

Fiscal Year Ending March 2026 Financial Results Briefing

Thursday, December 4, 2025
PIOLAX, INC.
(Code: 5988)
Satoshi Yamada, President

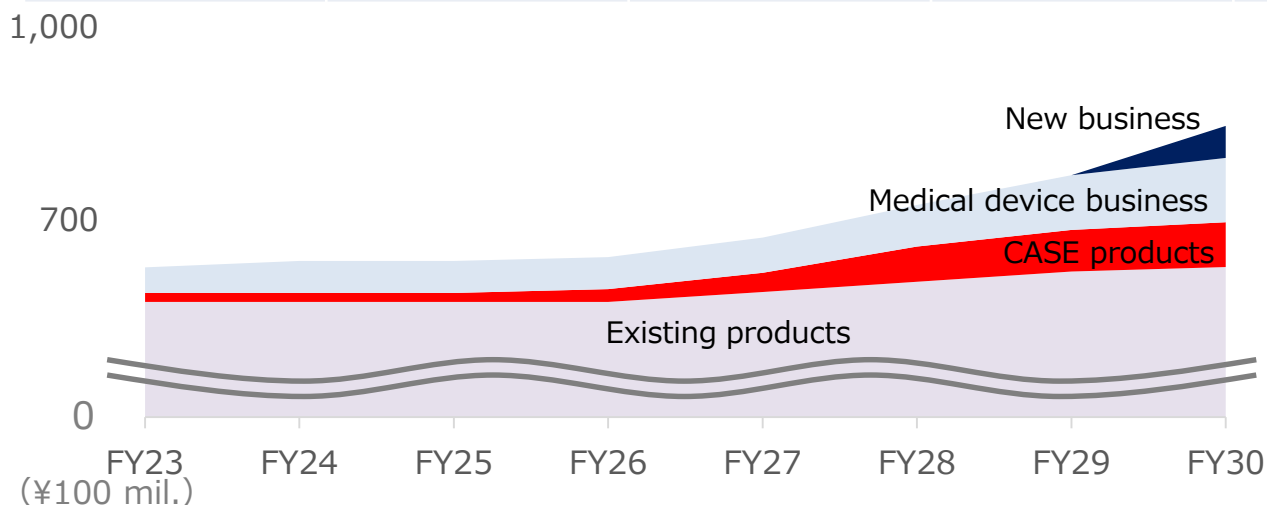
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Medium- to Long-Term Sales Plan

- ✓ In FY25, the challenging business environment persists, reflecting the trends among major OEMs.
- ✓ Through product development that transcends the framework of existing product lines, efficiency gains from organizational restructuring, and productivity improvements driven by the new Moka Plant's operation, we will achieve an ROE of 8% or higher in FY27.

Unit:¥100 mil.	FY24 results	FY25 forecast	FY26	FY27	FY30
Sales	633	620	660	690	850
Operating profit	23	21	46	63	90
Operating profit ratio	3.8%	3.4%	7.0%	9.1%	10.6%
Net income	18	12	36	48	66



- Existing products: Enhance overseas and open/close mechanism parts businesses.
- CASE products: Focus on bus bars and ADAS parts.
- Medical Devices: Accelerate growth in overseas markets.
- New business: Feasibility study by a dedicated department

FY25 1st Half Consolidated Financial Summary

- ✓ 1st half: Decreased revenue and profit compared to the same period last year, but roughly in line with the plan.
- ✓ 2nd half: Securing profit through expense control, thorough rationalization, and cost collection from customers.

Unit:100 mil.	FY24 1H results	FY25 1H results	Gap	FY25 forecast
Sales	319	300	▲19	620
Automotive	293	275	▲18	568
Medical device	26	25	▲1	52
Operating profit	12.7	8.4	▲4.2	21
Automotive	16	13	▲3	20
Medical device	2	0.8	▲1.2	1
Operating profit ratio	4.0%	2.8%	▲1.2%	3.4%
Automotive	5.5%	4.7%	▲0.8%	3.5%
Medical device	8.6%	3.3%	▲5.3%	1.9%
Net profit	12.3	4.4	▲7.9	12
USD/JPY rate	¥153.88	¥147.54	-	¥148.00

* Profit before adjustments between segments

Japan, the US, Europe and other regions reduce profits due to the production cut by Nissan and Honda. China shows signs of a turnaround as production reallocation progresses and sales to Chinese OEMs expand.

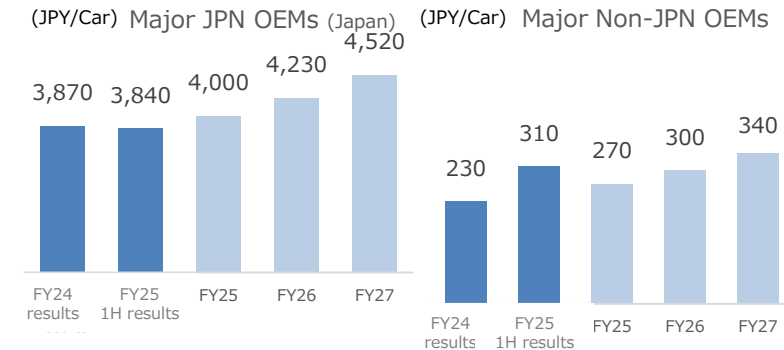
Global sales expansion plan

- ✓ Exceeded the 1st half targets

	1H results	1H plan	Annual plan
Current products	2.9	2.8	7.0
CASE compatible products	4.5	2.9	1.0
Total	¥3.4 bil.	¥3.1 bil.	¥8.0 bil.

Per-car sales plan

- ✓ Slight decrease due to changes in the model mix of major Japanese OEMs



Product Strategy

Capture market needs through existing technologies and CASE products and create high value-added products

Existing products	Fasteners	<ul style="list-style-type: none"> • Solid foundation – applied in new models of most JPN OEMs and Tier 1 manufacturers. • Develop new products by going beyond the conventional functions of "connecting" and "securing." • Develop high-priced products and expand product lines by leveraging our production technologies for both resin and metal (e.g. products corresponding to giga casting and sustainability). 	New products utilizing conventional technologies	Organizational reform	
	Open/Close mechanism parts	<ul style="list-style-type: none"> • Competitive - many inquiries from OEMs around the world • Electric latches for glove box awarded in North America – aiming orders for other models as well as orders from JPN OEMs. • Integration of actuator technology and existing composite part designing technology to secure higher added value and competitiveness. Apply it to non-automotive fields. • Our parts are used in the console box of Nihon Plast, which are exhibited at trade shows. 			<ul style="list-style-type: none"> • Open-source part (multi-purpose hook) combining fastening technology and composite part designing technology, which is developed jointly with Hyundai Kia. • Aim for sales expansion in South Korea, India, and other regions.
	Fluid Control parts	<ul style="list-style-type: none"> • Continued demand for fuel system parts until around 2045 due to global increase in PHEVs. • Improved fuel valves contribute to securing business with Nissan and Mazda and increase sales with other JPN (survivor's advantage). • Stable share of valves for Suzuki, with further sales growth expected due to regulations in India. 			
	Powertrain system parts	<ul style="list-style-type: none"> • Declined demand over the medium to long term - Capture short-term business opportunities. • In North America, JPN OEMs are advancing transmission development to improve HEV fuel efficiency – demand in existing products. • Chinese OEMs are rapidly developing PHEVs – increase in demand expected. 			
	CASE <CASE products>	<ul style="list-style-type: none"> • With the advancement of CASE, demand continues to expand. • Bus bar: Can be manufactured by both forming and pressing. Actively working to secure orders. • ADAS-related parts: ADAS brackets awarded by Chinese OEMs and for India business. Continue sales efforts. 			

Development system by the Product Development Division

Changed from a product-based structure to a function-based structure, aiming to accelerate product development and create high value-added products.

Main initiatives

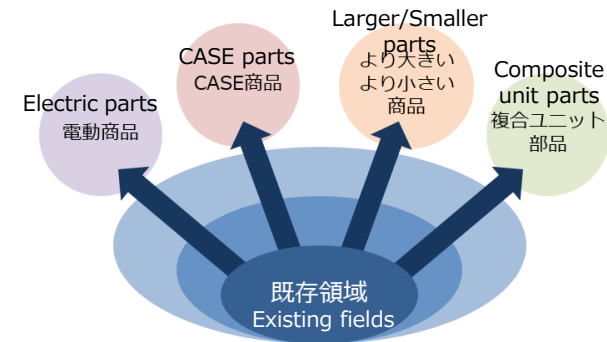
Reallocate local designers to promptly capture and respond to customer needs. Promote exchanges of personnel and technologies through co-creation activities with customers and personnel reshuffle in the Group.

Product Development Combining Existing Technologies

Key points in developing new products

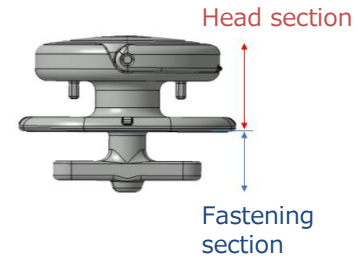
- Evolve “connecting” beyond conventional product lines and “connect with end users

- Challenges to larger products - from palm-sized to **larger sizes**
- Connect not only invisible interior parts but also **visible parts**
- from “behind” to “between”
- High value-added **composite unit parts**
- Interior parts **less affected by electrification**



Open-source hook (multi-purpose hook) developed jointly with Hyundai Kia

- Medium-sized composite unit part developed jointly by Piolax Korea and Hyundai Kia.
- Provide “accessory usage environment” allowing flexible in-vehicle usage - response to diversified lifestyles and vehicle applications.
- Dimensions and shapes of the fastening section is open to the public – the head section can be developed according to use.



Exhibited at Tokyo Mobility Show 2025



Enabling “connection” of various products

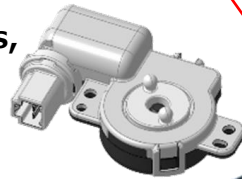
CASE Products

- ✓ The sales expansion target for the 1st half has been achieved. To achieve 10 billion yen in sales by FY2030, we will invest our resources to enhance sales activities and product technology development.

Electric latch

Electric mechanism used in the glove box, etc. allowing touch panel operation. Quiet. Superior operability coordinating with doors and windows.

- **Awarded by a non-JPN OEMs, expanding to other models.**
Inquiries increasing from JPN OEMs.



ADAS-related parts <FY30 sales target: 2 billion yen>

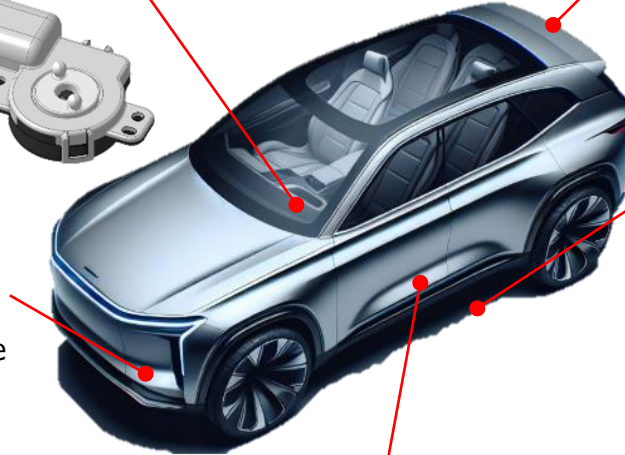
Fasten various devices for advanced driver assistance systems to the vehicle body. (e.g. brackets to fix cameras, sensors, and sonars)

- **ADAS bracket awarded by Chinese OEMs and for India business**



Joints for battery cooling pipe

Absorb misalignment and/or variation of cells.



Damping stoppers

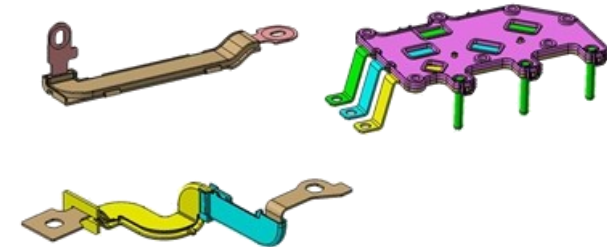
Overwhelmingly lighter, quieter, and less expensive compared to current dynamic dampers.

Bus bars

<FY30 Sales Target: 2.5 billion yen>

Copper or aluminum parts used to distribute power from a single power source to multiple outputs. Greater wiring flexibility, space-saving, and efficient compared to conventional products.

- **Enhancement of strategy** – raise OEMs' recognition of our bus bars made by pressing and further differentiate our bus bars with forming technology.



Regional Strategy

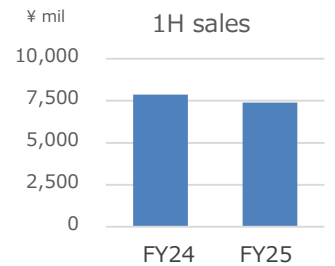
North America

- Increase sales to Big 3
- FY30: Sales of ¥18 bil. or more

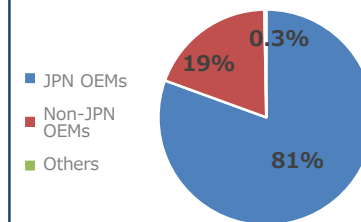
- 1) Review business structure (sales, development).
- 2) Consider sales scheme for vehicles made in South America.
- 3) Promote selling products to other models and enter new fields (pursuing value-added products).

Reduced sales and profit due to reduced production of our major customers

- **Collect US tariff costs following the local framework**
- While response to the tariff issues delays our structural review, sales system for each customer has started to be reviewed.
- Establish business channels with trading companies to increase our sales of o/c parts for made-in-South-America models



1H sales breakdown



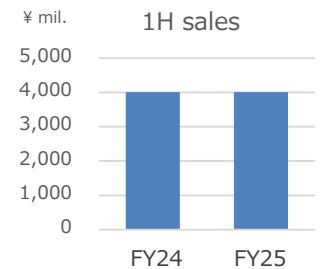
China

- Increase sales to Chinese OEMs
- FY30: Sales of ¥11 bil. or more (¥4 bil. from Chinese OEMs)

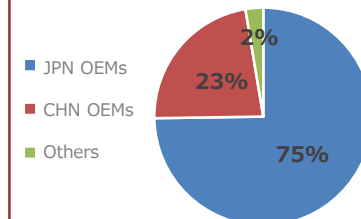
- 1) Build a system so that all processes from design and development to production will be completed in China in a speedy manner, satisfying local needs.
- 2) Focus on profitable products and use local materials to reduce costs.

Sales increase to CHN OEMs cover up reduced sales to JPN OEMs due to their production cut

- **Production reallocation and optimal staffing** (special loss of ¥250 mil.)
- **1H sales to CHN OEMs are ¥1 bil, 40% up from the previous term. The half of sales increase in the 1H is from non-JPN OEMs** (fasteners, o/c parts, CASE parts).



1H sales breakdown



Regional Strategy

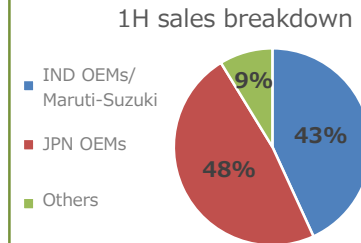
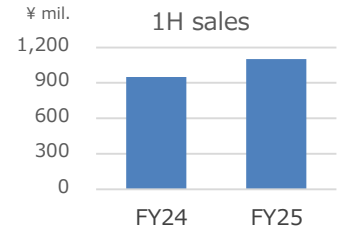
India

- Active investment in the growing market
- Strengthen the organization toward sales of ¥10 bil.

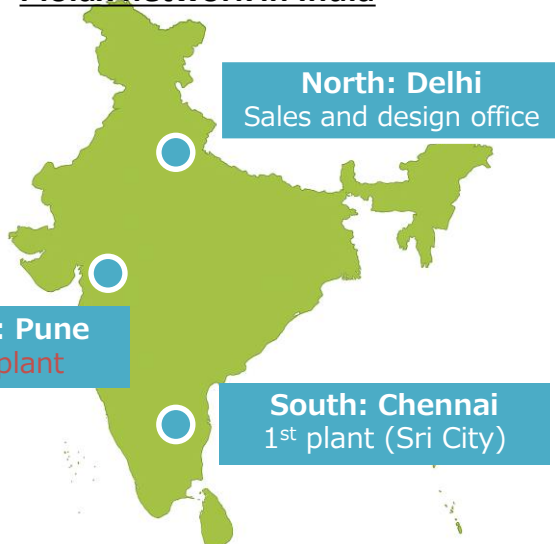
- Enhance sales to Maruti Suzuki and local OEMs.
- Increase production capacity by building a second plant.
- Expand the product size we handle for larger sales.
- Further promote motorcycle products.
- Strengthen R&D system (existing products, advanced development).

Strong performance fueled by market growth

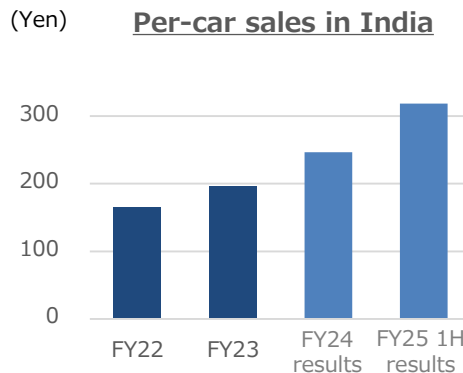
- Seat-related parts for Maruti Suzuki, ADAS-related parts for other OEMs, parts for non-automotive application
- **2nd plant being constructed in Pune** aiming for operation start in FY26



Automotive industry clusters and Piolax network in India



- ✓ Pune: Tata and Mahindra are located. Sales increase is expected.
- ✓ With the 2nd plant, we will be able to cover all OEMs in India, which should increase our sales opportunities.

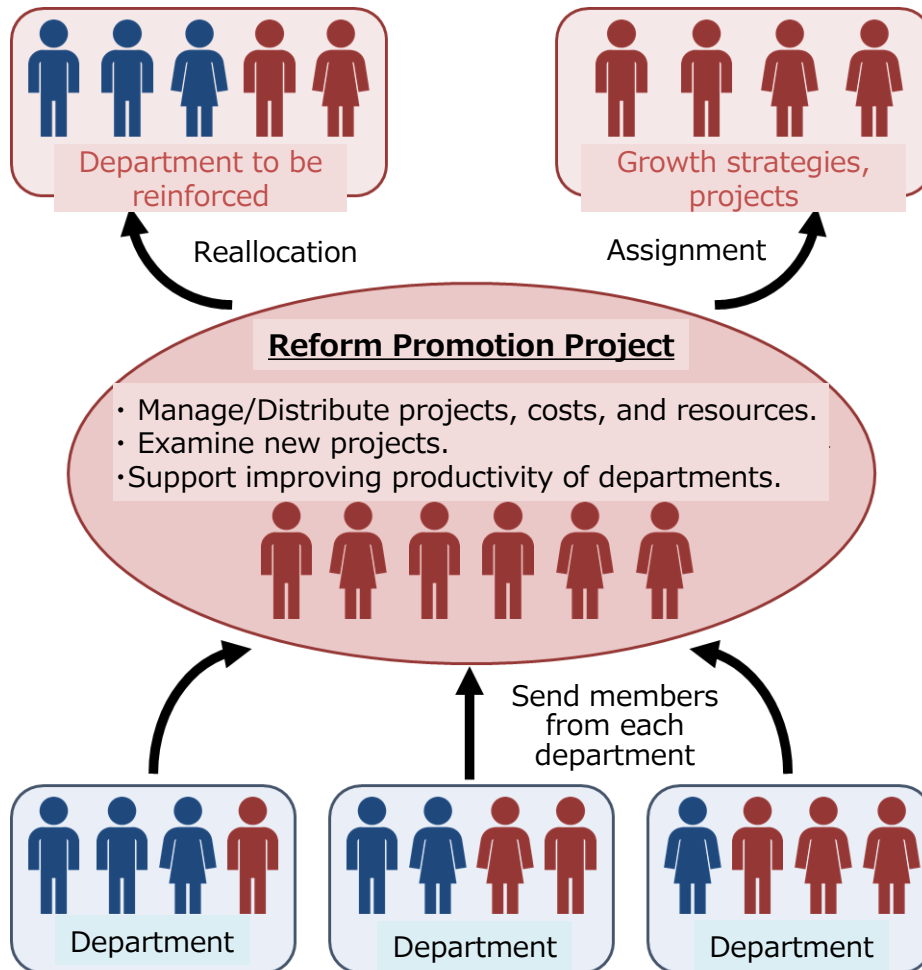


2nd plant in Pune (image)



Special Improvement Activities

- ✓ Under a challenging business environment, a reform promotion project directly under the president has been launched since this June to improve profitability by advancing both top-line growth and cost structure reform.



Each department reviews processes from scratch to improve productivity toward the target state.

Dedicated project members are selected from each department. They lead company-wide sales expansion and cost reduction activities to accelerate the growth strategies.

Some members are reassigned to departments targeted for reinforcement.

Main activities

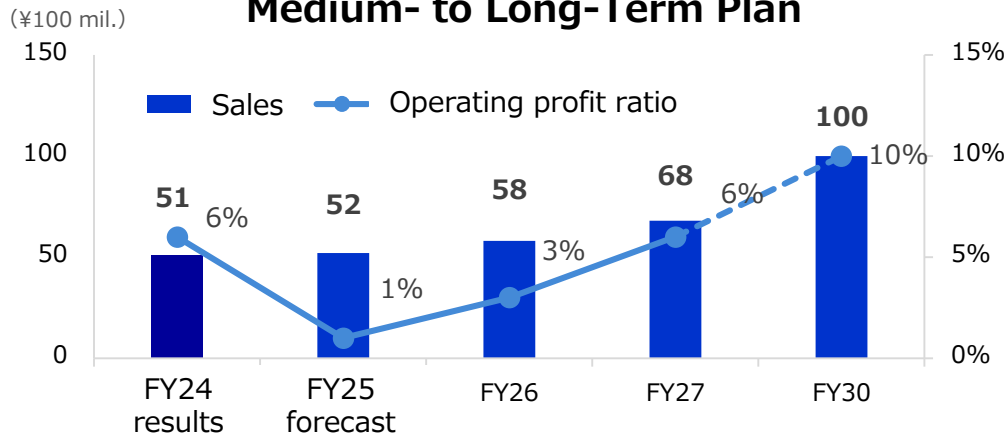
- Sales expansion of existing, CASE, and new products ⇒ Launch of bus bar project
- Production reallocation on a global basis
- Thorough productivity improvement and cost reduction

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FY25 1st Half Financial Summary - Medical Device Business

Medium- to Long-Term Plan



✓ Both sales and operating profit are as planned.

Unit: ¥100 mil.	FY24 1H results	FY25 1H results	Gap
Sales	26	25	▲ 1
Operating profit	2	0.8	▲ 1
Operating profit ratio	8.6%	3.3%	▲ 5.3%

Medium- to long-term focus products

1. Stents <FY30 sales target: plus ¥1.2 bil.>

Biodegradable gastrointestinal stent (for esophagus) “BD Stent”

- ✓ The launch will be delayed to Q1 of FY26 due to the administrative process for determining the reimbursement price.
- ✓ Conduct promotion at academic conference seminars in Jun. and Nov.

Covered biliary stent “Covered Bile Rush Advance”

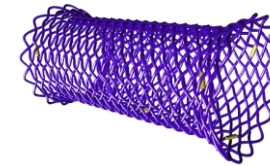
- ✓ Launched (Resold) in April and will achieve the sales target. Other versions are being developed for wider application.

2. Guidewires <FY30 sales target: plus ¥0.6 bil.>

- ✓ A contract has signed to expand OEM overseas business.

3. Coils <FY30 sales target: plus ¥1.2 bil.>

- ✓ Development is progressing as planned and to be launched next FY.



BD Stent

Japan's first biodegradable esophageal stent that enables patients with refractory benign esophageal strictures to maintain oral intake for a certain period without conventional treatment



Covered Bile Rush Advance

Resale start in April 2025. A device implanted to dilate bile ducts narrowed by tumors and to restore bile drainage function. It offers excellent operability and features a cover on the stent surface to suppress endothelial cell proliferation.



Cannula for cholangiopancreatography

Sales start in November 2025. A new contrast cannula that simplifies the treatment process and enables safer treatment.

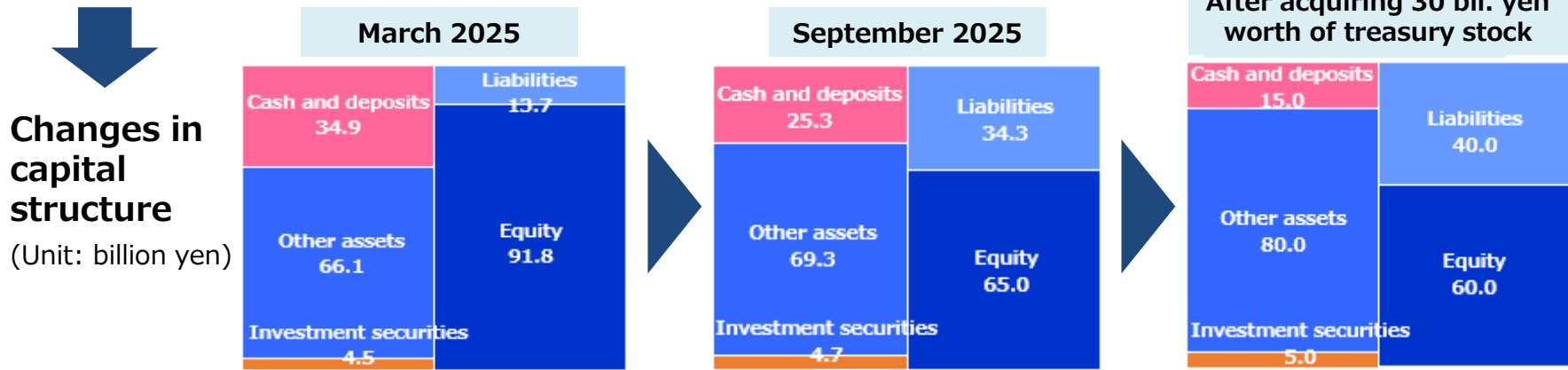
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Capital Policy

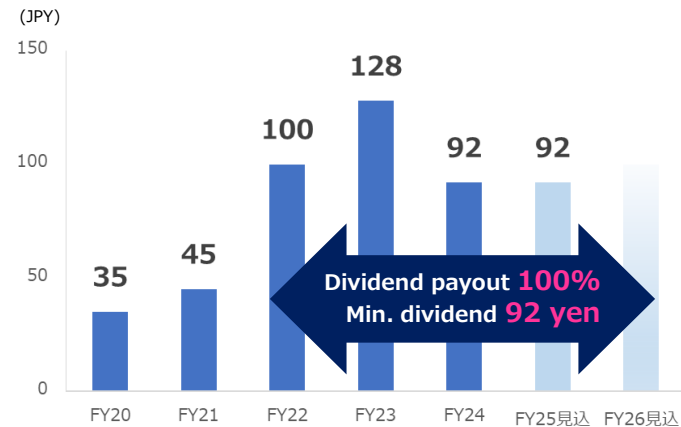
Cumulative share buyback of 30 billion yen over three years

- ✓ Market purchases were conducted from May 13 to November 18, 2025, with **additional 2 billion yen** acquired.
- ✓ Together with the market purchases of **2.6 billion yen** from November 2024 and the TOB of **21.7 billion yen** in February 2025, **26.3 billion yen** have acquired in total.



Dividend Policy

- ✓ Continue 100% dividend payout ratio and 92 yen or more dividend until FY26
- ✓ Dividend policy from FY27 onwards is under review



Appendix

New Head Office / Moka Plant



New Head Office

<Iwai-cho, Hodogaya-ku, Yokohama-shi, Kanagawa>

- Completed in August 2025
- Move-in started at the end of September
- Operation started from October

Taking this opportunity, we will pursue workstyle transformation and productivity improvement.



New Moka Plant

<Matsuyama-cho, Moka-shi, Tochigi>

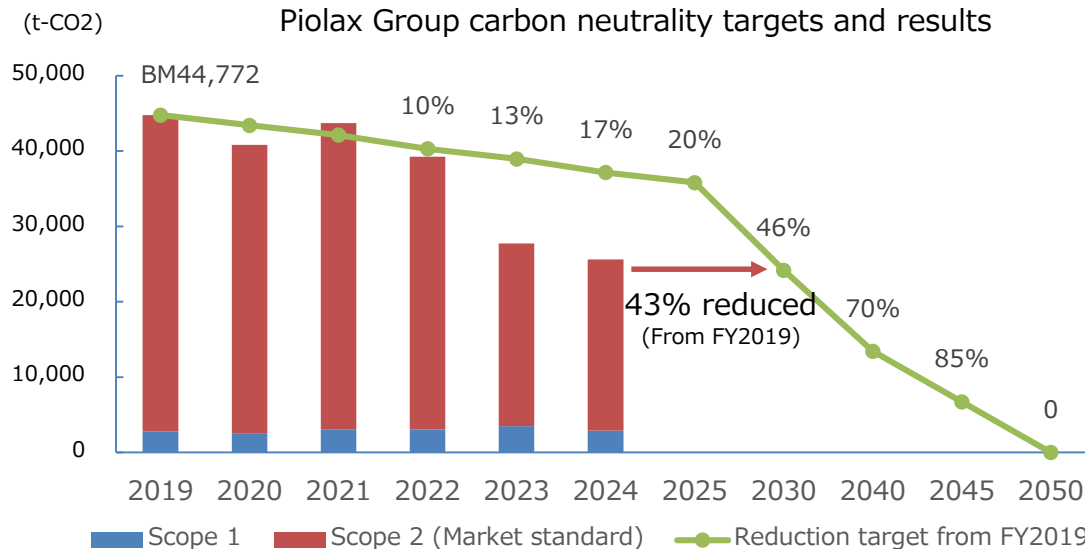
- 1st phase construction completed in December 2023
- 2nd phase construction completed in September 2025 (Fully completed)

We will advance efforts to enhance productivity through automation and digital transformation, and to establish production systems for sales expansion.

Sustainability Initiatives

Carbon neutrality status

✓ We are achieving our goal ahead of schedule.



Key initiatives

- Introduction of solar power generation
- Switch to CO₂-free power contracts at domestic production sites
- Carbon offset using green power certificates at overseas bases
- Third-party verification for Scope 1 and Scope 2 emissions

Promotion of self-sufficiency through renewable energy (solar power)

Started at the UK base in 2017

Started at the Thailand base in 2020

Expanded at the UK base in 2022

Phase 1 construction completed at the US base in 2023*

Started at Moka and Fuji Plants in 2024

*The US base is advancing a five-phase installation plan aiming for completion by 2030

Precaution for Handling This Document

The forward-looking statements regarding our company in this document are based on information currently available to us.

Please note that they are only projections at this time containing risks and uncertainties, and actual results may differ significantly from the projections.