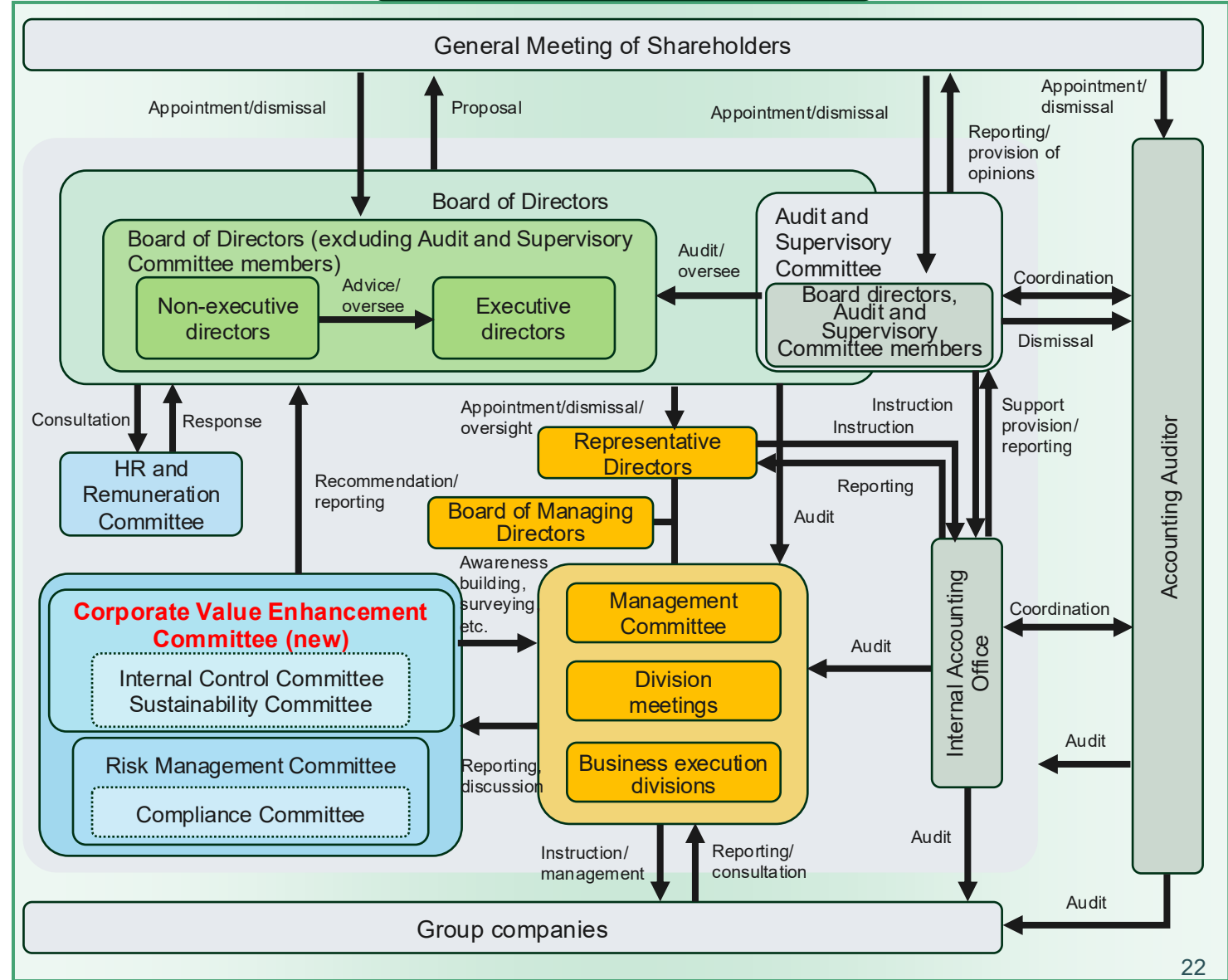
# Governance Structure: Establishment of Corporate Value Enhancement Committee



Framework for pursuing and managing progress of Next Growth 2030



Governance structure



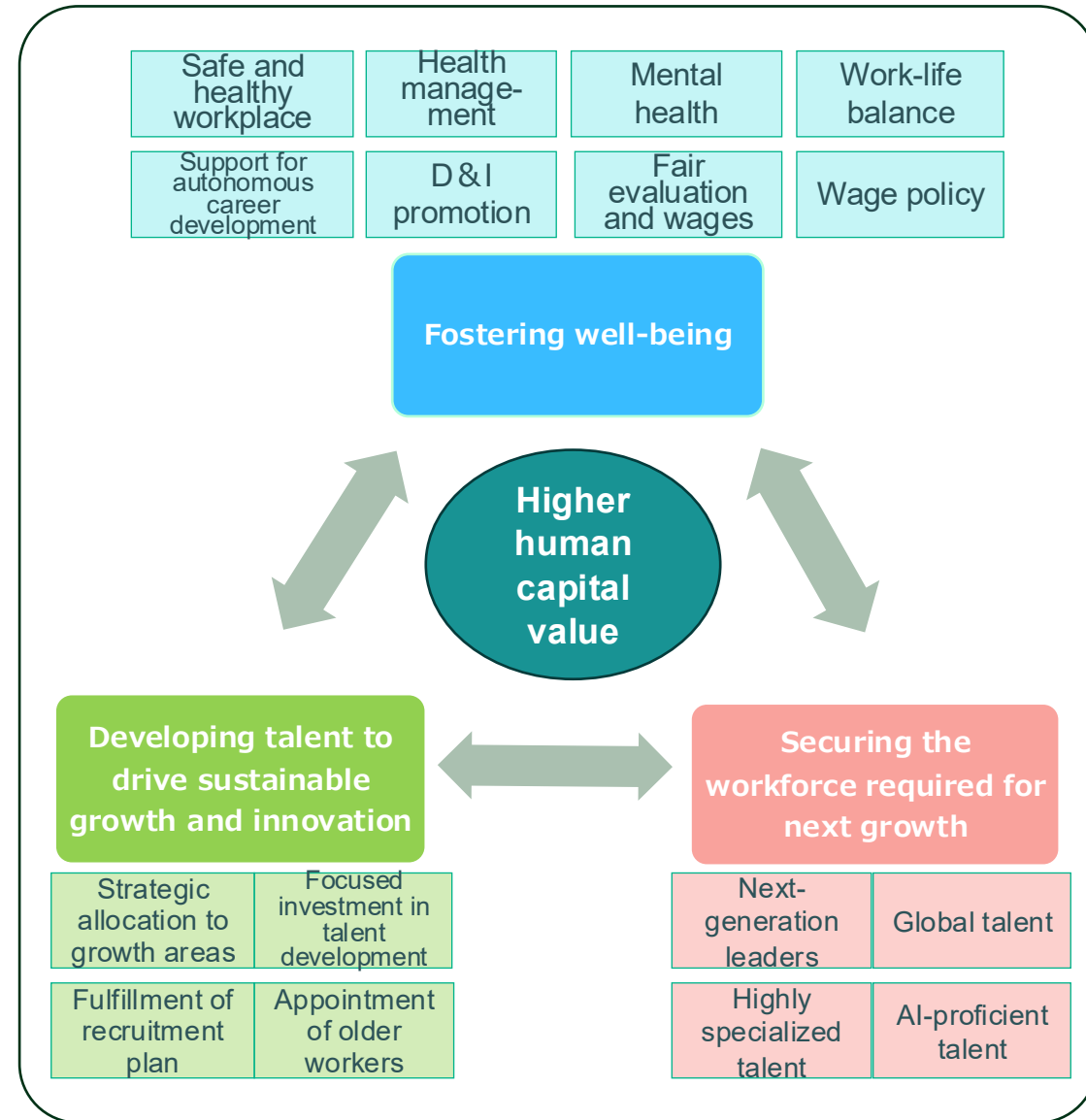
Evolve as the Global Niche Leader

**Initiatives for Higher Human Capital Value  
and Increased Sustainability**

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# Human Resource Strategy Linked with Next Growth 2030

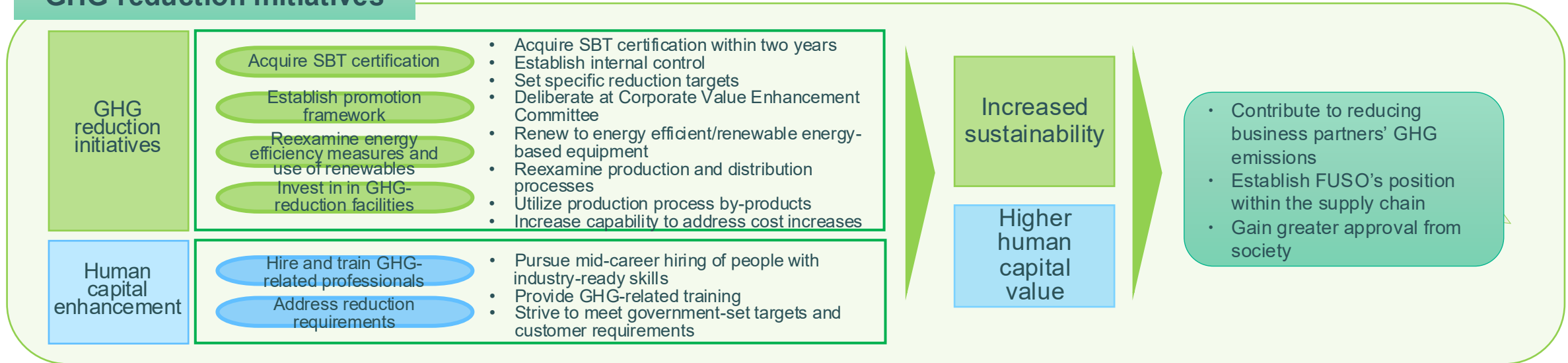


We generate a cycle for enhancing corporate value by pursuing a human resource strategy linked with management strategy to support employee well-being and self-fulfillment for their greater engagement.

# Increasing Sustainability



## GHG reduction initiatives



	GHG emissions reduction roadmap	up to 2026	up to 2028	up to 2030
Framework, etc.		Scopes 1, 2, and 3: CFP calculation complete	Framework for promotion by Corporate Value Enhancement Committee Management of progress on Scopes 1, 2, and 3	
External certification, etc.		CDP score: B	Acquire SBT certification Acquire A- CDP score	Meet targets by FY03/2031
Reduction measures		Focus on reducing emissions intensity	Reduce energy use and take action on RE60 and fixed VPPA	Reduce Scope 1 and Scope 2 emissions
Supply chain		Inform business partners of transaction policy	Consider and implement measures based on collaborative work	Reduce Scope 3 emissions

*Chemicals for Human Life*  
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