



Connectors bridging abundant societies and the future

Financial Results Presentation for the Six Months Ended September 30, 2025

KEL Corporation

Securities Code

6919

November 10, 2025

1. Business Overview	-----	3
2. Financial Results for the Six Months Ended September 30, 2025	-----	6
3. FY2025 Financial Results Forecast	-----	12
4. KEL VISION 2030	-----	20
5. Appendix	-----	38



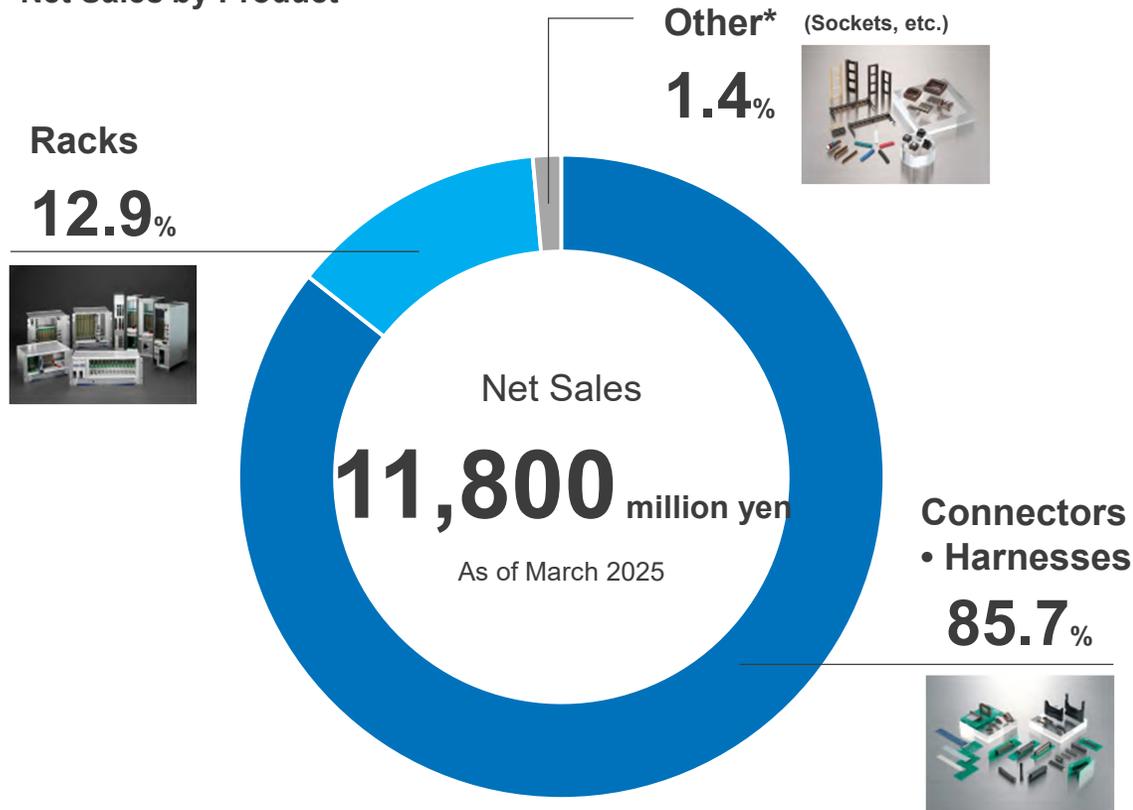
1. Business Overview

Net Sales Composition

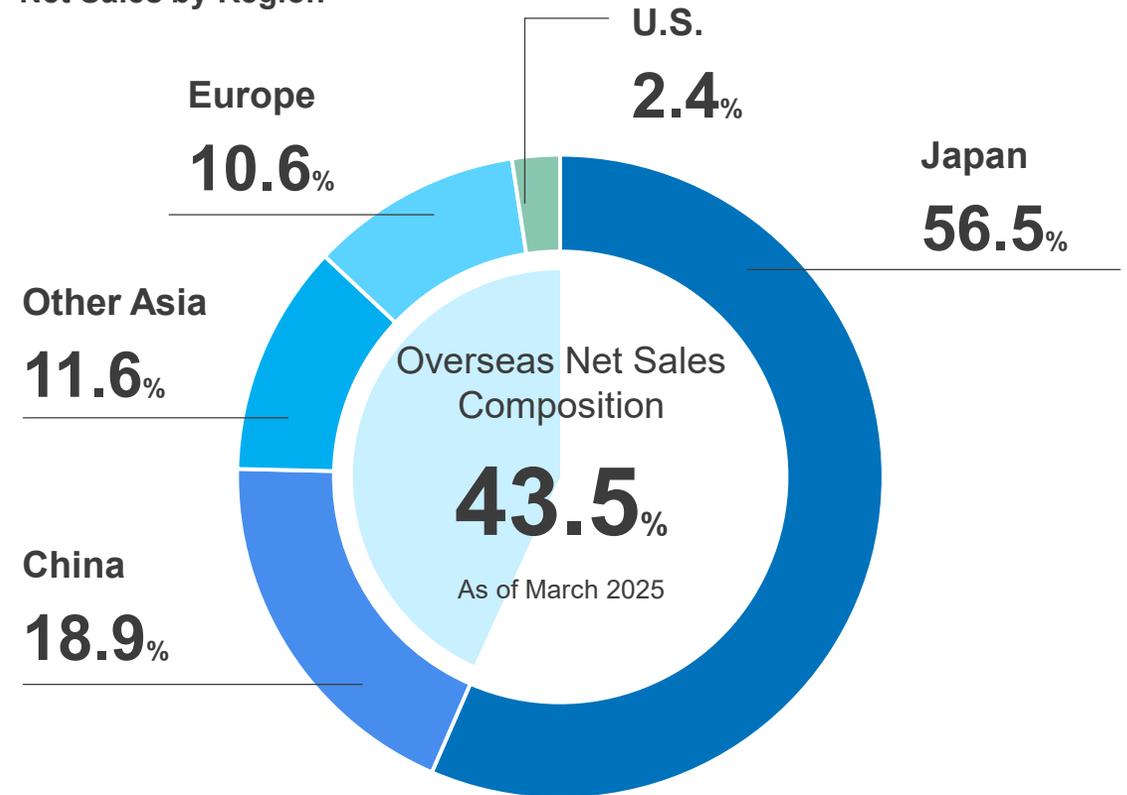


- Connectors and harnesses are our main products; we also manufacture and sell racks to hold circuit boards for medical and railway-related use, as well as sockets for amusement equipment
- Japan accounts for 60% of net sales; overseas accounts for 40%

Net Sales by Product



Net Sales by Region



*From Q2 FY2025, sockets are reclassified under "Other." The figures are the total of sockets and other products.

Net Sales Ratio by Market and Product Applications



KEL products are used across a wide range of industries, from industrial equipment and ultrasound diagnostic equipment to single-lens reflex cameras



Industrial Equipment Market

27.9%

- Industrial equipment
- Control equipment
- Semiconductor mfg. equipment



Automotive Equipment Market

26.4%

- Car Navigation
- ETC Automotive unit
- Drive Recorders



Medical Equipment Market

14.0%

- Ultrasound diagnostic equipment
- CT, MRI
- Endoscope



Image Equipment Market

11.4%

- Digital video cameras
- Surveillance cameras
- Single-Lens Reflex Cameras



Telecommunication Equipment Market, etc.

11.4%

- Telecommunication Equipment
- Base stations
- Network equipment



Amusement Equipment Market

9.0%

- Pachinko
- Slot machine



2. Financial Results for the Six Months Ended September 30, 2025

Consolidated Financial Results for the Six Months Ended September 30, 2025



- The cost of sales ratio increased due to soaring prices of raw materials such as gold, despite the efforts undertaken to review our manufacturing processes
- Gross profit margin declined as production efficiency did not improve as much as expected due to delays in the start of mass production at KEL Zhuhai

Unit: Millions of yen	Six Months Ended September 30, 2024		Six Months Ended September 30, 2025		YoY		vs. Forecast		
	Result	Composition	Result	Composition	Change	%	Forecast	Change	%
Net sales	6,065	100.0%	6,089	100.0%	+24	0.4%	5,800	+289	+5.0%
Gross profit	1,589	26.2%	1,318	21.7%	(271)	-17.1%	-	-	-
Operating profit	414	6.8%	156	2.6%	(258)	-62.2%	200	(43)	-21.7%
Ordinary profit	331	5.5%	204	3.4%	(126)	-38.3%	220	(15)	-7.1%
Profit before income taxes	328	5.4%	203	3.3%	(125)	-38.2%	-	-	-
Profit attributable to owners of parent	207	3.4%	134	2.2%	(73)	-35.1%	150	(15)	-10.1%
Profit per share (yen)	28.60	-	18.54	-	(10.06)	-	20.63	(2.59)	-

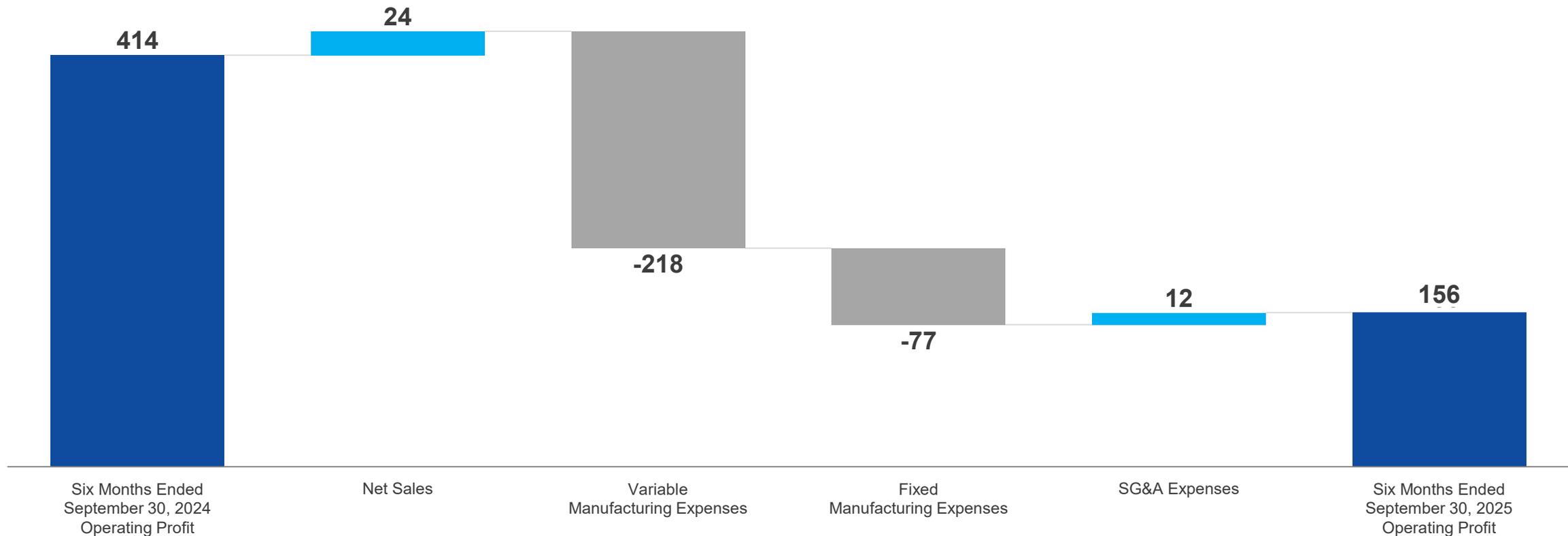
• Assumed exchange rates: JPY140/US\$1; JPY150/€1; JPY19/RMB1 → Actual exchange rates for the first half: JPY146/US\$1; JPY168/€1; JPY19/RMB1

Analysis of Consolidated Operating Profit for the Six Months Ended September 30, 2025



Variable manufacturing costs increased mainly due to soaring costs of raw materials. Labor costs decreased due to efficiency improvements; fixed manufacturing costs increased due to higher depreciation expenses. The impact of increased revenue was limited, resulting in a year-on-year decline in profit

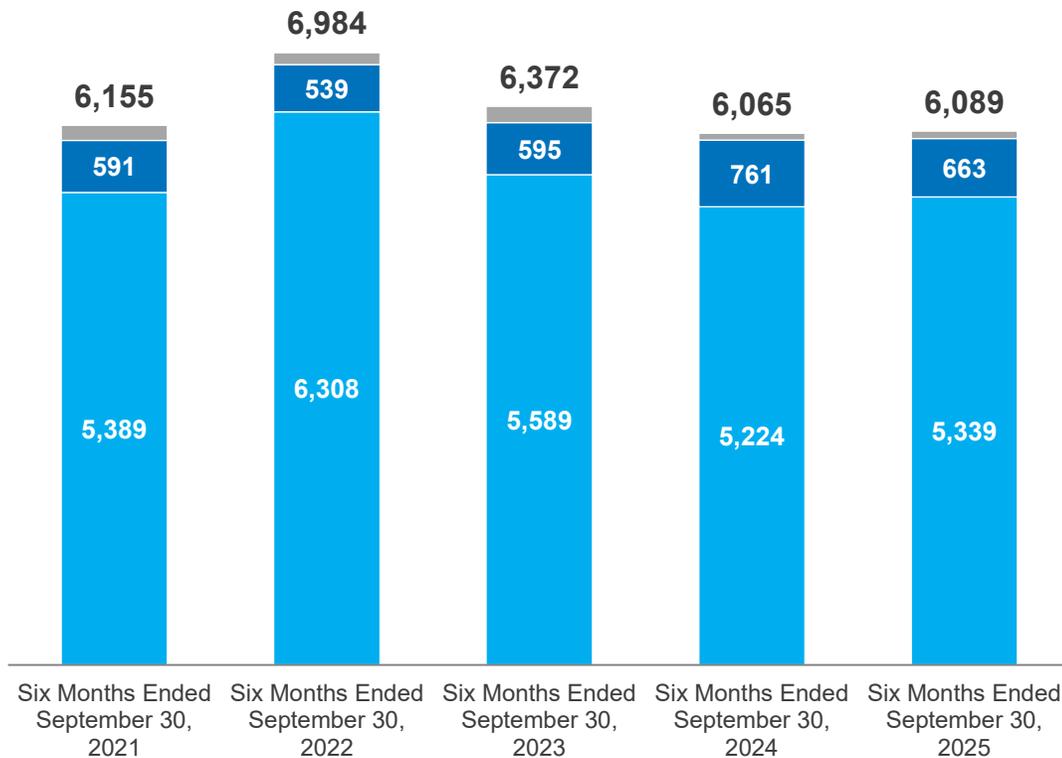
Unit: Millions of yen



Net Sales by Product



Net Sales by Product (Millions of Yen)



Overview for the Six Months Ended September 30, 2025

Connectors

While orders related to Automotive equipment declined, orders related to industrial equipment, medical equipment and amusement equipment remained solid

Racks

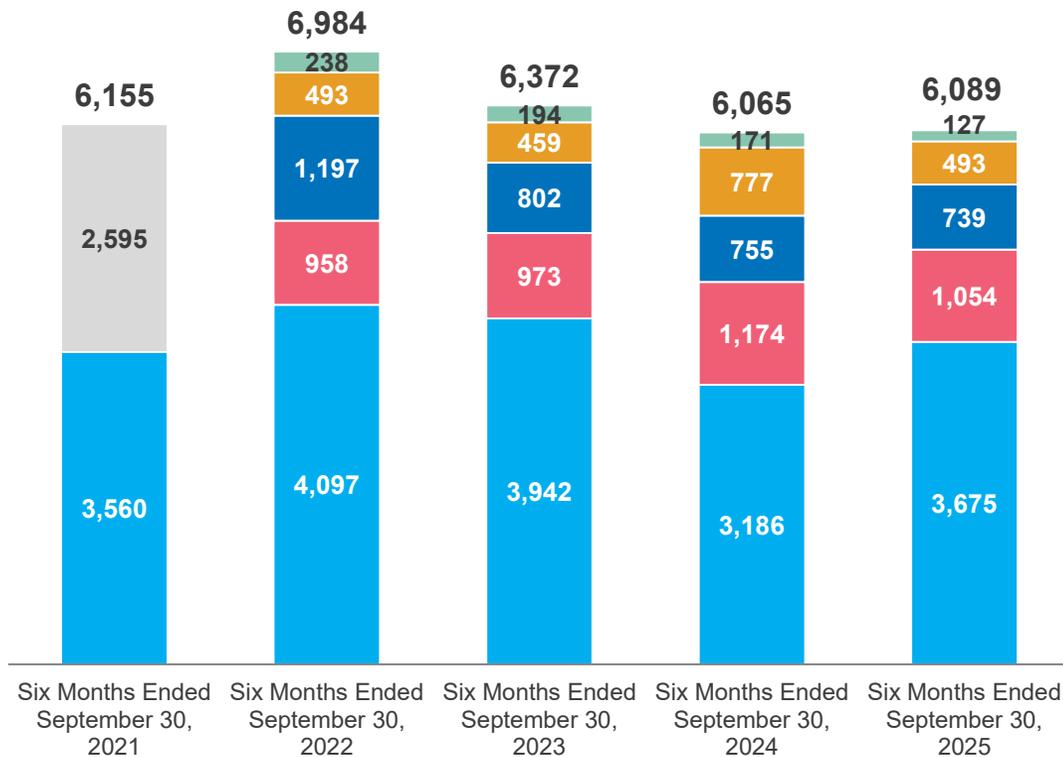
Some orders related to Telecommunication equipment recovered; orders for custom racks for medical and industrial equipment decreased

*From Q2 FY2025, sockets are reclassified under "Other."

Net Sales by Region



Net Sales by Region (Millions of Yen)



* Revised regions in March 2023

Overview for the Six Months Ended September 30, 2025

Japan

Sales increased in the industrial equipment and amusement equipment markets. Although excess inventory in the industrial equipment market persists, sales of drone-related products increased

China

While the models adopted for Automotive equipment were discontinued, mass production of new models are extended; deliveries of models for industrial equipment began with the launch of KEL Zhuhai

Other Asia

(Taiwan) The models currently used for Telecommunication equipment are being phased out. However, new models will continue to be used, and mass production has begun

(South Korea) Sales decreased due to the sluggish sales of models adopted for medical equipment

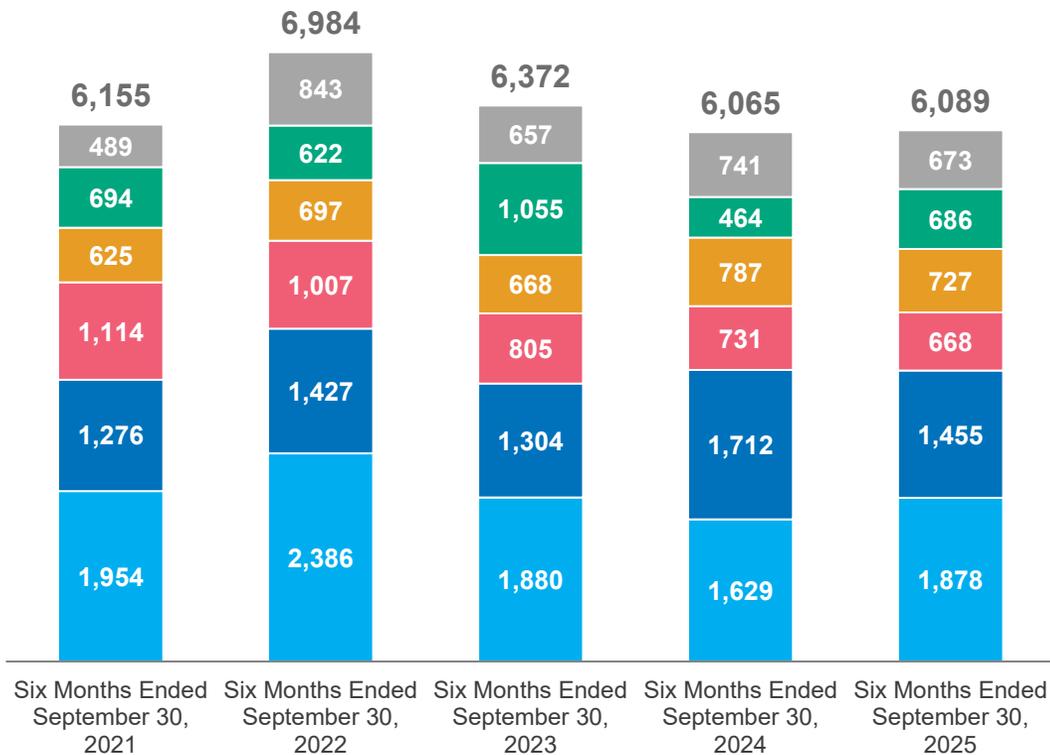
Europe

Sales decreased due to the discontinuation of models adopted for Image equipment and delays in ramping up mass production of new models

U.S.

Sales decreased due to the discontinuation of models adopted for Automotive equipment

Net Sales by Market (Millions of Yen)



Overview for the Six Months Ended September 30, 2025

Industrial Equipment

Excess inventory persists, and the recovery in semiconductor-related business remains limited. While the FA-related equipment inventory has been partially reduced, activity remains limited. Drones drove net sales

Automotive Equipment

Sales of models adopted by Japanese manufacturers increased due to BCP implementation; however, overall sales declined due to production adjustments for models for overseas markets

Image Equipment

The current models for surveillance cameras adopted by overseas manufacturers have been phased out, and the launch of successor models has been delayed. Sales declined due to sluggish performance of models for professional video cameras adopted by Japanese manufacturers

Medical Equipment

Sales decreased due to ongoing excess inventory, impacted by major customers' inventory stocking due to BCP implementation

Amusement Equipment

While the timing of mass production varies by customer, market conditions in the amusement industry as a whole have remained sluggish

Telecommunication, Other

The models currently used for Telecommunication equipment are being phased out. However, new models will continue to be used, and mass production has begun. Some orders for racks for wireless equipment contributed to sales



3. FY2025 Financial Results Forecast

Full-Year Consolidated Financial Results Forecast



- It will likely take more time for orders to recover in earnest, while we expect sales to increase slightly year on year
- We plan to pay a dividend per share of 80 yen (DOE at the 3.8% level)

Unit: Millions of yen	FY2024 (Actual)		FY2025 (Forecast)		YoY	
	Result	Composition	Result	Composition	Change	%
Net sales	11,871	100.0%	12,000	100.0%	+128	+1.1%
Operating profit	596	5.0%	600	5.0%	+3	+0.6%
Ordinary profit	585	4.9%	630	5.3%	+44	+7.6%
Profit attributable to owners of parent	401	3.4%	430	3.6%	+28	+7.1%
Profit per share (yen)	55.23	-	59.15	-	+3.92	-
Dividend per share (yen)	80.00	-	80.00	-	± 0	-

• Assumed exchange rates: JPY140/US\$1; JPY150/€1; JPY19/RMB1

→ Assumed exchange rates for the second half: JPY140/US\$1; JPY160/€1; JPY19/RMB1

Full-Year Consolidated Financial Results Forecast: Half-Year Comparison



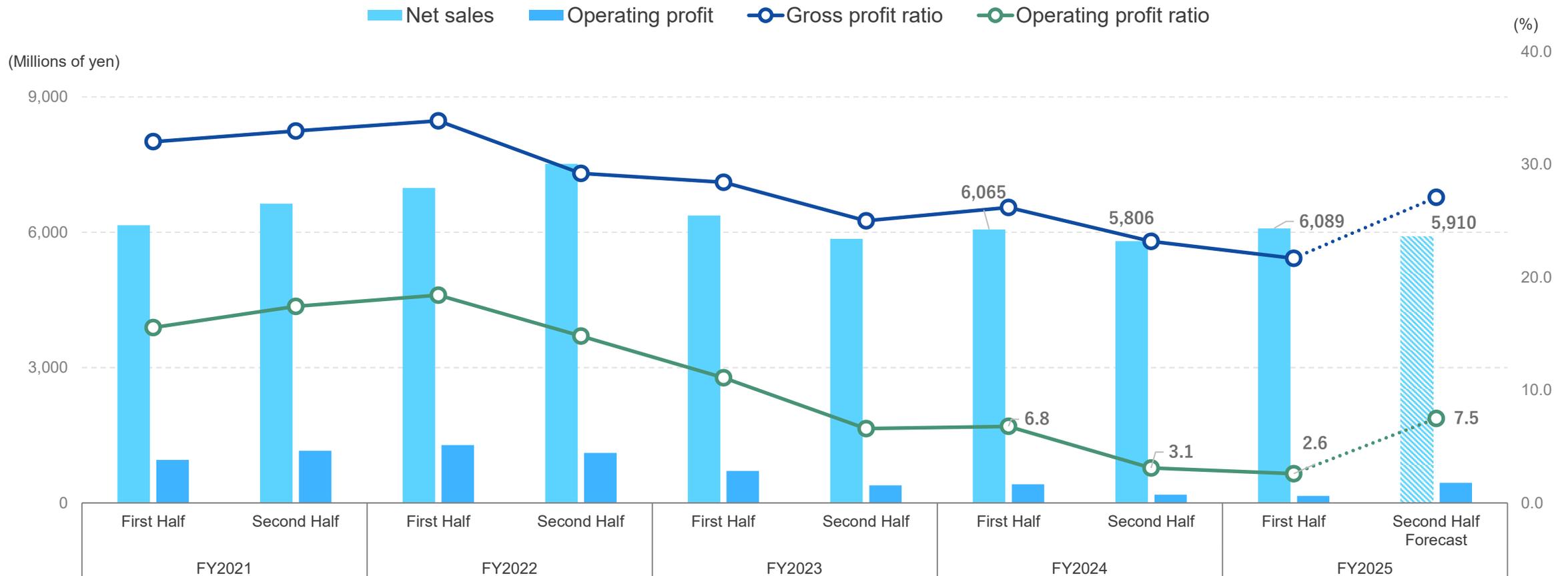
■ To address soaring prices of raw materials, such as gold, we will implement gold-saving measures and improve production efficiency through in-house processing. As KEL Zhuhai's production for the Chinese market gets on track, costs will gradually decline in the second half, and the gross net profit margin is expected to rise

Unit: Millions of yen	FY2024		FY2025			
	First Half	Second Half	First Half	YoY	Second Half Forecast	YoY
Net sales	6,065	5,806	6,089	+0.4%	5,910	+1.8%
Operating profit	414	181	156	-62.2%	443	+144.1%
Ordinary profit	331	254	204	-38.3%	425	+67.3%
Profit attributable to owners of parent	207	193	134	-35.1%	295	+52.4%
Profit per share (yen)	28.60	26.63	18.54	-	40.61	-

(Reference) Half-Year Performance Trends



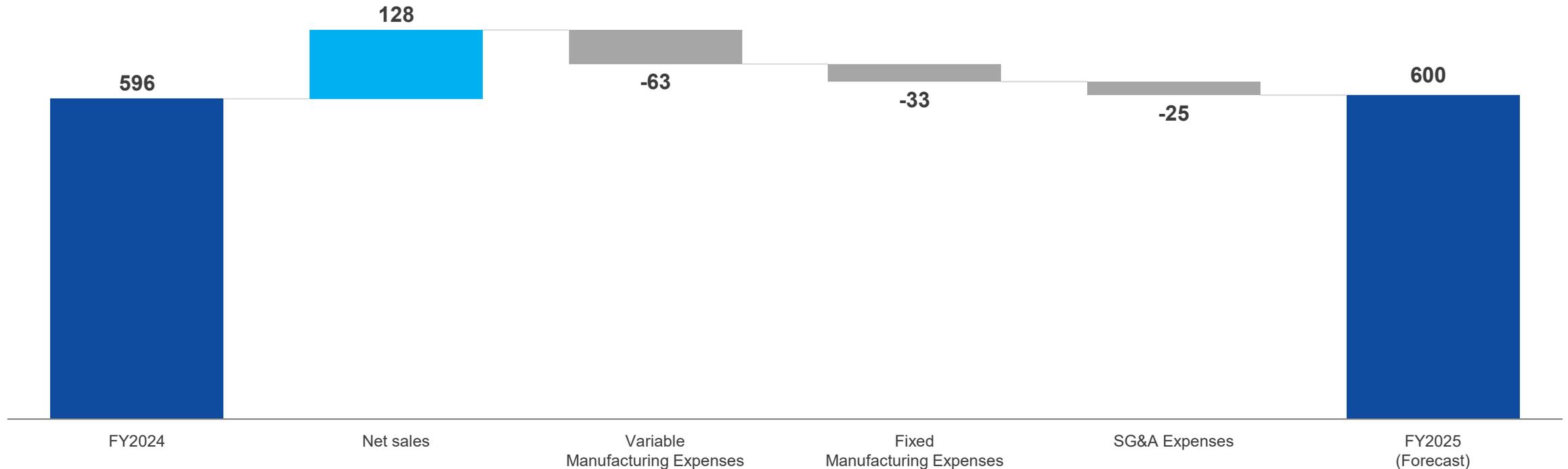
- The mass-production system at KEL Zhuhai was established by the end of the first half, and full-scale operations will begin in the second half
- By improving production efficiency at factories in Japan, we expect higher gross profit and operating profit margins



Full-Year Consolidated Operating Profit Forecast Analysis



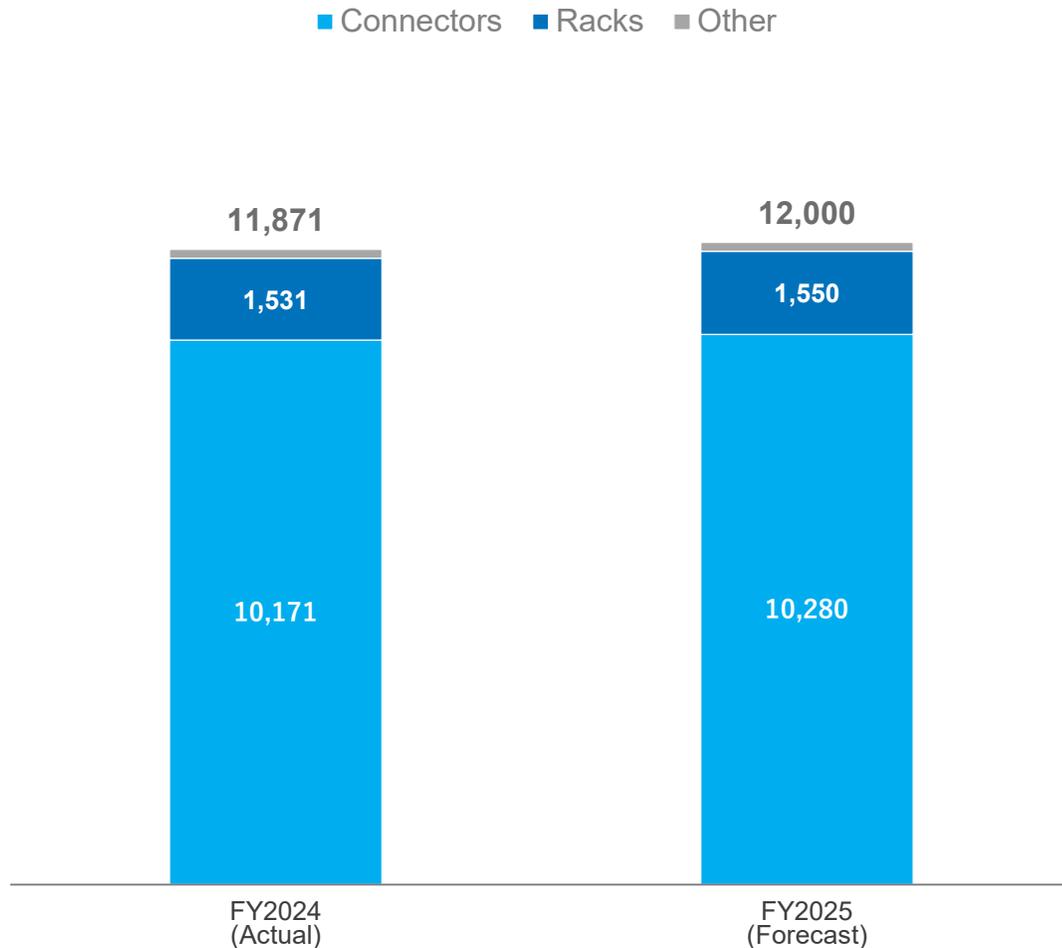
■ We expect higher operating profit, albeit modestly, as higher revenue offsets increased raw materials costs, labor costs, depreciation, and SG&A expenses



Net Sales Forecast by Product



Net Sales by Product (Millions of Yen)



FY2025 Forecast

Connectors

[Full year] Orders for micro coaxial cable connectors for industrial equipment (drones) are expected to increase, while orders for floating connectors for Automotive equipment and half-pitch connectors for medical equipment are expected to remain steady. Orders related to Image, amusement, and Telecommunication equipment are expected to decrease

[Second half] Orders related to industrial and Telecommunication equipment are expected to remain strong

Racks

[Full year] We expect orders for custom racks for medical equipment, electric power, and rolling stock (railway) to remain firm

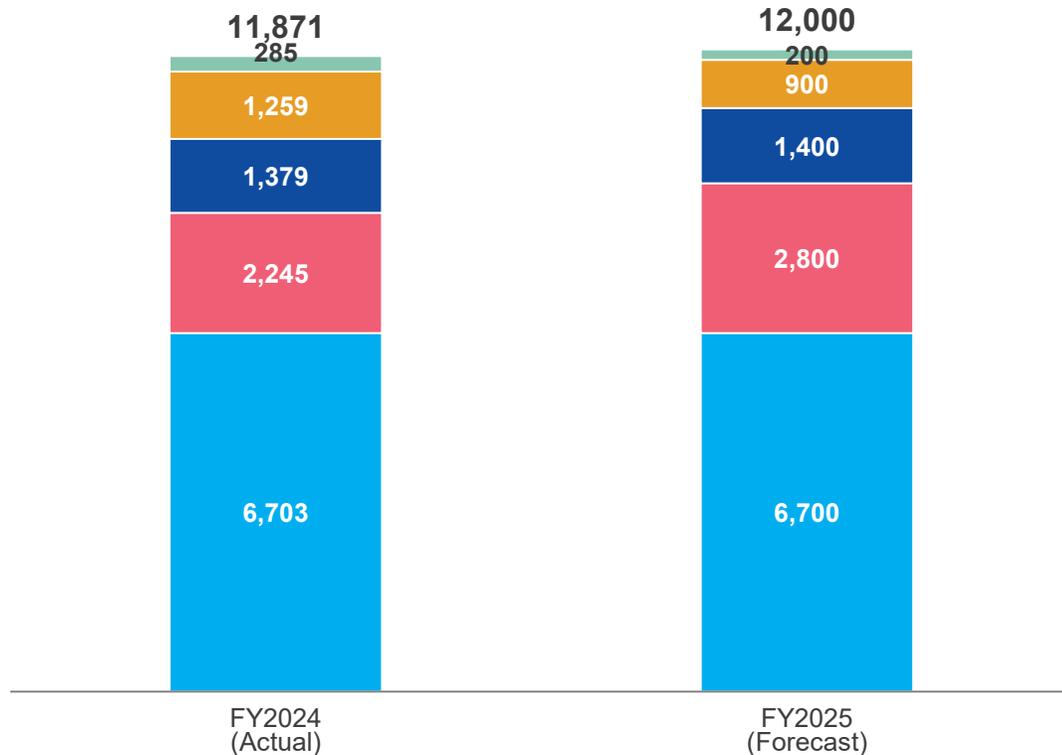
[Second half] Orders for racks for medical equipment are on a recovery trend

*From Q2 FY2025, sockets are reclassified under "Other."

Net Sales Forecast by Region



Net Sales by Region (Millions of Yen)



FY2025 Forecast

Japan

[Full year] Although the industrial equipment market should experience a weak recovery, overstocked inventory levels will ease slightly, beginning to show signs of resolution. [Second half] A recovery in semiconductors is expected

China

[Full year] Orders for industrial equipment-related should increase with the new adoption of drones. We expect increased sales with the launch of KEL Zhuhai. [Second half] We will continue establishing mass production systems for models adopted for industrial equipment and begin preparing to launch mass production for models adopted for Automotive equipment

Other Asia

[Full year] (Taiwan) We expect to continue to produce models adopted for Telecommunication equipment, albeit at reduced levels. We plan to focus on Image equipment and Automotive equipment. (South Korea) We intend to propose custom products for medical equipment, while focusing on Automotive equipment. [Second half] (Taiwan) We will follow up on mass-production supply of new models adopted for Telecommunication equipment. (South Korea) Signs of a slowdown are seen across all markets

Europe

[Full year] We expect production of Automotive equipment to decrease due to the end of production of major models that had been used in the market. We will focus on developing other major customers. [Second half] The phase-out of models adopted for Automotive equipment and the production slowdown may affect the performance

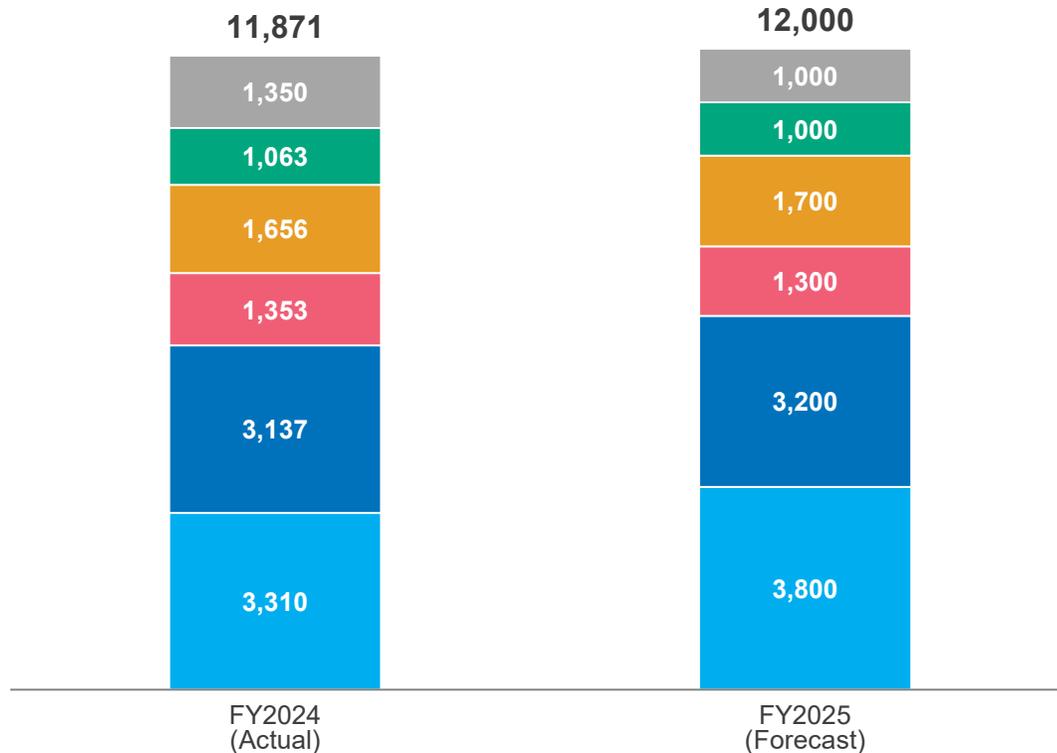
U.S.

[Full year] We will develop new business opportunities and engage in design-in activities. [Second half] We expect to maintain first-half sales levels in each market

Net Sales Forecast by Market



Net Sales Forecast by Market (Millions of Yen)



FY2025 Forecast

Industrial Equipment

[Full year] While clients continue to hold excess inventory, the situation is improving compared with the previous year. We expect increased sales with the launch of the production system at KEL Zhuhai. [Second half] A recovery is expected in semiconductor-related areas, though performance varies by manufacturer

Automotive Equipment

[Full year] We expect mixed demand, with large regional disparities. We will propose floating and high-speed transmission connectors for integrated ECUs, etc., to our customers. [Second half] Models adopted by Japanese manufacturers continue to perform well. Continued mass production of new models adopted by Chinese manufacturers is expected to have an impact

Image Equipment

[Full year] We project existing product movement to be weak over the first half of the year. Our aim will be to achieve the same level of results as the previous year with the impact of business negotiations conducted in FY2025. [Second half] Sales are expected to be supported by the launch of successor models for surveillance cameras for overseas manufacturers and models for machine vision adopted by Japanese manufacturers. Demand for professional video cameras is expected to continue to be sluggish

Medical Equipment

[Full year] The medical device market itself should remain firm. [Second half] Excess inventory is expected to persist. It is projected to be resolved from the next fiscal year onward

Amusement Equipment

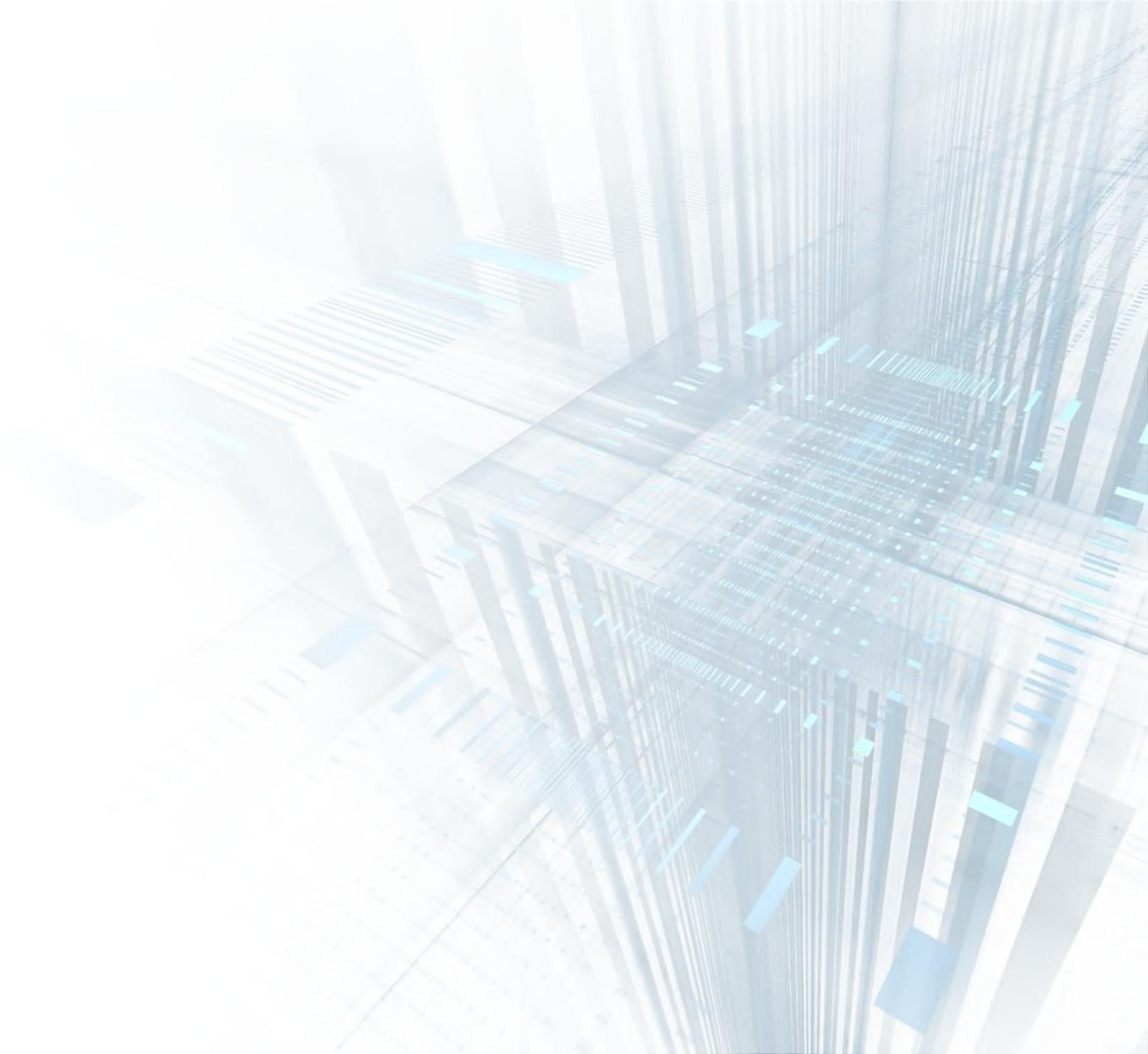
[Full year] We will keep a close eye on bonus trigger machines (Slot machine) and lucky trigger machines (pachinko), etc. [Second half] Sales are expected to fluctuate depending on the mass production plans of the manufacturers

Telecommunication, Other

[Full year] We forecast reduced production due to the end of models used in Telecommunication equipment. The adoption of new models will likely see a delay in mass production. We will aim to find and close business negotiations with customers. [Second half] Sales are expected to remain stable due to the continued mass production of new models



4. KEL VISION 2030



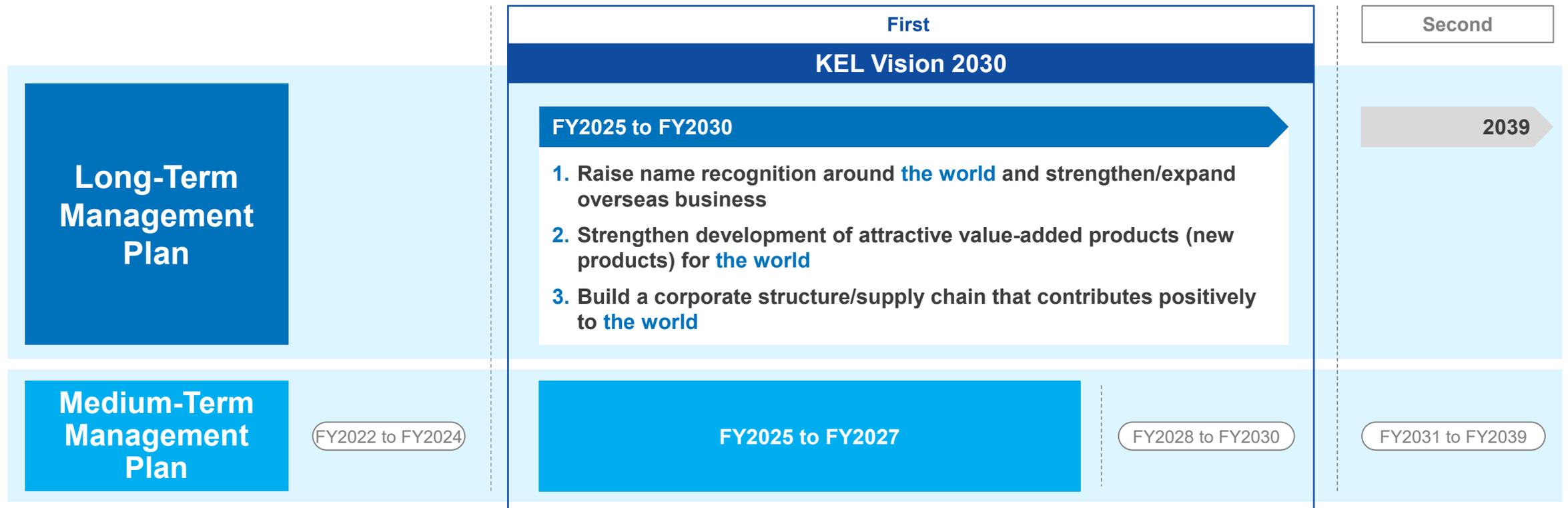
Role of the First Long-Term Management Plan, KEL Vision 2030 (disclosed in May 2025)



- With an eye to strengthening our presence in the global market, we have formulated a six-year long-term management plan
- Numerical targets for FY2030: Net sales of 20,000 million yen; operating profit ratio of at least 15%

Management Vision

A connector manufacturer contributing to a better world



- We formulated a medium-term management plan as the first phase of KEL Vision 2030
- We will expand our business by strengthening our global structure, new product development, and market development

Medium-Term Management Plan

Basic Policy

- 1. Strengthen our global structure to grow overseas sales (development, supply, and sales capabilities)**
- 2. Grow our businesses through stronger new product development and focused market development**

Business Strategy

- **Expand connector business**
- **Foster business innovation for our harness business**
- **Transform the equipment business into value-added business**

Targets

	FY2024 (Actual)	FY2027 (Target)
Net sales	11,800 million yen	15,500 million yen or more
Overseas Net Sales	5,100 million yen	8,000 million yen
ROS (Operating Profit Margin Ratio)	5.0%	15% or greater
Dividend payout ratio	144.8%	40% or greater DOE 3.8% minimum

Advance four basic strategies and establish a system to strengthen overseas businesses

Product Strategy

- Strengthen development activities related to floating, high-speed transmission, waterproof, and high-power products for the Automotive equipment and Telecommunication equipment markets
- Actively promote technological and business alliances to expand business fields

Sales Strategy

- Strengthen and expand business in Asia, Europe, and North America
Build new sales channels in India and Southeast Asia
- Participate in overseas exhibitions and conduct online, social media, etc marketing to support sales

**Establish
a system to
strengthen
overseas
businesses**

Strengthen Production System

- Strengthen manufacturing technology and quality control systems for parts processing and transition to smart factories
- Establish our own overseas factories to strengthen cost competitiveness, delivery responsiveness and supply capacity

Organization and Management System

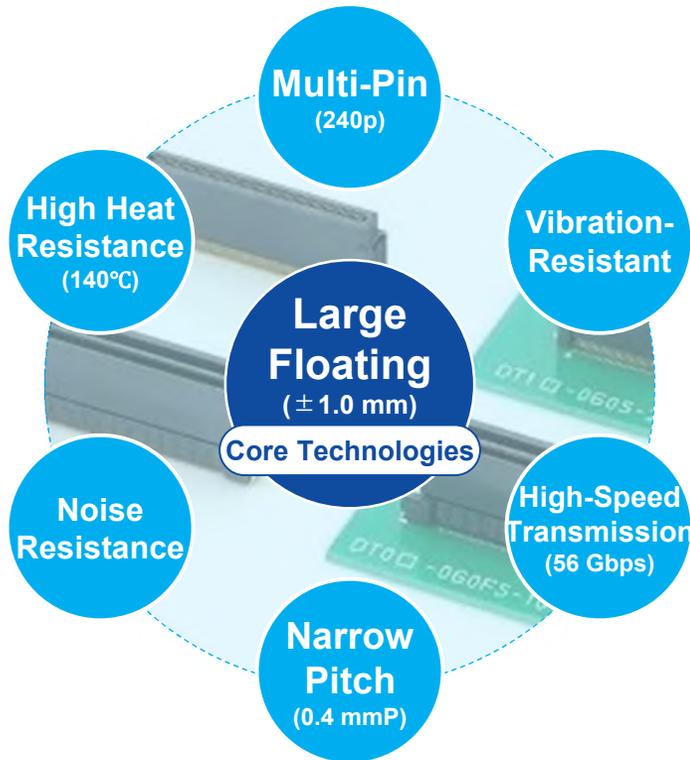
- Reform our human resources system to strengthen human capital, improve employee satisfaction, and develop global talent
- Establish a shared information system for the group

Our Competitive Advantage | Technical Capabilities

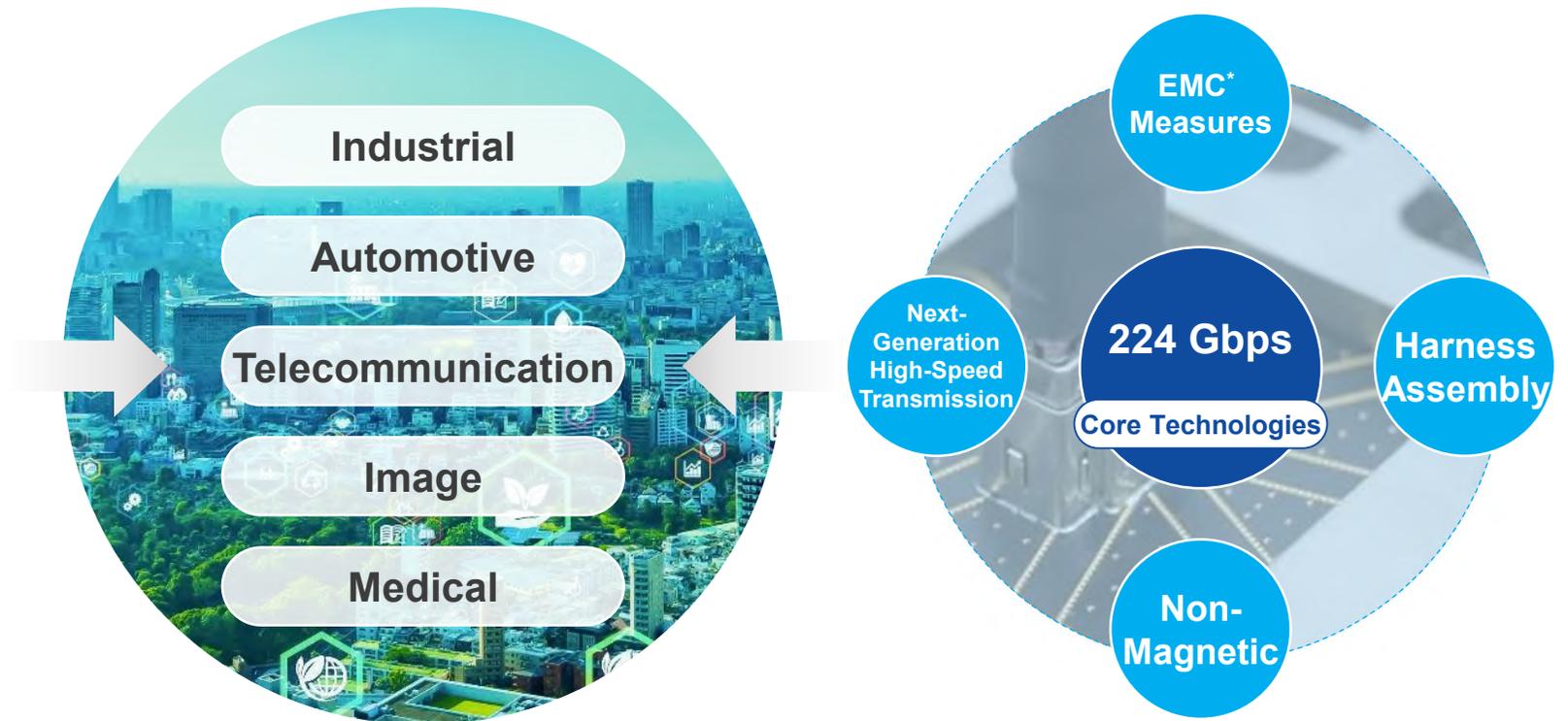


- Two core technologies helps us meet the needs of a wide variety of industries and customers
- Advanced technology for floating structures creates much added value
- We boast the industry's top-class high-speed transmission capacity for board-to-board and board-to-cable products

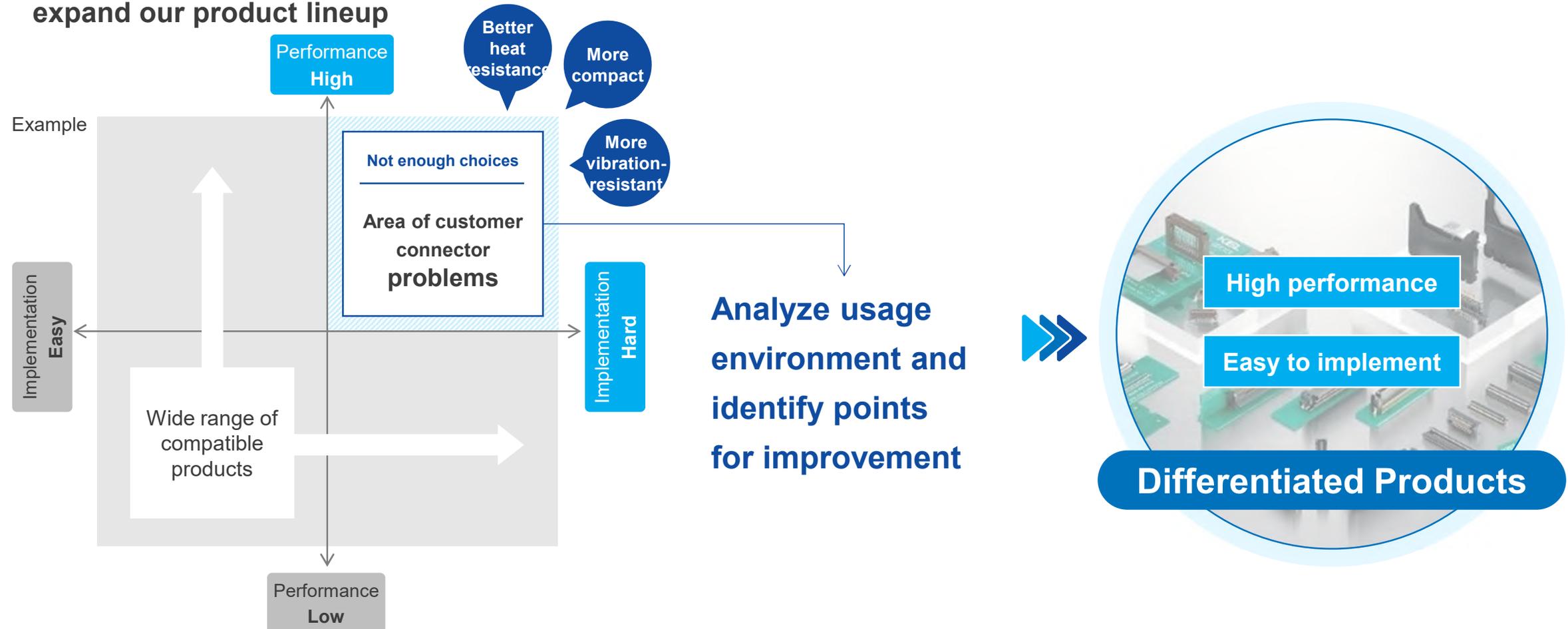
Floating Connectors



For High-Speed Transmission Connectors



- Connectors exist in categories having a large assortment of products and categories where there are not enough choices, causing customer problems
- By working closely with our customers and solving their problems, we develop differentiated products and expand our product lineup



Four Basic Strategies | Q2 Progress Overview



	Basic Strategy	Q2 Progress Status
Product Strategy	Strengthen development activities related to floating, high-speed transmission, waterproof, and high-power products for the Automotive equipment and Telecommunication equipment markets	Developed floating connectors equivalent to PCIe 5.0 for Automotive equipment and waterproof/dustproof drawer connectors. Enhanced the functionality of high-performance coaxial harnesses
	Actively promote technological and business alliances to expand business fields	The sales partnership with Nippon Tanshi Co., Ltd. and the joint development of connectors with IRISO ELECTRONICS CO., LTD. are both progressing smoothly as planned.
Sales Strategy	Strengthen and expand business in Asia, Europe, and North America, and build new sales channels in India and Southeast Asia	Decided to establish a sales site in Singapore
	Participate in overseas exhibitions and conduct online, social media marketing to support sales	Participated in exhibitions in China and the U.S. to expand business in the Automotive equipment market
Strengthen Production System	Strengthen manufacturing technology and quality control systems for parts processing and transition to smart factories	Promote in-house processing (press work, plating, and resin molding) to reduce the cost ratio
	Establish our own overseas factories to strengthen cost competitiveness, delivery responsiveness and supply capacity	Established a local production system in China and began mass production of connectors for the industrial equipment market
Organization and Management System	Reform our human resources system to strengthen human capital, improve employee satisfaction, and develop global talent	Establish the Tama Center Office and transfer the Sales Department from the head office Obtained Silver Certification as an Excellent Company for Health Promotion
	Establish a shared information system for the Group	-

Overall Product Strategy | Four Products to Strengthen for Growth and Five Priority Markets



Focus Market/Product to Strengthen	Floating	High-Speed Transmission	Waterproof	High-Power
 <p>Industrial</p>	<ul style="list-style-type: none"> Multi-row, multi-pin (500 or more pins) Multi-point contacts 	<p>—</p>	<ul style="list-style-type: none"> Connectors for lithium-ion batteries Connectors for waterproof motors 	<ul style="list-style-type: none"> Connectors for lithium-ion batteries Connectors for motors
 <p>Automotive</p>	<ul style="list-style-type: none"> PCIe5.0 Heat-resistant (140° C) Vibration-resistant <div data-bbox="759 549 970 706" style="border: 1px solid black; padding: 5px; display: inline-block;"> <p>JG Series</p>  </div>	<ul style="list-style-type: none"> Connectors for Automotive cameras PCIe5.0 Optical connectors 	<ul style="list-style-type: none"> Connectors for Automotive cameras 	<ul style="list-style-type: none"> Connectors for busbar connections Drawer connectors for instrument panel connections
 <p>Image</p>	<ul style="list-style-type: none"> Narrow pitch (0.4 mm pitch or less) Small size (reduced mounting area) 	<ul style="list-style-type: none"> Micro coaxial EMI compatibility product <div data-bbox="1235 758 1447 935" style="border: 1px solid black; padding: 5px; display: inline-block;"> <p>TSL-NM2 Series</p>  </div>	<p>—</p>	<p>—</p>
 <p>Medical</p>	<ul style="list-style-type: none"> Multi-row, multi-pin (500 or more pins) 	<ul style="list-style-type: none"> PCIe5.0 	<ul style="list-style-type: none"> Connector modules for ultrasound diagnostic equipment 	<ul style="list-style-type: none"> Connector modules for disposables
 <p>Telecommunication</p>	<ul style="list-style-type: none"> PCIe5.0, 6.0 56Gbps 	<ul style="list-style-type: none"> AOC (32 Gbps) 256Gbps RF connectors for communication modules 	<ul style="list-style-type: none"> Waterproof fan unit <div data-bbox="1694 1175 1939 1349" style="border: 1px solid black; padding: 5px; display: inline-block;"> <p>FWSA Series</p>  </div>	<ul style="list-style-type: none"> Connectors for lithium-ion batteries

- Expanding our product application range from conventional Automotive equipment to more core areas of automobiles, including integrated ECUs
- Enhancing functionality to meet the rising demands of manufacturers to increase opportunities and expand sales channels overseas

Conventional Automotive equipment



DT Series

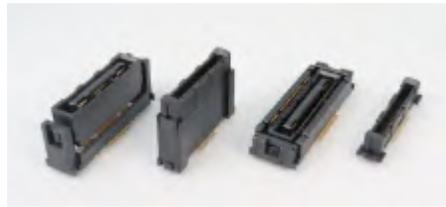
Car Navigation



ETC



Integrated ECU *1



High-speed floating connectors equivalent to PCIe 5.0

JG Series

Information systems



Increased speed due to advances in inter-device transmission

Powertrain *2



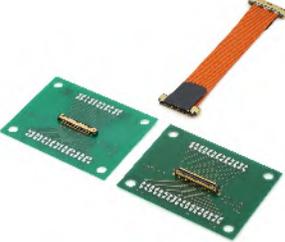
Environmental resistance and reliability in the inverter

*1 Integrated ECU: Integrating complex automotive functions, each with a distinct role, into one system
 ECU(Electronic Control Unit) A unit that controls the system installed in an automobile using electronic circuits

*2 PowertrainA general term for devices that transmit the driving force generated by an engine. Includes engines, transmissions, etc.

- Began sales of products with enhanced functionality of high-performance coaxial harnesses
- Enhanced with non-magnetic properties to meet more advanced needs Aim to expand adoption in the industrial equipment and medical equipment markets

Addressing conventional needs



0.55 mm-pitch high-performance coaxial harness

TSL Series

Application

<p>Image Equipment Market</p> <p>DVC, digital camera, surveillance camera</p> 	<p>Automotive Equipment Market</p> <p>GPS navigation system, EV, ETC</p> 	<p>Medical Equipment Market</p> <p>Ultrasound diagnostic equipment, CT, endoscope</p> 
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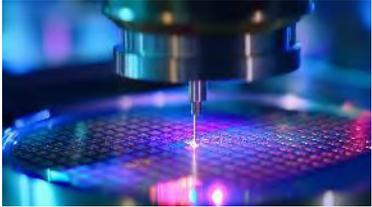
Addressing more advanced needs



0.55 mm-pitch high-performance coaxial harness / non-magnetic type

TSL-NM2 Series

Application

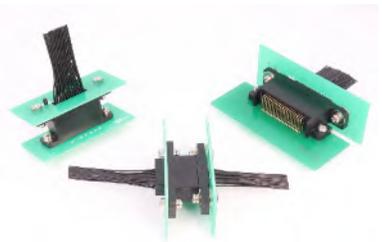
<p>Industrial Equipment Market</p> <p>Electromagnetic beam lithography system, Electron beam exposure system, Ion implanter, electron microscope</p> 	<p>Medical Equipment Market</p> <p>MRI, NMR</p> 
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Progress on Product Strategy | Compliant with IP67 Waterproof and Dustproof Protection Rating



- **IP67 compliance:** With the highest dustproof rating, our products keep interiors completely dust-free. They also withstand submersion in water up to 1 meter deep for 30 minutes without water ingress
- **Expanding the application range of drawer connectors through outdoor use**

Indoor use



FAS Series

Application

ATM 	Power generation equipment 	Amusement Equipment 
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Outdoor use



2.0 mm pitch waterproof and dustproof drawer connector

FWSA Series

Application

Communication base stations (fan units) 	Agricultural outdoor sensor equipment 
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Expand Business Fields Through Technical and Business Alliances (Repost)



The sales partnership with Nippon Tanshi Co., Ltd., which has strengths in connectors and crimped terminals for Automotive and consumer applications, and the joint development with IRISO ELECTRONICS CO., LTD. of a prototype of miniature coaxial connectors for Automotive use are both progressing smoothly as planned

Signed a Sales Agreement With Nippon Tanshi Co., Ltd.



- Industrial connectors
- Board-to-board connectors

- Connectors for automotive and consumer applications
- Crimped terminals

Create New Market Opportunities
Supply High-Quality Connector Products

Joint Development With IRISO ELECTRONICS CO., LTD.



Joint research and development to meet the need for higher performance coaxial connectors for automotive applications. Aiming for prototype evaluation by the end of FY2025 and commercialization in FY2026

Miniature Coaxial Waterproof Connector (Board Side + Harness Side)



Main Applications

- AD/ADAS control unit and sensor connections
- Communication unit and antenna connection
- Other coaxial harness connections between various ECUs

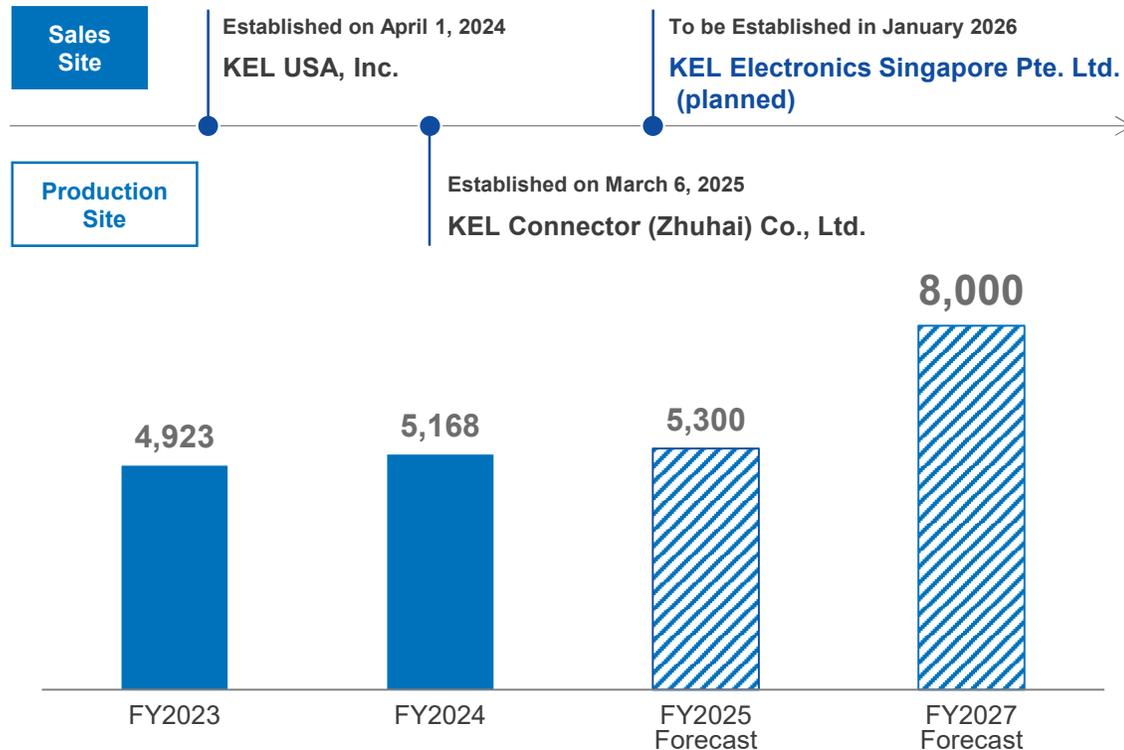
Covers high-frequency bands up to 9 GHz to support increasingly sophisticated AD/ADAS systems; miniaturized connectors for high-density mounting on ECUs and proper harness layout

Progress on Sales Strategy | Building New Sales Channels in India and Southeast Asia

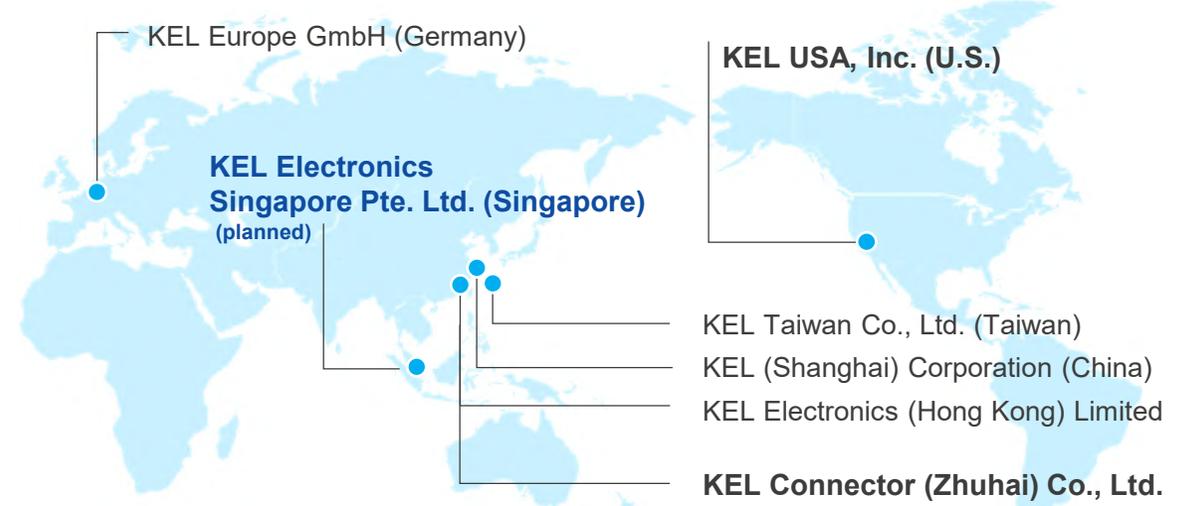


- Following the establishment of the U.S. site in April 2024, a sales site* is scheduled to be established in Singapore in January 2026
- By establishing a sales structure in Singapore, we will expand sales channels in the Southeast Asian and Indian markets and further increase connector sales

Overseas Net Sales: Actuals and Forecast



Overseas Subsidiaries



*Singapore sales site

Purpose of Establishment	To strengthen business with customers operating overseas
Target Market	Automotive Equipment Market
Target Region	Southeast Asia and India



Progress in Strengthening Production System | Launch of Production at Our Overseas Factories to Strengthen Cost Competitiveness

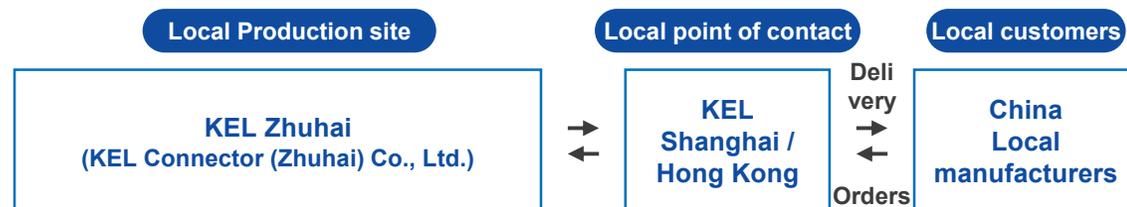


- We are transitioning from serving local manufacturers to building an integrated production system in China to shorten lead times
- Mass production has begun for the industrial equipment market; production lines have been launched for the Automotive equipment market, aiming to capture the largest market segment

Establish Local Production System



Complete support in China



Target Markets and Products

Industrial Equipment Market

Mass production of micro coaxial connectors begun

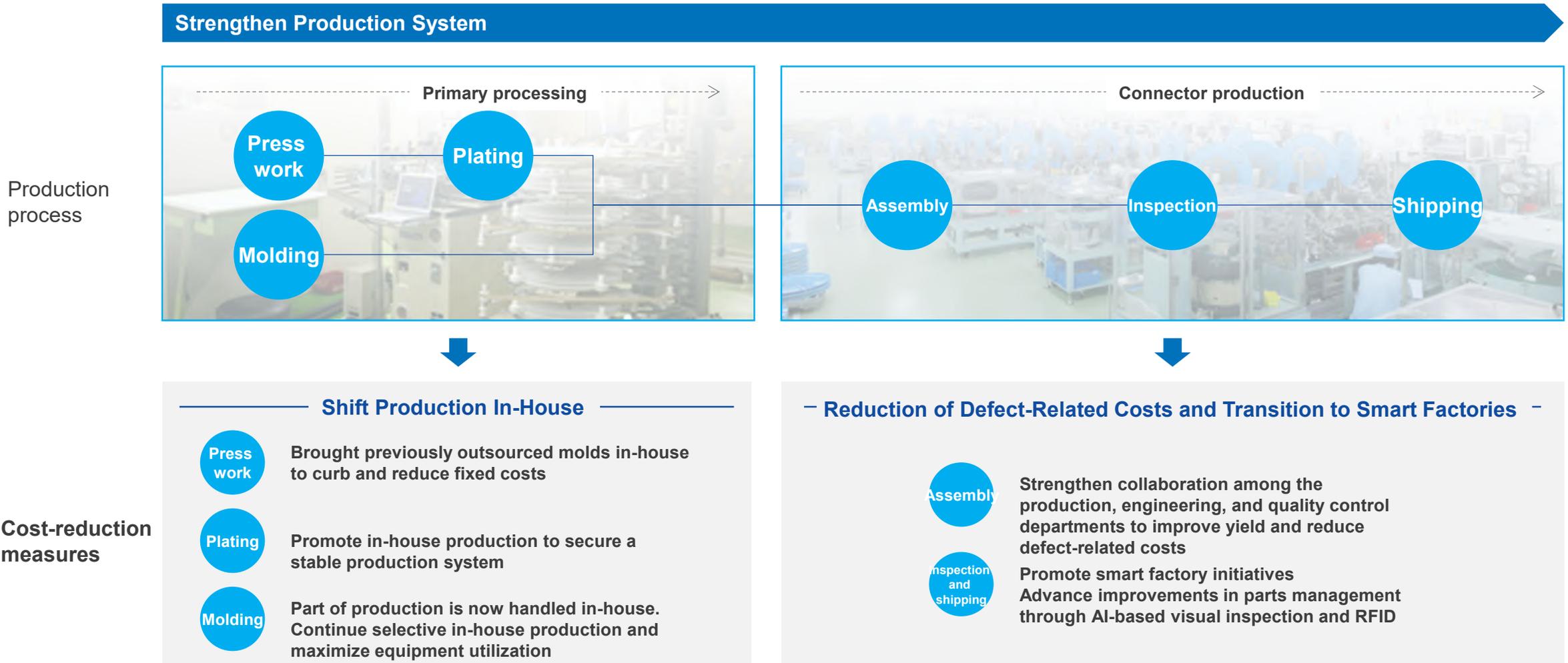


Automotive Equipment Market

Launched production line for floating connectors



■ Promote in-house primary processing steps (press work, plating, and resin molding). Aim to reduce defect-related costs and transition to smart factories to optimize connector manufacturing. Strengthen our production to improve production efficiency and reduce costs



- Open the Tama Center Office in January next year and transfer the Sales Department from the head office. Review the organizational structure to increase agility and improve productivity
- Reduce commuting time to improve productivity and enhance employee satisfaction. A positive impact on recruitment is also expected

Tama Center Office



Address

6th Floor, GA Tama Bldg. 1-32-3 Ochiai, Tama-shi, Tokyo

Access

Keio Sagami-hara Line
“Keio Tama Center” 5-minute walk from the station
Odakyu Tama Line
“Odakyu Tama Center” 5-minute walk from the station
Tama Monorail
“Tama Center” 6-minute walk from the station



Objective

- Increase the agility of the sales division
- Make it easier for customers to stop by
- Reducing commuting time
- Strengthening recruitment

Images are for illustrative purposes. Actual office space may differ.

Measures to Engage in Management Conscious of Share Price and the Cost of Capital

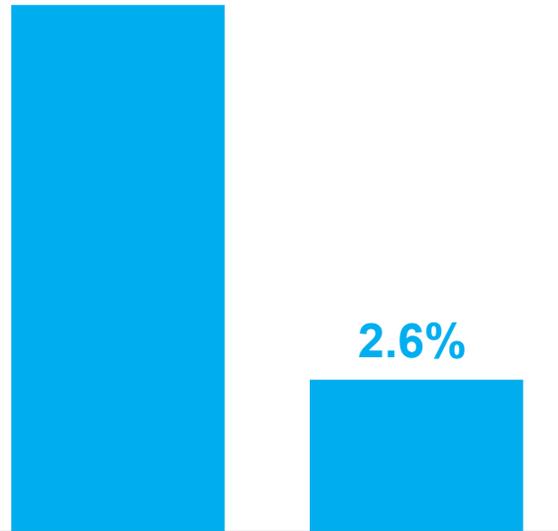


- Aim to achieve ROE above cost of equity capital by improving profit growth and capital efficiency through the measures of our medium-term management plan
- Enhance IR activities to help lower the cost of capital

Cost of Equity Capital

(Our Current Understanding)

Roughly 8%



Cost of Equity Capital (Theoretical Basis) FY2024 ROE

Policy

- Improve ROE by recovering profit through business strategies in line with the medium-term management plan
- Strengthen IR/SR activities and pursue dialogue with the capital markets to maintain and improve PER after performance recovery

Initiatives

Grow Profits

Concentrating investment in growth areas

Pass through raw materials price hikes

Strengthen ability to develop high-value-added products

Improve Capital Efficiency

Control the increase in net assets by raising dividends using DOE

Reduce Cost of Capital

Embedding the growth strategy through enhanced IR

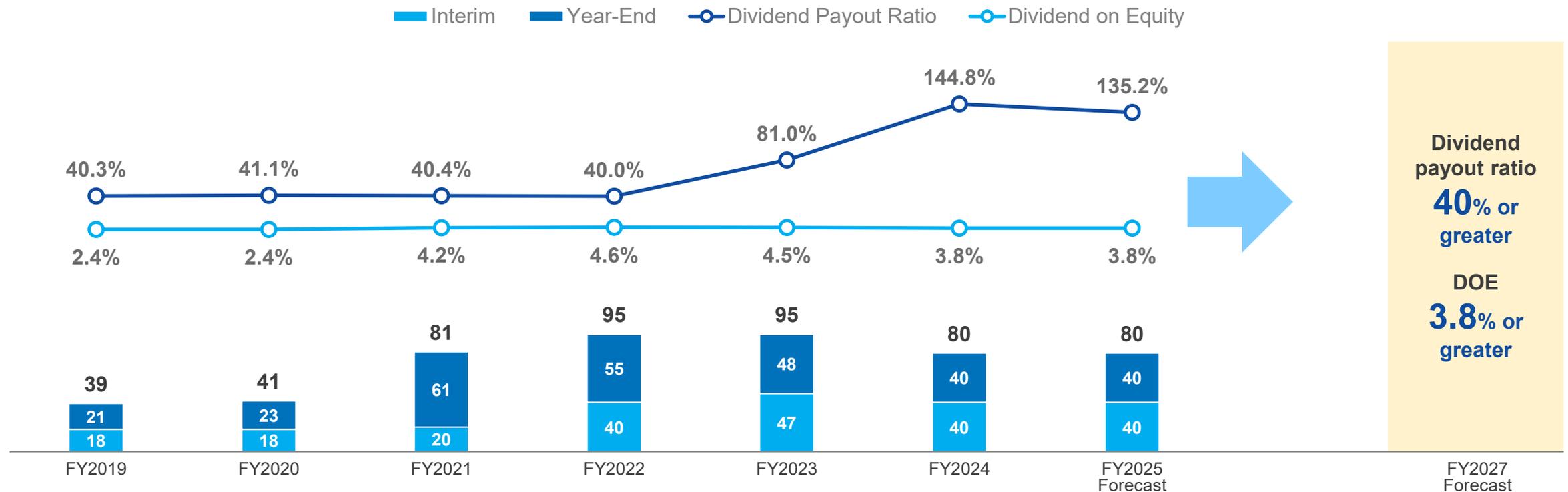
Promoting sustainability management

Shareholder Return Policy and Dividend Policy



- We changed our dividend policy beginning in FY2024. In addition to targeting a consolidated dividend payout ratio of 40% or more, we established a minimum dividend on equity (DOE) of 3.8% and plan to pay stable dividends
- We plan to pay annual dividend of ¥80 per share for FY2025. We plan to continue to pay dividends in line with our dividend policy in FY2027

Dividends (yen)





5. Appendix

Consolidated Balance Sheet



While shareholders' equity decreased due to dividend payments exceeding profit, net assets increased as accumulated other comprehensive income (mainly valuation differences on available-for-sale securities and foreign currency translation adjustments) increased. The equity ratio rose from 81.8% to 82.1%

Cash and cash equivalents remain high

Assets

Unit: Millions of yen	FY2024	Six Months Ended September 30, 2025	Change
Current assets	11,541	11,411	(130)
Cash and deposits	4,878	4,684	(193)
Notes and accounts receivable-trade	2,874	2,876	+1
Electronically recorded monetary claims	1,199	1,264	+64
Inventories	2,226	2,255	+28
Non-current assets	7,063	7,133	+69
Property, plant and equipment	4,501	4,617	+115
Tools, furniture and fixtures	520	498	(22)
Construction in progress	120	80	(40)
Investment securities	2,372	2,350	(21)
Total assets	18,605	18,545	(60)

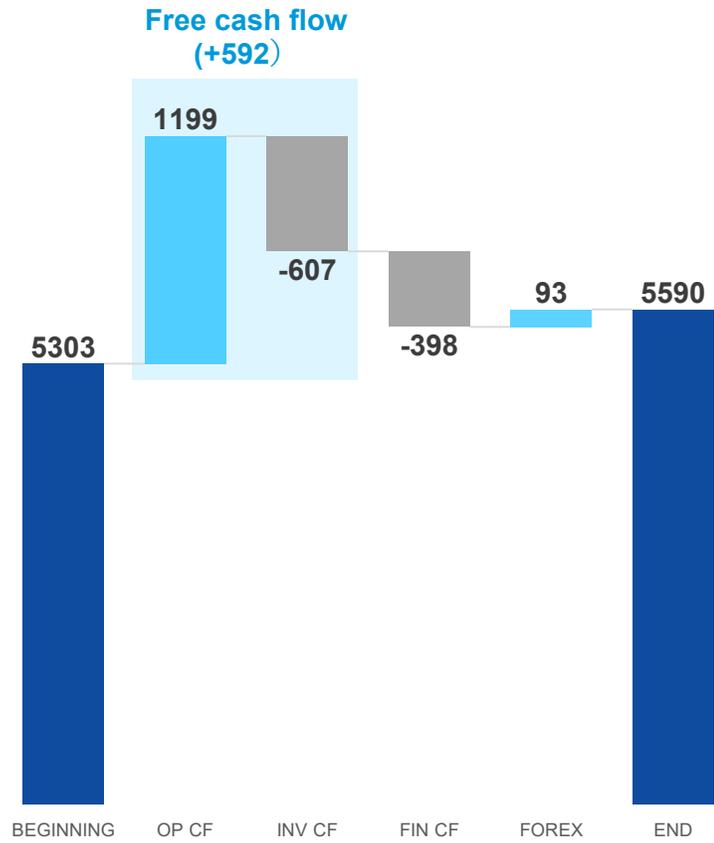
Liabilities and Net Assets

Unit: Millions of yen	FY2024	Six Months Ended September 30, 2025	Change
Current liabilities	2,876	2,766	(110)
Notes and accounts payable-trade	751	686	(65)
Electronically recorded obligations	788	958	+169
Short-term debt	450	450	-
Non-current liabilities	504	549	+44
Total liabilities	3,380	3,315	(65)
Share capital	14,341	14,191	(150)
Retained earnings	11,523	11,367	(156)
Total accumulated other comprehensive income	882	1,038	+155
Net Assets	15,224	15,230	+5
Total Liabilities and Net Assets	18,605	18,545	(60)

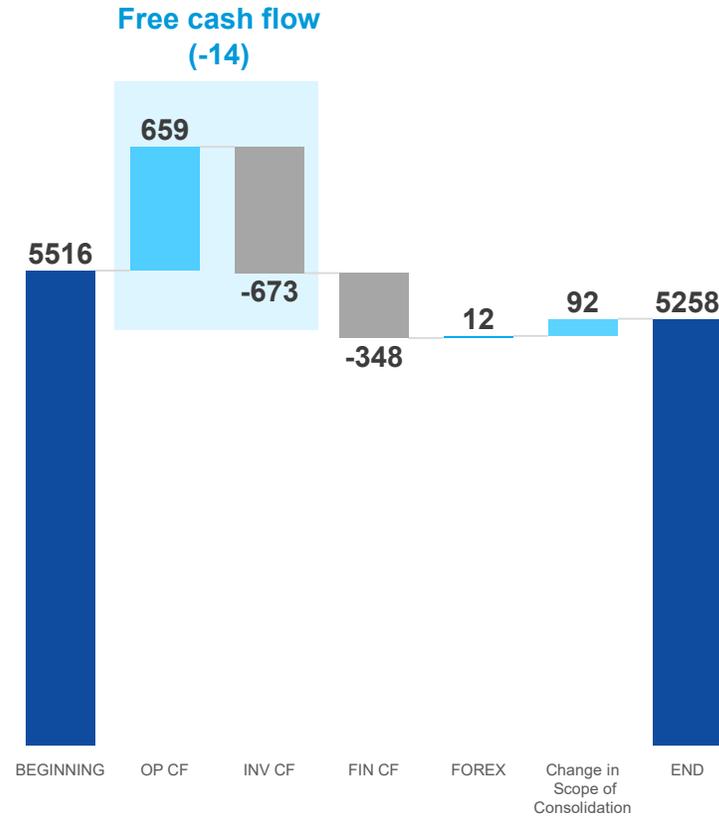
Consolidated Statement of Cash Flows



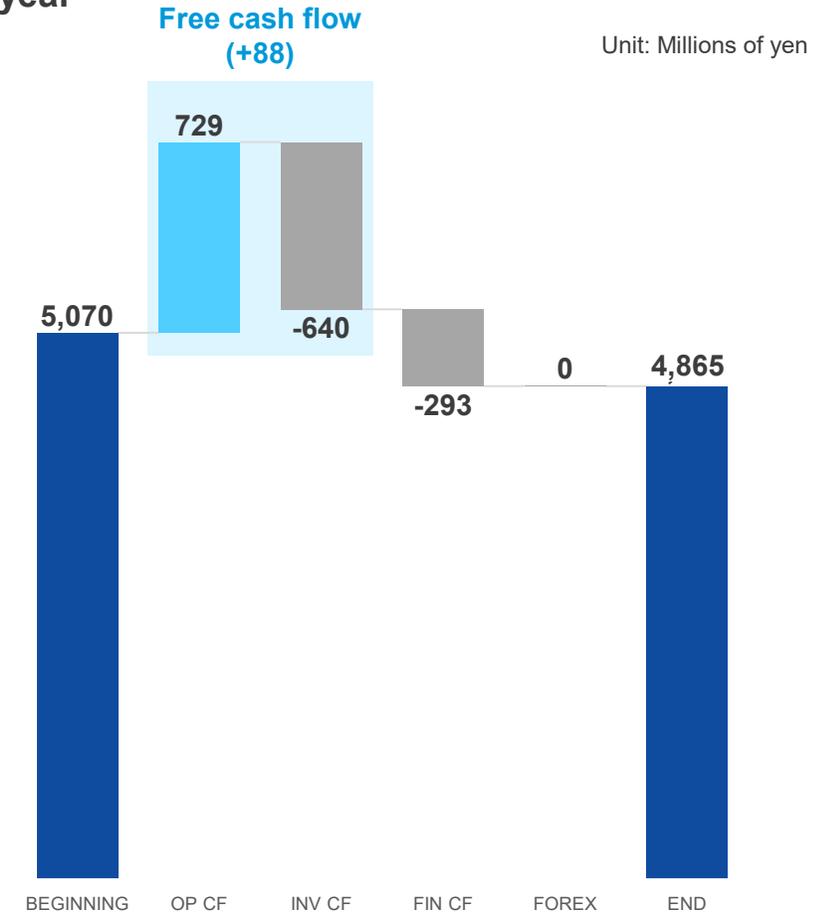
- While profit decreased, depreciation increased, resulting in higher operating cash flow
- Although acquisitions of property, plant, and equipment doubled, refunds of insurance funds partially offset this, and investing cash flows decreased
- The balance of cash and cash equivalents at the end of the period decreased from last year



Six Months Ended September 30, 2023



Six Months Ended September 30, 2024



Six Months Ended September 30, 2025

Unit: Millions of yen

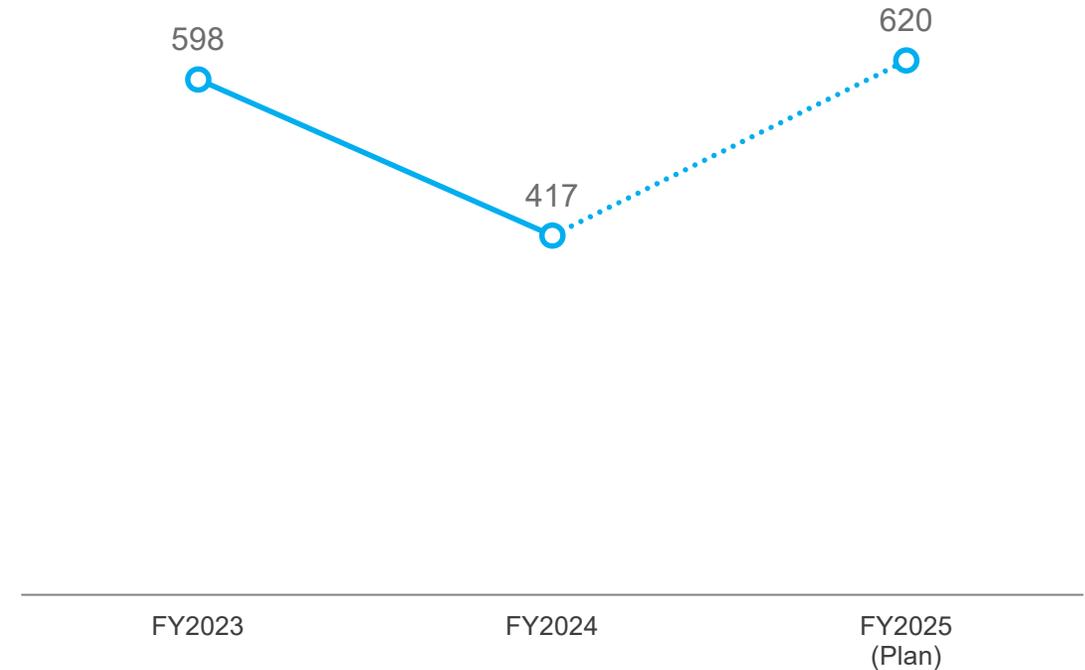
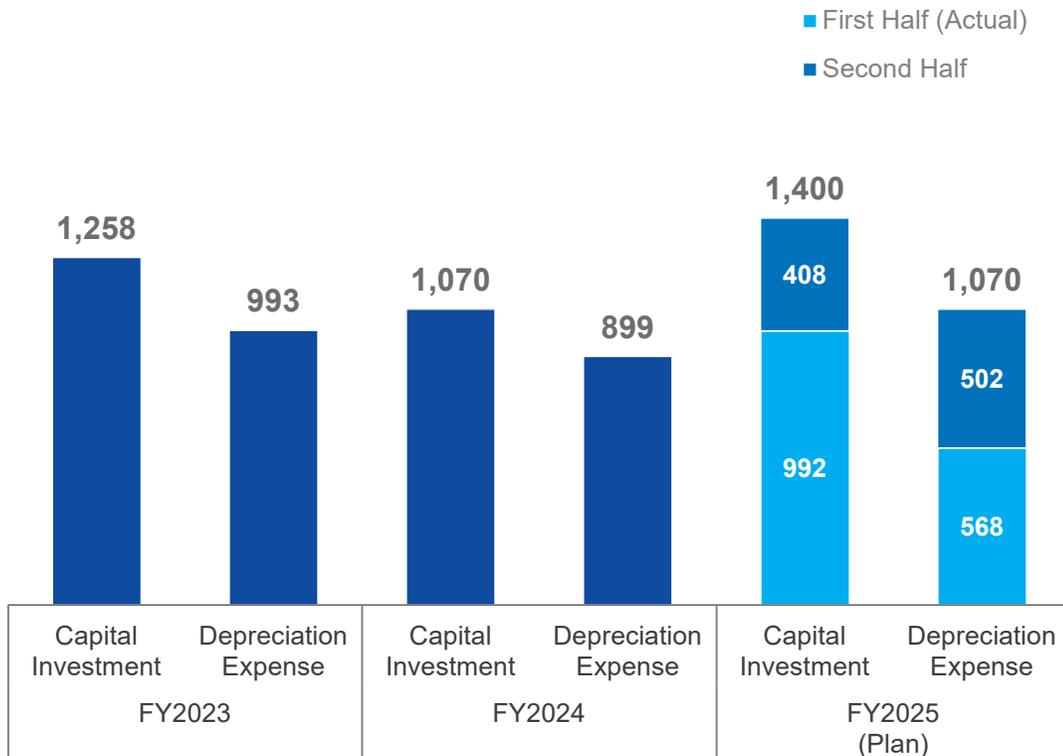
Capital Investment, Research and Development



- In addition to capital investment in KEL Zhuhai, we plan to make upgrades and conduct rationalization at facilities at factories in Japan
- We plan to strengthen research and development into enhancing four products: floating, high-speed transmission, waterproof, and high-power

Capital Investment and Depreciation Expense (Millions of Yen)

Research and Development Expense (Millions of Yen)



Progress on Sales Strategy | Participation in Exhibitions



Actively participate in exhibitions in Japan and overseas, aiming to develop new sales channels

	Date	Region	Exhibition Name/Venue	Purpose
First Half	April 15–17, 2025	China	electronica China 2025 Shanghai New International Expo Center	Expand our business in the Automotive and industrial equipment markets
	May 21–23, 2025	Japan	Automotive Engineering Exposition 2025 YOKOHAMA PACIFICO Yokohama	Expansion of business in the Automotive equipment market
	July 16–18, 2025	Japan	Automotive Engineering Exposition 2025 NAGOYA Aichi Sky Expo	Expansion of business in the Automotive equipment market
Second Half	October 7–9, 2025	U.S.	The Battery Show North America 2025 Huntington Place	Expansion of business in the Automotive equipment market
	February 25–26, 2026 (tentative)	U.S.	DesignCon 2026 Santa Clara Convention Center	Expansion of business in the Telecommunication equipment market

Progress on Sales Strategy | Scenes from Exhibitions



electronica China 2025

Shanghai New International Expo Center



Automotive Engineering Exposition

2025 YOKOHAMA

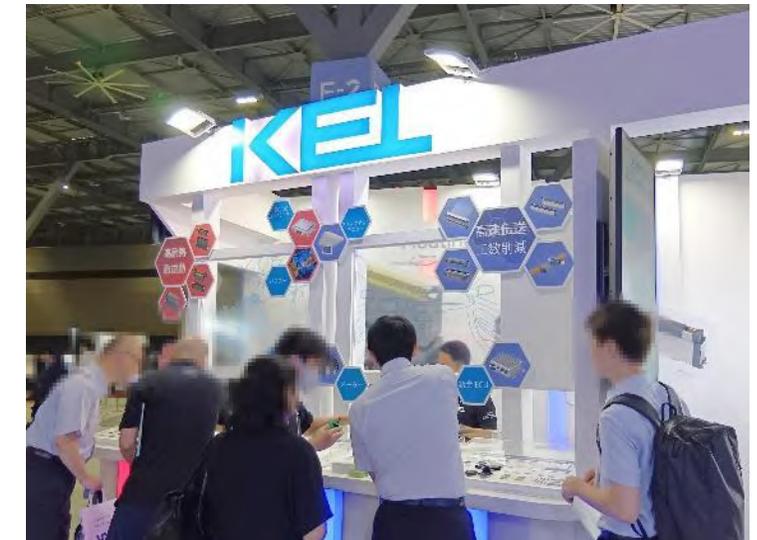
PACIFICO Yokohama



Automotive Engineering Exposition

2025 NAGOYA

Aichi Sky Expo



In recognition of our ongoing efforts, we obtained Silver Certification as an Excellent Company for Health Promotion



Certification number: No. 3622

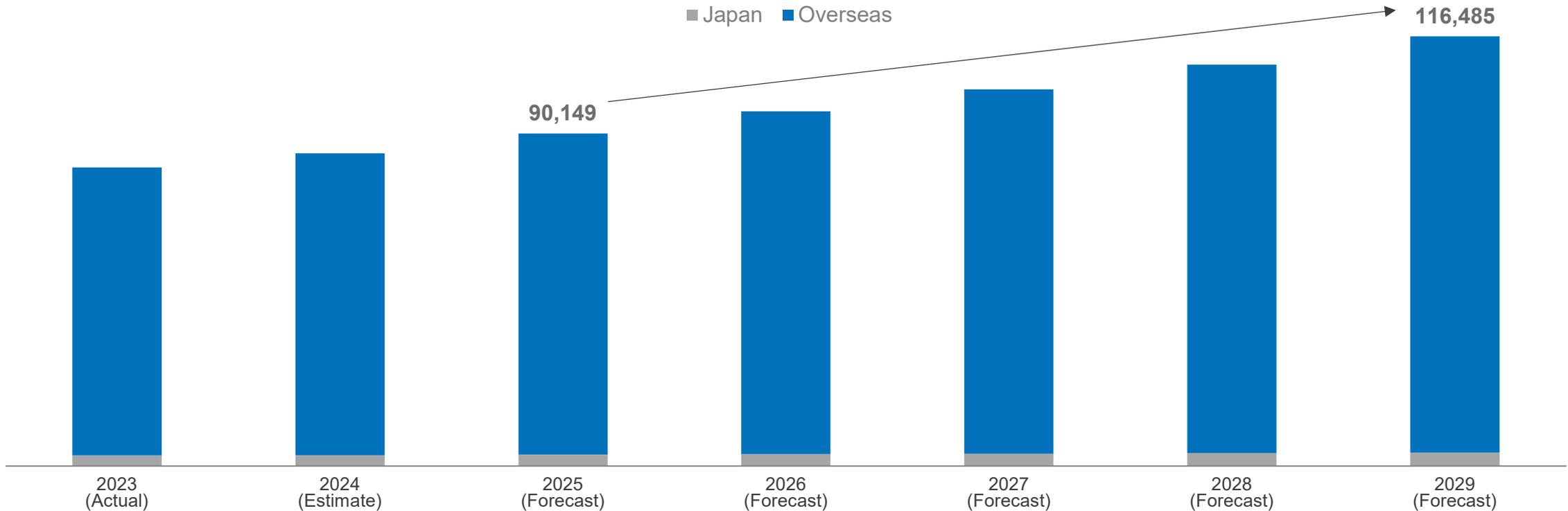
In support of the “Healthy Company Declaration” advocated by the Tokyo Federation of Health Insurance Societies, we launched an in-house “Health Promotion Project” to promote workplace wellness.

In addition to declaring the goal of achieving a 100% health checkup rate, the Group’s ongoing efforts across eight areas—utilizing health checkup results, utilizing specific health guidance, encouraging follow-up examinations, creating an environment that promotes wellness, and promoting a balanced diet, exercise, smoking cessation, and mental well-being—were recognized. On July 1, 2025, we obtained certification as an “Excellent Company for Health Promotion (Silver Certification)” (Certification No: No. 3622).

Connector Market

- The global connector market is projected to grow at a compound annual rate of 6.2% through 2029
- Japan accounts for approximately 3% of the total; strengthening overseas markets (large market size)

Global Connector Demand Forecast (Unit: 100 million yen)



Current Understanding of the Cost of Equity Capital

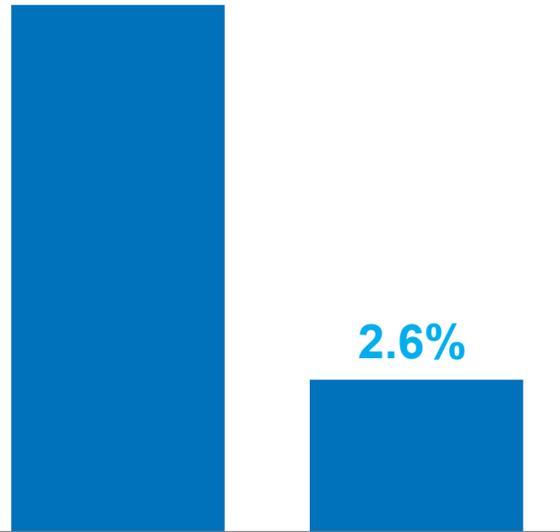


Based on CAPM and expected yield basis, we calculate our cost of equity capital to be roughly 8%

Cost of Equity Capital

(Our Current Understanding)

Roughly 8%

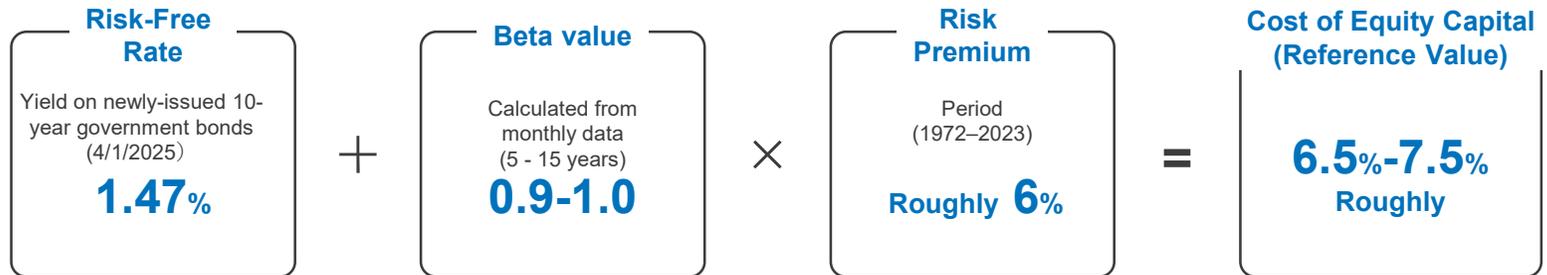


Cost of Equity Capital (Theoretical Basis)

FY2024 ROE

Cost of Equity Capital Calculation Factors

Estimate on a CAPM basis



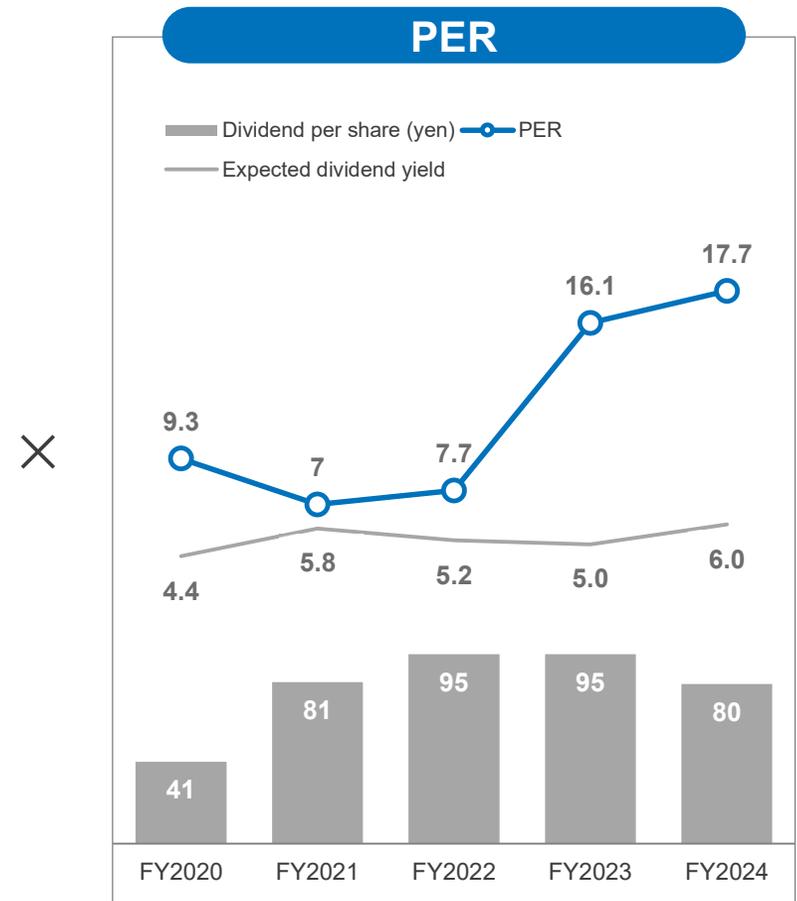
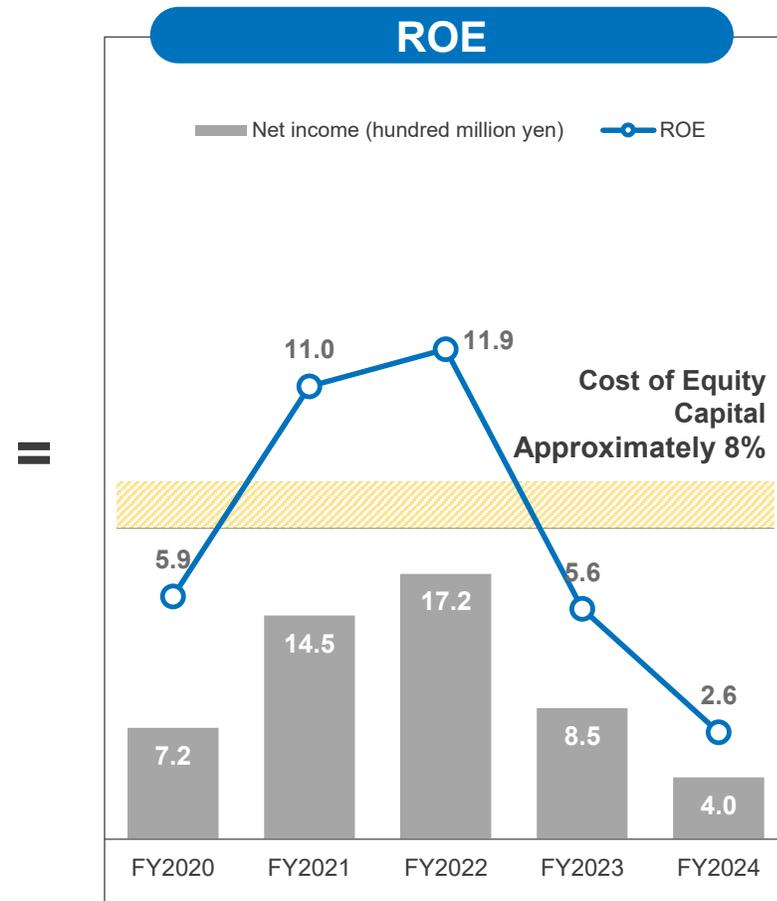
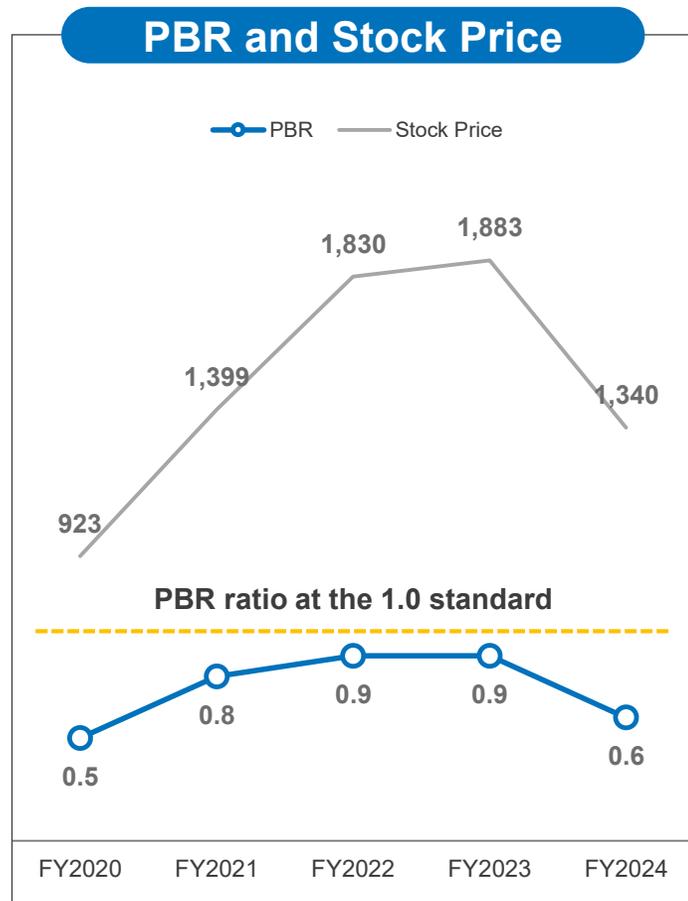
Estimated on an expected yield basis



Current Understanding



- ROE:** We estimate our cost of equity capital to be roughly 8% (CAPM: 6.5% - 7.5%; estimate from historical average of projected PER: 8.8%)
 Meanwhile, our FY2024 ROE was 2.6%, lower than our cost of equity capital and due primarily to an extend period of inventory adjustments for connectors
- PER:** PER increased due to stable dividend policy, but PBR decreased to 0.6x



Cash Allocation



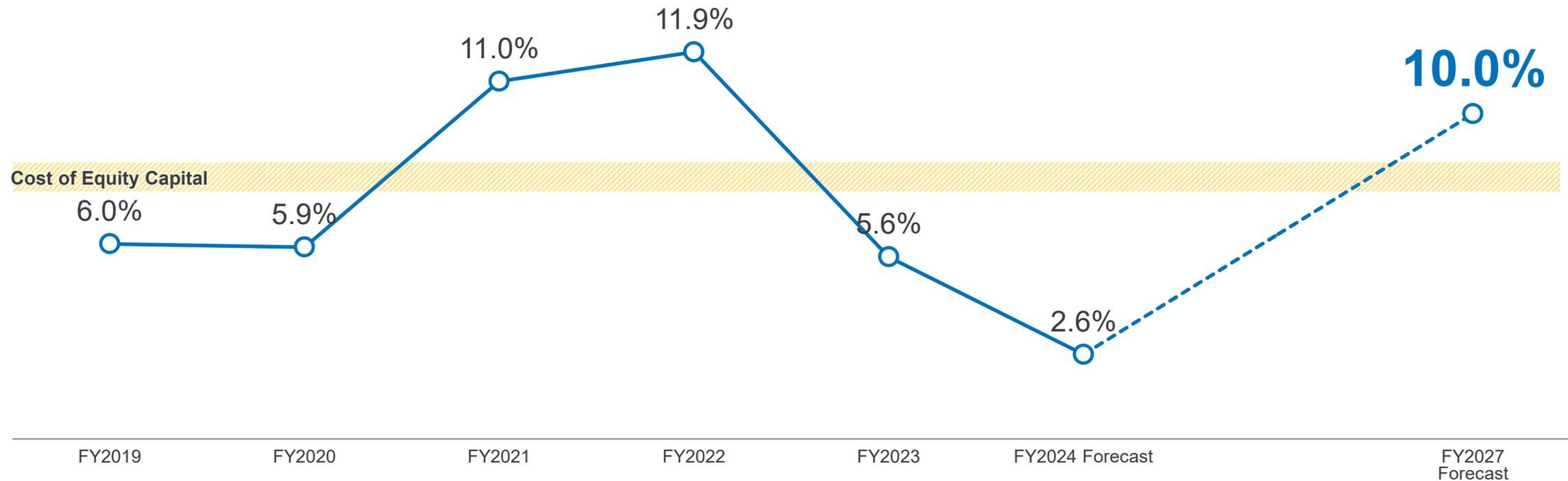
Cash inflow of 6,500 million yen for the three years beginning FY2025; use the same amount for capital expenditures and shareholder returns while keeping cash and deposits at the current level

Three-Year Cash Allocation



■ We calculate our cost of equity capital to be roughly 8% and plan ROE of 10.0% for FY2027, which is higher than our cost of equity capital

ROE (%)



Full-Year Consolidated Net Sales by Market and by Product



Unit: Millions of yen	Industrial Equipment		Automotive Equipment		Image Equipment		Amusement Equipment		Medical Equipment		Telecommunication Equipment, Other	
	FY2025 Q2	YoY	FY2025 Q2	YoY	FY2025 Q2	YoY	FY2025 Q2	YoY	FY2025 Q2	YoY	FY2025 Q2	YoY
Connectors	1,487	+280	1,451	(259)	668	(62)	648	+211	473	+18	609	(73)
Racks	347	(29)	3	+3	0	+0	0	(0)	254	(78)	57	+6
Other	42	(1)	-	-	0	(0)	37	+10	0	(0)	5	(0)
Total	1,878	+249	1,455	(256)	668	(62)	686	+222	727	(59)	673	(68)

*From Q2 FY2025, sockets are reclassified under "Other." The year-on-year figures of Other are the total of sockets and other products in the previous corresponding period.

(Consolidated) Full-Year Net Sales Forecast by Market, Net Sales Forecast by Product



Unit: Millions of yen	Industrial Equipment		Automotive Equipment		Image Equipment		Amusement Equipment		Medical Equipment		Telecommunication Equipment, Other	
	FY2025 (Forecast)	YoY	FY2025 (Forecast)	YoY	FY2025 (Forecast)	YoY	FY2025 (Forecast)	YoY	FY2025 (Forecast)	YoY	FY2025 (Forecast)	YoY
Connectors	3,520	+995	3,300	+166	1,000	(351)	625	(363)	950	+22	890	(356)
Racks	700	(7)	0	(3)	0	(2)	0	0	750	+23	100	+8
Other	80	+1	0	0	0	(1)	75	(1)	0	(1)	10	(3)
Total	4,300	+989	3,300	+163	1,000	(353)	700	(363)	1,700	+43	1,000	(351)

*From Q2 FY2025, sockets are reclassified under "Other." The year-on-year figures of Other are the total of sockets and other products in the previous corresponding period.

Financial Fact Sheet (Consolidated)



Unit: Thousands of yen	59 th Term	60 th Term	61 st Term	62 nd Term	63 rd Term	59 th Term 1H	60 th Term 1H	61 st Term 1H	62 nd Term 1H	63 rd Term 1H	64 th Term 1H
	FY2020	FY2021	FY2022	FY2023	FY2024	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Net sales (100%)	10,163,376	12,793,940	14,500,120	12,231,077	11,871,771	4,766,505	6,155,928	6,984,274	6,372,682	6,065,588	6,089,901
Cost of sales	7,423,950	8,633,419	9,936,350	8,953,391	8,935,697	3,509,601	4,183,429	4,617,537	4,560,781	4,475,733	4,771,200
Cost to sales ratio (%)	73.0%	67.5%	68.5%	73.2%	75.3%	73.6%	68.0%	66.1%	71.6%	73.8%	78.3%
Gross profit	2,739,426	4,160,520	4,563,769	3,277,686	2,936,073	1,256,904	1,972,498	2,366,737	1,811,900	1,589,855	1,318,701
Gross profit margin ratio (%)	27.0%	32.5%	31.5%	26.8%	24.7%	26.4%	32.0%	33.9%	28.4%	26.2%	21.7%
SG&A expenses	1,751,009	2,045,801	2,163,517	2,182,629	2,339,545	827,450	1,014,542	1,079,726	1,103,993	1,174,996	1,162,065
SG&A to sales ratio (%)	17.2%	16.0%	14.9%	17.8%	19.7%	17.4%	16.5%	15.5%	17.3%	19.4%	19.1%
Operating profit	988,416	2,114,719	2,400,252	1,095,056	596,527	429,453	957,956	1,287,010	707,907	414,858	156,635
Operating profit margin ratio (%)	9.7%	16.5%	16.6%	9.0%	5.0%	9.0%	15.6%	18.4%	11.1%	6.8%	2.6%
Ordinary profit	1,008,690	2,142,874	2,536,660	1,268,655	585,576	435,264	986,875	1,454,284	850,623	331,139	204,370
Ordinary profit margin ratio (%)	9.9%	16.7%	17.5%	10.4%	4.9%	9.1%	16.0%	20.8%	13.3%	5.5%	3.4%
Profit attributable to owners of parent	725,416	1,455,470	1,725,878	852,366	401,552	296,015	664,571	992,472	575,218	207,887	134,836
Profit margin ratio (%)	7.1%	11.4%	11.9%	7.0%	3.4%	6.2%	10.8%	14.2%	9.0%	3.4%	2.2%

Financial Fact Sheet (Consolidated)



Unit: Thousands of yen	59 th Term	60 th Term	61 st Term	62 nd Term	63 rd Term	59 th Term 1H	60 th Term 1H	61 st Term 1H	62 nd Term 1H	63 rd Term 1H	64 th Term 1H
	FY2020	FY2021	FY2022	FY2023	FY2024	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Total assets	15,958,193	18,385,914	19,678,059	18,924,258	18,605,346	15,063,641	17,130,569	19,215,763	19,562,078	18,347,472	18,545,239
Current assets	9,934,707	12,272,586	13,300,383	12,019,979	11,541,717	9,087,604	10,982,309	13,059,349	12,669,292	11,557,199	11,411,614
Cash and deposits	4,393,462	5,210,267	5,140,192	5,342,048	4,878,090	3,890,153	4,656,379	4,910,029	5,417,437	5,064,226	4,684,344
Notes and accounts receivable-trade	3,548,735	4,501,396	5,322,871	4,113,456	4,074,356	3,254,870	4,140,933	4,925,384	4,664,008	3,765,507	4,140,690
Inventories	1,472,636	2,255,785	2,550,882	2,261,905	2,226,536	1,436,646	1,825,576	2,832,952	2,299,482	2,387,867	2,255,325
Other current assets	519,872	305,134	286,435	302,569	362,734	505,933	419,418	390,981	288,365	339,595	331,255
Total non-current assets	6,023,486	6,113,328	6,377,676	6,904,279	7,063,629	5,976,073	6,148,260	6,156,413	6,892,786	6,790,272	7,133,625
Current liabilities	2,967,075	4,039,076	4,147,357	2,977,690	2,876,290	2,463,280	3,510,119	4,240,172	3,671,084	2,614,584	2,766,030
Notes and accounts payable-trade	1,695,228	2,242,832	2,400,708	1,771,856	1,539,901	1,438,970	1,996,296	2,431,704	2,192,764	1,436,288	1,644,509
Short-term borrowings (including current portion of long-term borrowings and bonds payable)	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000
Total non-current liabilities	496,865	492,663	489,740	555,868	504,524	493,651	485,140	491,758	515,400	522,570	549,099
Long-term borrowings (including bonds payable)	-	-	-	-	-	-	-	-	-	-	-
Total net assets	12,494,253	13,854,174	15,040,961	15,390,700	15,224,531	12,106,709	13,135,309	14,483,831	15,375,594	15,210,317	15,230,110
Share capital (thousand yen)	1,617,000	1,617,000	1,617,000	1,617,000	1,617,000	1,617,000	1,617,000	1,617,000	1,617,000	1,617,000	1,617,000
Number of shares issues (shares)	7,743,000	7,743,000	7,743,000	7,743,000	7,743,000	7,743,000	7,743,000	7,743,000	7,743,000	7,743,000	7,743,000
ROE (%) on average balance basis	5.9%	11.0%	11.9%	5.6%	2.6%	-	-	-	-	-	-
EPS (yen) on end-of-year basis	99.82	200.29	237.51	117.30	55.24	-	-	-	-	-	-
ROA (%) on average balance basis	6.5%	12.5%	13.3%	4.4%	2.1%	-	-	-	-	-	-
BPS (yen) on end-of-year basis	1,719.42	1,906.57	2,069.89	2,118.02	2,093.88	-	-	-	-	-	-
Dividend per share (yen)	41.0	81.0	95.0	95.0	80.0	1.8	20.0	40.0	47.0	40.0	40.0
Employees (full-time)	301	301	306	318	315	307	305	308	319	335	342

Contribute to an abundant, sustainable society with connector technology.



ESG	Materiality	Initiative	Related SDGs
<p>E: Environmental</p> 	<p>Respond to climate change, including resource recycling and natural environment preservation</p>	<p>Response to climate change</p> <hr/> <p>Resource recycling/natural environment preservation</p>	 <hr/>   
<p>S: Social/Human Resources</p> 	<p>Create organizations in which diverse human resources thrive and enjoy well-being</p> <hr/> <p>Conduct business activities that solve social issues</p>	<p>Workforce diversity/well-being</p> <hr/> <p>Community safety and security</p> <hr/> <p>Development and manufacture of products that support daily living around the world</p>	     <hr/>   <hr/>   
<p>G: Governance</p> 	<p>Strengthen governance to improve quality, safety, and customer satisfaction</p>	<p>Governance</p> <hr/> <p>Dialogue with stakeholders</p>	  <hr/> 

Cautionary Note Regarding Forward-Looking Statements



This presentation is intended to provide information on securities investment and is not intended as a solicitation to invest. This presentation contains forward-looking statements that include plans, policies, and management strategies. These forward-looking statements are based on projections, plans, etc., prepared in light of information currently available, and such information is subject to uncertainties. Accordingly, actual results may differ from these statements due to changes in various factors.

We urge the reader to refrain from making investment decisions based solely on the information contained in this presentation. Also, understand that investment decisions are at the reader's sole discretion. KEL Corporation is not liable for any losses incurred in connection with any investment.

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