

October 31, 2023
Fujibo Holdings, Inc.

Establishment of R&D Facility in Taiwan

We newly establish a cutting-edge R&D facility at Taiwan Fujibo Precision Materials Co., Ltd., a consolidated subsidiary, eyeing growth in the mainstay Polishing Pad Business.

1. Facility overview

(1) Name	Taiwan Fujibo Precision Materials Co., Ltd. R&D Center (tentative name)
(2) Location	Scheduled to be located near Hsinchu, Taiwan
(3) Purpose of establishment	To develop polishing pads and related products
(4) Total investment	Approximately 5.7 billion yen*
(5) Scheduled start of operations	Around fall 2026

* Plans are current and subject to change due to changes in the scheme related to land and facility establishment.

2. Purpose of establishment

By 2030, the semiconductor market is expected to achieve market growth, doubling in size from the current level to around ¥100 trillion^{*1}, and to shift to higher-performance products, in connection with trends such as higher-speed and larger-capacity telecommunications through 5G and 6G, and the widespread use of AI, the metaverse, and IoT.

The Company supplies ultra-high-precision polishing pad products used in semiconductor device manufacturing processes. We have decided to establish an R&D facility in Taiwan, where cutting-edge semiconductor-related companies are concentrated, with a view to expanding CMP^{*2} applications for semiconductor devices, which are undergoing advances in miniaturization.

We will realize an almost identical CMP environment to that of our customers by installing polishing equipment, evaluation devices and certain other equipment within the facility. This will enable us to respond to customer requests in detail, and promote growth in new demand and the development of high-performance, high-quality polishing pad products.

*1 Estimate by the Company based on various material

*2 Chemical Mechanical Polishing

3. Forecast

The impact of this development on our consolidated financial results for the fiscal year ending March 2024 is expected to be minimal.

End of this report