

Overseas business

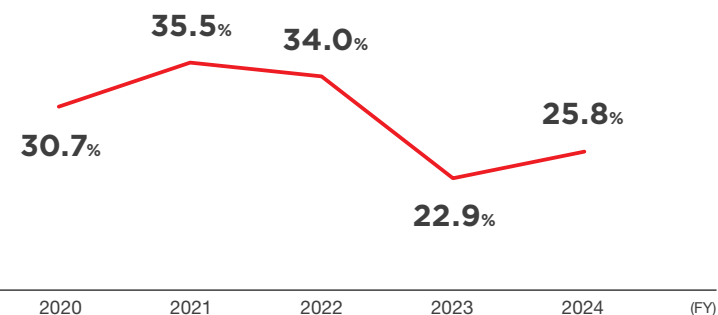
The vision of the Sansha Electric Manufacturing Group is to be a Global Power Solution Partner. P14 Accordingly, we have defined North America, Europe, China and Southeast Asia as priority markets, and we provide the products and services best suited to the various issues faced in specific regions.

In recent years, geopolitical risks have emerged globally. Businesses must increase their ability to ensure stable business continuity.

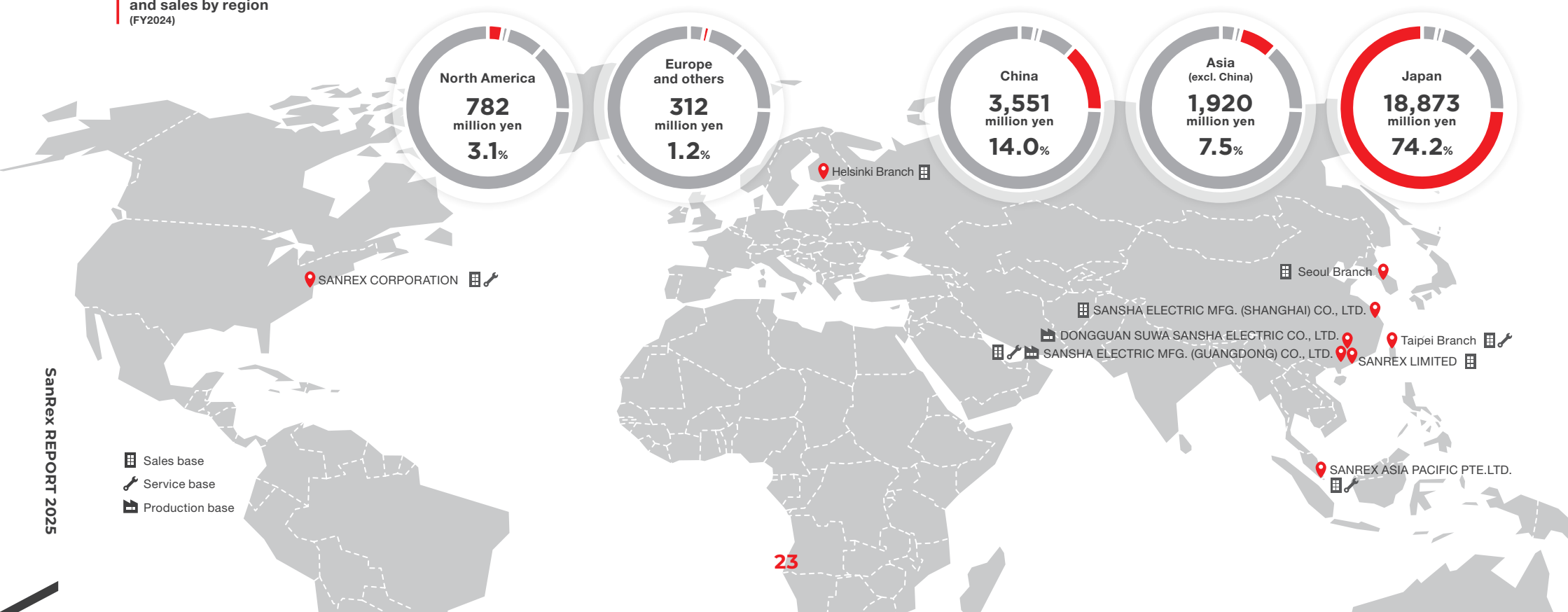
The Group is strengthening the collaboration between its sales bases in North America, Europe and Asia and its production bases in China to construct a supply structure to meet the demand in individual regions.

With a view toward achieving the target of increasing the overseas sales ratio to 50%, we will further increase our presence and strengthen the foundations of our businesses in overseas markets and accelerate our sustainable growth and creation of value.

Ratio of overseas sales



The Group's bases around the world and sales by region (FY2024)



Area-specific strategy

Risks

Opportunities

Priority measures

Focus products

Net sales



North America

Impact of changes in tariff and trade policies

Recovery of manufacturing in North America and increase of investment in infrastructure

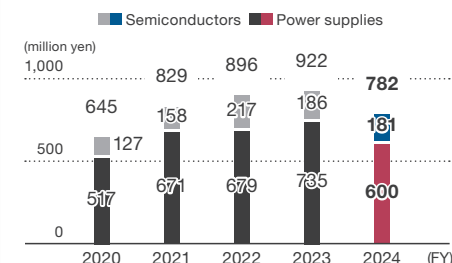
Semiconductors

Work to enter new markets, including the data center market, in addition to sectors similar to the power supply sector

Power supplies

Expand sales of welders for the automobile and shipbuilding industries

- Plasma welders
- Welders for heavy industries
- Power semiconductors



Europe

- Impact of inflation control measures
- Changes in energy prices
- Supply chain confusion

Increase in demand for efficient energy management and power conversion technologies following the growth of demand for renewable energy and the popularization of electric vehicles

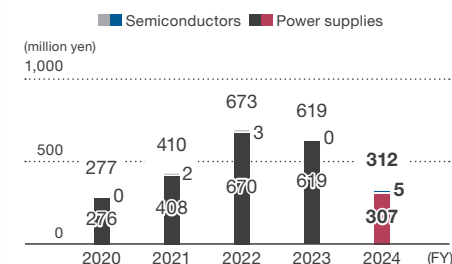
Semiconductors

Expand sales of SiC and other power semiconductors chiefly to manufacturers of automotive industrial equipment and induction heating products

Power supplies

Carry out research and studies on the applicability of power supplies in the hydrogen market and other environment-related markets

- Power semiconductors



China

- Impact of changes in tariff and trade policies (on products for North America)
- Economic slowdown

Expansion of the markets for manufacturing EV batteries and semiconductors

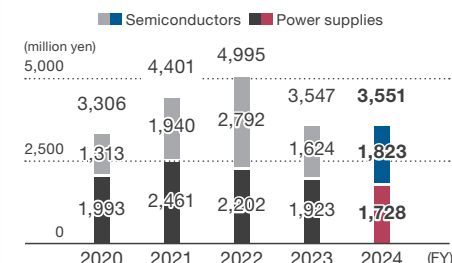
Semiconductors

Step up efforts to approach large manufacturers of home electric appliances and inverter manufacturers to increase their use of our products. In addition, expand sales of SiC products mainly in the induction heating domain

Power supplies

Work to expand sales to make our power supplies for high precision plating an industry standard. Step up our initiatives with a view toward entering the battery-related manufacturing market

- Power supplies for high precision plating
- Low frequency inverters
- Power semiconductors



Asia (excl. China)

Impact of geopolitical risks and the ripple effect of the world economy

- Increase in plant relocations and the entries from multiple countries into China, Taiwan, South Korea and Southeast Asia
- Enhancement of the performance of next-generation semiconductor devices

Semiconductors

Expand sales for applications such as shower heaters and home electric appliances

Power supplies

- Promote sales of local models of power supplies for plating to the automobile industry and for electronic components
- Advertise power supplies for evaluation to battery manufacturers
- Expand sales of power supplies for plating core substrates for semiconductor packages

- Power supplies for high precision plating
- Power supplies for evaluation
- Power supplies for seawater electrolysis
- Power semiconductors

