



Briefing Materials on the Financial Results for FY2025

May 19, 2026

Ryoyo Ryosan Holdings, Inc. (TSE Prime: 167A)

<https://www.rr-hds.co.jp>

1. Key Points of Today's Presentation

As the Group proceeds from management integration to merger of operating companies and takes positive steps to deliver future growth, an event has occurred that may have an impact on the Group's business going forward.

Both revenue and earnings increased in FY2025 over the previous fiscal year (YoY)

After two years of testing the “synergy hypothesis” of the management integration, the Group completed the merger of two operating subsidiaries in April 2026.

the Group received a request from Renesas Electronics Corporation, a major supplier, to terminate the distribution agreement with the Group.

2. FY2025 Results and Forecast

Net sales rose slightly, but operating profit grew significantly, testifying to the effects of earlier reforms.

	FY2024	FY2025			(Unit: 100 million yen)
	Full year	H1	H2	Full year	
Net sales	3,598	1,722	1,877	3,599	(+0.0% YoY)
Operating profit	85.4	38.7	62.5	101.3	(+18.6% YoY)

Changes in the sales mix of the device business

the Group secured new projects, while relatively high-margin products grew as a percentage of total.



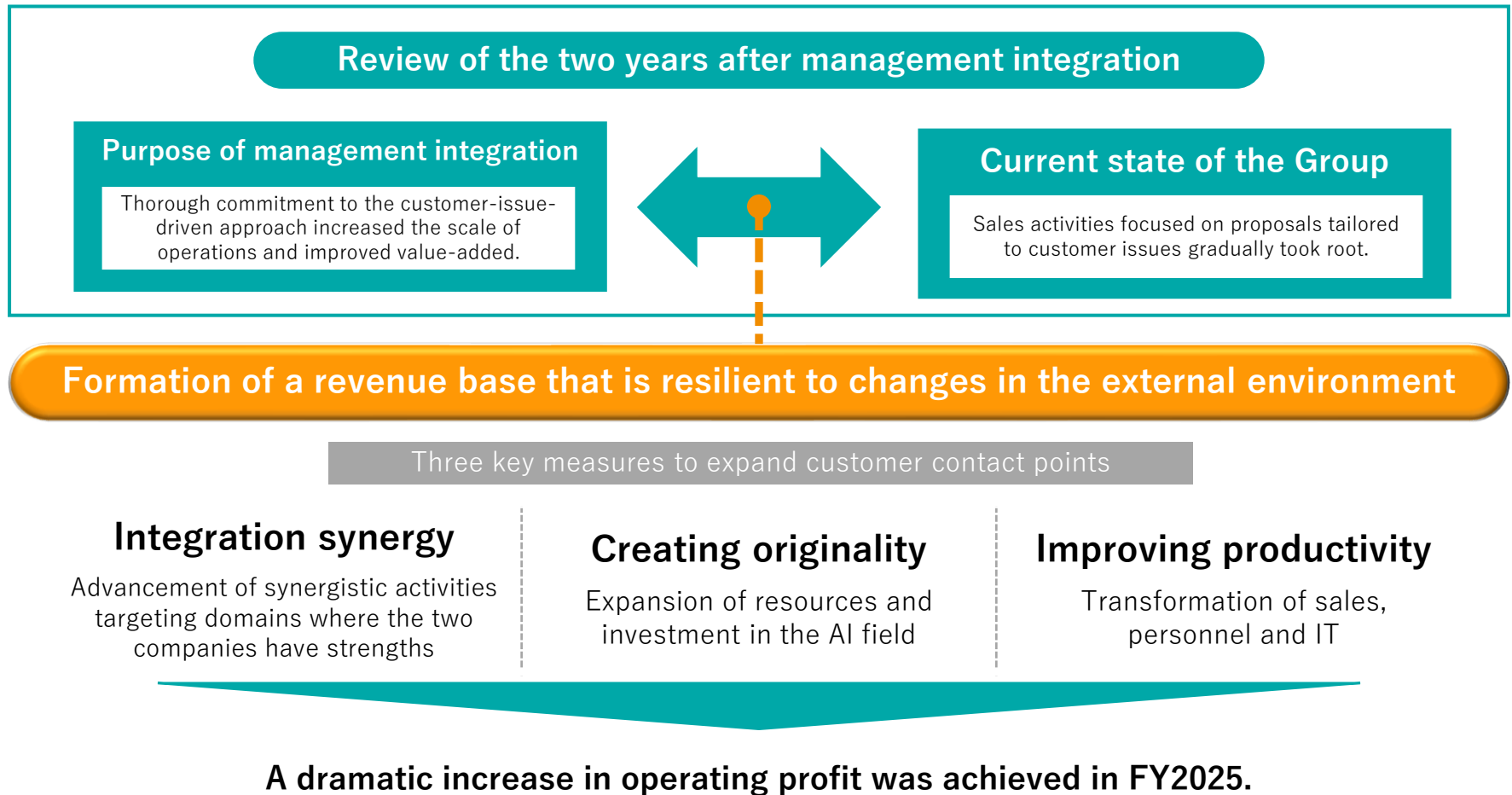
Improved profitability in the solution business

Paced by the high-profile AI field, expansion of high-value-added projects drove improved profitability.



The effects of earlier reforms contributed to results

After the management integration, the Group switched to a “customer-issue-driven” model. Focusing on expanding customer contact points delivered results, centered around three key measures.



Request from Renesas to Terminate the distribution agreement

The two companies are currently holding discussions regarding this request.

Snapshot of Renesas product operations

(Unit: 100 million yen)	FY2024 (results)	FY2025 (results)
Net sales of Renesas products	841	781
(as share of total sales)	23.4%	21.7%

- ◆ The above results have no impact on the FY2025 financial results.
- ◆ Discussions are ongoing between the two companies. No agreement has been reached regarding future directions as of this writing.



The Group will continue to seek resolution of this issue,
placing top priority on avoiding inconvenience to customers.

**The orientation of the Group is unchanged.
The Group is advancing measures to expand customer contact points.**

Measures to expand customer contact points

Integration synergy

- Using success stories from FY2025 to harvest results
- Realizing integration synergies in India and China, including reorganization of overseas subsidiaries

Creating originality

- Continuous investment in growth fields such as AI and robotics
- Strengthening expansion and training of specialized workforces for growth areas

Improving productivity

- Expansion of customer contact points through merger of operating subsidiaries
- Construction of an IT foundation that will lead to radical improvement in operating efficiency



Formation of new alliances

**The forecast of business results for FY2026 is not yet finalized.
The target for business results in FY2028 will be adjusted as appropriate.**

➤ Forecast of business results for FY2026

○ Reason why the forecast of business results is not yet finalized

Although overall operations are expected to proceed on firm trend, trends in business results are difficult to forecast while discussions with Renesas are still ongoing.

- Device business

While demand is expected to recover gradually after inventory adjustment conditions ease, impact from some semiconductor shortages and geopolitical risk are causes for concern.

- Solution business

Continuing growth is expected with focus on the AI field. However, advancement of integration synergies is expected to drive further expansion in adjacent fields.

➤ Target for business results in FY2028

The target for business results published in FY2024 (net sales: ¥500 billion, operating profit: ¥30 billion) will be updated and published as a new policy following review events after the management integration and reexamination of future trends.

The Group is advancing strategic investments targeting growth domains and strengthened competitiveness, accelerating measures to expand customer contact points.

Three measures to expand customer contact points

Integration
synergy

×

Creating
originality

×

Improving
productivity

Continuing investment in growth fields

- **Expansion of strategic investment in growth domains with focus on AI**

Investment will focus on leading-edge domains such as generative AI, to strengthen the Group's ability to provide services addressing the increasing complexity of customer issues.

IT-related investments

- **Expansion of IT investment to strengthen sales capabilities in customer contact points**

the Group will improve its abilities to table attractive proposals and create projects, by integrating and visualizing customer data and raising the sophistication of sales support tools.

- **Preparing the foundation for increasing operating efficiency and improving productivity**

the Group will improve operating efficiency and boost Group-wide productivity by measures such as standardizing work processes and overhauling systems.

Further alliances

- **Pursuit of alliances to grow operations and strengthen competitiveness**

Through new management integrations, business partnerships and collaboration with external partners, the Group will expand its business domain and acquire functions and knowledge, thereby accelerating sustainable growth.

While taking stock of the operating environment and expected changes in the revenue mix, the Group is returning value with focus on medium-to-long term relations with shareholders.

Dividends: FY2025 dividends to be as originally planned and FY2026 dividends to be unchanged from FY2025.

	Dividend per share			Dividend payout ratio	Dividend yield
	Interim	Year-end	Total		
FY2026 (Forecast)	¥70	¥70	¥140	—	5.0%
FY2025	¥70	¥70	¥140	75.4%	

- The body that decides the FY2025 year-end dividend is the Ordinary General Shareholders' Meeting.
- Dividend yield is calculated as of the closing share price on May 13, 2026.

Retirement of Treasury Shares

Number of shares to be retired	4,000,000 shares (7.41% of total issued shares before retirement)
Number of treasury shares held after retirement	9,899,056 shares (19.80% of total issued shares after retirement)

Shareholder Benefits

Shareholder benefits will be continued, with March 31, 2026 as the record date.
(Gifts will be available from a catalogue in accordance with the number of shares held.)

3. Specific Measures to Expand Customer Contact Points

Measures to Expand Customer Contact Points

(Integration synergy, creating originality, improving productivity)

Benefits of the merger of operating companies are combined with success stories learned from the previous fiscal year's efforts to pursue results from integration synergy.

Basic policy toward creation of integration synergy

Measures will focus on combining the customer base of the former Ryosan with the solutions of the former Ryoyo Electro.

Customer needs

Improving the productivity of customer worksites (operations and manufacturing)

→ Work-process transformation using AI



Independent design of design products and sharing of contracted designs

→ Some customers' products will be outsourced.



The Group's proposed solutions

- Consulting in parallel with streamlining of production systems, focusing on both generative and physical AI
- Selection of systems that are optimal for the level of implementation of each customer
- Acceleration of tabling of proposals combining not only control modules but also power modules and display modules
- Support for software development, including cybersecurity

Success pattern revealed by measures up to the previous fiscal year

Customer needs × Business opportunities × Originality of the Group



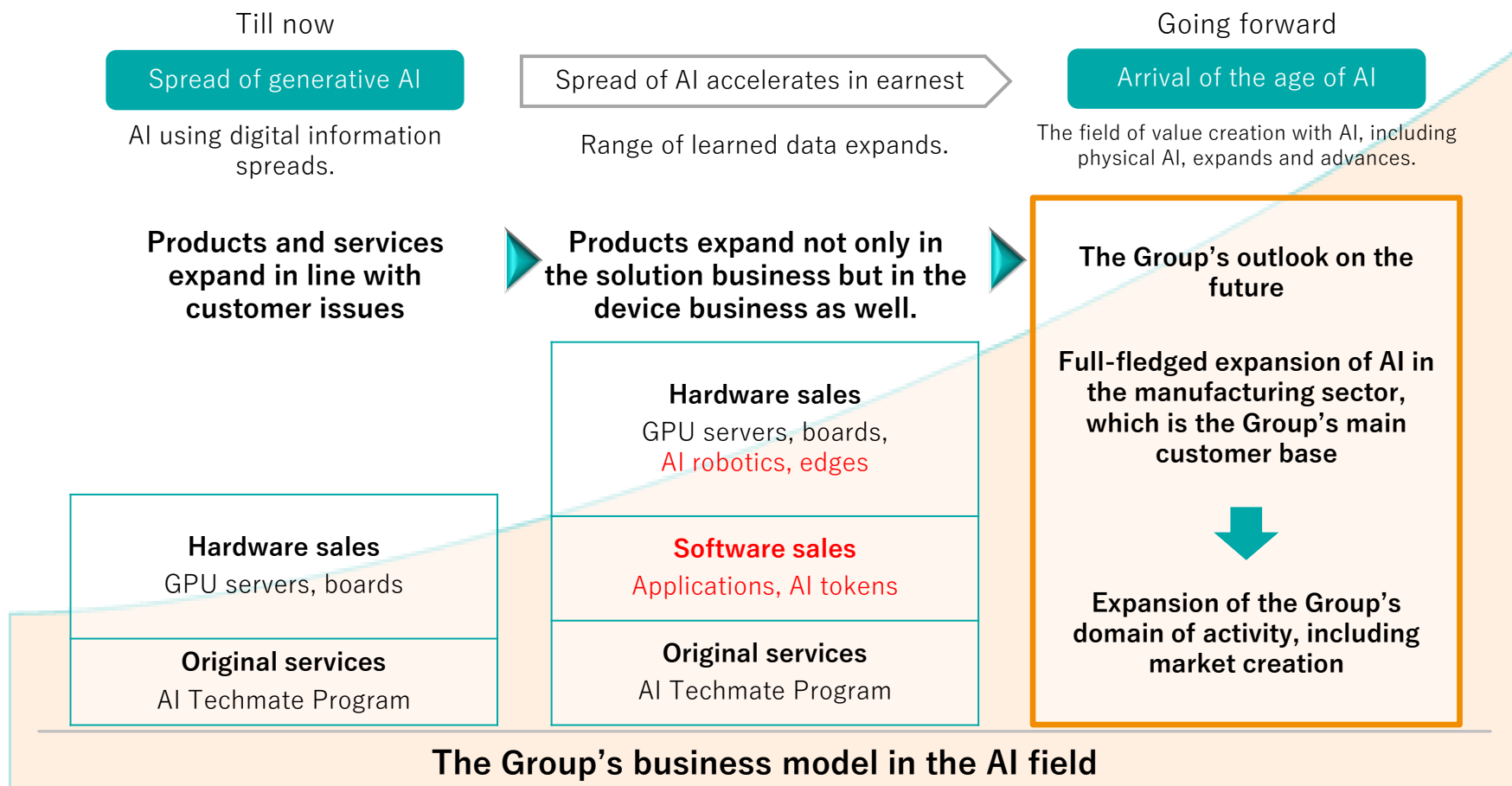
Benefits of the merger of operating companies

Improvement of productivity (see P. 15)

Measures to Expand Customer Contact Points

(Integration synergy, creating originality, improving productivity)

As the curtain rises on the age of AI, the Group will expand operations in both the device and solution businesses.



Measures to Expand Customer Contact Points

(Integration synergy, creating originality, improving productivity)



Two Group operating subsidiaries, Ryosan and Ryoyo Electro, merged on April 1, 2026, marking a new beginning for the Group in both name and substance.

Before	Main differences in Group subsidiaries before and after the merger	After
Each company had its own sales style and training plans.	Innovation in sales operations	As a single company, sales styles and training plans are consistent throughout the Group.
Each company had its own systems and methods.	Innovation in personnel and IT	With a few exceptions, systems and methods are adopted in common Group-wide.
The two companies communicated, but differences in offices, etc. presented barriers.	Human relations	Offices in Japan and overseas are being integrated in sequence. (Some locations have already been integrated.)
Sharing of information between the two companies was limited.	Contracts with business partners	Barriers to information sharing are eliminated. (The two former companies are united into a single operating company.)

In the two years from management integration in 2024, preparations were to welcome a new organization were completed smoothly, with no major obstacles or confusion.

Appendix (FY2025 Results)

FY2025 Results: Detail

(Unit: 100 million yen)	FY2024	FY2025		YoY		Comparison with originally announced figure	
	Full year	Full year	Originally announced figure	Increase/decrease	% Increase/decrease	Increase/decrease	% Increase/decrease
Net sales	3,598	3,599	3,700	+1	+0.0%	-101	-2.7%
Gross profit	349.4	376.0		+26.6	+7.6%		
(%)	9.7%	10.4%					
SG&A expenses	263.9	274.7		+10.8	+4.1%		
Operating profit	85.4	101.3	95.0	+15.9	+18.6%	+6.3	+6.6%
(%)	2.4%	2.8%	2.6%				
Non-operating income or expenses	-14.1	-12.0		+2.1	—		
Ordinary profit	71.3	89.3	80.0	+18.0	+25.2%	+9.3	+11.6%
(%)	2.0%	2.5%	2.2%				
Extraordinary income or loss	59.3	23.2		-36.0	-60.8%		
Profit before income tax	130.6	112.5		-18.1	-13.8%		
Income taxes	36.7	38.1		+1.4	+3.8%		
Profit attributable to owners of parent	93.9	74.4	60.0	-19.5	-20.7%	+14.4	+24.0%
(%)	2.6%	2.1%	1.6%				

FY2025 Results: Breakdown of Increase/Decrease of Net Sales and Operating Profit

■ Device Business

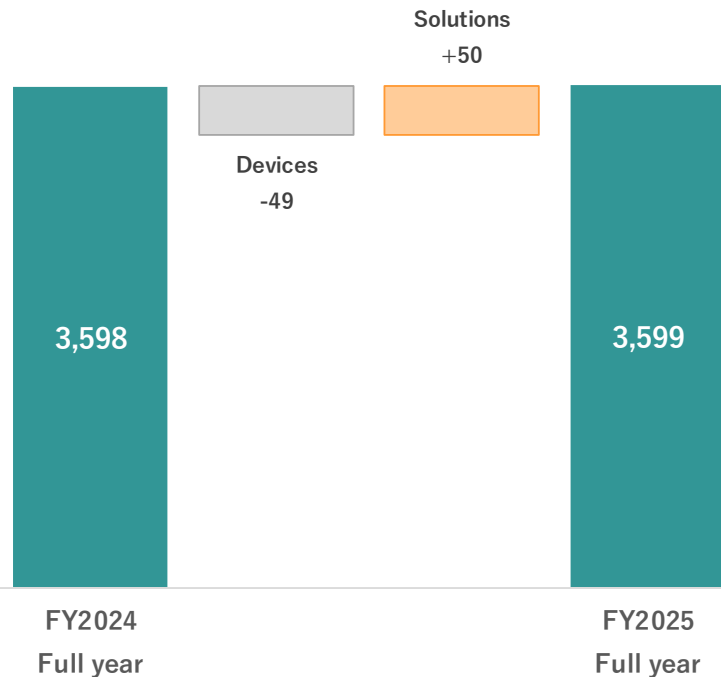
Operating profit increased. Although sales of devices for TVs, office automation equipment and industrial equipment declined, changes in the sales mix and acquisition of new, high-margin projects contributed.

■ Solution business

Net sales and operating profit both increased YoY. IT-related corporate investment continued to flourish against a background of introduction of DX and AI technology.

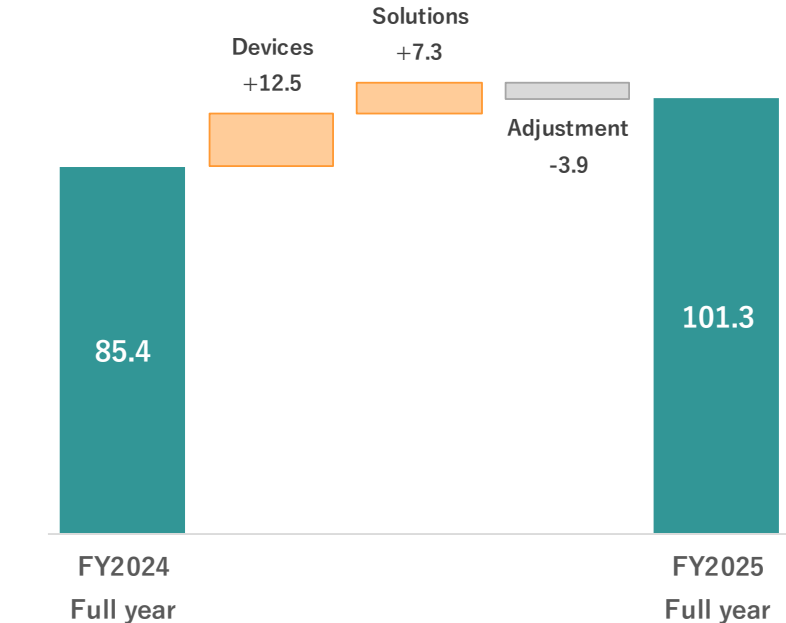
Net sales

(Unit: 100 million yen)



Operating profit

(Unit: 100 million yen)



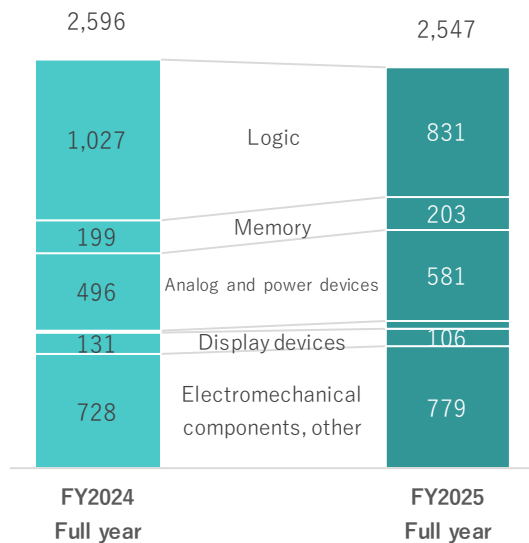
FY2025 Results: Results by Business

(Unit: 100 million yen)

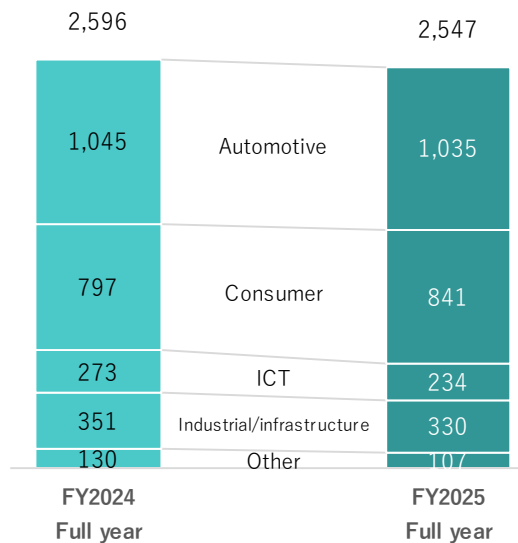
		FY2024 Full year (Results)	FY2025				FY2024 Full year (Results)	YoY	
			Q1 (Results)	Q2 (Results)	Q3 (Results)	Q4 (Results)		Increase/ decrease	% Increase/ decrease
Device Business	Net sales	2,596	599	624	647	677	2,547	-49	-1.9%
	Operating profit	44.8	10.2	12.5	17.9	16.7	57.3	+12.5	+27.9%
	(%)	1.7%	1.7%	2.0%	2.8%	2.5%	2.3%		
Solution Business	Net sales	1,002	224	276	222	331	1,053	+50	+5.0%
	Operating profit	36.4	5.8	11.2	8.6	18.1	43.7	+7.3	+19.9%
	(%)	3.6%	2.6%	4.1%	3.9%	5.5%	4.2%		
Operating profit adjustment		4.2	-1.2	0.2	1.9	-0.7	0.3	-3.9	-93.5%

Devise Business

By product

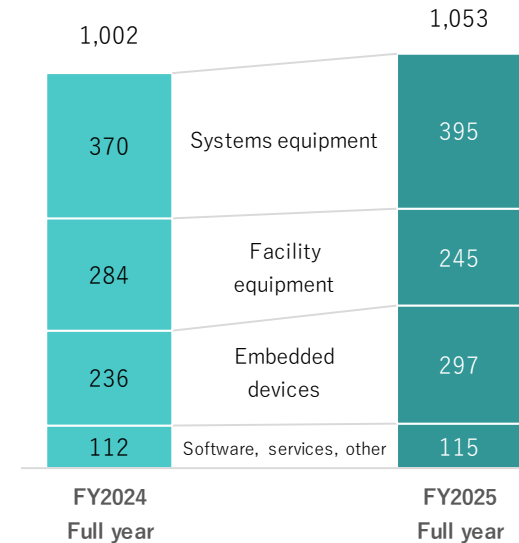


By application



Solution Business

By product

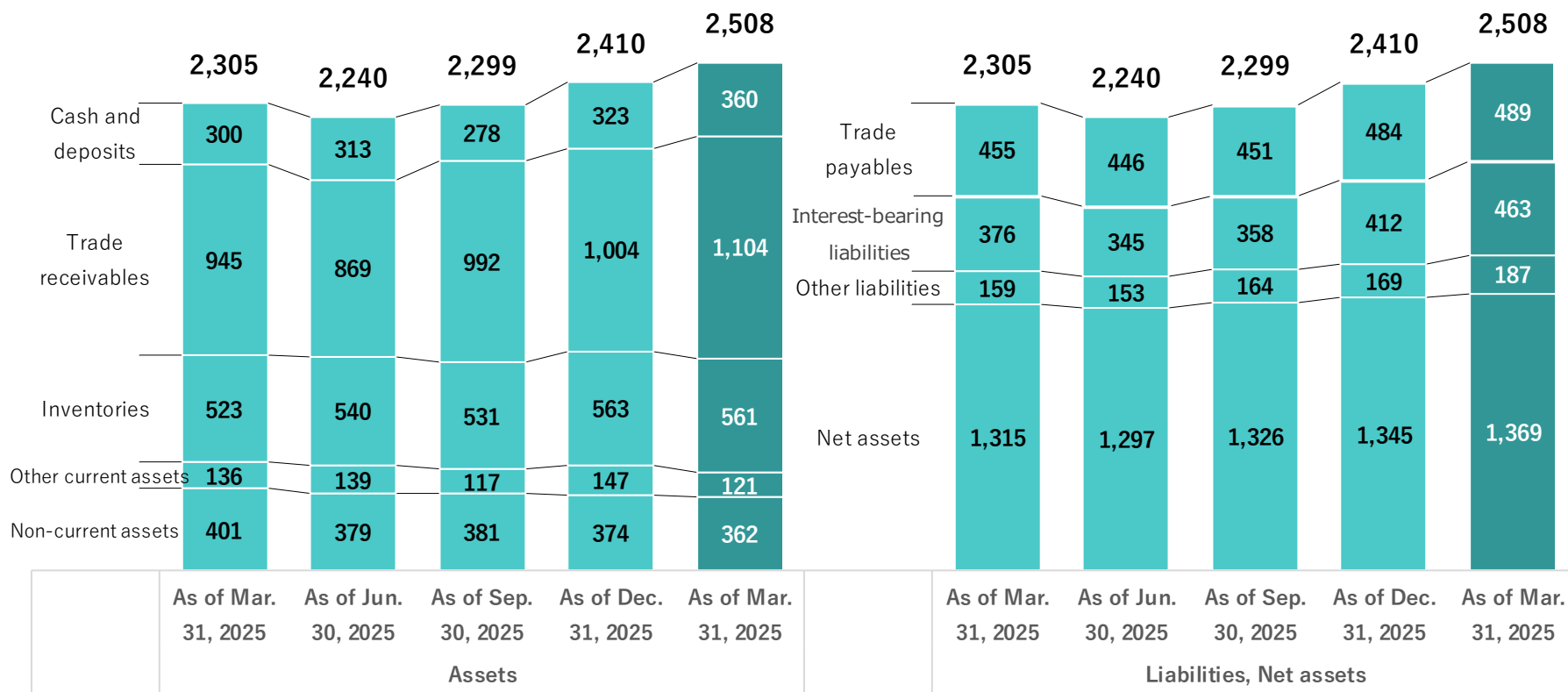



■ Goodwill in non-current assets was ¥2.87 billion. Customer-related assets were ¥8.64 billion.

* The amortization period is 10 years for goodwill and 15 years for customer-related assets (both standards apply from 2024). → Approx. annual amortization: ¥1.0 billion

■ Equity ratio was 54.6%. Net assets per share amounted to ¥3,413.06.

(Unit: 100 million yen)





Fulfilling hopes
Meeting needs
Adapting to change

On April 1, 2026, Ryosan and Ryoyo Electro merged
to begin a new chapter as Ryoyo Ryosan.