

Presentation Overview

{Company name} Senshu Electric CO.,LTD. (Stock Code: 9824)

{Fiscal Year End} 2nd Quarter Fiscal Year October 2025

 $\{Day\}\ June\ 4,\ 2025\ (Wed.)\ 10:30-11:30$

{Place} 2-2-1 Nihonbashi Muromachi, Chuo-ku, Tokyo 14th Floor Seminar- Room, Muromachi Head Office, Okasan Securities Co., Ltd.

{Speaker} Motohide Nishimura, Representative Director and President Isamu Fukuda, Director and General Manager of Corporate Planning Office



We are in the middle of the group which this is an illustration to show you how to express it. From the bottom left of the circle, we have semiconductors, then robots, then EV vehicles, and to the right, this is a special cable that heats the inside of a plastic greenhouse. Next is solar power and renewable energy. And then finally the control box. This is a device that can be used to control the equipment and control it by working with subsidiary. and the bottom of the building, which is also a big deal with the building. The colorful illustration of 1118 on the lower right was selected by the Wire & Cable Manufacturers Association for Wire & Cable Day in 2019. Coincidentally, this November 18 is the anniversary of Senshu Electric's founding, so we feel it is our destiny.

Outline



- 1. Group Overview
- 2. October 2025 Summary of 2nd Quarter financial results
- 3. Medium term management plan (Announced 9 December 2024)
- 4. Reference data

SENSHU ELECTRIC CO.,LTD.

This is outline.

I will begin with an overview, next is a summary of financial results, which will be the today's main part of this presentation.

At third, We already announced our medium-term management plan in December last year, so I would like to give you a quick review of the plan.

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1. Group Overview

SENSHU ELECTRIC CO.,LTD.

Group Overview



Established November 18, 1949

Shares Tokyo Stock Exchange Prime
Capital 2,575,200,000yen [US\$17Mil.]

Type of industry Wholesale distributor

(Industry leader of electric wires general trading company)

No. of employees 866 (Average age:39.3)

No. of subsidiaries 7 in Japan and 7 in overseas (China/Taiwan/Thailand/Philippines/Vietnam/USA)

No. of offices 18 in Japan







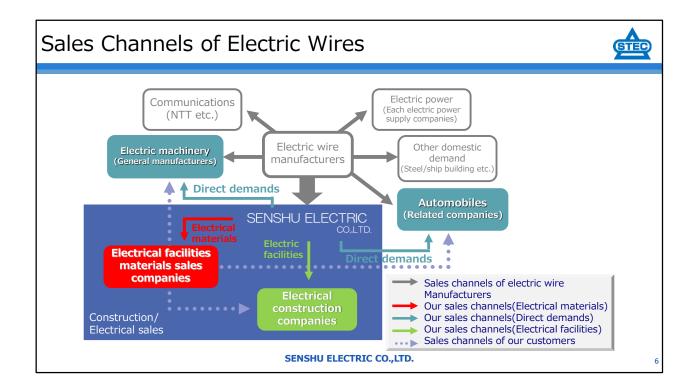
USA

SENSHU ELECTRIC CO.,LTD.

First of all, let me give you an overview of our business, As I mentioned earlier, we were established on November 18, 1949. In this term 76th term, 76 years of history.

Our company is listed on the Tokyo Stock Exchange Prime with a capital of 2,575.2 million yen. The type of industry is wholesale distributor, the number of employees is 866. The number of subsidiaries and offices has not changed since the end of the previous fiscal year as shown in the table above.

We cover the whole of Japan, from Hokkaido in the north to Kyushu and Okinawa in the south, and we are also expanding our sales channels overseas. We have been active mainly in the Asian area, but we are now expanding our sales channels in the United States as well.



Next is the sales channel for electric wires, which I will explain in a moment.

We at Senshu Electric work mainly in the construction and electrical sales sector, which is surrounded by this blue field. We are not a manufacturer, so our basic products are purchased from electric wire manufacturers, etc., and sold to electrical facilities materials sales companies, in other words, companies and wholesalers that sell electric wires and construction materials to construction stores.

The other is electrical construction companies, or sub-contractors.

In Kanto region and Kinki region, In particular, for large projects, manufacturers do not sell directly to customer, but rather through us.

In the Construction and Electrical sales sector, the volume of shipments is announced by the Electric Wire & Cable Makers' Association, and our market share is currently around 15.8%. The share is gradually increasing year by year.

The areas outside of the blue frame are where conventional electric wire manufacturers directly sell their products to telecommunications, electrical machinery manufacturers, electric power companies, shipbuilders, automobile-related companies, and others in the same position as electric wire manufacturers, such as machine tools, semiconductor related manufacturing, etc. In short, we sell directly to machine tools, semiconductor related manufacturing, etc.

On the other hand, the automotive industry does not sell in-vehicle harnesses, but rather production lines for automobiles and related battery-related products. We are currently expanding our sales channels by selling directly to production lines in these areas.

We have been engaged in this field within the construction and electrical sales sector. We also have sales channels in other field, which we call direct demands.

Major Customers (image) (More than 3,700 Customers) **Electrical** Electrical There are approximately 1100 materials major electric material stores construction or Electrical facilities materials sales that are members of the union **Top 30 Electrical Constructors** facilities **Building/Mansions** (Focusing on major companies) Solar Power Generation manufacturing plant, Data center, etc. Manufacturers of machines and robots that produce machine tools, automobiles, semiconductors, etc. Direct demands (End-users) Machine tools Semiconductor Automobile facilities /industrial machines related manufacturing SENSHU ELECTRIC CO.,LTD.

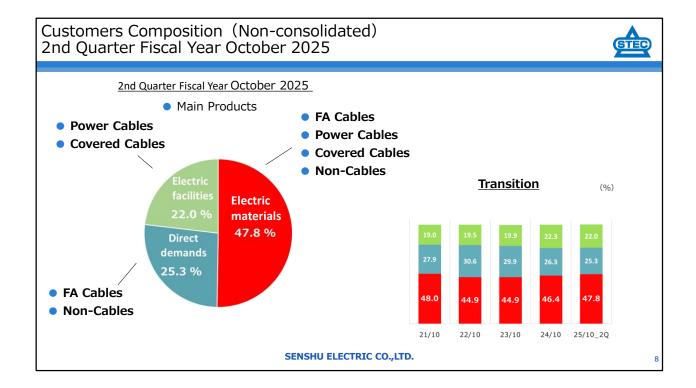
The contents of these are referred to within our company as electrical materials, electric facilities, and direct demands, respectively.

There are approximately 1,100 companies throughout Japan that wholesale electrical materials, and I understand that electric wires account for approximately 20% of these wholesalers.

They sell other materials to electrical contractors and other companies.

As I mentioned earlier, the electric construction companies of about 30 companies in the top, and we sell electric cables directly to these companies.

The last is direct demands. We sell directly to manufacturers of machine tools, automotive equipment, semiconductor related manufacturing, front-end and back-end processing equipment, and so on.



It will only be Senshu Electric on non-consolidated.

This is because Senshu Electric accounts for approximately 93% of the Group's total sales.

The following chart shows the major components of Senshu Electric's non-consolidated sales.

In terms of our history, the electrical materials has the largest market share in our company. In the first half of this fiscal year, the share rose to 47%.

On the other hand, direct demands for semiconductor related manufacturing and machine tools was more than 30% in-house share at the time of strong demand, but unfortunately it has dropped to 25%.

On the other hand, the percentage of electric facilities is more than 20%, and this time it is 22%.

Three Business Models



1

JUST IN TIME system

2

Original products

Cable assembly (Electric wire terminal processing)

Electric wires of about 200,000 types & difficult to stock in terms of space and theft due to their heavy weight. We have a warehouse floor space of approximately 70,000 m in Japan (Sapporo to Okinawa) with over 50,000 kinds of products, have established a JUST IN TIME system.



FA cables (Factory Automation (FA) cables used for robots, etc.) with a wire manufacturer and sold them as original products. We accurately grasp a wide variety of needs and play a role as a technical trading company.

In addition to the sale of electric wires, we respond to the processing needs of small lots and a wide variety of products and short delivery times, such as electric wires and control panels with terminals, at 8 of our 18 bases nationwide. In addition, group companies will also develop a system and work together.



SENSHU ELECTRIC CO.,LTD.

9

Then there is this business model. As you saw in the video at the beginning of this presentation, we have three. Just-in-time system, sales of Original products, and the rest is Cable assembly. This is where we differentiate ourselves from other companies in our industry. In particular, At one is the just-in-time system. The wire cables we handle are extremely heavy and bulk. In addition, there is also a risk of theft in recent times. we have long established a system whereby we deliver products to the site within 24 hours of receiving an order. We have secured a distribution warehouse of 70,000 square meters nationwide, from which we deliver directly to our customers. The second is our original products. This is in the form of factory automation cables, especially for robots, but mainly in the field of direct demands as I mentioned earlier. Various characteristics are available depending on the user's manufacturing equipment. We have been working together with small and medium-sized electric wire manufacturers for many years to create new products by catching up with the various needs of our customers, such as high bendability, resistance to oil, and of course, durability, at the cutting edge of sales. We call these original products, and we sell products that can only be purchased at Senshu Electric. Third, in addition to the above, we offer cable assemblies, a service in which we not only cut the wires and sell them, but also attach the end components and deliver them to the customer for installation in their machines and equipment. We are one of the few cable trading companies in Japan to have eight cable assembly processing plants nationwide, and the Nagoya FA Center, which opened this year, also has this function. It is not a mass-processed product, but rather a small-lots, wide variety of products, short delivery times, we do it. These three business models are what differentiate us from our competitors.



2 . October 2025 Summary of 2nd Quarter financial results

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10

Consolidated Financial Highlights



Achievements

- · Demand for semiconductor manufacturing equipment and machine tools partially stagnated but construction and electronic sales was strong.
- · Average copper price increased 9.2% year on year to 1,443,000 yen/t



Shareholder Returns (Dividend increase and acquisition of treasury stock and cancellation)

- Fiscal Year Ended October 2025 Forecast: 150 yen per year (Initial forecast: 140 yen) Interim dividend:75 yen, Year-end dividend: 75 yen (forecast)
- Total number of acquire shares 100,000 shares Total acquisition amount 466,605,500 yen (Acquisition period 2024/12/10~2025/4/30)
- · Treasury stock cancellation (500,000 shares Total number of issued shares after cancellation: 18.0 million shares to be cancelled on 14 May 2025)
- Treasury stock acquisition (200,000 shares 1 billion yen(limit) Acquisition period 2025/5/1 to 2025/10/31)

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I will now explain the interim financial results.

As the president explained at the beginning of the presentation, sales increased by 4.3%, but profits decreased slightly.

Sales for semiconductor related manufacturing and machine tools were sluggish in some areas, making it a difficult period for growth. On the other hand, construction-related demand remained strong, and we managed to support this demand.

In selling, it is still the copper price. The cost of products, which affects the selling price of products, increased by 9.2% year-on-year to 1,440,000 yen per ton. The copper price has been revised again today and is now 1,450,000 yen.

Another topic is the shareholder return policy. We are pleased to announce an increase in dividends.

The reason is as the president mentioned earlier, it is a medium-term management plan with a final target for the fiscal year ending October 31, 2027. We have decided to increase the dividend in order to achieve the dividend payout ratio and shareholder return ratio.

In the previous fiscal year, the dividend was 130 yen per share, and in December we announced a forecast of 140 yen per share, and now we have announced another 10 yen per share increase. In terms of actual results, we announced a 20 yen increase from the previous year and a 10 yen increase in our forecast for the dividend.

Also, it's treasury stock. Acquisition and retirement, respectively.

The cancellation of treasury stock in December of last year and the acquisition of treasury stock were completed at the end of April, and a new announcement has been made.

Consolidated income statements overview



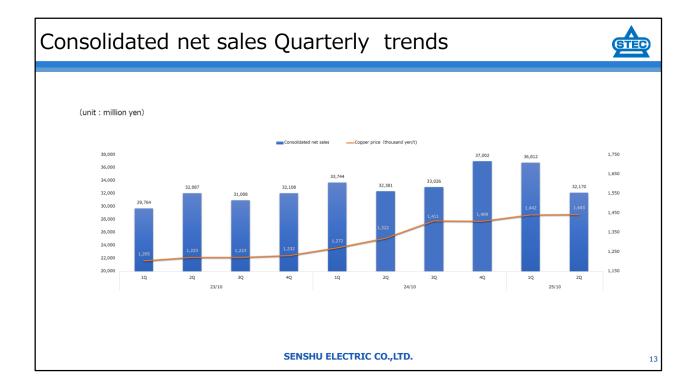
(Unit: million yen, 9	6)

	2024/10_20	Ş	2025/10_2Q		Increase or de	ecrease
Net sales	66,125	100.0	68,982	100.0	2,857	4.3
Cost of sales	55,651	84.2	58,515	84.8	2,863	5.1
Gross profit	10,473	15.8	10,467	15.2	(6)	(0.1)
Selling, general and administrative expenses	5,368	8.1	5,669	8.2	300	5.6
Operating profit	5,104	7.7	4,798	7.0	(306)	(6.0)
Non-operating income	281	0.4	302	0.4	21	
Non-operating expenses	58	0.1	75	0.1	16	
Recurring profit	5,327	8.1	5,025	7.3	(302)	(5.7)
Extraordinary income	112	0.1	_	_	(112)	
Profit before income taxes	5,440	8.2	5,025	7.3	(414)	(7.6)
Total income taxes	1,749	2.6	1,597	2.3	(151)	
Profit	3,690	5.6	3,427	5.0	(262)	(7.1)
Profit attributable to non-controlling interests	16	0.0	22	0.0	5	
Profit attributable to owners of parent	3,674	5.6	3,405	4.9	(268)	(7.3)
Average copper price (Thousand yen/t)	1,322		1,443		121	9.2

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12

I will continue with an overview of the income statement. First of all, net sales for the first half of this fiscal year totaled 68,982 million yen, an increase of 2.8 billion yen in value, and an increase of 4.3%. Gross profit, on the other hand, remained almost unchanged. The gross profit margin was negative 6 million yen, but the point is the profit margin. This is where we are at, from 15.8% to 15.2%, an unfortunate 0.6pt drop. This 15.2% is actually a return to the profit margin of the 2nd quarter of 2023. Last year, there were various special factors, and just a year and a half ago, one manufacturer's brand could not temporarily be shipped, and there was a shortage of electric wires. This was an unexpected trend, but the gross profit margin increased due to sales of relatively profitable products. This time, the gross profit margin dropped to 15.2%, and now it has returned to the previous level. This is followed by Selling, general and administrative expenses. This is 56.69 billion, an increase of 300 million yen, or 5.6%. The breakdown, as the president explained earlier, is almost half of personnel expenses. Facilities management and office management costs are up at the other half. In particular, labor costs have been affected by high prices over the past few years and the soaring starting salaries of new graduates, and we have raised wages, including base increases, not only this year, but also last year and the year before. This is one of the reasons why labor costs are relatively higher than in the previous year. The 300 million yen decrease in this directly affects operating profit, which is 4.7 billion yen. This is a decrease of 306 million yen in value and a 6% decrease in profit. Recurring profit decreased by 302 million yen to 50.25 billion yen, a decrease of 5.7%. Also, the amount of income tax is slightly down, but the final interim profit was a minus 268 million yen, which is a 7.3% decrease in profit. As a result, while sales increased, costs were high, and unfortunately, profits decreased during the interim period. As explained earlier, the average copper price at the bottom of the table was up 9.2% for the first half of this fiscal year.



Here are the quarterly sales figures.

I would like to show you our sales figures for each of the last three months.

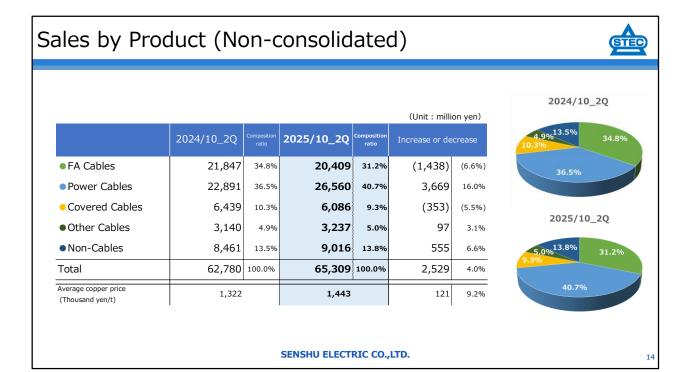
This most recent 2Q figure was 32.1 billion yen in February, March, and April.

This figure is almost unchanged from the three months of the same period last year, and is roughly the same as the figures for February, March and April of the previous year.

However, copper prices are rising moderately, and unfortunately, sales volume is falling. According to an announcement by the Electric Wire & Cable Makers' Association, sales in March and April were both down 15% from the previous year.

We have not seen a decline to that extent, but the drop in sales volume has been compensated for by the increase in the price of copper.

The fourth quarters of the previous year and first quarters of financial year saw large jumps of 37 billion yen and 36 billion yen, respectively, in the value of the semiconductor manufacturing plant in Hokkaido. The figures for the fourth quarter, part of the first quarter, and large projects such as data centers in the Tokyo metropolitan area are shown in the respective periods.



Next, let's look at the breakdown by product. This is a breakdown of Senshu Electric's nonconsolidated product lines. The top one is a communication wire for equipment, so-called FA Cables. This was a decrease of 1.4 billion yen, or 6.6% of the previous year's total. This is due to a decrease in demand for semiconductor related manufacturing and machine tools, as well as the shortage of electric wires from the previous year that I mentioned earlier. On the other hand, the second category, Power Cables, which are mainly used for construction, increased by 3.6 billion yen in value. The internal composition of the company has risen to 40%, which is a significant increase of 16% by YoY. This is the large-scale construction project I mentioned earlier. Shipment of these cables was brisk, and the price of copper has also risen. As a result, the sales of cables for electric power applications have increased significantly. Sales of Covered Cables, which are mainly used for general housing, were down 353 million yen, or 5.5% of the total. General-purpose products for general residential and construction use were purchased in advance by electronic materials stores and other customers. This is the reason for the drop in this fiscal year's sales. Other Cables are copper cores sold to small and medium-sized electric wire manufacturers. The copper price fluctuation also caused a slight increase or decrease in the figure, resulting in an increase of 97 million yen by YoY. The last one is Non-Cables. Cable assemblies and processed products, which I mentioned earlier in the business model, are also included in this non-cable segment. Sales of harness processing have finally recovered a little in the first half of this fiscal year, although they had been sluggish until last year. We are beginning to see some positive signs in the semiconductor related manufacturing and machine tool industries. The amount of sales increased 555 million yen or 6.6%. As for Senshu Electric on a non-consolidated basis, the increase was 65.3 billion yen, 2.5 billion yen in value, and 4% in ratio of increase.

Forecast of consolidated financial results (Announced 9 December 2024)



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	2024/10	Composition	2025/10			2024/10 Composition		2025/10		
	2Q	ratio	2Q	Composition ratio	YoY	2024/10	ratio	forecast Composition ratio		YoY
Net sales	66,125	100.0	68,982	100.0	4.3	136,153	100.0	140,000	100.0	2.8
Operating profit	5,104	7.7	4,798	7.0	(6.0)	10,349	7.6	11,000	7.9	6.3
Recurring profit	5,327	8.1	5,025	7.3	(5.7)	10,761	7.9	11,200	8.0	4.1
Profit attributable to owners of parent	3,674	5.6	3,405	4.9	(7.3)	7,578	5.6	7,700	5.5	1.6
Average copper price (Thousand yen/t)	1,32	2	1,443		9.2	1,409		1,450		2.9

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As the president explained earlier, we have left our earnings forecast unchanged.

Although the profit figures for the first half of this fiscal year were slightly lower than our initial forecast, we have decided to leave them unchanged because we believe we can make up for this in the remaining six months of this fiscal year.

The first reason is construction demand. In addition, copper prices, which are now averaging 1,450,000 yen, have been moving moderately but steadily. As I mentioned earlier, we are also maintaining the figures for what we call direct demands, including cable assemblies for manufacturing equipment, unchanged because we believe we can achieve these figures if the return of demand is somehow reflected in the second half of this fiscal year.

Consolidated Balance Sheet overview



							(Unit: million yen)
	2024/10	2025/10_2Q	Increase or decrease		2024/10	2025/10_2Q	Increase or decrease
Cash and deposits	30,513	33,738	3,225	Notes and accounts payable - trade	48,676	45,180	(3,495)
Notes and accounts receivable - trade	26,451	21,050	(5,400)	Short - term borrowings	381	381	0
Electronically recorded monetary claims - operating	13,149	11,990	(1,159)	Current portion of bonds payable	14	14	_
Securities	20	_	(20)	Income taxes payable	2,262	1,606	(655)
Merchandise	8,046	8,365	319	Provision for bonuses	852	842	(10)
Work in process	194	135	(59)	Other Current liabilities	1,732	1,484	(248)
Raw materials and supplies	294	239	(55)				
Other current assets	772	322	(449)				
Total current assets	79,442	75,842	(3,599)	Total current liabilities	53,920	49,510	(4,410)
Property, plant and equipment	21,887	22,733	845	Bonds payable	28	21	(7)
Intangible assets	245	207	(37)	Retirement benefit liability	2,224	2,255	30
Investments and other assets	10,881	11,107	226	Other non-current liabilities	680	706	24
Total non-current assets	33,014	34,048	1,033	Total non-current liabilities	2,935	2,984	48
				Total liabilities	56,856	52,494	(4,361)
				Share capital	2,575	2,575	_
				Capital surplus	700	700	_
				Retained earnings	53,760	54,123	363
				Treasury shares	(3,997)	(2,486)	1,510
				Total shareholders' equity	53,038	54,912	1,873
				Total accumulated other comprehensive income	2,172	2,033	(138)
				Share acquisition rights	22	29	7
				Non-controlling interests	368	421	53
				Total net assets	55,601	57,396	1,795
Total assets	112,457	109,891	(2,565)	Total liabilities and net assets	112,457	109,891	(2,565)

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16

Next, I would like to present a summary of the balance sheet. The interim results for the first half of the fiscal year were 109,891 million yen, a decrease of 2.5 billion yen. The main details are as follows: Current assets are 3.5 billion yen, including 3.2 billion yen in cash and deposits, and accounts receivable. Notes and accounts receivable decreased by 5.4 billion yen and electronic records decreased by 1.1 billion yen. Current liabilities on the right side show a decrease of 3.4 billion yen in notes and accounts payable-trade. On the other hand, non-current assets were invested in capital equipment. Nagoya FA Center and the new building of nbs, a subsidiary, increased by 800 million yen. On the other hand, shareholders' equity increased from last year's profit surplus and also from the acquisition. Treasury stock has decreased due to acquisition and cancellation of treasury stock. The cancellation of treasury stock and the acquisition of treasury stock, resulting in a decrease in treasury stock of 1.51 billion yen. The balance sheet as a whole was minus 2.5 billion yen, but the main reason for this was the decline in accounts receivable and accounts payable, which also reflected business performance.

Shareholder Return Policies



1

Dividend(Forecast 150 yen per year, an increase of 20 yen)

Setting stable dividend payment as our basic policy, we are paying dividends considering and examining business results and retained earnings, etc. comprehensively. Annual dividend increased by 20 yen in real terms

Fiscal Year Ending October 2025 is Interim dividend:75 yen(Initial forecast:70 yen, Year-end dividend forecast: 75 yen(Initial forecast:70 yen), dividend increase of 20yen is expected year on year.

2

Treasury stock acquisition and cancellation

We acquire treasury stock in order to improve shareholder returns, improve capital efficiency, and implement flexible capital policies in response to changes in the business environment. Also we canceled treasury stock for the same reason.

3

Stockholder benefit program

(Once a year (at year end), $\hat{1}$ unit (100 shares) or more) Less then 1 year : Our original QUO card (1,000 yen) One year or more : Our original QUO card (2,000 yen)

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· Total number of acquire shares

200,000 shares (limit)

· Total acquisition amount

1,000,000,000 yen (limit)

(Acquisition period 2025/5/1 to 2025/10/31)

· Total number of cancelled shares

500,000 shares

Total number of issued shares after cancellation
 18,000,000 shares

(Cancellation date 2025/5/14)

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Lastly, in terms of shareholder return, as I mentioned in the highlight, the annual dividend for the last fiscal year was 130 yen, and for the fiscal year it will be 150 yen per year.

We have already announced the acquisition of treasury stock after May and we were also cancelled of treasury stock 500,000 shares on May 14.

We will also continue to shareholder benefit program to our shareholders.



Medium term management plan
 (Announced 9 December 2024)

SENSHU ELECTRIC CO.,LTD.

18

Medium term management plan SS2027: Target



Senshu Electric Group achieved the targets of the Senshu Electric Group Medium Term Management Plan (net sales: 150 billion yen, recurring profit: 10 billion yen, ROE: more then 10.0%) announced on December 7, 2023 for the fiscal year ending October 2026, two years ahead of schedule, we have formulated a new "Senshu Electric Group Medium Term Management Plan, which will end in Fiscal Year of October 2027.

	2024/10 2027/10 Results Target					
Net sales	136.1 billion yen	160 billion yen	+17.6%		Further	
Recurring profit	10.7 billion yen	13 billion yen	+21.5%	ROE ≥15%	improvement of profitability	
ROE	14.4%	More than 15%	+0.6pt	Dividend payout ratio ≧35%		
Dividend payout ratio	30.1%	More than 35%	+4.9pt	Total return ratio ≥50%	Enrichment of shareholder return	
Total shareholder return ratio	48.0%	More than 50%	+2.0pt	PBR	Strengthening IR (investor) and SR	
PBR	1.62 times	More than 2.0 times	+0.4times	≧ 2 times	(shareholder) activities	
		SENSHU ELECT	RIC CO.,LTD.			

I have attached a copy of the medium-term management plan that was announced on December 9, 2024. The contents are exactly the same.

We have just announced that we have maintained our forecast for the current fiscal year, and we are presently presenting the medium-term figures as previously announced.

Our company targets sales of 160 billion yen and recurring profit of 13 billion yen, ROE of at least more than 15%, and a payout ratio of more than 35%, Total return ratio of more than 50%, and PBR of more than 2.0 times by October 2027.

At this point, total shareholder return ratio have been cleared, albeit temporarily. The year-end projection shows that the dividend payout ratio is still a little bit short of what it should be.

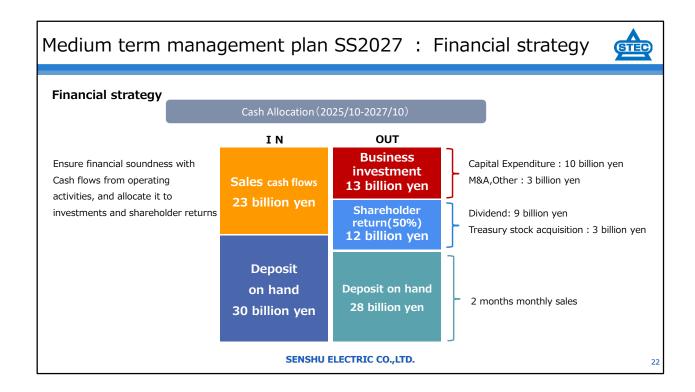
Medium term management plan SS2027: Market **Environment and Forecasts** Semiconductor · Increased demand for AI related · Manufacturer Inventory · Continue demand for AI Adjustments Direct demand **Machine tools** · Manufacturer's inventory · Manufacturer Inventory related Adjustments adjustment completed Electric material **Automobile** · Acceleration of EVs, · Steady growth related storage batteries Renewable energy-· Solar power, · Solar power generation related Continued demand for Electric increase offshore wind power material · Large manufacturing plant · Large semiconductor plant Construction Electric · Redevelopment, · Redevelopment, related Data center Data center facilities · Rapid rise · Slow rise Copper price SENSHU ELECTRIC CO.,LTD.

And I'd like to review the business climate again at the end of the term.

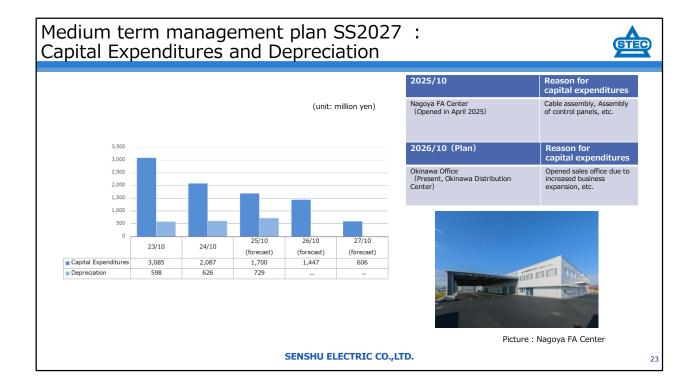
Medium term management plan SS2027: Business Strategy Increase sales in the direct demand sector by developing 2027/10 original products and strengthening the processing sector Sales products other than electric wires including own brand ones and development of new fields 26% **▶ 30%** 13% **▶ 17%** Strengthening of sales in Tokyo and surrounding Kanto areas, and expansion of share for the other area Improvement of the Just in Time system Capital Expenditures(P22) Global Long-term target 30% of net sales Strengthening of global deployment Expansion into India (Improvement profitability of the Group) Sustainability Management Promote initiatives to address ESG materiality issues(P24) **Promotion of the Senshu Transformation Project**

The implementation details are in this section. Based on the issues we have been dealing with for many years, we will implement the contents of this section in a steady manner. In particular, we have been reducing the rate of sales related to direct demands, but we have determined that it will be difficult to achieve this profit rate unless the rate is close to 30%.

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The other thing is cash allocation. The amount of investment, and a little bit of what's in it, is that it hasn't built up yet.



The information shown here is only what has actually been decided.

FY25/10, Nagoya's FA Center is end.

Okinawa office is the one that is actually moving forward with the current plan.

This is for the fiscal year ending October 31, 2026, but we have heard that there will be a slight delay, so we will reflect this figure as soon as it is confirmed.

We are also planning an expansion of the Kusatsu FA Center, where we process harnesses and manufacture control panels, as well as a new building in Suita, Osaka, where we will integrate the sales and administrative divisions.

We are working on the plan now. We will let you know as soon as the amount is finalized.

Medium term management plan SS2027: Soil Heater





Soil Heater



Annual sales of 1 billion yen

in agribusiness by 2027

 Released in September 2024 (Abil Heater Update)

Subterranean heated vinyl lines for agricultural use.

Contributes to CO2 emission reduction by directly heating soil in plastic greenhouses, etc., and increases harvest turnover (cycle) by accelerating the speed of growth.







Contribute to the SDGs

Decarbonization and energy savings compared to boilers that use fuel.

Other

Exhibiting at agriculture-related exhibitions and promoting in newspapers and other media. The test farm is being streamed on YouTube.



Exhibited at the TEAM EXPO Pavilion at the 2025 Japan International Expo

Senshu Electric Agriculture Team, led by the company's agriculture business staff, has registered its efforts for "New Future Smart Agriculture, friendly to the global environment and people!" as a "TEAM EXPO 2025" programme/Co-Creation challenge As a participant of this programme, we will participate in the "TEAM EXPO Pavilion".

https://www.senden.co.ip/en/financer/news/en ns 241204 a.pdf

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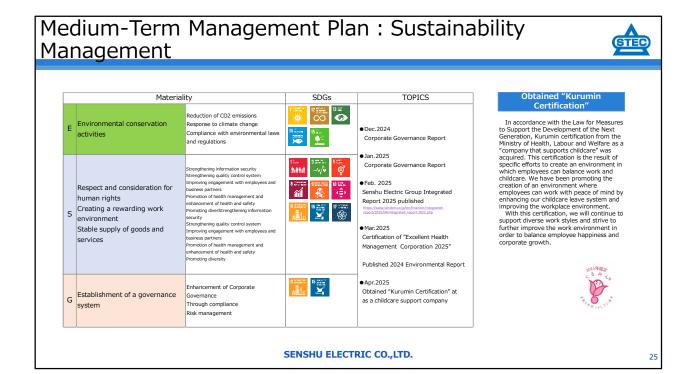
The other product we have been offering every time as a product topic is a heater wire for heating agricultural greenhouses.

We used to call them abil heaters, but we have reviewed the contents and are now selling them under the new name of soil heaters.

However, by planting these heater wires directly in the soil, the inside of the greenhouses can be heated, thereby reducing energy costs and CO2 emissions. Our target is to reduce energy costs and CO2 emissions by heating the greenhouses directly in the soil.

In addition to that, we are actually seeing the effects of crop growth, especially among strawberry farmers. It has already been decided that this product will be exhibited at the Osaka Kansai Expo for three days on Friday, Saturday and Sunday, from 6 to 7 to 8 june.

We are planning to exhibit the concept of future agriculture, which will open up the future for farmers by using these soil heaters.



The other is sustainability management.

We are pleased to announce that Kurumin certification has been obtained, and that we will be implementing a variety of measures in various ways, including reforms in the way employees work and the ease with which they can work.



4. Reference data

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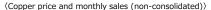
26





There are two types of electric wires: copper and aluminum wires, and most of the wires we deal with are copper wires. Therefore, the market price of copper is important for the sale of electric wires. Copper price and sales trends are as follows.

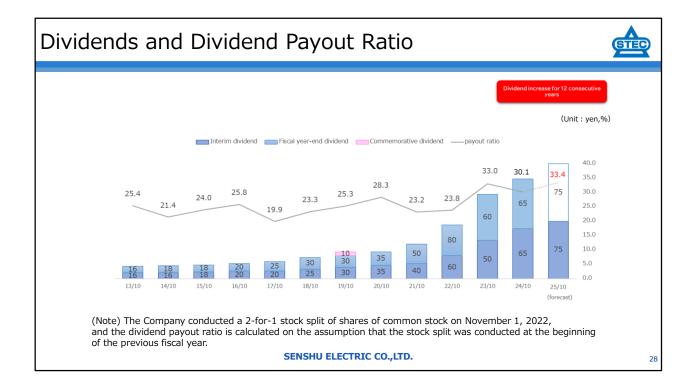
The domestic copper quotation is determined by JX Nippon Mining & Metals based on the international copper quotation determined by the London Metal Exchange (LME) and the exchange rate.



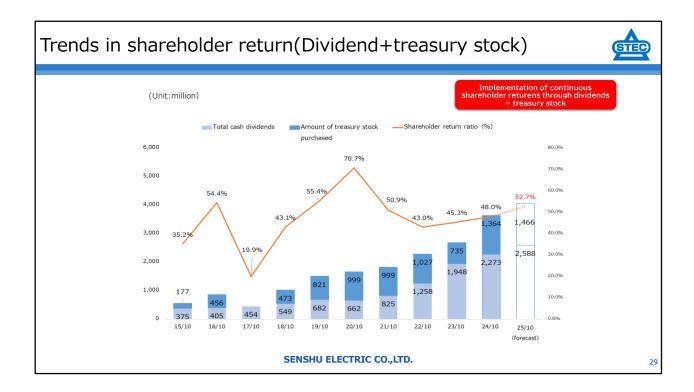


Finally, here are some reference materials.

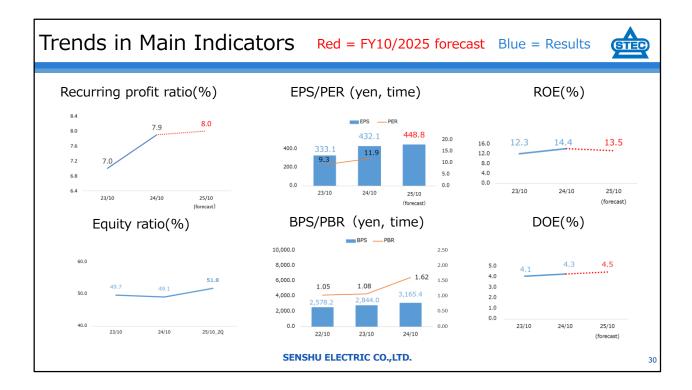
The first is the monthly copper price and sales figures that we always provide. This is for Senshu Electric on a non-consolidated basis, and the rise in copper prices and monthly sales are almost linking with each other. Recently, copper prices were unstable for a few months due to the effects of the Trump tariffs, but sales are linking.



Also, dividends and dividend payout ratio. As I mentioned earlier, the dividend payout ratio for the fiscal year ended October 31, 2027 was 35% more than. Even if we pay a dividend of 150 yen this fiscal year and achieve the year-end profit, we will still be 33% and need to increase the dividend by about 2% to achieve our target. However, thanks to your support, we plan to increase the dividend for the 12th consecutive year.



As for returns to shareholders, including share buybacks, the current figure is 52% at the end of the fiscal year, which is more than 50% of the total return to shareholders.



The last section of the report shows the indicators from Recurring profit ratio to DOE. The medium-term management plan for ROE is more than 13.5%, and the cost of shareholders' equity is around 8%. 13.5% is not a bad figure, but since our target is more than 15%. We will continue to focus on the need to expand profits in the future. We would like to focus our efforts in this area.

Trends in Main Indicators



	2017/10	2018/10	2019/10	2020/10	2021/10	2022/10	2023/10	2024/10
Net Sales (million yen)	74,956	82,038	83,676	74,288	92,463	113,633	124,967	136,153
Operating profit (million yen)	3,202	3,868	3,979	3,124	4,743	7,464	8,366	10,349
Reccuring profit(million yen)	3,455	4,105	4,206	3,382	5,004	7,894	8,770	10,761
Profit attributable to owners of								
parent(million yen)	2,289	2,371	2,714	2,351	3,583	5,314	5,920	7,578
Operating Profit Margin	4.3%	4.7%	4.8%	4.2%	5.1%	6.6%	6.7%	7.6%
Equity ratio	58.0%	56.8%	57.7%	59.8%	50.9%	48.4%	49.7%	49.1%
ROE	6.4%	6.3%	7.0%	5.9%	8.6%	12.0%	12.3%	14.4%
End of period stock price *	1255 yen	1304 yen	1425 yen	1446 yen	2382 yen	2696 yen	3085 yen	5130 yen
Net assets per share *	1830.83 yen	1921.82 yen	2047.40 yen	2147.90 yen	2342.59 yen	2578.24 yen	2843.95 yen	3165.42 yen
PBR	0.69 time	0.68 time	0.70 time	0.67 time	1.02 time	1.05 time	1.08 time	1.62 time
Annual Dividend	45 yen	55 yen	70 yen	70 yen	90 yen	140 yen	110 yem	130 yen
Dividend payout ratio	19.9%	23.3%	25.3%	28.3%	23.2%	23.8%	33.0%	30.1%
Total shareholder return ratio	19.9%	43.1%	55.4%	70.7%	50.9%	43.0%	45.3%	48.0%

Listed on the First Section of the Tokyo Stock Exchange on November, 2017 Listed on the Tokyo Stock Exchange Prime Market on April, 2022

*As a result of a stock split at a ratio of 2 for every common share conducted on November 1, 2022, the end of period stock price and net assets per share figures prior to the fiscal year ending October 2021 are shown at 1/2.

SENSHU ELECTRIC CO.,LTD.

31

Lastly, here is the transition from our past listing on the first section of our company. Please take a look again when you have a chance.

Thank you for your attention.



Stock code : 9824 SENSHU ELECTRIC CO.,LTD.

So, that is all for my explanation. Thank you very much.

Notes on the content

None of the information on this document constitutes a solicitation to purchase or sell shares belonging to our company.

Please note that, due to various factors, future performance may differ from these forecasts. The information contained within this material should be checked against information obtained through other means and utilized at the user's discretion.

In no event shall our company or its suppliers be liable for any damages resulting from this information. We ask that users make investment decisions at their own discretion.

Furthermore, please be aware that the information presented here may not always reflect the latest information available.

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