



News Release

August 9, 2024

Nippon Steel Corporation

Capital Investment in Thailand's G/GJ Steel

Nippon Steel Corporation (Nippon Steel) has been working on rebuilding the business foundations of its consolidated subsidiaries, G Steel Public Company Limited (G Steel, CEO Bantoon Juicharern) and G J Steel Public Company Limited (G J Steel, CEO Bantoon Juicharern) (collectively G/GJ Steel), which are the integrated steel mills producing hot-rolled steel products through electric arc furnace process in Thailand, by deploying from Nippon Steel into key positions of the companies including production, sales, maintenance, corporate planning and finance (23 personnel as of August 2024) since the acquisition in March 2022.

This time, G/GJ Steel has made a decision to invest in capital project for total approximately 1.5 billion baht (approximately 6 billion yen) to strengthen its quality capabilities and cost competitiveness.

Thailand is one of the most important strategic markets of Nippon Steel's overseas business, with over 60 years of business experience, since the establishment of production bases in 1963. Currently, Nippon Steel operates 30 group companies, directly and indirectly, employing approximately 8,000 people, and has contributed to build a robust supply chain from steel making to end-users in Thailand.

Thailand is a promising market with high steel consumption for manufacturing and infrastructure industries, and further growth is expected in the future.

Considering the future growth potential of the Thai market, G/GJ Steel have decided on a large-scale capital investment. Specifically, G Steel will install a new skin pass equipment and streamline its scrap yard operation and G/GJ Steel will invest in scrap management system, in order to enhance their quality capabilities and cost competitiveness, and build robust profitability upon completion of the capital investment.

Nippon Steel will continue to support the strengthening of G/GJ Steel's business foundations, including providing funds for these capital investments through loans to G Steel from our Thai subsidiary, NIPPON STEEL (THAILAND) CO., LTD.

G/GJ Steel are the only integrated steel mills in Thailand producing hot-rolled steel products and have been providing stable supply of quality and cost competitive materials with short lead time mainly for steel pipe and construction demand in Thailand. In addition to that, G/GJ Steel have currently been expanding their business fields through sales for high-strength steel for structure usage, re-rolling usage for construction (as substrates of cold rolling and galvanizing products), and exports to Europe and neighboring ASEAN countries. For expanding business field, G/GJ Steel obtained certificate of carbon footprint issued by Thai Greenhouse Gas Organization, which is governmental organization under the Ministry of Natural Resources and Environment of Thailand, and also considering to apply for environmental-related certifications from other authorities. Through G/GJ steel, Nippon Steel will

contribute to strengthen their customers' competitiveness, which will lead to the growth of GDP in Thailand and also contribute to the government's goal of achieving carbon neutrality and the circular economy of Thailand.

Investment Details (Total approximately 1.5 billion baht (approximately 6 billion yen))

- Installation of new skin pass equipment at G Steel (finishing and inspection of hot-rolled steel products)
- Investment in streamlining scrap yard operation at G Steel
- Investment in improving scrap management at G/GJ Steel

Further to above, outdated facilities will be intensively revamped in the next 3 years.

(Reference) Overview of G Steel/G J Steel

1. G Steel Public Company Limited

- **Name:** G Steel Public Company Limited
- **Location:** 88 PASO Tower, 18th Floor, Silom Road, Suriyawong, Bangrak, Bangkok, Thailand 10500
- **Representative:** Christopher Michael Nacson, Chairman of the Board of Directors
- **Business:** Manufacturing and sales of hot-rolled products
- **Capital:** 144,644 million baht
- **Employees:** 643 (as of the end of March 2024)
- **Established:** October 31, 1995
- **Shareholding Ratio:**
 - Listed on the Stock Exchange of Thailand (trading started in 1996)
 - Our company holds a total of 60.23% directly and indirectly

2. G J Steel Public Company Limited

- **Name:** G J Steel Public Company Limited
- **Location:** 88 PASO Tower, 24th Floor, Silom Road, Suriyawong, Bangrak, Bangkok 10500
- **Representative:** Stephen Karl Stewart, Chairman of the Board of Directors
- **Business:** Manufacturing and sales of hot-rolled products
- **Capital:** 24,468 million baht
- **Employees:** 676 (as of the end of March 2024)
- **Established:** January 5, 1994
- **Shareholding Ratio:**
 - Listed on the Stock Exchange of Thailand (trading started in 2006)
 - Our company holds a total of 57.60% directly and indirectly

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