

FY03/26

Financial Results

FY03/26 2Q Financial Results Briefing

SUN-WA TECHNOS Corporation

Tokyo Stock Exchange Prime Market / Securities code: 8137

Tuesday, November 11, 2025

<https://www.sunwa.co.jp/>

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Overview of FY03/26 2Q financial results

Q2 Financial highlights

*Increase/decrease rate: YoY
*Achievement rate: vs. Q2 financial forecast

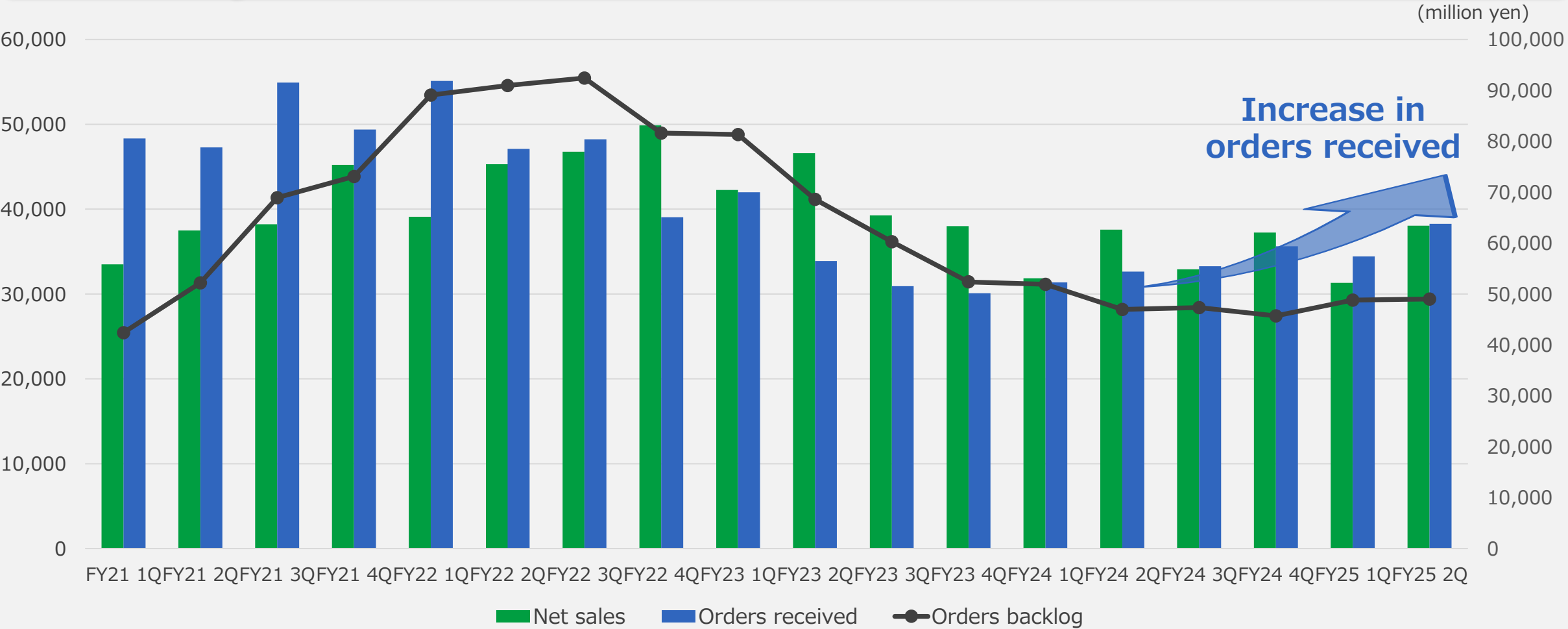


Background of discrepancy between forecasts and actual results of FY03/26 2Q (cumulative) consolidated financial performance

Regarding FY03/26 2Q (cumulative) consolidated financial results, while the net sales progressed in line with expectations at the beginning of the fiscal year, the gross profit margin improved and the operating profit, ordinary profit, and profit attributable to owners of the parent exceeded forecasts due to the continuous reduction of SG&A expenses.

Quarterly results

The net sales exceeded that in the previous quarter.
The orders received continued to recover and exceeded YoY for four consecutive quarters, while orders backlog remained flat.



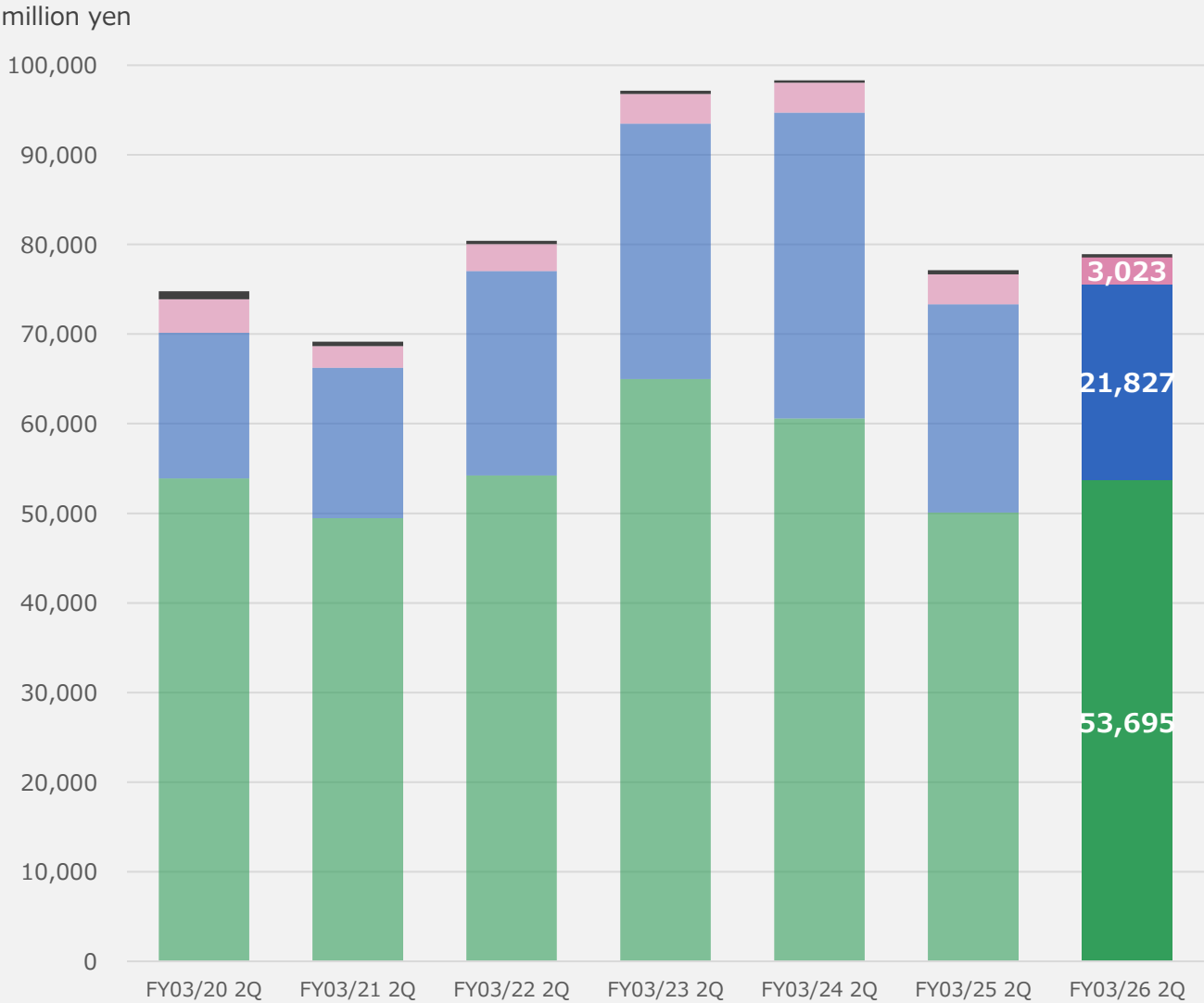
Increase in
orders received

Regional results by segment

As the demand in Japan continued to recover, the net sales, orders received, and orders backlog exceeded YoY. The overseas demand delays in the recovery.

FY03/26 2Q (cumulative)		million yen () refers to YoY increase/decrease rate					
	Net sales		Orders received		Orders backlog		
Japan	53,695	(7.2%)	51,176	(24.4%)	34,432	(6.9%)	
Asia	21,827	(-6.1%)	18,581	(-5.6%)	12,049	(-5.2%)	
Europe and North America	3,023	(-9.7%)	2,433	(-12.4%)	2,065	(15.4%)	
Others	378	(-14.5%)	491	(14.9%)	448	(81.2%)	
Adjusted amount	-9,544	(-)	-		-		
Total	69,380	(-0.1%)	72,682	(13.5%)	48,995	(4.3%)	

Regional results by segment



Japan

Asia

Europe and
N. America

Net sales: 53,695 million yen (+7.2% YoY)
Operating profit: 962 million yen (-6.5% YoY)

- Sales of electric and transport equipment for semiconductor production equipment industry **increased**
- Sales of electronic components for automotive related industry **increased**
- Sales of electronic components for entertainment industry **increased**
- Sales of control devices for new energy-related industry **increased**

Net sales: 21,827 million yen (-6.1% YoY)
Operating profit: 425 million yen (-16.5% YoY)

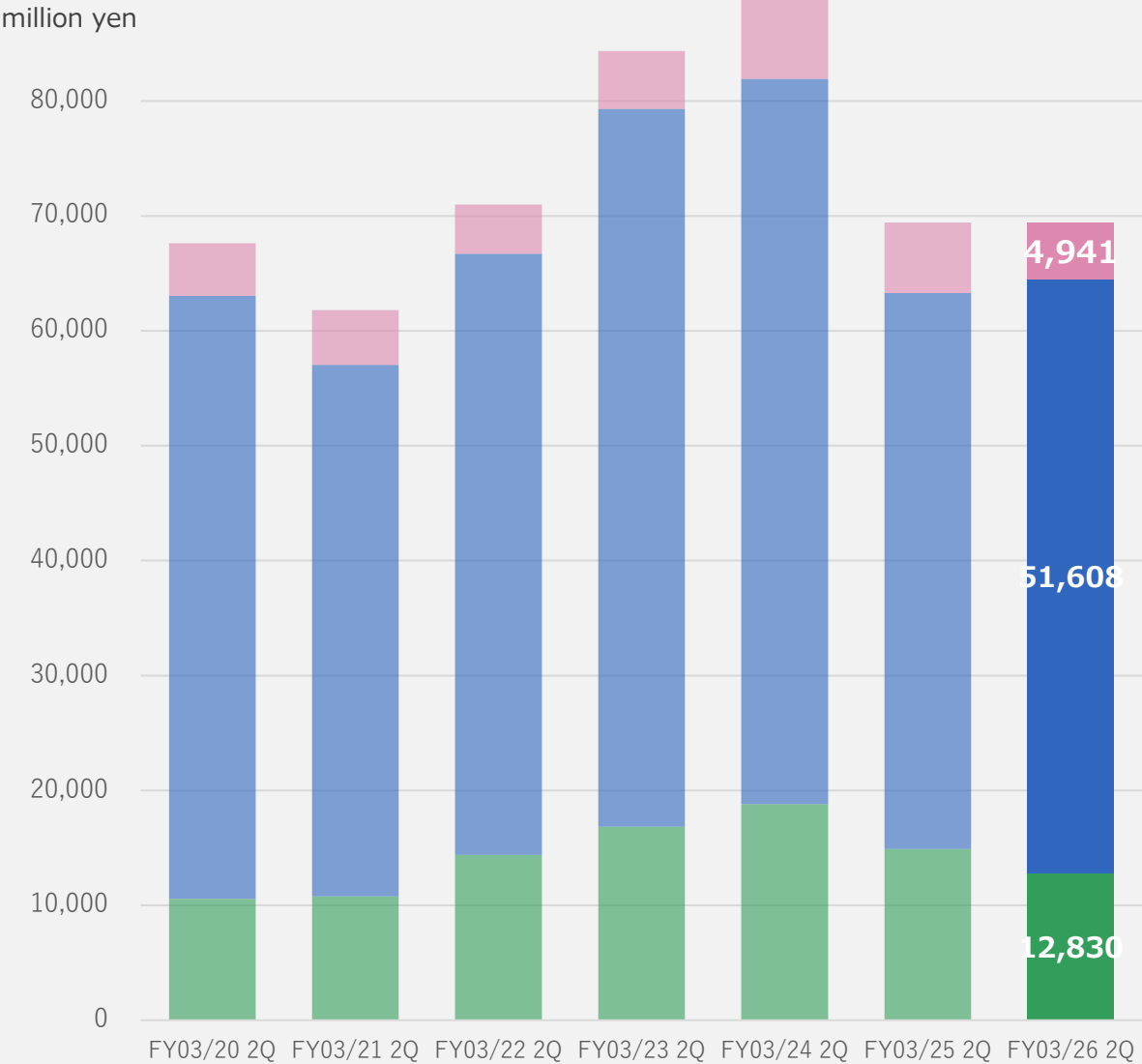
- Sales of electric equipment for photovoltaic system industry (in China) **decreased**
- Sales of electronic devices for industrial robot industry (in China) **increased**

Net sales: 3,023 million yen (-9.7% YoY)
Operating profit: 14 million yen (-72.6% YoY)

- Sales of electronic components for FA industry **decreased**

*Net sales include internal sales or transferred amount among segments

Divisional results



Electric machinery

Net sales: 1,283 million yen (-13.9% YoY)

- Sales of electric equipment for semiconductor production equipment industry **increased**
- Sales of electric equipment for photovoltaic system industry **decreased**

Electronics equipment

Net sales: 51,608 million yen (+6.7% YoY)

- Sales of electronic components for automotive industry **increased**
- Sales of electronic components for entertainment industry **increased**

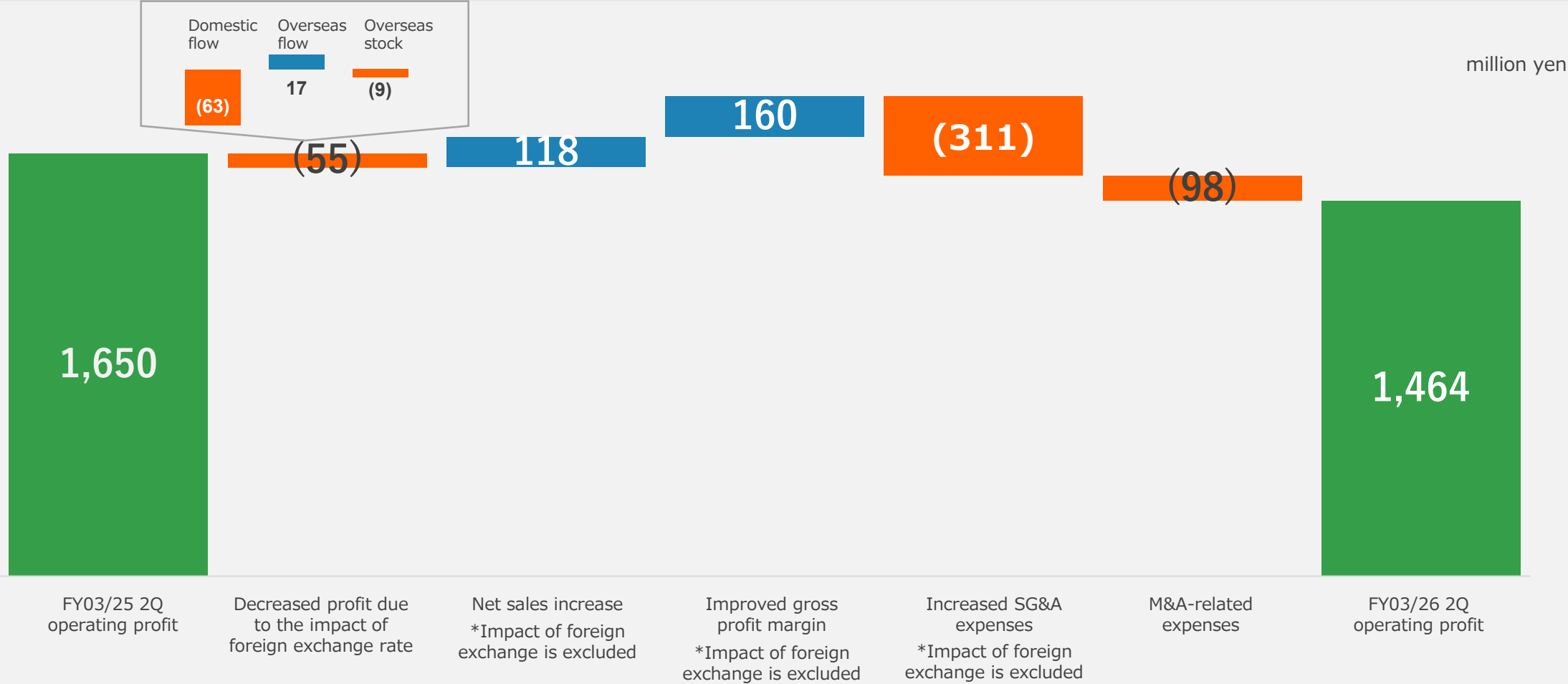
General machinery

Net sales: 4,941 million yen (-19.5% YoY)

- Sales of equipment for semiconductor production equipment industry **decreased**

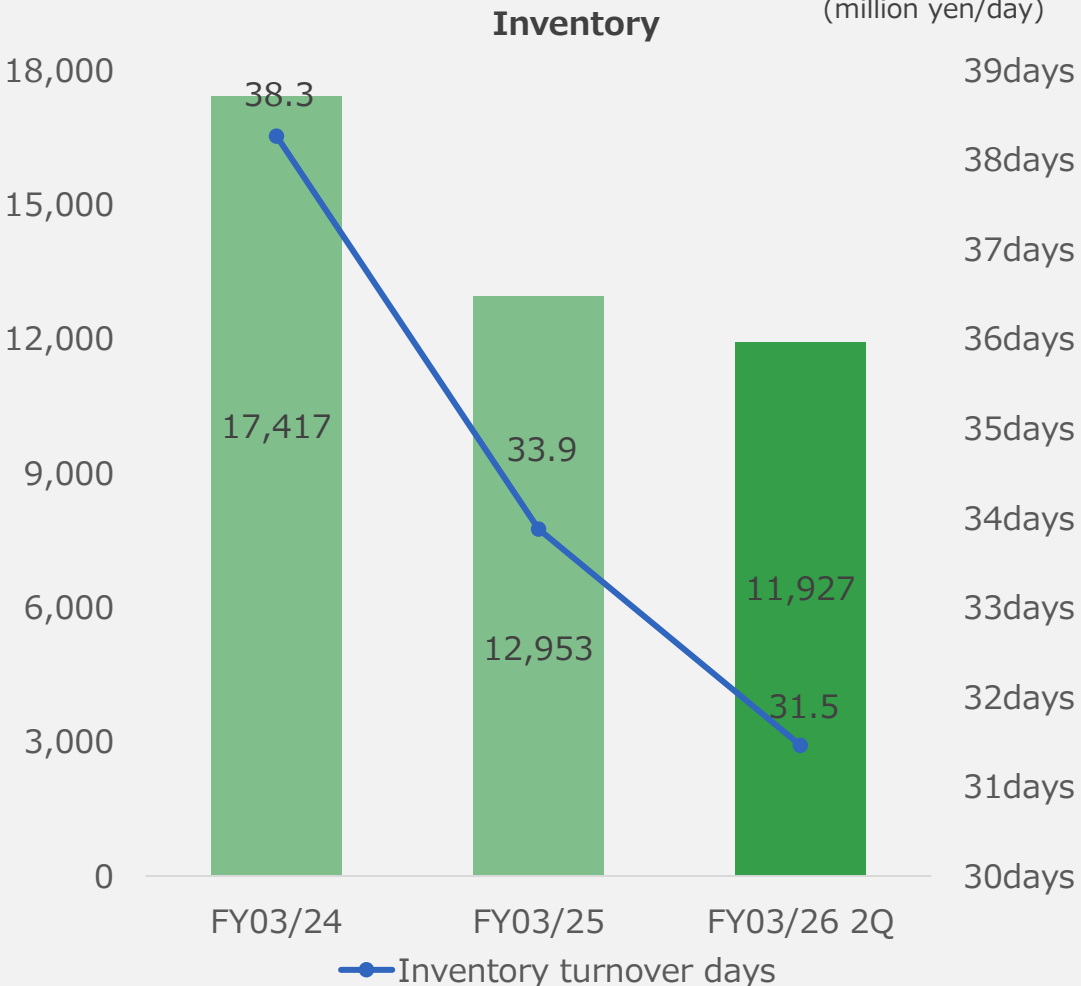
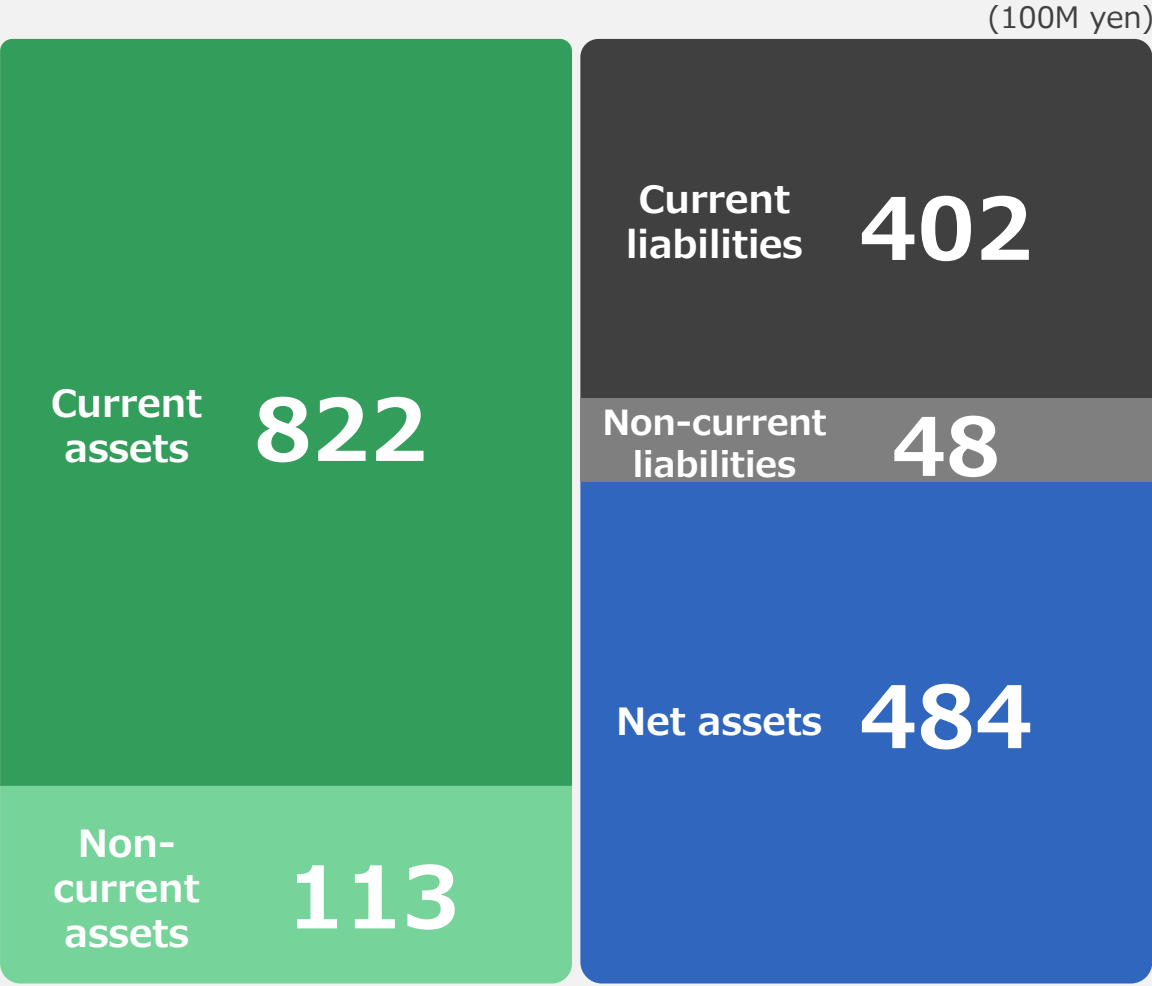
Fluctuation analysis of operating profit

Although gross profit margin improved, overall operating profit declined year-on-year due to the negative impact of exchange rate fluctuations and SG&A expenses caused by the recognition of M&A-related costs.



BS overview

Cash conversion cycle continued to improve.



Financial forecast of FY03/26

Financial forecast of FY03/26

*Rate of change: YoY

No alterations from the previous announcement

Although 2Q (cumulative) consolidated financial results exceeded the forecast, full-year outlook (announced on May 9, 2025) remains unchanged due to the delayed recovery of overseas demand.

Net sales **1,550.0**
(100M yen) Increase/decrease rate **11.0 %**

Operating profit **35.0**
(100M yen) Increase/decrease rate **-0.2 %**

Ordinary profit **37.6**
(100M yen) Increase/decrease rate **-1.5 %**

Profit attributable to owners of the parent **26.1**
(100M yen) Increase/decrease rate **6.8 %**

FY25 - FY27
12th Medium-Term Plan
“SUN-WA Growth Plan 2027”

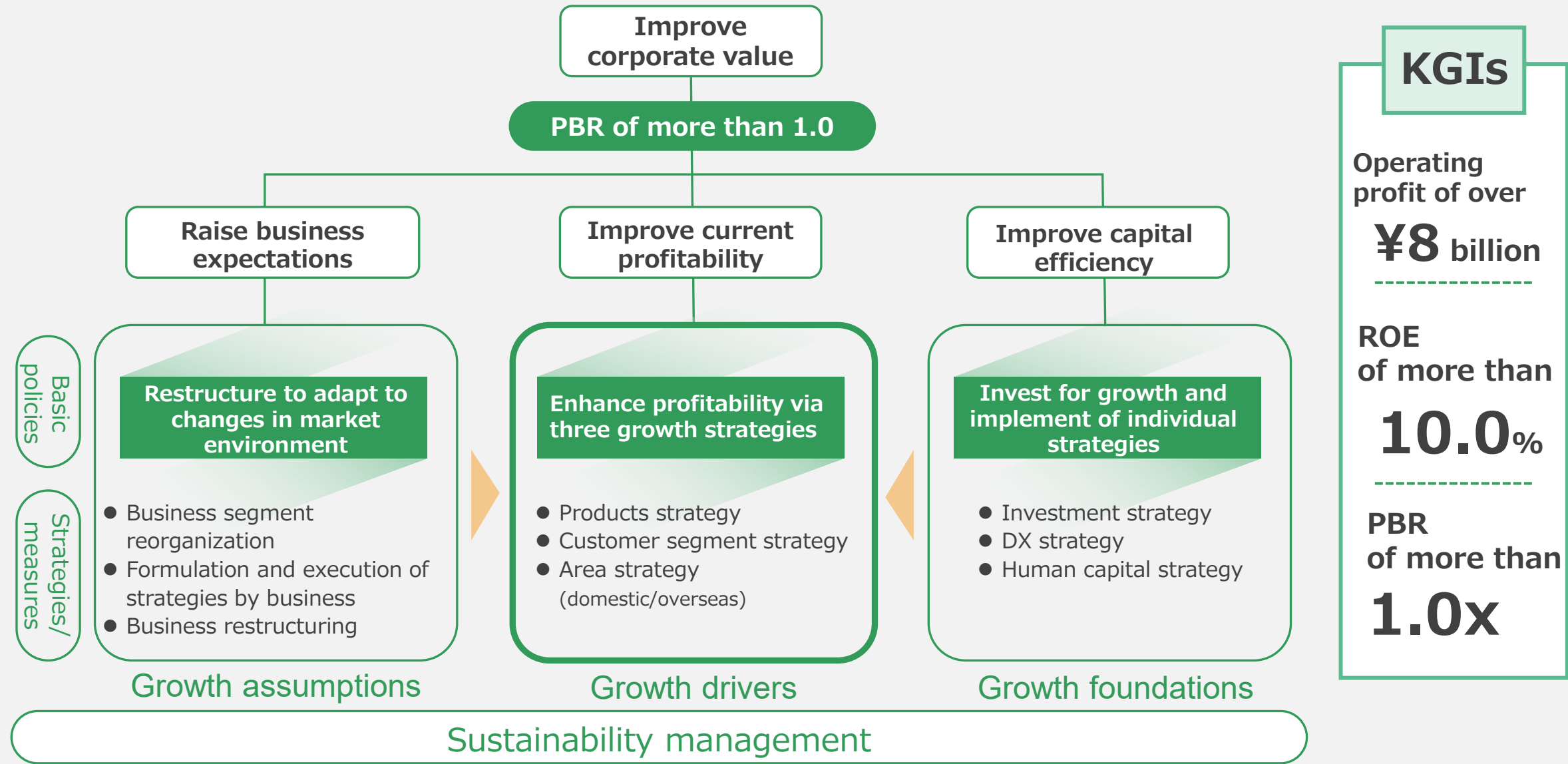
Enhancing our ability to make valuable
proposals to contribute the future of manufacturing

SGP

2027

SUN-WA Growth Plan 2027

Outline/business goal of the 12th Medium-Term Plan



Profitability enhancement through three growth strategies



Electronic Components
Electronic Components



Control Devices
Control Devices



Industrial Computing
Industrial Computing



FA Solutions
FA Solutions

Reorganize the sales headquarters into 4 divisions, developing divisional strategies and implementing specific measures to accelerate product strategy

With additional 2 segments such as "medical equipment" and "social infrastructure,"
expand the range of customer segment strategy to make a radical turn
6 -> 8 segments



Coverage of entire areas

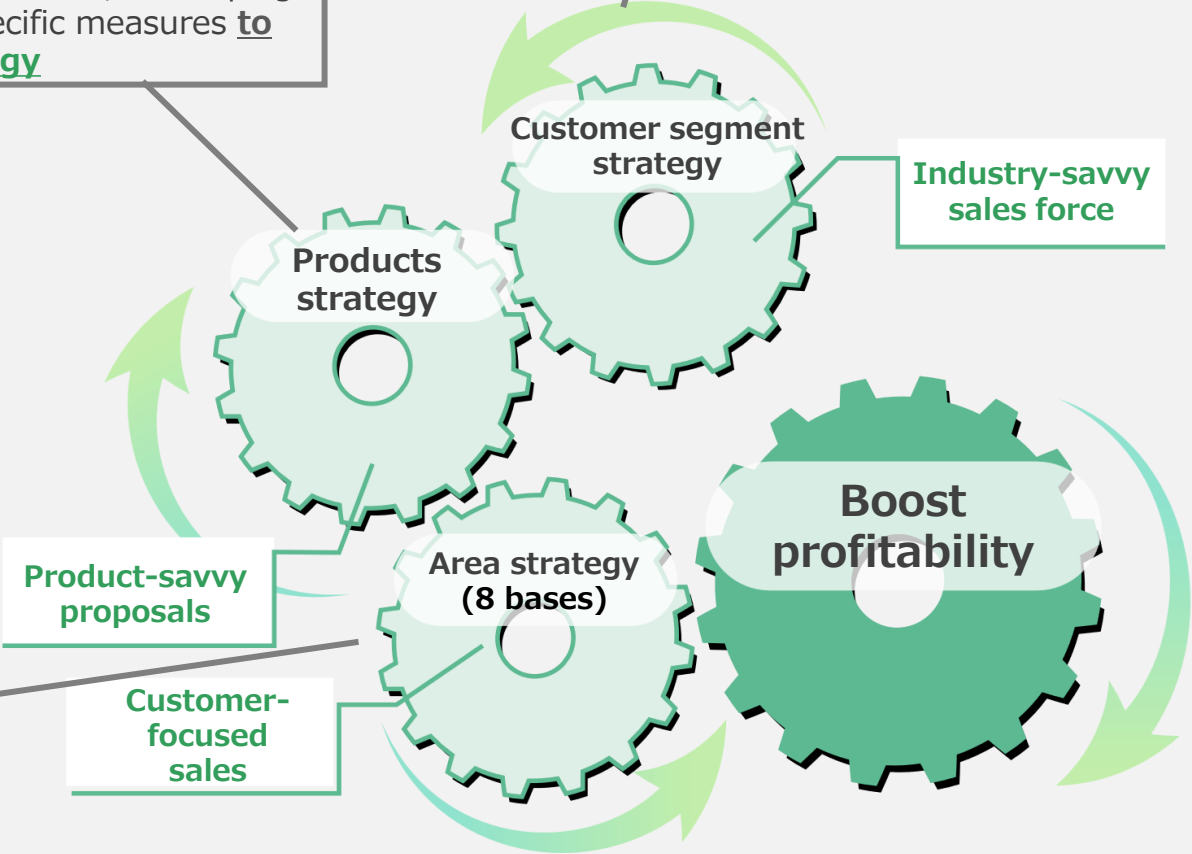


5 branch offices
(30 domestic locations)



3 regional headquarters
(40 overseas locations)

By identifying and acquiring potential customers, enhance customer base within areas to expand strategic domain (target territory)



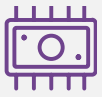
KGIs

Operating profit of over
¥8 billion

ROE of more than
10.0%

PBR of more than
1.0x

Reorganize business units (sales headquarters into 4 divisions)

Division		Definition	Major manufacturer
 Electronic components Electronic Components		Provide electronic/mechanical components and processed/assembled products	Omron, MinebeaMitsumi, Phoenix Contact, KEL, TDK-Lambda, Stanley Electric, Nichicon, OTAX
 Control Devices Control Devices		Provide control/management for industrial systems and machines	Yaskawa Electric, Daihen, Omron, Siemens
 Industrial Computing Industrial Computing		Provide hardware/software leveraging industrial computing	Siemens, Contec, Advantec, RICOH PFU Computing, Toshiba, Meidensha
 FA Solutions FA Solutions		Provide streamlining and quality improvement solutions for FA market	Yaskawa Electric, Daihen, DENSO WAVE, FUJI, Sanki Engineering, Omron, MTEC, Fujipream

Strategic policy and outlook by customer segment

Segments to enhance competitive advantage

Segment	Strategic policy	Details of major initiative	Target growth rate (3-year average)	FY25 1H progress	FY25 status
Semiconductor production equipment	Contribute to the industry with unique technological value proposition and customer base	① Establish critical themes with major clients and facilitate the adoption of our proposed products ② Propose prototypes of wafer transfer equipment/control panel units etc. for cutting-edge manufacturing process equipment ③ Through collaboration with measuring instrument manufacturers, secure evaluation deals at client factories	15%	40%	
Robots	Demonstrate our strength through market expansion and technological advancement	① Accelerate the establishment of themes in new domains looking ahead to the application of next-generation robots ② Win deals related to robot infrastructure domains such as remote support or cyber security ③ Launch information exchange with China and Europe/North America and drive the discovery of new products from overseas manufacturers	15%	40%	
Machine tools	Grow with the sophistication, automation, and digitalization of mother machines	① Enhance proposals for system solutions that contribute to process consolidation/automation to win multiple new deals ② Currently enhancing the bundled offers of mechanical/electric products to cultivate relationships with existing customers ③ Currently strengthening collaboration with overseas locations to conduct business negotiations tailored to target customers in each region	12%	50%	

Strategic policy and outlook by customer segment

Segments for active investment

Segment	Strategic policy	Details of major initiative	Target growth rate (3-year average)	FY25 1H progress	FY25 status
Medical equipment	Aim to scale up in the context of technological innovation and changing social needs	① Make proposals to leading companies. Strengthen the selection of highly specialized manufacturers ② Continue to make in-depth product proposals to key customers in promising fields such as dialyzers and surgical robot systems ③ Promote the discovery of high value-added products in collaboration with major manufacturers	15%	45%	
Social infrastructure	Provide shared optimal proposals to each foundational infrastructure of the future	① Select promotional goods in electricity/gas sectors and launch proposal initiatives ② Secure evaluation and prototype deals for the digitalization of substations and railway substations through proposal initiatives for power and heavy electrical manufacturers ③ Continue to explore and analyze market trends. Enhance proposal initiatives for target customers ④ Secure orders of EV rechargers for the sales channels of major automakers	12%	45%	
In-vehicle components	Strive for enhancement of foundational technologies in environment and safety fields to support the evolution of mobility	① Strengthen entries into the collaboration of advanced driver-assistance system (ADAS) x human machine interface (HMI) infrastructure ② Product proposal under the theme of electrification ③ Increase touchpoints with existing/potential customers to improve customer satisfaction	12%	50%	

15%

45%



Strategic policy and outlook by customer segment

Segments to improve efficiency

Segment	Strategic policy	Details of major initiative	Target growth rate (3-year average)	FY25 1H progress	FY25 status
FA components	Offer varied products to a wide range of customer segments	① Offer efficient electronic component solutions based on the understanding of circuit configuration ② Create and develop strategic products centered on applications ③ Promote sales focused on energy, automation, and AI-related application	12%	35%	
Specialized equipment	Provide shared optimal proposals to each foundational infrastructure of the future	① Propose products with modularized system configuration maa based on application ② Provide added value through unit proposals according to industry trends ③ Bring competitive products to global market	12%	45%	

3 growth strategies (major manufacturers and customers)

Product strategy

Major manufacturers

Discover and create
edgy products

 **Electronic components**
Electronic Components

Omron, MinebeaMitsumi, Phoenix Contact, KEL, TDK-Lambda, Stanley Electric, Nichicon, OTAX

 **Control Devices**
Control Devices

Yaskawa Electric, Daihen, Omron, Siemens

 **Industrial Computing**
Industrial Computing

Siemens, CONTEC, Advantec, RICOH PFU Computing, Toshiba, Meidensha

 **FA Solutions**
FA Solutions

Yaskawa Electric, Daihen, DENSO WAVE, FUJI, Sanki Engineering, Omron, MTEC, Fujipream

 **Solution development**

Robotic solution, transport solution, machine control solution

Area strategy

5 branch offices
(30 domestic locations)

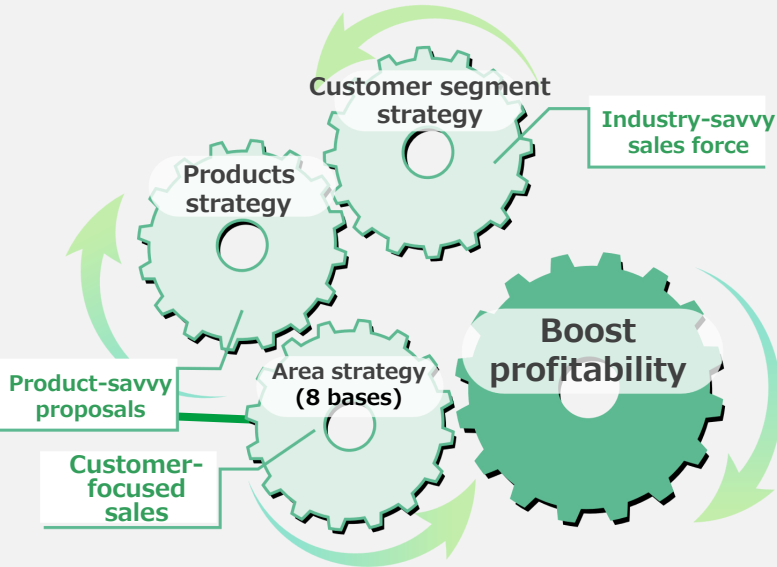


Full control of
entire areas



3 regional
headquarters
(40 overseas locations)





Customer segment strategy

Major customers

Segments to enhance competitive advantage

Semiconduct or production equipment

SCREEN, KOKUSAI ELECTRIC, KIOXIA, Nikon Murata Machinery, Daifuku, Shinkawa Electric

Robots

Yaskawa Electric, DENSO WAVE, Daihen, Kawasaki Heavy Industries

Machine tools

DMG MORI, Yamazaki Mazak, Okuma, Mitsubishi Electric, AMADA, Brother Industries, Komatsu NTC

Segments for active investment

Medical equipment

Canon Medical Systems, Shimadzu, Beckman, Nikkiso, Nidec

Social infrastructure

NEXCO, Hitachi Channel Solutions, Fuji Electric, Kyosan Electric Manufacturing, Koito Electric Industries, Nippon Signal, Osaki Electric, Enegate, Azbil Kimmon

In-vehicle Components

Denso, Stanley Electric, ADVICS, Kojima Industries, Kanbishi

Segments to improve efficiency

FA components

Yaskawa Electric, Omron, Mitsubishi Electric, Fuji Electric, SMC, Glory, Sanyo Denki

Specialized equipment

SHIMA SEIKI, HORIBA, Sumitomo Heavy Industries, Mitsubishi Precision, Miura Manufacturing, Via Mechanics, Duplo

Acquisition of MTEC Co., Ltd. and HTK Europe Limited

MTEC Co., Ltd.

As of September 30, 2025, MTEC Co., Ltd. became our subsidiary through share exchange.

- ✓ Accelerate solution development meeting customer needs by acquiring manufacturer functions (technology and product development capabilities)
- ✓ Acquire unique motion control/3D analysis technologies to insource flexible automation system
- ✓ Differentiate proposals to improve competitive advantage in robot/FA markets



[Objective] Insource innovation by acquiring manufacturer functions

- To "improve originality and added value," enhance product lineup in robot/FA fields with "technology trading capabilities" and "manufacturing functions."



[Strength] Advanced "control/analysis/process" technologies

- Unique control technology: unique motion control technology leveraging sensor information, ensuring flexible automation system adaptable to complex behaviors.
- 3D analysis technology: Rapidly design optimal production process and equipment specification through 3D CAD simulation, reducing implementation cost and accelerating time to deliver.



[Outcome] Differentiate proposals and enhance ability to close deals

- Build organizational structure where customer needs can be feed backed to development through insourcing of technologies, reducing lead time of solution development.
- With "unique control/analysis technologies" of MTEC added to our solutions, differentiate proposals to expand winning opportunities of complex and high-level FA deals.

HTK Europe Limited

As of October 31, 2025, we acquired all shares of HTK Europe Limited.

The company was renamed as "SUN-WA TECHNOS (UK) Connect Solutions Ltd."

- ✓ **Incorporate functions to produce wire harnesses and to process/manufacture control panels into the group**
- ✓ **Accelerate sustained business expansion in the European market through localization/enhancement of supply chain**



[Objective] Acquire localized manufacturing functions to accelerate entry into the European market

- Customers in the European market prioritize local design/interaction. By incorporating manufacturing function of HTK Europe for harnesses/control panels, pivot to the business model adaptable to local production to cultivate local leading companies.



[Strength] Comply with European safety standards and build supply system for customer-oriented solutions

- Establish manufacturing/quality structure compliant with European safety standards and build the system enabling custom production of harnesses and control panels tailor to the equipment specification of customers.



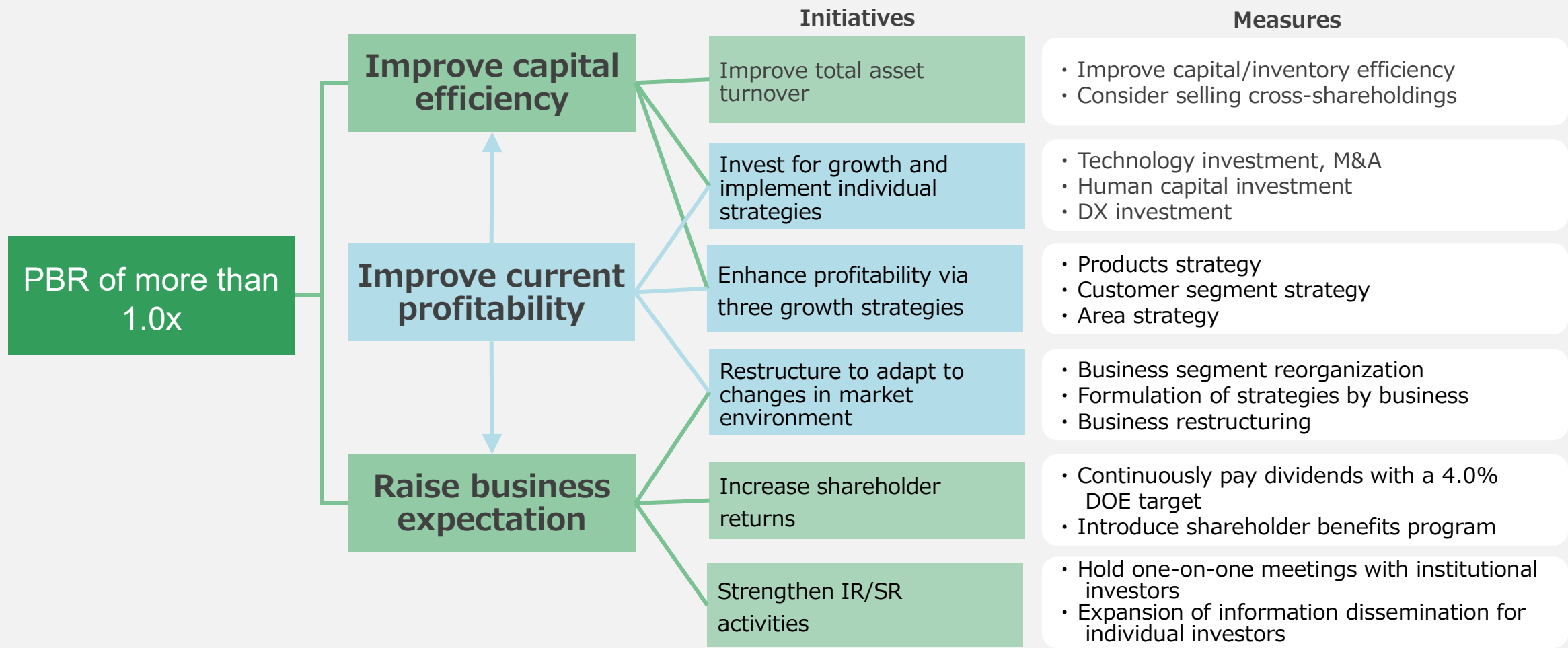
[Outcome] Enhance profitability with local production system

- Ensure high profitability by incorporating added value of manufacturing within Europe. Enhance procurement/supply within Europe to reduce lead time and establish stable supply system. This leads to mid-term business expansion and profit growth.

Measures to integrate cost-of-capital and share-price considerations into corporate management

Overall policy

With "operating profit of over 8 billion yen", "ROE of over 10.0%", and "PBR of over 1.0" as our business goals (KGIs), implement the following initiatives and measures to increase shareholder value.



ROE and cost of shareholder's equity

Through CAPM and communication with institutional investors, **cost of shareholder's equity is estimated at approx. 8.0%.**
With an aim to achieve over 10.0% of ROE, we are committed to ongoing improvement of return on capital under the medium-term management plan.



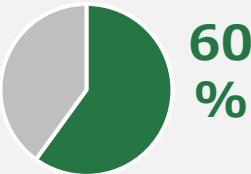
Major initiatives

Business expectation Enhance IR/SR meetings with institutional investors

Increase the number of IR/SR meetings



Active engagement of C-level executives



Actively discuss our issues brought up during IR/SR meetings at management meetings etc. and solve them to deepen understanding of our business and growth strategies

Capital efficiency Implement SUN-WA version of ROIC

Profitability metric-focused evaluation system



Capital efficiency-focused evaluation system

Business expectation Enhance IR initiatives using Web approach (for increased awareness)

Web advertisement

MINKABU
Prominent companies with high-dividend stocks!
In the "automation/labor-saving" fields,
contribute to the future of manufacturing
SUN-WA TECHNOS Corporation 8137



A technology trading company that connects technologies across the globe

TV commercial

Business expectation Further expand the shareholder benefit program

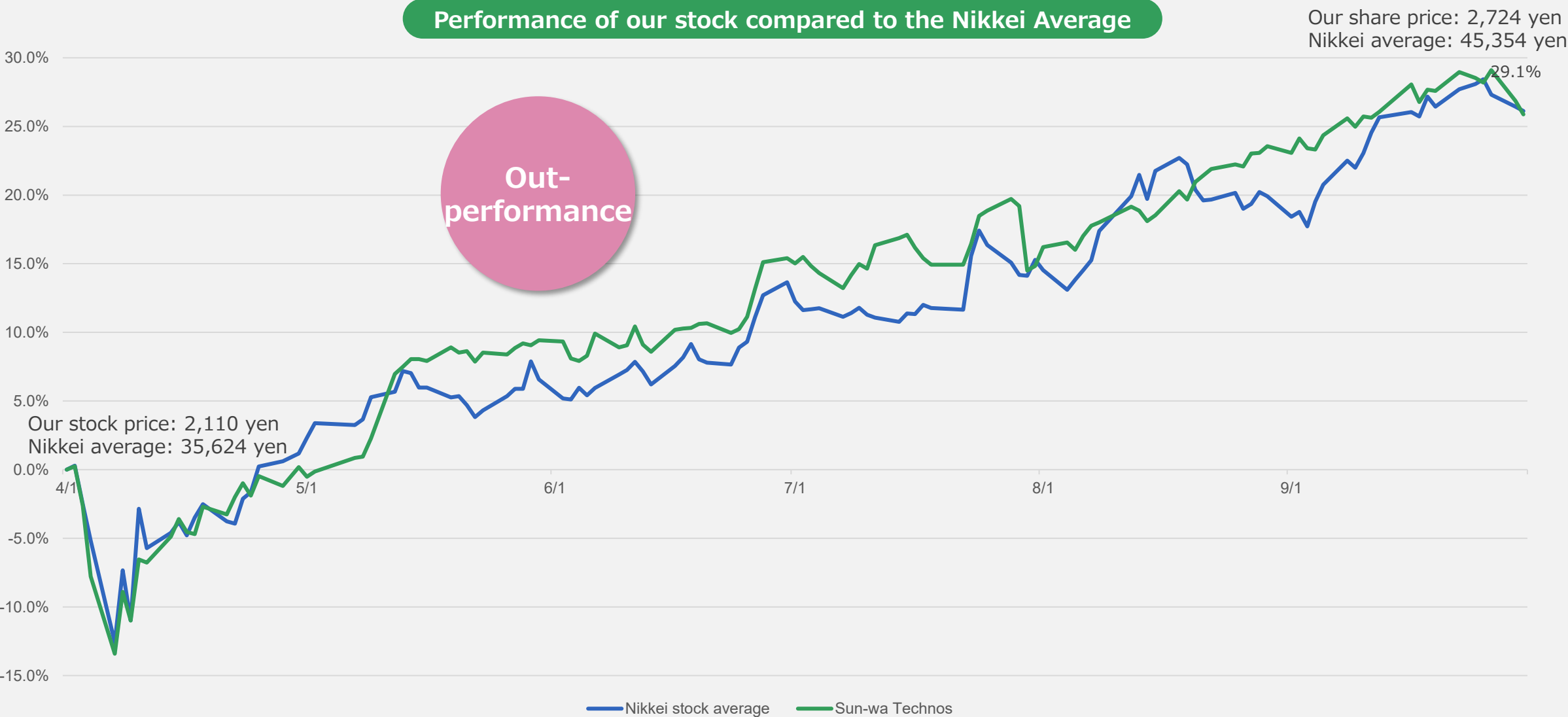
Abolition of long-term holding

Reclassification of shares

Digital gift

Major initiatives and outcomes

Performance of our stock compared to the Nikkei Average

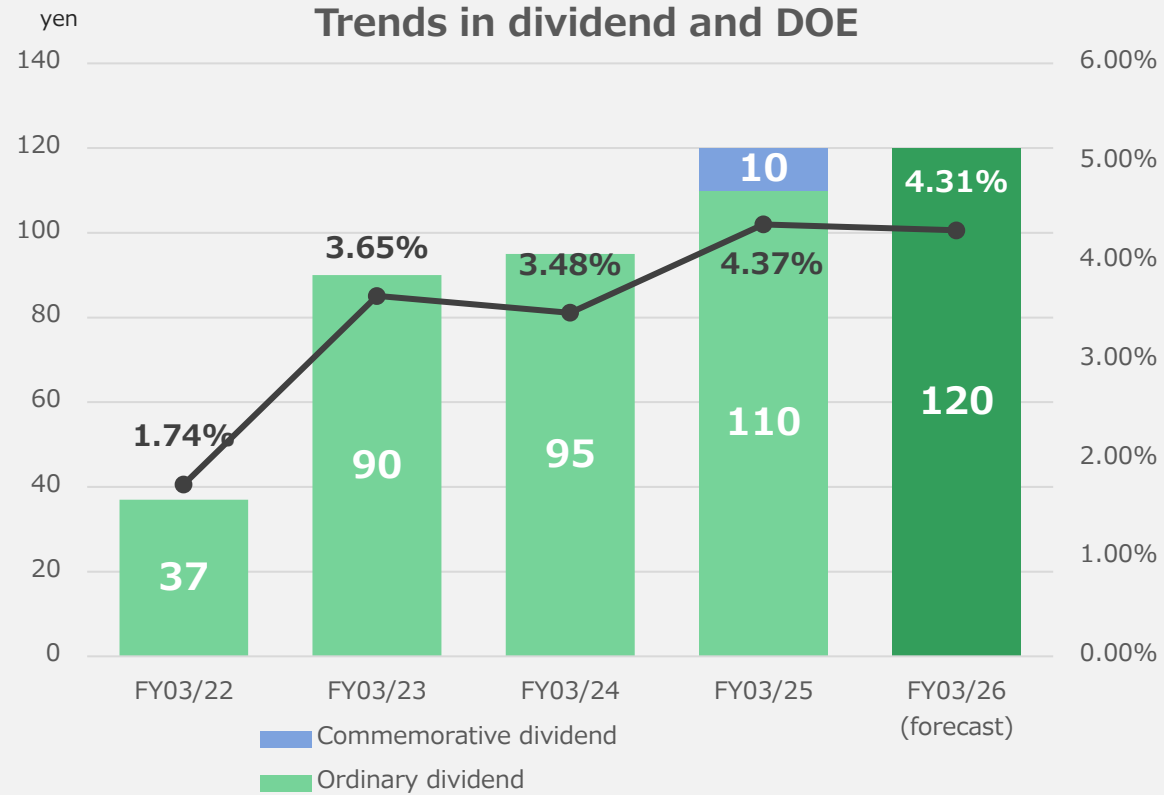
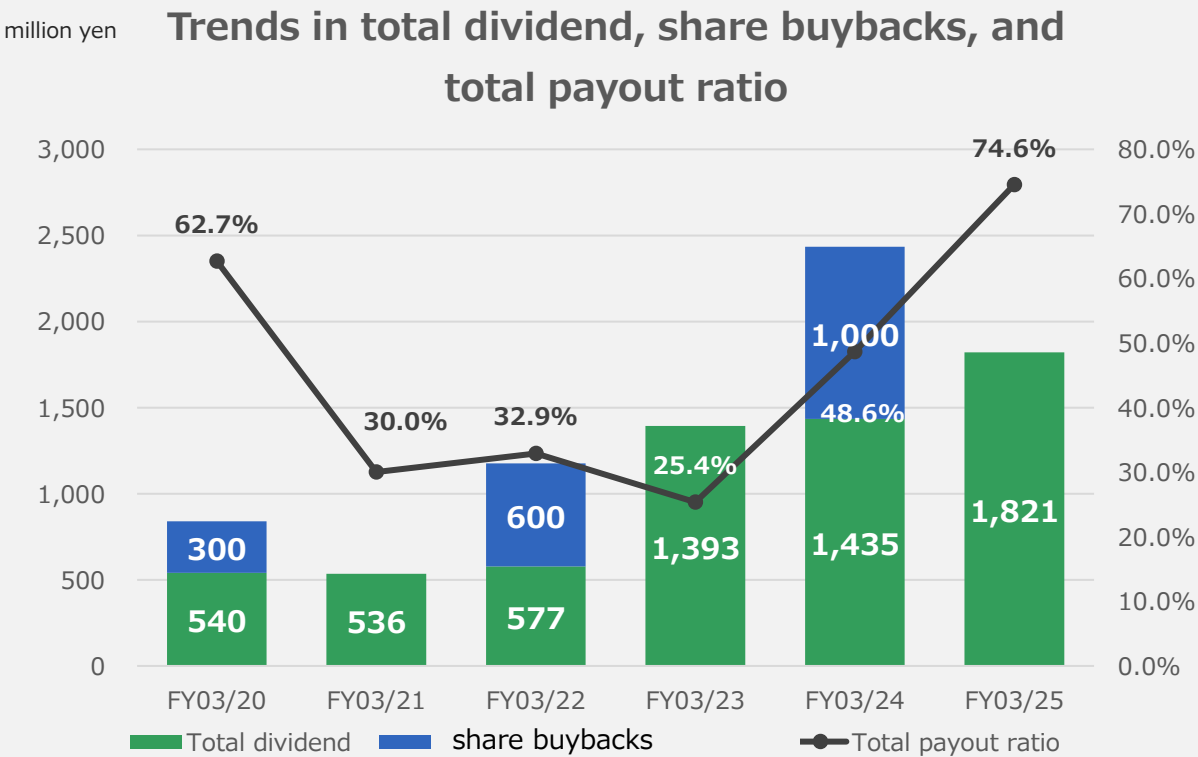


Shareholder return

Shareholder return policy and historical trends

Shareholder return policy

- In light of financial health and balance prepared for active business expansion and associated risks towards sustainable growth and higher corporate value, maintain stable dividends and return profits according to consolidated financial results from a medium/long-term perspective
- Aiming for **over 4.0% of DOE (consolidated dividend on shareholders' equity ratio)**, strive to pay continuous and stable dividend annually
- For shareholder return and greater capital efficiency, **flexibly repurchase shares** depending on the timing and financial situation



Past initiatives for shareholder return

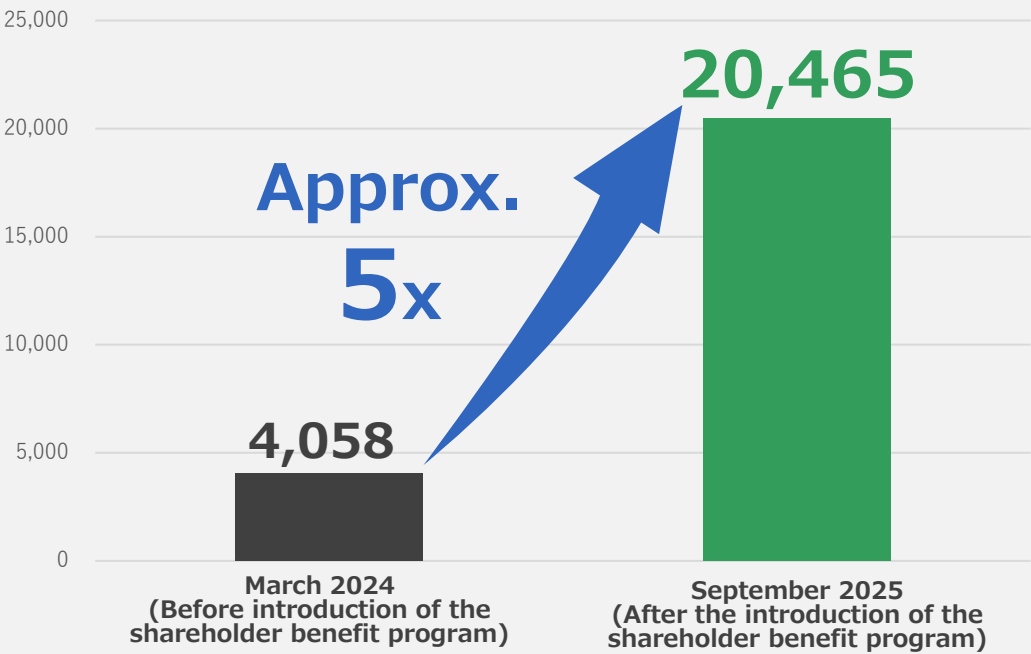
Past initiatives

- January 2023 Revision of shareholder return policy (target: 25 - 35% of consolidated dividend payout ratio)
- May 2023 Share buybacks (1 billion yen)
- May 2024 Introduction of the shareholder benefit program
Announcement of 75th anniversary commemorative dividend
- October 2024 Revision of shareholder return policy (Aiming for over 4.0% of consolidated dividend on Shareholders' equity ratio: DOE)
- May 2025 (1st) Expansion of the shareholder benefit system
- October 2025 (2nd) Expansion of the shareholder benefit system

Flexible review of shareholder return policy



Significant increase in the number of shareholders



Shareholder benefit system (FY03/26 onward)

We revised **some of the contents of the benefit system**.
Through **abolition of long-term holding benefit (2 years or more)**, and **reclassification of the number of share holding**, we expanded the shareholder benefit system, enabling new investors to hold our shares and make flexible use of new NISA limit. In addition, we have decided to change shareholder incentive **from QUO Card to digital gift** in order to improve the convenience of shareholders.

01

Applicable shareholder

The revised program will apply to shareholders who hold

100 shares (a unit) and more

and are listed/registered on our shareholder registry as of March 31, 2026.

02

Details of shareholder benefit program

According to the number of applicable shares, digital gift worth of the following amount will be granted.

The number of shares	Share holding period of less than 2 years	Share holding period of 2 years or more
100 - less than 200 shares	1,000 yen	+1,000 yen to the amount on the left
200 shares or more	3,000 yen	+2,000 yen to the amount on the left

The number of share holding	Regardless of share holding period
100 - less than 200 shares	2,000 yen-worth
200 - less than 400 shares	5,000 yen-worth
400 - less than 800 shares	10,000 yen-worth
800 shares or more	20,000 yen-worth

03

Time of grant

Based on the reference date of March 31, "Guide of Shareholder Benefits" will be enclosed in the shareholder newsletter sent after the Ordinary General Meeting of Shareholders and the benefit will be granted once a year.



DIGITAL GIFT



**In conclusion, we are continuously committed to our
business,
striving for higher growth, profitability, and stability.
We would appreciate your continued support and patronage.**

Appendix

Assumed exchange rate and foreign exchange sensitivity

	FY03/26 Assumed exchange rate	Affected amount by 1 yen fluctuation	
		Net sales	Operating profit
USD/JPY	144.0	444 million yen	66 million yen

*Affected amount on the assumption that other currencies fluctuate at the same ratio

IR website

IR website

Provide comprehensive information on financial situation, business policy, and latest business performance etc.

<https://www.sunwa.co.jp/ir/>



Briefing video

Hosted by Daiwa Investor Relations -
Briefing video for investors of SUN-WA TECHNOS

<https://www.daiwair.co.jp/detail.cgi?code=8137>



IR- focused website

IR Program of Sun-wa Technos broadcasted by Radio
NIKKEI in the Wednesday slot of long-running program
"The Money"

<https://www.radionikkei.jp/8137ir/>



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Please also visit our website for inquiries and requests for IR meetings.

*Scan the QR code below



Notes for this document

- This document includes the descriptions on our future plannings and strategies as well as forecasts/outlooks for business performance.
- These descriptions are based on the current information and are subject to change due to the factors such as macro economy or relevant industry trends.
or emerging technology advancement.
- Therefore, please note that the forecasted value listed here may differ from actual performances etc.

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