

ここに **COSEL**

Results Briefing FY2024

COSEL CO.,LTD.

June 18, 2025

FY2024 Consolidated Financial Results

FY2024 Results

Sales and profit decreased YoY

Sales

- Sales of products for semiconductor manufacturing equipment and factory automation were sluggish due to customer's inability to digest inventories
- The industrial equipment market was slow to recover demand due to the economic stagnation in China
- Opportunity losses associated with core system replacement (0.7 billion yen)

Operating profit

- Decline in profitability due to lower sales and higher volatility ratio
- Opportunity losses associated with core system replacement (0.3 billion yen)
- Cost of business & capital alliance with LITEON (0.2 billion yen)

Profit

- Extraordinary losses due to core system replacement and development review (0.4 billion yen)
- Extraordinary losses due to liquidation support for partner companies (0.02 billion yen)
- Additional tax burden due to lower earnings (0.07 billion yen)

Collaborative activities in sales, development, procurement, and new business

- Started cross-selling in the North American market from 3Q, contributing to earnings
- Launched "COSELSYNC." a new brand of jointly developed products

Business & Capital Alliance with LITEON

Financial Year Ending May 20, 2025

Consolidated Cumulative Period Result



Sales • Sales of products for semiconductor manufacturing equipment and factory automation were sluggish due to customer's inability to digest inventories

Operating Profit

- Decline in profitability due to lower sales
- Opportunity losses associated with core system replacement (0.3 billion yen)
- Cost of business & capital alliance with LITEON (0.2 billion yen)

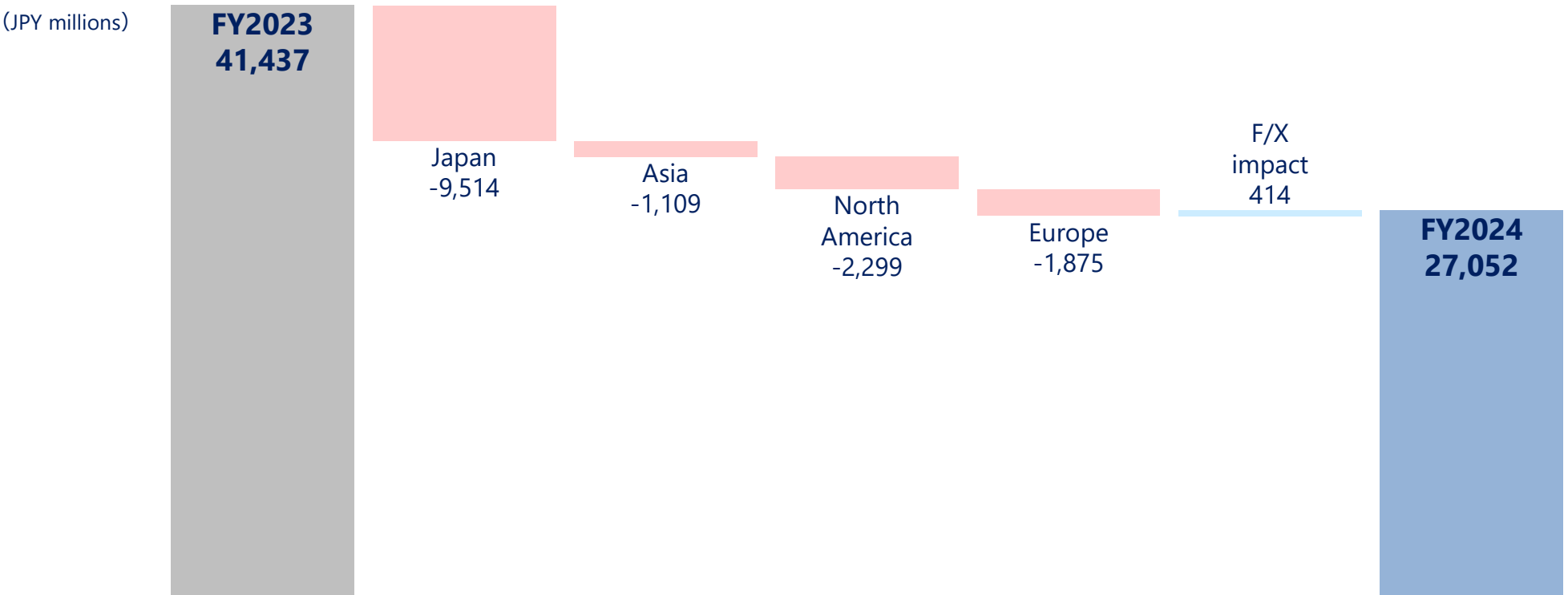
Profit • Extraordinary losses due to core system development (0.4 billion yen)
• Additional tax burden due to lower earnings (0.07 billion yen)

(JPY million)	FY2023 Result	FY2024							
		Revised Forecast	Result			YoY		vs. Forecast	
				1H	2H	Change	%	Change	%
Net sales	41,437	29,174	27,052	14,855	12,197	-14,384	-34.7%	-2,121	-7.3%
Gross profit	13,743	-	7,207	4,048	3,158	-6,536	-47.6%	-	-
SG&A	6,831	-	6,579	3,414	3,165	-251	-3.7%	-	-
Operating profit	6,912	1,245	628	634	-6	-6,284	-90.9%	-616	-49.6%
%	16.7%	4.3%	2.3%	4.3%	-0.1%	-14.4pt	-	-2.0pt	-
Ordinary profit	7,850	1,278	740	594	146	-7,109	-90.6%	-537	-42.0%
%	18.9%	4.4%	2.7%	4.0%	1.2%	-16.2pt	-	-1.7pt	-
Profit attributable to owners of parent	5,169	751	-113	278	-392	-5,283	-	-864	-
USD / JPY	146.26	148.56	151.84	152.11	-	+5.58	-	+3.28	-
EUR / JPY	158.29	163.39	163.62	165.77	-	+5.33	-	+0.23	-
SEK / JPY	13.75	14.24	14.39	14.48	-	+0.64	-	+0.15	-

Year-on-Year Changes in Sales



Sales : 27.0 billion yen (-14.3 billion yen YoY, -34.7%)
Japan : Unconsumed inventory and order adjustments due to customers' prior arrangements for previous years
Asia : Demand adjustment phase continues due to sluggish Chinese economy
North America : Excess inventory and order adjustments on the customer side due to shipments in response to increased production in the previous fiscal year
Europe : Adjustment of demand for advance arrangements due to economic uncertainty



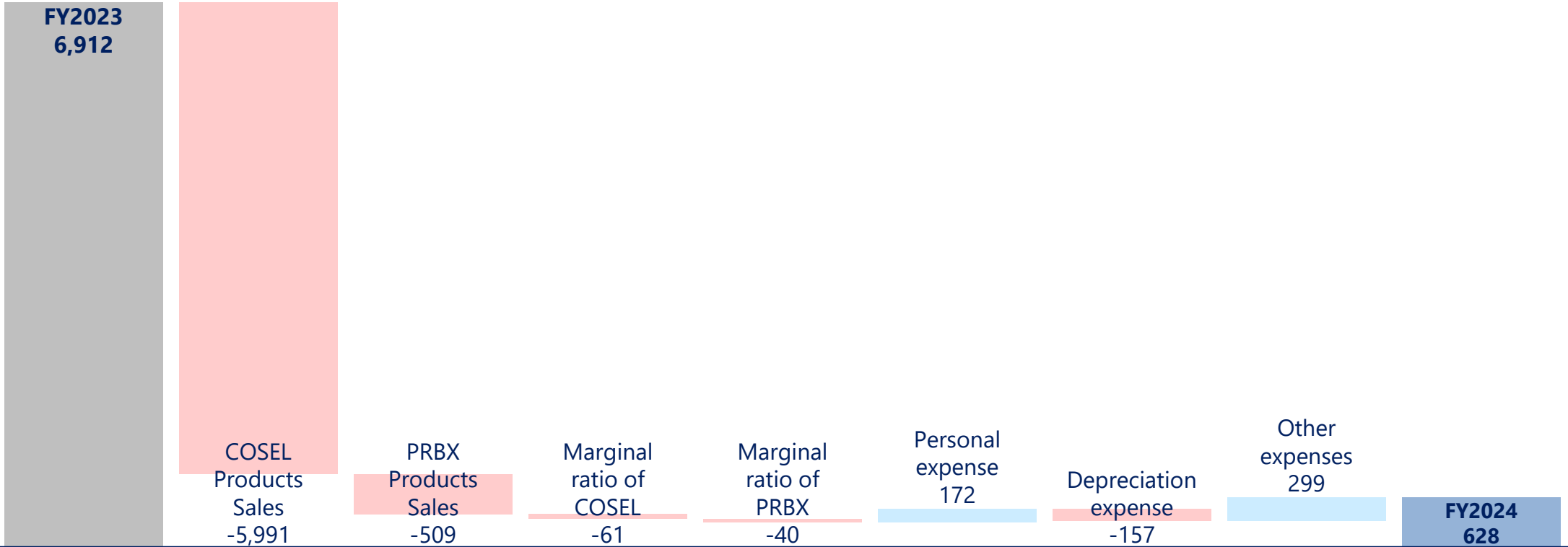
Year-on-Year Changes in Operating Profit



Operating profit : 0.6 billion yen (-6.2 billion yen YoY, -90.9%)

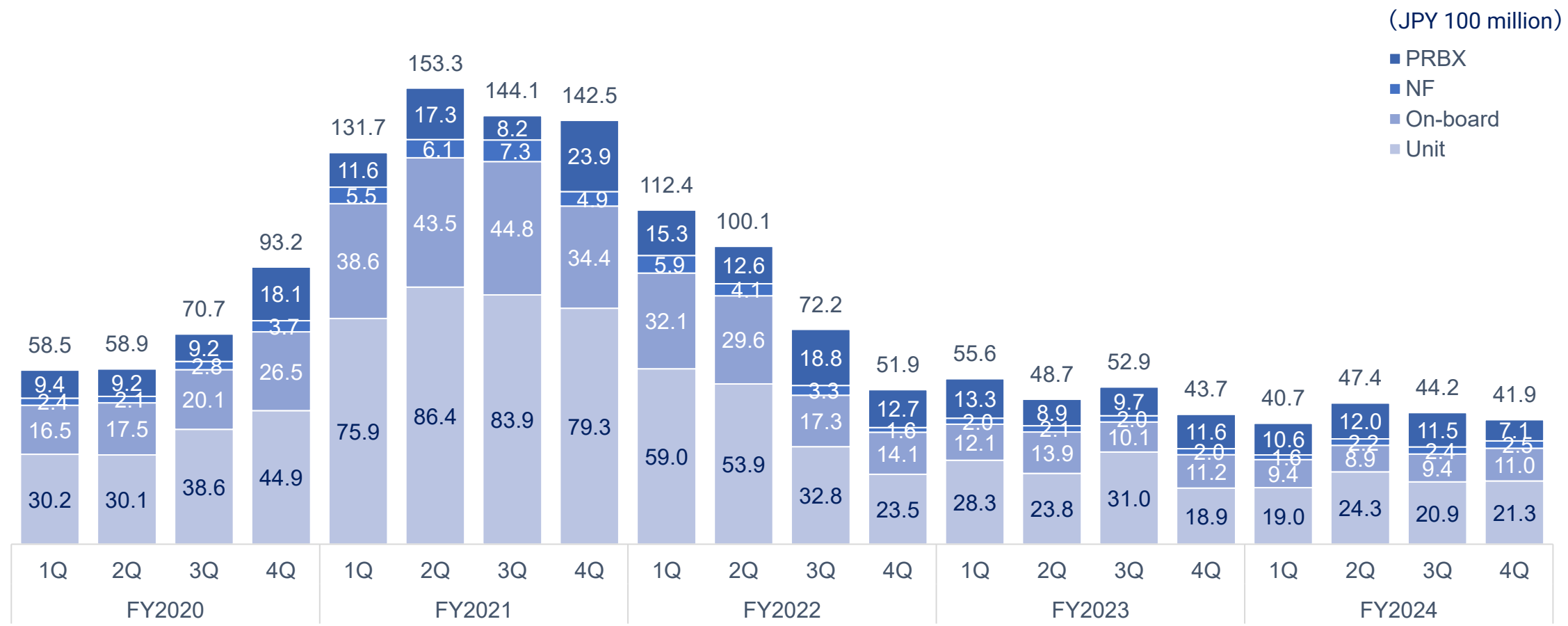
- Decline in profitability due to lower sales and higher volatility ratio
- Opportunity losses associated with core system replacement (0.3 billion yen)
- Cost of business & capital alliance with LITEON (0.2 billion yen)

(JPY millions)



Orders Received (by Product)

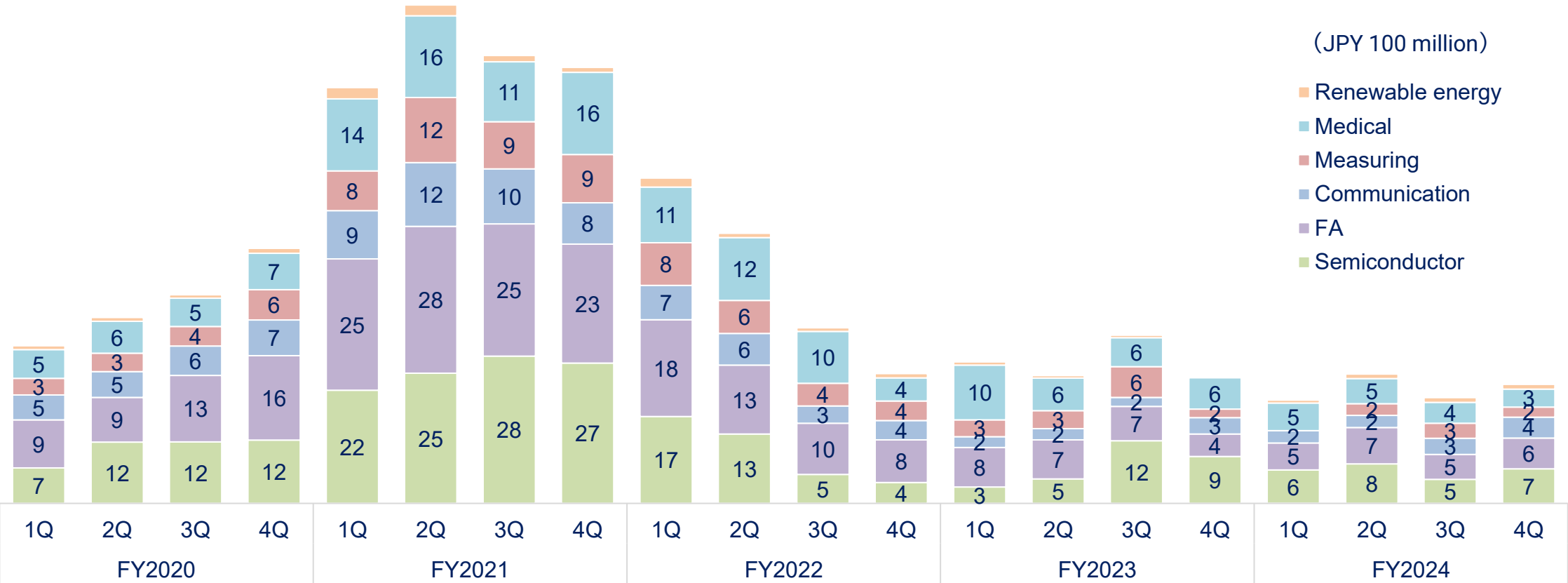
- Continued adjustment phase from 4Q FY2022 onward in reaction to increased orders in past fiscal years
- FY2024 remained slow throughout the year



Orders Received (by Industry)

- Continued adjustment phase due to the reaction to the increase in orders in the past fiscal year
- Sales of semiconductor production equipment and measuring equipment also remained weak

6 focused industries (excluding other industries and PRBX)



Consolidated Balance Sheets



Total assets : 59.9 billion yen (+5.6 billion yen YoY) Equity-to-asset ratio : 93.1% (+6.5pt)
Cash and deposits +10.8 billion yen (Capital increase by LITEON) Inventories -0.2 billion yen

(JPY millions)	May 20 2024	May 20 2025	Changes
Cash and deposits	16,909	27,789	10,879
Notes and accounts receivable - trade	9,785	5,664	▲ 4,121
Electronically recorded monetary claims - operating	2,422	1,517	▲ 905
Inventories	11,533	11,239	▲ 294
Total current assets	41,161	47,760	6,599
Total property, plant and equipment	7,566	7,268	▲ 297
Total intangible assets	1,441	1,040	▲ 400
Total investments and other assets	4,227	3,927	▲ 300
Total non-current assets	13,235	12,237	▲ 998
Total Assets	54,397	59,998	5,601
Equity-to-asset ratio	86.6%	93.1%	6.5pt

	May 20 2024	May 20 2025	Changes
Accounts payable - trade	1,776	1,027	▲ 749
Accounts payable - other	1,092	360	▲ 732
Total current liabilities	6,008	2,830	▲ 3,177
Deferred tax liabilities	462	793	331
Total non-current liabilities	1,131	1,331	199
Total liabilities	7,139	4,162	▲ 2,977
Total shareholders' equity	44,544	54,020	9,476
Total accumulated other comprehensive income	2,542	1,816	▲ 726
Equity	47,086	55,836	8,750
Non-controlling interests	170	0	▲ 170
Total net assets	47,257	55,836	8,578
Total liabilities and net assets	54,397	59,998	5,601

FY2025 Consolidated Financial Results Forecast

FY2025 Forecast



Sales : Limited in 1H due to orders received in the previous period, but to expand from 2H
 Operating profit : Significant improvement in 2H due to lower parts and materials costs and new product launches

(JPY million)	FY2024 Result	FY2025 Forecast	YoY			
			1H	2H	Change	%
Net sales	27,052	33,325	14,728	18,597	6,272	23.2%
Operating profit	628	2,626	628	1,998	1,997	318.1%
%	2.3%	7.9%	4.3%	10.7%	+5.6pt	-
Ordinary Profit	740	2,793	713	2,080	2,052	277.0%
%	2.7%	8.4%	4.8%	11.2%	+5.7pt	-
Profit attributable to owners of parent	-113	1,907	406	1,501	2,020	-
Average exchange rate						
USD / JPY	151.84	145.00	-	-	-6.84	-
EUR / JPY	163.62	162.00	-	-	-1.62	-
SEK / JPY	14.39	14.30	-	-	-0.09	-

Sales & Profit

- Increased orders and sales from existing customers (semiconductor, measuring, FA, medical)
- Realization of product price increase effects
- COSELSYNC. sales expansion
- Expansion of cross-selling with LITEON and expansion of product lineups sold

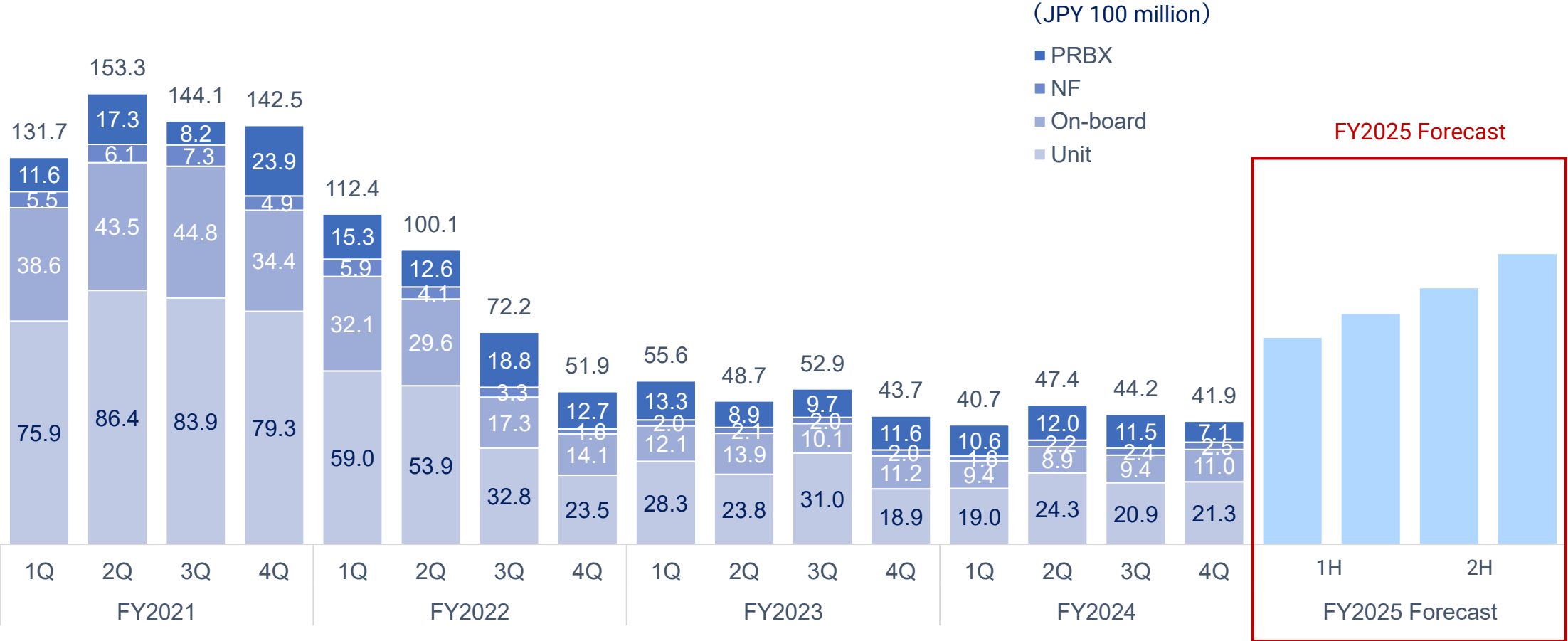
Cost reduction

- Profit improvement through sales expansion of new products
- Implementation of cost reduction at COSEL on a non-consolidated basis
- Stable procurement and cost reduction through joint procurement of parts with LITEON

Business & Capital Alliance with LITEON

- Continue to expand collaborative activities
- Achieve business alliance synergies
- Expand sales of COSELSYNC. to the mid-range market
- Expand cross-selling with LITEON

- Increase in orders from existing customers (semiconductor, measuring, FA, medical)
- Expand cross-selling with LITEON and increase sales of COSELSYNC.



New Product Development Plan



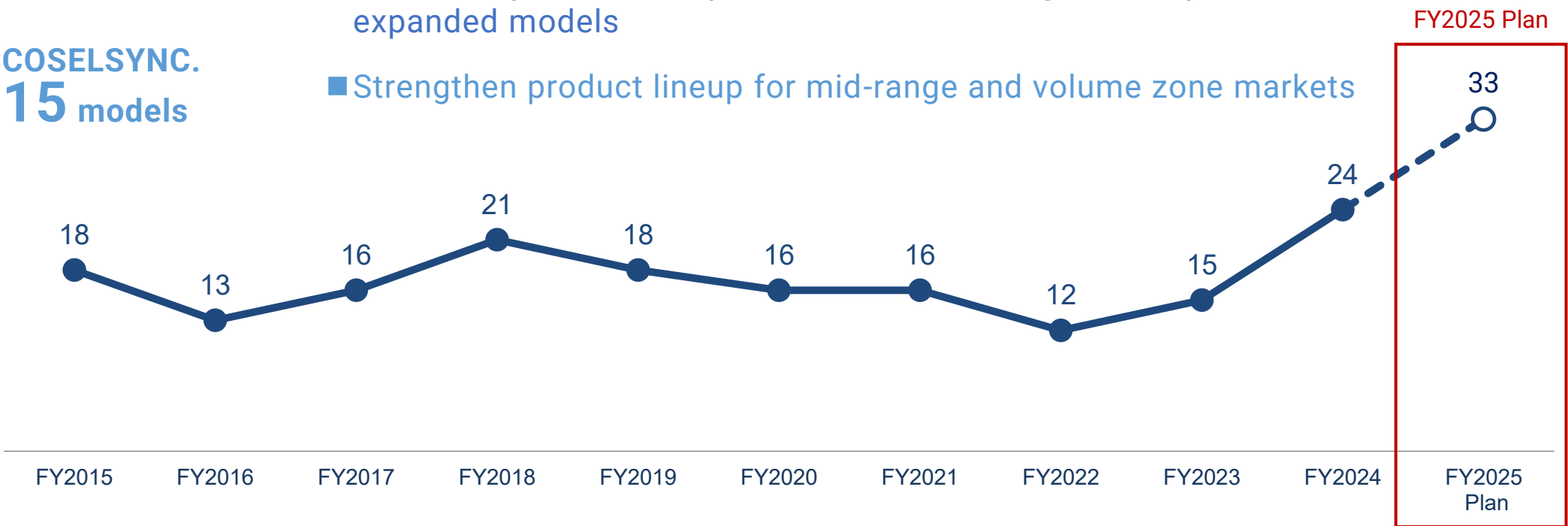
- 18 models : COSEL products 15 models : COSELSYNC. Total 33 models to be developed
- Expand sales and improve profits by developing and quickly launching new products that meet market needs

FY2025 New Product Development Plan

COSEL products
18 models

COSELSYNC.
15 models

- Introduce successor models to existing products to promote product renewal
- Enhanced product lineup and variations through development of new and expanded models
- Strengthen product lineup for mid-range and volume zone markets



Shareholder Return

Revised dividend policy and introduced a progressive dividend policy

(Progressive dividend policy : Policy of maintaining or increasing dividends without reducing dividends in principle)

(Before change)

Our group recognizes the continuous enhancement of corporate value over the medium to long term and the enrichment of shareholder returns as key management policies. Regarding future profit distribution, while maintaining a sound financial structure and securing internal reserves for future business expansion, we will consider business performance, financial condition, and future cash flow. Based on this, we will adopt a basic policy of continuous and stable dividend payments **with a target Dividend on Equity (DOE) of 3.5%.**



(After change)

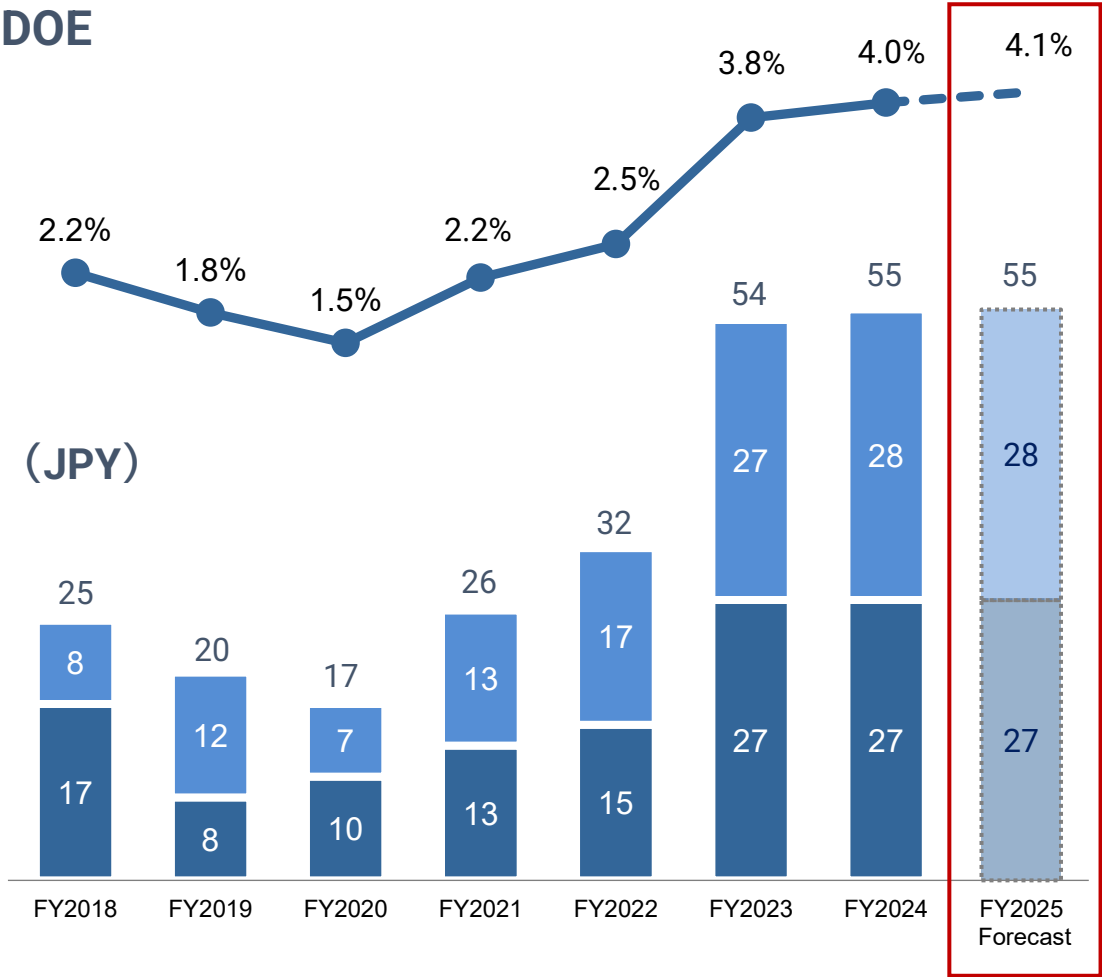
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Dividend per Share Forecast



FY2025 annual dividend is planned to be 55 yen per share

FY2025
Forecast



FY2024 Dividend per share

Interim dividend	27 yen
	(paid in February 2025)
Year-end dividend	28 yen
	(scheduled to be paid in July 2025)
Annual dividend	55 yen

FY2025 Dividend per share

Interim dividend	27 yen
	(scheduled to be paid in February 2026)
Year-end dividend	28 yen
	(scheduled to be paid in July 2026)
Annual dividend	55 yen

Business & Capital Alliance with LITEON

Synchronize with the world more broadly and quickly.



Synchronization

COSELSYNC. is a new brand formed through the collaboration of COSEL and LITEON, two global power supply manufacturers.

By combining COSEL's production technology, quality, and support capabilities with LITEON's circuit design, procurement, and production capabilities, the Company can respond accurately and quickly to the diverse and evolving demands of the global market. This brand brings a diverse range of products that are synchronized with global needs, created through the synchronization of technology and trust.

COSELSYNC. will deliver COSEL's new value to the world more widely and quickly.

COSEL and LITEON jointly developed product brand



Achieving competitive price ranges and quality/performance

Strengths of COSEL : (1) Achieving high-quality and enhanced support (2) Sales network for industrial equipment
Strengths of LITEON: (1) Parts procurement capabilities (2) Development speed through platform design

Standard power supply
manufacturer for industrial
equipment



- High quality
- Comprehensive support
- Sales network for industrial equipment



- Industrial Equipment Sales : COSEL's sales network
- Quality and Support : COSEL's reliability
- Design and Development : LITEON's speed
- Manufacturing and Cost : LITEON's parts procurement capabilities



Custom power supply
manufacturer for consumer
equipment



- Parts procurement capabilities (cost and volume)
- Mass production system at LITEON factory
- Development speed



Aiming to become a leading brand in standard power supplies

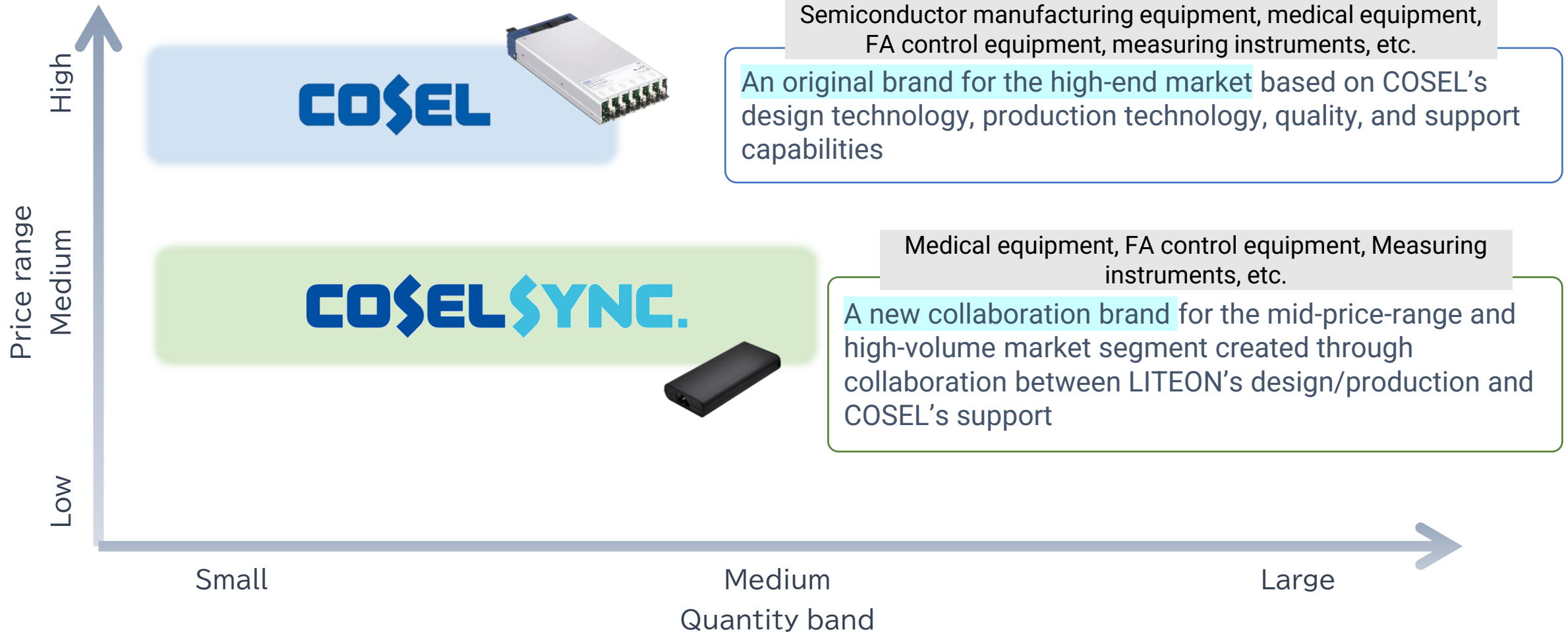
- Offering a wide range of products for the mid-range market
- Strengthening COSEL's parts procurement capabilities and development resources

Positioning and target market of COSELSYNC.



Conquering the mid-range market with the brand “COSELSYNC.”

Estimated net sales in 3 years: 5 billion yen



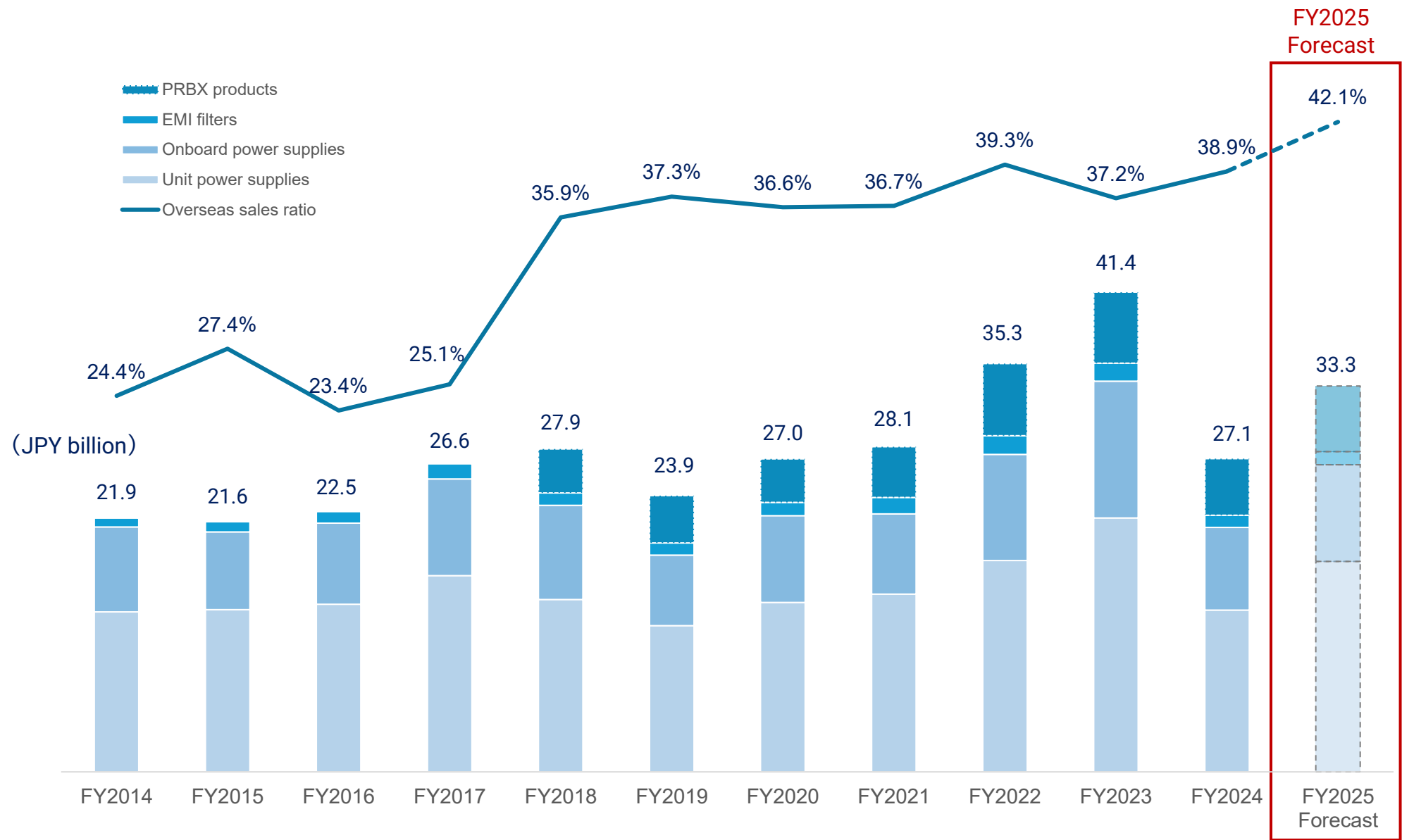
Appendix

Quarterly Changes

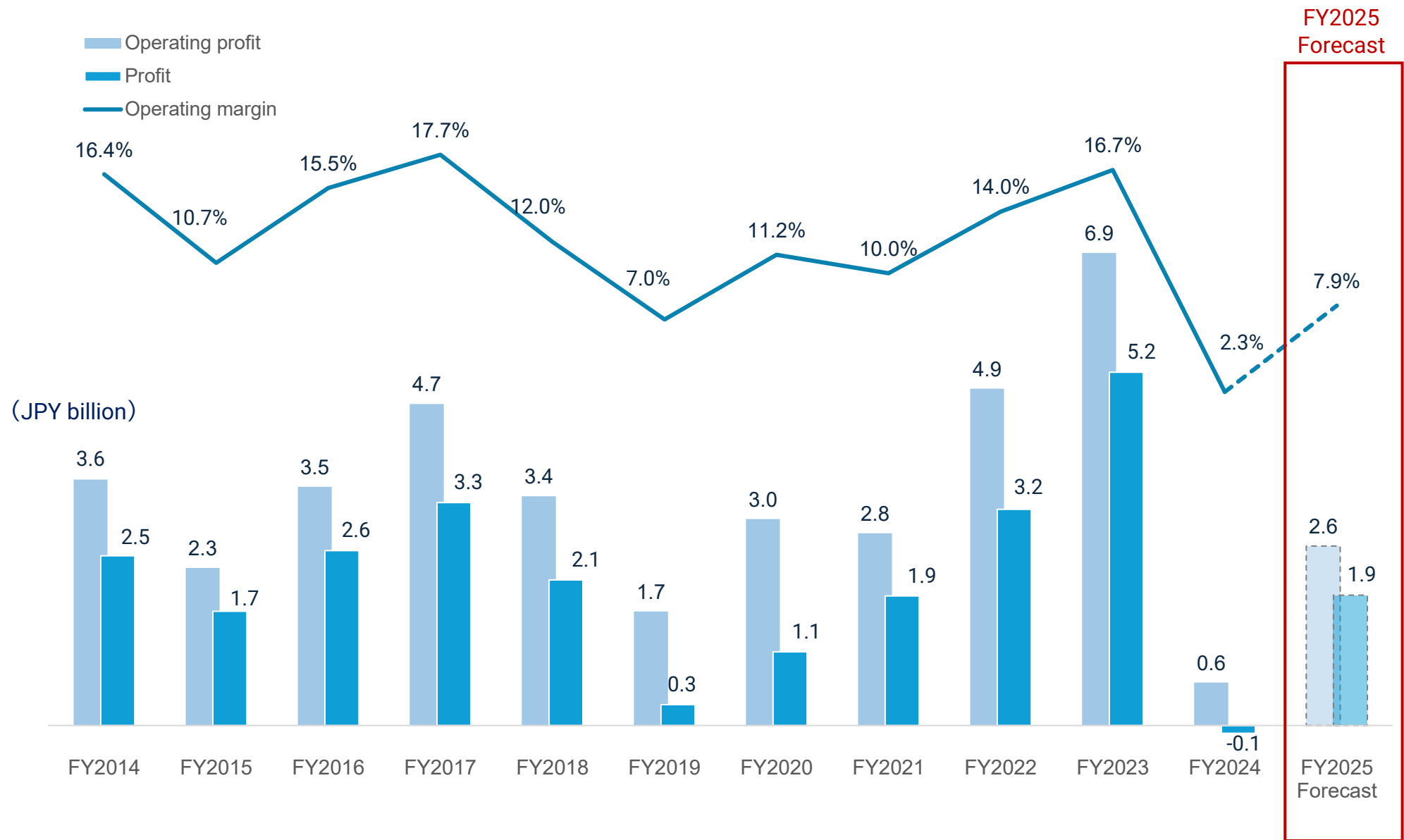


(JPY million)	FY2023				FY2024			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Sales	10,390	11,211	9,919	9,915	8,409	6,445	6,361	5,835
Gross profit	3,593	3,830	3,380	2,939	2,437	1,611	1,667	1,491
SG&A	1,529	1,675	1,607	2,018	1,859	1,555	1,571	1,593
Operating profit	2,063	2,154	1,772	921	578	55	95	-102
%	19.9%	19.2%	17.9%	9.3%	6.9%	0.9%	1.5%	-1.8%
Ordinary Profit	2,268	2,629	1,824	1,126	464	129	45	101
%	21.8%	23.5%	18.4%	11.4%	5.5%	2.0%	0.7%	1.7%
Profit attributable to owners of parent	1,682	1,856	1,118	511	293	-14	2	-395

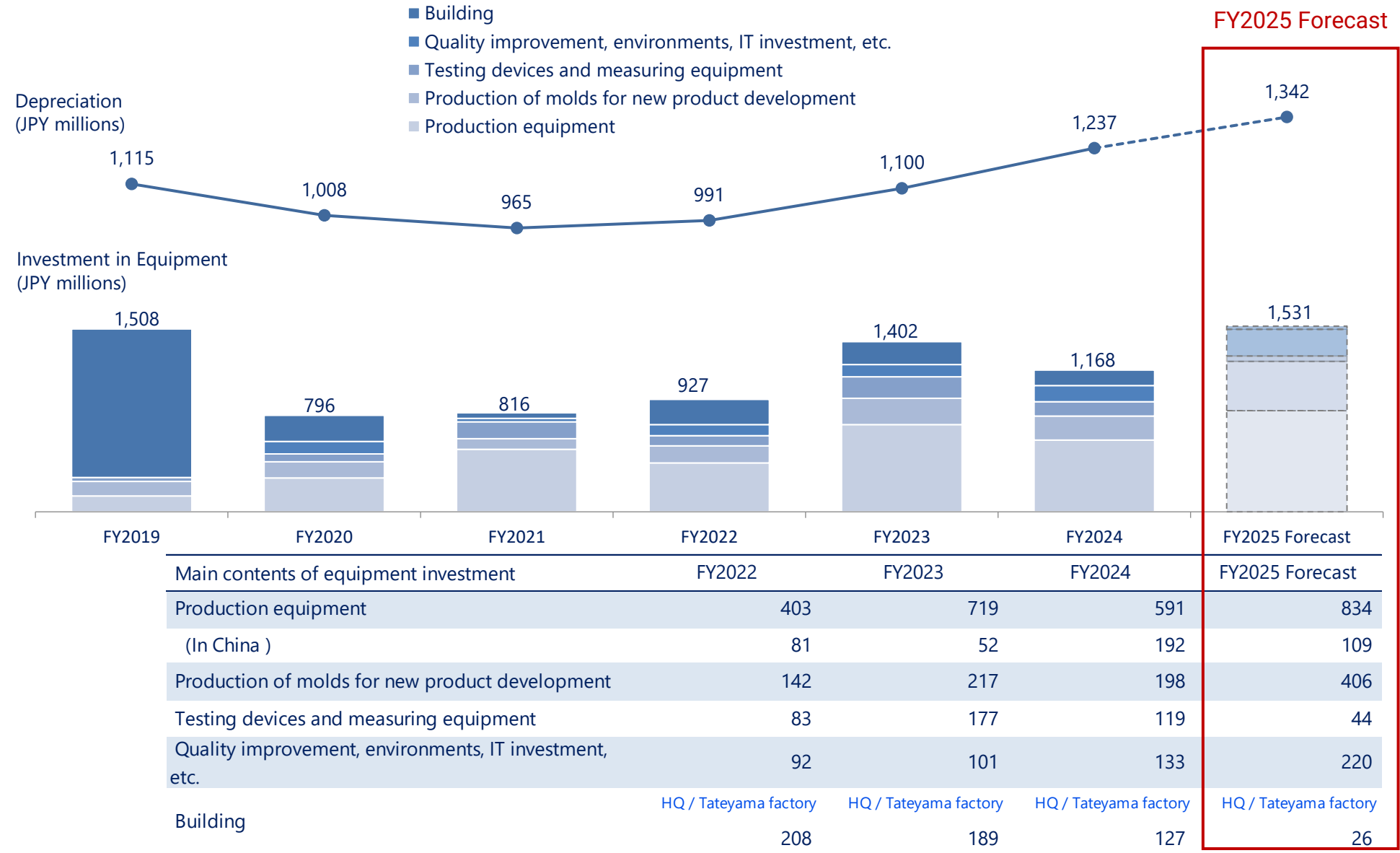
Consolidated Sales and Overseas Sales Ratio



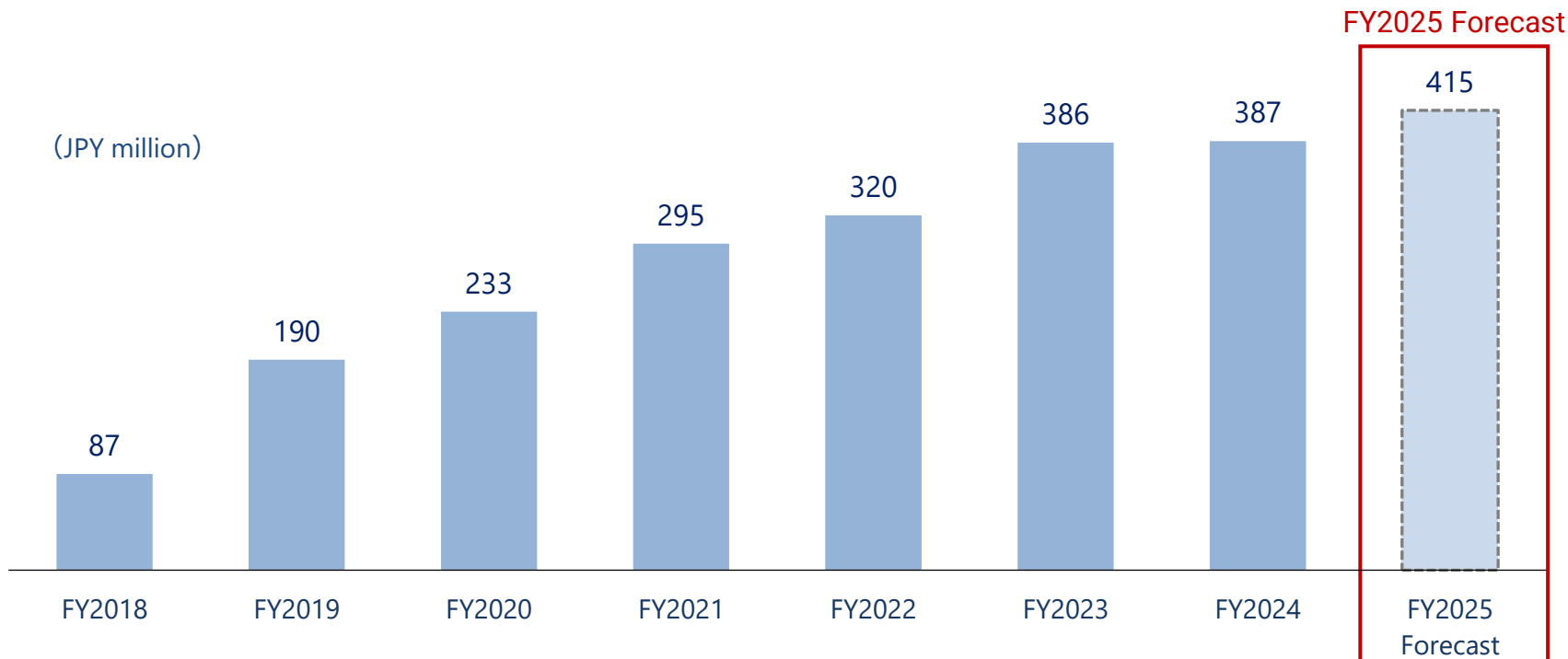
Consolidated Profit



Capital Investment



Development Cost



	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025 Forecast
Development cost	86.8	189.9	233.4	294.6	320.3	386.0	387.2	415.0
Labor cost	66.4	145.9	184.6	215.0	239.6	300.4	309.3	312.0
Other expenses	20.4	43.9	48.8	79.6	80.7	85.6	77.9	103.0

COSEL : Development cost (manufacturing ・ selling) + Laboratory cost
WUXI : Development department cost
PRBX : Increment of development cost *FY2019～



Cautionary statements with respect to forward-looking statements

The forecasts and projections presented in this document are formulated based on the Company's assessment at the time of document preparation and may entail inherent risks and uncertainties.

It is important to recognize that fluctuations in various factors may cause actual results to differ materially.