Creating for the Future

Innovating new ideas today. Becoming the norms of tomorrow.

Small Meeting for the Fiscal Year ended March 2026

June 12, 2026

SWCC Corporation

TSE PRIME: 5805

Today's Agenda and Speakers

1. FY2026 Forecasts

Executive President and Representative Director (CEO)

Tetsuo Komata

2. Growth Strategy for the Power Infrastructure Business

Senior Executive Officer, Supervising Business Segments

Yukio Kawase

3. TOTOKU's Business Strategy

Executive Officer/ President and Representative Director, TOTOKU INC.

Takashi Yamamura

1 FY2026 Forecasts

FY2026 Full Year Forecasts

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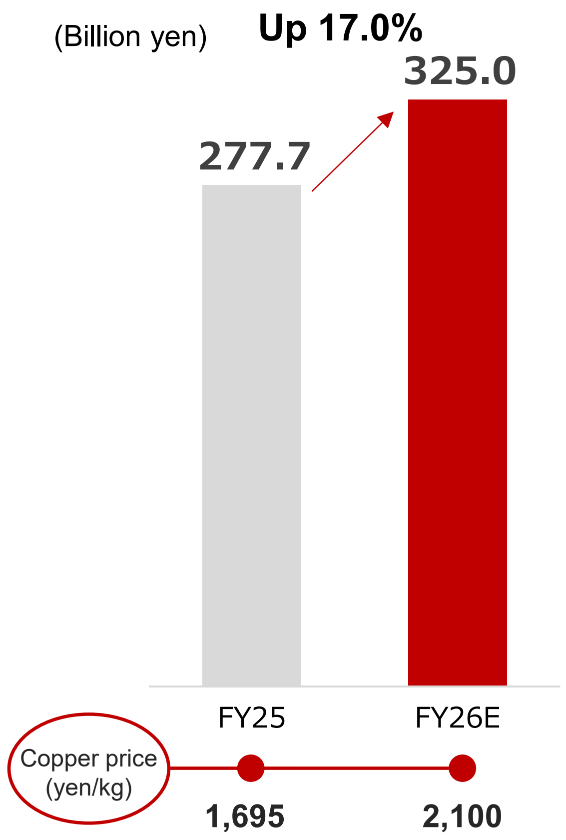
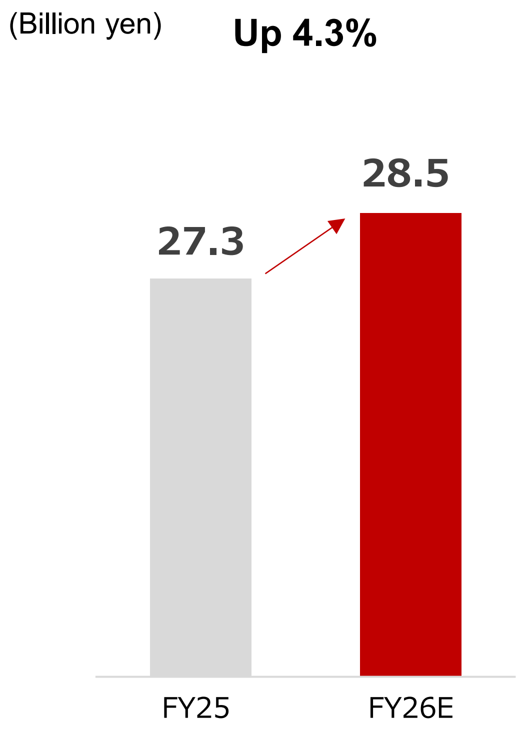
In FY2026, the first year of the new Mid-term Management Plan, **we plan for increased net sales and operating profit** due to expanded sales in growth businesses. Dividends are planned to **increase by 27 yen compared to FY2025, totaling 250 yen for the full year.**

Net sales



Operating profit



Ordinary profit

27.9 billion yen (YoY: 6.8% increase)

Profit attributable to owners of parent

18.5 billion yen (YoY: 1.8% decrease)

Dividend/ Payout ratio

250 yen / 40% (YoY: 27 yen increase)

Interim: 110 yen Year-end: 140 yen Total: 250 yen

ROIC

13.8% (YoY: 0.3 pt. increase)

FY2026 Recognition of Business Environment

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Situation in the Middle East

Global economic uncertainty continues due to the tense situation in the Middle East.
Concerns include rising energy and raw material prices and supply chain disruptions.
In particular, we are closely monitoring the impact on plastic materials for cables.
While we are working to pass on higher raw material prices etc. to sales prices, we anticipate that it will be difficult to apply this to existing contracts, and a certain impact on performance has already been factored in.
On the other hand, while uncertainty continues regarding supply chain disruptions, we do not anticipate a significant impact at present.

Supply chain disruptions have eased since June

Recognition of Business Environment

Growth businesses	Power Infrastructure	Power grid strengthening, renewable energy, and data center related businesses are expected to remain strong.
	Communication (Overseas)	Rapid expansion for overseas Hyperscale Data Centers (HSDCs) due to generative AI demand.
	Semiconductors	Semiconductor-related businesses are robust with strong demand for AI-related applications.
Cash cow business	Construction (Energy and Communication)	Although there are concerns about demand suppression due to work-style reforms at construction sites and soaring material prices, solid demand is anticipated.
Renovative and Challenged Businesses	Mobility	The xEV-related business is sluggish due to delays in BEV adoption. Seat heater installation rates are trending upward.
	Industrial Applications	Sluggish demand continues. Price competition is intensifying for China-bound products.

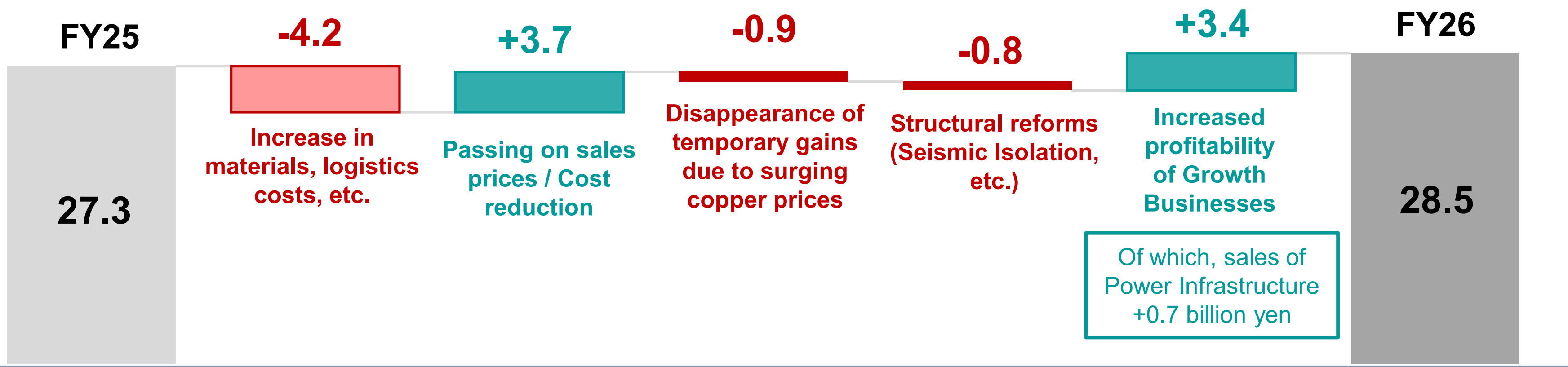
FY2026 Change Factors (YoY)

Change factors for net sales

(Unit: Billion yen)

Change factors for operating profit

(Unit: Billion yen)



[Change factors]

1. Net sales

Net sales are expected to increase YoY due to soaring copper prices and increased sales in growth businesses.

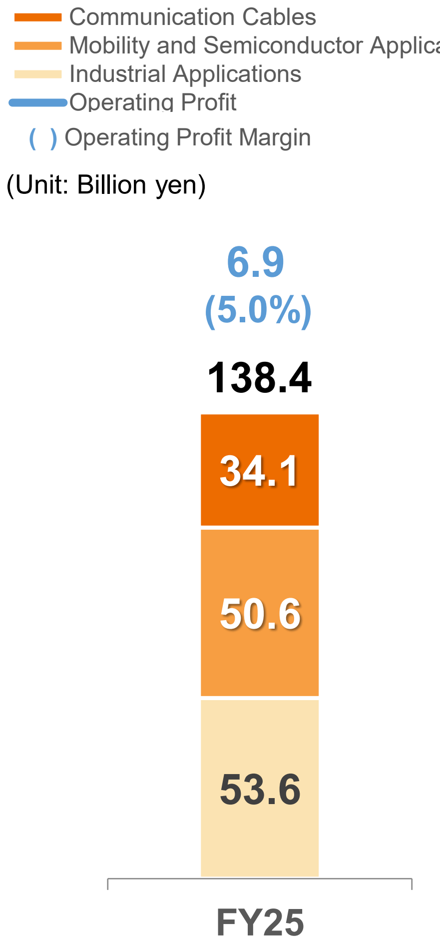
2. Operating profit

Increased material costs due to the Middle East situation will be covered by passing on sales prices (excluding existing contracts).
Although temporary gains from surging copper prices will disappear, **operating profit will increase YoY** due to expanded profitability in growth businesses.

Reorganization of Subsegments within the Communication and Components Business

Subsegments have been reorganized in line with the business portfolio review under the Medium-Term Management Plan.

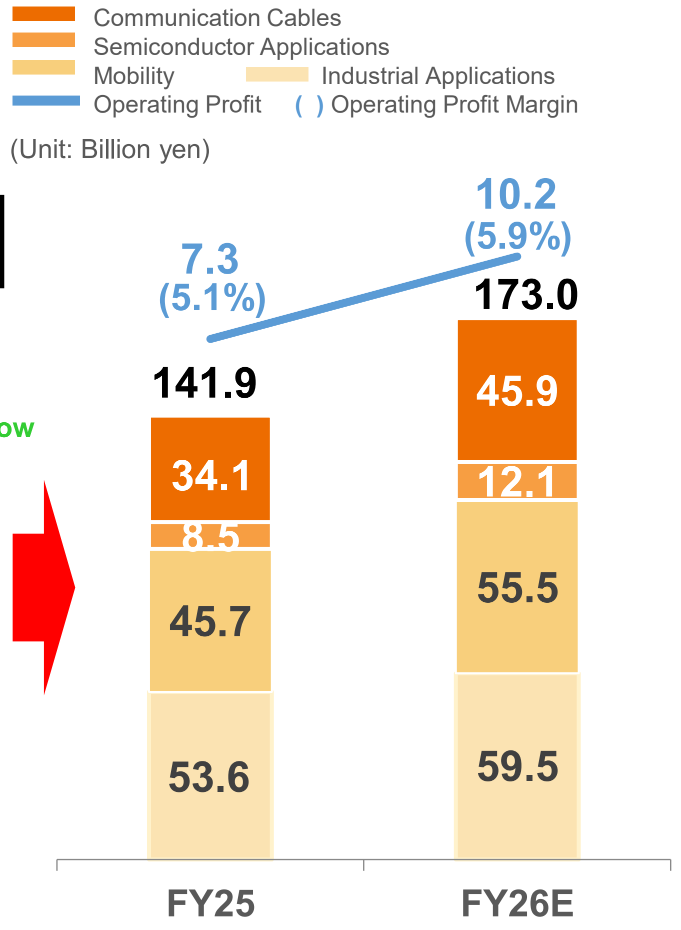
Communication and Components Business



Former Subsegments	New Subsegments	Portfolio Positioning
Communication Cables	Communication Cables	Overseas: Growth Construction: Cash Cow
Mobility and Semiconductor Applications	Semiconductor	Growth
	Mobility	Renovative
Industrial Applications	Industrial Applications	Challenge
Seismic Isolation/ Others,		

Seismic Isolation
Semiconductor-Related Products

Communication and Components Business



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2 Growth Strategy for the Power Infrastructure Business

Growth Strategies for the Power Infrastructure Business

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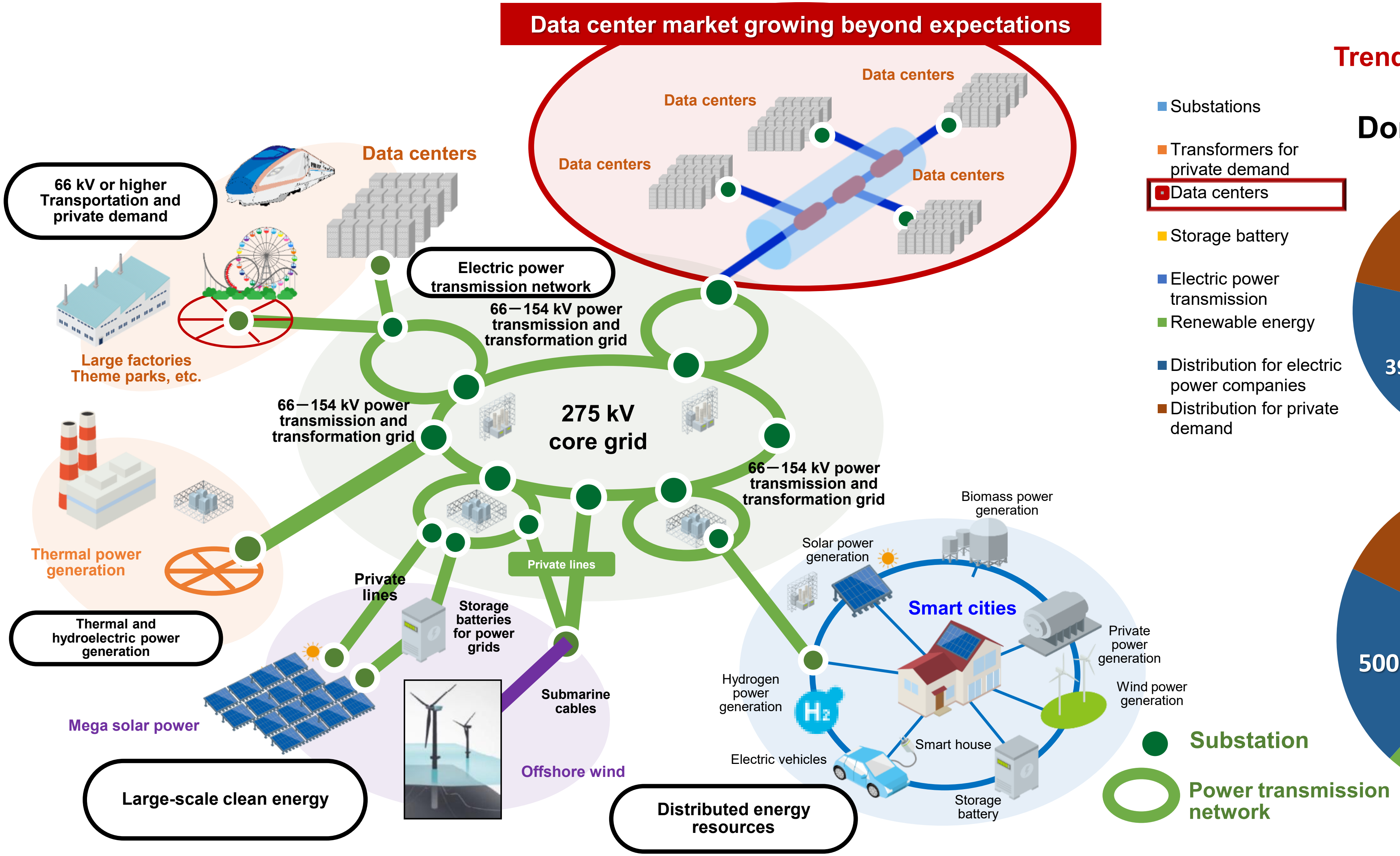
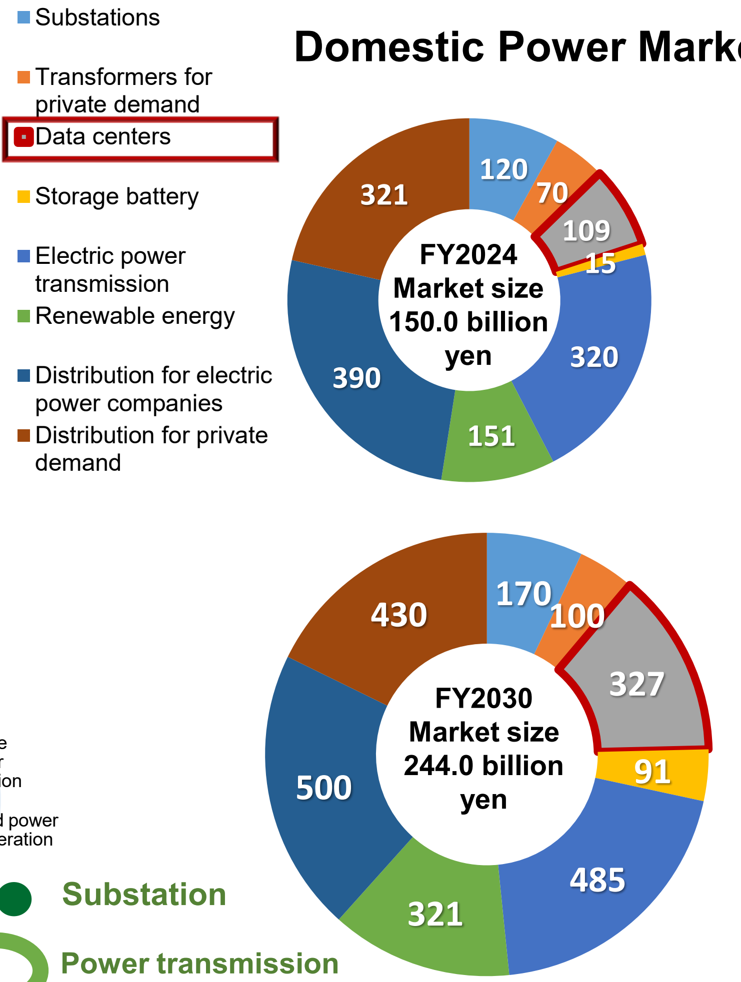


Trend in expected market size

* SWCC estimate



Power Infrastructure Business:
Our Strengths in the Data Center Market

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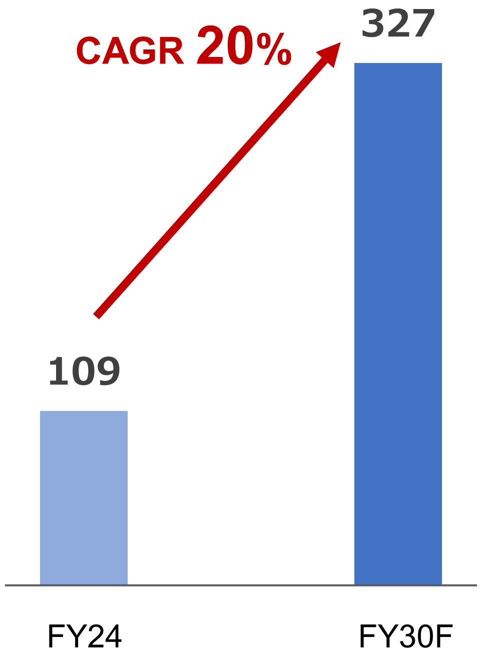
Demand for data center (DC) expansion continues to accelerate, and the hyperscale data center (HSDC) market is expected to grow further going forward.

Power Market for Data Centers

*Based on the Company's assumptions



Demand for HSDCs is expected to expand further

Challenges in Data Center Construction

- ▶Rapid increase in construction demand
- ▶Shorter construction schedules
- ▶Securing sufficient construction personnel

SICONEX Series

"Y-Branch Joint"

"e-Cable"

"SICOPLUS"

Strengths of Our Products

スペース縮小 1/2Size	軽量化 1/4Weight	構造の簡素化（部品数削減） 1/2Pcs	スキルレス化 Skill-less

Domestic market share in the 66kV segment: Approximately 90%

構造の簡素化（部品数削減） 1/2Pcs	スキルレス化 Skill-less

Reduces installation time to approximately one-fourth

SICOPLUS

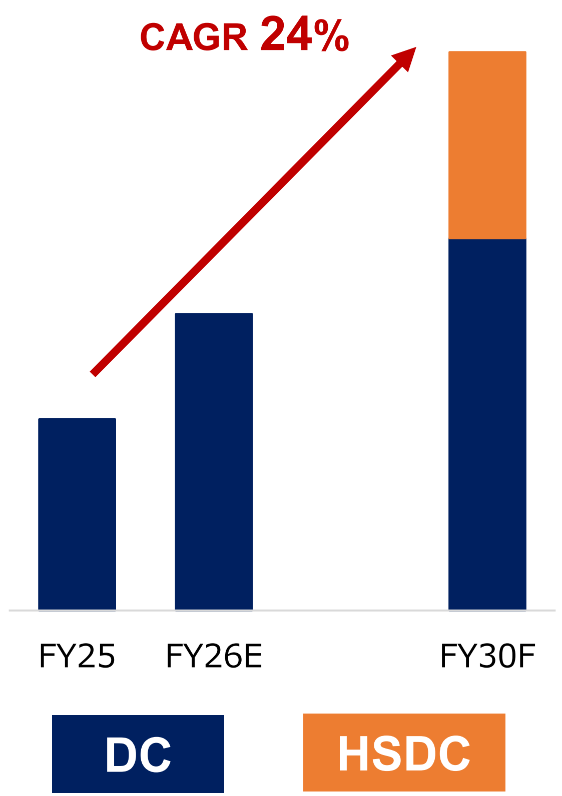
Enables rapid skills acquisition
Training period shortened from **three years to three months**

Power Infrastructure Business:
Growth Strategy for the HSDC Market

To address growing demand for extra-high-voltage (154kV) power supply systems in HSDC construction projects, we aim to develop 154kV products and capture higher-value-added opportunities.

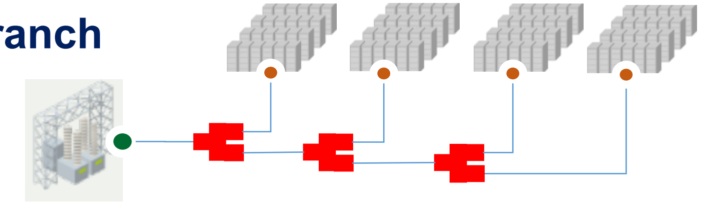
	DC	HSDC
Relative Power Demand *Current level = 1	1	4-5
Receiving Voltage Class	66kV	154kV

Projected Sales from Data Centers



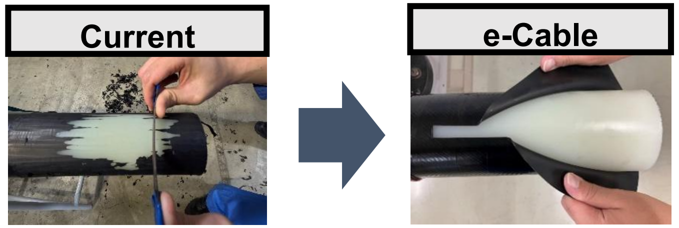
Our 154kV Solutions

Expansion of Y-Branch Joint lineup



Scheduled launch in 2028

Expansion of e-Cable lineup



Already launched in 2025

Shift of Construction Personnel Toward Higher Voltage Applications

Shift toward higher-value-added fields

Partner Company Construction Personnel

Special High-Voltage Range: 66/77kV

Extra-High-Voltage Range: 154/275kV

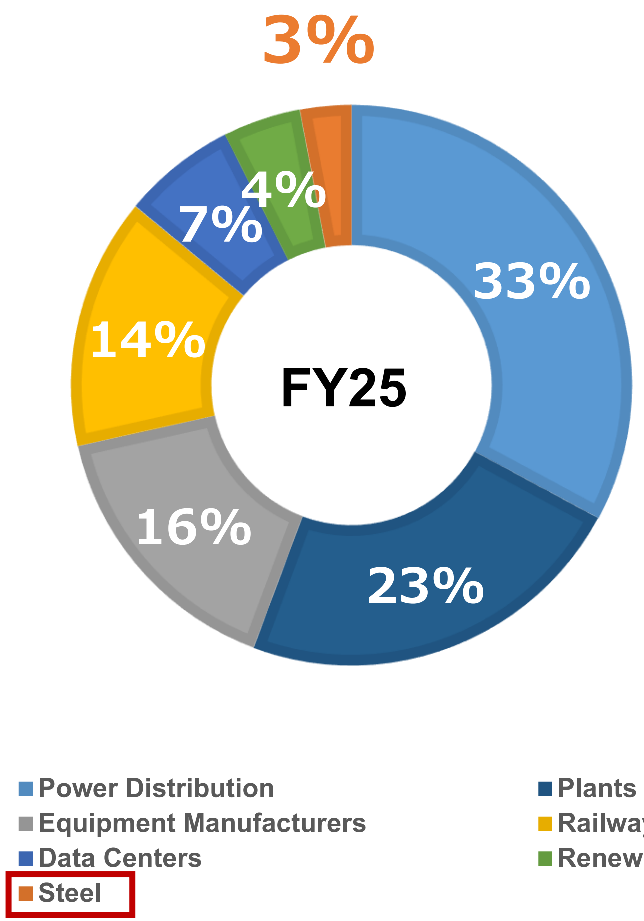
Our Company Construction Personnel

SICOPLUS

Double by 2030

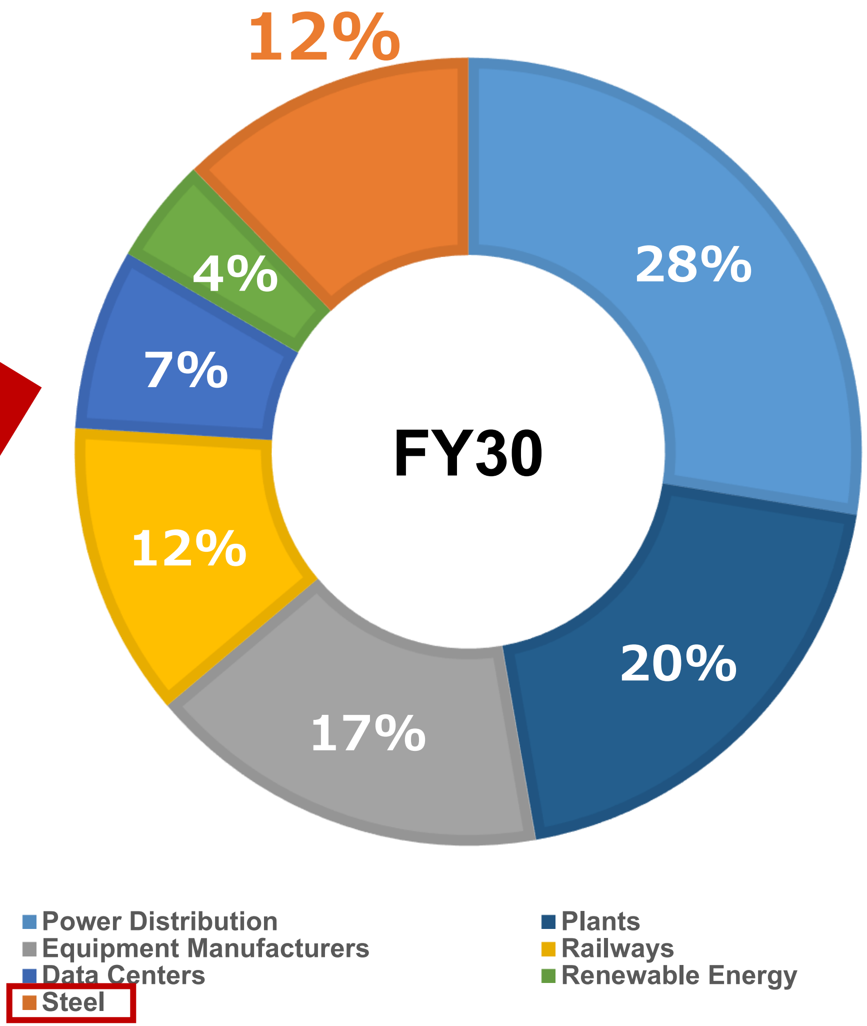
*Number of personnel capable of 154kV installation work (FY2023–FY2030)

Breakdown of Our Sales and Share in the Private-Sector Market



Steel segment expected to expand approximately fivefold

* The overall private-sector market is expected to expand by approximately 1.2 times.



Private-Sector Market: Strategy for OF*1-to-CV*2 Cable Replacement in the Steel Industry

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Opportunity

Aging OF Cable Replacement

- **Cable manufacturers have discontinued OF cable production.**
- **Electric utilities have decided to replace OF cables with CV cables by 2045.**
- **Steel manufacturers also operate a large number of OF cables, creating significant replacement demand.**

Expanding Demand for OF-to-CV Cable Replacement

Challenge

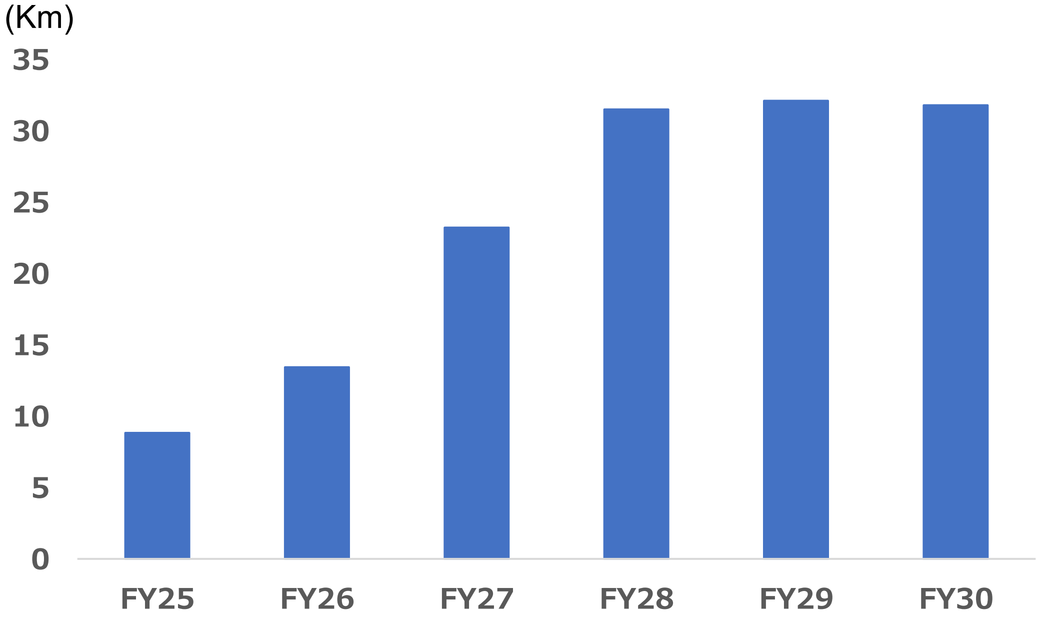
Shortage of engineering expertise and construction personnel for large-scale projects

Strategy

SWCC will provide a comprehensive solution covering engineering, manufacturing, installation, and maintenance.

●OF-to-CV Cable Replacement Plans at Steel Manufacturers

* Source: Company research



Estimated Market Size (FY2028 and Beyond)
¥5.0 billion per year

*1 OF Cable (Oil-Filled Cable): A cable insulated by oil-impregnated paper wrapped around the conductor and enclosed in a metal pipe filled with insulating oil.
*2 CV Cable (Cross-linked Polyethylene Cable): A cable insulated by cross-linked polyethylene covering the conductor.

Private-Sector Market: Strategy for the Shift to Electric Arc Furnaces in the Steel Industry

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Opportunity

Transition from Blast Furnaces to Electric Arc Furnaces

Decarbonization (GX) policies are accelerating the shift toward electric arc furnaces
One electric arc furnace requires power capacity comparable to one power plant

Growing Demand for Extra-High-Voltage Infrastructure

Challenge

Shortage of engineering expertise and construction personnel for large-scale projects

Challenge

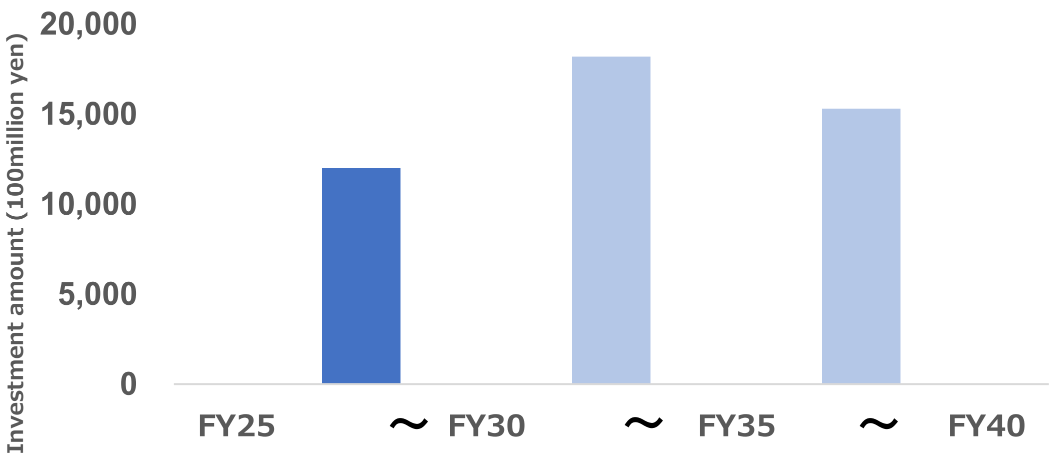
SWCC will provide a comprehensive solution covering engineering, manufacturing, installation, and maintenance.

● Major Domestic Electric Arc Furnace Investment Plans

Domestic investment projected to reach approximately ¥1.2 trillion by 2030
Expected to continue for more than ten years

Electric Arc Furnace Market Forecast

* Source: Company research



Estimated Market Size (FY2028 and Beyond)
¥5–10 billion per year

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3 TOTOKU's Business Strategy

Initiatives Under the New TOTOKU Management Structure

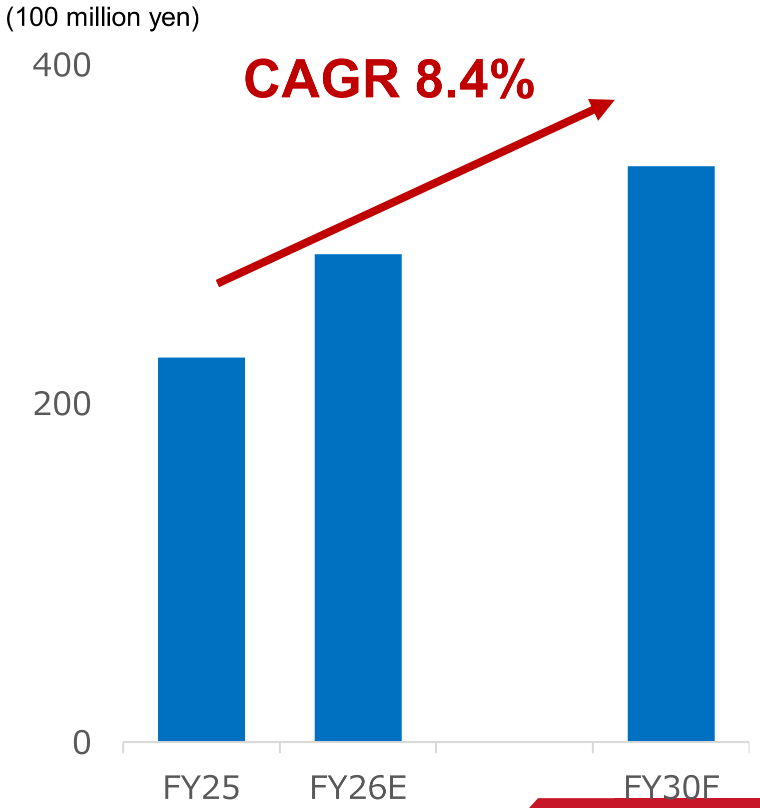
Three Key Initiatives

New Product Development and Sales Expansion
Price Optimization and Customer Portfolio Optimization
Structural Reform and Optimal Talent Allocation

Maximizing the Use of SWCC Group Resources

Subsegment	Application	Products
Semiconductor	Semiconductor Test Fixtures	**Contact Probes**
	Semiconductor inspection equipment	**RUOTA**
	AI Servers	**TIW**
Mobility	Automotive Seat Systems	Seat Heater Wires
Industrial Applications	Electric Blankets and Carpets Toilet Seats	Heater Wires and Processed Products

TOTOKU Sales Plan



Strategic Semiconductor Product (1): Contact Probes

To address growing demand for AI semiconductors, TOTOKU is accelerating market expansion and capacity enhancement by leveraging its strengths in materials and processing technologies.

Contact Probes

Inspection Process

Front-End Process	Back-End Process
Silicon Wafer	Package Substrate

Cobra Probes MEMS Probes Cantilever Probes Wire Probes

Strengths: **Ultra-fine diameters/Diverse conductor materials**

Market Share: **35% (FY2025)**
*Estimated wire probe market share based on Company assumptions

Major Customers: **Semiconductor test fixture manufacturers**

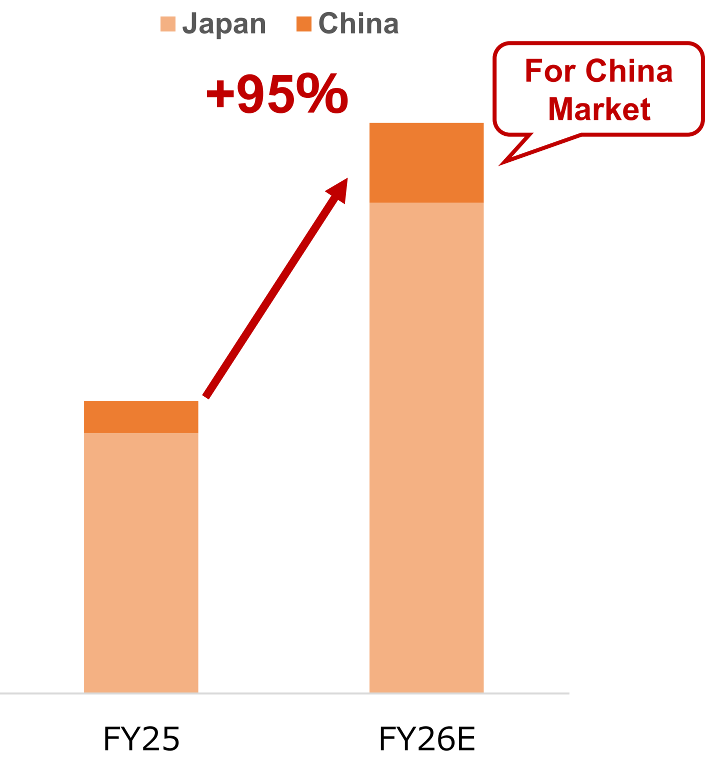
Business Environment

- Inquiries are increasing amid strong demand for AI semiconductors.
- Demand from domestic customers has recovered since the second half of the previous fiscal year.
- **New customer acquisition in China is expanding rapidly.**

FY2026 Initiatives

◎ **Production capacity expansion investment of 1.5× YoY**
◎ **Expanded manufacturing capacity at the China site**
◎ **Launch of front-end process development products**

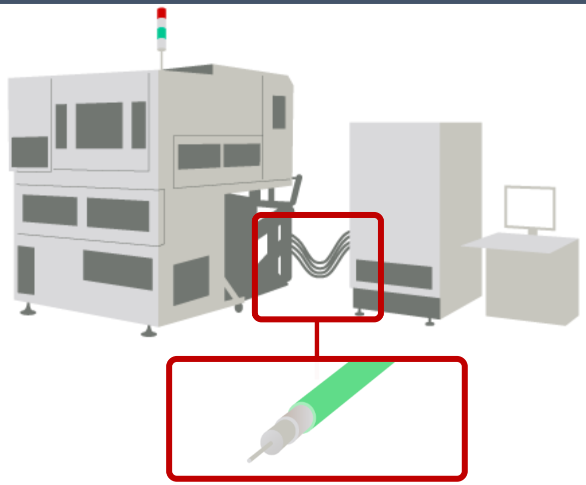
Contact Probe Sales Plan



Strategic Semiconductor Product (2): RUOTA High-Performance Coaxial Cable

Demand from leading semiconductor test equipment manufacturers continues to grow, prompting further investment **to expand production capacity.**

RUOTA High-Performance Coaxial Cable



Strengths

20% diameter reduction versus conventional products
Weight reduction/Lower transmission loss

Major Customers

Leading semiconductor test equipment manufacturers

Business Environment

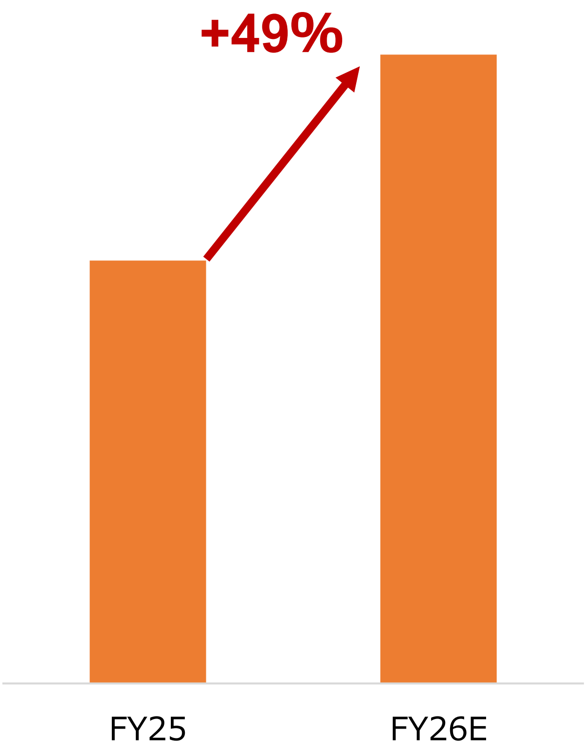
- **Adopted in key testing systems of leading manufacturers**
- **Orders are increasing rapidly due to strong semiconductor test equipment demand**
- **Demand is expected to remain strong through FY2030**

FY2026 Initiatives

◎ **Production capacity investment increased to 4× the prior-year level**

◎ **Expansion of sales to new customers**

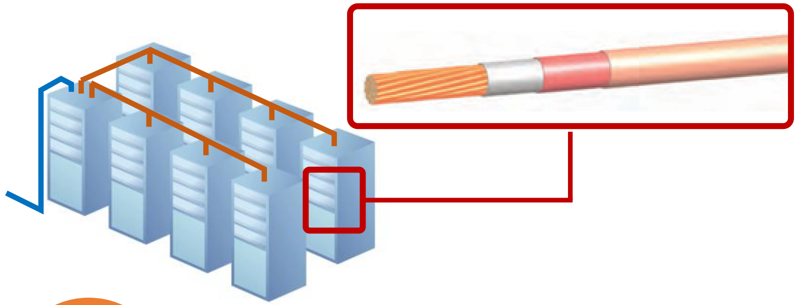
RUOTA Sales Plan



Strategic Semiconductor Product (3): Triple Insulated Winding Wire (TIW)

Demand for AI servers is growing rapidly. As high-capacity power transformers become smaller, demand is increasing for TIW, which offers a smaller diameter and superior heat resistance.

Triple Insulated Winding Wire (TIW)



Strengths: **Smaller diameter/Superior heat resistance**

Market Share: **35% (FY2025)**
* Company estimate for server applications

Major Customers: **Leading Switch-Mode Power Supply transformer manufacturers**

Business Environment

● Rapid expansion of the AI server market is driving:
- Higher power consumption
- Miniaturization of high-capacity power transformers
- Greater demand for high heat resistance

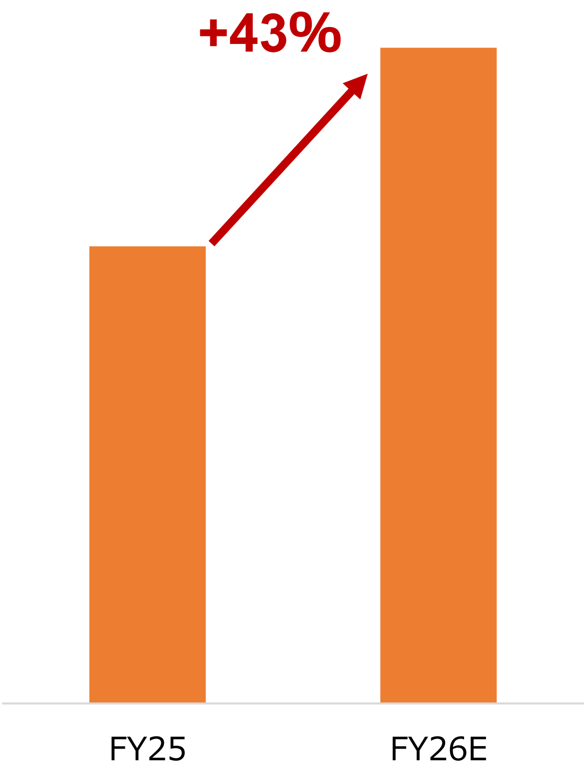
● **Orders are exceeding initial expectations.**

FY2026 Initiatives

◎ **Production capacity investment of 1.5× YoY**

◎ **Evaluating the establishment of a production system at the China site**

TIW Sales Plan



TOTOKU's Growth Strategy and Structural Reform

We aim to grow operating income by expanding sales of growth businesses, strengthening manufacturing capabilities, and streamlining the organization.

Expansion of Growth Businesses
Business Portfolio Restructuring

Semiconductor

SWCC Materials Technologies
×
TOTOKU Processing Technologies

Expansion Across Multiple Applications
Enhancement of Production Capacity

Mobility

Seat Heaters
Consolidation of Manufacturing Sites

Unified TOTOKU Brand Identity

+

Organizational Streamlining

Utilization of SWCC Group Management Resources

Operational Optimization and Workforce Reallocation

=

Operating Profit: Improvement of ¥1.5 billion YoY

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Appendix

Overview of the Transfer of Shares in Consolidated Subsidiary AXIO Corporation (Released on May 28)

To accelerate the expansion of growth businesses through business portfolio optimization and growth investments, SWCC has agreed with Yokogawa Rental & Lease Corporation to transfer all shares held in AXIO corporation, a consolidated subsidiary of the Company, and has entered into a share transfer agreement. As a result of this transaction, AXIO will be excluded from the scope of SWCC's consolidated subsidiaries.

[Current Structure]

100% ownership

[Planned Structure] (July 1, 2026)

Yokogawa Rental & Lease Corporation

100% ownership

Outlook: The impact of the share transfer on consolidated financial results, excluding net income attributable to owners of the parent, is expected to be minimal. The impact on net income attributable to owners of the parent is currently under review.

Growth businesses

Business Plan for Power Infrastructure Business

Market Forecast FY2026-FY2030

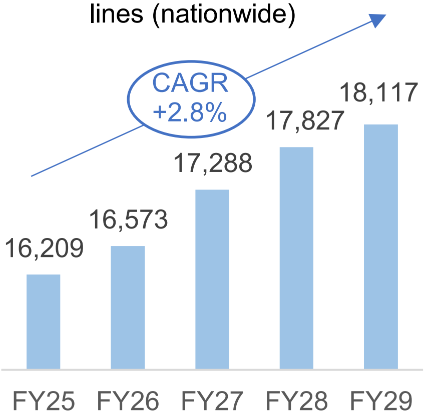
Opportunities

Expansion of power demand associated with expansion of data centers and renewable energy sources, replacement of aging power cables (oil-filled insulating cables)

Risk

Insufficient construction capability due to labor shortages and difficulties transferring technology, entry to domestic power transmission and distribution market by overseas manufacturers

Market growth forecast
(10,000 kw)
Applications for extra-high voltage lines (nationwide)



Source: Produced by SWCC based on data published by the Transmission and Distribution Grid Council about demand for extra-high-voltage lines based on applications being accepted (as of end of September 2025)

Basic Strategy

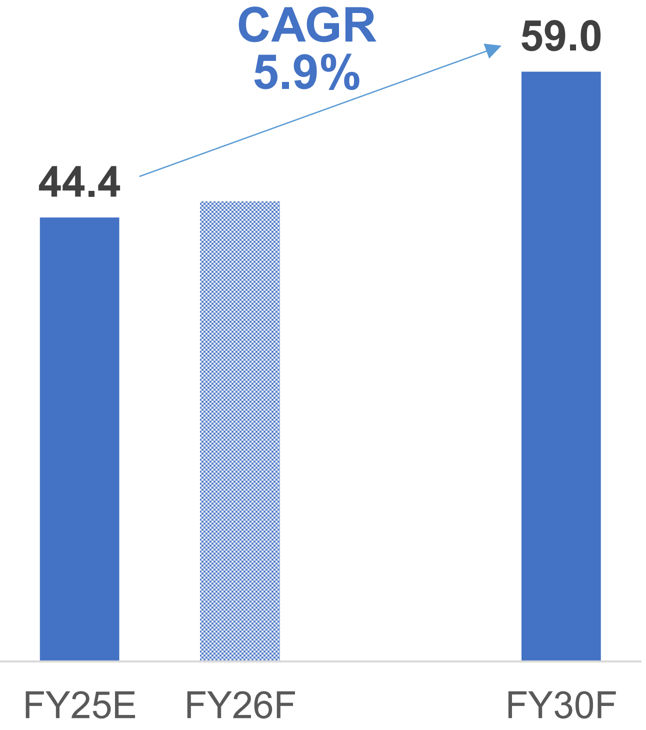
Strategy I. Establishing de facto standards in the domestic transformer distribution market

Strategy II. Tapping into new demand in the domestic power transmission and overseas markets

Strategy III. Proposing solutions to issues faced by electric power market

Net sales target under Medium-term Management Plan

(billion yen)



	FY25E	FY30F
Expected price of copper (yen/kg)	1,700	→
ROIC	25%	28%

Capital investment plan

FY26F-30F
Total investment: 10 billion yen

(Reference)
FY22-25E
Total 5.1 billion yen

Growth businesses

Growth Strategies for the Power Infrastructure Business

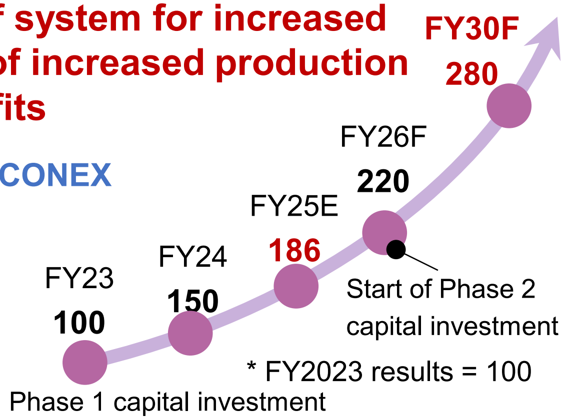
Strategy I — Establishing de facto standards in the domestic transformer market

I. Further expansion in market share of SICONEX

✓ Completion of establishment of system for increased production (FY2026) and start of increased production
✓ Adoption of SICONEX for retrofits

Expected Trend in Market Share of SICONEX

	FY25	FY30
Substations	68%	90%
Transformers for private demand	93%	95%



II. Development of new products

✓ Provision of monitoring services using SICONEX with sensors
✓ Strengthening of price competitiveness through the development and introduction of next-generation SICONEX

III. Solutions for insufficient construction capability

✓ Widespread adoption of e-Cable
✓ Enhancement of SICOPLUS

Strategy II — Tapping into new demand in the domestic power transmission market

i. Capture of demand for replacement of aging equipment (OF ⇨ CV)

✓ Meeting of demand for replacement of 66–54 kV transmission systems
✓ Proposal of shortened construction period through adoption of new construction method
✓ Proposal of shortened construction period through adoption of products developed in collaboration with overseas manufacturers

II. Introduction of new services to win data center, renewable energy and battery storage projects

✓ Proposal of shortened production period through 154kV Y branch connectors
✓ Widespread adoption of e-Cable

III. Expansion into overseas markets

✓ Sales expansion through the development and introduction of next-generation SICONEX

Growing Demand for Data Centers (DCs) and Required Power Capacity

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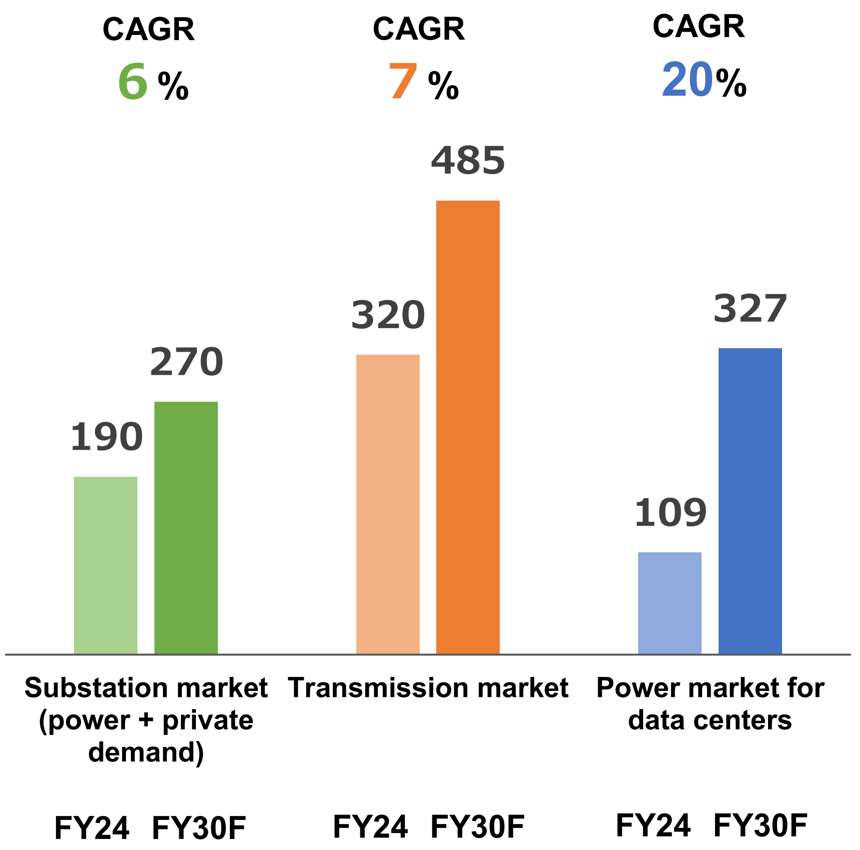
Projected market size trends (100 million yen)

*Company estimates



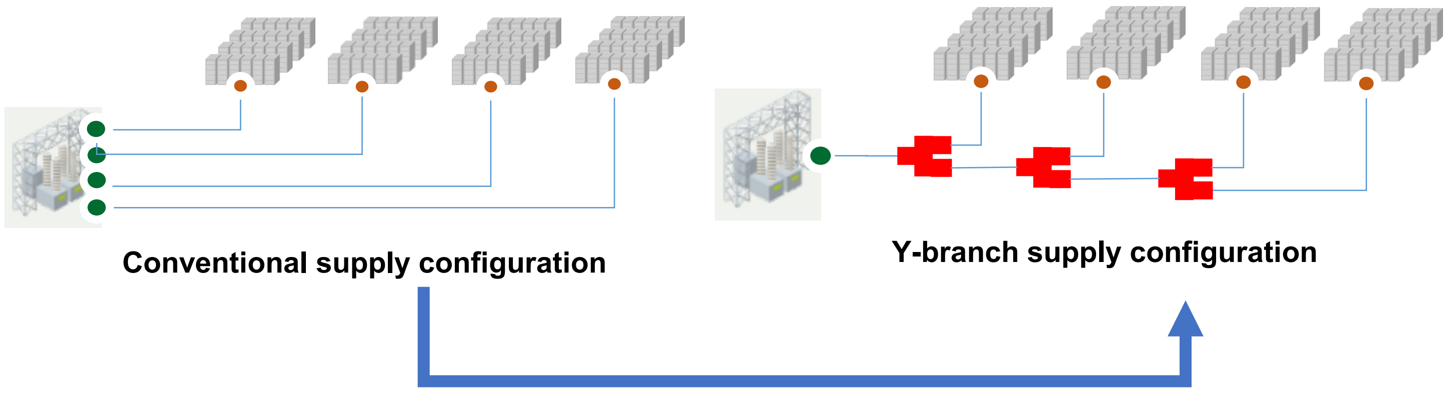
Target market share for FY2030	90% or over	20% or over	25% or over

Response to increasing power demand for DCs

Increase in hyperscale data centers (HSDCs)

	Current: Conventional DCs	Future: HSDCs
Required power capacity ratio *Current level as 1	1	4-5
Receiving voltage class	66kV	154kV

Acceleration of HSDC construction



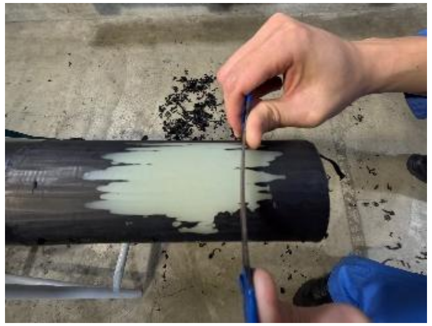
Shortened construction period
for power supply

Growth Strategy for the Power Infrastructure Business:
Easy-install Cable “e-Cable”

As demand expands due to replacement of aging facilities and reinforcement of transmission and distribution networks, **labor shortages have become a major challenge.**
By leveraging the SICOPLUS training program and expanding our easy-install cable lineup, we enable labor savings and reduced skill dependency even at higher voltage classes.

Key Features of Easy-stripping cable “e-Cable™”

Conventional power cables of 66 kV and above

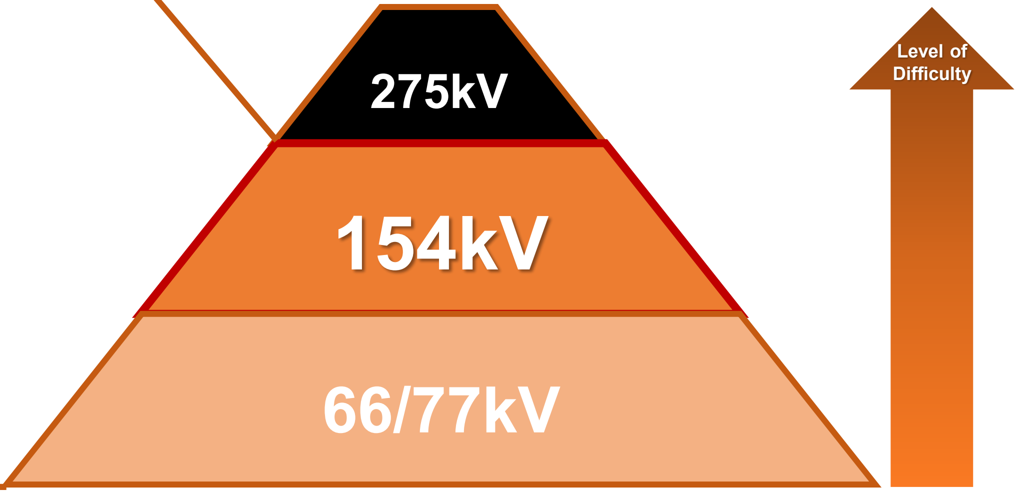


Previously, highly advanced processing skills were required, involving precise circular stripping using sharp tools.

“e-Cable”

- Simplified work processes **significantly shorten the skill acquisition period (training period reduced from three years to three months).**
- Work time reduced to **approximately one-quarter** of the conventional process

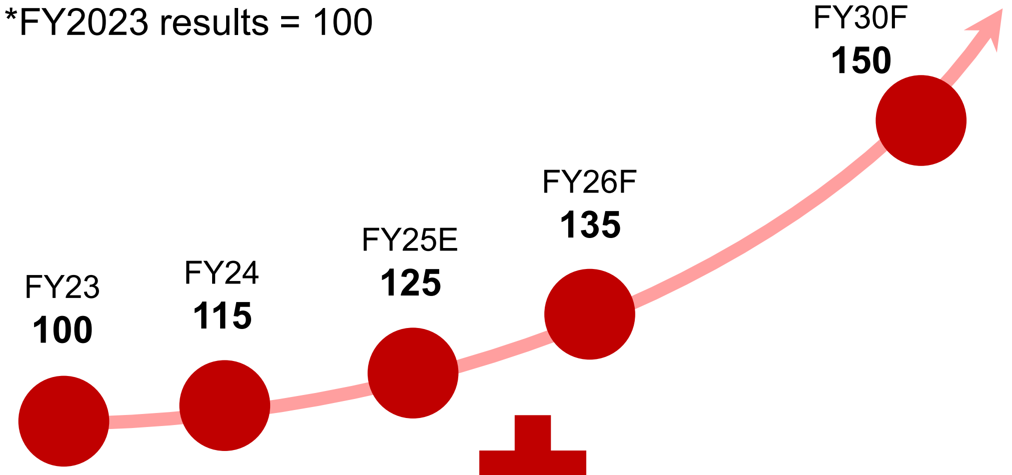
November 2025
New Brand Strategy: e-Cable
Expansion of the easy-install power cable lineup from the conventional 66 kV class to 154 kV



Growth Strategy for the Power Infrastructure Business:
Strengthening Installation Capabilities: SICOPLUS

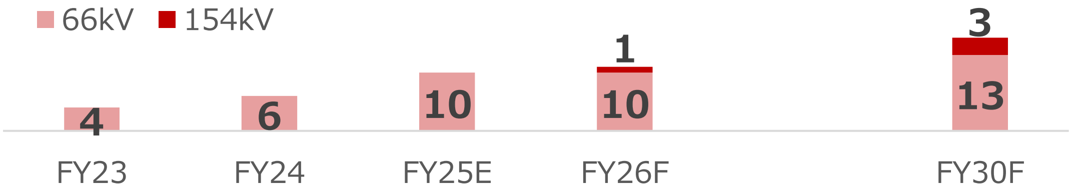
Installation Workforce Plan

*FY2023 results = 100

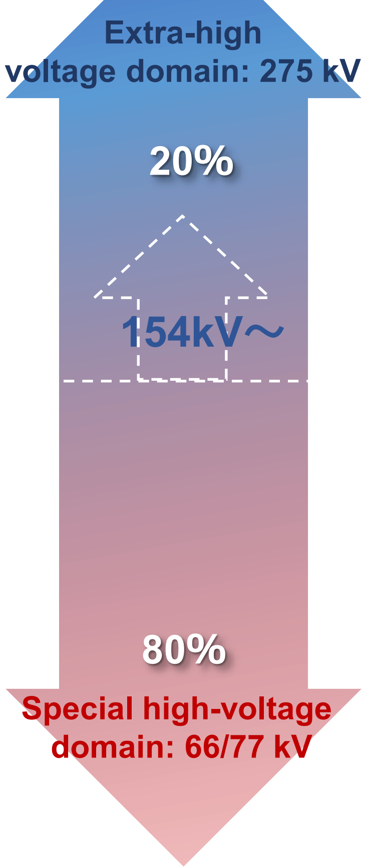


Nationwide cooperation with installation companies

Trend and Forecast of the Number of Installation Partner Companies
(Unit: companies)



Sales composition by voltage in the Power Infrastructure domain



SICOPLUS

In-house installation workforce

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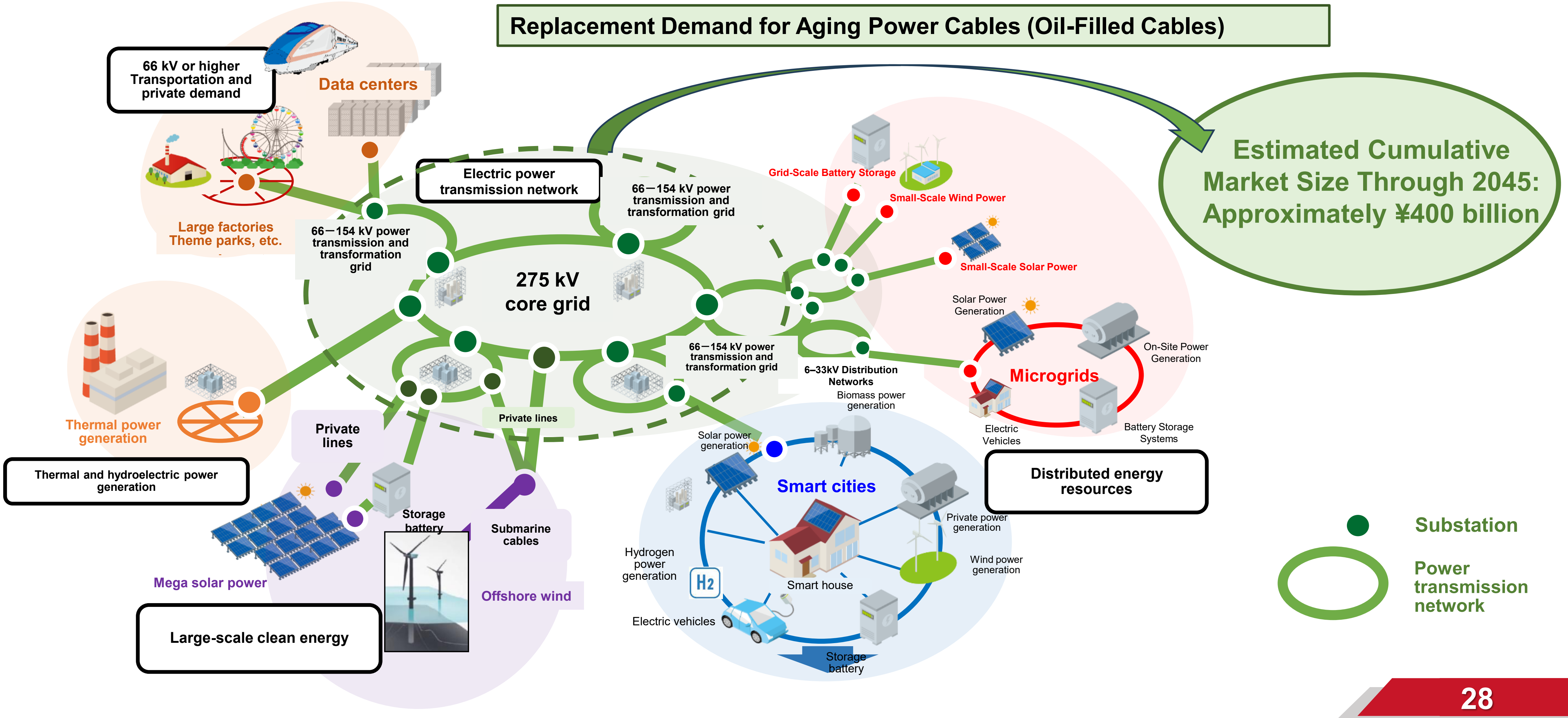
Shift of in-house installation workforce toward extra-high voltage

Partner company installation workforce

Nationwide partner network

Strategy for Expanding Market Share by Leveraging Our Competitive Advantages in the Power Infrastructure Market



Expanding Market Share by Addressing Challenges in the Power Infrastructure Market Through Our Competitive Advantages

Mandatory Replacement of Aging Power Cables (Oil-Filled Cables) — **Through 2045**

Challenges Facing Power Infrastructure	**Labor Shortages** (Market demand is expanding while the available workforce continues to decline)	**Lengthy Construction Periods** (Installation work is highly complex and time-consuming)	**Difficulty in Maintaining and Managing Power Assets** (Product history and lifecycle information for power cables and other equipment are difficult to track.)
Our Solutions	**(1) Easy-to-Install Cable System: e-Cable™** **(2) Enhanced Installation Capabilities Through SICOPLUS Training Programs**	**(3) Labor-Saving Construction Methods**	**(4) Product Traceability Through Two-Dimensional Codes**

Growth Strategy for the Power Infrastructure Business: **Labor-Saving Construction through New Installation Methods**

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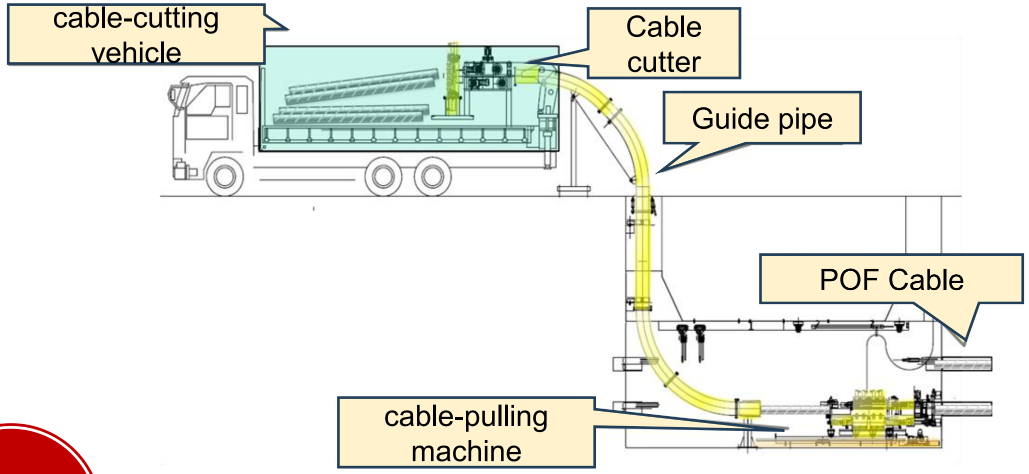
Three-phase Simultaneous Pull-out Method for Oil-Filled Cables

Need: Removal of oil-filled cables

Challenges
(1) Frequent disruptions due to road restrictions during construction
(2) One-by-one removal results in long construction periods and high costs
(3) Risk of environmental contamination from oil spillage on roads
(4) Large-scale pull-out systems require a large number of workers



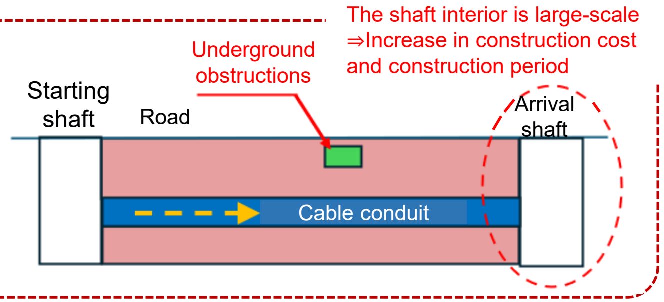
Effect
Construction period reduced by approximately 40%; Construction costs reduced by approximately 20%

Arc-shaped HDD (Horizontal Directional Drilling) Method

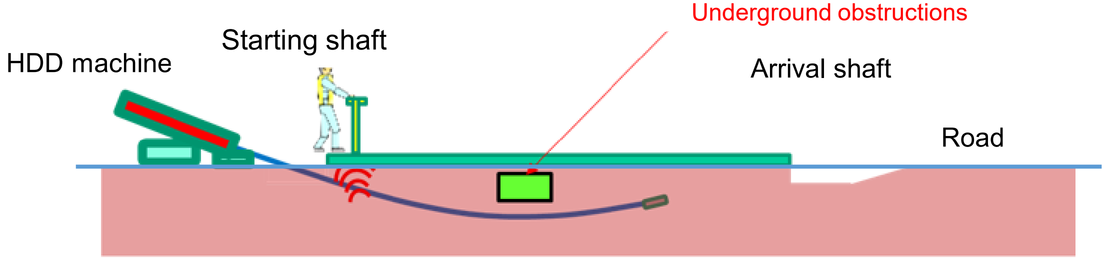
Need: Installation of underground conduits without open-cut excavation

Challenges

While thrusting methods are widely used when open-cut construction is not feasible, construction periods and costs are high.



HDD Method (the newly developed construction method)



Effect
Significant reduction in both construction period and cost

Growth businesses

Business Plan of the Semiconductor Business

Market Forecast FY2026-FY2030

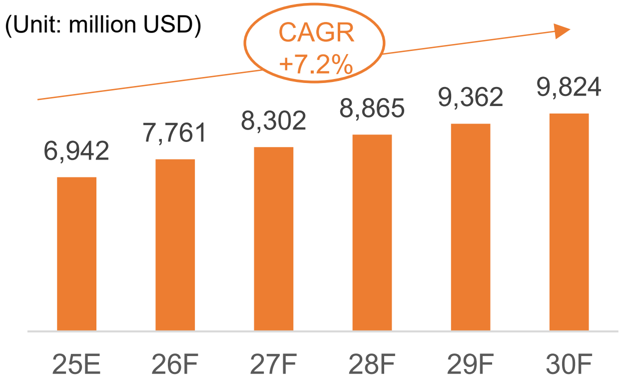
Opportunities

Expansion in semiconductor demand for AI-related applications, expansion of Chinese semiconductor market, shift towards miniaturized chiplet architectures with the development of high-performance, multifunctional semiconductors

Risk

Substitution with other methods (Si-MEMS), intensification of cost competition, excessive capital investment

Sales forecast for
semiconductor inspection equipment (worldwide)



Source:
Produced by SWCC based on Global Semiconductor Inspection Equipment Sales and Growth Rates 2020-2031 in the "Semiconductor Inspection Equipment Market Report Global Market Shares and Rankings" (2025-2031 Market Outlook).

Basic Strategy

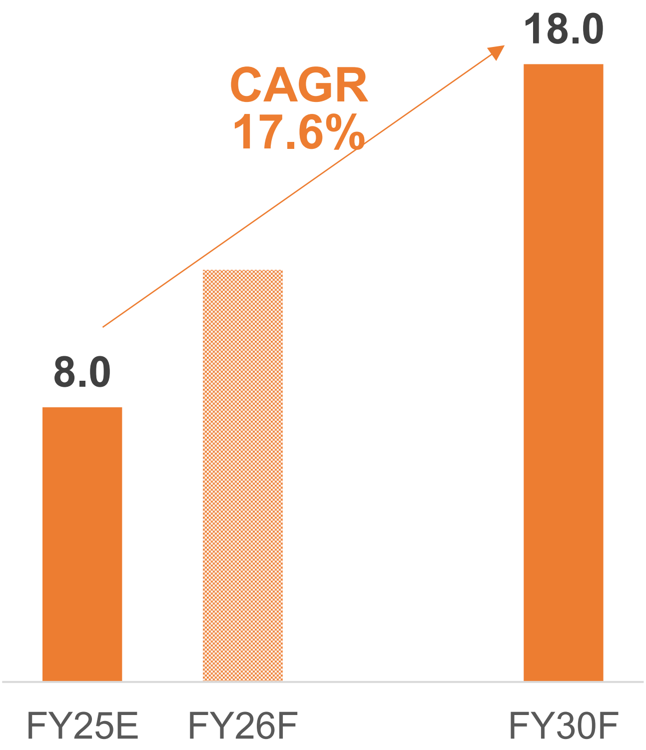
Strategy I. Comprehensive development utilizing combinations of raw unique materials and processing technologies

Strategy II. Promoting the sales of the Group's products related to inspection equipment

Strategy III. Expanding business areas in the semiconductor inspection equipment market

Net sales target under Medium-term Management Plan

(billion yen)



	FY25E	FY30F
Expected price of copper (yen/kg)	1,700	→
ROIC	15%	35%

Capital investment plan

FY26F-30F
Total investment: 2.5 billion yen

(Reference)
FY22-25E
Total 0.4 billion yen

Growth businesses

Growth Strategies for the Semiconductor Business

Strategy I Contact probes business domain

i. Comprehensive strategies for contact probes

✓ **Pre-process domain**
- Sales expansion of MEMS, cantilevers and cobra probes

✓ **Post-process domain**
- Mass production of semiconductor products in line with shift to miniaturized chiplet architectures

ii. Create framework for increasing production

✓ **Investment to increase production of high performance products of 1.3 billion yen**
- 2.5-fold increase in production capacity from FY2025

✓ **Expansion of local production and local consumption in China**

iii. Sales expansion strategy

✓ **Expansion of business flows with leading inspection equipment manufacturers**

Strategy II Promoting the sales of other inspection equipment

i. Production and sales expansion strategies for high frequency cables

✓ **Continued sales expansion leveraging track record of adoption by leading semiconductor inspection equipment manufacturers**

✓ **Investment to increase production of 0.2 billion yen**
- 2-fold increase in production capacity from FY2025

ii. Development, production and sales expansion strategies for vibration isolation platforms

✓ **Development of next-generation vibration isolation platforms in line with semiconductor miniaturization**

✓ **Expansion of sales to semiconductor equipment manufacturers and semiconductor fabs in Japan, China and Taiwan**

Strategy III Expanding business areas in the semiconductor inspection equipment market

✓ **Implementing BD strategy**

Our Product Portfolio and Technology Trends in Semiconductor Inspection

Target Market for the Semiconductor Business

This market segment is characterized by stringent quality requirements and high technological barriers to entry. By leveraging our extensive product lineup covering both front-end and back-end semiconductor processes, together with group synergies, we will expand our business domains through our BD (Business Development) strategy.

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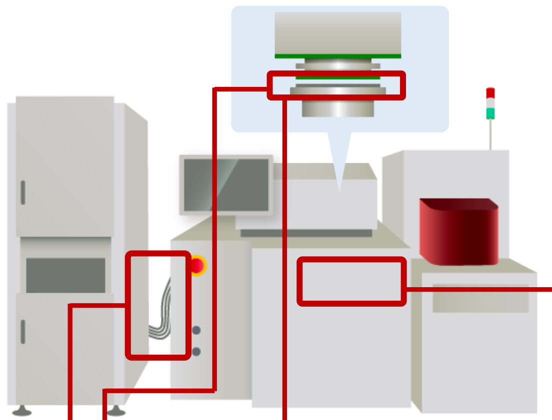
Front-end processes

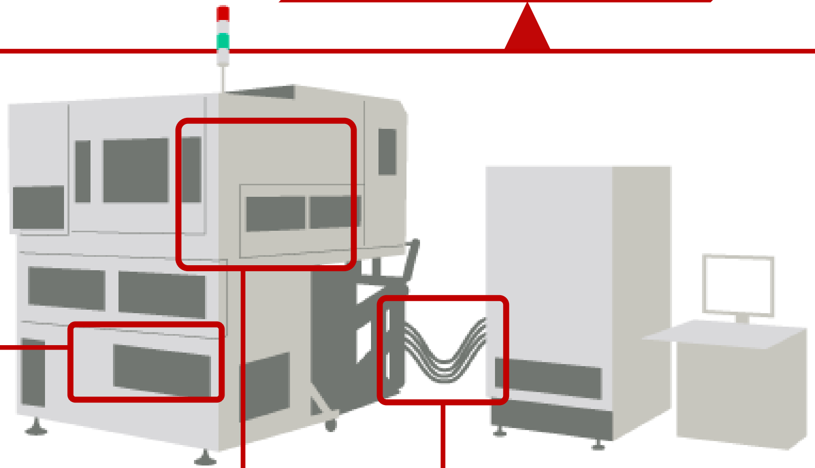
Wafer inspection process



	High-performance coaxial cable RUOTA/Wavemolle	Contact probes	Active vibration isolating units
	TOTOKU	TOTOKU	SHOWA SCIENCE
Technology Trends	Higher frequencies Smaller diameters	Thinner profiles High conductivity	High-precision positioning High acceleration

Back-end processes

Product inspection and reliability testing

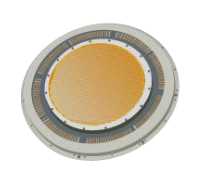
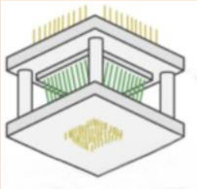
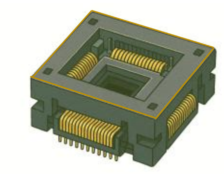
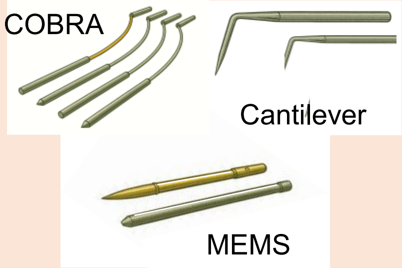


	Active vibration isolating units	Contact probes	High-performance coaxial cable RUOTA/Wavemolle
	SHOWA SCIENCE	TOTOKU	TOTOKU
Technology Trends	High-precision positioning High acceleration	Thinner profiles High conductivity	Higher frequencies Smaller diameters

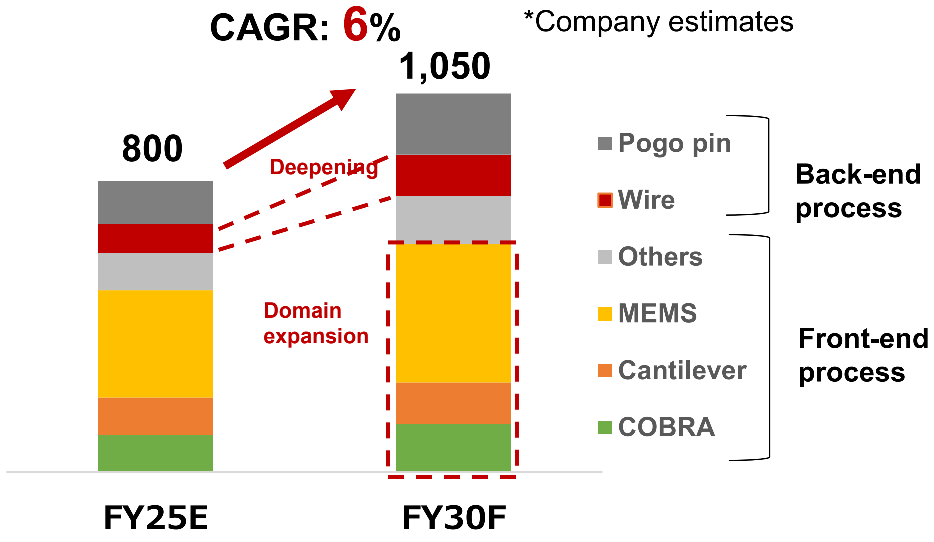
Strategy I All-around development utilizing materials and processing technologies

Expansion of contact probe demand driven by inspection automation for AI semiconductors and increasing sophistication due to miniaturization and higher pin counts.
Plan to deepen presence in back-end processes and expand into front-end processes by leveraging our competitive advantages.

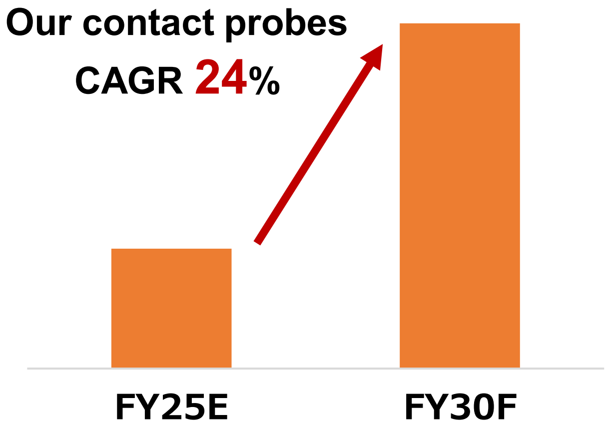
Expansion ← | Current core domain

	Front-end process	Back-end process	
Inspection target	Silicon wafer	Package substrate	Finished semiconductor devices
Inspection unit	 Probe card	 Probe Jig	 Test socket
Probe used		 Wire probe	 Pogo pin
Pin diameter	Φ0.030-0.1mm	Φ0.015-0.110mm	Φ0.110-0.5mm
Number of pins / unit	Up to 60,000 pins	Up to 20,000 pins	Up to 1,000 pins

Market size by type (100 million yen)



Net sales CAGR (2025–2030)

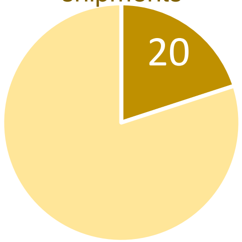


Attractive Product Portfolio of TOTOKU: Contact Probes for Semiconductor Testing Processes

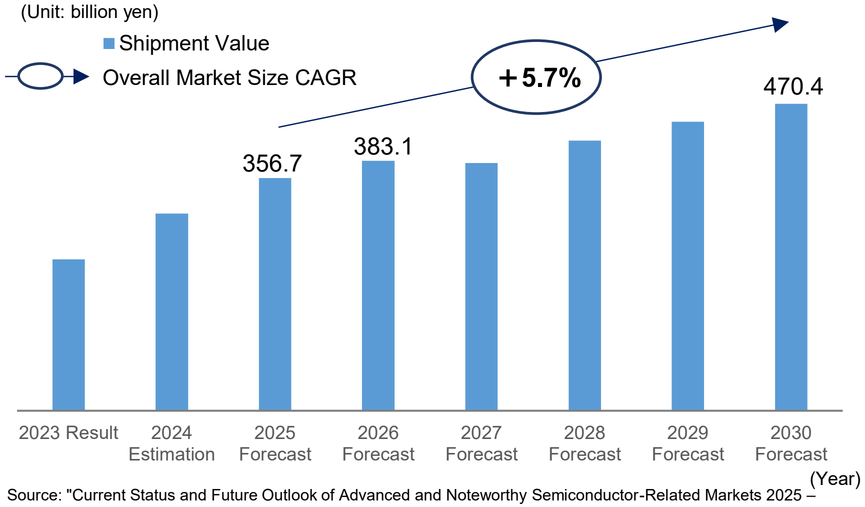
[Strengths] Advanced processing technology/Large production capacity
[Market Share] 35% global share (FY2024)

*Assumption by our company

Ratio of overseas shipments



Global Probe Card Shipment Value Trends



Source: "Current Status and Future Outlook of Advanced and Noteworthy Semiconductor-Related Markets 2025 – Market Edition," Fuji Chimera Research Institute

Advantageous Conditions / Future Market Outlook

With the expansion of AI demand, the semiconductor market is expected to grow. The "larger GPU" trend and "HBM stacking" are expected to **drive demand for testing equipment.**

As **semiconductors become smaller**, the wiring of test targets becomes thinner and finer. This shift is accelerating the move from the conventional two-terminal method to the four-terminal method. **With increased adoption of the four-terminal method, the number of probes used is also expected to rise.**

Business Flow

: TOTOKU business domain

Commercial flow structure surrounding wire probe manufacturers

→ : Main routes ⇢ : Non-main routes

Raw materials → Manufacturing → Tier-1 end customers → Tier-1 end customers / markets → Final markets

- **Raw materials**: Materials manufacturers
- **Manufacturing** (TOTOKU / competitors): Domestic and overseas wire probe manufacturers

- **Tier-1 end customers** (Direct customers): Jig manufacturers
  - Substrate testing jigs
  - Testing jigs for front-end processes
  - Testing jigs for back-end processes
- **Tier-1 end customers / markets, Final markets** (Including some direct customers): Semiconductor manufacturing
  - Substrate manufacturers (IC package substrates, etc.) → Major global semiconductor manufacturers

Attractive Product Portfolio of TOTOKU: Triple Insulated Winding Wire (TIW) for AI Servers

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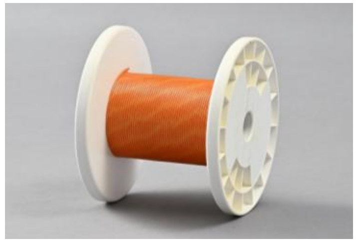
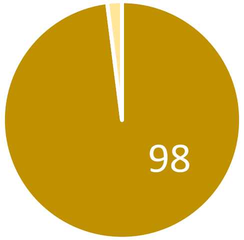
[Strengths] High product reliability and superior heat resistance

*Based on Company estimates

[Market Share] 12% global market share (FY2024)



Geographic Sales Mix



TOTOKU serves major switching power supply manufacturers, including global market leaders.

By leveraging its **advanced heat-resistant and fine-wire technologies**, TOTOKU is well positioned to capture expanding demand from the rapidly growing AI server market.

	Key Customers	Customer Locations	Customer Position	Strengths
TOTOKU	Switching Power Supply Manufacturers	Taiwan and Japan	Global Market Leaders and Other Major Manufacturers	• Extensive lineup of heat-resistant products • Broad conductor lineup covering DC through high-frequency applications • Flexible production capabilities supporting small-lot and short lead-time requirements

Favorable Market Environment Market Outlook

Rapid Growth of AI Servers:
Demand for AI servers continues to expand rapidly as new digital technologies gain widespread adoption. With investment increasingly concentrated in AI servers, the server segment is expected to drive accelerated market growth.
Expected CAGR of 5.6% from FY2025 to FY2030

Stable Demand Supported by Broad End Markets:
TIW is used in a wide range of end markets and applications, including servers, communication devices, and semiconductor manufacturing equipment, providing a solid and diversified demand base.

Value Chain Surrounding Triple Insulated Winding Wire

Manufacturing	First-Tier End Customers	End Products
TOTOKU and competitors	Direct customers	End customers
Domestic and overseas TIW manufacturers	Domestic and overseas switching power supply manufacturers	**AI servers / General-purpose products**

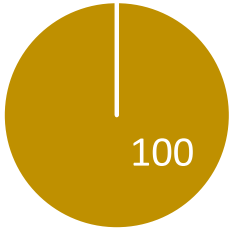
Attractive Product Portfolio of TOTOKU: Seat Heaters for Mobility Applications

[Strengths] Outstanding durability and cost competitiveness

*Based on Company estimates

[Market Share] 30% global market share (FY2024)

Geographic Sales Mix



Favorable Market Environment Market Outlook

Growth in Global Automobile Sales:
According to various industry reports, global automobile production is expected to increase from 2024 through 2030.

Expanding Applications for Heating Solutions:
Driven by growing consumer demand for comfort, particularly in cold regions, the adoption of seat heaters is expected to continue expanding.

	Key Customers	Customer Locations	Strengths
TOTOKU	Company A (Global Market Leader)	North America, Europe, and Asia	• **Advanced design capabilities** supporting high durability and heat resistance • **Manufacturing process management** achieving virtually zero customer complaints • **Integrated production capability** from materials through heater wires
	Company B	China	
SWCC	Company C	Japan	• High-strength, high-conductivity materials

Synergies with SWCC

1. Expansion into Interior Heating Applications

Leveraging SWCC's copper-alloy materials to **develop new interior heating products.**

Steering Wheel Heaters

Seat Heaters & Armrests

Battery Heaters

2. Cross-Selling Opportunities

SWCC × TOTOKU

High-quality customer base
Set manufacturers and global niche leaders

Improvement of Business Efficiency and Acceleration of Growth through Integration of Sites News release dated November 12

Creating for the Future

To accelerate growth in heater wire and semiconductor probe businesses and optimize the production system, part of SWCC Sendai's production will be transferred to TOTOKU's Ueda and Maruko sites. Sendai will focus on its strengths in material development and supply, boosting group-wide synergies.

SWCC

Sendai Plant + Yamamoto Factory

Production
- Seat heater wire
- CP

Brand
- Sold under the SWCC Brand

Material Development & Supply

Copper Alloy

Transfer & Aggregation →

Integration →

TOTOKU

Ueda Factory + Maruko Factory

Production
- Seat heater wire
- CP

Transition to an integrated production system

Brand
- Sold under the TOTOKU Brand

Sustain and Strengthen →

After Consolidation and Integration

TOTOKU

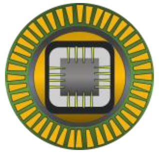
Strengths in Technology, Infrastructure, and Human Resources

Mobility and Semiconductor Applications Under the TOTOKU Brand

Target Products

Automotive Interior Heater Products

Semiconductor Inspection Equipment



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SWCC — Material Development & Supply

Strengths in Material Technology and Development

Consolidation and Integration effects expected to be approx. 200 million yen

◆11/12 Press Release https://www.swcc.co.jp/jpn/news/images/20251112B_PRESS_RELEASE.pdf

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SWCC Corporation

https://www.swcc.co.jp/eng