A&D HOLON Holdings

Briefing Materials:
Financial Results for Q1 FY2026
(Three Months Ended June 30, 2026)

August 5, 2026

A&D HOLON Holdings Company, Limited

Security Code: 7745

Contents

Administrative Disposition Against Consolidated Subsidiary

As announced on July 14, 2026, A&D Company, Limited (hereinafter the “Subsidiary”), a consolidated subsidiary of A&D HOLON Holdings Company, Limited (hereinafter the “Company”), was subject to an administrative disposition by the Ministry of Economy, Trade and Industry regarding the revocation of its designation as a designated verification organization.

As a result of this administrative disposition, the Subsidiary has been unable to conduct verification test services for specified measuring instruments as a designated verification organization since that date. Regarding these services, the Company is proceeding with necessary measures, including requests for cooperation from external organizations, and will respond appropriately to minimize the impact on our customers.

This administrative disposition applies solely to the verification test services for specified measuring instruments conducted by the Subsidiary as a designated verification organization, and does not affect the manufacturing of products bearing conformity marks (verified products) by A&D Manufacturing Company, Limited, a group company of the Company, or the sale of such products by the Subsidiary, which will continue as before. Therefore, there is no impact on sales activities at this time.

The Company and the Subsidiary sincerely apologize for the significant inconvenience and concern this has caused to customers, shareholders, and all other stakeholders. The Company and the Subsidiary take this administrative disposition very seriously and will ensure the implementation of necessary corrective measures, thoroughly enforce legal compliance, further strengthen internal controls and governance, and make every effort to prevent recurrence and restore trust.

The impact of this matter on the Group's business performance is expected to be minor at this time; however, the Company will promptly announce any matters that require disclosure in the future.

* Disclosed on July 14, 2026: "Notice Regarding Administrative Disposition Against Our Consolidated Subsidiary"

Results Overview for Q1 FY2026

Although a significant year-on-year decline in profit resulting from demand adjustments in Semiconductor-related Business, Measuring and Weighing Equipment Business and Medical and Healthcare Equipment Business continued to perform steadily, with results tracking in line with the full-year forecast. Meanwhile, the Semiconductor-related Business is currently undergoing a temporary demand adjustment phase, and recent inquiry trends have shown signs of improvement toward the next fiscal year.

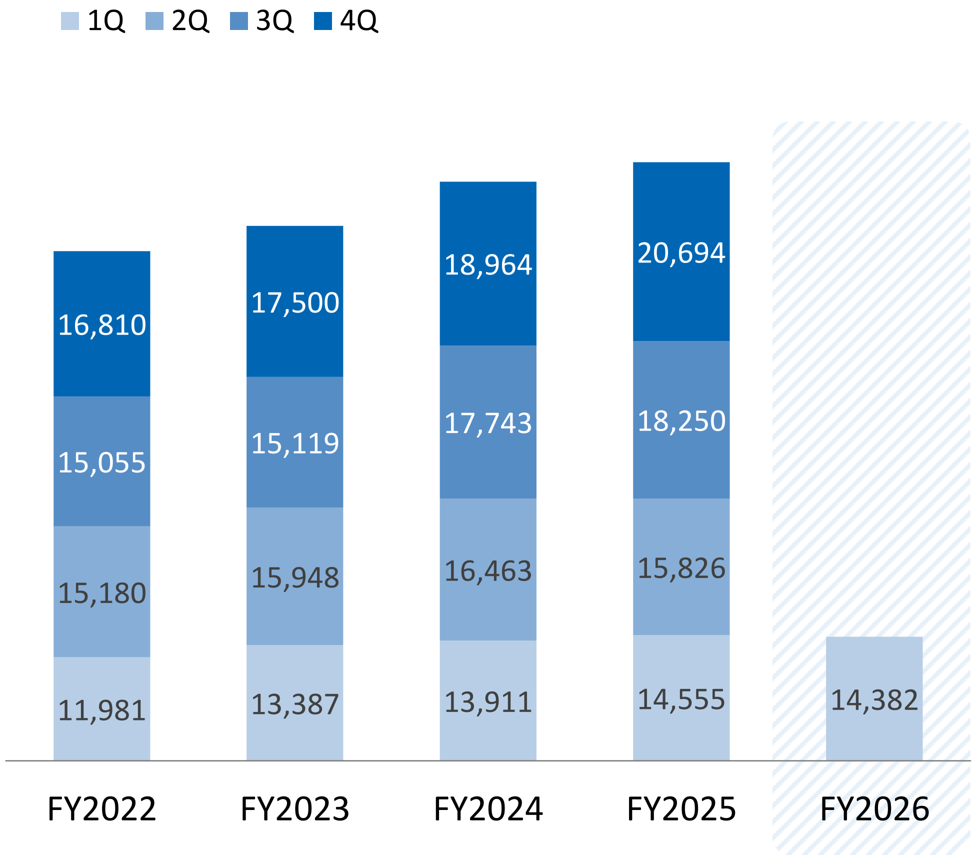
(Unit: Million yen)	Q1 of FY2025		Q1 of FY2026		Change	YoY	(Reference) Initial forecast	(Reference) Achievement rate
	Amount	Percentage	Amount	Percentage				
Net sales	14,555	-	14,382	—	-172	-1.2%	68,000	21.2%
Cost of sales	7,962	54.7%	7,859	54.6%	-103	-1.3%	-	-
Gross profit	6,592	45.3%	6,523	45.4%	-69	-1.0%	-	-
SG&A expenses	5,260	36.1%	5,900	41.0%	639	+12.2%	-	-
Operating profit	1,332	9.2%	622	4.3%	-709	-53.2%	7,000	8.9%
Ordinary profit	1,432	9.8%	784	5.5%	-648	-45.3%	6,900	11.4%
Net profit before taxes	1,429	9.8%	743	5.2%	-686	-48.0%		
Net profit attributable to parent company shareholders	795	5.5%	432	3.0%	-363	-45.6%	4,500	9.6%
EPS (yen)	29.08	-	15.80	-	-13.28	-	164.31	-

Quarterly Performance Trends

Net sales

(Unit: Million yen)

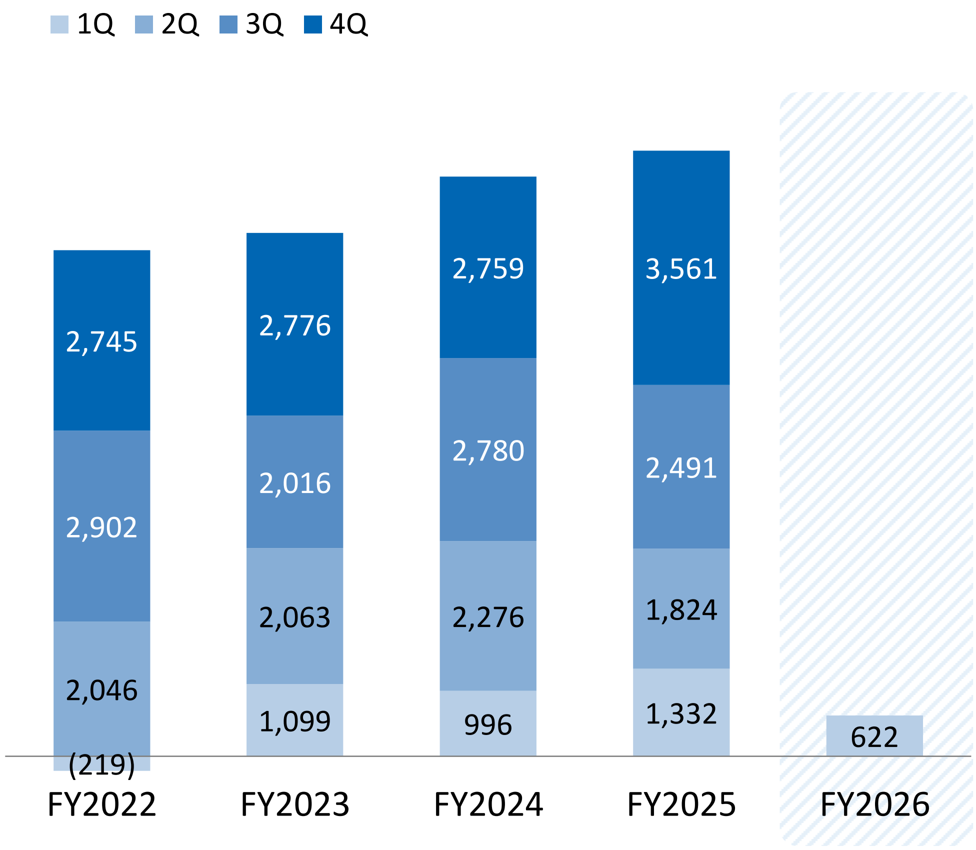
FY2022	FY2023	FY2024	FY2025	FY2026 Forecast
59,028	61,955	67,083	69,326	**68,000**



Operating profit

(Unit: Million yen)

FY2022	FY2023	FY2024	FY2025	FY2026 Forecast
7,475	7,955	8,813	9,209	**7,000**



Results by Business Segment

Semiconductor-related Business

- Recorded an operating loss due to continued demand adjustment in the Company's business domain and fewer projects reaching revenue recognition.
- Signs of future demand recovery are gradually emerging due to progress in new projects overseas and improving inquiry trends.

(Unit: Million yen)	Q1 of FY2025	Q1 of FY2026	YoY
Net sales	2,888	897	-68.9%
Operating Profit *2	1,004	-122	-
Order Backlog *3	7,523	4,809	-36.1%

Measuring and Weighing Equipment Business

- In Japan, the segment turned profitable in the first quarter due to steady demand for weighing equipment and contributions from major contracts for MCS equipment (*1).
- In the Americas, operating losses widened due to weak demand for weighing equipment and MCS equipment (*1), as well as tariff burdens on weighing equipment and increased SG&A expenses.
- In Asia, weighing equipment sales remained strong in India and Taiwan.

(Unit: Million yen)	Q1 of FY2025	Q1 of FY2026	YoY
Net sales	6,229	6,779	+8.8%
Weighing Equipment	5,030	5,392	+7.2%
MCS Equipment *1	1,199	1,386	+15.7%
Operating Profit *2	56	170	+201.9%
Order Backlog *3	6,780	5,795	-14.5%

Medical and Healthcare Equipment Business

- In Japan, profit was supported by strong demand and improved productivity resulting from higher shipment volumes of products for overseas markets.
- In the Americas, expanded sales of products for major customers and digital health applications contributed, while tariff burdens and increased selling costs impacted profit.
- In Europe, while sales remained at prior-year levels in local currency terms, the segment returned to profitability through pricing measures and favorable foreign exchange effects.

(Unit: Million yen)	Q1 of FY2025	Q1 of FY2026	YoY
Net sales	5,436	6,705	+23.3%
Medical Equipment	1,011	1,423	+40.8%
Home Healthcare Equipment	4,425	5,282	+19.4%
Operating Profit *2	608	1,134	+86.4%
Order Backlog *3	469	449	-4.3%

*1: MCS equipment is the renamed product line previously referred to as "DSP equipment" (MCS: Measurement Control Simulation)
*2: Segment operating profit figures do not include corporate expenses or intersegment transaction adjustments (-¥338 million in Q1 FY2025, -¥559 million in Q1 FY2026)
*3: While the Group primarily engages in production based on demand forecasts, certain products are manufactured to order. The order backlog figures represent actual orders for made-to-order products.

Results by Region

(Unit: Million yen)

		Japan			Americas			Europe			Asia and Oceania		
		FY2025 Q1	FY2026 Q1	YoY	FY2025 Q1	FY2026 Q1	YoY	FY2025 Q1	FY2026 Q1	YoY	FY2025 Q1	FY2026 Q1	YoY
Semiconductor-related Business	Net sales	2,888	845	-70.7%	-	40	-				-	11	-
	Operating Profit *	1,004	-139	-	-	13	-				-	3	-
Measuring and Weighing Equipment Business	Net sales	3,556	3,816	+7.3%	1,095	1,137	+3.9%	139	175	+25.8%	1,438	1,649	+14.6%
	Operating Profit *	-52	112	-	-47	-183	-	-7	33	-	163	206	+26.2%
Medical and Healthcare Equipment Business	Net sales	936	1,083	+15.6%	2,442	3,096	+26.8%	1,905	2,340	+22.8%	152	185	+22.0%
	Operating Profit *	702	1,026	+46.2%	-3	-26	-	-139	71	-	49	63	+28.5%
Total	Net sales	7,381	5,745	-22.2%	3,537	4,273	+20.8%	2,045	2,516	+23.0%	1,590	1,846	+16.1%
	Operating Profit *	1,654	1,000	-39.6%	-50	-196	-	-147	105	-	213	273	+28.2%

* Segment operating profit figures do not include corporate expenses or intersegment transaction adjustments (-¥338 million in Q1 FY2025, -¥559 million in Q1 FY2026)

Net Sales (-1.9% YoY) and Operating Profit (-24.0% YoY) Expected to Decline
Primarily Due to Temporary Demand Adjustment in the Semiconductor-related Business

(Unit: Million yen)	FY2025 Results	FY2026 First half forecast	FY2026 Second half forecast	FY2026 Full year forecast	Percentage change
Net sales	69,326	28,000	40,000	68,000	-1.9%
Operating profit	9,209	800	6,200	7,000	-24.0%
Ordinary profit	9,470	750	6,150	6,900	-27.1%
Net profit attributable to shareholders of parent company	5,923	400	4,100	4,500	-24.0%
EPS (yen)	216.33	14.61	149.70	164.31	-

Assumed exchange rate: USD1 = JPY 150.00, RUB 1 = JPY 1.90

* The impact of the Middle East situation is not incorporated into the full year forecast as it was difficult to calculate at the time of the initial plan announcement.

Results Forecast by Business Segment for FY2026 (Unchanged)

Semiconductor-related Business	**Temporary demand adjustment in China expected to weigh on sales and profit; recovery expected in the next fiscal year**
Measuring and Weighing Equipment Business	**Sales growth expected through expansion in key markets, while higher costs are expected to pressure profit**
Medical and Healthcare Equipment Business	**Sales growth and improved profitability expected through overseas expansion and cost structure optimization**

(Unit: Million yen)		Net sales			Operating Profit *1		
		FY2025 (Results)	FY2026 (Forecast)	Percentage change	FY2025 (Results)	FY2026 (Forecast)	Percentage change
Semiconductor-related Business		**11,114**	**8,500**	**-23.5%**	**3,628**	**1,900**	**-47.6%**
Measuring and Weighing Equipment Business	Weighing Equipment	21,098	22,200	+5.2%	-	-	-
	MCS Equipment *2	10,447	10,100	-3.3%	-	-	-
	Subtotal	**31,545**	**32,300**	**+2.4%**	**3,387**	**3,200**	**-5.5%**
Medical and Healthcare Equipment Business	Medical Equipment	5,042	5,000	-0.8%	-	-	-
	Home Healthcare Equipment	21,624	22,200	+2.7%	-	-	-
	Subtotal	**26,667**	**27,200**	**+2.0%**	**4,009**	**4,300**	**+7.3%**
Total		**69,326**	**68,000**	**-1.9%**	**9,209**	**7,000**	**-24.0%**

*1: Segment operating profit figures do not include company-wide expenses or intersegment transaction adjustments.
*2: MCS equipment is the renamed product line previously referred to as "DSP equipment" (MCS: Measurement Control Simulation)

TOPICS: Acquisition of ADC Corporation as a Subsidiary to Strengthen Electronic Measurement Business

Updated

A&D Company, Limited, a consolidated subsidiary of the Company, acquired all shares of ADC Corporation (hereinafter "ADC") on July 10, 2026, making ADC a subsidiary.

1. Reason for the Acquisition

The Group operates the Measuring and Weighing Equipment Business, Medical and Healthcare Equipment Business, and Semiconductor-related Business with "measurement" technology as its core, aiming for sustainable growth and enhancement of corporate value through strengthening existing businesses and creating new growth opportunities. In particular, the electronic measurement field, which is expected to expand against the backdrop of industrial advancement and digitalization, is positioned as one of the key business areas that will drive future growth. ADC possesses advanced technological capabilities and a stable customer base in the electronic measurement equipment field, and has earned high regard from users particularly in the precision measurement area for semiconductors and electronic components. Furthermore, the technologies and product portfolio held by ADC have high affinity with the Group's Measuring and Weighing Equipment Business, and the Company believes that mutual complementation can be expected to enhance business value. Through this acquisition, we determined that mutual utilization of the Group's measurement and weighing technologies, manufacturing capabilities, and global sales network, together with ADC's measurement technologies and customer base, will contribute to the Group's sustainable growth and enhancement of corporate value, and therefore decided to acquire these shares.

2. Overview of ADC

Company name:	ADC CORPORATION
Location:	77-1 Miyako, Namegawa-machi, Hiki-gun, Saitama
Representative:	Hiroshi Mochida, President and Representative Director
Business:	Development, manufacturing, and sales of electronic measuring instruments and optical measuring instruments
Website:	https://www.adcmt.com/en

Product Introduction

World's first detachable reference source 8 ½-digit digital multimeter

Capable of battery emulation 4-channel source monitor unit

ADCMT®

ADC Corporation succeeded in developing the world's first detachable reference source module through joint research with the National Institute of Advanced Industrial Science and Technology (AIST),
and its innovativeness was recognized, leading to its selection as one of the "300 Vibrant Small and Medium Enterprises" by the Small and Medium Enterprise Agency of the Ministry of Economy, Trade and Industry.

* From ADC News: Received the "300 Vibrant Small and Medium Enterprises" award (Japanese language only)

* Disclosed on July 10, 2026: "Notice Regarding Acquisition of Shares of ADC Corporation (Making it a Subsidiary) by the Company's Consolidated Subsidiary"

APPENDIX (Reference)

Business Overview

Semiconductor-related Business

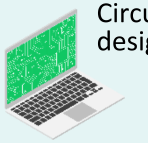
In the front-end process of semiconductor manufacturing, this business provides products related to photomask fabrication, including photomask measurement equipment designed to meet the dimensional accuracy required for EUV mask production at the 1.6 nm node and beyond, electron microscopes capable of measurement at the nanometer level, and electron guns for use in microfabrication equipment.

Front-end process

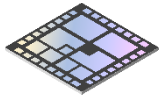
Photomask process → Photolithography process → Completion

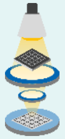
Back-end process

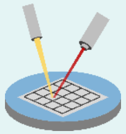
Cutting and bonding process → Encapsulation process → **Completed IC chip**

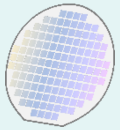

Circuit design

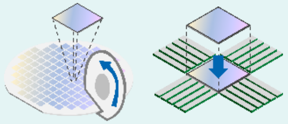
Photomask fabrication

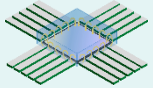


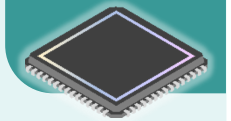

Exposure


Wafer inspection


Completed wafer








Photomask CD-SEM


SEM for photomask defect review and analysis


Electron gun


Ultra-high-performance high voltage power supply

■ **Other products**
- **Ultra-high-performance constant-current power supply**
- **High-speed, high-precision deflection amplifier**

Measuring and Weighing Equipment Business

This business provides equipment for the high-precision measurement and analysis of physical quantities such as sound, vibration, displacement, force, and viscoelasticity, as well as equipment for weighing objects.


Tensile and compression testing machine


Tire rolling resistance testing machine


Automotive testing equipment


Electronic balance for analysis purposes


Weighing sensor for production lines


8 ½-digit digital multimeter

Medical and Healthcare Equipment Business

This business offers a wide range of equipment, from medical to home-use products, including the digital blood pressure monitors the Company has been manufacturing since its founding, as well as certified scales used in hospitals and other settings.


Fully automatic blood pressure monitor


Biometric monitor


Professional scale


Blood pressure monitor for home use


Nebulizer

Results by Business Segment in Detail for Q1 FY2026

(Unit: Million yen)

Semiconductor-related Business	Q1 of FY2024		Q1 of FY2025		Q1 of FY2026		YoY
Net sales	2,731	-	2,888	-	897	-	-68.9%
Cost of sales	1,078	39.5%	1,241	43.0%	437	48.7%	-64.7%
SG&A expenses	581	21.3%	642	22.2%	582	64.9%	-9.3%
Operating Profit *	1,071	39.2%	1,004	34.8%	-122	-13.6%	-
Measuring and Weighing Equipment Business	**Q1 of FY2024**		**Q1 of FY2025**		**Q1 of FY2026**		**YoY**
Net sales	5,771	-	6,229		6,779	-	+8.8%
Cost of sales	3,360	58.2%	3,779	60.7%	4,028	59.4%	+6.6%
SG&A expenses	2,459	42.6%	2,393	38.4%	2,580	38.1%	+7.8%
Operating Profit *	-49	-0.8%	56	0.9%	170	2.5%	+201.9%
Medical and Healthcare Equipment Business	**Q1 of FY2024**		**Q1 of FY2025**		**Q1 of FY2026**		**YoY**
Net sales	5,408	-	5,436		6,705	-	+23.3%
Cost of sales	3,068	56.7%	3,069	56.5%	3,374	50.3%	+9.9%
SG&A expenses	1,678	31.0%	1,758	32.3%	2,196	32.8%	+24.9%
Operating Profit *	661	12.2%	608	11.2%	1,134	16.9%	+86.4%

* Segment operating profit figures do not include company-wide expenses or intersegment transaction adjustments (-¥687 million in Q1 FY2024, -¥338 million in Q1 FY2025 and -¥559 million in Q1 FY2026).

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Caution

Statements regarding forecasts contained in this document are based on judgments made in accordance with information currently available and are subject to change due to future economic trends and new technological developments in Japan and around the world.
Accordingly, A&D HOLON Holdings Company, Limited (the "Company") does not guarantee the accuracy of said statements.