Securities ID code: 6859

ESPEC CORP.

Financial Results for FY2025

(Fiscal Year Ended March 31, 2026)

May 25, 2026

President
Satoshi Arata

Reference materials

- Company Profile & Business Overview
- Sustainability Initiatives

Key Points of Results for the Fiscal Year Ended March 31, 2026

■ Full-Year Results for FY2025

- Announced the Medium-Term Management Plan PROGRESSIVE PLUS 2027 (FY2025–2027)
- Orders received and net sales were strong, mainly in target markets (AI semiconductors, satellite communications), and reached record highs.
- On the profit side, declines were mainly due to deterioration in profitability in the China market and in laboratory testing services, as well as an increase in SG&A expenses, leading to revisions to the targets of the medium-term management plan.

■ Forecast for FY2026

- As an important year toward achieving the revised targets of the medium-term management plan, maintain orders received at a high level, and aim for record-high net sales and operating profit, with both revenue and profit increasing.
  Steadily execute the growth strategy while strengthening the financial strategy and implementing “management conscious of cost of capital and share price.”
- While there are concerns about a slowdown in the global economy due to the impact of heightened tensions in the Middle East, at this point we view the direct impact as limited.
  It is difficult to forecast future impacts, and we will continue to monitor the situation.

■ Revision of the Medium-Term Management Plan

- Based on the full year results for FY2025 and progress on the strategy, we will revise net sales upward from the initial plan and revise profits downward; however, by implementing various improvements, we will steadily achieve an operating profit ratio of 12% (record high).
  We will promote the establishment of a lean, sustainable, and highly profitable earnings model with an eye to the future.
- ROE will be maintained at 12.0% or higher through strengthened financial capital strategy.

FY2025 Full-Year Results

FY2025 Full-Year Financial Summary

- In terms of orders received, they remained strong in the AI semiconductor field in Japan, Southeast Asia, and Taiwan, and expanded significantly in the satellite communications field in North America. They exceeded the previous fiscal year and the revised forecast, reaching a record high.
- In terms of net sales, Japan, North America, and Southeast Asia performed strongly, exceeding the previous fiscal year and the revised forecast, reaching a record high.
- In terms of operating profit, although profitability improvements for custom products progressed, it fell below the previous fiscal year and the revised forecast due to deterioration in profitability in the China market and laboratory testing services, and an increase in SG&A expenses.

	Year on Year		Comparison with Forecasts (Revised on 2025/11/13)	
Orders Received	Increase	Orders increased in Equipment Business (environmental test chambers) and Other Business, while Service Business (laboratory testing services) declined.	Above	Orders exceeded in Equipment Business (environmental test chambers) and Other Business, while Service Business (laboratory testing services) fell short.
Net Sales	Increase	Sales increased in Equipment Business (environmental test chambers were about the same as last year, while semiconductor-related equipment increased) and Other Business, while Service Business declined due to a decrease in laboratory testing services and was about the same as last year.	Above	Equipment Business and Other Business exceeded; Service Business, mainly laboratory testing services, fell short.
Operating Profit	Decrease	Equipment Business saw higher revenue, but was in line with the previous fiscal year due to increased SG&A expenses; Service Business decreased due to a decline in laboratory testing services revenue and an increase in depreciation; Other Business increased.	Below	Equipment Business fell short mainly due to deteriorating profitability in the China market and increased SG&A expenses; Service Business fell short mainly due to insufficient net sales in laboratory testing services; Other Business exceeded.
Profit Attributable to Owners of Parent	Unchanged	Although gain on sale of investment securities was recorded, results were below the previous fiscal year due to the recording of an impairment loss on laboratory testing services facilities	Above	In line with forecasts due to the recording of gain on sale of investment securities.

■ Shareholder returns Dividend forecast: Interim ¥45, Year-end ¥70, Annual ¥115 Payout ratio: 42.5%
Ongoing share purchases by the Company: November 14, 2025 to July 31, 2026; up to 900,000 shares (4.05% of total shares outstanding), up to ¥3.5 billion
→ In FY2025, 550,000 shares and approximately ¥1.9 billion were executed Total payout ratio: 75.3%

Summary of Profits and Losses

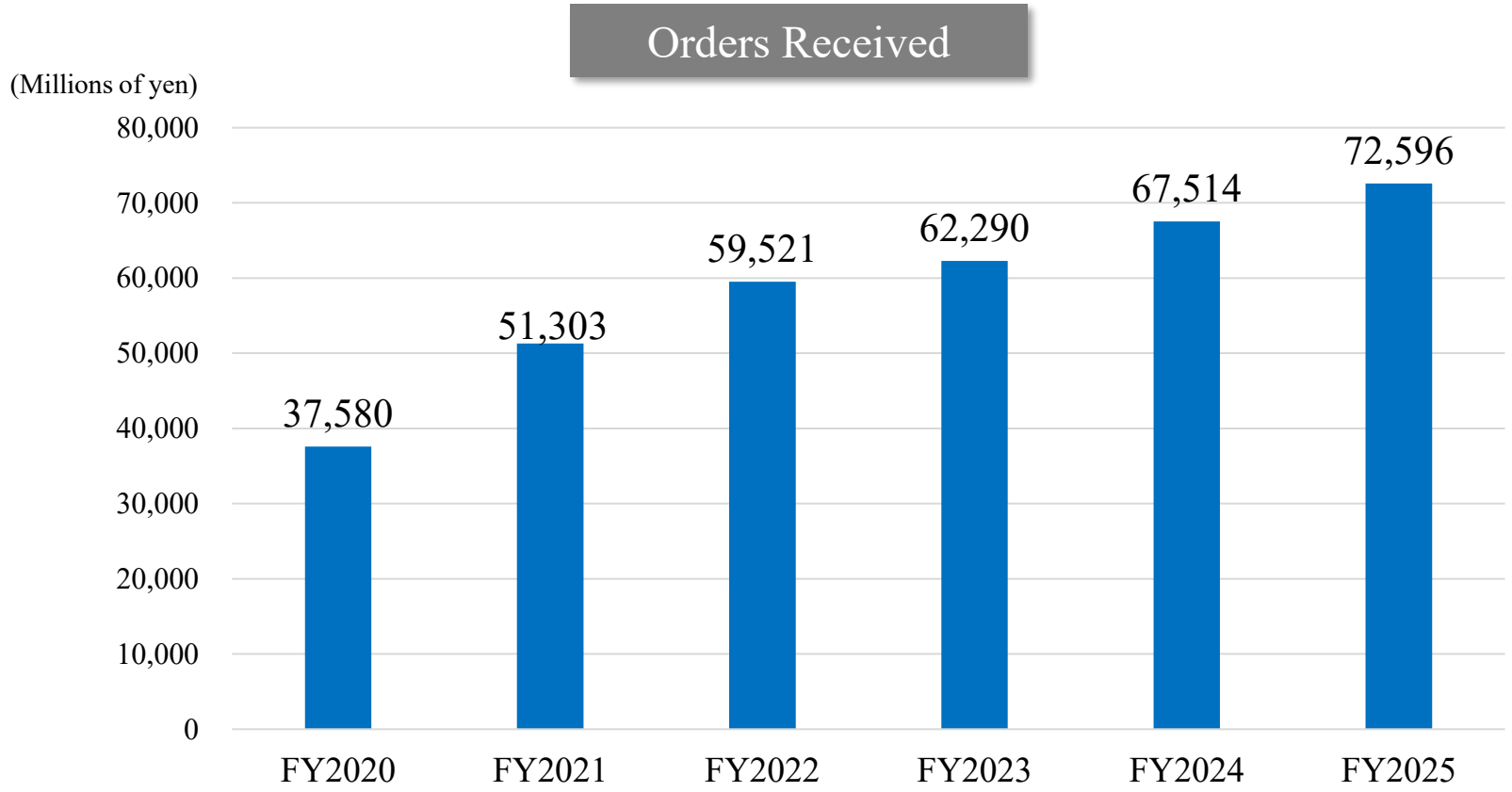
(Millions of yen)	FY2024 Results	FY2025 Initial Forecasts	FY2025 Revised Forecasts (Revised in Nov. 2025)	FY2025 Results	Year on Year	Comparison with Initial Forecasts	Comparison with Revised Forecasts
Orders Received	67,514	66,000	69,000	72,596	+7.5%	+10.0%	+5.2%
Net Sales	67,288	68,000	68,000	70,034	+4.1%	+3.0%	+3.0%
Cost of Sales	43,300	42,600	43,800	45,739	+5.6%	+7.4%	+4.4%
Cost Ratio	64.4%	62.6%	64.4%	65.3%	+0.9pt	+2.7pt	+0.9pt
Gross Profit	23,987	25,400	24,200	24,295	+1.3%	-4.4%	+0.4%
Profit Ratio	35.6%	37.4%	35.6%	34.7%	-0.9pt	-2.7pt	-0.9pt
SG&A	16,460	16,900	16,600	17,210	+4.6%	+1.8%	+3.7%
Operating Profit	7,526	8,500	7,600	7,084	-5.9%	-16.7%	-6.8%
Profit Ratio	11.2%	12.5%	11.2%	10.1%	-1.1pt	-2.4pt	-1.1pt
Ordinary Profit	7,793	8,650	7,750	7,473	-4.1%	-13.6%	-3.6%
Profit Attributable to Owners of Parent	6,003	6,190	5,800	5,879	-2.1%	-5.0%	+1.4%
ROE	11.0%	11.0%	10.0%	10.0%	-1.0pt	-1.0pt	±0pt

Performance by Segment

(Millions of yen)		FY2024 Results	FY2025 Initial Forecasts	FY2025 Revised Forecasts (Revised in Nov. 2025)	FY2025 Results	Year on Year	Comparison with Initial Forecasts	Comparison with Revised Forecasts
Equipment Business	Orders Received	57,283	55,500	58,640	62,216	+8.6%	+12.1%	+6.1%
	Net Sales	57,507	57,600	57,560	59,468	+3.4%	+3.2%	+3.3%
	Operating Profit	6,610	7,340	6,980	6,606	-0.1%	-10.0%	-5.3%
Service Business	Orders Received	8,532	9,200	8,520	8,294	-2.8%	-9.8%	-2.6%
	Net Sales	8,425	9,200	8,640	8,327	-1.2%	-9.5%	-3.6%
	Operating Profit	793	1,080	500	228	-71.2%	-78.9%	-54.4%
Other Business	Orders Received	2,170	1,800	2,340	2,529	+16.5%	+40.5%	+8.1%
	Net Sales	1,758	1,700	2,300	2,747	+56.3%	+61.6%	+19.4%
	Operating Profit	126	80	120	239	+88.7%	+198.9%	+99.7%
Elimination	Orders Received	-472	-500	-500	-442	-	-	-
	Net Sales	-403	-500	-500	-507	-	-	-
	Operating Profit	-4	0	0	10	-	-	-
Total	Orders Received	67,514	66,000	69,000	72,596	+7.5%	+10.0%	+5.2%
	Net Sales	67,288	68,000	68,000	70,034	+4.1%	+3.0%	+3.0%
	Operating Profit	7,526	8,500	7,600	7,084	-5.9%	-16.7%	-6.8%

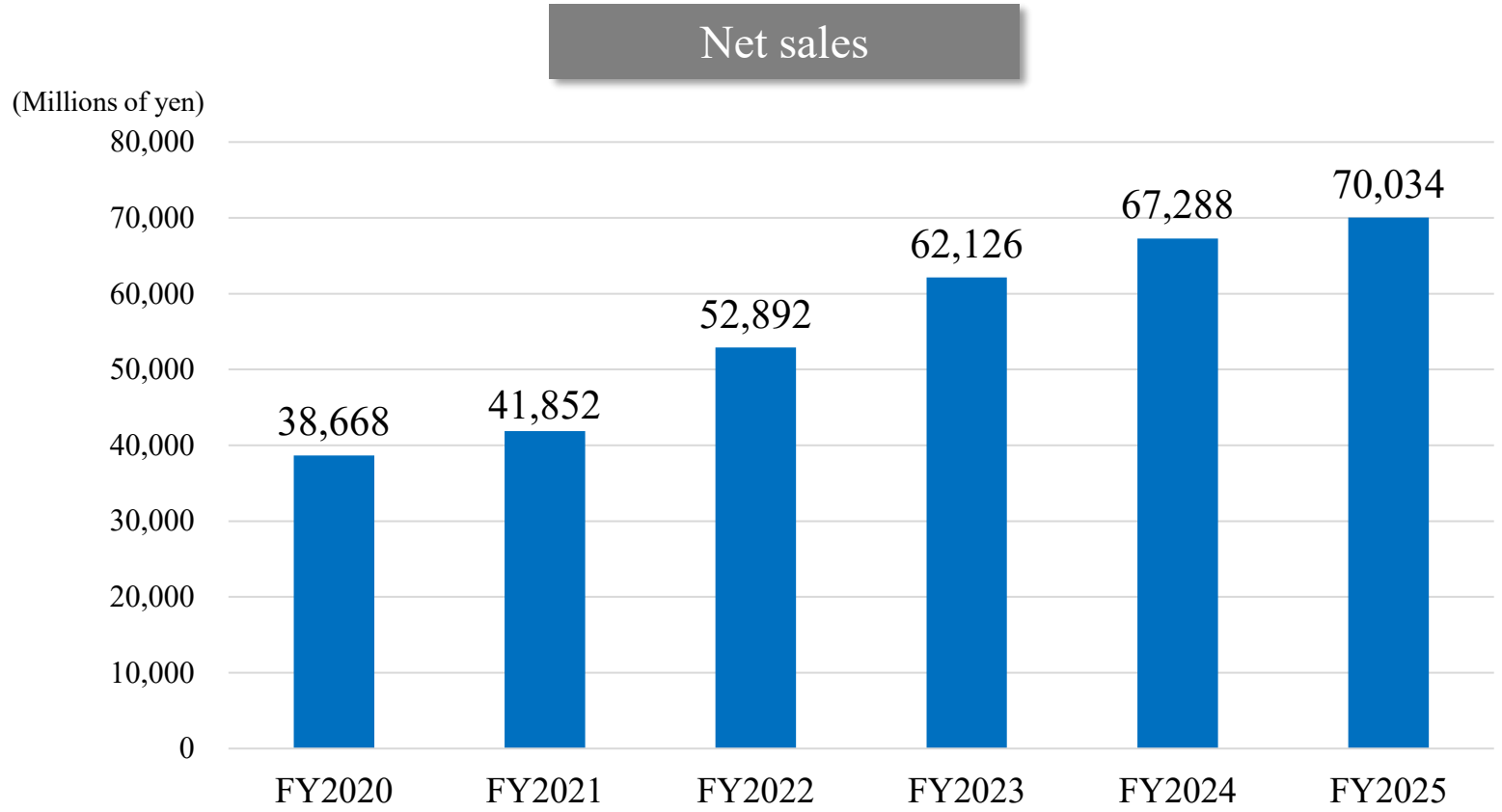
Orders Received in FY2025

Orders received marked a new record high for the fifth consecutive fiscal year.
North America, Southeast Asia, and Taiwan increased; China and Europe remained flat;
Japan and Korea decreased.



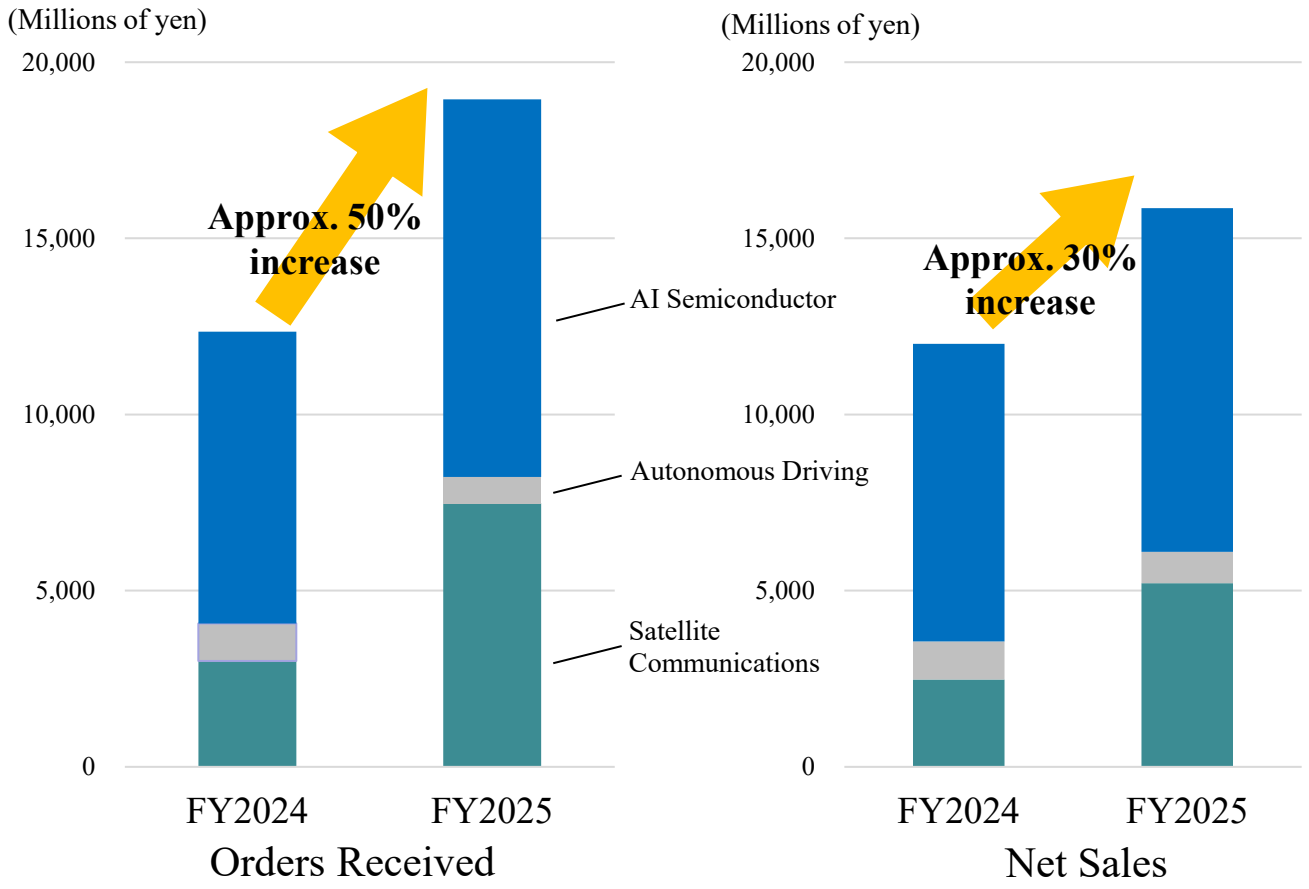
Net Sales in FY2025

Net sales renewed record highs for the fourth consecutive fiscal year.
Japan, North America, Southeast Asia, and Taiwan increased; China remained flat;
Europe and Korea decreased.



FY2025 Development Status of Target Markets

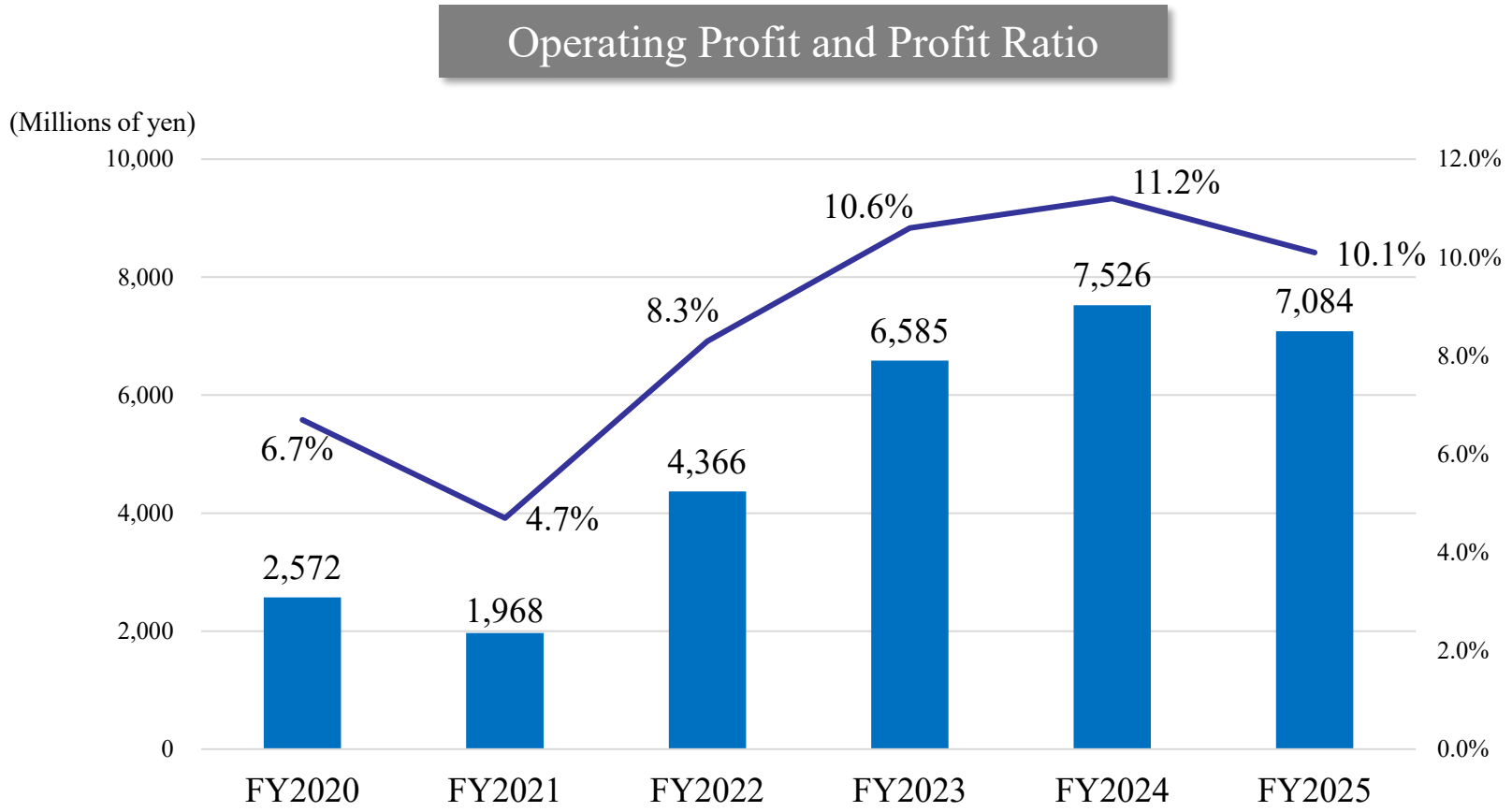
Orders received in target markets (AI semiconductors, autonomous driving, and satellite communications) increased by approximately 50%, while net sales increased by approximately 30%.
AI semiconductors increased in Japan, Southeast Asia, and Taiwan, satellite communications increased significantly in North America, and no major fluctuations were seen in autonomous driving.



	Test Targets	Products Provided
AI Semiconductor Field	AI servers Semiconductors Electronic components (HDDs, SSDs etc.) Electronic materials	Temperature & Humidity Chambers Walk-In Chambers High-power Temperature & Humidity Chambers Rapid-rate Thermal Cycle Chambers Thermal Shock Chambers Highly Accelerated Stress Test Systems HDD Inspection Systems Burn-In Chamber Evaluation System
Autonomous Driving Field	Integrated ECUs Sensing devices	Temperature & Humidity Chambers Walk-In Chambers High-power Temperature & Humidity Chambers Bench-top Type Temperature (& Humidity) Chambers Thermal Shock Chambers
Satellite Communications Field	Low earth orbit (LEO) satellites Satellite-mounted components	HALT Test Systems Temperature & Humidity Chambers Walk-In Chambers Altitude Temperature Chamber High-power Temperature & Humidity Chambers Thermal Shock Chambers Bench-top Type Temperature (& Humidity) Chambers

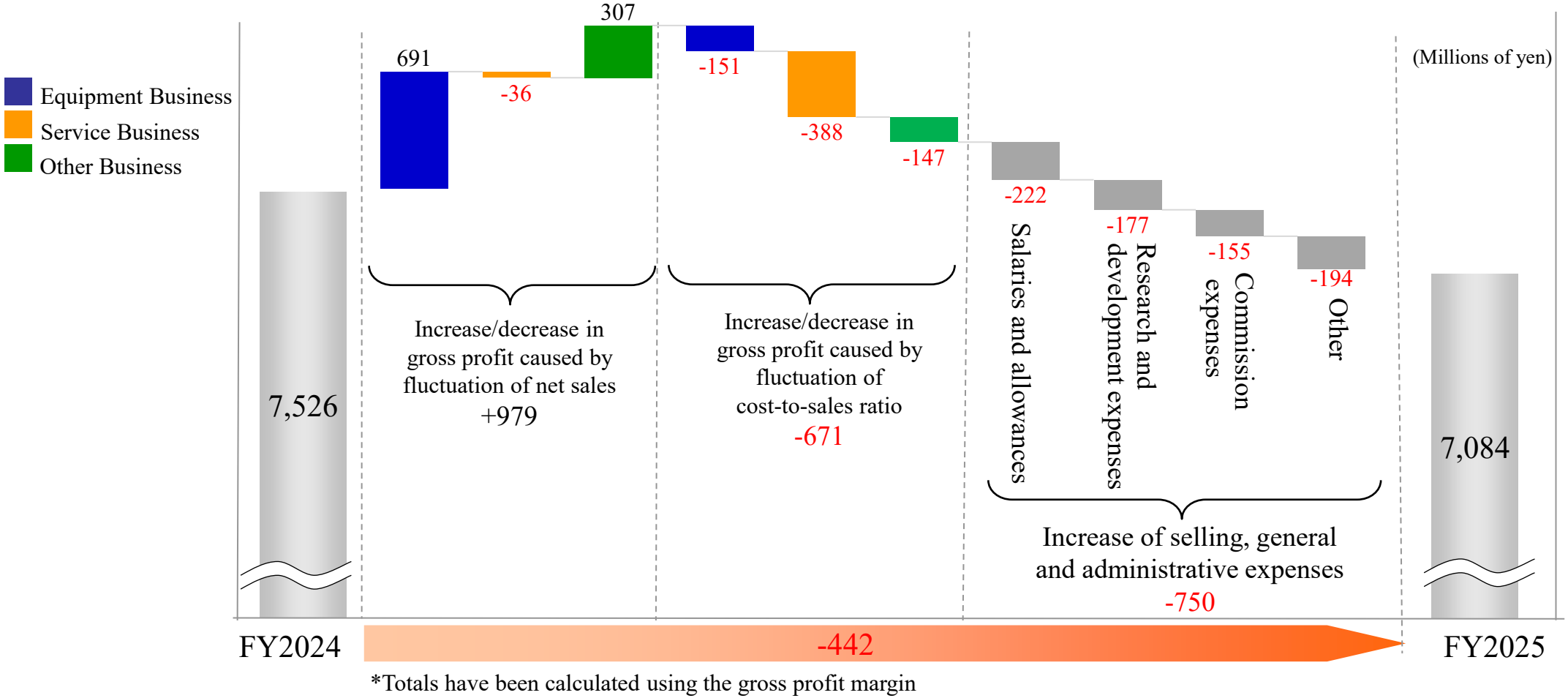
Operating Profit and Profit Ratio in FY2025

Operating profit decreased and the profit ratio declined, although there was an effect from higher revenue, due to a worsening cost of sales ratio and an increase in SG&A expenses.



Analysis of Operating Profit Increase and Decrease Factors

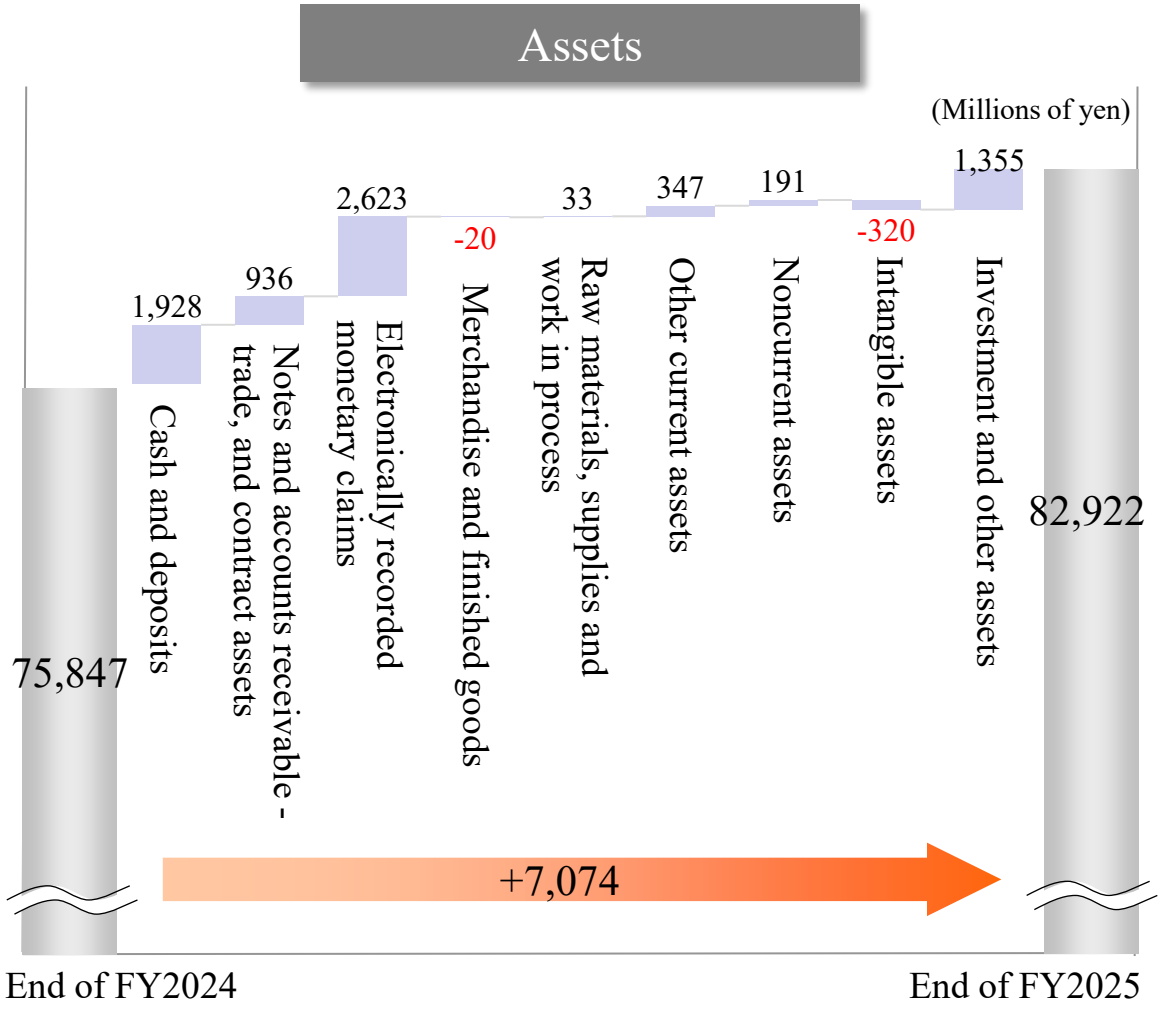
- In the Equipment Business, there were effects from higher revenue and improved profitability of custom products; however, profitability deteriorated due to intensified competition driven by the deflationary economy in the China market.
- The Service Business saw a decline in profits due to reduced laboratory testing services revenue and rising depreciation expenses.
- Due to growth in orders received and an expansion of R&D expenses aimed at improving product value, SG&A expenses increased.

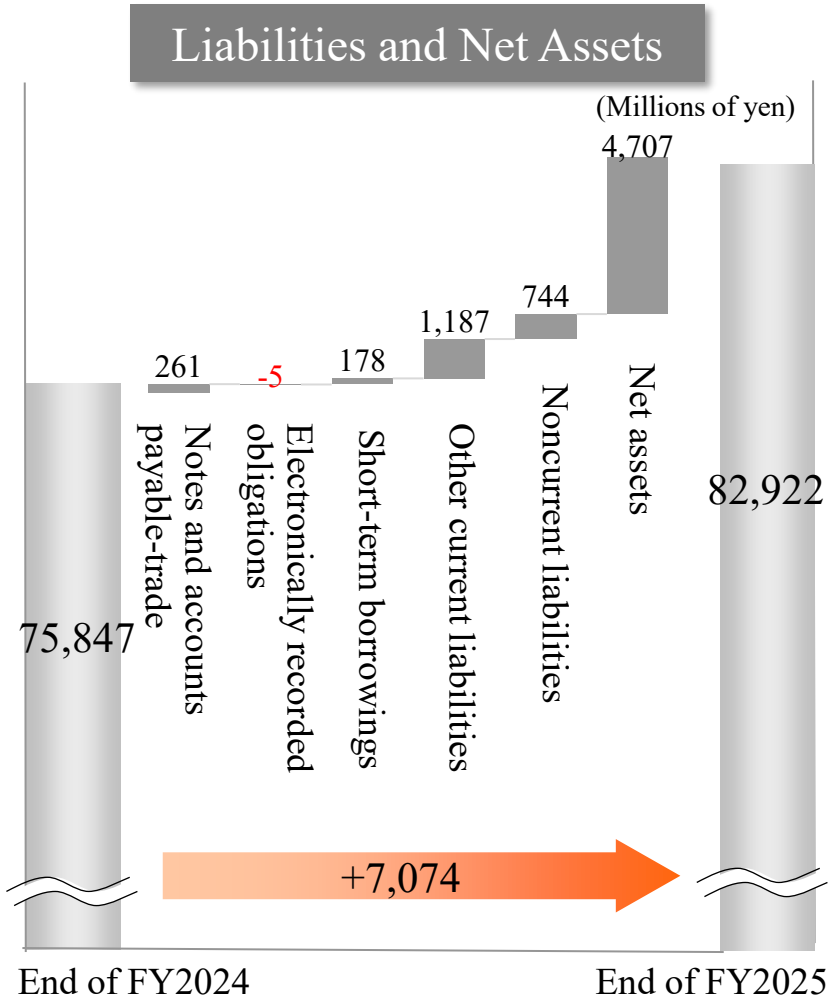


*Totals have been calculated using the gross profit margin

Statement of Assets and Liabilities

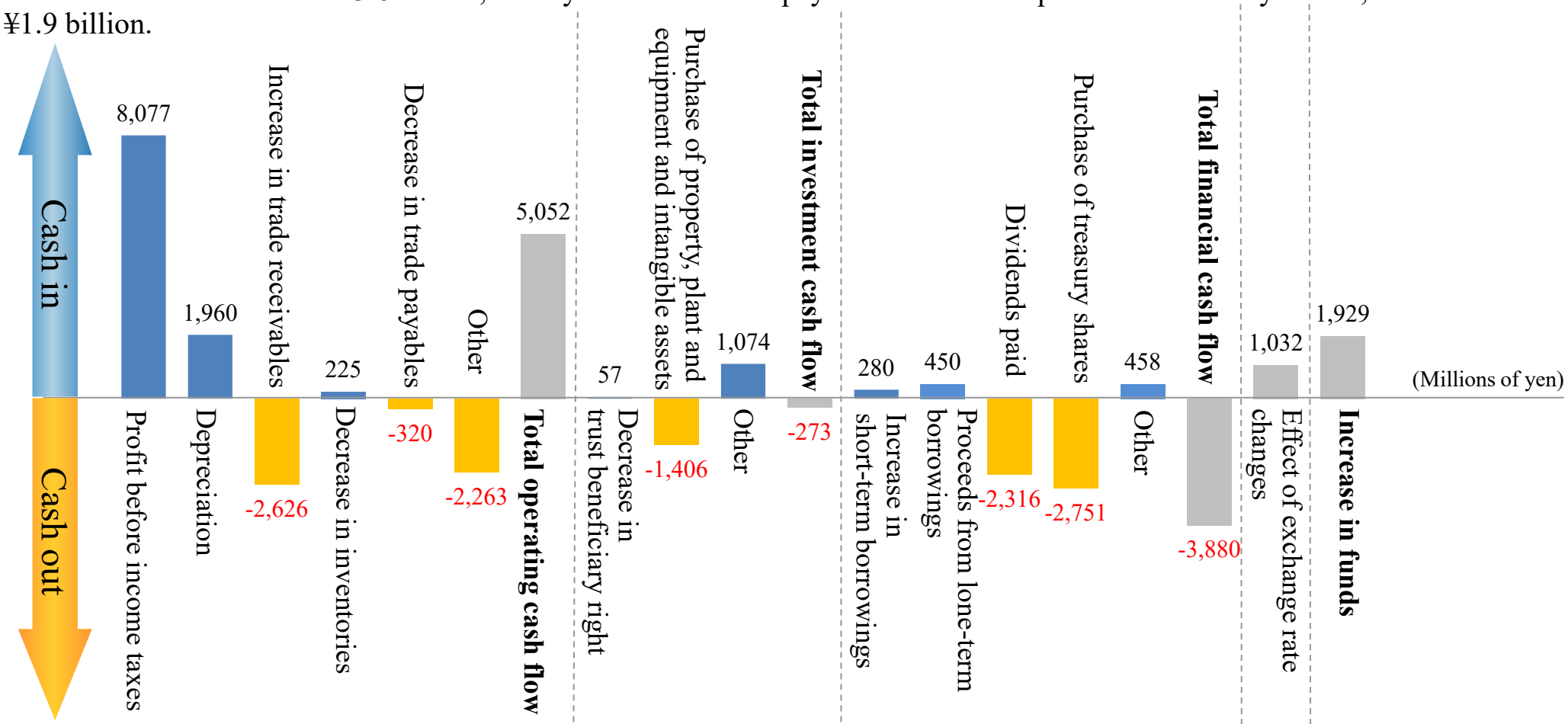
Total assets increased by approximately ¥7.0 billion due to increased trade receivables associated with sales growth, increased cash and deposits, and an increase in investment securities due to a rise in the fair value of shares held.





Statements of Cash Flows

- Operating CF resulted in a cash inflow of ¥5.0 billion, reflecting profit before income taxes and cash outflows from an increase in trade receivables associated with higher net sales, etc.
- Investing CF resulted in a cash outflow of ¥270 million, mainly due to expenditures for the acquisition of fixed assets, despite proceeds from the sale of investment securities, etc.
- Financing CF resulted in a cash outflow of ¥3.8 billion, mainly due to dividend payments and the acquisition of treasury shares; funds increased by approximately ¥1.9 billion.



Equipment Business

(Millions of yen)	FY2024 Results	FY2025 Initial Forecasts	FY2025 Revised Forecasts	FY2025 Results	Year on Year	Comparison with Initial Forecasts	Comparison with Revised Forecasts
Orders Received	57,283	55,500	58,640	62,216	+8.6%	+12.1%	+6.1%
Net Sales	57,507	57,600	57,560	59,468	+3.4%	+3.2%	+3.3%
Operating Profit	6,610	7,340	6,980	6,606	-0.1%	-10.0%	-5.3%
Profit Ratio	11.5%	12.7%	12.1%	11.1%	-0.4pt	-1.6pt	-1.0pt

Equipment Business

- In Japan, decreases in both orders received and net sales were seen year on year, due to a slowdown in investment related to EV and battery applications.
- Overseas, orders received significantly increased year on year in North America and Southeast Asia. However, net sales were mostly unchanged year on year, as there were many orders with long lead times, such as large-scale products and bulk orders of multiple units, in addition to decreased sales in Europe and South Korea due to economic slowdown.
  In China, despite intensified competition due to the deflationary economy, orders received and net sales were about the same as last year.

Energy Device Equipment

- A slowdown in investment in EV batteries has led to a year-on-year decline in both orders received and net sales.

Semiconductor Equipment

- Orders received declined year on year, but net sales increased significantly due to recognizing revenue from a consolidated order for electronic components for AI servers.

Service Business

Although we worked to improve profitability by revising technical fees for after-sales services, profit declined and the profit ratio fell significantly due to decreased revenue from laboratory testing services and increased depreciation.

(Millions of yen)	FY2024 Results	FY2025 Initial Forecasts	FY2025 Revised Forecasts	FY2025 Results	Year on Year	Comparison with Initial Forecasts	Comparison with Revised Forecasts
Orders Received	8,532	9,200	8,520	8,294	-2.8%	-9.8%	-2.6%
Net Sales	8,425	9,200	8,640	8,327	-1.2%	-9.5%	-3.6%
Operating Profit	793	1,080	500	228	-71.2%	-78.9%	-54.4%
Profit Ratio	9.4%	11.7%	5.8%	2.7%	-6.7pt	-9.0pt	-3.1pt

After-Sales Service and Engineering

- Both preventive maintenance services and repair services remained strong, with increases in both orders received and net sales year on year.

Laboratory Testing Services and Facility Rentals

- In laboratory testing services, orders received and net sales both decreased year on year due to restrained customer investment and changes in development plans associated with slowing EV demand.

Other Business

(Millions of yen)	FY2024 Results	FY2025 Initial Forecasts	FY2025 Revised Forecasts	FY2025 Results	Year on Year	Comparison with Initial Forecasts	Comparison with Revised Forecasts
Orders Received	2,170	1,800	2,340	2,529	+16.5%	+40.5%	+8.1%
Net Sales	1,758	1,700	2,300	2,747	+56.3%	+61.6%	+19.4%
Operating Profit Profit Ratio	126 7.2%	80 4.7%	120 5.2%	239 8.7%	+88.7% +1.5pt	+198.9% +4.0pt	+99.7% +3.5pt

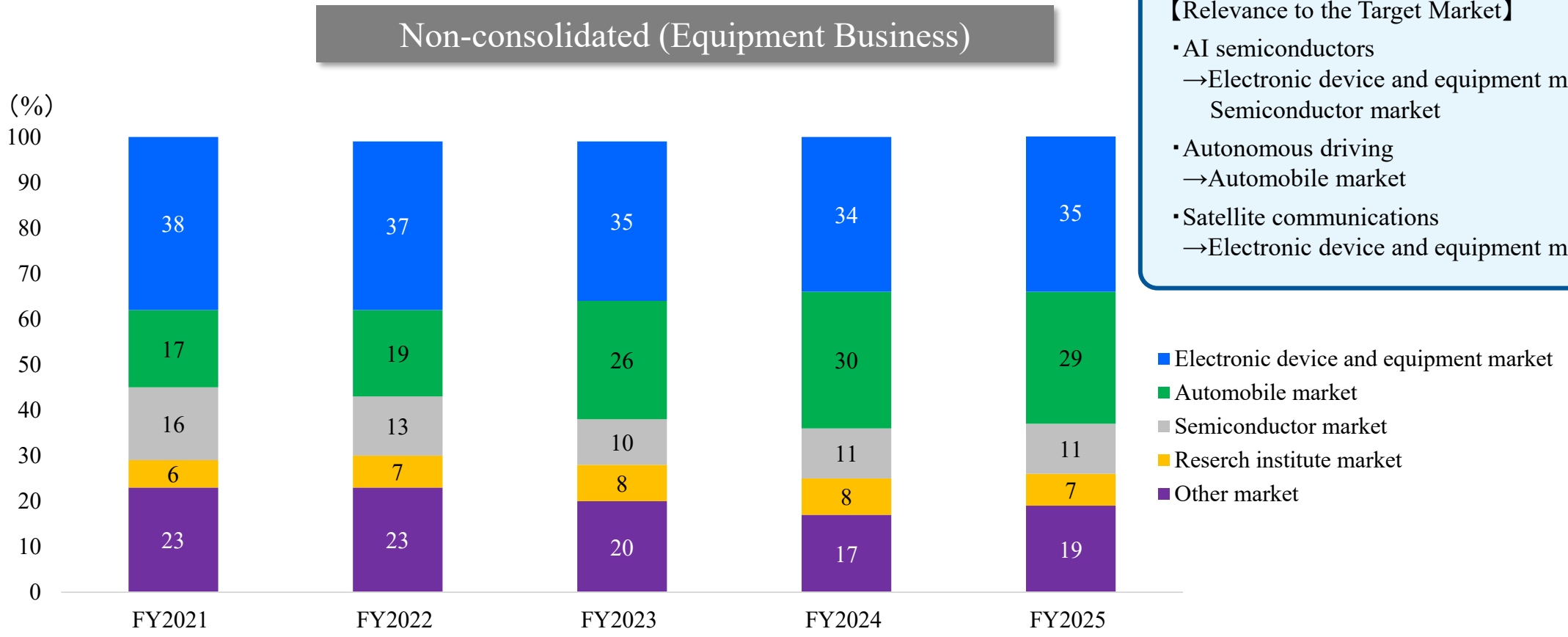
Environmental Conservation, Plant Production Systems

- We secured large orders in the area of plant factories, and orders associated with renovation work on green spaces.

Orders received and net sales both increased year on year.

Sales by Market

In the electronic device and equipment market, testing demand related to AI semiconductors remained strong, raising the sales share.
In the automobile market, sales composition was about the same as last year due to recognition of EV and battery-related sales from orders in the previous fiscal year.



【Relevance to the Target Market】

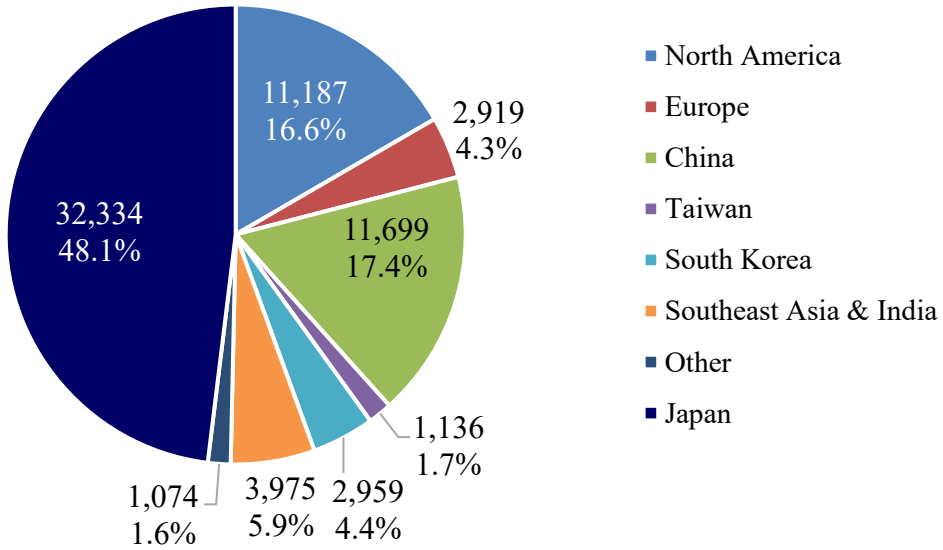
- AI semiconductors
  →Electronic device and equipment market, Semiconductor market
- Autonomous driving
  →Automobile market
- Satellite communications
  →Electronic device and equipment market

Sales by Region

Net sales increased in Japan, North America, Southeast Asia & India, and Taiwan, while China was roughly unchanged from the same period last year.

FY2024

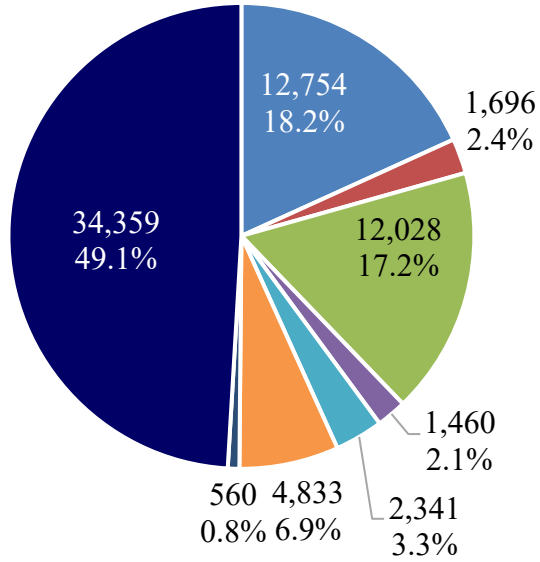
Overseas sales ratio : 51.9%



Total : 67,288 million yen
Overseas : 34,953 million yen
Domestic : 32,334 million yen

FY2025

Overseas sales ratio : 50.9%



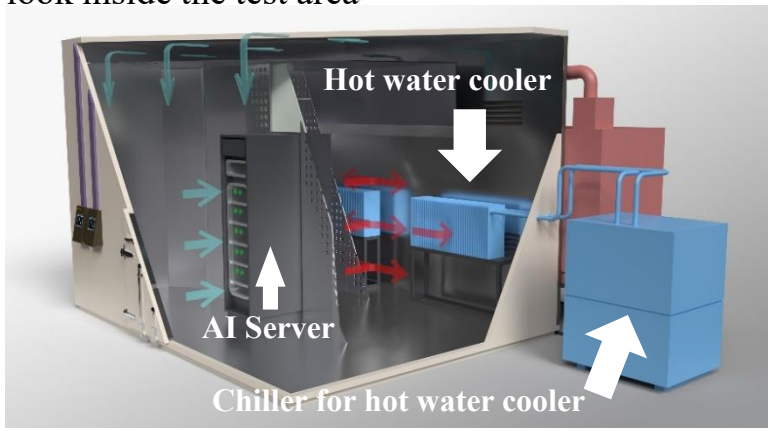
Total : 70,034 million yen
Overseas : 35,675 million yen
Domestic : 34,359 million yen

New Products for the AI Server Markets

Walk-in Temperature & Humidity Chamber for High Heat-generation Loads

- In December 2025, we launched two models designed to handle high heat-generation loads for AI server reliability testing.
- Our proprietary control system provides precise temperature and humidity control to support heat-generation loads of 30 kW and 60 kW generated by servers.
- Enables testing compliant with ASHRAE standards used for server reliability evaluation.

<A look inside the test area>



Newly developed air-conditioning system for improved energy and space savings

Walk-In Temperature & Humidity Chamber for High Heat-Generation Loads

New Products for AI Semiconductor and Autonomous Driving Markets

Highly Accelerated Stress Test System (HAST Chamber) EHS-222M-L

- In October 2025, we added the EHS-222M-L model, which supports testing of large substrates, to the Highly Accelerated Stress Test System (HAST Chamber) lineup.
- Capable of evaluating a large number of samples in a single test.
- Contributes to shorter development cycles and higher reliability for electronic components.

Highly Accelerated Stress Test System
EHS-222M-L

Rapid-Rate Thermal Cycle Chamber TCC-151W-20

- In April 2025, a high-performance model capable of controlling specimen temperature at 20 K/min was added to the lineup of rapid-rate thermal cycle chambers
- Complies with international standards such as semiconductor package reliability test standards and standards for electronics and automotive markets.
- Comes standard with low-GWP* refrigerant “R-449A”

Rapid-Rate Thermal Cycle Chamber
TCC-151W-20

* Metric for expressing the warming potential of greenhouse gases relative to carbon dioxide. The smaller the value, the lower the environmental impact.

External Recognition

■ ESG-Related Evaluations

- Included in the ESG index “FTSE Blossom Japan Sector Relative Index”
  Included in the ESG index “S&P/JPX Carbo Efficient Index”
- Rated “B” score for the sixth consecutive year in the CDP Climate Change Survey,
  Water Security receives “B-” score for second consecutive year
  Selected as Supplier Engagement Leader for four consecutive years, the Top Rank in the Supplier Engagement Ratings
- Received a 3.5-star rating in the NIKKEI Sustainable Management Survey, SDGs Edition
- Received a 3-star rating in the NIKKEI Sustainable Management Survey, Smart Work Edition
- The Kobe R&D Center received the FY2026 Prime Minister’s Award for Contributors to the Green Promotion Campaign.
- Received the Platinum Kurumin certification from the Minister of Health, Labour and Welfare as a company supporting child-raising.
- Earned the “Three Star Certification” under the “Osaka City Leading Company in Women’s Participation” and also certified as a “Company Promoting Ikumen”

■ IR Website Evaluations

-Awarded a Silver Prize in the Gomez IR Website Ranking (5th in its industry)
-Awarded as an excellent company in the Gomez ESG Website Ranking
- Selected as a Commendation Award of the Internet IR Award of Daiwa IR
- Selected as a “GRADE AAA” company website in the Nikko Investor Relations’ All-Japanese Listed Companies’ Website Ranking

Forecast for FY2026

Approach to FY2026 Forecast

- Recognizing FY2026 as an important year toward achieving the revised targets of the medium-term management plan, maintain orders received at a high level, and aim for record-high net sales and operating profit, as well as higher revenue and profit.
- We will further develop target markets, develop new products, and improve production efficiency, while also working to improve earnings in the China market and laboratory testing services.
- We will strengthen financial strategies and practice “management conscious of cost of capital and share price.”

■ Impact of the Deteriorating Situation in the Middle East

- Although there are concerns that rising tensions in the Middle East could slow the global economy, we currently believes the direct impact of higher component prices will be limited.
- We will monitor developments while also considering passing on higher component prices
- The future impact is difficult to predict, and We will continue to monitor the situation closely and respond appropriately.
- Current order trends have not been affected.

< Production Risks and Countermeasures >

For components in short supply (product components and components used for manufacturing equipment maintenance, etc.), we have begun taking steps to avoid production stoppages, such as securing inventory and searching for alternative products. This is expected to result in a temporary increase in inventories.

Forecasts for FY2026

(Millions of yen)	FY2025	FY2026 Forecasts			
	Full year results	1H	2H	Full Year	Year on Year
Orders received	72,596	35,800	34,200	70,000	-3.6%
Net sales	70,034	33,800	39,200	73,000	+4.2%
Gross profit Profit ratio	24,295 34.7%	12,150 35.9%	14,250 36.4%	26,400 36.2%	+8.7% +1.5pt
SG&A SG&A ratio	17,210 24.6%	9,000 26.6%	9,400 24.0%	18,400 25.2%	+6.9% +0.6pt
Operating profit Profit ratio	7,084 10.1%	3,150 9.3%	4,850 12.4%	8,000 11.0%	+12.9% +0.9pt
Ordinary profit Profit ratio	7,473 10.7%	3,250 9.6%	4,850 12.4%	8,100 11.1%	+8.4% +0.4pt
Profit attributable to owners of parent Profit ratio	5,879 8.4%	2,300 6.8%	3,580 9.1%	5,880 8.1%	+0.0% -0.3pt
Basic earnings per share (yen)	270.39	107.63	167.54	275.17	+1.8%
ROE	10.0%	-	-	10.0%	±0pt

Segment Financial Forecasts for FY2026

	(Millions of yen)	FY2025	FY2026 Forecasts			
		Full year results	1H	2H	Full Year	Year on Year
Equipment Business	Orders received	62,216	30,700	28,750	59,450	-4.4%
	Net sales	59,468	29,350	33,200	62,550	+5.2%
	Operating profit	6,606	3,010	4,060	7,070	+7.0%
	Profit ratio	11.1%	10.3%	12.2%	11.3%	+0.2pt
Service Business	Orders received	8,294	4,500	4,700	9,200	+10.9%
	Net sales	8,327	4,070	5,080	9,150	+9.9%
	Operating profit	228	190	650	840	+268.0%
	Profit ratio	2.7%	4.7%	12.8%	9.2%	+6.5pt
Other Business	Orders received	2,529	850	1,050	1,900	-24.9%
	Net sales	2,747	630	1,220	1,850	-32.7%
	Operating profit	239	-50	140	90	-62.4%
	Profit ratio	8.7%	-7.9%	11.5%	4.9%	-3.8pt
Elimination	Orders received	-442	-250	-300	-550	-
	Net sales	-507	-250	-300	-550	-
	Operating profit	10	0	0	0	-
Total	Orders received	72,596	35,800	34,200	70,000	-3.6%
	Net sales	70,034	33,800	39,200	73,000	+4.2%
	Operating profit	7,084	3,150	4,850	8,000	+12.9%
	Profit ratio	10.1%	9.3%	12.4%	11.0%	+0.9pt

FY2026 Recognition of the Operating Environment

We are expanding our global presence, focusing on AI semiconductors and satellite communications, the target markets of the medium-term management plan.

Equipment Business	Environmental Test Chambers	Japan : AI semiconductors remained firm, while EVs and batteries decreased. China : Semiconductors and electronics remained firm. Southeast Asia : Semiconductors and electronics are performing well. India : Automobiles and semiconductors remained firm. North America : Strong demand, centered on satellite communications. Europe : Recovery trend centered on aerospace and vehicle-mounted semiconductors.
	Energy Device Equipment	Sluggish in EV battery-related investment.
	Semiconductor Equipment	Demand for general-purpose memory semiconductors is sluggish, but demand for advanced semiconductors (CPU, GPU, HBM, etc.) is steady.
Service Business	After-Sales Service Laboratory Testing Services and Facility Rentals	After-sales service: Strong performance driven by expansion of maintenance contracts. Laboratory testing services: EV batteries are sluggish, while electrification modules other than EV batteries, autonomous driving modules and aerospace equipment are steady.
Other Business	Environmental Conservation Plant Production Systems	Plant production systems, including plant research devices, remain strong.

FY2026 Assumed Exchange Rate

Assumed Exchange Rate

	FY2024	FY2025		FY2026
	Full Year Results	1H Results	Full Year Results	Full Year Assumption
U.S. dollar (yen)	152.62	146.03	150.67	155
Euro (yen)	163.87	168.05	174.64	180
Yuan (yen)	21.11	20.29	21.22	22

FY2026 exchange rate sensitivity (Millions of yen)

	Net sales	Operating profit
U.S. dollar	+97	+14
Euro	+15	+8
Yuan	+50	+6

* Impact of a 1-yen depreciation of the Japanese yen (0.1-yen for the Chinese yuan)

FY2026 Investment Plans

(Millions of yen)

	FY2025	FY2026 Forecasts			
	Full Year Results	1H	2H	Full Year	Year on Year
Capital Expenditures	2,004	1,390	2,530	3,920	+95.5%
Depreciation	1,957	1,000	1,080	2,080	+6.3%
R&D Expenses	1,521	1,060	1,010	2,070	+36.1%

Main investments

- Fukuchiyama Plant renovation
- Expansion of production area at North American subsidiary

Main R&D activities

- Expand product lineup for the AI semiconductors field (Model changes and lineup expansions for mainstay products)
- Expand environmentally friendly products

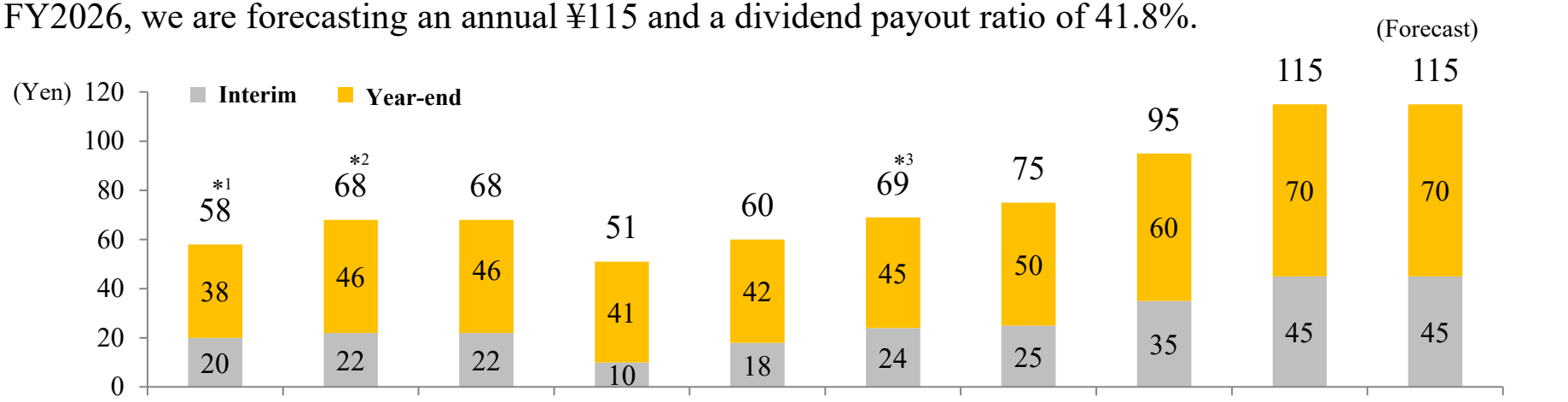
Shareholder Return Policy and FY2026 Dividend Forecast

Shareholder Return Policy

Set the consolidated dividend payout ratio at 40% or more, and flexibly carry out acquisition of treasury shares.
During the period of the Medium-Term Management Plan PROGRESSIVE PLUS 2027 (FY2025–2027),
the total return ratio cumulative over the three-year period will be 50% or more, and no dividend reductions will be made.

Dividend per Share and Dividend Payout Ratio/Total Return Ratio

For FY2026, we are forecasting an annual ¥115 and a dividend payout ratio of 41.8%.



(Underlined sections indicate share repurchases by the Company)

*1. Includes a dividend of ¥2 (interim dividend of ¥1 and year-end dividend of ¥1) to commemorate the 70th anniversary of our foundation in FY2017.
*2. FY2018 was an irregular 15-month fiscal period for overseas consolidated subsidiaries. The dividend payout ratio for a 12-month period is 39% (reference).
*3. Includes a dividend of ¥4 (interim dividend of ¥2 and year-end dividend of ¥2) to commemorate the 75th anniversary of our foundation in FY2022.

Main Initiatives in FY2026

Equipment Business

- Exploration of new needs and acquisition of business opportunities in global markets.
- Development and market launch of high value-added products that meet testing requirements.
- Shortening of product lead times by improving ease of customization.

Service Business

After-sales service : Expansion of maintenance contract services; cost reduction through improved utilization rates.

Laboratory testing services: Securing orders for electrification and autonomous driving modules, as well as aerospace-related equipment, and improving profitability.

Area Strategy

Japan : Strengthening sales activities in AI semiconductors and satellite communications, and capturing replacement-demand opportunities.

North America: Strengthening sales in satellite communications and driving earnings growth by increasing production capacity.

China : Strengthening sales in semiconductors, electronic components and devices.

Main ESG Initiatives in FY2026

■ E for Environment

- Advancing the 8th Mid-Term Plan on the Environment Plus II (FY2026–2027)
  Strengthening measures against global warming, promoting biodiversity conservation, promoting resource circulation and strengthening chemical substance management, and enhancing disclosed information (CDP, TCFD, TNFD)

■ S for Society

- Establishing a vision-realization-oriented HR system and promoting internal communication
- Introducing a work-sharing system and promoting health and productivity management
- Commencing operation of a stock compensation system for employees in management assistant positions

■ G for Governance

- Strengthening Group governance
- Implementing supply chain risk measures
- Strengthening risk management

Revision of the Medium-Term Management Plan

Targets Review of the Medium-Term Management Plan PROGRESSIVE PLUS 2027

	FY2027 Initial Forecasts	FY2027 Revised Forecasts	Variance	Reasons for the Revision
Net Sales	70 billion yen	76 billion yen	+6 billion yen	Net sales are progressing smoothly as we develop target markets, mainly in AI semiconductors and satellite communications. We expect expanded sales in the satellite communications field in North America and in the AI semiconductors field in Southeast Asia, development of the Indian market, and recovery in sales in the China and European markets.
Operating Profit	10.5 billion yen	9.1 billion yen	-1.4 billion yen	- Impact on earnings from investment to increase production capacity for rapidly expanding orders in North America - Delayed improvement in profitability in the China market and in laboratory testing services - Delay in the timing of realizing the effects of the growth strategy, enhancing product value and manufacturing efficiency We will first steadily achieve an operating profit ratio of 12%, which is a record high level (11.6% in FY2018), and use this as a stepping stone to establish a lean, sustainable, high-profit business structure.
Profit Ratio	15.0%	12.0%	-3.0pt	
Profit Attributable to Owners of Parent	7.6 billion yen	6.7 billion yen	-0.9 billion yen	
ROE	12.0%or more	12.0%or more	No changes	Further strengthen the financial capital strategy and maintain the initial target of 12.0% or more.

* The expected rate (U.S. dollar) is changed from ¥145 to ¥155.

Revision of Targets by Business Segment

		FY2027 Initial Forecasts	FY2027 Revised Forecasts	Variance
Net Sales	Equipment Business	58,550	65,050	+6,500
	Service Business	10,200	9,650	-550
	Other Business	1,800	1,900	+100
	Elimination	- 550	- 600	-50
	Total	70,000	76,000	+6,000
Operating Profit Profit Ratio	Equipment Business	8,910 15.2%	7,720 11.9%	-1,190 -3.3pt
	Service Business	1,500 14.7%	1,250 13.0%	-250 -1.7pt
	Other Business	90 5.0%	130 6.8%	+40 +1.8pt
	Elimination	0	0	-
	Total	10,500 15.0%	9,100 12.0%	-1,400 -3.0pt

Equipment Business: Growth Strategy Progress

	Evaluation of FY2025		Issues and Future Initiatives
Development of target markets (AI semiconductors, autonomous driving, satellite communications)	On track	Orders received in FY2025 increased significantly by +50% year on year. AI semiconductors were steady mainly in Japan, Southeast Asia, and Taiwan (+30%), and satellite communications increased substantially mainly in North America (+150%). No major fluctuations in autonomous driving.	Launch of new products for the AI semiconductor sector, where global demand is expected to grow, and launch of new products for the satellite communications field.
Improvement in profitability of custom products	On track	In FY2025, improved to a level comparable to standard products, also due to the repeat effect.	Enhance profitability by acquiring orders for new needs and securing repeat orders
Enhancement of product value through new products and model changes	Needs attention	In FY2025, we launched products for the AI semiconductor field, but there were delays in the product development and market launch plan.	Execute the product development plan and launch into the market
Enhancement of manufacturing efficiency (in-house production, shortening lead time)	Needs attention	In FY2025, we formulated the Fukuchiyama Plant renovation plan, but operations will begin in the second half of FY2027.	Execute the Fukuchiyama Plant renovation plan, improve gross profit ratio, and shorten product lead time

Service Business: Growth Strategy Progress

	Evaluation of FY2025		Issues and Future Initiatives
Expansion of laboratory testing services sales	Behind plan	In FY2025, revenue decreased due to customers' restraint on investment and changes to development plans accompanying the slowdown in EV demand. In addition, profitability deteriorated due to an increase in depreciation expense. Due to the recording of an impairment loss, depreciation expense from FY2026 onward is reduced.	Acquire orders in steady fields (electrification/automation modules, aerospace equipment)
Transforming after-sales service into a highly efficient business	Needs attention	In FY2025, we revised technical fees in October, and going forward, profitability is expected to improve.	Expand preventive maintenance services (Super Support Plan) and improve productivity through higher utilization rates

Global Strategy Progress

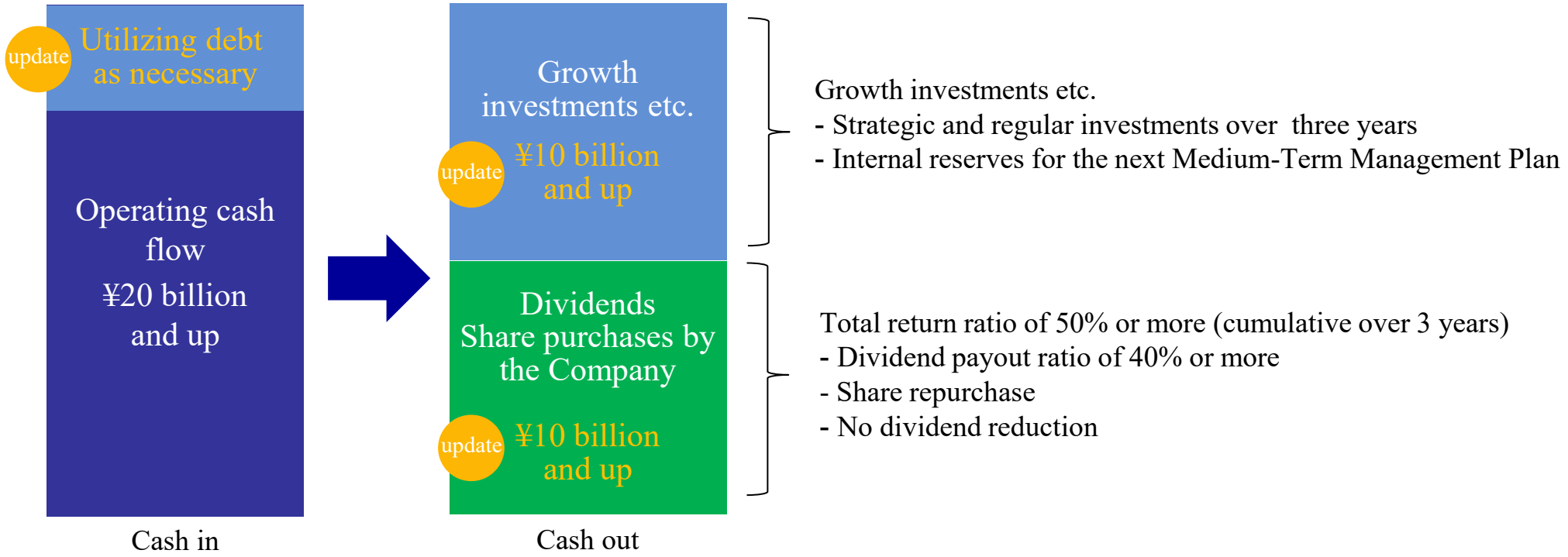
	Evaluation of FY2025		Issues and Future Initiatives
Japan	On track	The automobile field decreased, but the targeted AI semiconductors field remained steady.	Launch new products centered on the AI semiconductors field and promote higher-efficiency manufacturing.
North America	On track	Orders received expanded significantly, centered on the satellite communications field.	Increase production capacity and shorten product lead time.
China	Behind plan	Due to intensified competition with local manufacturers, orders received and net sales were maintained, but profitability deteriorated.	With a policy of placing priority on securing share, maintain share through product launches for the domestic semiconductors field as well as custom responsiveness and service capabilities.
South Korea	Behind plan	Decreased due to an economic slowdown from the impact of tariffs.	Acquire orders in the AI semiconductors field and shorten product lead time.
Southeast Asia	On track	Centered on the AI semiconductors field, orders received expanded from Japanese-affiliated and foreign-capital (U.S., Korea, China) customer.	Develop new customers (semiconductors and automobile fields) and differentiate through service capabilities.
India	On track	Expanded orders received, centered on the semiconductors and automobile (four-wheel, two-wheel) fields.	Establish service bases within FY2026, and differentiate through service capabilities.
Taiwan	On track	Although this is an area where competition with local manufacturers is severe, we launched products for AI servers and acquired orders.	Develop competitive products and shorten product lead time.
Europe	Behind plan	Delayed launch of products compliant with environmental regulations.	Develop fields other than automobile (aerospace and semiconductors fields) and expand the lineup of products compliant with environmental regulations.

Update of Cash Allocation (FY2025–FY2027)

Cash Allocation Policy

Proactively allocate cash generated over three years to growth investments and shareholder returns

With an emphasis on capital efficiency, use debt as needed for growth investments and enhancing corporate value.
As part of shareholder returns, we will also flexibly consider and execute share repurchases.



Update on Measures to Realize Management Conscious of Cost of Capital and Stock Price
(strengthening the financial capital strategy)

Disclosed on May 14, 2026

Update on Measures to Realize Management Conscious of Cost of Capital and Stock Price.
Enhance capital profitability through strengthening the financial capital strategy, and aim to achieve the medium-term management plan target of ROE of 12% or more in FY2027.

Policies

* Underlining indicates the content updated in May 2026.

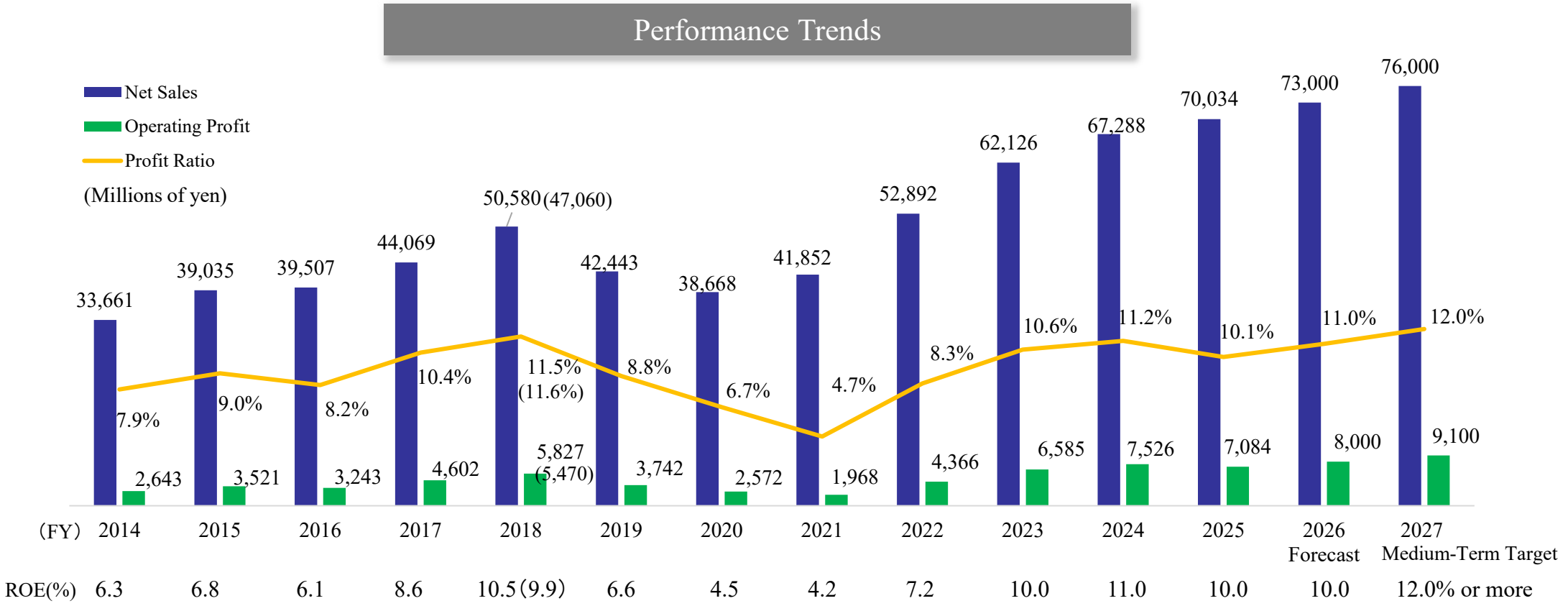
- Aim to achieve (net sales of ¥76.0 billion yen, operating profit of ¥9.1 billion yen, operating profit ratio of 12.0%, profit of ¥6.7 billion yen, and ROE of 12.0% or more) under the Medium-Term Management Plan “PROGRESSIVE PLUS 2027”
- Generate cash through improvement of the operating profit ratio and efficiency of total assets, while also utilizing debt as necessary
- Engage in balance sheet management with a focus on capital efficiency, using an equity-to-asset ratio of 70% or less and on-hand liquidity of within three months as indicators to control capital
- Aggressively invest in growth and return profits to shareholders based on the three-year cash allocation policy

Main Initiatives

(1) Increase profitability	Implement a growth strategy targeting the AI semiconductors, autonomous driving, and satellite communications fields, strengthen profitability
(2) Financial strategies	Optimize inventories and reduce trade receivable, and control capital
Shareholder returns	Implement proactive shareholder returns based on the shareholder return policy (P.28)
(3) Enhance IR activities	Enhance dialogue with shareholders and investors to improve reputation in the stock market and strengthen management

Performance Trends

We will advance earnings improvement across the entire ESPEC Group, while also improving capital efficiency, and aim to establish a lean, sustainable, and highly profitable earnings model.



* FY2018 was an irregular 15-month fiscal period for overseas consolidated subsidiaries. “( )” figures showing values based on a 12-month accounting period

Securities ID code:6859

Reference

Company Presentation and Business Overview

ESPEC CORP.
May 25, 2026

Company Profile

【Industry-leading manufacturer of environmental test chambers】

Name	ESPEC CORP.
Head Office	3-5-6, Tenjinbashi, Kita-ku, Osaka
Representative	President Satoshi Arata
Established	July 25, 1947
Incorporated	January 13, 1954
Paid-up Capital	¥6,895 million
Issued shares	23,781,394 Shares
Employees	1,898 (consolidated)
Main Business	Manufacture and Sales of Environmental Test Chambers, Energy Device Equipment, Semiconductor Equipment and Plant Factory. After-sales Service, Laboratory Testing Services and others.

Head Office

Share of Environmental Test Chambers

Over 30% worldwide, Over 60% domestic

* Market shares are ESPEC estimates

(As of March 31, 2026)

History of Environmental Test

What is Environmental Test

Test to analyze and evaluate effects of environmental factors such as temperature, humidity, pressure, and vibration on various industrial products like electronic components in order to ensure product quality.

1950s
The environmental test was JIS-standardized in Japan for consumer products.


1970s–1990s
"Reliability" and "quality control" became important issues in product development. Demand increased dramatically due to a rapid shift toward computerization and the use of electronic components.



Present
Demand is expanding in the development fields of AI/IoT and next-generation automobiles against the backdrop of digitalization and decarbonization.

1961 Japan's First Environmental Test Chamber

Low Temperature & Humidity Chamber "Lucifer"

Worldwide Market Share No.1

Over 60% domestic

Over 30% worldwide

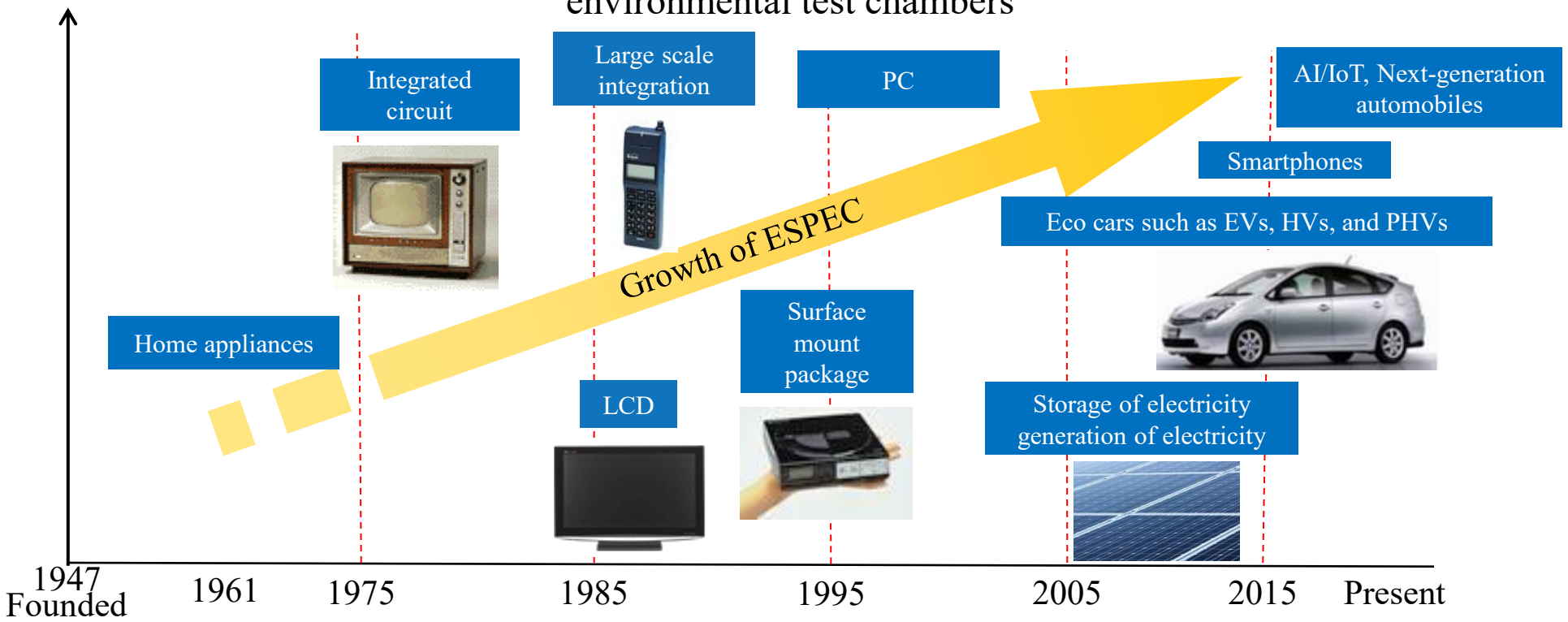
* Market shares are ESPEC estimates

Consecutively selected as a winner of Ministry of Economy, Trade and Industry (METI)
"Global Niche Top Companies Selection 100" (FY 2013, FY 2020)

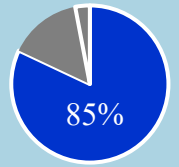
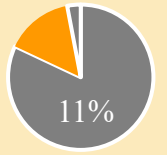
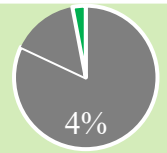
Temperature & Humidity Chamber"Platinous J series"

Transition in Business

Expanding business based on the “environmental creation technology” refined during the course of developing environmental test chambers



Summary of ESPEC Business (Per Market / Use)

		Main Products	Market	Use	Sales Composition (FY2025)
Equipment Business	Environmental Test Chambers	- Temperature & humidity chamber - Walk-in type temperature & humidity chamber - Thermal shock chamber - Combined temperature & humidity chamber - Bench-top type temperature & humidity chamber - HALT test system - HAST chamber	- Electronic component and equipment market - Automobile market - Semiconductor market - Satellite Communications market - Pharmaceuticals and foods market	- For R & D about 70% - For credibility and evaluation about 20% - For production and inspection about 10%	
	Energy Device Equipment	- LIB charge-discharge cycle evaluation equipment - LIB safety evaluation system - Fuel cells evaluation system	- Next generation automobile market - Secondary batteries market - Fuel cells market	- For R & D - For credibility and evaluation - For safety evaluation - For production	
	Semiconductor Equipment	- Burn-in system - Semiconductor evaluation system	- Semiconductor market - Electronic component and equipment market - Automobile market	- For R & D - For credibility and evaluation - For production and inspection	
Service Business	After-sales Service and Engineering	- Repairs and preventive maintenance - Inspection and calibration - Construction around equipment	- Electronic component and equipment market - Automobile market - Semiconductor market - Aerospace equipment	—	
	Laboratory Testing Services and Facility Rentals	- Laboratory testing services - Resale - Equipment rental - Calibration		- For R & D - For credibility and evaluation	
Other Business	Environmental Conservation	Reforestation (Tree planting), Waterfront biotope restoration, Urban greening			
	Plant Production Systems	Plant factory, Research seedling cultivation systems			

Business Overview: Equipment Business

Providing comprehensive environmental testing solutions that support the development of advanced technologies

Environmental Test Chambers

Over 60% market share in Japan and over 30% worldwide

Providing products that support advanced technology development, reliability evaluation, production, and inspection processes across a wide range of fields, including electronic components, electronic devices, automobiles, semiconductors, satellite communications, pharmaceuticals, and foods.

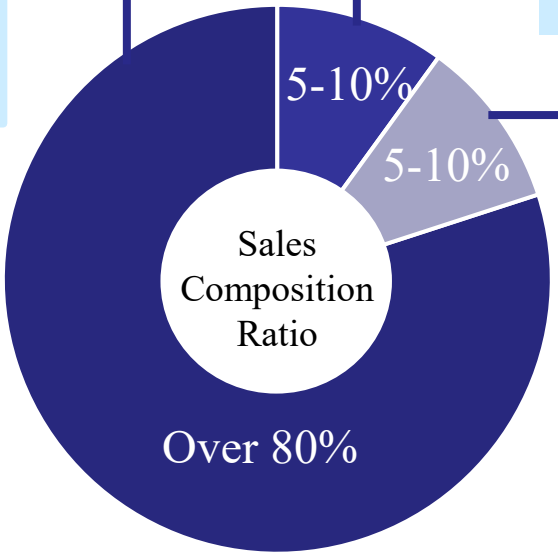
Offering a diverse lineup according to temperature, humidity, pressure ranges, temperature change rate, size, and other requirements

Platinous J Series Temperature & Humidity Chambers

Thermal Shock Chamber

Walk-In Temperature & Humidity Chamber

Bench-top Type Temperature & Humidity Chamber



Semiconductor Equipment

Providing burn-in systems that sort good and defective products in semiconductor inspection processes, as well as measurement systems that evaluate the electrical characteristics of semiconductors, electronic components, and other products.

Measurement & Evaluation System

Burn-in Chamber

Energy Device Equipment

Providing rechargeable battery charge-discharge cycle test systems that evaluate the performance and service life of rechargeable batteries, safety evaluation systems, and fuel cell evaluation systems.

Rechargeable Battery Charge-Discharge Evaluation System

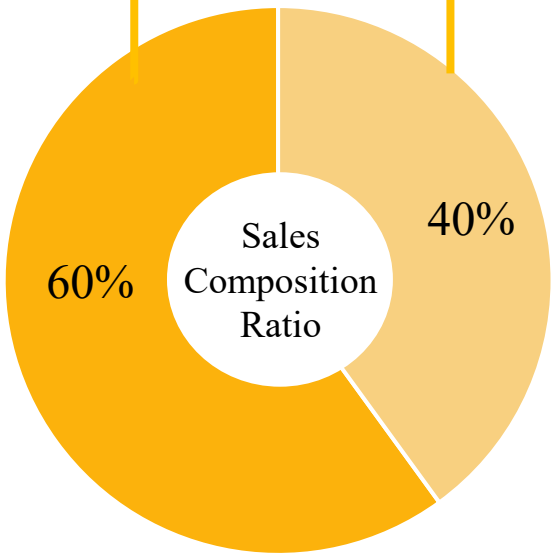
Temperature Chamber For Charge-Discharge Testing

Business Overview: Service Business

Providing services that resolve customer issues and offering total support for customer testing in accordance with various standards

After-Sales Service and Engineering

- Provide product maintenance and preventive maintenance so customers can use the equipment with confidence.
- Provide installation and relocation, peripheral construction work, and sales of peripheral equipment.
- Provide cloud-based network services.



Laboratory Testing Services and Facility Rentals

- Propose optimal solutions for the evaluation needs specific to each industry and conduct customers' environmental testing on their behalf at the Company's test laboratories.
- Provide rental and resale of environmental test chambers, as well as calibration services for measurement instruments.

Testing areas for laboratory testing services:
- Automobiles
- Rechargeable batteries
- Aviation and electric vertical takeoff and landing aircraft (eVTOLs)
- Electronic components and electronic devices
- Semiconductors, etc.

Five locations in Japan (Utsunomiya, Tokoname, Toyota, Kariya, and Kobe)
Test laboratories established at two locations in China (Shanghai and Suzhou) and one location in Thailand

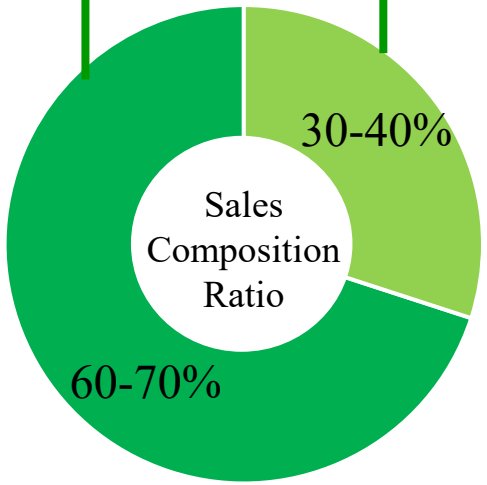
GREEN POWER

Laboratory testing service in Japan powered 100% by renewable energies

Business Overview: Other Business

Plant Production Systems

Provide plant factories that control light, temperature, humidity, nutrients, as well as seedling cultivation systems for research purposes.



Environmental Preservation

Forest and waterfront development focused on local species.

ESPEC's Strengths

Top Market Share

Share of Environmental Test Chambers:
Over 30% worldwide, Over 60% domestic (ESPEC estimates)

First in Japan to develop environmental test chambers, rapidly established a brand in Japan and overseas and have held the top market share for many years

Technological Capabilities Product and Service Capabilities

Developed a variety of products with high quality and meeting customer requirements

Production technology capabilities that enable high-mix, low-volume production

Total solutions for environmental tests, including products, laboratory testing services and technical support, and after-sales service capabilities

Global Structure

Provide products globally that comply with the needs of respective countries through an extensive global network

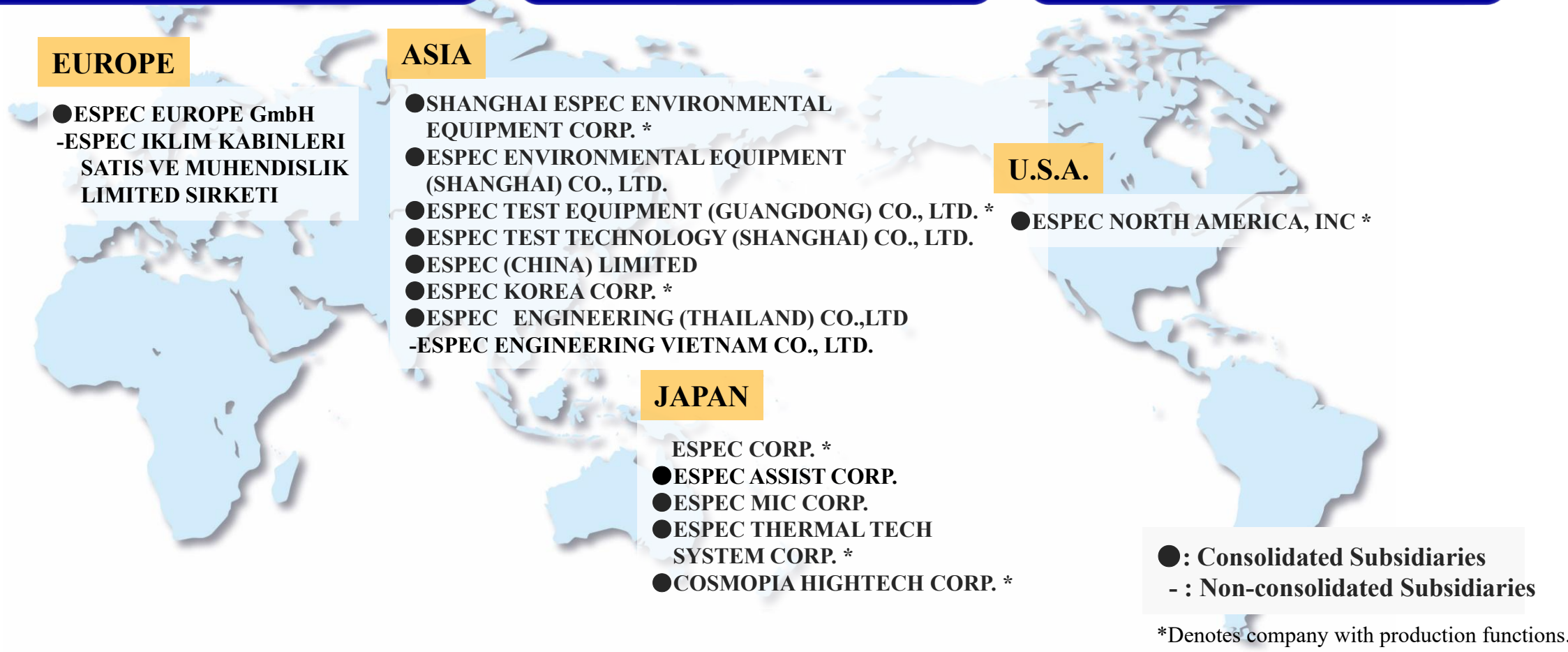
- Consolidated subsidiaries: 13 (9 overseas, 4 domestic)
- Overseas production bases: North America 1 company,
  China 2 companies, South Korea 1 company
- Overseas network: 50 locations (countries or territories), 44 companies

Global Network

Consolidated Subsidiaries
13 companies
(Global 9 companies, Domestic 4 companies)

Global Network
50 locations
44 companies

Business Facilities in Japan: 16
Domestic Agencies in Japan: 46



EUROPE

●ESPEC EUROPE GmbH
-ESPEC IKLIM KABINLERI SATIS VE MUHENDISLIK LIMITED SIRKETI

ASIA

●SHANGHAI ESPEC ENVIRONMENTAL EQUIPMENT CORP. *
●ESPEC ENVIRONMENTAL EQUIPMENT (SHANGHAI) CO., LTD.
●ESPEC TEST EQUIPMENT (GUANGDONG) CO., LTD. *
●ESPEC TEST TECHNOLOGY (SHANGHAI) CO., LTD.
●ESPEC (CHINA) LIMITED
●ESPEC KOREA CORP. *
●ESPEC ENGINEERING (THAILAND) CO.,LTD
-ESPEC ENGINEERING VIETNAM CO., LTD.

JAPAN

ESPEC CORP. *
●ESPEC ASSIST CORP.
●ESPEC MIC CORP.
●ESPEC THERMAL TECH SYSTEM CORP. *
●COSMOPIA HIGHTECH CORP. *

U.S.A.

●ESPEC NORTH AMERICA, INC *

●: Consolidated Subsidiaries
- : Non-consolidated Subsidiaries

*Denotes company with production functions.

Equipment Business/ Service Business: All Weather Simulation Chamber

(in the Kobe R&D Center)

Opened the world's first All Weather Simulation Chamber
Encouraging open innovation and strengthening environmental creation technology

(Mar. 2021)

Replicates dynamic climate environments with high-precision control and variation of seven environmental factors (temperature, humidity, snow, fog, rain, sunlight and wind)

■ All Weather Simulation Chamber

Test chamber: Width 6 m x Depth 9 m x Height 3 m
A black coating is applied to suppress the diffuse reflection of light.

■ Examples of tests in dynamic environments

(1) Tests to replicate the change from sleet to snow

Snow with different amounts of water content can be replicated, including snowfall at temperatures around 0°C, which is close to snowfall in a natural environment. By controlling the snow quality and temperature, the laboratory replicates the change from sleet to snow. The laboratory can confirm the performance of automated driving sensors for which snow accretion has become a problem.

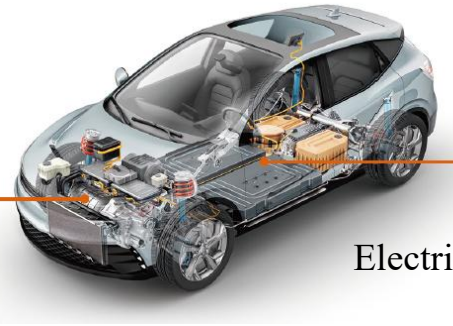
(2) Experiment to replicate the change from rain to fog

The laboratory controls the thickness, temperature and humidity of fog and replicates the change from rain to fog. The laboratory can confirm the performance of automated driving sensors in response to the effects of fog.

Equipment Business: Usage Case with Environmental Test Chambers

Ensure reliability of new technologies and new products by repeatedly testing each component, module and finished product

In-vehicle parts/electrical components
・ECU ・Inverter
・Converter ・Sensor ・Motor etc.



Automotive Batteries
・Lithium-ion battery
・All solid-state battery etc.

Electric Vehicle (EV) image

Representative Examples for Environmental Testing

Device	Process/Test Condition		Our Products
【Power Device】 	Inspection	■Thermal shock test: －40℃⇔＋125℃	Thermal shock chamber
		■High temperature exposure: ＋175℃、＋85℃	(Compact size) Oven
		■Burn-in test	Burn-in chamber
【In-vehicle Sensor】 	Inspection	■Temperature cycle test of printed circuit board: －40℃⇔＋110℃	Temperature & humidity chamber (Platinous) /Oven
		■ Temperature characteristic test after soldering: Linear change between -30℃ and +85℃	Burn-in chamber, Rapid-rate thermal cycle chamber
	Evaluation	■ Thermal shock test : －30℃⇔RT⇔＋80℃、－55℃⇔＋155℃	Thermal shock chamber
【CCD／CMOS】 	Production	■ Diffusion Test: +150℃	Compact size Oven
		■ Drying after cleaning: +85℃	Clean Oven
	Evaluation	■Screening: ＋85℃	Temperature chamber (Platinous)／Burn-in chamber
	Inspection	■Temperature and humidity test: ＋85℃／＋85%rh、＋60℃／90%rh	Temperature & humidity chamber (Platinous)
		■Acceleration test: ＋120℃／100%rh	HAST chamber
		■ Thermal shock test : －40℃⇔＋125℃、－20℃⇔＋85℃	Thermal shock chamber

Equipment Business: Main New Products

Release Date	Name of product	Features
Dec. 2025	Walk-in Temperature & Humidity Chamber for High Heat-generation Loads	-Handling high heat-generation loads for AI server reliability testing. -Enables testing compliant with ASHRAE standards used for server reliability evaluation.
Oct. 2025	Highly Accelerated Stress Test System (HAST Chamber) Model supporting large substrates	-Meeting testing demands in the AI semiconductor and autonomous driving markets. -Capable of evaluating a large number of samples in a single test, and improving testing efficiency
Apr. 2025	Ultra-Low-Temperature Shock Freezer	-Preservation of perishable food freshness through rapid freezing to an ultra-low temperature of -70° C -Automatically completes the entire process of food freezing, storing, defrosting and reheating
Apr. 2025	Rapid-Rate Thermal Cycle Chamber High-Performance Model	-Capable of specimen temperature ramp control at a rate of 20K/min -Complies with semiconductor package reliability test standards and international standards for electronics and automotive markets, among others
Jan. 2025	Expansion of Commissioned Measurement Services (Thermal Dependent Warpage Measurement Service / Thermal Image Analysis Service)	-Thermal Dependent Warpage Measurement System: Supports reflow oven temperature environment (up to 260℃) and large substrate sizes -Thermal Image Analysis System: High-speed, high-precision thermal image analysis
Nov. 2024	Low Temperature (& Humidity) Chamber Featuring R-449A low GWP* refrigerant Platinous J Series ECO Type	-Offers up to a 70% reduction in power consumption compared to current models through proprietary refrigeration technology.
Oct. 2024	Rapid-Rate Thermal Cycle Chamber Premium Excellent Series (EC-28PXHH) Featuring R-473A, R449A Low GWP* Refrigerant	-Launched by COSMOPIA HIGHTECH CORP., a group company. -Capable of rapid temperature change testing in compliance with international testing standards.

*GWP：Global Warming Potential. The smaller the value, the less environmental impact.

Equipment Business: New Product Introduction 1

Launched low temperature (& humidity) chambers Platinous J Series ECO Type with low-GWP refrigerant

- In November 2024, launched the ECO Type in the Platinous J Series, the global standard model for environmental test chambers
- Proprietary refrigeration technology reduces power consumption by up to 70% compared to conventional models, contributing to the reduction of greenhouse gas emissions by adopting low- GWP* refrigerant “R-449A”

low temperature (& humidity) chambers
Platinous J Series ECO Type

First domestic launch by COSMOPIA HIGHTECH of a rapid temperature change device using low-GWP refrigerant

- In October 2024, COSMOPIA HIGHTECH, part of our Group, launched the first domestic rapid temperature change device equipped with low-GWP* refrigerant “R-473A”
- Complies with international test standards and contributes to the reduction of greenhouse gas emissions

Rapid Temperature Change Device Premium Excellent Series
(EC-28PXHH)

*GWP：Global Warming Potential. The smaller the value, the less environmental impact.

Equipment Business: New Product Introduction 2

Commissioned Measurement Services

Contribute to improving the accuracy of thermal analysis CAE and heat dissipation design of semiconductor packages, mounting substrates, etc.

(Expansion in Jan. 2025)

- Thermal Dependent Warpage Measurement Service
  - Visualize the warpage deformation of semiconductor packages and mounting substrates
  - Supports reflow oven temperature environment (-40℃ to +260 ℃)
  - Supports large substrate sizes up to 300 mm
- Thermal Image Analysis Service
  - Visualize the temperature distribution of specimens under constant temperature environment (-40 ℃ to +100 ℃)

Thermal Dependent Warpage Measurement Service

-70°C Ultra-Low Temperature Shock Freezer for delicious rapid freezing

- In April 2025, launched the “Ultra-Low Temperature Shock Freezer” capable of freezing food rapidly at -70°C, preserving freshness even for perishable items
- Enables freezing in a low airflow environment, preventing food from drying out, and allows a seamless process from freezing to thawing and reheating in a single unit

Ultra-Low Temperature Shock Freezer

Equipment Business: Examples of Products Delivered

Walk-in Type Temperature (& Humidity) Chamber, for building materials

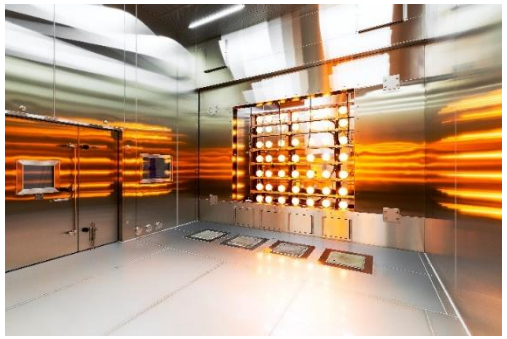
(Delivered in Jul. 2018)

Uses:

Reproduce the environment inside apartments (temperature and humidity) and outdoors (weather such as rain, snow, and sunlight), conduct performance evaluations and durability tests of building materials for sash, balcony, etc.

Walk-in Type Temperature (& Humidity) Chambers, for use for building materials

Temperature (& Humidity) Chambers are movable so that building materials for testing can be easily changed



Furnished with irradiation equipment and watering (rain) equipment, to reproduce an outdoor weather environment

Equipment Business: Usage Case with Energy Device Equipment

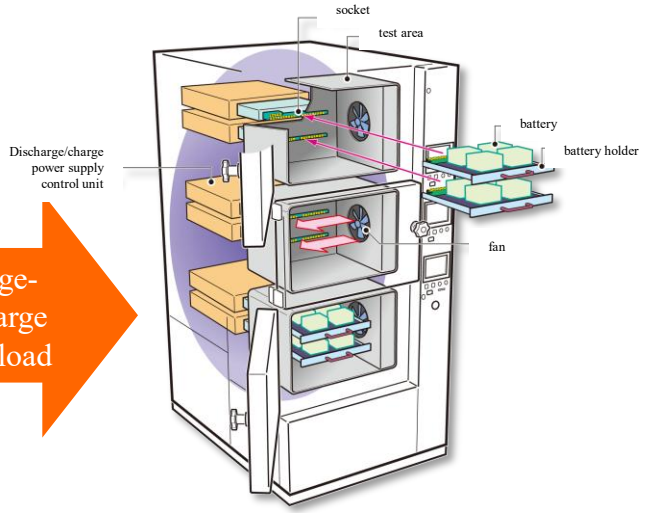
Charge-discharge Cycle Evaluation Equipment

Equipment for ensuring the reliability and safety of lithium-ion secondary batteries for next-generation vehicles (e.g., hybrid and electric vehicles)

Secondary Battery Charge-Discharge Evaluation System

Secondary Batteries

Charge-discharge cycle load



Checking the charge-discharge characteristics of secondary batteries

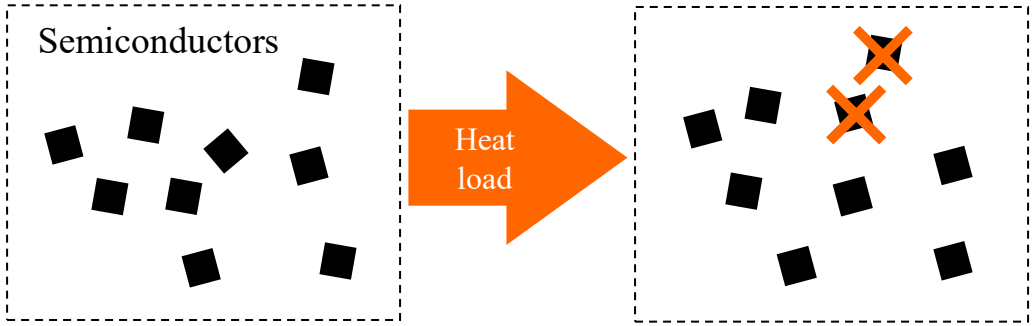
Evaluating the performance and life of secondary batteries

Equipment Business: Usage Case with Semiconductor Equipment

Screening

Eliminate defective products to maintain initial-period quality at the final inspection stage of semiconductor device manufacturing

Burn-In Chamber

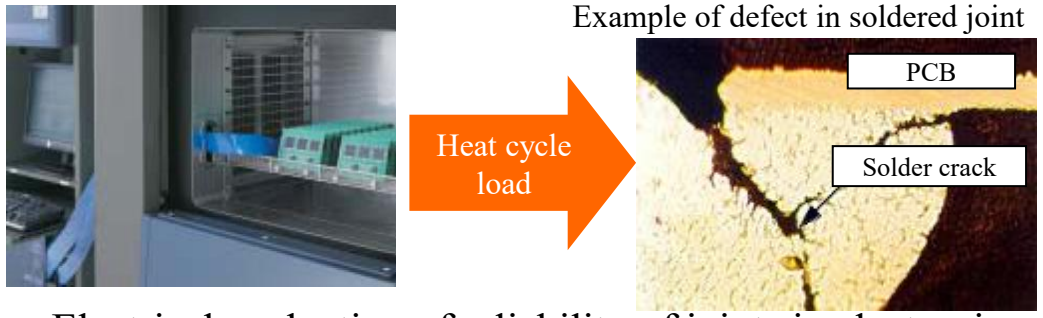


Elimination of latent early failures

Reliability Evaluation

Used to evaluate basic failure patterns to ensure reliability in the development of new technologies

Conductor Resistance Evaluation System

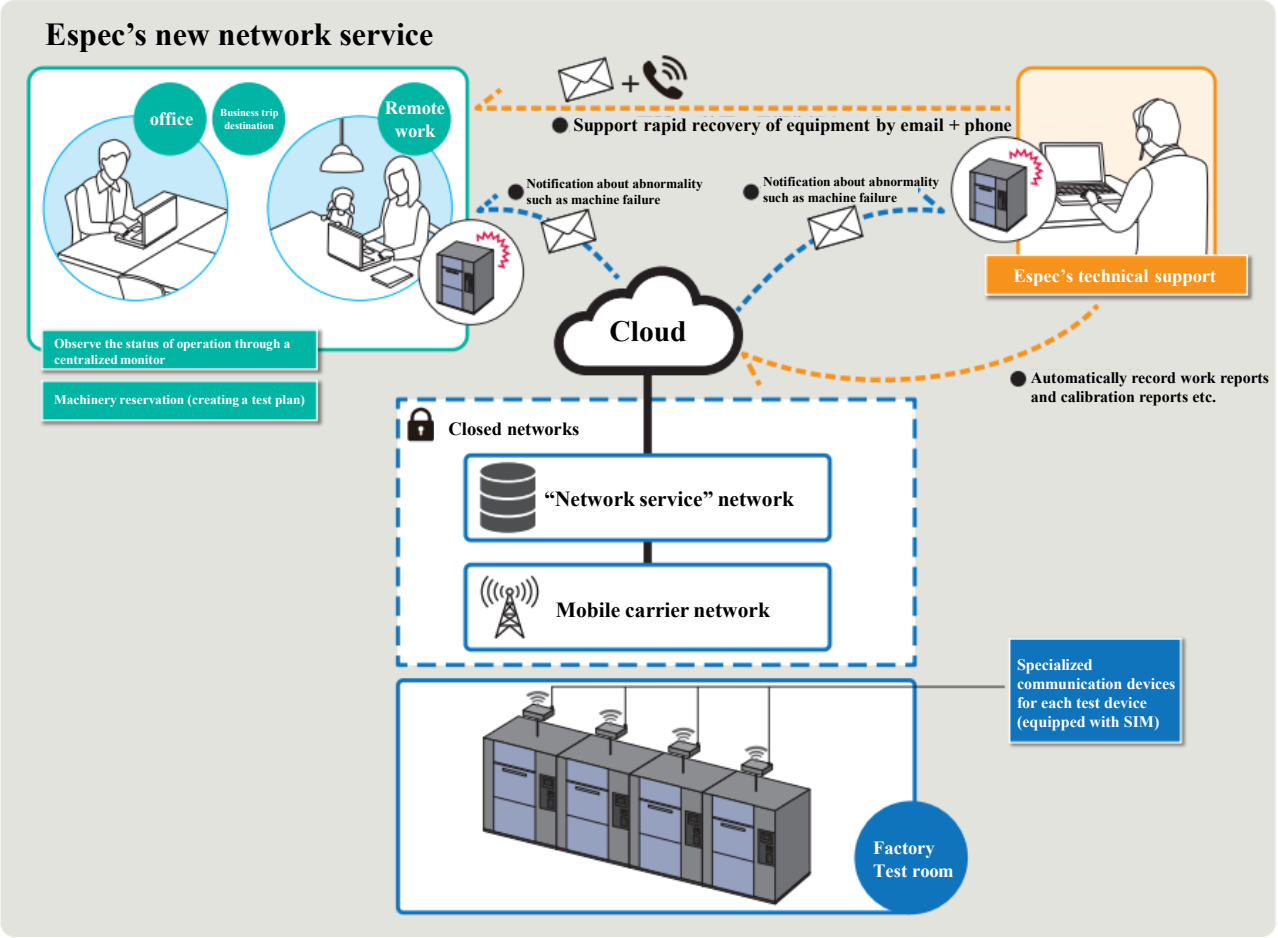


Electrical evaluation of reliability of joints in electronic parts

Service Business: After–Sales Service

"Network service" utilizing mobile communications and cloud computing.
Eases the burden on customers' tests and machinery management, and reduces equipment downtime.

(Started in Apr. 2022)



Service Business: Laboratory Testing Services

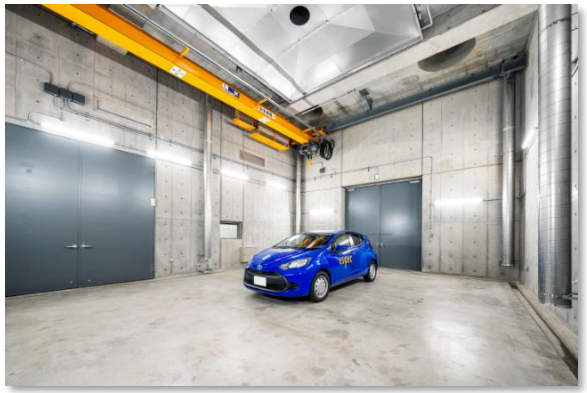
Supporting testing of a wide range of in-vehicle electrical components including automation modules

- In September 2019, Toyota Test Center became compatible with all test items set forth by the LV124 German Automotive Manufacturer Testing Standards.
- In April 2025, functions were expanded to simulate the usage environment while EV and automation modules are in operation, and services were newly enhanced for conducting evaluation and measurement.

Toyota Test Center

Aichi xEV Battery Safety Test & Certification Center, One of Japan's Largest Dedicated Automotive Rechargeable Battery Testing Centers

- Opened in February 2025 at the Tokoname site of Aichi Next Generation Mobility Test Lab.
- Supports larger and higher capacity automotive rechargeable batteries with cutting-edge testing facilities.



A safety testing room that can accommodate one car

Other Business: Environmental Preservation/ Plant Production Systems

At Expo 2025 Osaka-Kansai
cooperating in venue greening and aquaponics exhibitions

■Provision of planted mats and seedlings at the venue

- Supplying mats planted with Japanese native cogon grass and seedlings of silver grass for the “Grand Ring”, and wild grasses and aquatic plants to border the pond’s edge in the “Forest of Tranquility”.
- Also supplying for the EXPO National Day Hall, Hungary Pavilion, Kuwait Pavilion, Signature Pavilions, etc.

The Grand Ring

■Cooperation in exhibitions at the Osaka Healthcare Pavilion

- Collaboration with the Osaka Metropolitan University R&D Center for the Plant Factory to support aquaponics exhibits.
- Provision of vegetable cultivation technologies and expertise.

What is aquaponics?
A recycling production system that combines hydroponics and land-based cultivation. Bodily waste from fish is decomposed by microorganisms and used as a source of nutrients needed to grow plants. This enables vegetables to be grown either without using chemical fertilizers or reducing the amount of their use.

Aquaponics “Cradle of Life”

Other Business: Examples of Products Delivered

■Arid Land Research Center, Tottori University

(Delivered in Mar. 2016)

Products delivered:

Experimental System for Analyzing Responses of Dryland plants to Climate Changes (2 units)
(Simulates the climates of arid lands, including high temperature, low humidity, strong sunlight, and high winds)

Uses:

Plant cultivation experiments and experiments to develop efficient water-usage technologies in arid lands, research to solve issues facing arid lands

Experimental System for Analyzing Responses of Dryland plants to Climate Changes

Experiment in progress
(Testing wheat for drought stress)

Securities ID code:6859

Reference

Sustainability Initiatives

ESPEC CORP.
May 25, 2026

About ESPEC's Sustainability

Guided by our corporate philosophy,
"THE ESPEC MIND," ESPEC will help to solve social and environmental issues through businesses centered on environmental creation technology, with the aim of achieving sustainable growth.

Corporate Philosophy

Our important values that have been passed on since our inception

“THE ESPEC MIND” (Excerpt)

The Origin	Aim for better value exchange as a public institution
Mission	Provide more certain Seikankyo (living environment) via environmental creation technology
Style	Progressive, Reliable, Open, Fair
Declaration	What ESPEC promises society “compliance, ” “ culture, ” “ human rights, ” “ the environment, ” “education/enlightenment. ”

Sustainability Policy and Materiality

Looking toward sustainable growth, we formulated a sustainability policy, and identified materiality (important issues) that must be addressed in order to produce social and economic value.

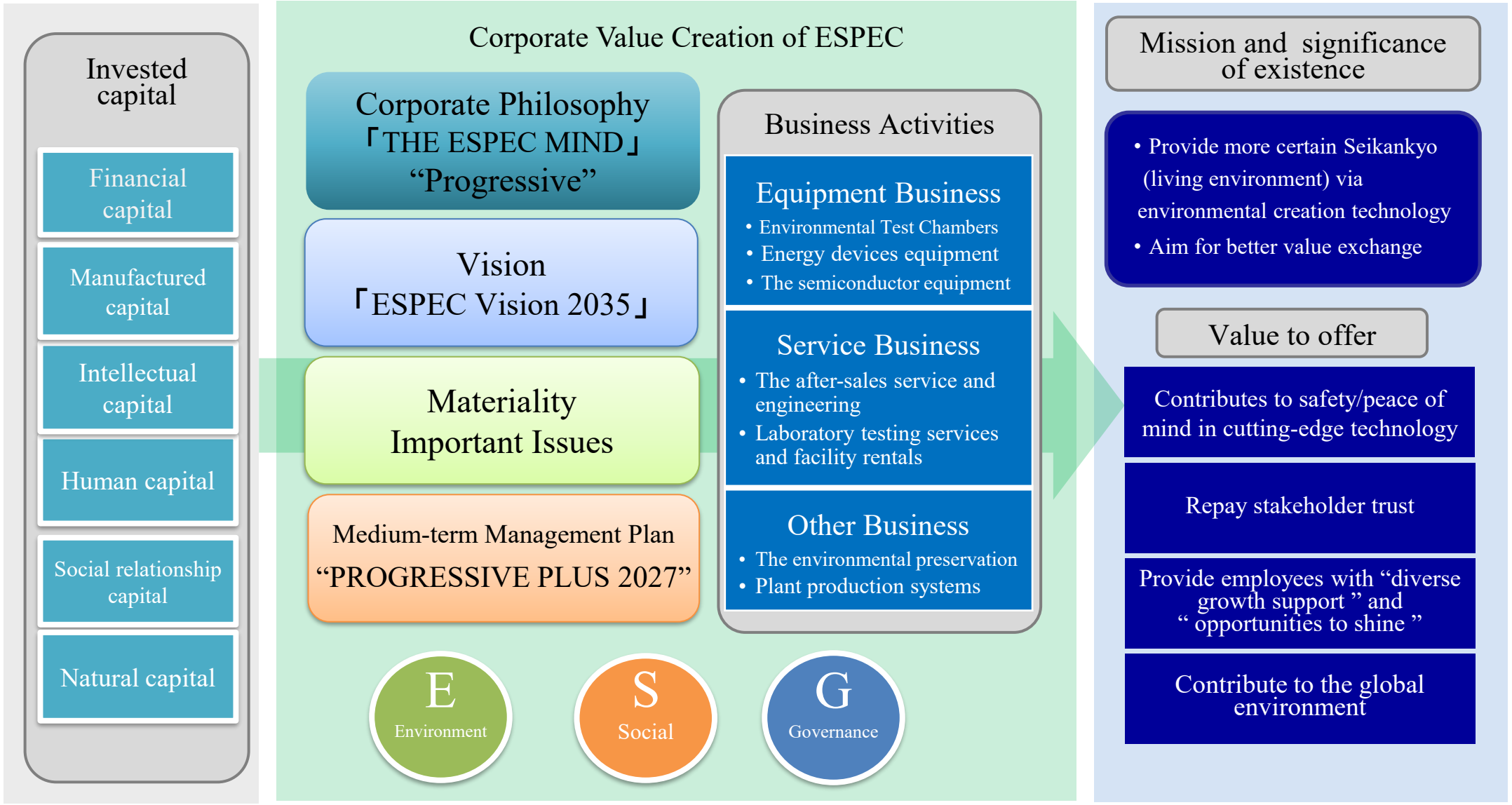
Sustainability Policy

- By putting our corporate philosophy (THE ESPEC MIND) into practice, we are working to create and improve both social value and economic value.
- By maintaining a good exchange of value with our stakeholders, we are aiming for continuing growth.
- Based on ESPEC Vision 2035, we will contribute to solutions for the global environment and social issues through our business activities, centering on Environmental Creation Technology.
- We will engage in active disclosure of information related to sustainability.

Materiality

- Solve social challenges through global business
- Provide products and services with responsibility
- Be environmentally friendly
- Securing and cultivating diverse human resources
- Respect for human rights
- Use of digital technologies
- Enhancement of group governance

Corporate Value Creation Process



ESPEC's Business

Equipment Business

Contribute to the development of advanced technologies
through the supply of products and services leveraging environmental creation technology

•Supply products and services that contribute to the development of advanced technologies to solve social and environmental issues

●Environmental Test Chamber

Supply environmental test chambers that artificially replicate environmental factors such as temperature and humidity, thereby ensuring the reliability of products

●Energy Device Equipment

Supply evaluation systems for secondary batteries and fuel cells installed in eco cars

●Semiconductor Equipment

Supply products such as burn-in chambers and systems for semiconductor inspection and measurement and evaluation systems

Temperature & Humidity Chamber
"Platinous J series"

Drive-In Chamber for Vehicle Testing

Burn-In chamber
for semiconductor inspection

Secondary Battery Charge-Discharge
Evaluation System

ESPEC's Business

Service Business

Contribute to the development of advanced technologies
through the supply of products and services leveraging environmental creation technology

•Supply products and services that contribute to the development of advanced technologies to solve social and environmental issues

●After-sales Service and Engineering

Conduct product maintenance and preventive maintenance so that customers can use systems with peace of mind.

Technical support using IT

●Laboratory Testing Services

Provide laboratory testing services based on technologies and testing expertise developed through environmental tests.

Capable of performing various safety tests for secondary batteries compliant with United Nations regulations and other standards
Battery Safety Testing Center

ESPEC's Business

Environmental Conservation Business

Contribute to biodiversity conservation

Environmental conservation business to restore the natural environment, including reforestation (tree planting) that contributes to biodiversity and CO2 fixation, waterfront biotope restoration to restore natural rivers, and grassland creation using native species.

A forest restored along the approach to Rinno-ji Temple in Sendai

Waterfront biotope restoration on the Sumida River Terrace in Tokyo

Plant Production Systems Business

Contribute to a stable food supply to address global warming and extreme weather

Provide plant factories and research devices that can efficiently produce vegetables by controlling temperature, light, and other factors, as well as systems such as aquaponics that circulate water and nutrients to grow vegetables and fish together.

Plant factory using deep sea water
Produce and sell vegetables high in minerals

Experimental System for Analyzing Responses of Dryland Plants to Climate Change
(Arid Land Research Center, Tottori University)

Products and Services that Contribute to Resolving Environmental and Energy Issues

■ Product lineup to evaluate the performance and durability of secondary batteries, fuel cells, solar batteries and power devices

Secondary Battery Charge-Discharge Evaluation System

Fuel Cells Evaluation System

Temperature Cycle Test System for Solar Battery Modules

Power Cycle Test System for Power Device

■ xEV Battery Safety Test & Certification Center compliant with United Nations regulations on the safety of automotive secondary batteries

- In October 2014, entered into business alliance with TÜV SÜD Japan Ltd., a third-party certification agency
- In September 2015, opened in Utsunomiya City, Tochigi Prefecture, and in February 2025, opened in Tokoname City, Aichi Prefecture

Tochigi xEV Battery Safety Test &Certification Center

■ Laboratory testing services using 100% renewable energies (domestic)

Environment Targets / Mid-term Plan on the Environment

Environment Targets for FY2030

Reduce greenhouse gas emissions by 60% for SCOPE 1+2, 30% for SCOPE 3 (compared with FY2019 levels)

■ In July 2023, received Science Based Targets (SBT) certification from the international SBT Initiative*

*SBT Initiative
An international initiative that encourages firms to set scientifically-grounded targets for reducing greenhouse gas emissions so that the goals of the Paris Agreement may be achieved. Jointly managed by CDP, which is an NGO involved in environmental information disclosure, UNGC (United Nations Global Compact), WRI (World Resources Institute), and WWF (World Wide Fund for Nature).

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

8th Mid-Term Plan on the Environment Plus II (FY2026–2027)

Reduce greenhouse gas emissions by 57% for SCOPE 1+2 (compared with FY2019 levels)

<Priority Themes>

- Strengthen measures to address global warming (CO2 reduction)
- Promote resource circulation and strengthen chemical substance management
- Promote biodiversity conservation
- Enhance disclosed information

Biodiversity Preservation Initiatives 1

Kobe R&D Center, a hub for biodiversity preservation activities
Received the Prime Minister's Award for Distinguished Service in the 2026 Greenery Promotion Campaign

The site has a forest of approximately 30,000 trees comprising native plant species, planted and grown by employees; rooftop green space using plant species native to the northern Rokko region on the roof of the technology development building; and a biotope made up of two ponds and a stream.
In October 2023, certified as "Natural Symbiosis Site by the Ministry of the Environment". In August 2024, it was registered as an OECM* in the international database.
In April 2026, received the the Prime Minister's Award for Distinguished Service in the 2026 Greenery Promotion Campaign.


表彰状

エスペック株式会社 神戸R&Dセンター殿

貴殿は多年にわたり緑豊かな地域社会づくりに励み緑化の推進に尽くした功績は誠に顕著であります
よってこれを表彰します

令和八年四月二十四日

内閣総理大臣 高市早苗

Certificate of the Prime Minister's Award for Distinguished Service in the 2026 Greenery Promotion Campaign

*OECM (Other Effective Area-based Conservation Measures): Areas outside protected areas that contribute to biodiversity conservation

Biodiversity Preservation Initiatives 2

Biodiversity conservation activities “ESPEC’s 50-Year Forest”

- In November 2022, started the forest creation for “ESPEC’s 50-Year Forest” using the “corporate forests” system under the Ministry of Agriculture, Forestry and Fisheries in Sanda City, Hyogo Prefecture
- Held a total of three tree-planting festivals by April 2024.
- Approximately 400 employees and others participated in planting a total of 12,000 trees over the past two years

The 3rd Tree-Planting Festival
Seeds were selected based on carbon fixation and biodiversity functions.

ESPEC Foundation for Earth Environment Research and Technologies

- Provides funding support every year for research, technology development on global environmental conservation
- Grants totaling ¥173.9 million have been provided to a total of 344 groups over the past 27 years since the Foundation was established in 1977

28th award ceremony

Initiatives to Maximize Human Resources

Improving the quality of corporate culture and organizational management

- Round-up Training Course, Direct Communication sessions, Company-wide event, 1 on 1 meetings, address people with “ san” rather than their job titles
- Engagement surveys, personnel assessments, and 360° Surveys
- A performance evaluation system that fosters ambition and growth

Individual growth support

- Career training
- Support for language study
- Recurrent education
- Remote learning

Company
- Diverse growth support
- Providing opportunities to shine

Enhancing corporate value

Sharing the joy of growth
Employees and management joining together in vigorous activity

Employees
- Independent growth
- Work satisfaction

Management strategy-linked human resources development

- Training of next-generation management
- Global human resources
- DX personnel and digital personnel

Diversity and inclusion Ensuring employee health and safety

- Promoting the utilization of women and senior citizen employees
- Health promotion, mental healthcare
- Increasing the rate of disability hires
- Implementation of human rights and harassment education

Contributions to Society

ESPEC Smile Club: a donation system featuring employee participation

- Donated to an organization that conducts CSR activities related to children and medical care through the matching gift system in which the Company matches donations made by employees.

- In April 2026, we donated a total of 1,403,900 yen to Japan Heart*, a specified nonprofit corporation.

* Japan Heart: An international medical NGO founded in Japan that provides free medical services both domestically and abroad.

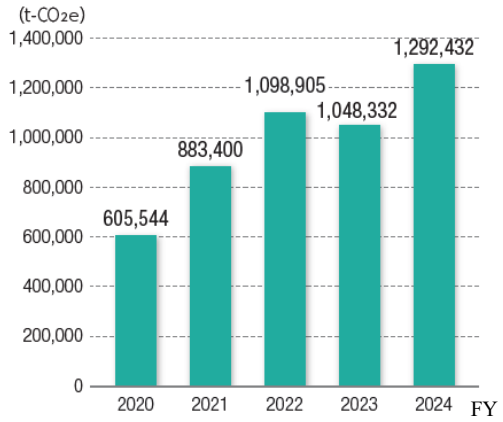
Vegetables harvested at a plantation staffed by workers with disabilities were donated to children's cafeterias

- Periodically donated vegetables harvested at ESPEC Smile Farm*, a plantation staffed by workers with disabilities, to local children's cafeterias

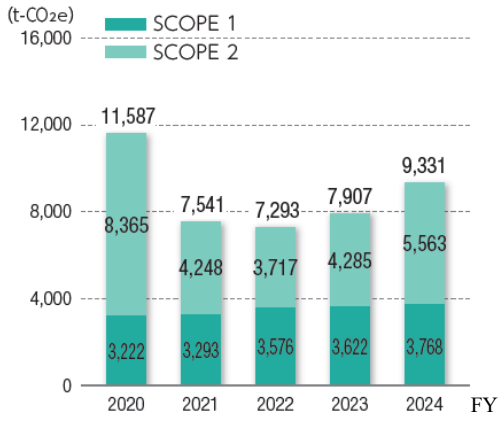
* Opened in November 2021 in a rental farm operated by a company that supports employment of people with disabilities. 4 individuals were hired to work at ESPEC Smile Farm, specifically 3 staff members with disabilities and 1 farm foreman.

Non-Financial Data 1

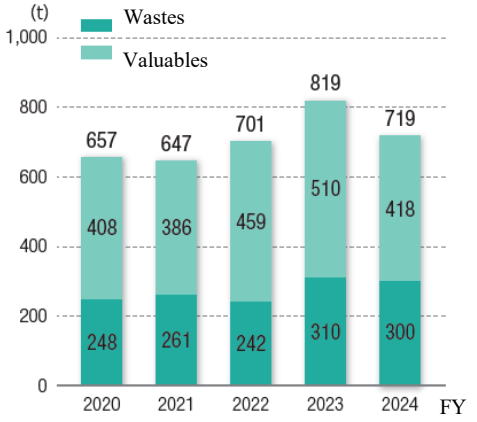
Greenhouse gas emissions
Total of SCOPE 1 + 2 + 3 (consolidated*)



Greenhouse gas emissions
Total of SCOPE 1 + 2 (in-house emissions)(consolidated*)



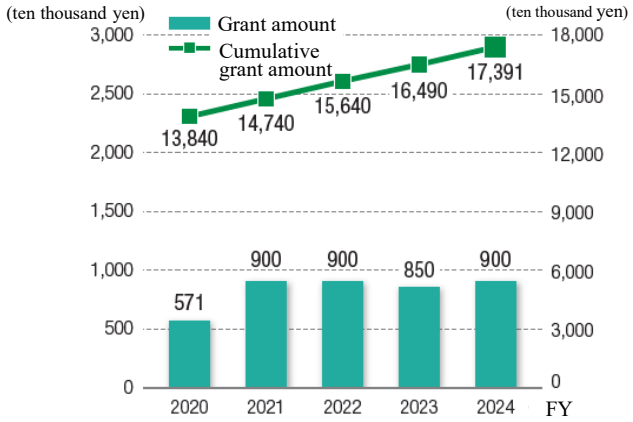
Total amount of Discharge (non-consolidated)



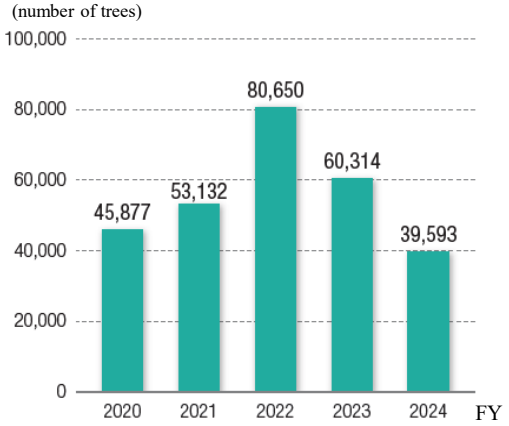
*Excludes the Cosmopia Hightech Corp., which was made a consolidated company in August 2023.

Certification acquisition rate for the Certification Test for Environmental Specialists (Eco Test) (non-consolidated)

Grants from the ESPEC Foundation for Earth Environment Research and Technologies



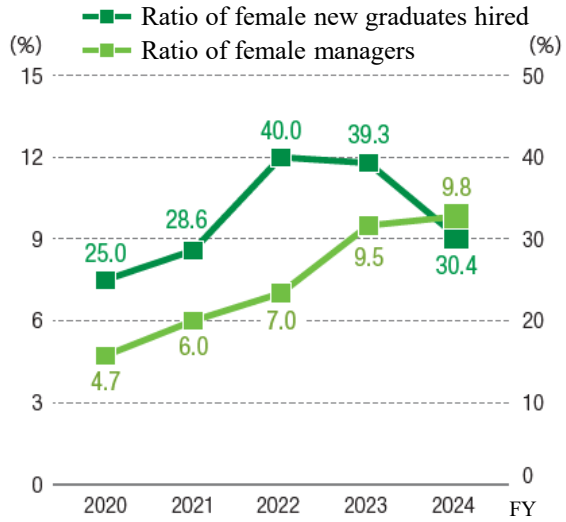
Number of trees planted through environmental preservation business



*Actual results for ESPEC MIC CORP.

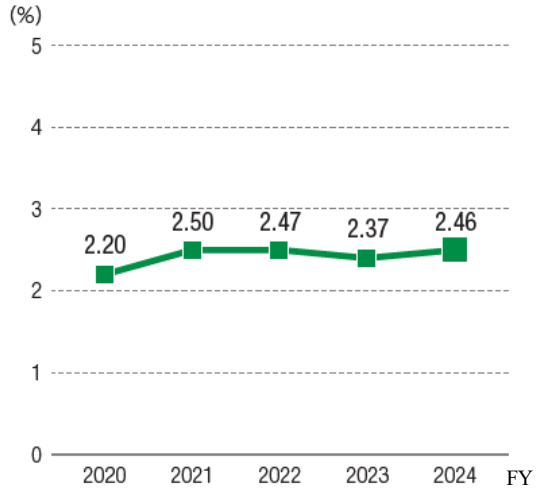
Non-Financial Data 2

Ratio of female managers
Ratio of female new graduates hired
(non-consolidated)



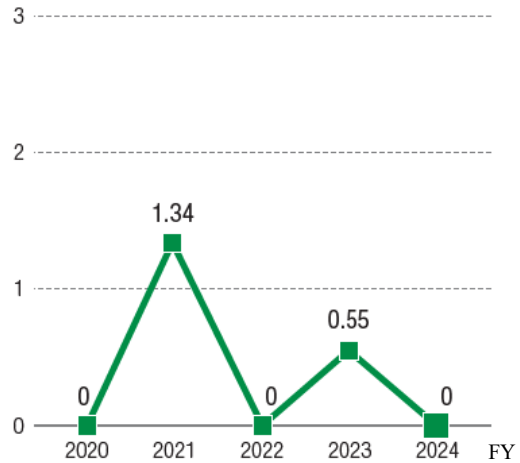
*As of beginning of each fiscal year

Percentage of employees with disabilities
(non-consolidated)



*As of the end of each fiscal year

Frequency rate*
(non-consolidated)



*Number of accidents with sick leave
/total number of worked hours × million hours

Non-Financial Data 3

		Unit	2021/3	2022/3	2023/3	2024/3	2025/3
Number of Employees*1 (Consolidated total)		Persons	1,526	1,628	1,691	1,775	1,860
Number of Employees*1 (Non-consolidated)	Male	Persons	658	643	636	633	663
	Female	Persons	122	127	142	157	175
	Total	Persons	780	770	778	790	838
Average years of service (Non-consolidated)		Years	19.2	19.1	17.2	17.0	15.3
Average age (Non-consolidated)		Years old	43.1	43.0	41.2	41.4	40.3
Turnover rate*2 (Non-consolidated)		%	2.3	1.6	1.4	3.3	2.3
Average overtime hours (Non-consolidated)		Hours	11.0	15.5	22.6	20.1	21.9
Average number of paid holidays taken (Non-consolidated)		%	65.8	69.1	75.1	74.3	77.8
Average wage difference between male and female (Non-consolidated)		%	-	-	70.3	72.5	73.5
Ratio of employees taking childcare leaves (Non-consolidated)	Male	%	12.5	30.8	13.3	52.9	56.0
	Female	%	100	100	100	100	100
Investment in employee education and development (Non-consolidated)		million yen	-	-	101	129	135
Occupational accident (excluding cases without lost workdays) (Non-consolidated)		Cases	0	2	0	1	0
Composition of Board of Directors*3 (Non-consolidated)	Ratio of independent outside*4	%	25	25	40	40	40
	Female ratio*4	%	0	0	20	20	20
Total number of reports to the internal hotlines (Non-consolidated)		Cases	0	0	0	1	0
Number of compliance issues (Non-consolidated)		Cases	2	1	3	2	2

*1 The number of employees is as of the end of each fiscal year.
*2 Retirees are excluded.
*3 The Company has transitioned from a company with an Audit & Supervisory Board to a company with an Audit & Supervisory Committee in June 2022.
*4 The number of female directors (including executive officers) is as of the end of June of each fiscal year.

External Recognition

■ ESG-Related Evaluations

- Included in the ESG index “FTSE Blossom Japan Sector Relative Index”
  Included in the ESG index “S&P/JPX Carbo Efficient Index”
- Rated “B” score for the sixth consecutive year in the CDP Climate Change Survey,
  Water Security receives “B-” score for second consecutive year
  Selected as Supplier Engagement Leader for four consecutive years, the Top Rank in the Supplier Engagement Ratings
- Received a 3.5-star rating in the NIKKEI Sustainable Management Survey, SDGs Edition
- Received a 3-star rating in the NIKKEI Sustainable Management Survey, Smart Work Edition
- The Kobe R&D Center received the FY2026 Prime Minister’s Award for Contributors to the Green Promotion Campaign.
- Received the Platinum Kurumin certification from the Minister of Health, Labour and Welfare as a company supporting child-raising.
- Earned the “Three Star Certification” under the “Osaka City Leading Company in Women’s Participation” and also certified as a “Company Promoting Ikumen”

■ IR Website Evaluations

-Awarded a Silver Prize in the Gomez IR Website Ranking (5th in its industry)
-Awarded as an excellent company in the Gomez ESG Website Ranking
- Selected as a Commendation Award of the Internet IR Award of Daiwa IR
- Selected as a “GRADE AAA” company website in the Nikko Investor Relations’ All-Japanese Listed Companies’ Website Ranking

These materials contain forward-looking statements, including the Company's present plans and forecasts of performance, that reflect the Company's plans and forecasts based on the information presently available. These forward-looking statements are not guarantees of future performance, and plans, forecasts, and performance are subject to change depending on future conditions and various other factors.

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Quality is more than a word