

TOP MESSAGE

Representative Director and President

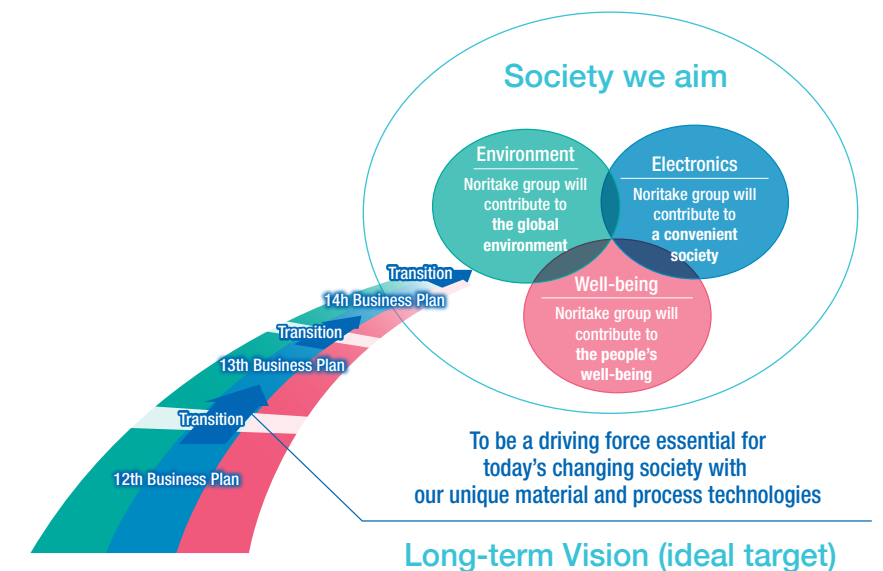
Hiroshi Kato

The Noritake Group is moving toward 2030.
With a virtuous cycle that directs the generated profits to future investment, we will lead the company for stable growth.

The Noritake Group has formulated a Long-term Vision (ideal target) for 2030. The society changes rapidly under heightened geopolitical risks, the advancement of a carbon-neutral society, the acceleration of digitalization, and the diversification of lifestyles. To become the Group that is needed by and is indispensable to society, we will provide values unique to the Noritake Group.

To realize our Long-term Vision (ideal target) "becoming a driving force essential for today's changing society with our unique material and process technologies", we position our 12th Three-year Business Plan as a period for "enhancing the revenue base and preparing for growth areas." In order to enhance the revenue base, we are reorganizing unprofitable products and businesses, improving profitability, and streamlining operations. As for the preparation for growth areas, we are taking actions to increase production and sales as well as to strengthen our management base.

Through our efforts toward 2030, the Noritake Group will contribute to the global environment, a convenient society, and the people's well-being.

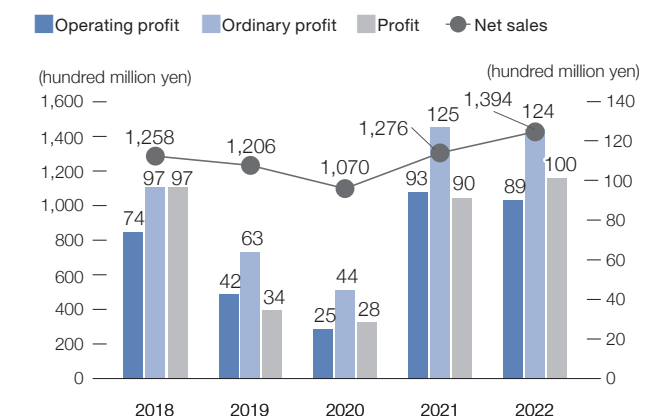


Review of Fiscal 2022 and Business Overview

In FY2022, the countermeasures against COVID-19 gradually eased in Japan, and economic activities began to normalize. Overseas, however, there were situations that had a major impact on society and the economy, such as the prolonged situation in Ukraine and the blocking of cities due to China's zero-COVID policy. Rising prices for energy and raw materials, shortages of semiconductors, and supply chain disruptions have become a major threat to industries around the world. In the second half of the fiscal year, there was a drastic change in the business environment due to rapid inflation and exchange rate fluctuations in developed countries.

Under these circumstances, in FY2022, the Noritake Group posted consolidated net sales of 139.494 billion yen, up 9.3% year on year. Consolidated operating income was 8.969 billion yen, down 4.1%. Consolidated ordinary income was 12.405 billion yen, down 0.8%, and profit attributable to owners of parent was 10.024 billion yen.

Although consolidated net sales significantly exceeded the level of the same period of the previous fiscal year, operating income and ordinary income fell short of targets. I believe how much we can recover in FY2023 and FY2024 is the key matter.



Our 12th Three-year Business Plan is the first step toward achieving our Long-term Vision

Major achievements and challenges during the 12th Three-year Business Plan (FY2022-2024)

We position our 12th Three-year Business Plan as a period for "enhancing the revenue base and preparing for growth areas" in order to achieve our Long-term Vision. For "enhancement of revenue base", we are reorganizing unprofitable products and businesses, improving profitability, and streamlining operations. As "preparing for growth areas", we are taking action to increase production and sales and strengthening our management base.

In FY2022 which is the first year of our 12th Three-year Business Plan, we organized company-wide task forces and undertook initiatives under four themes: "new business creation," "organizational culture reform," "sustainability management," and "promotion of digital transformation." The progress and results of initiatives in FY2022 are shown below.

| New Business Creation Task Force

We redefined the role of the Research & Development Center and restructured development processes using the Stage-Gate method, an internationally standard method for managing new product development from idea creation to commercialization in new business development. To accelerate the search for development themes at the company-wide level, we began soliciting new themes from all employees.

From FY2023, the newly established New Business Creation Committee will strengthen and advance these initiatives.

| Organizational Culture Reform Task Force

We introduced a job rotation system and a talent management system for employees. The job rotation system has been in operation since FY2022 and the talent management system has been in operation since FY2023. To further make our culture reform widespread and deep-rooted, we hold town hall meetings at which the President and employees engage in direct dialogue. We have also begun reforming our personnel system and compensation system to create a corporate culture that allows failure and fosters a spirit of taking on challenges.

Starting in FY2023, we will change the Personnel Policy Committee into the Human Resources Management Committee to promote active roles by diverse human resources, foster employees' spirit of taking on challenges,

and enhance engagement through means including improvement of our personnel system and promoting work style reform.

| Sustainability Management Task Force

We endorsed the recommendations of the Task Force on Climate-related Financial Disclosure (TCFD) and disclosed information in accordance with the recommendations. In January 2023, we established the Sustainability Promotion Office and formulated the basic sustainability policies, identified materialities (important issues), and set key performance indicators (KPIs).

We launched the Sustainability Management Committee in FY2023 to play a central role in operating the PDCA cycle for sustainability management across the company.

| Digital Transformation Promotion Task Force

To improve our productivity and technological capabilities and to enhance customer responsiveness, we are improving our digital transformation promotion system and are advancing process reform that utilize digital technologies. When we identified digitalization-related issues throughout the Group, we determined that there is an urgent need for strengthening the manufacturing field. Accordingly, we formulated a trial plan at the Miyoshi Plant of the Industrial Products Group, and are taking initiatives such as visualization of inspection and finishing processes using digital technologies.

Based on the results of the trial, in FY2023, we will proceed with designing a company-wide digital transformation promotion system and will begin developing digital transformation human resources in cooperation with the Human Resources Department.

| Initiatives in growth areas

In order to realize our Long-term Vision, the Noritake Group has designated three business fields as growth areas that are expected for their future growth—the environment, electronics, and well-being. We are advancing "concentration in core competence" and shift our business fields from our current fundamental business fields (such as internal combustion engine, ceramic industry) to the noted three growth areas. The progress of our initiatives is as follows.

In the environmental field, we are expanding sales of tools for EV-related parts, building business models related to the circular economy, and developing a new battery-related business. In the electronics field, we are



working to expand into the electronics and semiconductor sectors and to develop next-generation products. In the well-being field, we are developing grinding wheels for hypodermic needles, equipments for the pharmaceuticals and cosmetics sector, and are working to offer tableware that accents dining spaces with new forms and materials.

Though such initiatives, in FY2022, we achieved 109% of our sales target in the environmental sector and 105% in the well-being sector. On the other hand, the achievement rate of our sales target in the electronics sector was 85%, due to the impact of deteriorating market conditions for electronic paste and electronic component materials for multi-layer ceramic capacitors (MLCCs).

In terms of our preparation for growth areas, we will promote management that is conscious of the capital cost and stock price and will actively invest in our three targeted growth areas to achieve sustainable growth for the company from a medium- to long-term perspective.

Specifically, we will invest approximately 13 billion yen to expand production of materials for MLCCs, which are key components in automobiles and communication equipment. We will also invest approximately 2.5 billion yen in expanding production of heating furnaces for lithium-ion batteries.

Through the continued concentration of management resources in growth areas, including these investments, we will achieve the target values of our 12th Business Plan and increase our profit margin. We will also steadily move

forward with investments totaling 20 billion yen aimed at the creation of a solid structure for growth under the coming 13th Business Plan.

Through a virtuous cycle of capital investments and investments in development, generating further profits and growth potential, and directing those profits and growth toward further investments, we will steadily put ourselves on a growth path, which will lead to an increase in our corporate value.

| Initiatives in Each Business

We reorganized the Industrial Products Business into custom-made products and general-purpose products and are working to build an efficient business structure. In the general-purpose products business, the merger of NIPPON RESIBON CORPORATION and NORITAKE COATED ABRASIVE CO., LTD. in October 2022 was a first major M&A within the Noritake Group, and we are highly expecting the outcomes of this merger. We take this merger as an opportunity for a forward-looking restructuring of our manufacturing sites. We will also continue to strengthen the revenue base of the existing businesses and establish a foundation for entering growth areas.

As for the Ceramics & Materials Business, we are working to strengthen its business base and expand its business into cutting-edge sectors.

In the electronics sector, we are expanding our market share through expansion of our product lineup and increasing production capacity and promoting development of new products while focusing on human resource development. In electronic components and materials, we are reinforcing our production capacity for MLCC materials to expand the business and are developing new products in growth areas. We are also working to restructure our business portfolio by further promoting concentration in core competence and by creating new products and new businesses. Regarding the Nagoya port district which is one of our major sites, we are studying the development and restructuring of the area for the future, including the construction of a new building.

In the Engineering Business, we are aiming to expand the scale of our business and to develop new sectors. We are working to grow market share by expanding sales and strengthening our after-sales service structure in the energy and electronics sector. We are also preparing for the construction of a new building to increase production of heating furnaces for lithium-ion batteries. At the same time, we are entering new sectors, such as medical care, pharmaceuticals, and semiconductors, and are strengthening the development of new applications and

new products in the environmental sector.

In the Tabletop Business, our goal is to achieve profitability. In Japan, we are strengthening online sales and expanding sales to hotels and restaurants, while reorganizing distribution sales channels and logistics to reduce expenses. Overseas, we are working to expand sales in key growth markets, such as India, China and Southeast Asia.

Sustainability Management

Identification of Materialities

The Noritake Group is developing and strengthening its sustainability management system and accelerating initiatives to resolve social issues and to realize a sustainable society. In FY2022, led by the Sustainability Management Task Force, we assessed the level of importance of issues for our stakeholders and our Group based on our Vision for 2030, and identified materialities that our Group should prioritize.

The six materialities of the Noritake Group are "reduction of environmental impacts", "continuous provision of new value", "stable supply of high-quality and safe products", "pursuit of well-being in society", "improvement of

employee engagement", and "continuous reinforcement of governance".

As an initiative to reduce environmental impacts, the Noritake Group has set long-term goals of reducing CO₂ emissions by 50% by FY2030 (compared to FY2018) and effectively net-zero emissions in FY2050. Based on our foundation of the energy conservation, resource conservation, adoption of reusable energy, and development of environmentally-friendly products that we have pursued to the present, we will further promote our efforts toward the transition to a low-carbon society. In August 2022, Noritake announced its endorsement of the Task Force on Climate-related Financial Disclosure (TCFD) established by the Financial Stability Board (FSB). In May 2023, Noritake participated in the GX League led by the Ministry of Economy, Trade and Industry. In order to fulfill our responsibilities to our customers and other stakeholders, we will continue to identify risks and opportunities and examine countermeasures in accordance with TCFD recommendations and reflect them in our management.

As an initiative to improve employee engagement and utilize diverse human resources, we have conducted a review of the operation of our telecommuting system for achieving work-life balance and have been supporting flexible work styles since April 2023. As a result, a culture of enabling more varied and efficient work and balancing childcare is spreading among employees.

We are also working to create an environment in which women can demonstrate their abilities and play active roles. In FY2022, we hired new graduates and raised the ratio of the female university graduates hired. We also conducted training for female employees on leadership. Regarding to childcare leave, the percentage of female employees taking such leave has already reached 100%. We are now promoting company-wide activities to increase the percentage of male employees taking childcare leave.

We are also studying ways to revise our personnel system based on the keywords "diversity" and "challenge."

To strengthen our corporate governance, in FY2022, we took steps to improve the effectiveness of the Board of Directors. For example, we conducted pre-briefings for outside officers and digitalized handout materials. To strengthen risk management, we analyzed and evaluated climate change risks in line with the TCFD framework and constructed a governance system for risk management.

In June 2023, we transitioned to a company with an Audit and Supervisory Committee. Our goal is to further strengthen the supervisory function of the Board of Directors by making Audit and Supervisory Committee

members, who are responsible for auditing the execution of duties of Directors, constituent members of the Board of Directors, and to accelerate decision-making and enhance deliberations of the Board of Directors by delegating to Directors a portion of the Board of Directors' authority over decisions on the execution of work.

We will continue to strengthen and enhance our corporate governance with the aim of achieving sustainable growth and increasing corporate value over the medium to long term.

The true significance of defining and tackling materialities in this way is to share the same understanding on the Company's materialities with our stakeholders, and to increase the sustainability of our business by advancing concrete initiatives focused on them, while improving our corporate value and contributing to society. We will continue to accelerate and advance initiatives based on the six materialities.

Message to our stakeholders

The Noritake Group positions the return of profits to shareholders as a key management policy, and its basic policy is to continue to pay stable dividends over a long term. Taking into account the business performance, the future business environment, and our business outlook, the annual dividend for FY2022 was 115 yen per share (an annual dividend of 205 yen per share including the interim dividends).

The Noritake Group has contributed to society by supporting various industries with a wide variety of products, starting with the manufacture of tableware and continuing with grinding wheels, materials for electronic components, drying furnaces, and heating furnaces. In recent years, social uncertainties have increased and the business environment has been changing remarkably. We recognize that it is essential to firmly respond to the speed of social change, review our business portfolio, and undertake fundamental management transformation and organizational culture reform. In addition to advancing sustainability management, we will steadily advance our materialities initiatives as we provide better products and services to our customers.

Our reform of the Noritake Group has only begun. We will continue promoting self-reform while listening sincerely to the opinions of our stakeholders, including our shareholders, customers, employees, and local communities. We would like to ask for your continued support and attention to Noritake.

