Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Financial Results Briefing Material for the First Quarter of the Fiscal Year Ending March 31, 2027

TAKACHIHO KOHEKI CO., LTD. (TSE Code: 2676)

August 5, 2026

高千穂交易株式会社
TAKACHIHO KOHEKI CO.,LTD.

(TSE Prime Securities Code: 2676)

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[Reference] Medium-Term Management Plan 2025 – 2027

https://corp.takachiho-kk.co.jp/Portals/0/images/ir/management/plan/plan2025-2027.pdf

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Executive Summary

First Quarter of the Fiscal Year Ending March 31, 2027 < Results >

✓ Strong performance in the Business security segment

- **Business Security**: Sales of Retail Solutions to electronics retailers and drugstores were strong.
  Sales of Business Solutions to foreign-affiliated offices were strong. Subscription business also increased steadily.
  Global: Strong performance in data center security systems
- **Electromechanics**: Strong performance in electronics for industrial equipment and amusement applications
  Strong performance in mechanics for semiconductor manufacturing equipment for industrial machines and planning and development products for kitchens

Fiscal Year Ending March 31,2027 < Plan >

✓ No change from the initial plan. As in previous years, business performance tends to be biased in 2Q and 4Q.
✓ Driven by strong business security segment, we aim to achieve the plan.

[Millions of yen]

	FY3/26 Q1 Results	FY3/27 Q1 Results	Change	FY3/27 Full Year Plan	Rate of progress
Net sales	6,068	6,993	+924	32,000	21.9%
Operating profit	183	347	+163	2,350	14.8%
Ordinary profit	167	408	+240	2,300	17.7%
Net income	68	210	+141	1,650	12.7%

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Consolidated Financial Highlights

[Millions of yen]

Sales and profit increased due to strong business security segment

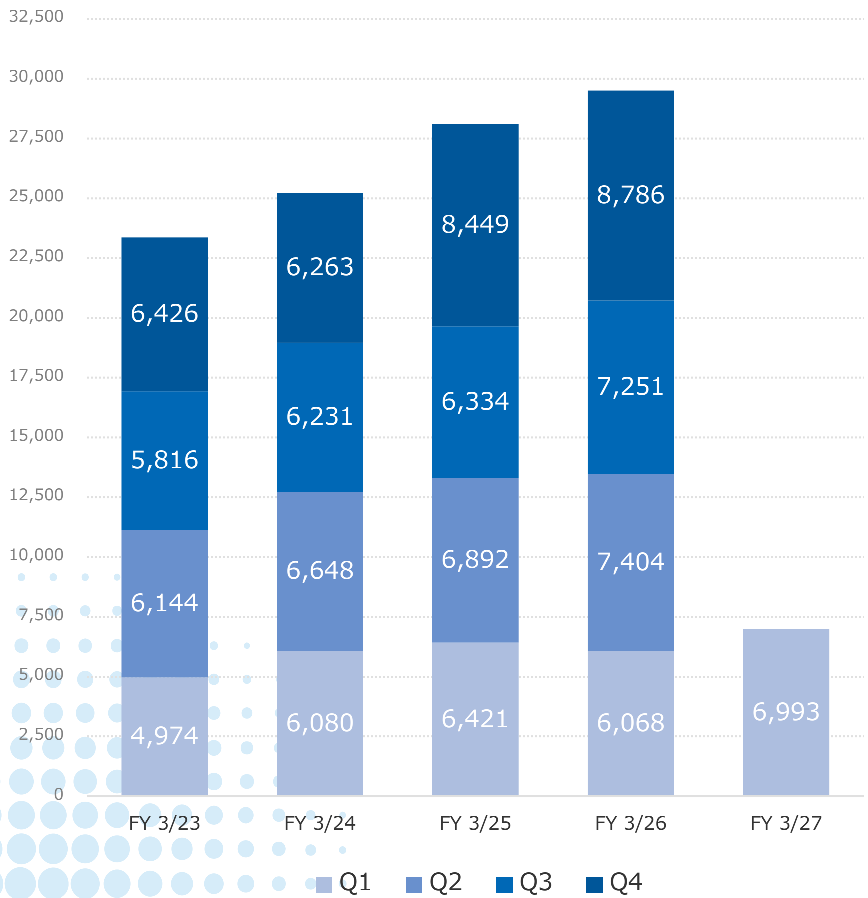
	FY3/26 Q1 Results	FY3/27 Q1 Results	YoY change	FY3/27 Full Year Plan	Rate of progress
Net sales	6,068	6,993	+15.2%	32,000	21.9%
Gross profit on sales	1,451	1,819	+25.4%	8,300	21.9%
Gross profit ratio (%)	23.9%	26.0%	+2.1pt	25.9%	-
SG & A Expenses	1,267	1,472	+16.2%	5,950	-
Operating profit	183	347	+89.1%	2,350	14.8%
Operating profit ratio (%)	3.0%	5.0%	+1.9pt	7.3%	-
Foreign exchange gain	-	18	-	-	-
foreign exchange loss	76	-	-	-	-
Ordinary profit	167	408	+143.8%	2,300	17.7%
Ordinary profit ratio (%)	2.8%	5.8%	+3.0pt	7.2%	-
Profit before income taxes	167	408	+143.8%	-	-
Profit attributable to owners of parent	68	210	+205.7%	1,650	12.7%
EPS	3.69 yen	11.24 yen	+7.55 yen	88.33 yen	-

Quarterly Composition Ratio

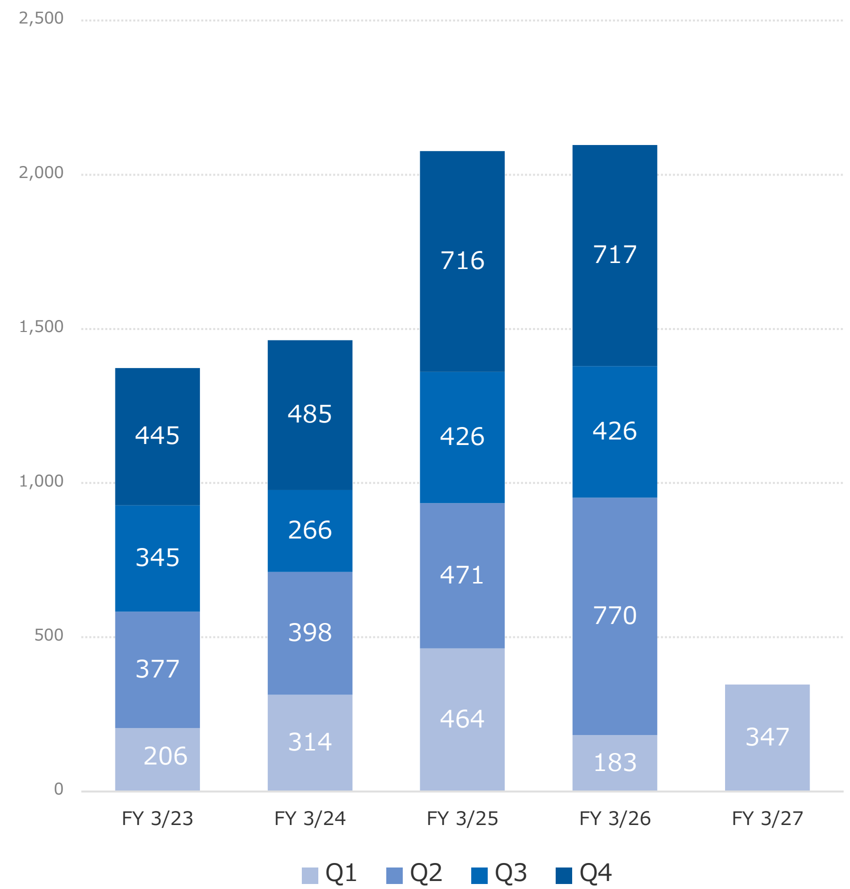
[Millions of yen]

Most of the products in the business security segment are subject to capital investment.
In line with the timing of investment by customers, business results tend to be biased toward 4Q and 2Q.

Sales by Quarter



Operating Income by Quarter



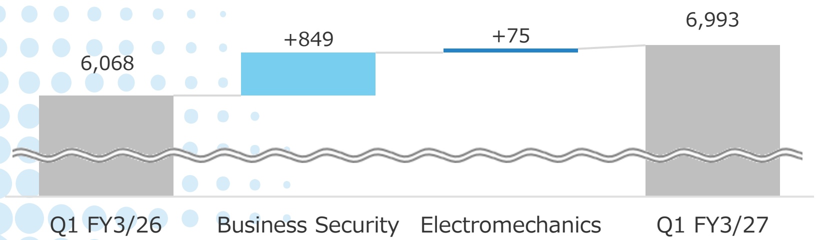
Results by Segment

[Millions of yen]

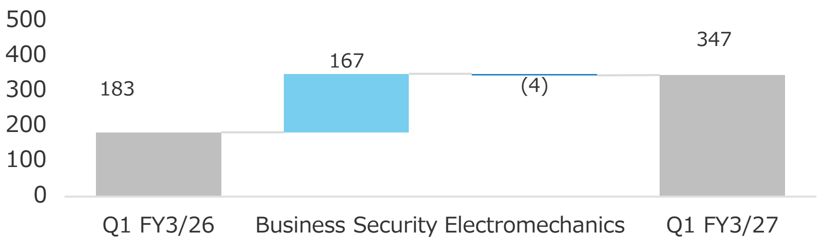
Sales and profit in Business Security increased due to strong performance in Business solutions and Global Sales in Electromechanics increased, but profit decreased due to an increase in SG & A expenses.

		FY3/26 Q1 Results	FY3/27 Q1 Results	Increase/ Decrease	Percentage change	FY3/27 Plan	Rate of progress
Business Security	Net Sales	2,876	3,726	+849	+29.5%	16,490	22.6%
	Operating Profit	117	284	+167	+143.3%	1,580	18.0%
	Operating Profit ratio (%)	4.1%	7.6%	+3.6pt	-	9.6%	-
Electromechanics	Net Sales	3,191	3,266	+75	+2.4%	15,510	21.1%
	Operating Profit	66	62	(4)	(6.1%)	770	8.1%
	Operating Profit ratio (%)	2.1%	1.9%	(0.2pt)	-	5.0%	-
Consolidated Total	Net Sales	6,068	6,993	+924	+15.2%	32,000	21.9%
	Operating Profit	183	347	+163	+89.1%	2,350	14.8%
	Operating Profit ratio (%)	3.0%	5.0%	+1.9pt	-	7.3%	-

■ Net Sales (YoY)



■ Operating Income (YoY)

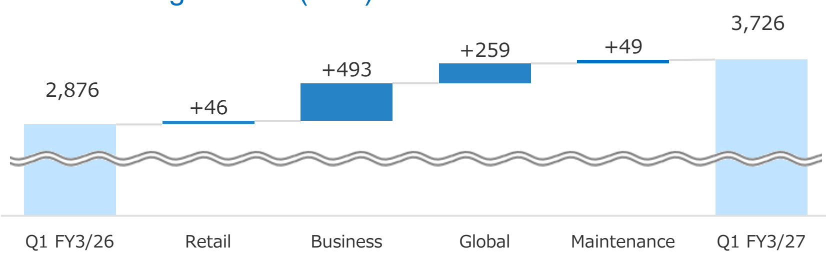


Results by Segment (Business Security)

[Millions of yen]

Net Sales	3,726 million yen	YoY +849 million yen
Building up subscription-type business thanks to strong business solutions for room access control systems for foreign-affiliated offices		
Operating profit	**284 million yen**	**YoY +167 million yen**
Improved profit margin through increased global sales in Business Solutions		

Net sales change factors(YoY)



● **Retail Solutions**

(+) Large product monitoring system projects for electronics retail stores and surveillance camera systems for drugstores were strong

● **Business Solutions**

(+) Strong sales of access control systems for offices of foreign companies
Strong sales of managed subscription services and cloud licenses steady growth

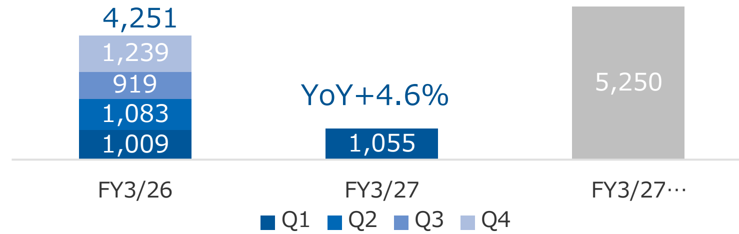
● **Global**

(+) Strong performance in data center security systems in Thailand

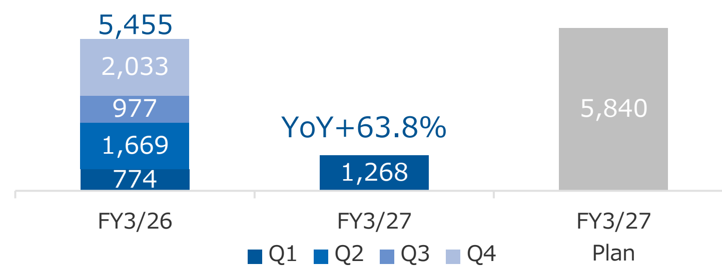
● **Maintenance Services**

(+) Support for introduction of new products and services expanded

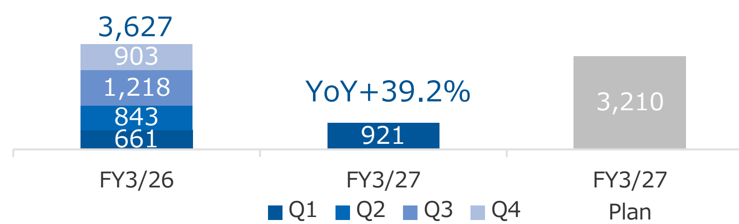
● **Retail Solutions**



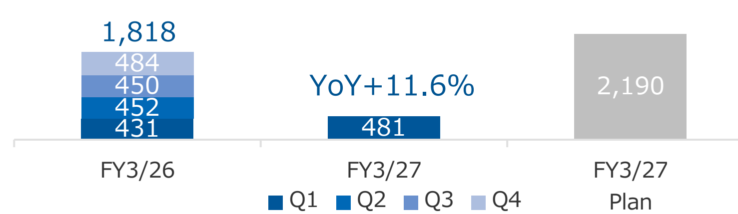
● **Business Solutions**



● **Global**



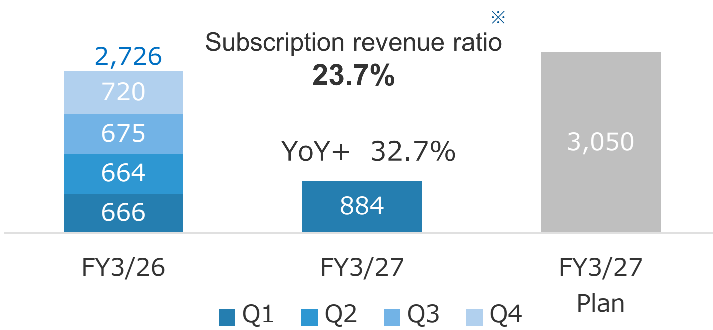
● **Maintenance Services**



Subscription Business Performance (Business Security)

[Millions of yen]

Subscription Business Sales



*Share of Business Security Segment Sales

- **Maintenance**

  (△) Completion of maintenance due to termination of manufacturer support for some products handled

- **Managed services**

  *MSP service integrating equipment, cloud services, and operation management

  (+) Sales of equipment to distributors increased due to special demand for replacement products associated with manufacturers' EOL

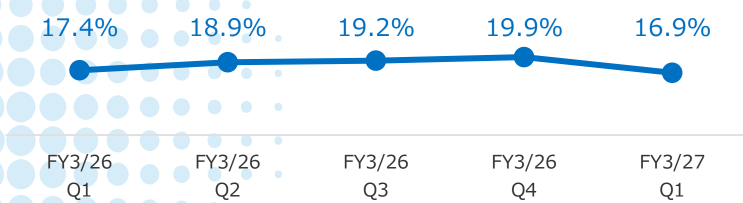
- **Cloud license**

  (+) Cumulative number of licenses such as Meraki

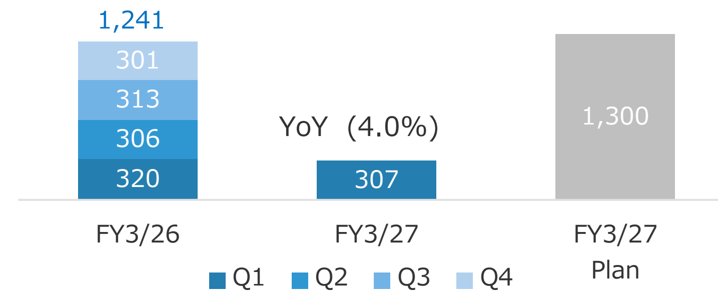
  Achieved performance of focused products such as Verkada and Halcyon

Subscription Business Operating Profit Margin

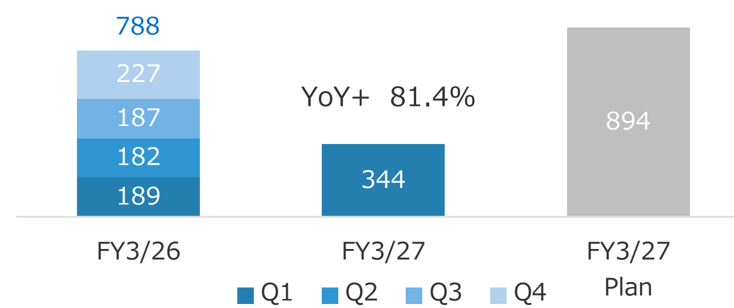
In managed services, sales of equipment to distributors increased due to special demand for replacement equipment associated with EOL, resulting in lower margins.



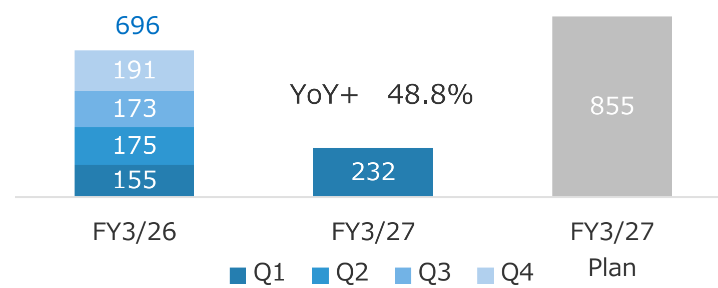
● **Maintenance**



● **Managed services**



● **Cloud license**



Results by Segment (Electromechanics)

[Millions of yen]

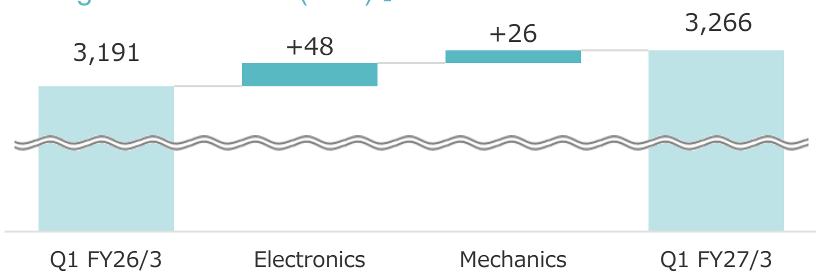
Net sales	3,266 million yen	YoY + 75 million yen

In Electronics, sales for semiconductor manufacturing equipment and other industrial equipment and amusement applications were strong. In Mechanics, sales for semiconductor manufacturing equipment and planning and development products for kitchens were strong.

Operating profit	62 million yen	YoY (4 million yen)

Decreased slightly due to increase in SG & A expenses through growth investment

【 Changes in Net Sales (YoY) 】



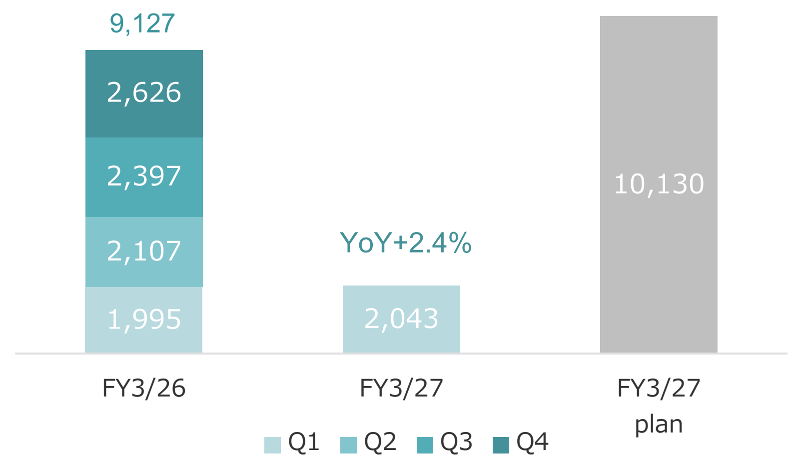
● Electronics

(+) Strong demand for industrial equipment and amusement devices
->Strong demand for industrial equipment, mainly for semiconductor manufacturing equipment
(-) Despite strong orders, sales declined due to longer delivery times
Growth was limited

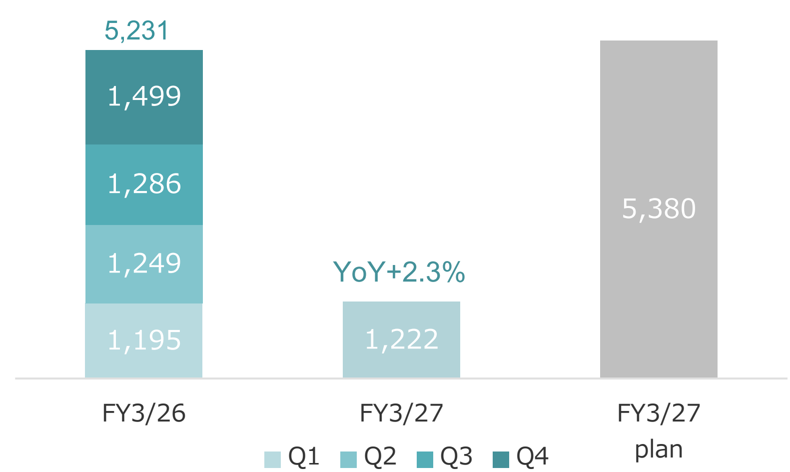
● Mechanics

(+) Industrial machines and mechanical components for housing equipment
->Industrial machines were strong for semiconductor manufacturing equipment
Housing equipment was strong for planning and development products for kitchens

● Electronics



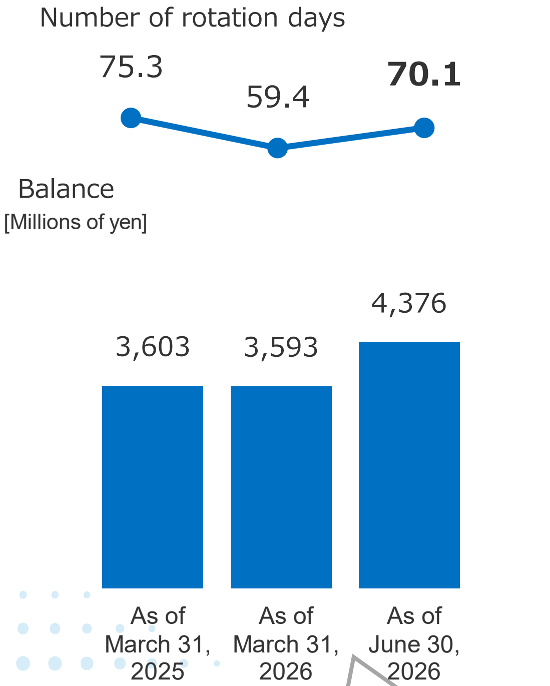
● Mechanics



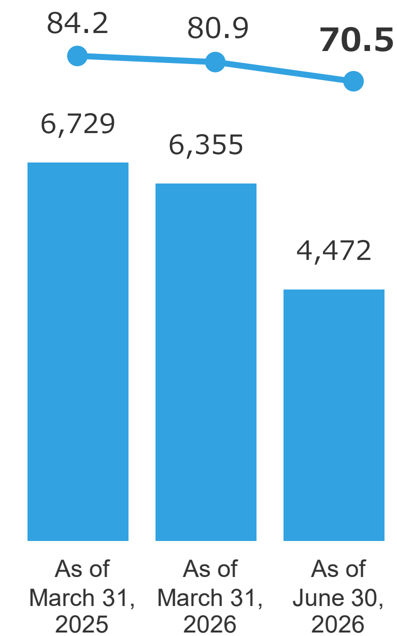
Capital Efficiency Improvement Status

Strengthened order intake and order control to keep inventory at an appropriate level
For receivables and payables, reviewed transaction terms to improve cash flow

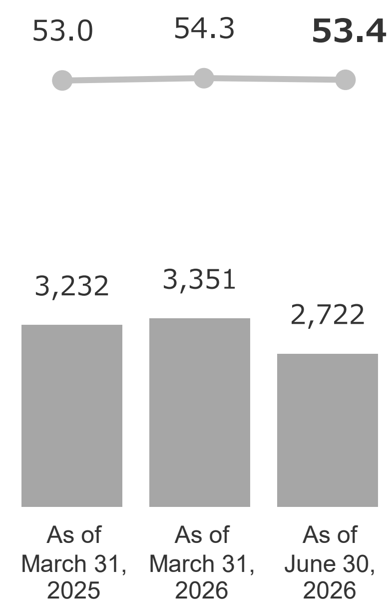
Inventories



Trade receivables



Trade payables



Increased mainly in electronics due to longer delivery times and advance ordering in preparation for product price increases

[Calculation Formula]

- Turnover of inventories = Inventories (average balance at beginning and end of period) / Cost of sales x number of days
- Turnover of trade receivables = Trade receivables (average balance at beginning and end of period) / Net sales x number of days
  - * Trade receivables = Accounts receivable + Notes receivable + Contract assets + Electronically recorded monetary claims (-) Contract liabilities (advances received)
- Turnover of trade payables = Trade payables (average balance at beginning and end of period) / Cost of sales x number of days
- Number of days = As of March 31: Calculated on 365 days, , As of June 30: Calculated on 91 days

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Consolidated PL< Plan >

[Millions of yen]

SG & A expenses will increase due to growth investment, increased corporate awareness, and advertising measures such as product promotions.

Operating profit and profit attributable will increase to new highs since listing.

	FY3/26 Results	FY3/27 Plan	Change	Year-on-Year
Net Sales	29,510	32,000	+2,489	+8.4%
Gross profit on sales	7,383	8,300	+916	+12.4%
Gross profit ratio (%)	25.0%	25.9%	-	+0.9pt
Selling, general and administrative expenses	5,285	5,950	+664	+12.6%
Operating profit	2,098	2,350	+251	+12.0%
Operating profit ratio (%)	7.1%	7.3%	-	+0.2pt
Ordinary profit	2,408	2,300	(108)	(4.5%)
Ordinary profit ratio (%)	8.2%	7.2%	-	(1.0pt)
Profit attributable to owners of parent	1,415	1,650	+234	+16.6%
ROE(%)	8.2%	9.3%	-	+1.1pt
EPS	75.88 yen	88.33 yen	+12.45 yen	-
Annual dividend per share	76.0 yen	76.0 yen	+0.0 yen	-

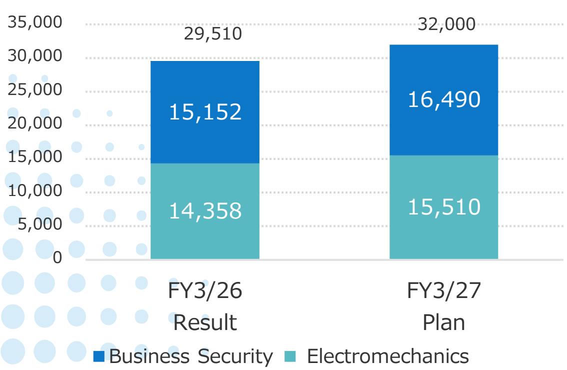
Sales and Operating Income by Segment < Plan >

[Millions of yen]

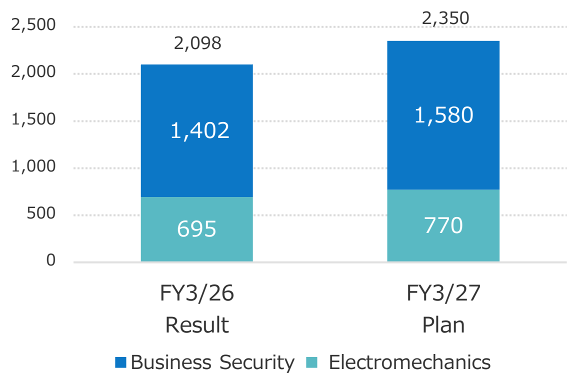
Sales and profit are expected to increase in both Business Security and Electromechanics

		FY3/26 Results	FY3/27 Plan	Increase/ Decrease	Percentage change
Business Security	Net Sales	15,152	16,490	+1,337	+8.8%
	Operating profit	1,402	1,580	+177	+12.6%
	Operating profit ratio	9.3%	9.6%	+0.3pt	—
Electromechanics	Net Sales	14,358	15,510	+1,151	+8.0%
	Operating profit	695	770	+74	+10.7%
	Operating profit ratio	4.8%	5.0%	+0.2pt	—
Consolidated Total	Net Sales	29,510	32,000	+2,489	+8.4%
	Operating profit	2,098	2,350	+251	+12.0%
	Operating profit ratio	7.1%	7.3%	+0.2pt	—

■ Net sales by segment



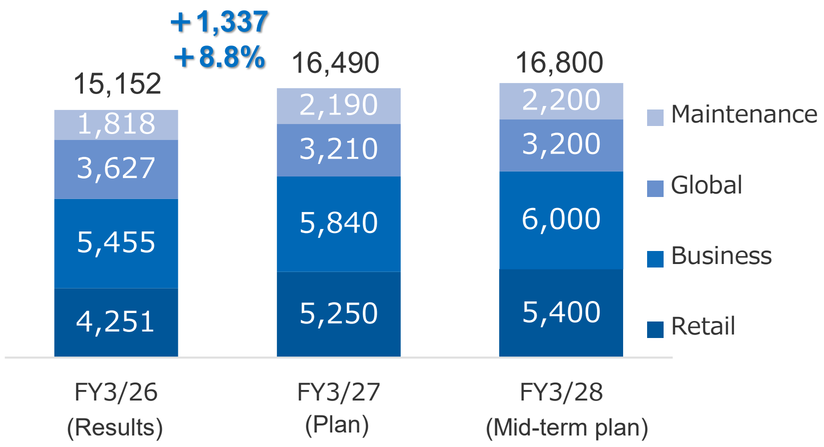
■ Operating profit by segment



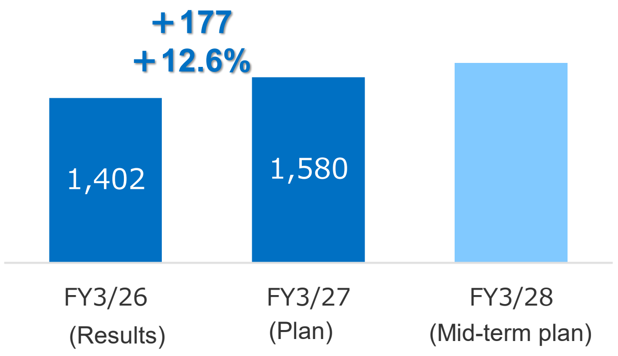
Business Security <Plan>

[Millions of yen]

■ Segment net sales



■ Segment operating profit

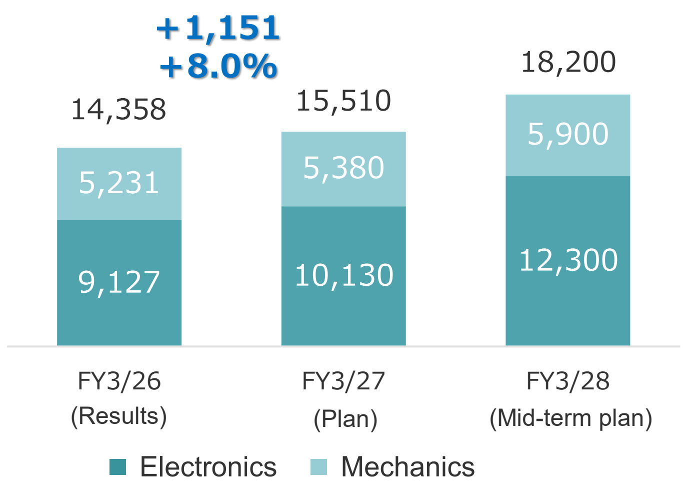


Sub-segments	YoY	Main factors
Retail Solutions	+998	• Expansion of adoption of RFID systems for apparel • Expansion of sales of facial recognition systems and surveillance camera systems for GMSs, drugstores, shopping centers, and specialty stores
Business Solutions	+384	• Expansion of sales of security systems for data centers and foreign company offices • Expansion of the Subscription Business including MSP services and cloud licenses
Global	(417)	• Focus on projects with higher profitability
Maintenance	+371	• Expectation of a revenue increase due to the acquisition of new maintenance contracts and price revisions • Expansion of introduced services and support driven by expanded sales of new products and services

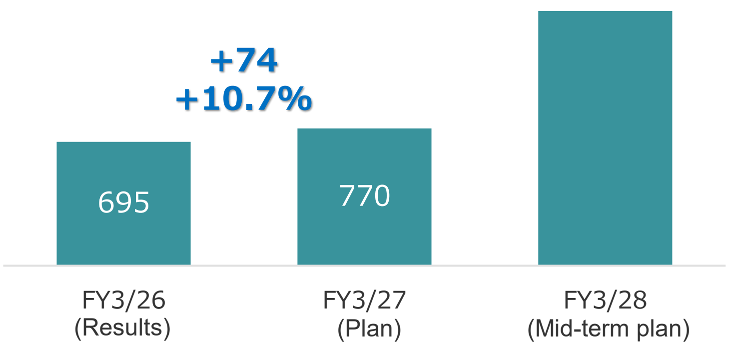
Electromechanics <Plan>

[Millions of yen]

■ Segment net sales



■ Segment operating profit



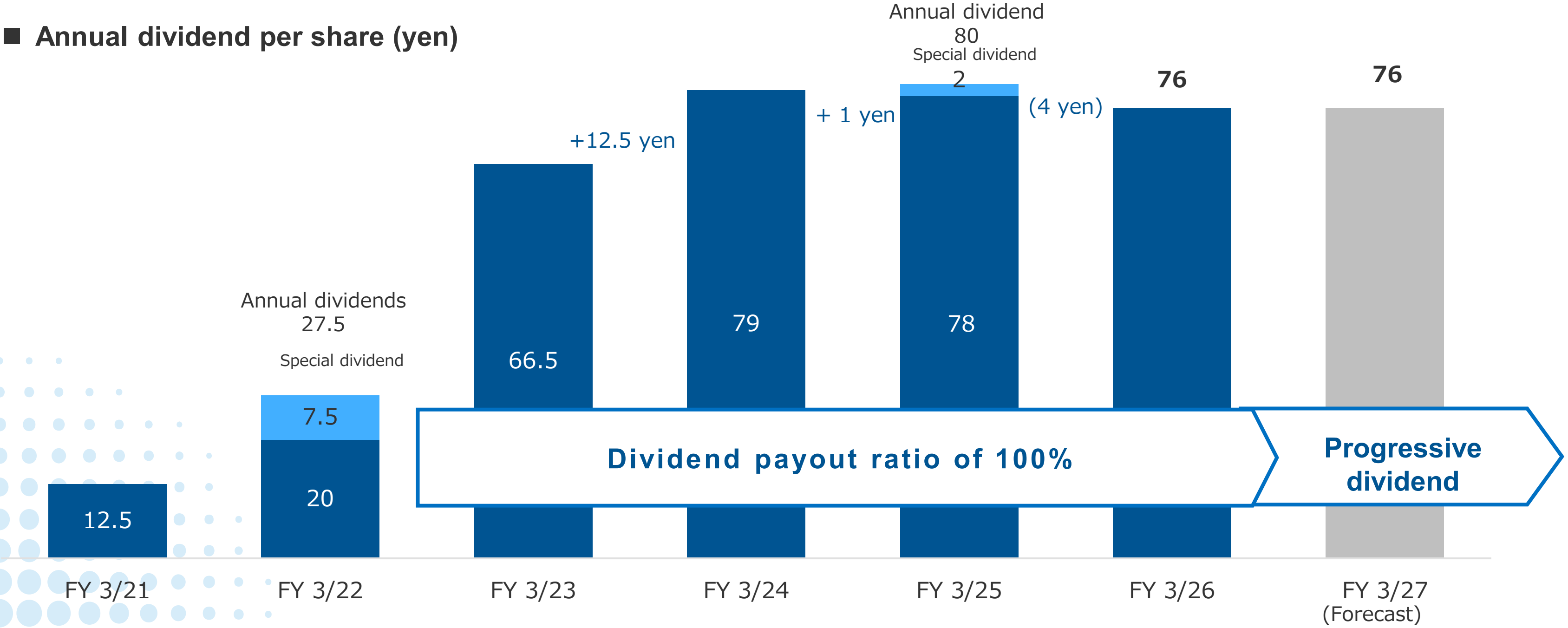
Sub-segments	YoY	Main factors
Electronics	+1,002	• Increase in sales due to the commencement of handling optical-related products • Increase in demand for industrial equipment used in semiconductor manufacturing
Mechanics	+148	• Expansion of new customer adoption and market share for planning and development products for mechanical components for housing equipment • Sales expansion of plant manufacturing facilities, etc. for industrial equipment

Shareholder Return

- The annual dividend for the fiscal year ending March 2026 is ¥**76.0**, down ¥4 from the previous fiscal year due to a decrease in profit.
- The annual dividend for the fiscal year ending March 2027 is expected to be **¥76.0**, the same amount as the previous fiscal year, due to the progressive dividend.

Medium-Term Management Plan 2025-2027 Dividend Policy	Based on our capital policy, "Balancing investment for growth and shareholder returns," • Driving business growth by proactive investments while maintaining financial soundness • **100% dividend payout ratio for FY3/26, adopting a progressive dividend policy for FY3/27 onward**

■ **Annual dividend per share (yen)**



*2 shares of common stock split on June 1, 2025. Dividends before the fiscal year ended March 2025

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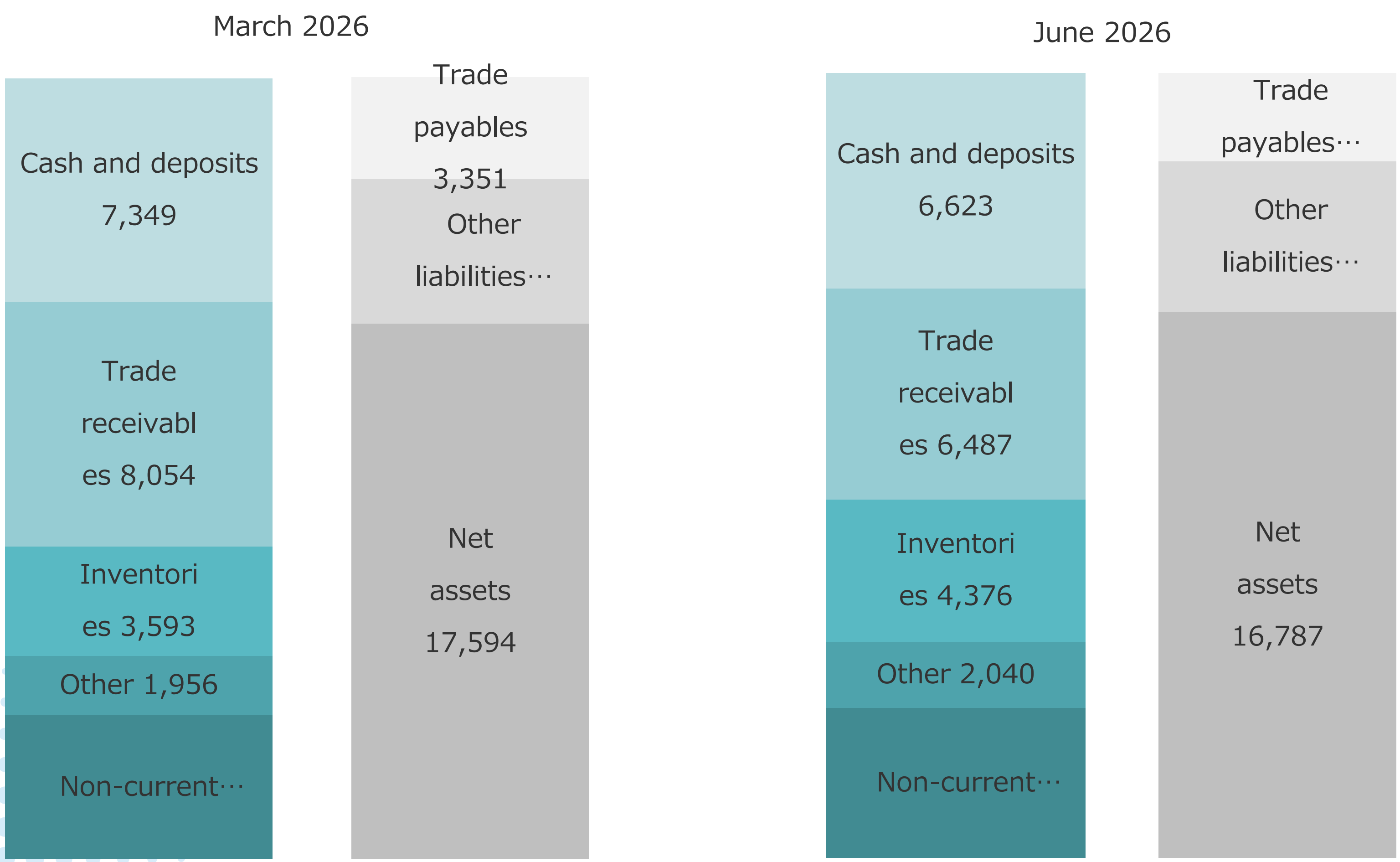
[Unit: 1 million yen]



(Changes) Net assets - 806 ・・・ Dividends - 776 Net income + 210
Accumulated other comprehensive income - 239

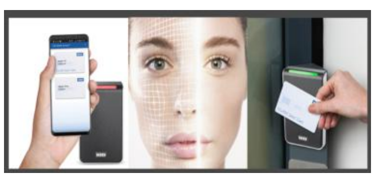
Segment and Main Products and Services (FY3/26 Q1~)

■ Segment System

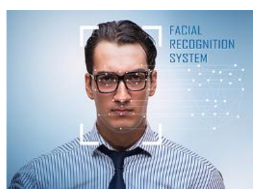
Old Segment		New Segment
Cloud Services & Support	→	Business Security
Systems	→	Business Security
Devices	→	Electromechanics

With solid progress in expanding the cloud services business,
certain segments will be consolidated and renamed to clarify the target market.

Business Security



Access control system



Facial recognition systems

CISCO Meraki

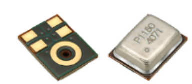
Cloud-based wireless LAN

Retail	• The electronic article surveillance system • Surveillance camera system, facial recognition systems • Cloud services • RFID systems
Business	• Access control system, Surveillance camera system • Auto Mailing Insection Systems • Cloud Services • Network Products

Global	• Fire prevention systems
Maintenance	• Product maintenance services provided by the Business Security segment

Electromechanics

Power modules



Silicon microphones

Soft-close units

Electronics	• Semiconductors, ICs, electronic components, sensors • Various types of modules
Mechanics	• Slide rails,gas springs • Soft -close unit,electronic locks

Overview of MSP Services

What are MSP （ Managed Service Provider ）Service?

Maintenance, operation, and monitoring services for cloud products that can be outsourced

Customer

User

IT Department

Use

Cloud Services

Configuration & monitoring

Help desk

Takachiho Koheki

- 24 hours a day, 365 days a year
- Nationwide on-site maintenance (*1)

Main MSP Service Products

CISCO Meraki

Cloud-based wireless LAN system

What is a "cloud-based wireless LAN system?"

The management of wireless LAN access points in the cloud

- ✓ Visualization of usage status in the cloud
- ✓ Easy and fast installation and trouble-shooting
- ✓ Configuration and monitoring can be outsourced

MSP Service Fee Structure

(1) to (3) are provided as an integrated service on a monthly payment basis (*2)

- (1) Purchase of equipment
- (2) Cloud service license fee
- (3) Maintenance fee

(*1) Not available in some areas

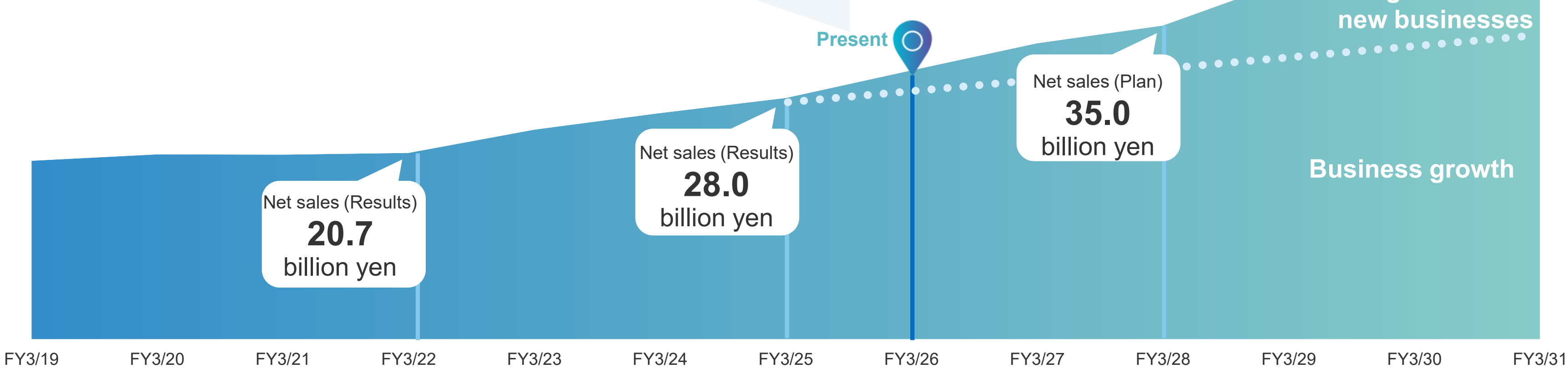
(*2) The purchase of equipment (1) can be paid in a lump sum

Medium- to Long-Term Growth Vision

Please refer to the details of the Medium-Term Management Plan

	Net sales	Operating profit	Ordinary profit	ROE
Targets for FY3/28	**35.0** billion yen	**3.0** billion yen	**2.8** billion yen	**10**% or higher
Results for FY3/25	29.5 billion yen	2.0 billion yen	2.4 billion yen	8.2%

Net sales
50.0 billion yen



2019–2021

Medium-Term Management Plan

Prioritized core businesses and embraced transformation

Concentrated on high-value-added businesses and expanded recurring revenue

2022–2024

Previous Medium-Term Management Plan

Creating new value in a new normal era

- Prioritized high-value-added businesses
- Strengthened management foundation

2025–2027

Current Medium-term Management Plan

Security. Solutions. Synergy.

- Focused investments in growth areas
- Value creation together with customers

2030

Medium- to long-term targets

Net sales	**50.0** billion yen
Operating profit margin	**10**% or higher
ROE	**13**% or higher

Business Security <Business Solutions>

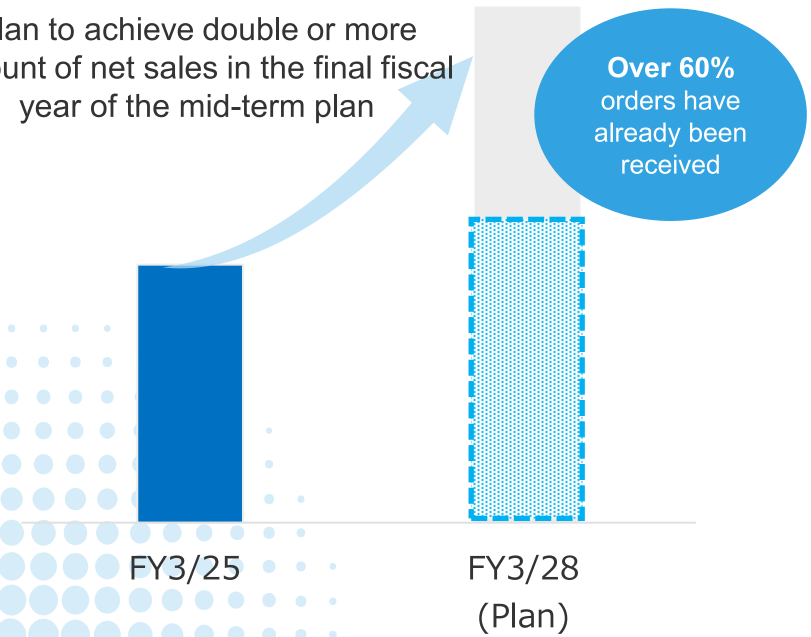
Reprinted from "Financial Results Briefing Material of the Fiscal Year Ending March 31, 2026."

Strong orders and net sales for access/surveillance camera systems for data centers
Backlog for the final fiscal year of the mid-term plan: over 60%

Net Sales for Data Centers

Orders of over 60% of the plan have already been received
We aim to acquire more

Plan to achieve double or more amount of net sales in the final fiscal year of the mid-term plan

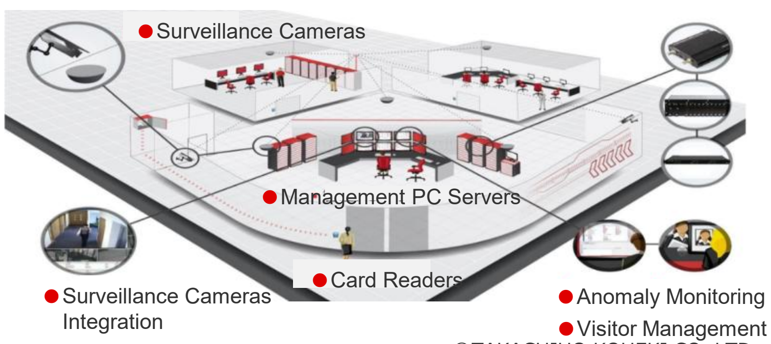


Why the Company has a strength in business for foreign customers' data centers

1. Many foreign companies have a consistent security policy for their global sites, and **this gives us the competitive advantage as we sell many products from the global leading manufacturers**

2. We **have business transactions with over 30% of a dozen** of major foreign data center companies that operate in Japan. Efforts to approach them are being made for expanding business transactions further

3. **We have built a solid relationship with subcontractors and design companies as our performance for the past 5 years has been highly evaluated**



Initiatives to Cyber-Security Business

Reprinted from "Financial Results Briefing Material of the Fiscal Year Ending March 31, 2026."

"halcyon," the world's first anti-ransomware platform, launched in June 2025 as the first service provided in Japan

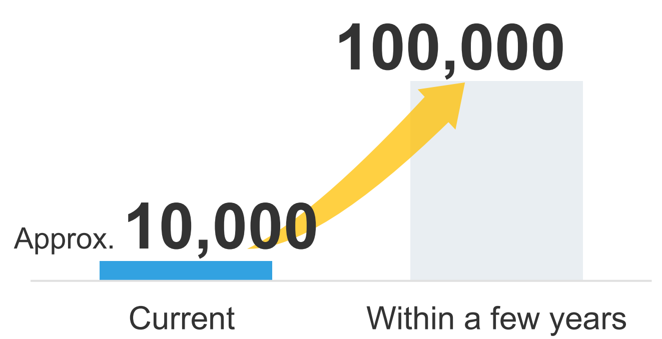
Overview of halcyon

- This service prevents data leakage and double extortion associated with ransomware attacks by **duplicating the encryption keys used** by ransomware to encrypt data, thereby **enabling rapid data recovery after infection**
- **Protects 700 and more organizations and over 2 million devices**, becoming a **unicorn** in 2024
- **Has blocked an attack by "Qilin,"** a ransomware group currently making news, and we have received an increasing number of inquiries
  Received multiple orders, mainly in the manufacturing industry, including **a recently won large-scale project involving 10,000 licenses**
- Business negotiations are underway **for several thousand licenses**. We will make efforts to expand the Subscription Business, aiming to achieve adoption by **100 companies involving 100,000 licenses within a few years**

halcyon competitive advantages

	halcyon	EPP	EDR/XDR	Backups
Threat prevention engine	✓	✓	✗	✗
Ransomware-related behavior detection engine	✓	✗	✓	✗
Capturing encrypted keys	✓	✗	✗	✗
Monitoring for any disabled security tools by other companies	✓	✗	✗	✗
Backup protection	✓	✗	✗	✗
Decryption of encrypted files	✓	✗	✗	✗
Prevention of unauthorized data leakage (DXP)	✓	✗	✗	✗
Reducing time for recovery after the occurrence of incident	✓	✗	✗	✓

Increase the number of licenses tenfold within a few years



Company Profile

Company Name	Takachiho Koheki Co., Ltd.
Securities Code	TSE Prime (code: 2676)
Established	March 13, 1952
Head Office Address	YOTSUYA TOWER 7F, 1-6-1 Yotsuya, Shinjuku-ku, Tokyo
Representative	Takanobu Ide, President and Chief Executive Officer
Number of Employees	Consolidated: 532; Non-consolidated: 319 (as of March 31, 2026) * Include temporary employees
Consolidated Subsidiaries	One domestic company, eight overseas companies (Shanghai, Hong Kong, Bangkok, Singapore, Chicago)

Precautions Regarding this Document

- This document contains forward-looking statements. Such statements are not guarantees of future results and involve risks and uncertainties. Please note that future results may differ due to changes in the business environment and other factors.
- This document is for informational purposes only and is not intended as a solicitation to trade.

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IR News Mail