



新光商事株式会社
Shinko Shoji Co., Ltd.

**Earnings Report for FY 2025
(Fiscal Year Ended March 31, 2026)**

- Financial Summary
- Growth Strategy
- Forecast for FY 2026

May. 2026

Tatsuya Ogawa, President / CEO

Disclaimer

**This English translation is for reference purposes only.
When there are any discrepancies between the original
Japanese version and the English translation, the original
Japanese version will always prevail.**

Notes on handling materials

The prospect in this presentation is based on the information that is available at the present moment.

Because it includes uncertainties and risks, there is a possibility that actual performance will differ significantly from those expressed or implied in this prospect.

Major risks and uncertainties are as follows:

- Economic conditions and consumption trends in major markets (Japan, Asia, etc.)
- Changes in the electronics industry and technological trends
- Sharp fluctuations in supply and demand in our major product markets
- Substantial fluctuations in the exchange rates of the U.S. dollar and other foreign currencies against the yen

Financial Summary

Key Highlights of Financial Results for the FY 2025

In the electronics industry, demand for AI-related and data center applications remained strong, while inventory adjustments have largely ended, leading to a recovery in demand driven by capital investment.

For our company, net sales decreased year on year, mainly due to the termination of the distribution agreement with Renesas Electronics Corporation in September 2024, despite increased contributions from the full acquisition of SHIMIZUSYNTEC Corporation in June 2025. On the profit side, earnings increased compared with the previous year, supported by the contribution from SHIMIZUSYNTEC Corporation and the absence of inventory write-downs related to Renesas products recorded in the prior year.

Overview of Financial Results (Year-on-Year Comparison)

(Unit : Millions of yen)

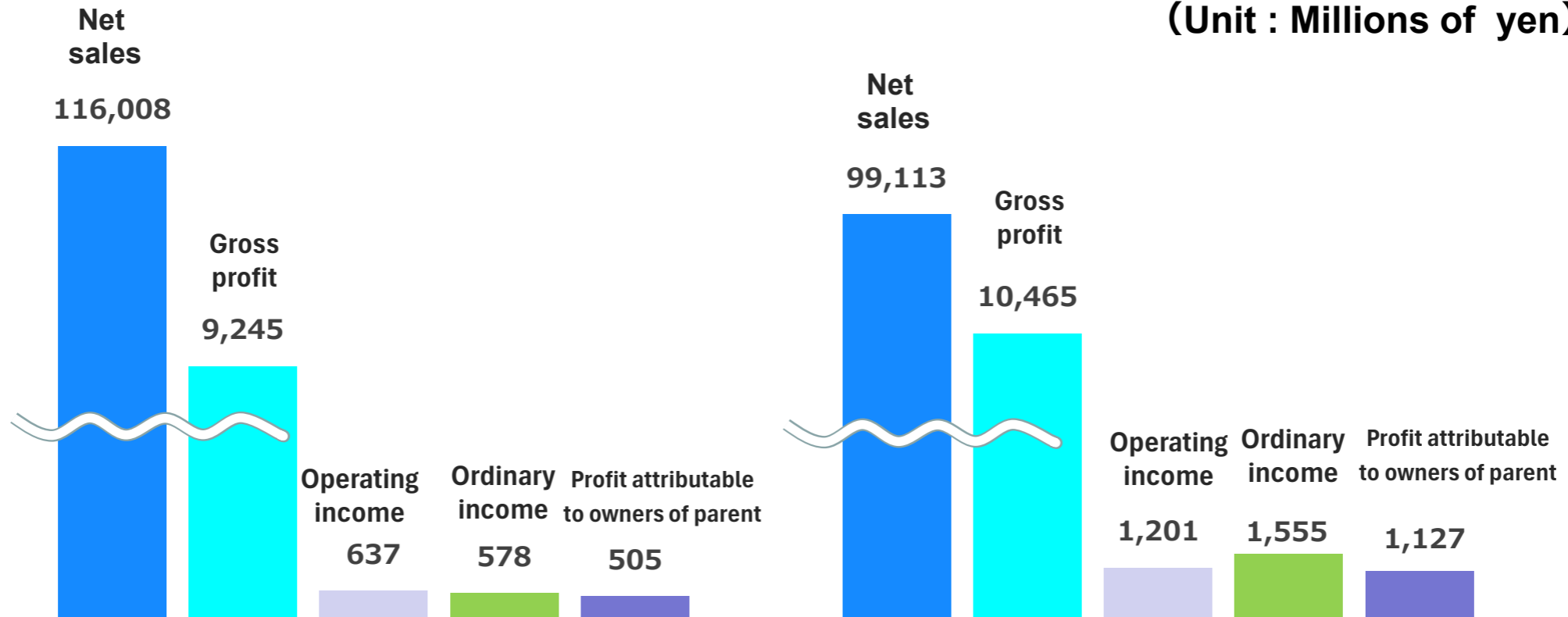
	FY 2024	FY 2025	Growth Rate	YoY
Net sales	116,008	99,113	(14.6%)	(16,895)
Gross Profit	9,245	10,465	13.2%	1,220
Selling, general and administrative Expenses	8,608	9,263	7.6%	655
Operating income	637	1,201	88.5%	564
Ordinary income	578	1,555	169.0%	977
Profit attributable to owners of parent	505	1,127	123.1%	622
Basic earning per share	15.75yen	38.72yen	-	22.97yen
Annual dividends per share	Interim 7.50yen Year-end 8.00yen	Interim 6.00yen Year-end 12.50yen	-	-

Consolidated income statement

FY2024
(April 1, 2024 - March 31, 2025)

FY2025
(April 1, 2025 - March 31, 2026)

(Unit : Millions of yen)

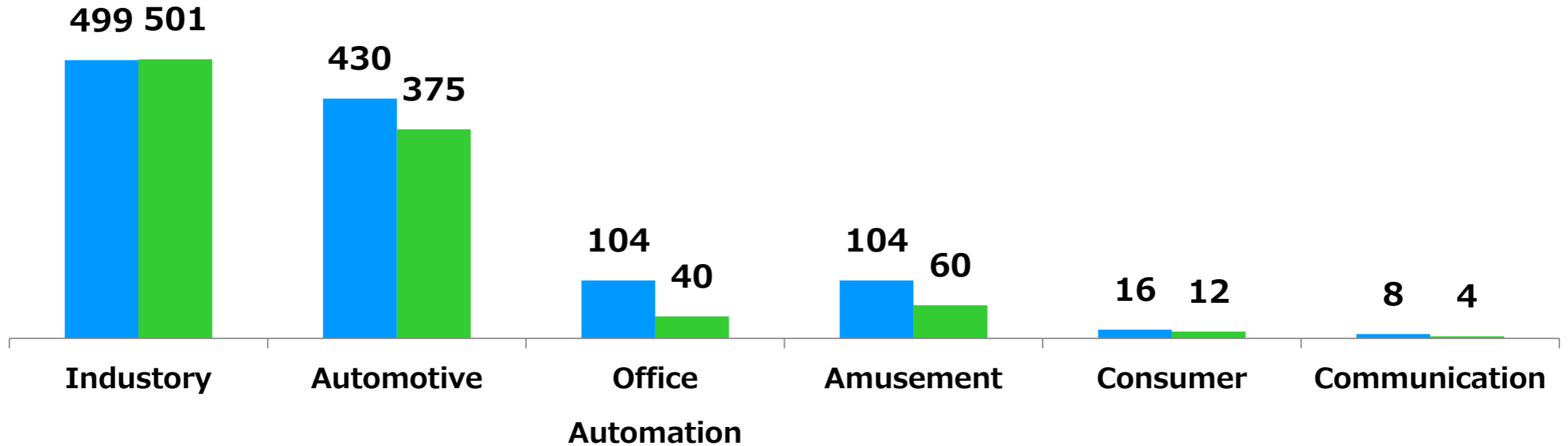


Sales composition ratio by market (amount)

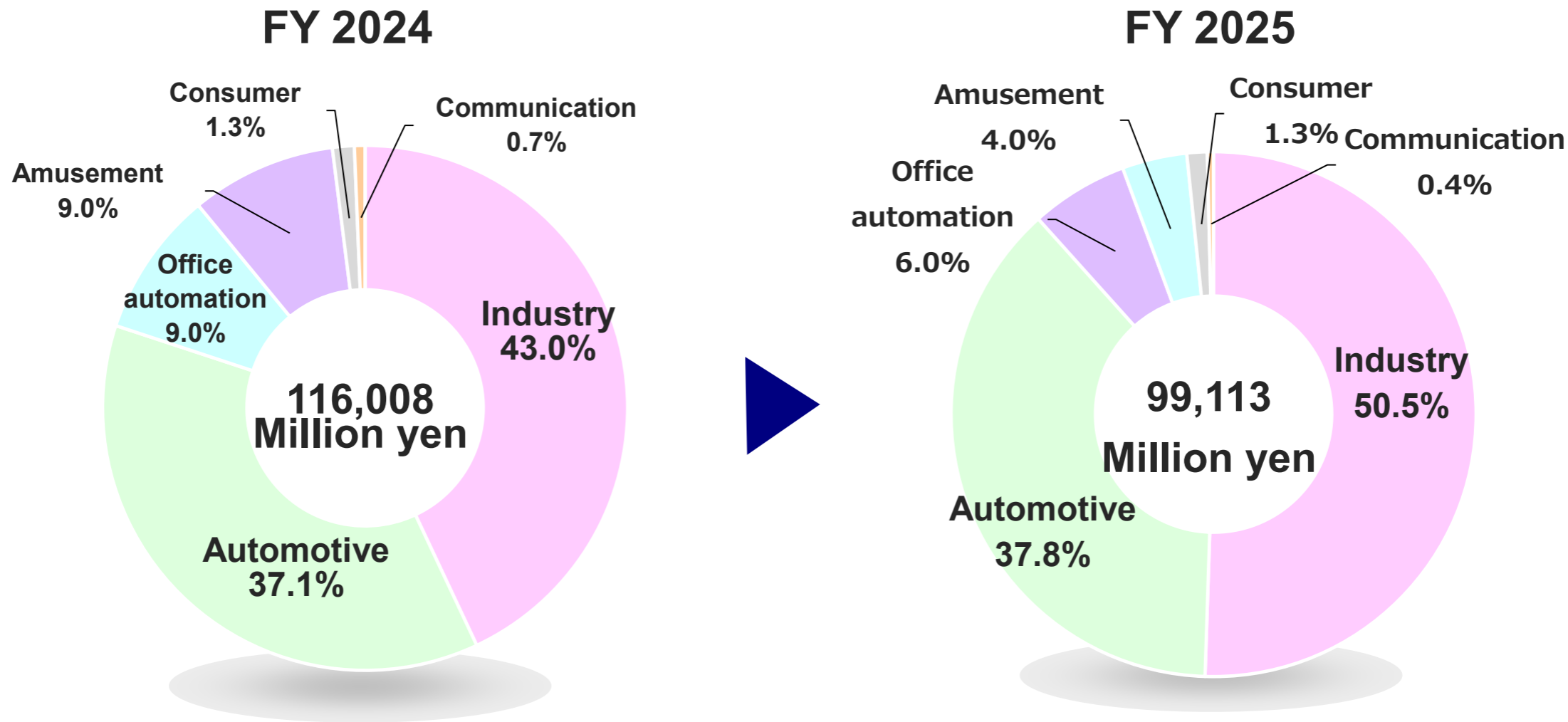
Net sales : FY2025 99.1 billion yen [YoY: (16.9) billion yen]
 FY2024 116.0 billion yen

(Unit : 100 Millions of yen)

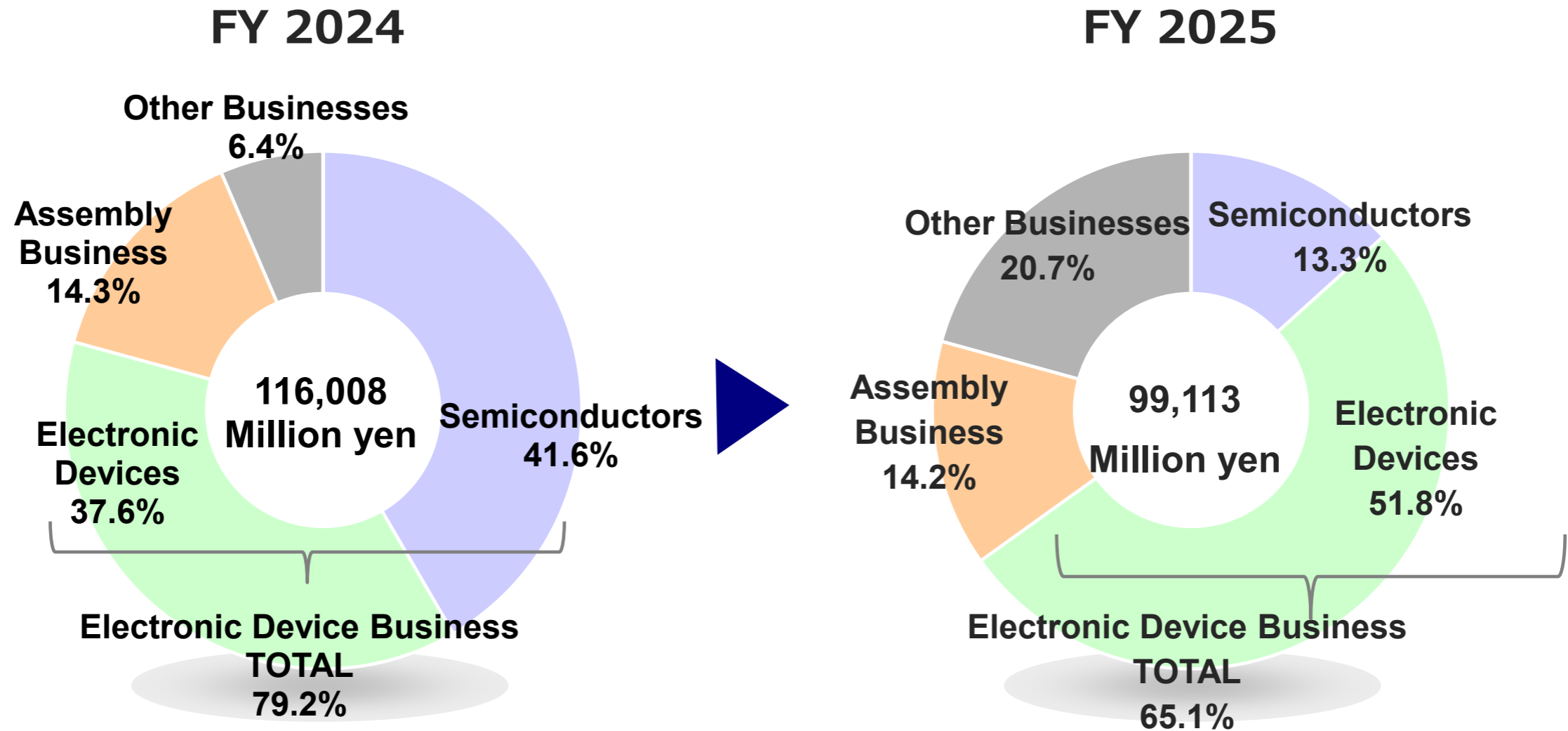
■ FY 2024 ■ FY 2025



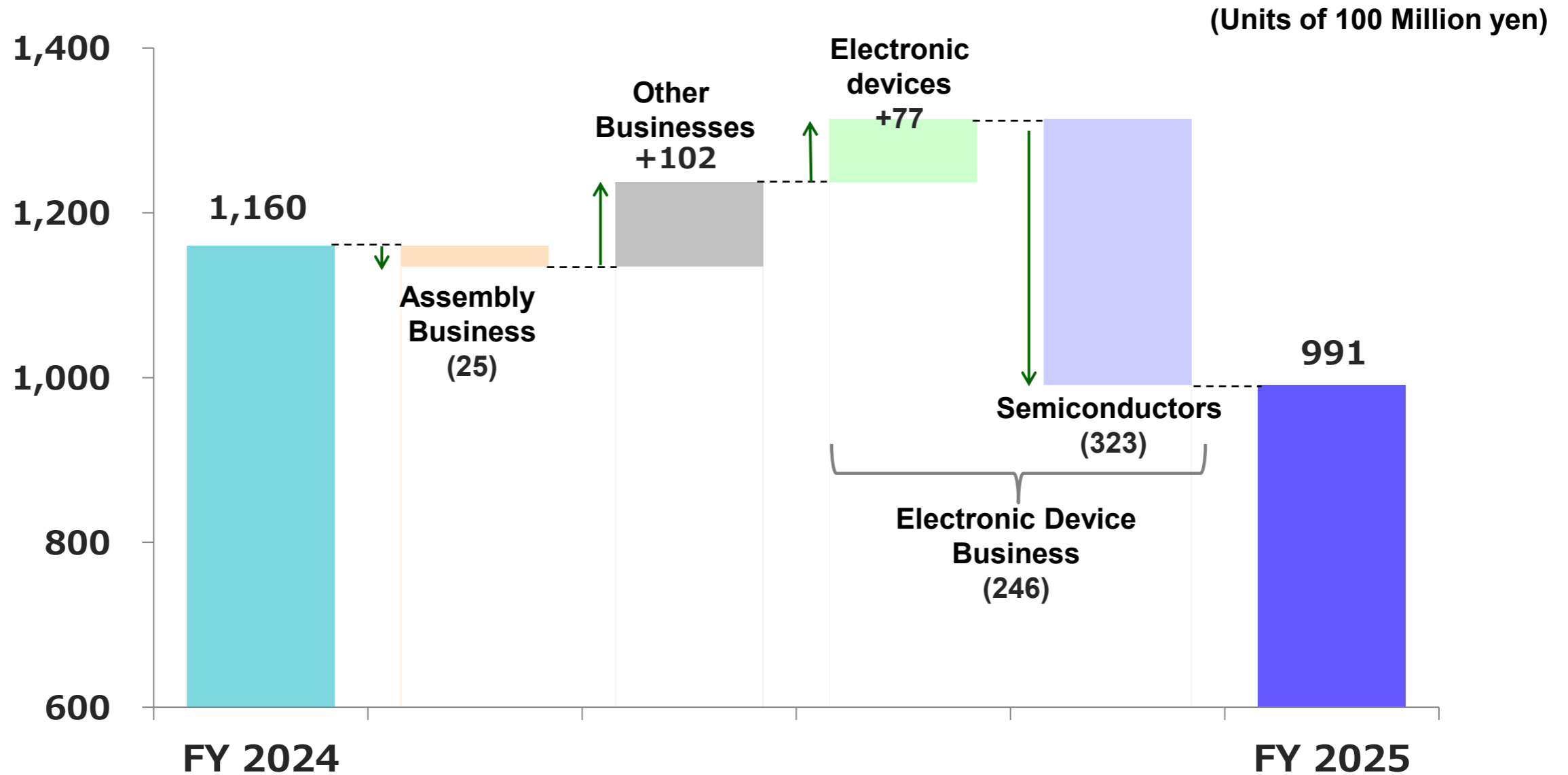
Net Sales Composition Ratio by Market



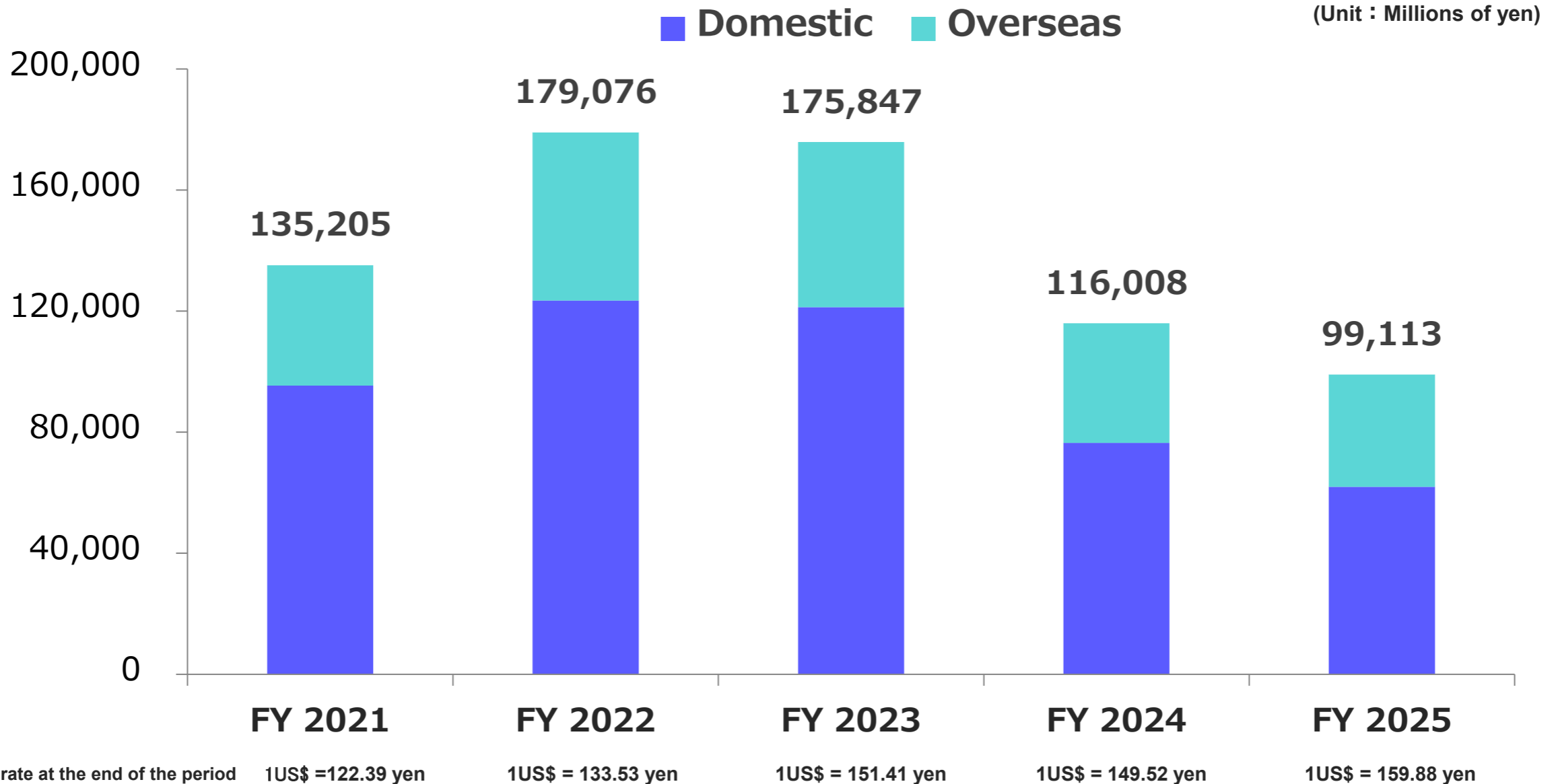
Net Sales Composition Ratio by Products



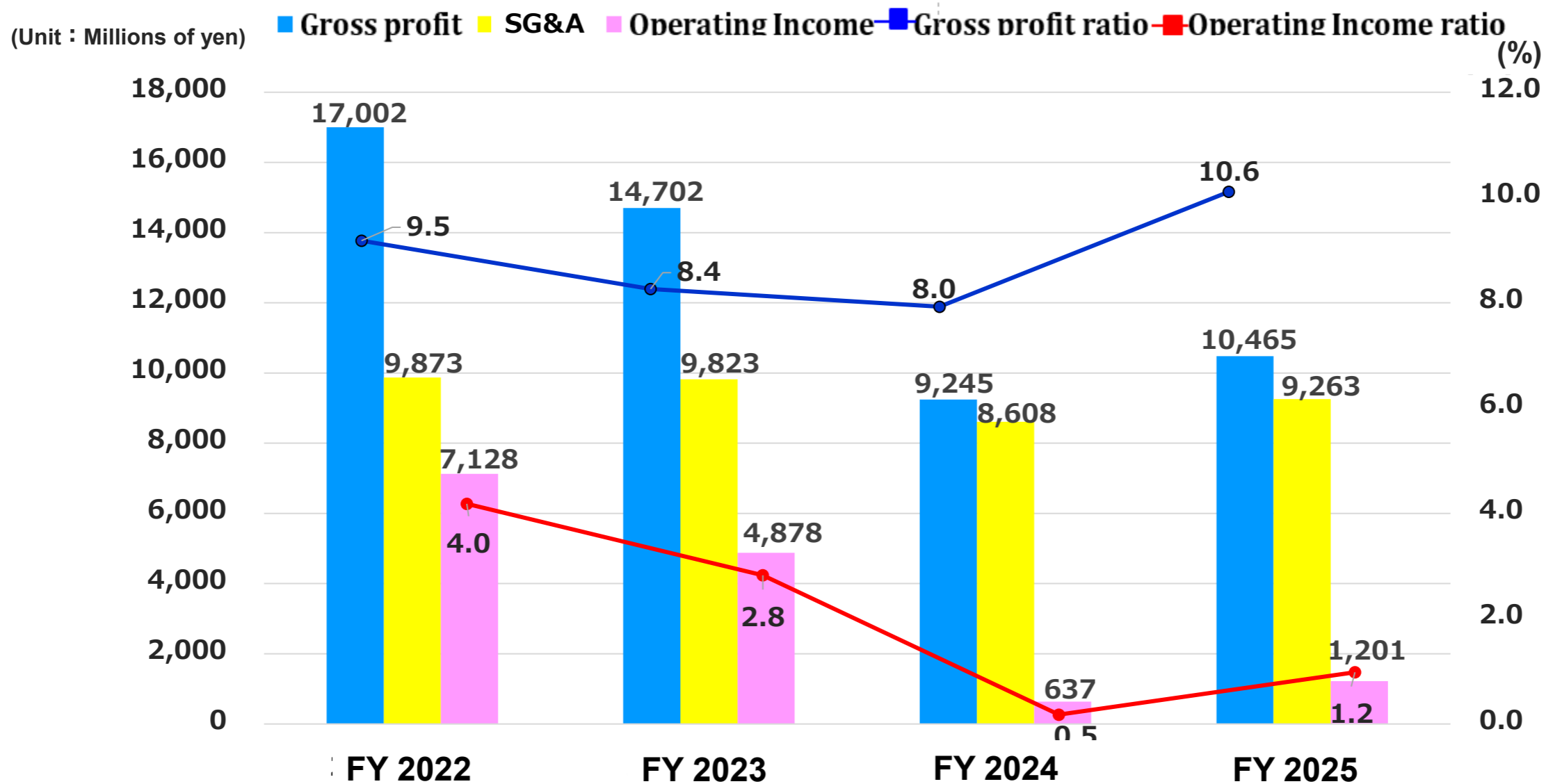
Changing Factors for Net Sales



Trend of Net sales



Gross profit / Gross profit ratio / SG&A Transition



Summary Balance Sheet 1 (Assets)

(Unit : Millions of yen)

	FY 2024	FY 2025	YoY
Total assets	80,051	80,796	
Current assets	71,517	69,772	(1,745)
Cash and deposits	28,616	30,333	1,717
Notes and accounts receivable –trade, and contract assets	16,595	19,335	2,740
Securities	2,995	-	(2,995)
Merchandise and finished goods	15,079	12,444	(2,635)
Accounts receivable – other	7,865	6,238	(1,627)
Other	323	1,393	1,070
Non-current assets	8,534	11,023	2,489
Property, plant and equipment	651	1,207	556
Intangible assets	103	1,613	1,510
Investments and other assets	7,779	8,202	423

Summary Balance Sheet 2 (Liabilities and Net Assets)

(Unit : Millions of yen)

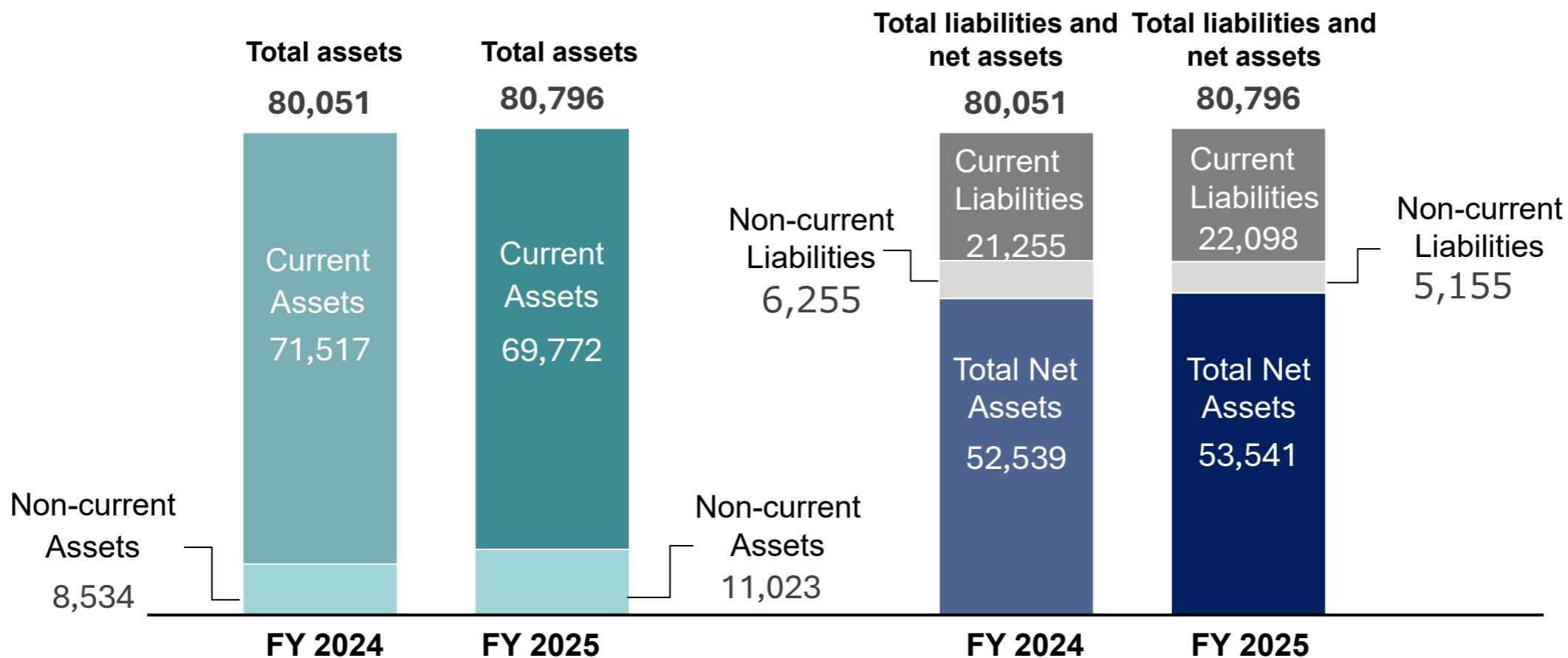
	FY 2024	FY 2025	YoY
Total liabilities	27,511	27,254	(257)
Current liabilities	21,255	22,098	843
Notes and accounts payable – trade	13,582	14,353	771
Short-term borrowings	2,270	1,000	(1,270)
Current portion of long-term borrowings	3,500	2,800	(700)
Contract liabilities	8	1,359	1,351
Non-current liabilities	6,255	5,155	(1,100)
Long-term borrowings	4,300	1,500	(2,800)
Total net assets	52,539	53,541	1,002
Capital and capital surplus	19,117	19,100	(17)
Retained earnings	34,020	28,328	(5,692)
Treasury shares	(7,431)	(2,249)	5,182
Total liabilities and net assets	80,051	80,796	745
Equity ratio	64.6%	65.2%	0.6%

Consolidated Balance Sheet

(Unit : Millions of yen)

Total assets

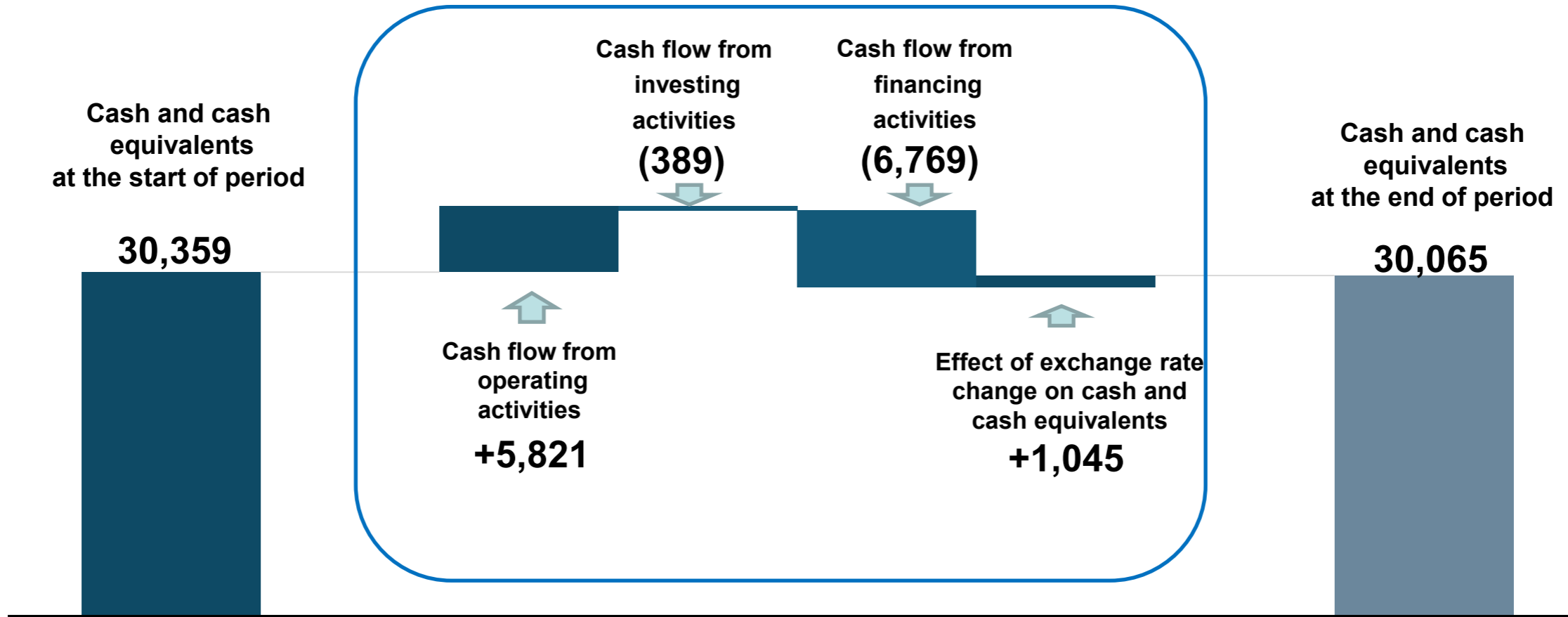
Total liabilities and net assets



Changing factors for Cash Flows

FY 2025 (April 1st, 2025~March 31, 2026)

(Unit : Millions of yen)



Growth Strategy

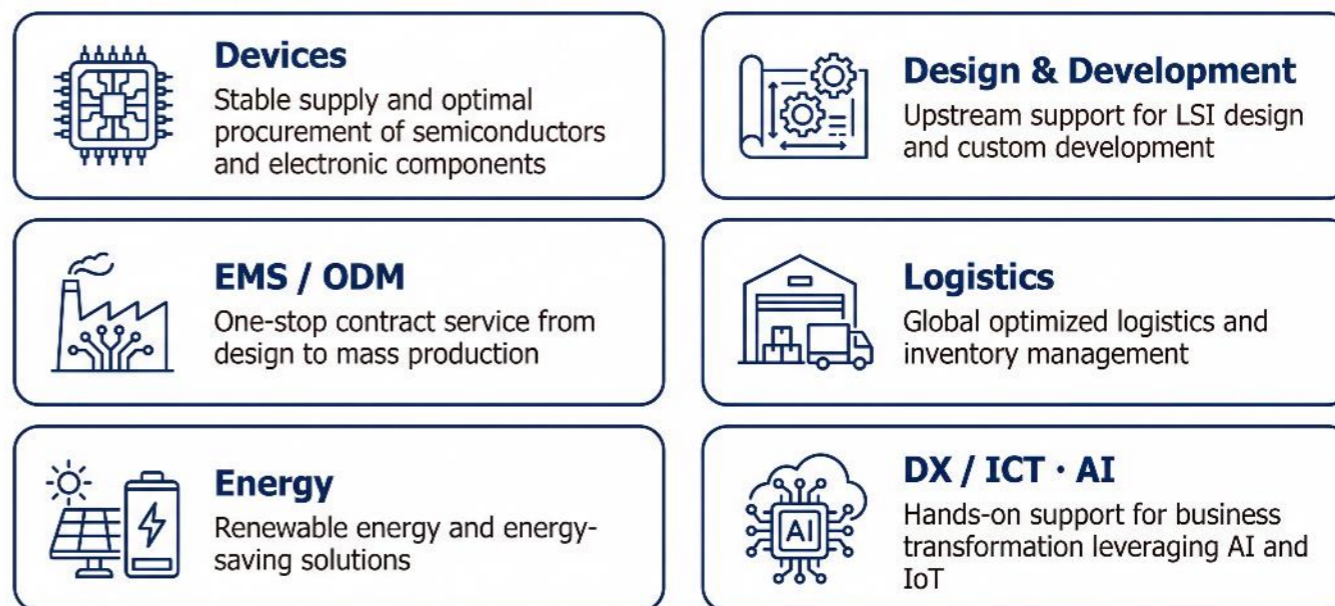
- Expansion of the solutions business
- Development of a new business model through the creation and enhancement of new core products and related initiatives

Our Business Areas

Shinko Shoji supports customer success through tailored business solutions, including product supply, optimized logistics, technical support, development coordination, EMS, and global expansion. We also contribute to a sustainable society through our services.

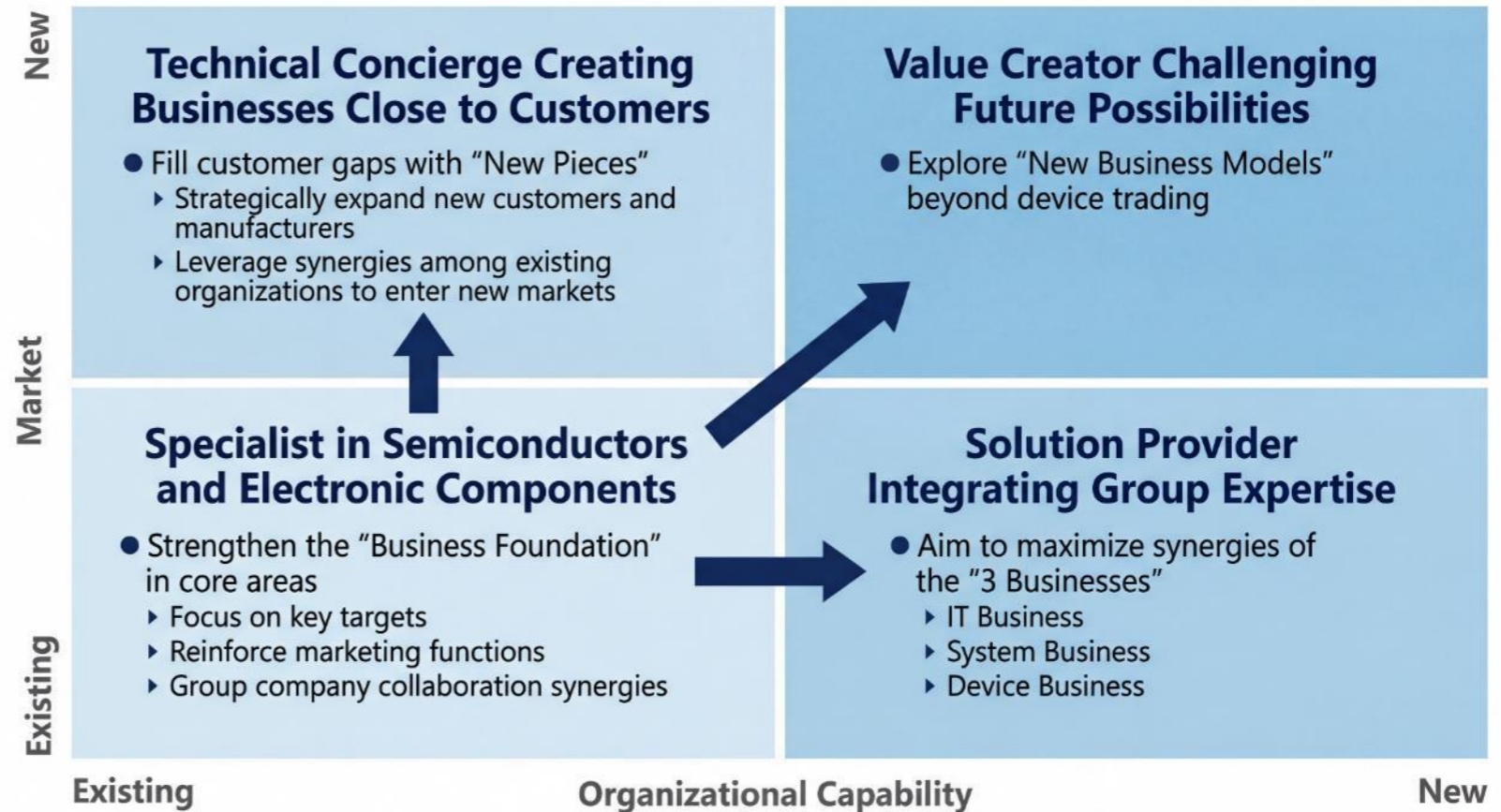


Six Business Areas × Value Delivered



The Shinko Shoji Group's Strategic Direction for Future Evolution

Leveraging newly acquired organizational capabilities to expand into new business areas

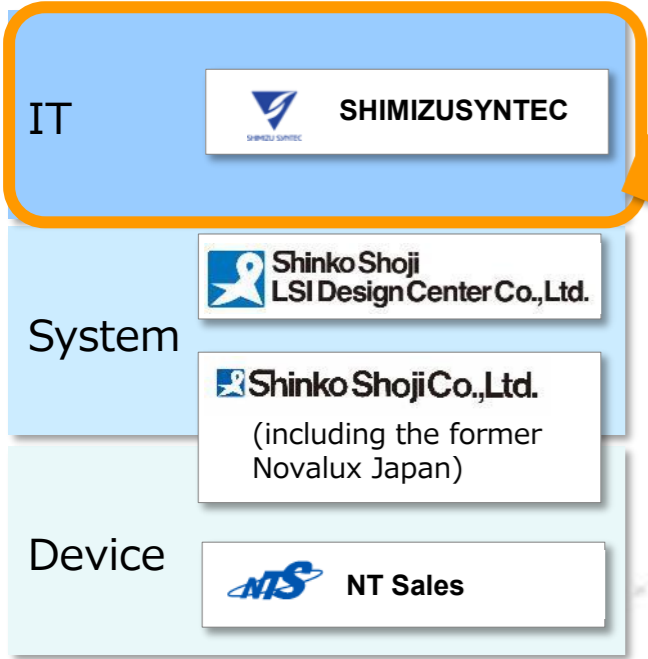


Technical Concierge

Horizontally deploying SHIMIZUSYNTEC's proven IT/DX problem-solving capabilities to customers of the Shinko Shoji Group



Three-Layer Solutions



From Hokuriku to Nationwide



Kanazawa (Head Office)



Factory



Logistics



Product Differentiation



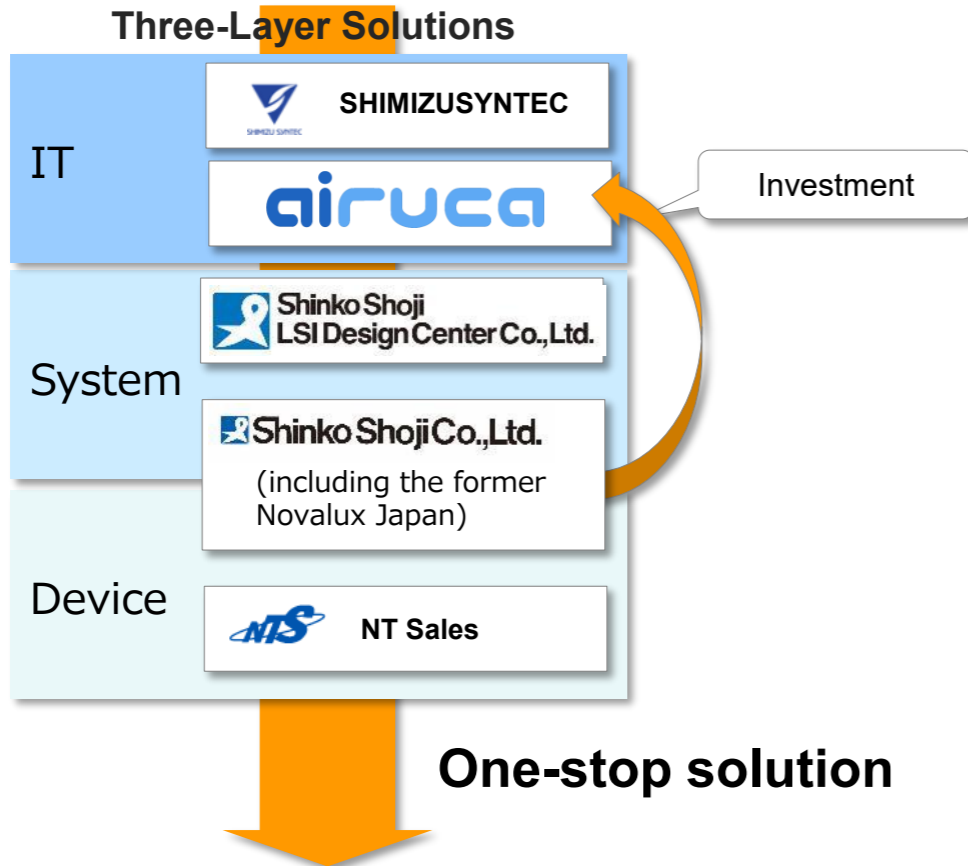
■ Licenses & Certifications

- Licenses
 - MLIT License (Spec.) – Telecom / Electrical
 - MLIT License (Gen.) – Fire Protection
- Professional Qualifications
 - SE (Telecom / Electrical)
 - TCME (L1 / L2)
 - LE (L1 / L2)
 - CATV CSE
 - SRO (L1 / L2)
 - DPS
 - OCS
 - CTE (T&S)
 - EWM Engineer (L1 / L2)
 - CEME (L2)
 - TE (Gen. / Dig.1)
 - FPEE
 - INP
- Certifications
 - ISO9001 • ISO14001

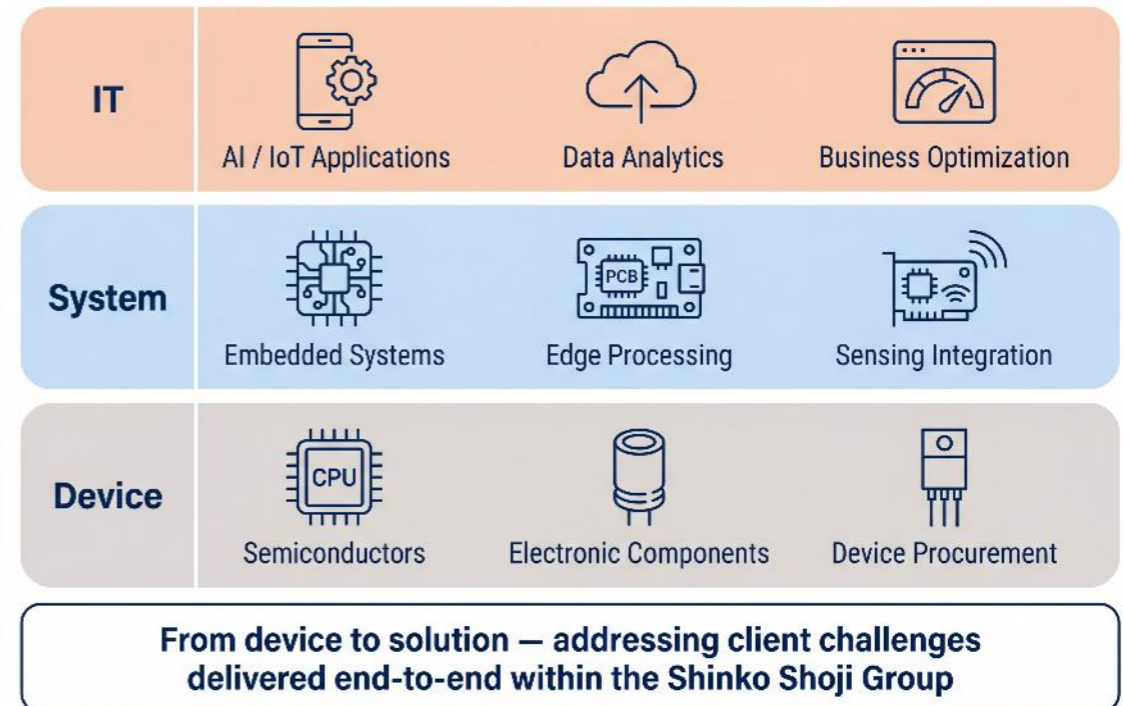
Solution Provider

Synergies from the Integration of Novalux Japan

- Amid growing demand for AI and IoT, the merger was executed to integrate group functions, build an integrated offering of semiconductors, electronic components, and systems, and drive business expansion and corporate value enhancement.



Semiconductors & Electronic Components × Systems × AI/IoT Solutions
End-to-End Integrated Delivery Framework



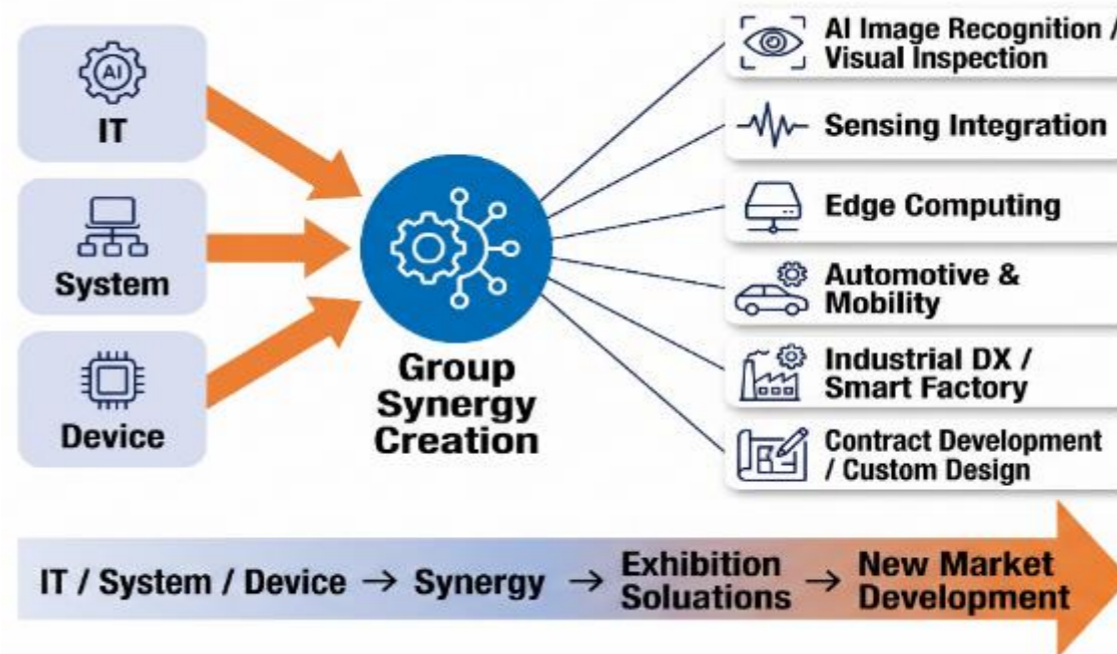
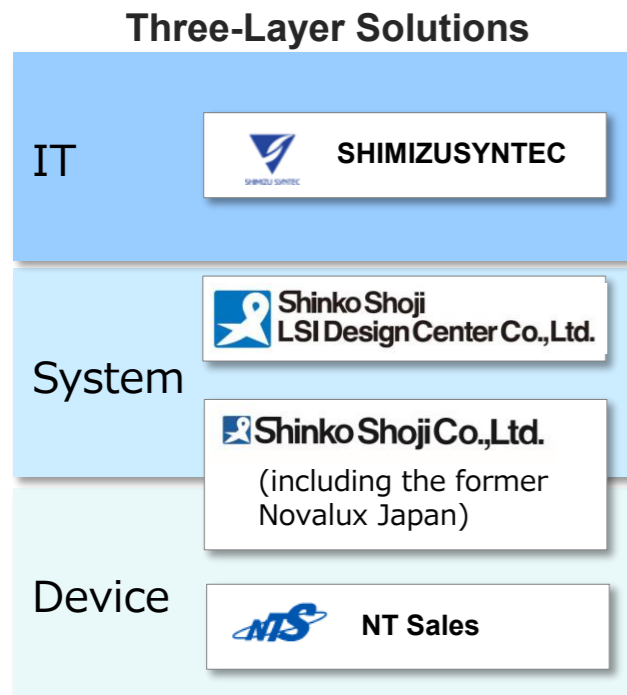
Value Creator

Strengthening Synergies, Expanding into New Areas

- Joint Exhibition by the Entire Shinko Shoji Group at Japan IT Week Spring 2026



Solutions Driven by Three-Layer Synergies



Forecast for FY 2026

Earnings Forecast and Dividend Outlook for FY 2026

- Consolidated Financial Result Forecasts for the Fiscal Year Ending March 31, 2027
(from April 1, 2026 to March 31, 2027) (Unit : Millions of yen)

	Results for the fiscal year ended March 2026	Forecast for the fiscal year ending March 2027	YoY	Increase and decrease
Net sales	99,113	126,000	27.1%	26,887
Operating income	1,201	1,800	49.8%	599
Ordinary income	1,555	2,100	35.0%	545
Profit attributable to owners of parent	1,127	1,400	24.2%	273

- Dividend per Share

Our basic policy for dividends is to target a consolidated payout ratio of around 50%.

	FY 2024	FY 2025	FY 2026(Forecast)
2Q end	7.5 yen	6.0 yen	12.0 yen
Fiscal year-end	8.0 yen	12.5 yen	12.5 yen
Total	15.5 yen	18.5 yen	24.5 yen
Payout ratio	98.4%	47.8%	50.0%

Tender Offer for Our Shares by Kaga Electronics Co., Ltd.

*Source: Disclosure dated May 15, 2026, “Notice Regarding the Expression of Opinion on the Tender Offer for Our Shares by Kaga Electronics Co., Ltd.”

Overview of the Tender Offer (TOB) for Our Shares by Kaga Electronics Co., Ltd.

May15,2026 Board of Directors Expressed “Opinion in Support”.
The decision on whether to tender is left to the discretion of the shareholders.

Key Terms of the Tender Offer

Offeror	Kaga Electronics Co., Ltd. (Securities Code: 8154)
Target Company	Shinko Shoji Co., Ltd. (Securities Code: 8141)
Tender Offer Price	1,580 yen per share
Total Purchase Price	Approx. 45.9 billion yen
Number of Shares to be Purchased	29,097,599 shares
Minimum Number	19,226,700 shares
Tender Offer Period	May 18 – June 26, 2026 (30 business days)
Commencement Date of Settlement	July 3, 2026 (scheduled)

Opinion of Our Board of Directors



Opinion in Support

We recognize a certain reasonableness in that the purpose and terms of this Tender Offer contribute to the enhancement of our corporate value.



Neutral Position on Whether to Tender

The decision on whether to tender shares is left to the discretion of our shareholders.



Premised on Making the Company a Wholly-Owned Subsidiary

Shares are scheduled to be delisted through subsequent squeeze-out procedures.

Expected Synergies from the Tender Offer

**Kaga Electronics Co., Ltd.
(Offeror)**

Synergies

**Shinko Shoji Co., Ltd.
(Target Company)**

Synergies Envisioned by Our Company



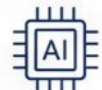
Expansion of product lineup through mutual complementation of suppliers



Expansion of end markets and overseas sales channels by leveraging the Offeror's customer base and global network



Strengthening of the assembly (EMS) business by leveraging the Offeror's global manufacturing network



Business expansion in high value-added areas such as software, AI, and DX



Strengthening of the organizational structure through joint recruitment activities with the Offeror and personnel exchanges within the group

Upcoming Schedule of the Tender Offer



Premise of this Schedule

- This schedule is based on the current assumptions as of the disclosure document dated May 15, 2026.
- The schedule is subject to change depending on approvals from the relevant authorities and the status of shareholder tenders.

Notes Regarding Delisting

- Following the completion of the Tender Offer, the Company's shares are scheduled to be delisted in accordance with the delisting standards of the Tokyo Stock Exchange, Inc., through prescribed procedures.
- The specific timing of delisting is undetermined at this point.

Contact Information

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