



«FYE2025 2Q»

Briefing Material on Fiscal Results
2024/11/13

Elematec Corporation

Tokyo Stock Exchange, Prime Market CODE : 2715

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Financial Report

**The second quarter of the fiscal
year ending March 2025**

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Financial Highlights

Though the revenue of the Automotive market increased steadily, the revenue of Aftermarket products, such as dashboard cameras, grew sluggishly.

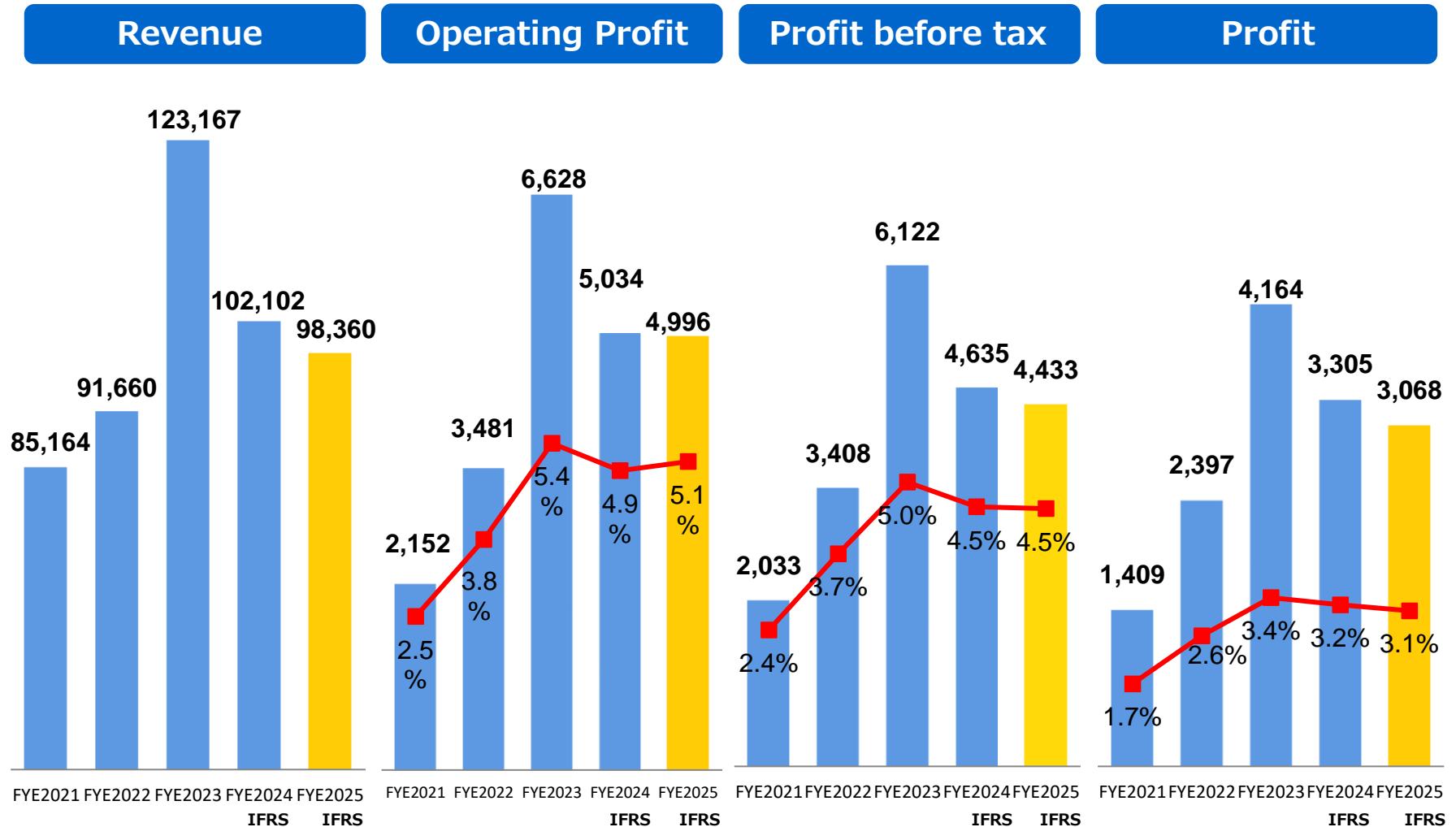
Unit: millions of yen	FYE24 2Q (USD=141.06YEN)	FYE25 2Q (USD=152.78YEN)	Year-on-year	Increase/Decrease Factors
Revenue	102,102	98,360	-3.7%	Decrease in revenue due to a decline in sales of aftermarket products such as dashboard cameras.
Gross profit	12,482	12,783	+2.4%	Increase due to rising profit margins
Gross profit margin	12.2%	13.0%	+0.8pt	
SG&A expenses	7,494	7,828	+4.5%	Increase in personnel costs due to employee expansion
Operating Profit	5,034	4,996	-0.8%	
Profit before Tax	4,635	4,433	-4.3%	
Profit	3,305	3,068	-7.2%	
EPS	80.73yen	74.93yen	—	
Dividends	40yen	40yen	—	

Performance trends for the cumulative second quarter

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**Point :Although there was a YoY decline in revenue and profit,
still resulted in the third-best performance in history.**

Unit : millions of yen

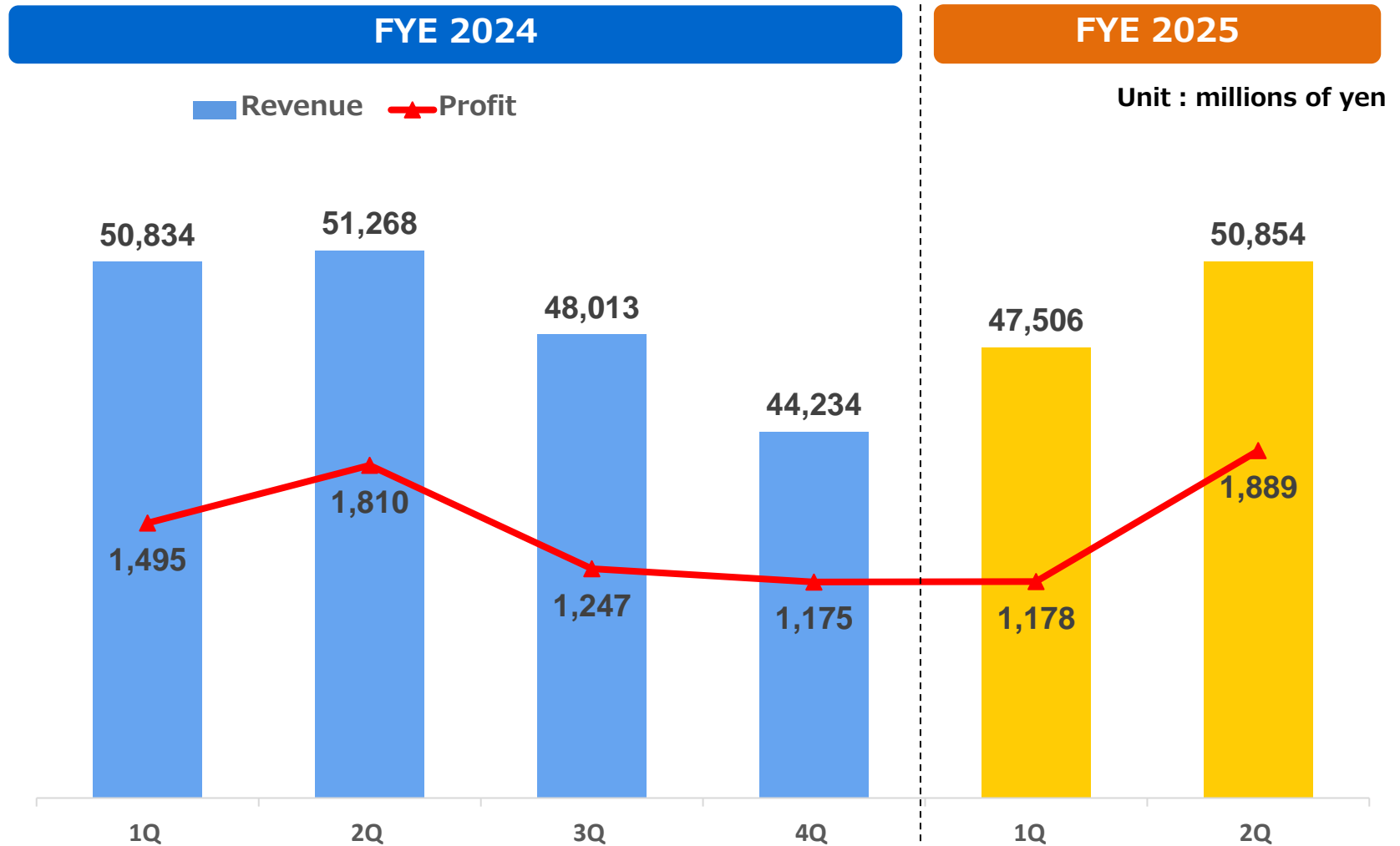


※In the fiscal year ending March 31, 2025, the Company changed its accounting standards and voluntarily adopted the International Financial Reporting Standards (IFRS). In this material, the results for the same period of the previous fiscal year are recalculated based on IFRS. In this slide, the indicators prior to the second quarter of the fiscal year ending March 2023 correspond to the following JGAAP results that align with the IFRS account titles: Revenue: Net sales , Operating Profit: Operating income , Profit before tax: Ordinary Profit , Profit: Net income

Trends of the Business Results by the Quarter e|ematec

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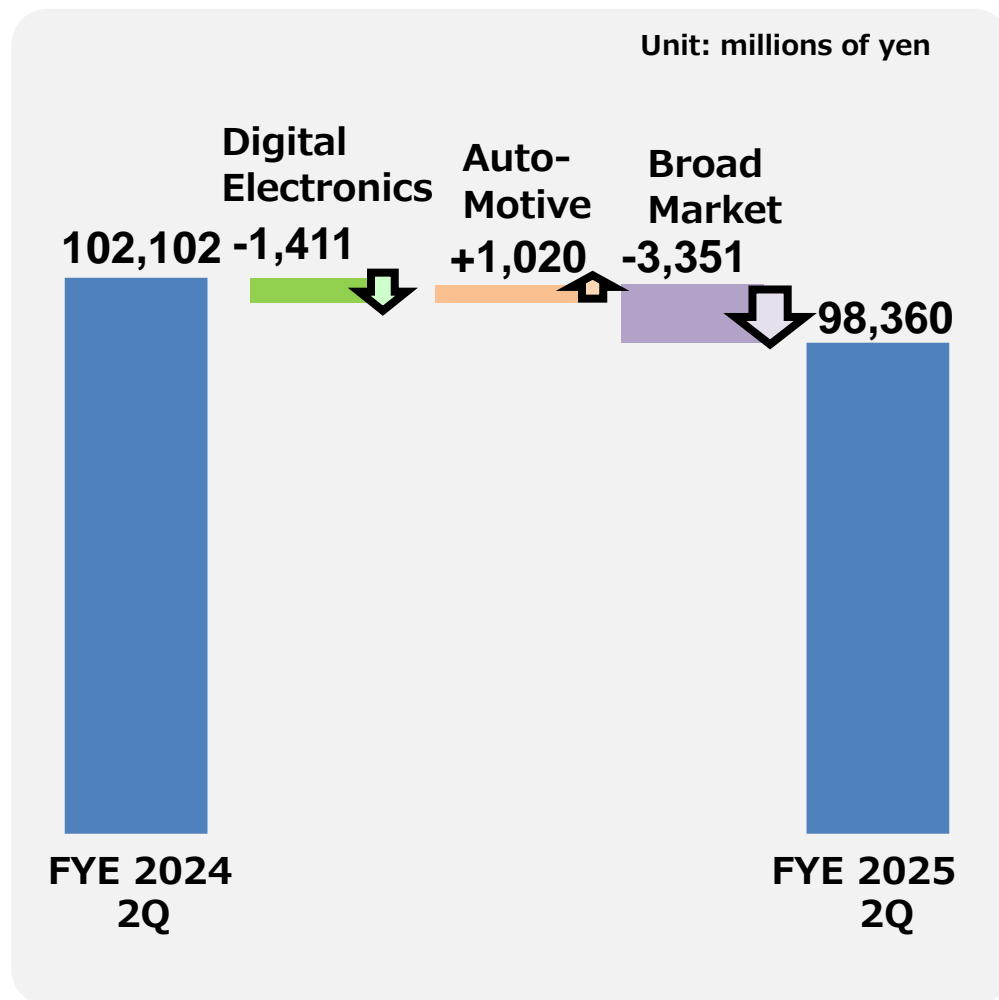
Point Due to the recovery in demand for electronic components and the increase in sales of automotive-related products, the performance is showing a recovery trend, having bottomed out in the fourth quarter of the previous fiscal year.



Revenue by Market

- **Digital Electronics** : Decreased, particularly in display-related components.
- Point • **Automotive** : Increased, particularly in products such as heaters for electric vehicles.
- **Broad Market** : Decreased, in After market products such as dashboard cameras.

Breakdown of Revenue Increase/Decrease from the Previous Year



Digital Electronics

[YoY] -1,411 M yen(-3.5%)
(40,831 M yen⇒39,419 M yen)

LCD, Touch panel, Backlight	-3,625 M yen
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TVs, Monitors, AV, etc.	-924 M yen
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Electrical parts, Semiconductors	+2,178 M yen
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Automotive

[YoY] +1,020 M yen(+4.8%)
(21,090 M yen⇒22,111 M yen)

Broad Market

[YoY] -3,351M yen(-8.3%)
(40,181 M yen⇒36,829 M yen)

After market	-4,781 M yen
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Industrial equipment and power tools	-723 M yen
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Medical devices	+1,110 M yen
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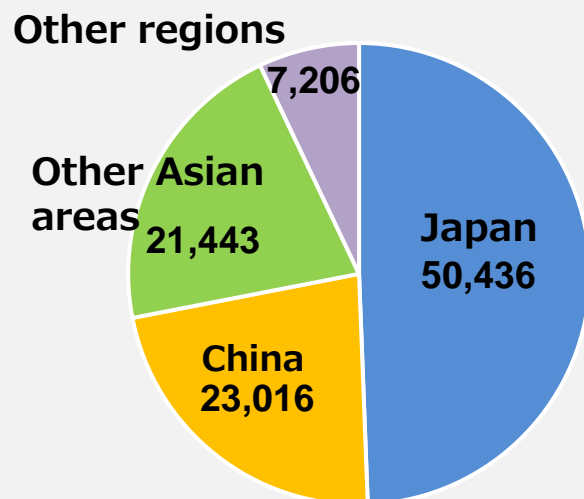
Selling, General and Administrative Expenses

Unit : millions of yen	FYE24 2Q	FYE25 2Q	Year-on-Year	Increase/Decrease Factors
Personnel Expenses	4,187	4,565	+378	Increase in personnel
Freightage & Packing Expenses	1,147	1,285	+137	Increased in higher transportation
Others	2,160	1,977	-181	Reversal of allowance for doubtful accounts
SG&A Expenses	7,494	7,828	+334	SG&A to net sales ratio 7.3% ⇒ 8.0%

- Japan : Revenue decreased due to lower sales of products for aftermarket such as dashboard cameras.
- Point • Overseas : Revenue increased primarily due to the rising demand for display-related components and digital camera parts in China.

FYE 2024 2Q

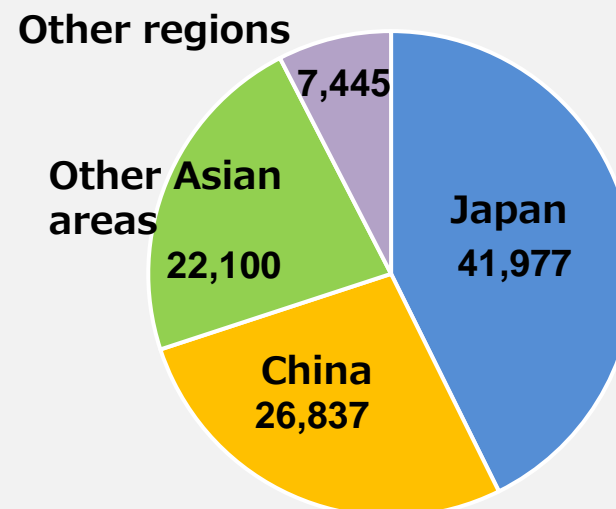
Unit : millions of yen



FYE 2024 2Q	Revenue Compositions
Japan	49.4%
Overseas	50.6%
China	22.5%
Other Asian areas	21.0%
Other regions	7.1%

FYE 2025 2Q

Unit : millions of yen



FYE 2025 2Q	Revenue Compositions
Japan	42.7%
Overseas	57.3%
China	27.3%
Other Asian areas	22.5%
Other regions	7.6%

Balance Sheet

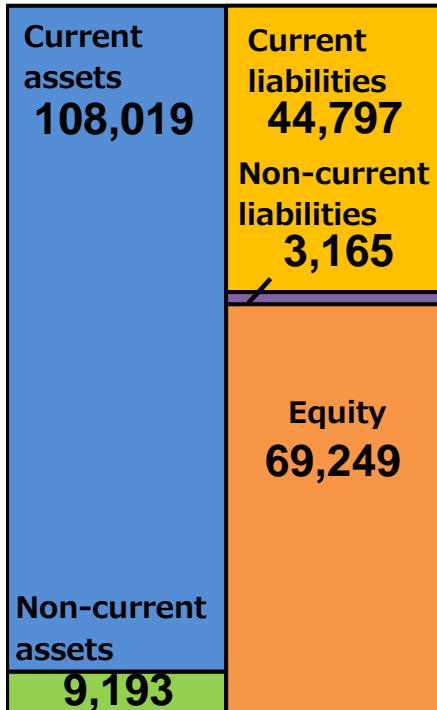
Point Shareholder's equity ratio remained at over 50%

Balance Sheet

Unit : millions of yen

Total assets 117,212

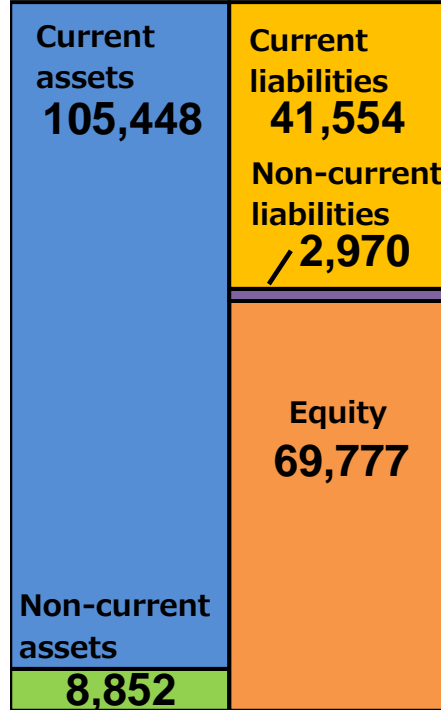
Equity ratio attribute
to owners of the
parent company **59.1%**



FYE 2024

Total assets 114,301

Equity ratio attribute
to owners of the
parent company **61.0%**



FYE 2025 2Q

Main factors for change

Current assets -2,570

- Cash and cash equivalents -7,718
- Trade and other receivables +4,228
- Inventories +605

Non-current assets -340

- Right-of-use assets -199
- Property, plant and equipment -157

Liabilities -3,439

- Trade and other liabilities -3,899
- Other current liabilities +755

Equity +528

- Share capital +1,225
- Other components of equity -697

Consolidated Statements of Cash Flows

Cash flow

Unit: millions of yen	FYE24 2Q	FYE25 2Q
Operating C/F	11,086	-4,209
Investing C/F	-581	-589
Financial C/F	-3,176	-2,511
Effect of exchange rate changes on cash and cash equivalents	953	-407
Net increase (decrease) in cash and cash equivalents	8,281	-7,718
Cash and cash equivalents at the end of the period	41,248	34,420

Key increase/decrease factors

Operating CF

- Profit before tax +4,433
- Increased in trade and other receivables -5,168
- Increased in inventories -1,016
- Decreased in trade and other payables -2,229

Investing CF

- Purchase of investment securities -351
- Purchase of property, plant and equipment -203
- Purchase of intangible assets -94

Financial CF

- Dividends paid -1,842
- Repayment of lease liabilities -629

Financial Forecast for the Fiscal Year Ending March 31, 2025

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Consolidated Financial Forecast

**Full-year forecasts for the FYE 2025
are unchanged from those announced on April 25, 2024.**

◆ Revenue in the automotive sector have progressed below the plan, while there has been increase in demand in the toys and hobbies sector. Overall, progress has been in line with the plan.

Unit : millions of yen	FYE2024	FYE2025	Increase/Decrease (FYE 2024vs.FYE 2025)
Revenue	194,350	216,500	+11.4%
Operating Profit	9,052	9,350	+3.3%
Profit before Tax	8,116	8,650	+6.6%
Profit	5,729	6,000	+4.7%
EPS	139.93yen	146.53yen	—
ROE	8.5%	8.5%	—

Medium-term Corporate Strategy

(From FYE2024 through FYE2026)

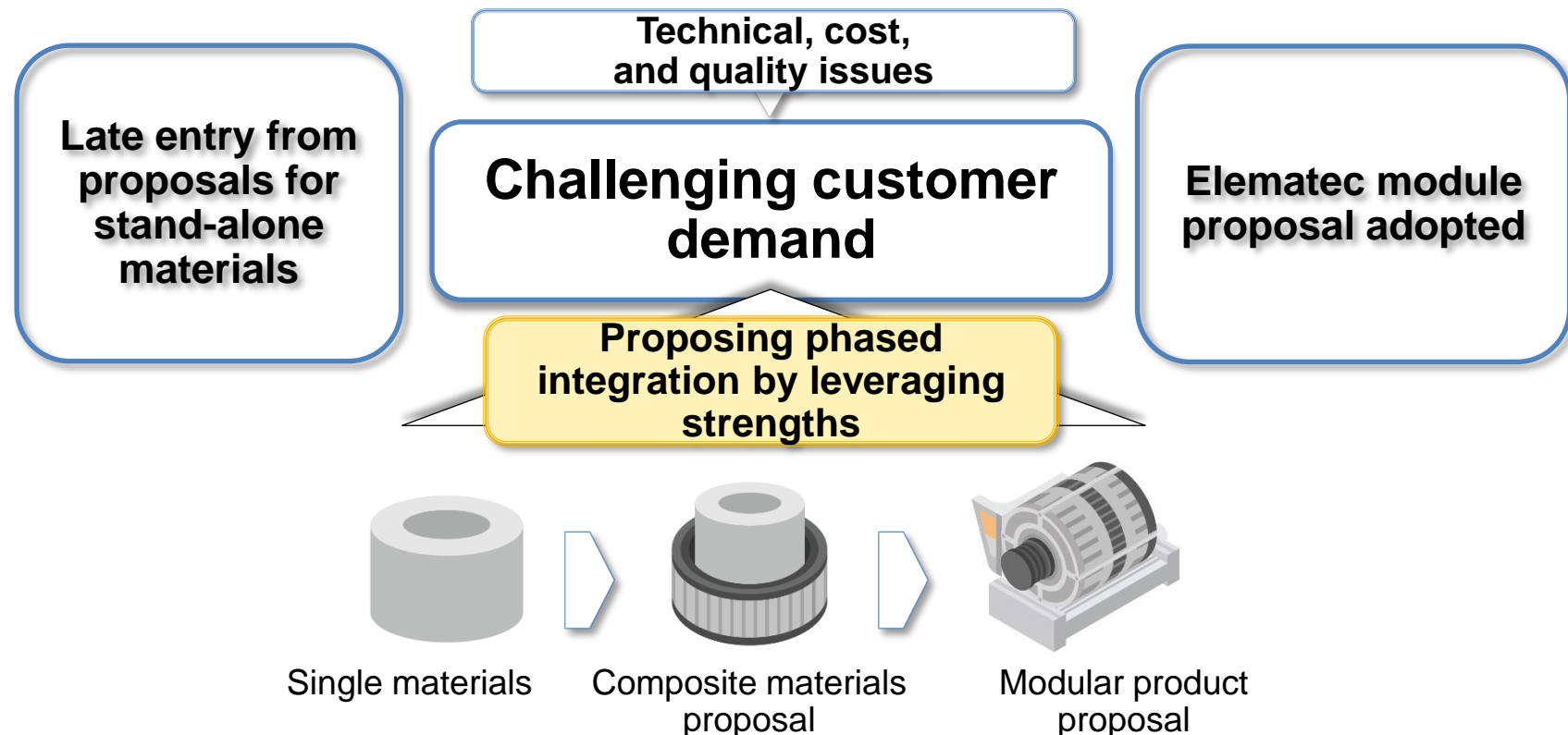
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Initiatives for FYE2025

Strengthen High Value-added Businesses/Focus on Automotive Sector

■ Promote high-value-added projects by proposing modules

[Case Study] EMC Filter* deal for a new customer in automotive sector
Leveraging the Company's technological capabilities, highly specialized quality assurance divisions, and global network, we proactively proposed modularization, resulting in larger projects and higher added value.



* EMC filter: A filter used in electric vehicles, etc. to suppress electromagnetic interference

Expand Customer Base and Business Domains through M&A and Alliance

■ Aggressive investment for sustainable growth

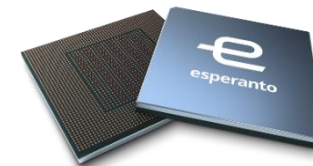
[Investment in Esperanto Technologies Inc.]



- Announced investment in Esperanto Technologies Inc. on October 2, 2024
- Leveraging the Company's strong network, we will promote deployment of Esperanto's products in Japan

[Esperanto Technologies Inc.]

- Silicon Valley-based startup in the U.S.
- Provide RISC-V-based processors for AI
- Collaboration with Rapidus Corporation, a leading Japanese semiconductor manufacturer, on semiconductor design and development



<Features of Esperanto Products>

A semiconductor processor with low heat generation and low noise characteristics, capable of maintaining high performance while keeping power consumption low, enabling low-power operation.

Customer Base Supported by M&As and Alliances Expansion of Business Areas

■ Aggressive investment for sustainable growth

[Investment in MEDIROM MOTHER Labs]



MEDIROM
MOTHER Labs

- On October 29, 2024, announcement of capital and business alliance agreement with MEDIROM MOTHER Labs
- Utilizing the Company's global network, we will support their stable material procurement.

[MEDIROM MOTHER Labs]

- Medirom Group's healthtech subsidiary
- Development and provision of health improvement program using health care applications and MOTHER Bracelet, a health tracker that works 24/7 without recharging
- Develop solutions for BtoB fields, such as nursing care, distribution, and developers

MOTHER
BRACELET



Tender Offer by Toyota Tsusho Corporation for Shares of the Company

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Tender Offer by Toyota Tsusho Corporation for Shares of the Company

- The Company announced “[Notice concerning our opinion in favor of and recommendation of Tender Offer by our parent company Toyota Tsusho Corporation for shares of the Company](#)” on October 29, 2024.
- If the Tender Offer is completed, the Company will become a wholly-owned subsidiary of Toyota Tsusho Corporation through a series of procedures, and will be delisted.
- If the Tender Offer is completed, the Company will not pay a year-end dividend for the fiscal year ending March 31, 2025.

[Outline of the Tender Offer]

(1) Tender Offer Price

- 2,400 yen per share

(3) Number of Tender Offers

- 16,940,333 shares

(2) Tender Offer Period

- From October 30, 2024, to December 11, 2024

(4) upper and lower limits

- No upper limit
- The minimum limit is 2/3 or more of the voting rights.

*** If the TOB is completed but all of the shares of the Company are not acquired, it is expected that the minority shareholders will be pressured to sell their stakes on a mandatory basis through a so-called squeeze-out procedure.**

* For details of the Tender Offer, please refer to the Company's press release.

Purpose of the Tender Offer

[Background to the Tender Offer]

In the business environment surrounding the Group, the importance of providing added value has further increased due to growing needs for risk diversification triggered by geopolitical risks, rapid technological innovation, and the sophistication and diversification of customer needs. For this reason, we need to cultivate strong domestic and overseas customers, and further promote the provision of high-value-added products and services in potential areas.

In promoting such measures, we recognize that it is necessary to utilize the management assets and know-how of both the Company and Toyota Tsusho.

Meanwhile, as both companies are listed, there are certain restrictions on areas such as information exchange, making cooperation between the two companies limited.

With the Company becoming a wholly-owned subsidiary of Toyota Tsusho and eliminating those restrictions, we can expect synergies from the following perspectives.

- [Strengthening the domestic customer base](#)
- [Global business expansion](#)
- [Expanding business domains into new markets](#)
- [Exchange of human resources](#)

The Company has decided to express its support for the Tender Offer as it will contribute to the growth of the Company's corporate value.

**“To provide new values by
expanding our good relationships”**

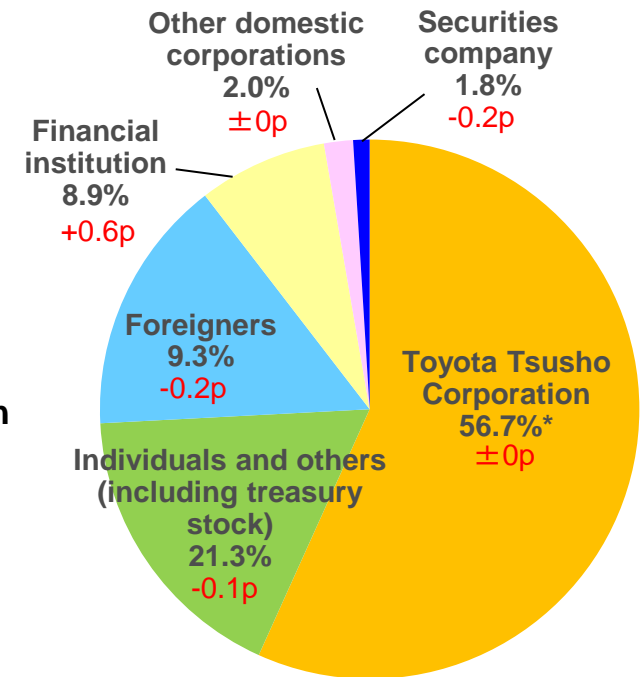
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エレマテック株式会社
Elematec Corporation

Supplementary material

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* The data below are as of September 30, 2024.

Trade name	Elematec Corporation
Established	April 1947 (founded November 1945)
Listing	Prime Market of the Tokyo Stock Exchange
Address	Sumitomo Fudosan Tokyo Mita Garden Tower, 26th Floor, 3-5-19 Mita, Minato-ku, Tokyo
Representative	Akira Yokode, Chief Executive Officer and Chairman of the Board
Business	Electronics trading company
Headcount	[Consolidated] 1,242 [Non-consolidated] 527
Sales offices	[25 domestic locations] Headquarters, Head Office, 18 branches, 5 sales offices [48 overseas locations] 25 locations in East Asia and 13 locations in Southeast Asia 2 locations in South Asia, 5 locations in North and Central America, 3 locations in Europe
Capital	2,142 million yen
Number of shares outstanding	42,304,000
Number of shareholders	10,956



* The ratio of voting rights excluding treasury stock is 58.6%.

Figures in red show change from the end of March 2024.