



March 10, 2026

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Action to Implement Management That is Conscious of Cost of Capital and Stock Price (updated)

RIX CORPORATION (hereinafter referred to as “RIX”) hereby announces that, at a meeting of the Board of Directors held today, it has reassessed the current situation regarding actions to implement management that is conscious of the cost of capital and stock price and has updated its policies and initiatives for improvement.

For more information on RIX’s actions to implement management that is conscious of the cost of capital and stock price, please refer to the annexed document.

Action to Implement Management that is Conscious of Cost of Capital and Stock Price

March 10, 2026 Updated



Current Situation

- In FY2025, net sales and profit attributable to owners of parent are expected to reach record highs, while operating profit is projected to decrease year-on-year.
- Although PBR fell below 1.0 in FY2024, it is projected to reach approximately 1.09 in FY2025, driven by the increase in our stock price.
- Regarding the rise in the stock price, we analyze that timely, appropriate, and proactive information disclosure—such as the announcement of our proprietary semiconductor-related products (patent pending), in addition to the overall rise of the Nikkei Stock Average—have had a positive impact.
- ROE for the last three years has remained above the 11% target set in our Long-term Vision for 2030 (LV2030).
- While our stock price has increased approximately 2.4 times compared to five years ago, we believe it is not yet sufficiently valued, considering our PBR and PER indicators.

Trends in Our Financial Results and Management Indicators

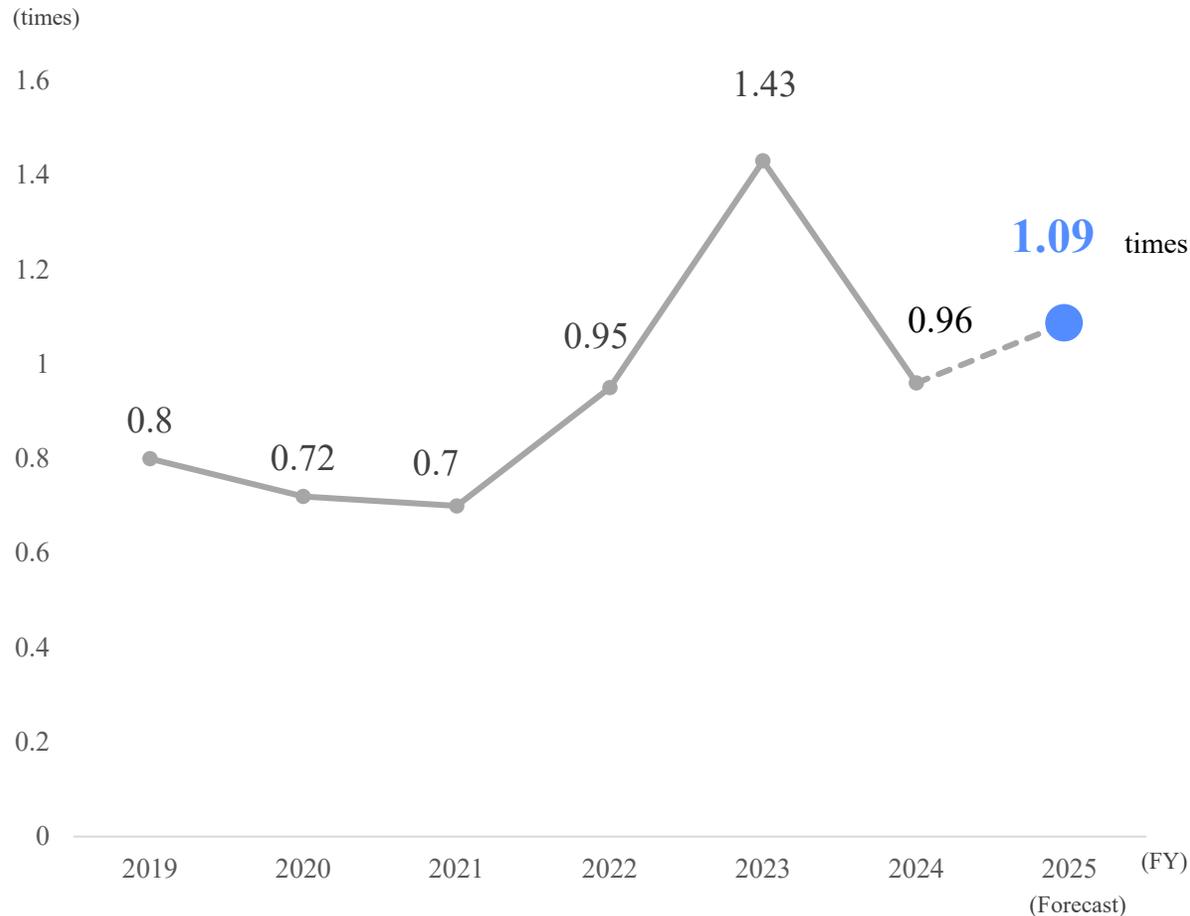
	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025 (Forecast)
Net sales (million yen)	36,023	39,969	45,233	49,752	54,727	56,000
Operating Profit (million yen)	1,785	2,580	3,326	3,544	3,882	3,520
Profit attributable to owners of parent (million yen)	1,364	2,051	2,763	2,779	2,841	3,130
ROE (%)	8.1	11.2	13.7	12.4	11.6	11.7
Stock price (yen)	1,552	1,647	2,512	4,160	2,994	3,800
PBR (times)	0.72	0.70	0.95	1.43	0.95	1.09
PER (times)	9.29	6.56	7.39	12.10	9.09	9.84

※PBR for FY2025 (Forecast) is calculated assuming a share price of 3,800 yen

While PBR fell below 1.0 in FY2024, **it is expected to exceed 1.0 in FY2025, driven by the increase in our stock price.**

We aim to drive further improvement through enhanced profitability, the introduction of ROIC management, and proactive IR.

PBR Trends



Background to PBR Improvement

01 Implementation of ROIC Management

We plan to initiate ROIC management in FY2026, calculating metrics for each segment, sales office, and department to foster company-wide penetration and drive higher profitability. We will also leverage this data to make informed management decisions regarding growth, investments, and operational improvements.

02 Promoting Strategic Measures to Increase the Ratio of Original Products

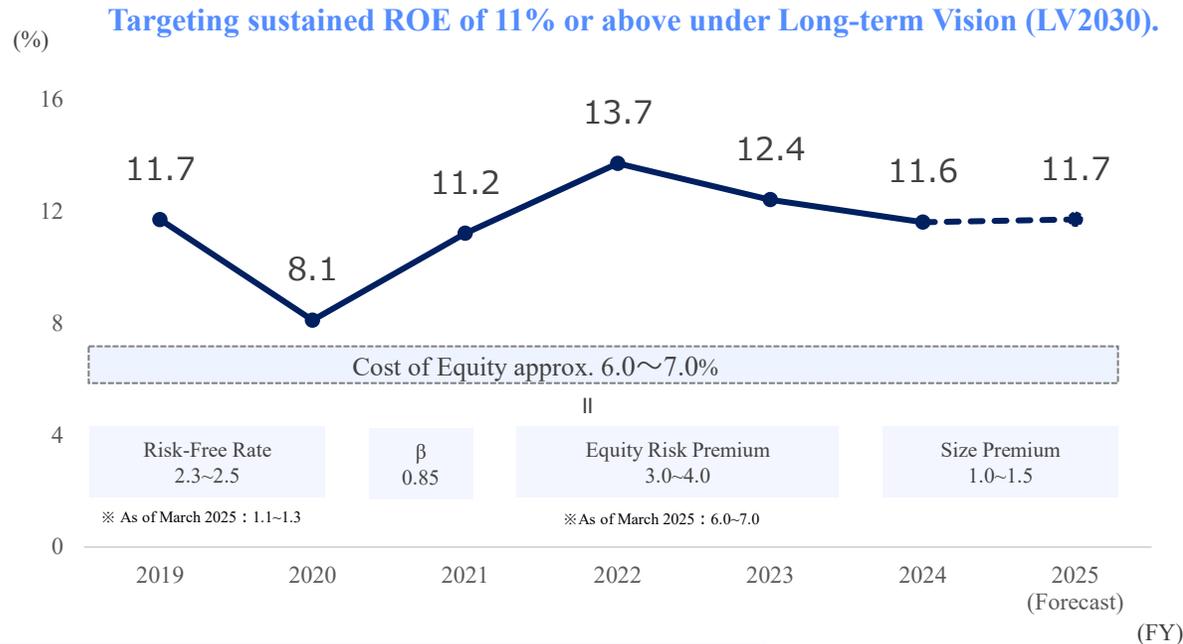
We have accelerated initiatives to increase our originals product ratio through development at our new R&D center and the commencement of operations at our India factory. Furthermore, we will enhance our service and sales capabilities by constructing a semiconductor-related repair facility and expanding sales of our original flux cleaning equipment. (detail: P.4-9)

03 Enhancing IR and Shareholder Returns (Including Capital Allocation and DOE)

We are promoting the disclosure of our capital allocation policy and the 4.5% DOE (Dividend on Equity) ratio introduced in FY2025. To address the issue of low liquidity (low trading volume), we have worked to improve the situation by reducing the shareholding ratios of major shareholders. (detail: P.11-13)

We continue to promote our "LV2030" to sustain ROE of 11% or above.

ROE Trends and Cost of Equity



Factors for ROE Decline and Improvement Measures

- Factors**
- In FY2025, retained earnings are projected to increase by 9.5% year-on-year.
 - Valuation difference on available-for-sale securities is expected to increase by 55% year-on-year, driven by the rise in stock prices of held shares.

Improvement Measures

We will engage in capital-efficient management to maximize capital utilization through growth investments and shareholder returns.

Improving Profitability and Strengthening Management Base Based on the Long-term Vision "LV2030"

Strengthening profitability and management base by carrying out 01 to 04

<p>01. Business Field</p> <p>Consolidated net sales</p> <p>¥70 billion</p>	<p>02. Profitability</p> <p>Operating profit ratio</p> <p>8 % or above</p> <p>ROE</p> <p>11 % or above</p>
<p>03. Human Resources & Organization</p> <p>A work environment resilient to external changes.</p>	<p>04. Stakeholder Relations</p> <p>Corporate citizenship through RIX's business</p>

examples

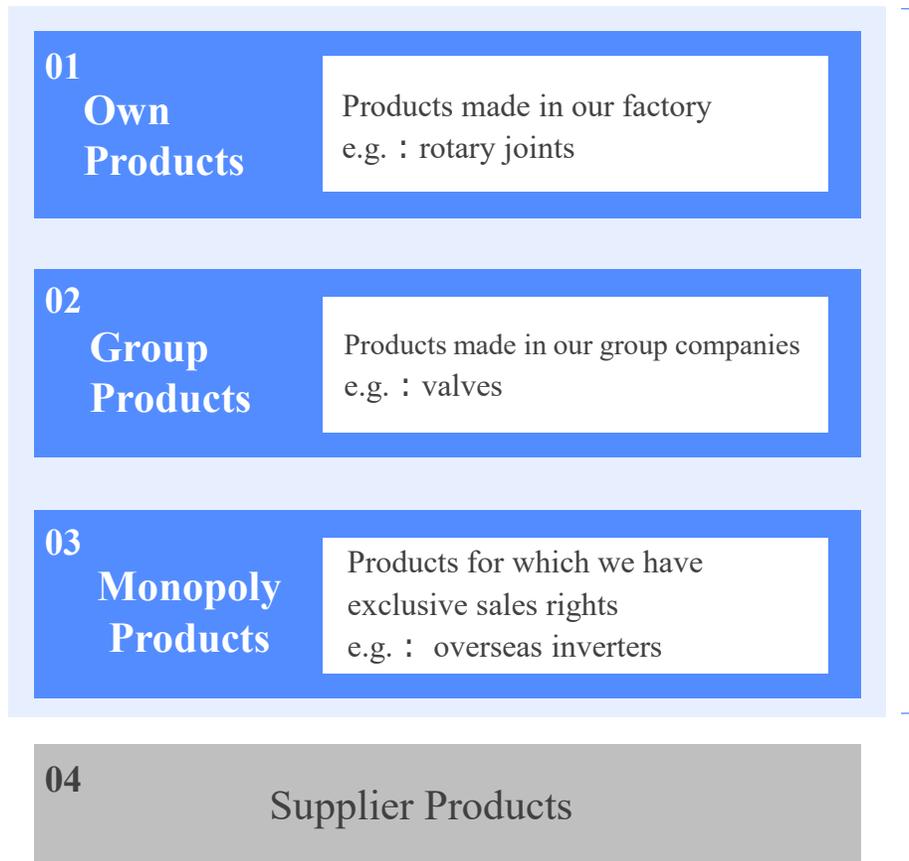
- Continuously identifying growth fields to ensure consistent customer acquisition.
- Expanding overseas business mainly in the U.S., China, and India.
- Increasing the ratio of "original products" with high profit margins
- Establishing organizations to realize internal and external Cooperative Creation (e.g., RIX Cooperative Creation Center).
- Promoting recruitment and training based on the new "RIXing Action" standards.

LV2030 details from [our website](#)
 *Available in Japanese only

As a “Manufacturing and Trading Company,” we will further strengthen our manufacturing functions going forward.

We aim to improve profitability by increasing the sales ratio of original products.

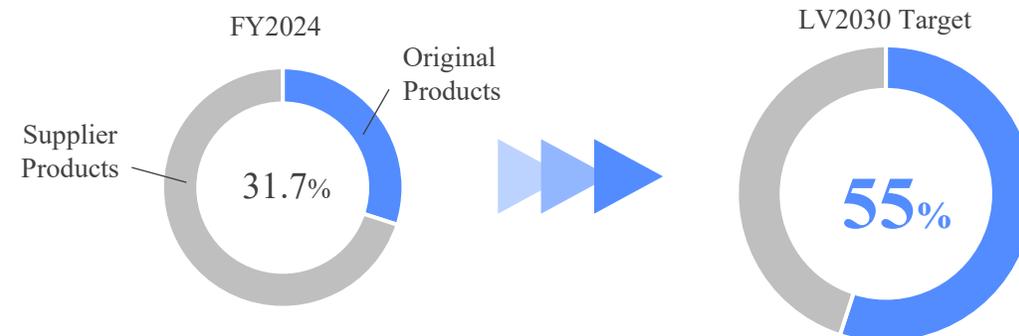
Our Product Categories and “Original Products”



Aims to Strengthen Development of Original Products

- To **solve customer and social challenges** more than now
- To leverage uniqueness and achieve **high profit margins**
- To maintain **high competitiveness** both domestically and internationally

Current Original Product Sales Ratio and Target



Investor Evaluation and Measures

TSE Prime Market Average PER

Wholesale Trade	Manufacturing	RIX'S PER
1.5	2.5	9.84

*FY2025 forecast

Manufacturing division's share of our operating income = approx. 20%
Appropriate PER = approx. 17
 We will expand our financial disclosures to provide more comprehensive information for investor decision-making.

01. Establishment of New Division

We have established the "Advanced Solutions Division," a new division dedicated to filter technologies for water treatment and battery manufacturing. We aim to achieve net sales of ¥5,000 million and operating profit of ¥650 million from this division by FY2030.

01

Target Markets

Growth fields including water treatment, secondary batteries, EV, semiconductors, chemicals, and industrial plants

examples

- Environmental impact reduction through wastewater recovery and reuse
- PFAS-free regulatory compliance and next-generation material development
- Steady acquisition of demand in the semiconductor and electronics segment
- Hydrogen and new energy society

02

Target of Net Sales and Operating Profit (FY2030)

Net Sales

Operating Profit

¥5,000 million

¥650 million

FY2024 = ¥2,400 million

FY2024 = ¥300 million

03

Organizational Synergy through Consolidation

We have integrated the Aqua Innovation Department and the HiTe Department, which previously operated under separate Divisions.

We will fuse our advanced technologies and accumulated data to create new solution-based value ("Koto-uri") and solve increasingly complex customer challenges.

Aqua Innovation Department

Handling filtration membranes and equipment for water treatment, along with contract testing services



HiTe Department

Developing and designing equipment for EV and HEV battery manufacturing processes



Advanced Solutions Division

We aim to build an organization that sustains long-term market competitiveness by strengthening our manufacturing functions through the following capabilities:

Design & technological development

Prototyping & verification

Mass production & manufacturing

Quality assurance

02. RIX Cooperative Creation Center Commenced Operations

To increase the proportion of original products and enhance profitability.

To accelerate the development of new products that will become the company's next core business.

RIX Cooperative Creation Center Commenced Operations in November 2024

Purpose

Developing new products and services

that are not limited to existing products,
in order to solve customer and social challenges.

Products developed at the Center feature:

Competitive Edge

+

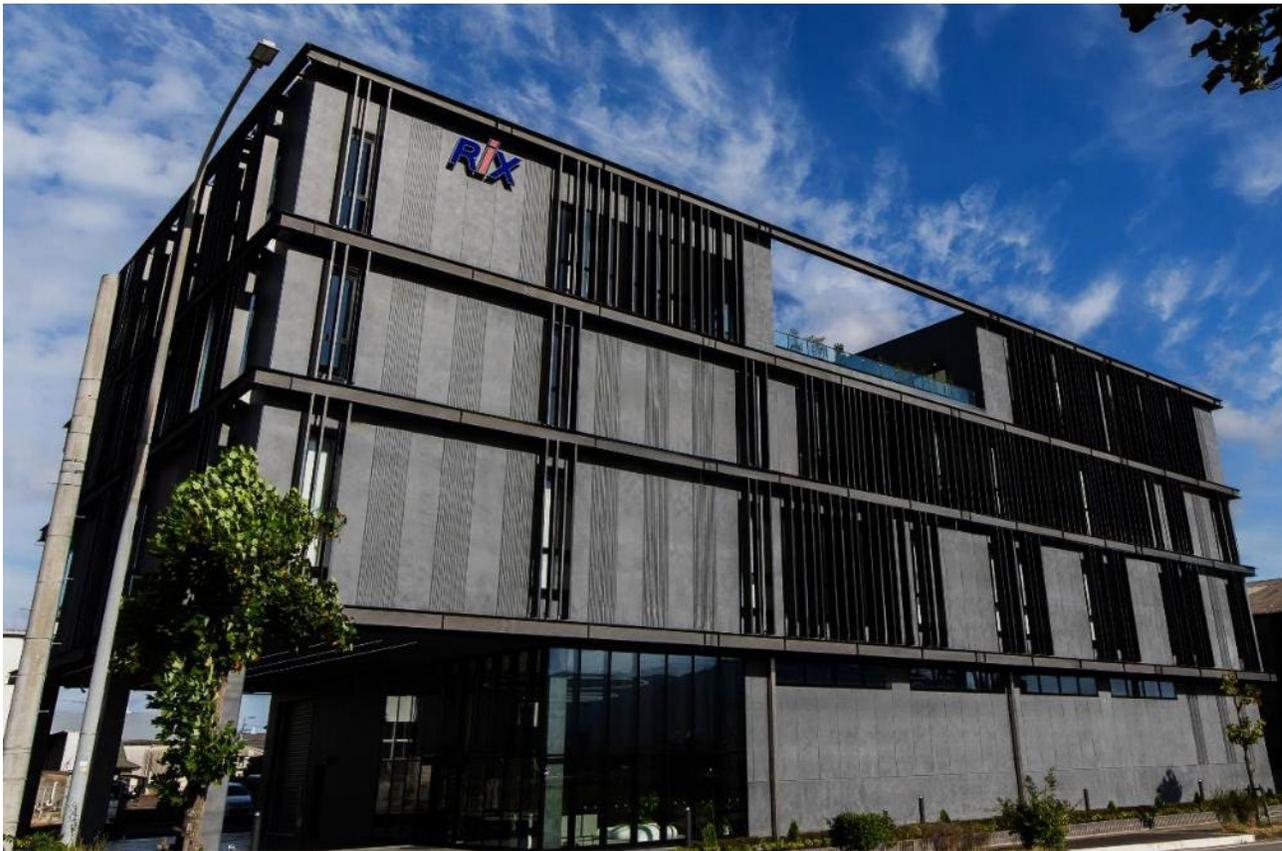
High market
Competitiveness

+

High
Profitability

Post-Opening Progress and Profit Contribution

- **Ideas for new fields and connections with new partners** are beginning to emerge.
- We aim to **launch at least two new development projects annually** moving forward.
- Although we are currently in the "seeding phase" and the specific timing for profit contribution remains undetermined, we aim to develop new products and services that will eventually become **a new pillar of our business, comparable to our mainstay rotary joints (annual sales of approximately 2 billion yen).**

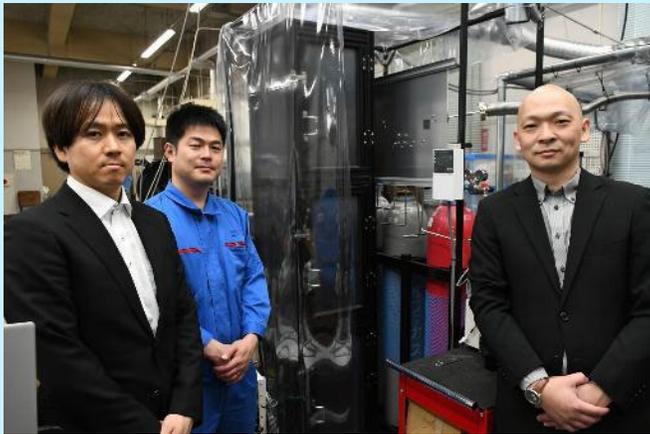


▲ RIX Cooperative Creation Center - Opened November 1, 2024

02. Initiatives at RIX Cooperative Creation Center (Examples)

We are advancing **development in growth fields** such as hydrogen, food, and robotics through **Cooperative Creation** with partners.

01 Cooperative Creation of Hydrogen Testing Machine



Partner: Kyushu Institute of Technology

- Advancing the Cooperative Creation of high-temperature hydrogen creep testing machines to promote hydrogen energy utilization.
- Enabling **material testing for next-generation hydrogen equipment**, such as hydrogen engines and hydrogen-reduced iron.
- Targeting the **launch of contract testing services** as early as **FY2026**.

02 Cooperative Creation of Cell Cultivation Equipment



Partner: Kyushu University

- Advancing the Cooperative Creation of **cell cultivation equipment to address global food shortages**.
- Extracting cells from chicken by-products and culturing them using RIX equipment to **promote safe, secure, and affordable cultivated meat**.
- Recognizing the FoodTech sector as a "**National Strategic Sector**" by the Japanese government (Takaichi Cabinet).

03 Feed-Pushing Robot



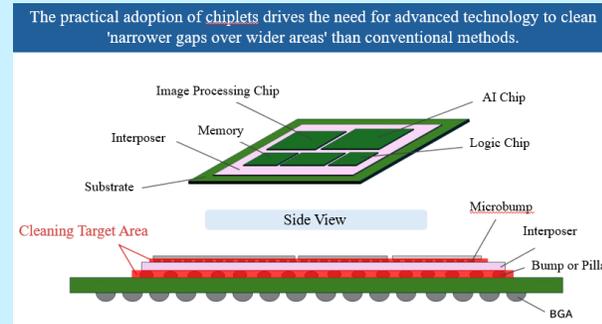
Demonstration Testing: National Agriculture and Food Research Organization (NARO)

- Developing compact feed-pushing robots for the dairy industry.
- Addressing **labor shortages** and enhancing **operational efficiency** by automating manual feeding tasks.
- Optimizing the **compact design** for small-to-medium-scale Japanese barns to provide a better fit than larger overseas models.

We are newly expanding our original products and services in the Electronics and Semiconductor segment to further enhance our operating profit margins.

01 Original Product

Vacuum Flux Cleaning Equipment for AI Semiconductors



- Developing to support **2.5D and 3D packaging**, which are increasingly adopted in high-performance semiconductors, including **AI chips**.
- Removing flux from **narrower gaps** compared to conventional methods (Patent pending).
- Targeting a **30% to 50% market share** in an estimated **1 billion yen annual market** by FY2028.

Original Service 02

New Factory Site in Nishihara, Kumamoto Expanding Repair and Recycling Services for Semiconductor Equipment



Our factory for the repair and recycling of peripheral equipment used in manufacturing processes



Remote Plasma Source



Jacket Heater

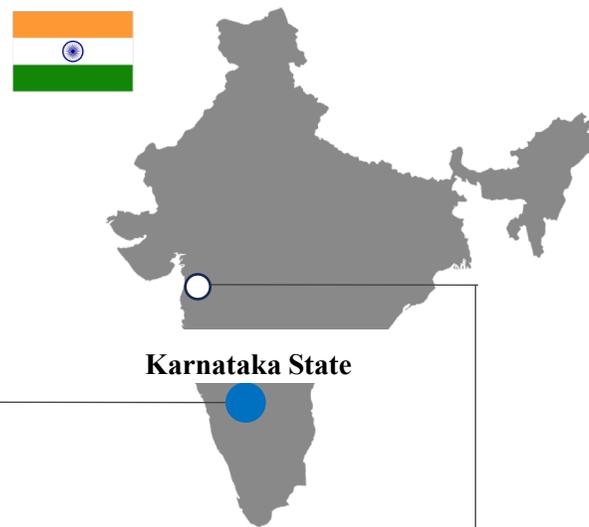
- Commencing operations in FY2027, with profit contributions expected from FY2028 onwards.
- Locating the factory just 20 minutes from "Semicon Techno Park," a major cluster of semiconductor companies. This is a part of our strategy to strengthen support for semiconductor leaders, including the JASM Kumamoto plant.

Our India factory commenced operations in February 2026.

We aim to drive profit growth by manufacturing and selling high-margin original products locally.

Our India Factory

(commenced operations in February 2026)



Target Customers

- Local Indian machine tool manufacturers
- Japanese machine tool manufacturers (in India)

Production & Sales Timeline

- Production commenced: February 2026
- Sales contribution: From FY2026

Mumbai Sales Office

- Established Mumbai sales office in 2018
- Accelerating sales through synergy between the new factory and the Mumbai sales office

Products Manufactured at the Factory

- Rotary Joints
- Oil Skimmers



Outlook

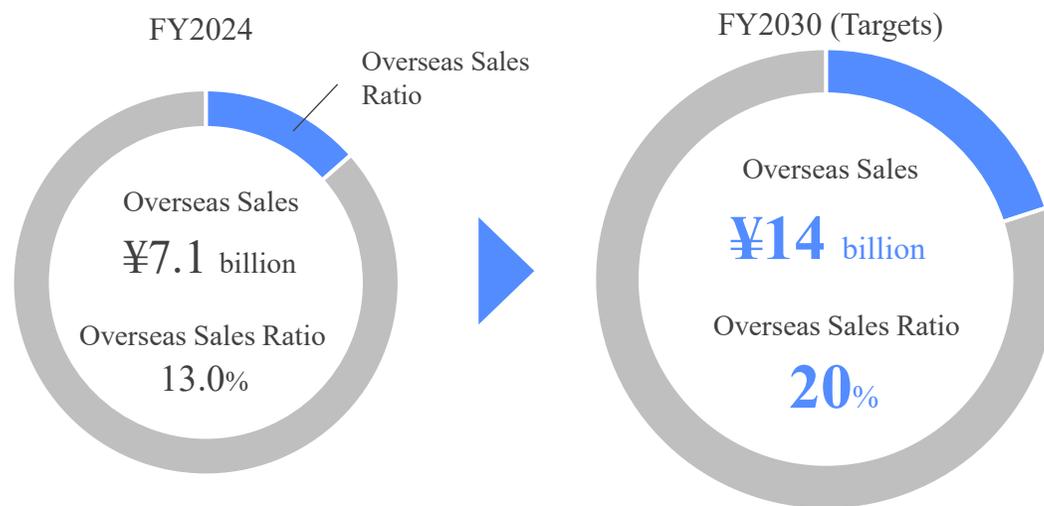
- Aiming to expand our workforce from the current 9 members to 40, reaching the same scale as our Dalian (China) factory.
- Focusing on expanding market share and sales within India as the primary step. Strategically considering the India factory as a manufacturing hub for the European market in the future.

05. Expanding Overseas Sales and Profitability

We are **steadily expanding sales for EV and HEV battery manufacturing processes** in the U.S. market.

We have strategically allocated personnel to respond to developments surrounding **Nippon Steel’s acquisition of U.S. Steel.**

Overseas Sales Targets



Our Response to Nippon Steel’s Acquisition of U.S. Steel

- Assigned a dedicated representative to the U.S. to monitor developments. Currently in the information-gathering phase for strategy formulation.
- Anticipating potential increases in capital expenditure. Nippon Steel is our largest customer; we aim to boost our overseas sales ratio by expanding sales to the U.S. steel industry—a market with significant growth potential for us.

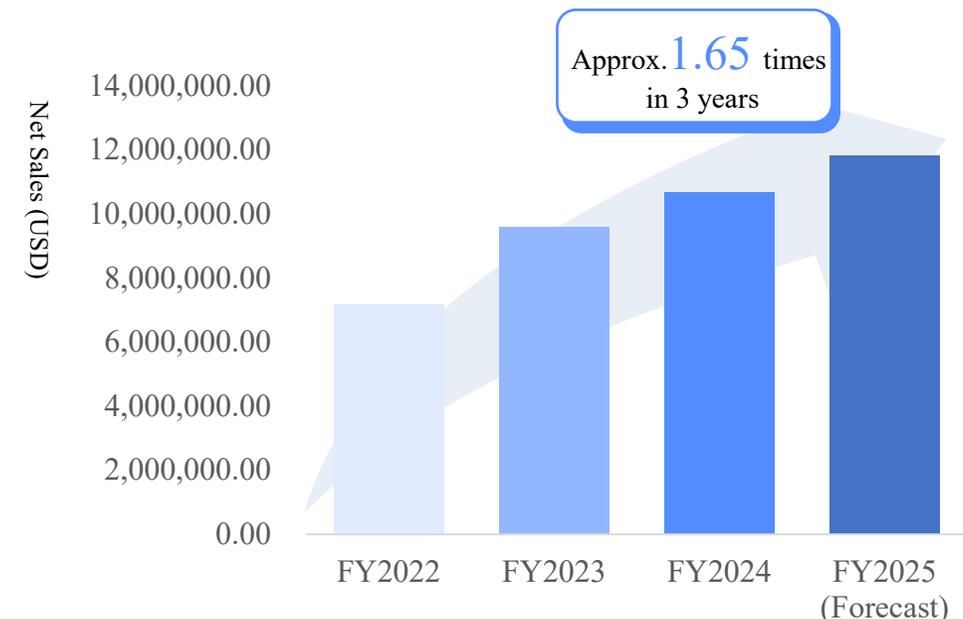
Sales Growth in the U.S. (Focus Area)

2015: Established a sales subsidiary in Tennessee.

2020: Opened a sales office in West Virginia.

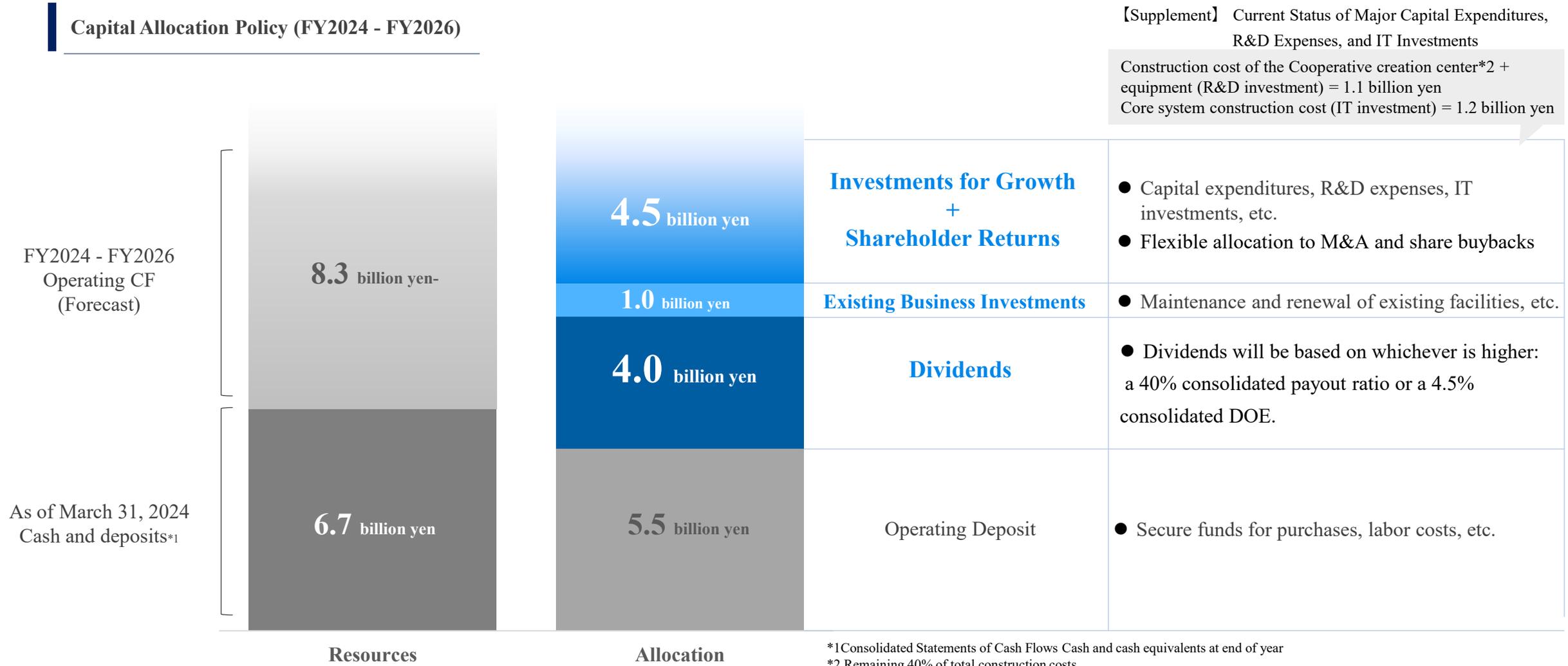
2021: Established a hub for the machining business.

- Sales in the U.S. are primarily driven by the EV and HEV battery manufacturing process.
- To further expand our contribution to this sector, we established a new sales office in North Carolina in 2023.



We have defined a clear capital allocation framework that explicitly outlines our priorities for growth investments and stable shareholder returns.

Capital Allocation Policy (FY2024 - FY2026)

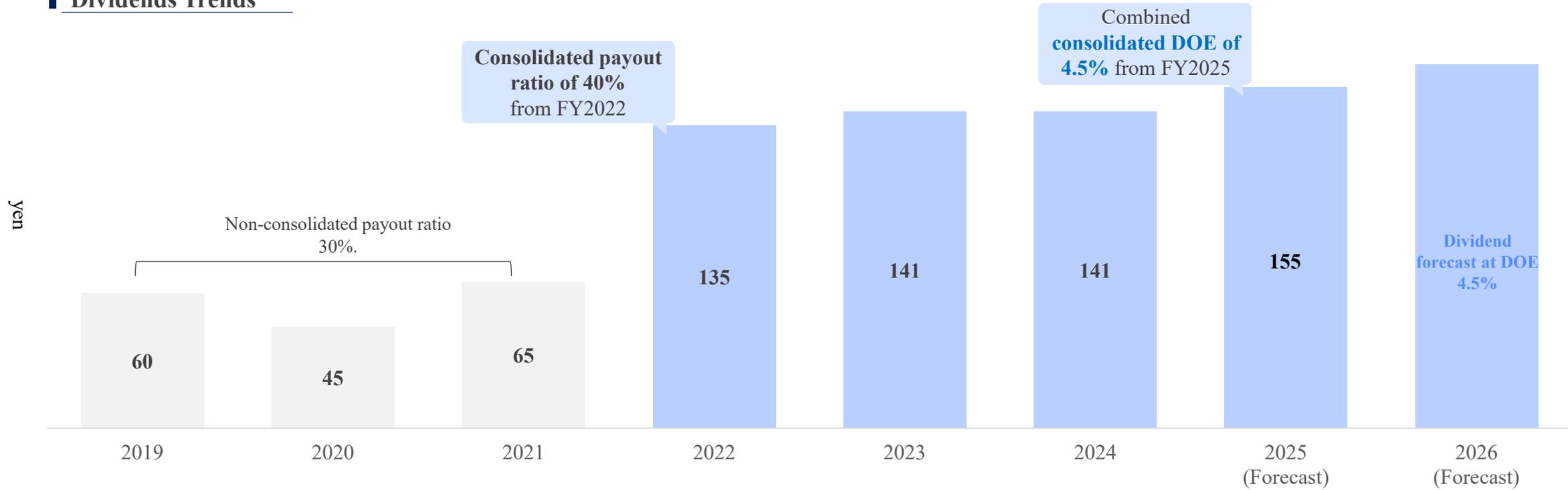


【Supplement】 Current Status of Major Capital Expenditures, R&D Expenses, and IT Investments
 Construction cost of the Cooperative creation center*2 + equipment (R&D investment) = 1.1 billion yen
 Core system construction cost (IT investment) = 1.2 billion yen

*1 Consolidated Statements of Cash Flows Cash and cash equivalents at end of year
 *2 Remaining 40% of total construction costs

We have incorporated a 4.5% consolidated dividend on equity (DOE) ratio into our policy starting in FY2025 to ensure more stable shareholder returns.

Dividends Trends



- To ensure more stable and consistent returns, we have established a new dividend floor by introducing a DOE of 4.5% starting in FY2025.
- From FY2025, the higher of a consolidated DOE of 4.5% or a consolidated payout ratio of 40% will be returned as dividends.

We are fostering optimal dialogue with shareholders and investors through top executive commitment, diverse IR activities, and first shareholders' facilities tour.

Top Executive Committing to IR

Our top executive is actively involved in IR activities and expresses our strengths and vision in his own words.



Takashi Yasui, Representative Director, President and Executive Officer, is actively interacting with investors across diverse platforms and venues.



Diverse IR Activities

Proactive IR activities from FY2022, seeking various communication

Briefing for individual investors



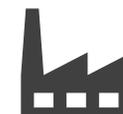
IR meeting with institutional investors



Strengthening Disclosure (HP/Press Release)



Holding of facilities tour



English translation of financial results



Mid and long-term management plan page released



We aim to further enhance the frequency and depth of dialogue while ensuring timely and transparent disclosure.

Dialogue with Shareholders

First Shareholders' Facilities Tour



- Hosted the inaugural shareholders' facilities tour in March 2025.
- The tour featured the Fukuoka Factory (a production hub for original products) and the RIX Cooperative Creation Center.
- 23 shareholders participated on the day, including several who traveled from distant regions like Kanto and Hokuriku area, not just residents of Fukuoka Prefecture.



Seeing the products firsthand at the factory deepened my understanding.

I really appreciated the company's willingness to take on a new challenge.

Participants Feedback

We have established “Developing employees who can put RIXing Action into practice” as a key pillar of our Long-term Vision.

We are accelerating investment in employee development, aiming to transform RIX into a company capable of sustainable, long-term growth.

RIXing Action



RIXing Action is a collective term that expresses the management philosophy, action guidelines, corporate culture, history, and business model that have been passed down from generation to generation in our company, and consists of nine actions. By having each employee act with RIXing Action in mind, we will develop and retain human resources and increase the number of fans of our company. ([▶detail on website](#))



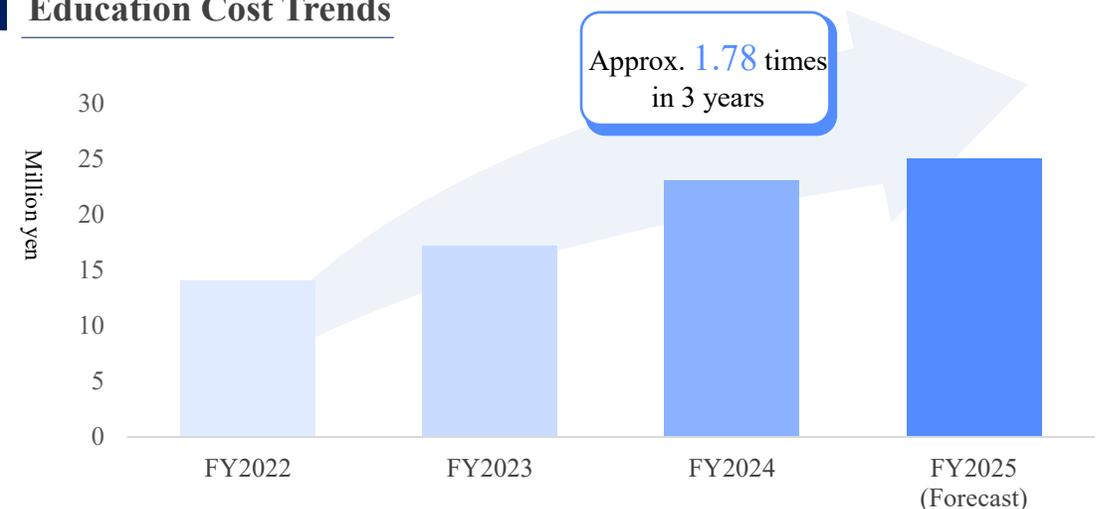
▲RIXing Action (excerpt)

Main Training Programs

RIXing Action Program (Philosophy Internalization), Next-Generation Leader Development Program, Management Training, etc.



Education Cost Trends



-  **In FY2025, we expect to achieve record-high net sales and profit attributable to owners of parent. However, we project a year-on-year decrease in operating and ordinary profit due to an increase in SG&A expenses.**
-  **We plan to initiate ROIC management across our segments and business offices from FY2026. We will leverage this data to make informed management decisions regarding growth and investments, aiming for continuous improvement in profitability.**
-  **To improve profitability, we have established the "Advanced Solutions Division," a new Division dedicated to filter technologies for water treatment and battery manufacturing. Through this division, we will further expand and deepen our market presence in these critical growth fields.**
-  **We are advancing cooperative creation in growth fields such as hydrogen and food technology at the RIX Cooperative Creation Center. Furthermore, our new India factory commenced operations in February 2026 to drive the manufacturing and sales of high-margin original products. We are also promoting new initiatives for semiconductor-related products and services to capture evolving market demand.**
-  **We have defined a clear capital allocation framework for FY2024–FY2026, explicitly outlining our priorities for growth investments and shareholder returns. To ensure more stable and consistent returns, we have incorporated a 4.5% consolidated dividend on equity (DOE) ratio into our policy starting in FY2025.**

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