NIPPON STEEL

Planned Commencement of Tender Offer Aiming to Make Krosaki Harima Corporation a Wholly Owned Subsidiary

August 1, 2025

NIPPON STEEL CORPORATION

Notes on this presentation material

Unless otherwise noted, all volume figures are presented in metric tons.

Unless otherwise noted, all financial figures are on a consolidated basis.

Unless otherwise noted, net profit represents net profit attributable to owners of the parent.

Overview of the Transaction

Full acquisition of a group subsidiary, Krosaki Harima Corporation, through a two-tier tender offer (TOB and squeeze-out)

Current → Two-tier tender offer → **After Transaction**

Current

NIPPON STEEL — **Consolidated Subsidiary (46.6%)** → KROSAKI

Other Shareholders — 53.4% → KROSAKI

※The ratio above is based on the number of shares excluding treasury share held by Krosaki Harima.

(1) TOB

Commencement Period	Early February 2026 (20 business days)
Offer Price	4,200 yen per share

(2) Squeeze-Out

If unable to acquire all the shares through the TOB, Nippon Steel plans to delist and make Krosaki Harima a wholly owned subsidiary through a special controlling shareholder's request for a sale of shares or a reverse share split.

(1)(2)Total Purchase Amount: approx. **75.8** billion yen

After Transaction

NIPPON STEEL — **Wholly Owned Subsidiary (100%)** → KROSAKI

Cf. Chronology of making Krosaki Harima Corporation a consolidated subsidiary

Oct. 1956: Yawata Iron & Steel Co., Ltd. made a capital investment in Krosaki Refractories CO., LTD.

Apr. 2000: Krosaki Refractories CO., LTD changed its name to Krosaki Harima Corporation as a result of its merger with Harima Ceramic Co., Ltd.

Mar. 2019: Krosaki Harima Corporation became a consolidated subsidiary of Nippon Steel Corporation as a result of our adoption of International Financial Reporting Standards (IFRS).

Overview of TOB

Offeror	Nippon Steel Corporation (Securities Code: 5401 TSE Prime)
Target Group	Krosaki Harima Corporation (Securities Code: 5352 TSE Prime)
Commencement Period	Early February 2026 (20 business days)
Offer Price	Common Share: 4,200 yen per share
Number of Shares to Be Purchased	18,044,731 shares 【Minimum】6,819,196 shares 【Maximum】None
Total Purchase Amount	Approximately 75.8 billion yen
Other	Krosaki Harima, at its board of directors’ meeting held on August 1, 2025, adopted a resolution to support the Tender Offer and to recommend that its shareholders tender their shares in the Tender Offer.

Objective of the Transaction

Currently recognized issues

Given the severe business environment, **further integration and optimization of both companies' management resources are essential**.

Current constraints

Both companies **are listed companies and operate independently**.

⇒ Certain constraints exist regarding:

- **Sharing technical information**
- **Supplementation and mutual use of management resources, etc.**

Objective of full acquisition

Maximizing overseas business profits across the entire group

- Cooperation with Nippon Steel's overseas business operations
- Expansion of the use of Nippon Steel Group's resources, etc.

Krosaki Harima has developed business in **India, Europe, and Brazil, etc.**

+

Targeting **North America**

Strengthening the competitiveness of iron sources throughout the entire group

◆Refractory products

- ➢ Improvement of competitiveness by strengthening cooperation between both companies
- ➢ Acceleration of the development of refractories, such as electric furnaces, while understanding changes in manufacturing processes, for achieving carbon neutrality.

◆Refractory maintenance work

Issues such as reduced workload and labor shortages are becoming more serious and apparent.

⇒In the future, Krosaki Harima, which is competitive in the industry, is expected to expand its business and ensure the sustainability of Nippon Steel's refractory maintenance work.

Appendix

Overview of Krosaki Harima Corporation

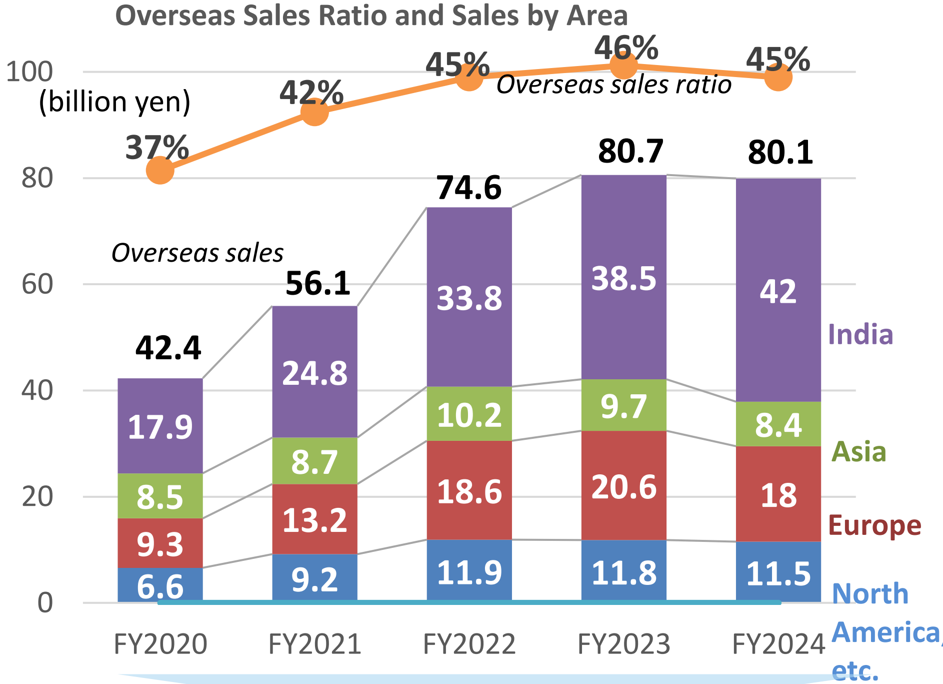
Krosaki Harima Company Profile

Company Name	Krosaki Harima Corporation
Head Office	1-1, Higashihamamachi, Yahatanishi-ku, Kitakyushu City, Fukuoka, Japan
President	EGAWA Kazuhiro
Business Segment	● Refractories Manufacture and sales of refractories used by various kinds of industrial furnaces. ● Furnace Designing, construction, installation and repair of various kinds of furnaces. ● Ceramics Manufacture and sales of ceramics for various industries, and the sales of landscape materials. ● Real Estate Renting out stores and warehouses, etc.
Capital	5,537,960,000 yen
Employees	5,013 (as of the end of March 2025, consolidated)
Established	October 14, 1918
Shareholder Composition* (As of the end of March 2025)	NIPPON STEEL CORPORATION: 46.6% Financial Institutions: 23.1% Overseas Corporations: 12.2% Other Corporations: 1.9% Individuals, etc.: 16.2%

*The above percentages are ratios to the number of shares excluding treasury share held by Krosaki Harima (voting rights ratio).

Consolidated Sales and Profits of Krosaki Harima Corporation

High ratio of overseas sales and continued growth



Evolving into a global refractories manufacturer through active overseas expansion

(FY2023 sales results)

1st	RHI Magnesite（Austria）	543 billion yen
2nd	VESUVIUS（UK）	337.3 billion yen
3rd	**Krosaki Harima**	**177 billion yen**
4th	Shinagawa Refractories（Japan）	144.1 billion yen

Ordinary profit and ROS have achieved the objectives set in the Medium- to Long-term management plan ahead of schedule for two consecutive years

Progress of FY2025 Revised Medium-Term Management Plan

	FY 21	FY 22	FY 23	FY 24	FY25 Revised Medium-Term
Net sales	133.7	165.2	177	177.9	*180* billion yen
Ordinary profit	8.6	12	**16.3**	**15.3**	*15* billion yen
ROS	6.5%	7.3%	**9.3%**	**8.6%**	*8.3% or more*
ROIC	6.3%	8.5%	**9.7%**	7.6%	*9.0% or more*

FY2025 Medium-Term Capital Investment Plan was increased due to incremental cash (including asset reduction).

[Capital Investment Plan]

(Original plan)	(Revised plan)
20 billion yen	15 billion yen + 20 billion yen

The increase in investment will be allocated to investments in capacity enhancement and quality improvement in growth areas, both in Japan and overseas.

The Tender Offer is not directly or indirectly conducted in or into the United States, does not make use of the U.S. mails or other means or instrumentality of interstate or international commerce (including, but not limited to, telephone, telex, facsimile, email and internet communication), and is not conducted through any facility of a national securities exchange within the United States.
Furthermore, the press releases for the Tender Offer or other related documents are not, and shall not be, sent or distributed in, into or from the United States using mails or other means.