



May 13, 2025

A&D HOLON Holdings Company, Limited
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Announcement of Long-Term Vision and Medium-Term Business Plan

A&D HOLON Holdings Company, Limited hereby announces that it has formulated a long-term vision through FY2034 (fiscal year ending March 2035), along with a medium-term business plan covering the three-year period from FY2025 (fiscal year ending March 2026) to FY2027 (fiscal Year ending March 2028).

I. Long-Term Vision

1. Long-Term Vision 2034

Slogan : "Sensing the Future: Mastering Measurement, Supporting the World"

Guided by a market-first philosophy, we have consistently pursued excellence in measurement technologies since our founding. Our vision for the next decade is to evolve into a corporate group that contributes to solving societal and customer challenges on a global scale.

2. Fundamental Strategies

- (1) Transforming business portfolio to address social issues
- (2) Shifting to a business model with a market-in approach for providing value to customers
- (3) Designing new development and production capabilities for "Mastering Measurement, Supporting the World"
- (4) Advancing portfolio management
- (5) Promoting sustainability management

3. Management Objectives

	FY2034 (fiscal year ending March 2035)
Net Sales	150 billion JPY
Operating Profit	30 billion JPY
OP Margin	20.0%

II. Medium-Term Business Plan

1. Medium-Term Business Plan (FY2025 – FY2027)

Theme : "Redefining Business Value and Rebuilding Foundations"

In our medium-term business plan, which is the first step toward realizing our long-term vision, we position it as a period to reexamine our current business and strengthen our management foundation. We will promote measures to strengthen the strategies and group functions of each business, which have been set by back-casting from the long-term vision.

2. Fundamental Strategies

- (1) Building global marketing capabilities

- (2) Boosting global expansion and achieving growth in line with business portfolio
- (3) Strengthening R&D and production capabilities to support business growth
- (4) Conducting business portfolio management
- (5) Implementing sustainability management that adapts to environmental changes

3. Management Indicators

	FY2027 (fiscal year ending March 2028)
Net Sales	80 billion JPY
Operating Profit	11.7 billion JPY
OP Margin	14.6%
Payout Ratio	30%

Amid rapid change and growing uncertainty, we aim to enhance corporate value and achieve sustainable growth by steadily executing our medium-term business plan in line with our long-term vision.



Long-term Vision 2034
Medium-term Business Plan (FY2025 to FY2027)

A&D HOLON Holdings Company, Limited Securities Code: 7745

<Caution>

Statements regarding forecasts contained in this document are based on judgments made in accordance with information currently available and are subject to change due to future economic trends and new technological developments in Japan and around the world.

Therefore, the Company does not guarantee the accuracy of said statements.

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(FY2022 to FY2024)
- 02** Long-term Vision 2034
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(FY2025 to FY2027)

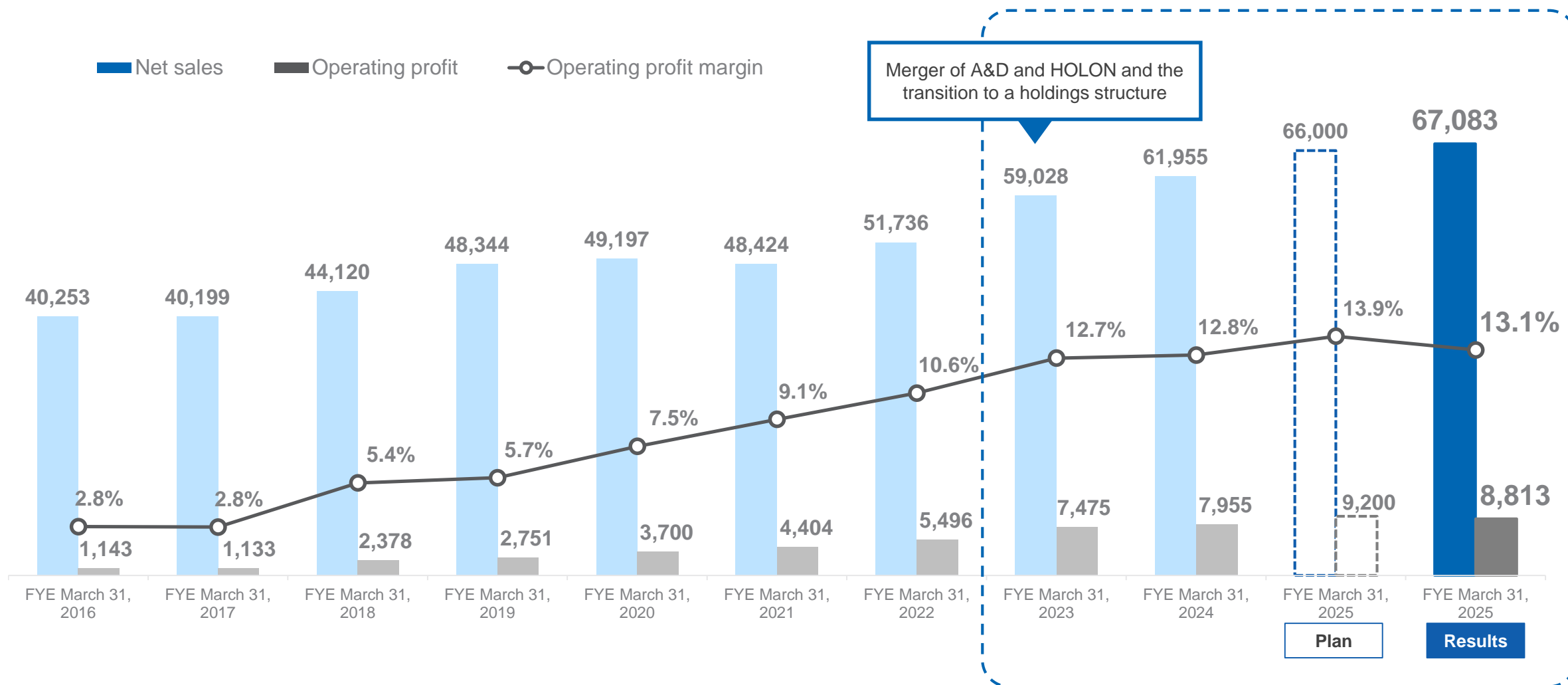
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(FY2025 to FY2027)

Performance Trends

Net sales for the final year of the previous Medium-term Business Plan (FYE March 31, 2025) reached 101.6%, but operating profit fell short of the plan at 95.8%

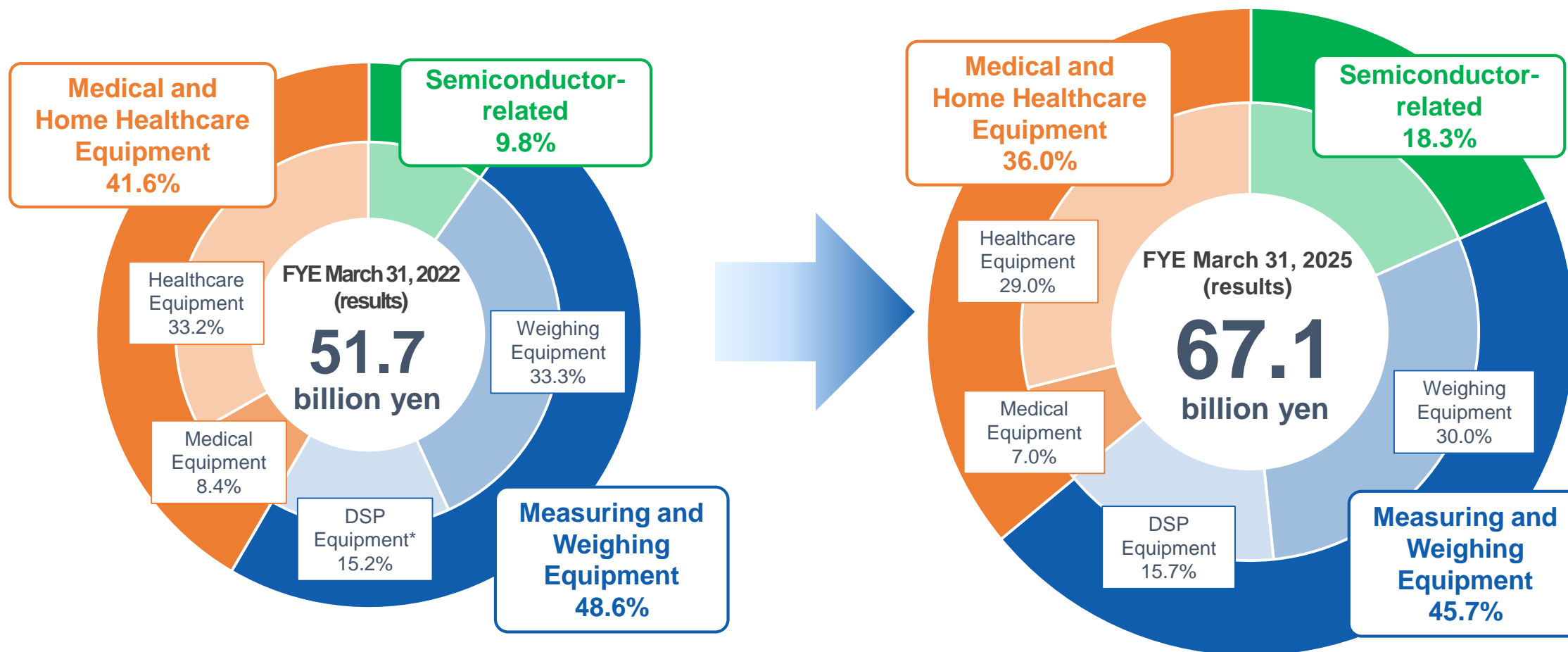
Performance trends over the last 10 years (unit: million yen)



Business Portfolio

Positioned as a driver of growth in the previous Medium-term Business Plan, the Semiconductor-related Business grew significantly, which helped achieve its target for net sales

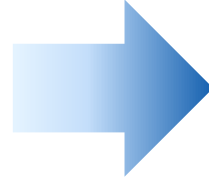
Net sales by segment



* Percentage shows the sum of DSP Equipment and Measuring Equipment, as per the segment structure for FYE March 31, 2025.

1 Strengthen R&D through technology sharing

- Dispatched 9 engineers from A&D to HOLON.
- Manufactured important CD-SEM units at A&D.

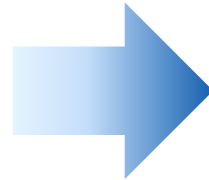


Joint development in progress on a number of projects

Improvement of QCD through in-house production of important units

2 Utilize the purchasing power of the Group

- Diversified component procurement routes.
- Developed new suppliers in Japan and overseas.

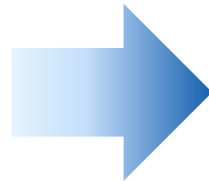


Response to risks related to component procurement

Establishment of a stable production system

3 Increase the number of business locations

- Established HOLON Taiwan Branch. (October 2023)
- Began construction of a new factory for semiconductor-related products. (Scheduled completion in December 2025)



Reinforcement of business and service systems in Taiwan

Promotion of new product development and expansion of production capacity

Review of Key Strategies






Business	Key measures	Results	Challenges
Semiconductor or-related	<ul style="list-style-type: none"> Improving product development capabilities through enhanced semiconductor technology Introducing next-generation machines to the market 	Promoted the development of multiple new products through technical collaboration between A&D and HOLON.	Releasing next-generation machines that prioritize customer needs
	<ul style="list-style-type: none"> Developing a market strategy utilizing the network of global offices 	Strengthened component procurement through the purchasing power of the Group. Expanded business locations (established Taiwan branch and began new factory construction).	Further strengthening global sales activities
Measuring and Weighing Equipment	<ul style="list-style-type: none"> Strengthening products for secondary battery production lines 	Released AD-4212F, a new measurement sensor compatible with larger battery capacity.	Taking measures in light of slowing growth in EV-related markets
	<ul style="list-style-type: none"> Strengthening weighing equipment sales in North America 	Boosted sales through e-commerce distribution.	Reformulating sales strategies, including rethinking distribution routes and sales channels
	<ul style="list-style-type: none"> Enhancing support for connected/automation 	Secured orders to supply the Company's proprietary platform.	Expanding into fields beyond the automobile industry
	<ul style="list-style-type: none"> Enhancing support for electrification 	Boosted sales of EV-Sim HELIOS Edition, a simulator for electric vehicle development	Launching products globally
Medical and Home Healthcare Equipment	<ul style="list-style-type: none"> Expanding product portfolio to increase market share 	Released a new cellular blood pressure monitor (in North America) and hose-less blood pressure monitor (in Japan).	Building presence in new areas (Korea, China, Europe, South America)
	<ul style="list-style-type: none"> Establishing a regional telemedicine system through industry-academia collaboration 	Accumulated a large amount of data from tablet apps and home blood pressure readings in Minamisanriku Town using the Company's products.	Maintaining system follow-up and helping develop new products through this approach
	<ul style="list-style-type: none"> Providing data collection systems to companies and educational institutions 	Increased sales of fully automatic blood pressure monitors supporting data linkage and height and weight scales (incl. body composition scales).	Moving beyond medical institutions to capture more medical examination demand from companies promoting health management

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(FY2025 to FY2027)

The Group's changing environment and background of long-term vision formulation

Changes in the Group's environment 10 years from now

 Society	Diversifying values and structural changes in the workforce Borderless society and accelerating commoditization
 Technology	Digital innovation (AI, IoT, 6G, robotics, autonomous driving, telemedicine, and virtual space)
 Economy	Shift to more collaborative approaches (based on M&A and alliances) Shrinking demand in Japan and expanding demand overseas
 Environment	Carbon neutrality and decarbonization Shift to next-generation energy
 Politics	Changing power balances among countries and geopolitical risks

X

Background of long-term vision formulation

1

After the merger of A&D and HOLON, the Group aims to expand its business performance with the Semiconductor-related Business as a growth driver. The Group must set a growth area that captures markets as a whole.

2

The Group must have direction and decision-making guidelines amid an urgent need for technical knowledge transfer and the development of global management personnel.

3

In working toward sustainable growth, the Group must use backcasting to help make decisions, considering where the Group wants to be 10 years from now, in addition to addressing immediate challenges.



A&D HOLON Holdings

Long-term Vision Concept for FY2025 to FY2034

Sensing the Future

sensing the Future

Mastering Measurement, Supporting the World

While maintaining the same commitment to measurement the Group has always had, its theme for the next 10 years will involve giving market perspectives the highest priority

Mastering Measurement

The measurement technologies

the Group has carefully developed since its founding

- **Dedication to authenticity, promoting innovation**
- **Pursuing technologies that bring competitive advantages and value to industry and society**

Supporting the World

**Operating on
the global market
since the Group's foundation**

- **Incorporating global customer feedback to continue providing reliable data and solutions**
- **Supporting global development by helping customers solve their challenges**

Long-term Vision 2034

Sensing the Future

Mastering Measurement, Supporting the World

5 Fundamental Strategies to achieve the vision of “Sensing the Future”

1

Transforming business portfolio to address social issues

- Redesigning business domains to reflect social issues and markets
- Creating next-generation segments to be new engines of growth

2

Shifting to a business model with a market-in approach for providing value to customers

- Enhancing the marketing capabilities of business domains, bringing users solutions to their challenges
- Building a marketing platform and developing an AI-based approach to business

3

Designing new development and production capabilities for “Mastering Measurement, Supporting the World”

- Strengthening R&D functionality, combining more advanced research of core technologies with market-in and product-out approaches
- Developing a global supply chain that builds on the strengths as a manufacturer while implementing digital transformation in production

4

Advancing portfolio management

- Promote continuous growth investment which is the source of higher corporate value.
- Contributing to sustainable corporate value through portfolio management that supports growth investment

5

Promoting sustainability management

- Transitioning to a sustainable company through a balance of social and economic value
- Managing human capital through the development of a strategic personnel system and organizational design

3-Step Growth Model and Management Objectives

**Redefine business value and
restructure foundations**

STEP 1

FY2025 to FY2027

**A period of reviewing business
and strengthening management
foundation**

FY2027
Net sales
80 billion yen
Operating profit
11.7 billion yen

**Grow to become a 100
billion yen company**

STEP 2

FY2028 to FY2030

**Promoting business strategy to
expand market share
Complete transition to a
business unit system**

**Start new businesses and
make further progress**

STEP 3

FY2031 to FY2034

**Become a sustainable
company that continues to
create and establish next-
generation segments**

FY2034
Net sales

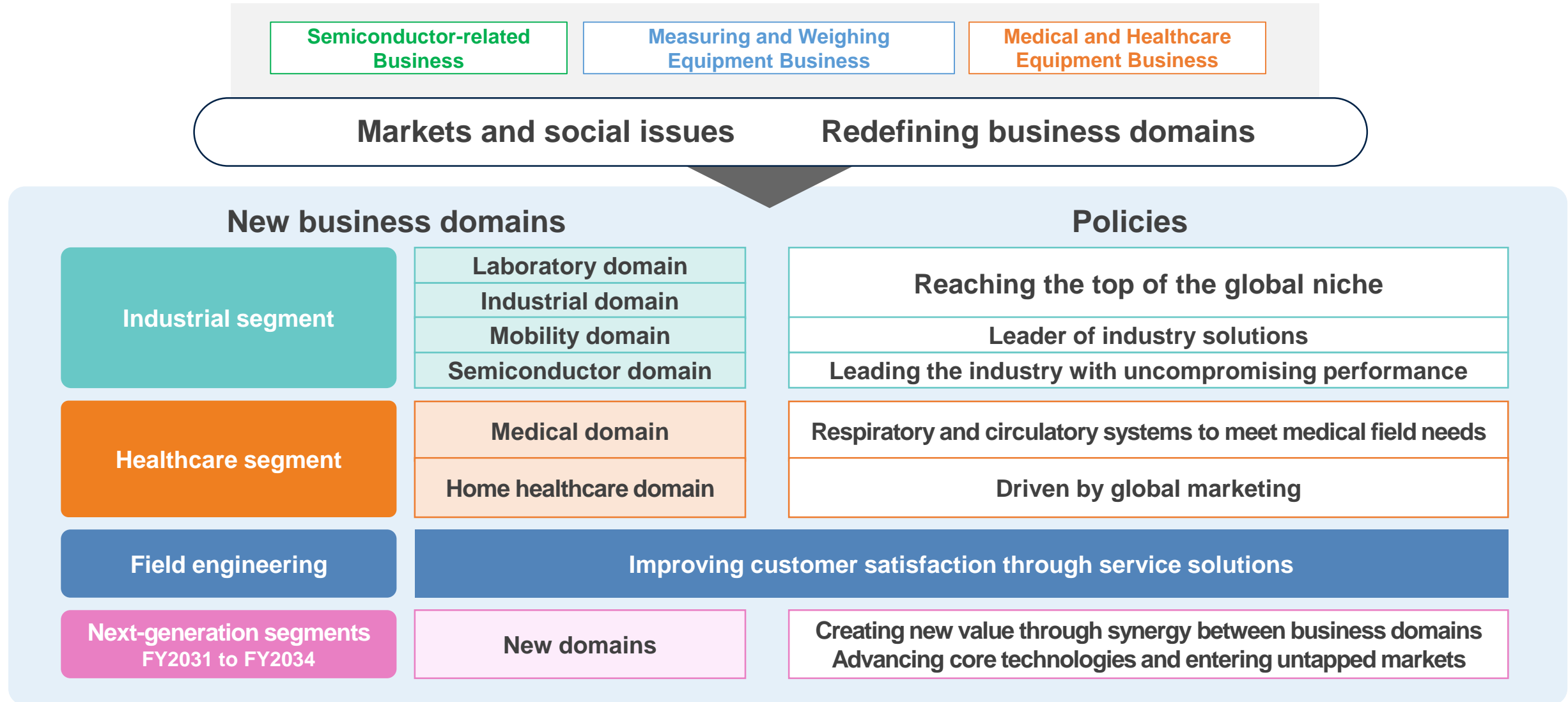
150 billion yen

Operating profit

30 billion yen

Fundamental Strategy 1: Transforming Business Portfolio to Address Social Issues

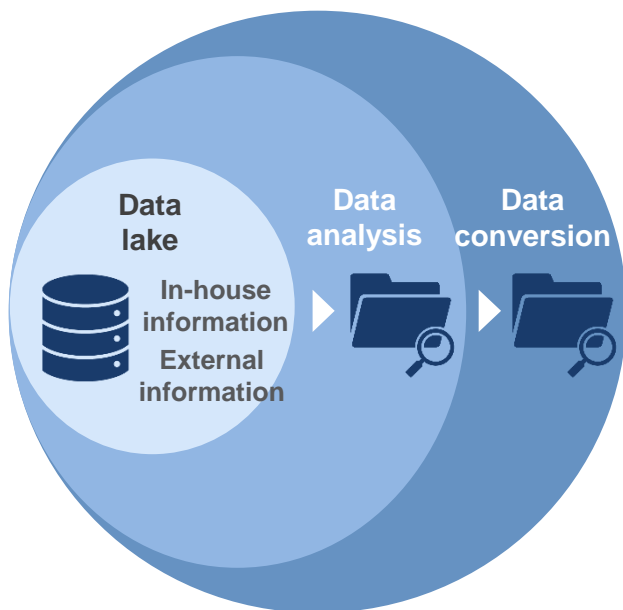
Shifting from the current segment structure to a new business structure based on a redefinition of business domains that reflects markets and social issues



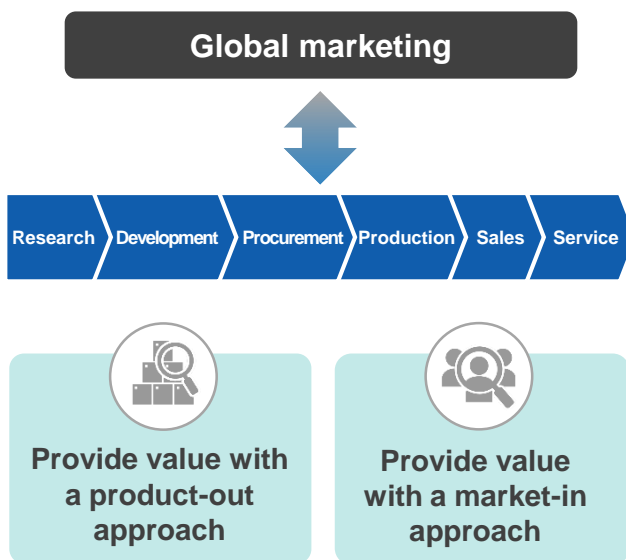
Upgrading development and production capabilities with a marketing model based on data integration

1 Build a data platform for “Mastering Measurement, Supporting the World”

Data platform (API integration and AI implementation)

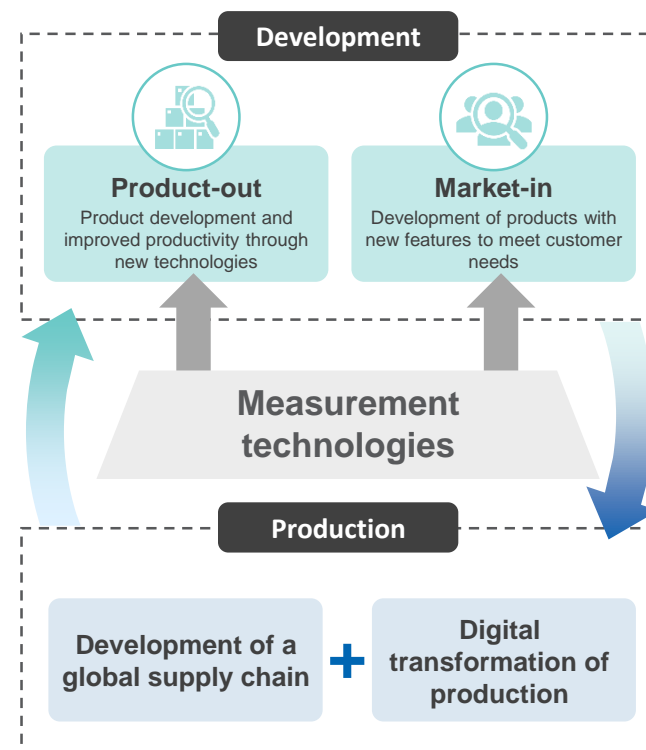


2 Establish a hybrid marketing model with market-in and product-out approaches

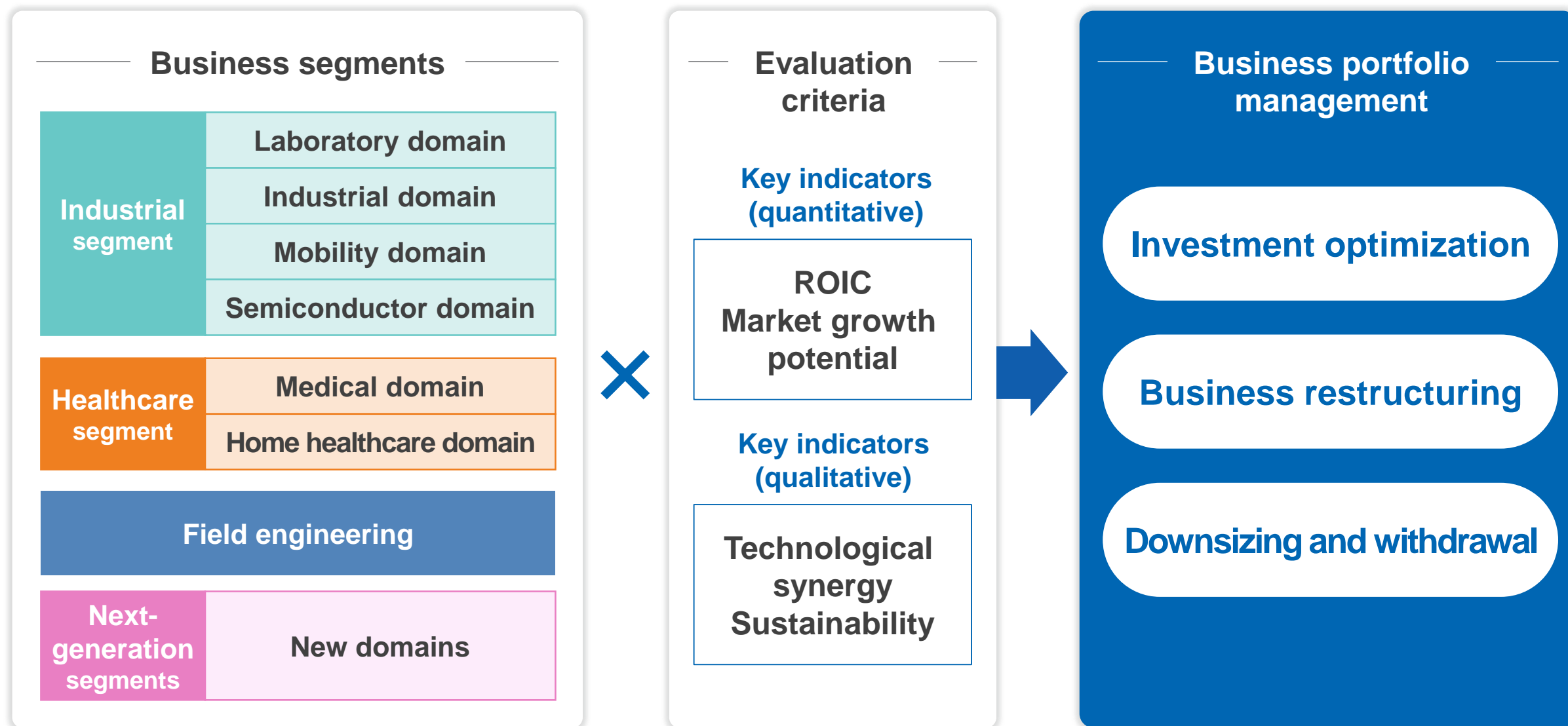


Adopting a hybrid marketing model

3 Upgrade development and production capabilities based on marketing model



Subdividing business segments for more flexible portfolio management



Contributing to the advancement of the environment, society, and stakeholder interests through initiatives related to materiality issues, toward realizing the Sustainability Policy

Materiality issues

1

Promoting management that both addresses social issues and drives economic growth



2

Becoming a company dedicated to sustainability and an abundant future through stronger cooperation with local communities and stakeholders



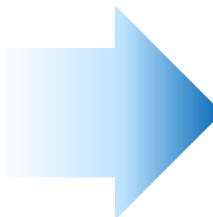
3

Strengthening human capital management, working towards diversity and sustainability



4

Building a strong corporate foundation that maximizes customer and corporate value



Policies

- Aiming to be a company that balances both social and economic values, the Group will make addressing social issues like reducing the environmental impact a source of growth and development.
- Aiming to be a company that is dedicated to sustainability, the Group will contribute to the future of stakeholders, communities, the nation and the planet, creating new value through the power of collaboration.
- Aiming to be a company that highly engaged employees want to work for, the Group will boost human capital investment, promoting the personal growth of our diverse employees.
- Aiming to be a global company that customers choose and society approves of, the Group will incorporate IT into our management systems, optimizing and maximizing customer value while further enhancing a highly transparent approach to corporate management.

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Semiconductor-related Business

Technological innovation leading to further market expansion

- The business will grow in the medium to long term with the expansion of application uses.
- Requirements for higher performance and less power consumption will result in technological innovation in terms of miniaturization, structural advancement, and increased complexity.
- Supply chain development will accelerate in the areas the Group is active (especially Asia).

Measuring and Weighing Equipment Business

Advancements related to AI and IoT leading to greater demand for precision technology

- Investment activities related to complying with environmental regulations will gain momentum globally.
- In order to deal with rising labor costs due to factors like inflation, there will be an increase in investment in development and production of operator-free systems, automation, and remote operations.
- Strengthened regulations will lead to greater importance placed on quality control and certification acquisition.

Medical and Healthcare Equipment Business

Growing demand for cutting-edge technologies in preventive medicine and the digital transformation of healthcare

- Investment in digital healthcare and health tech will grow.
- Personalized medicine based on individual health data will be the focus.
- Progress will be made in diagnostic support and optimizing treatment plans through AI and big data analysis.

Long-term Vision 2034

Sensing the Future

Mastering Measurement, Supporting the World

Medium-term
Business Plan Theme
(FY2025 to FY2027)

Redefining Business Value and Rebuilding Foundations

Redefining business value

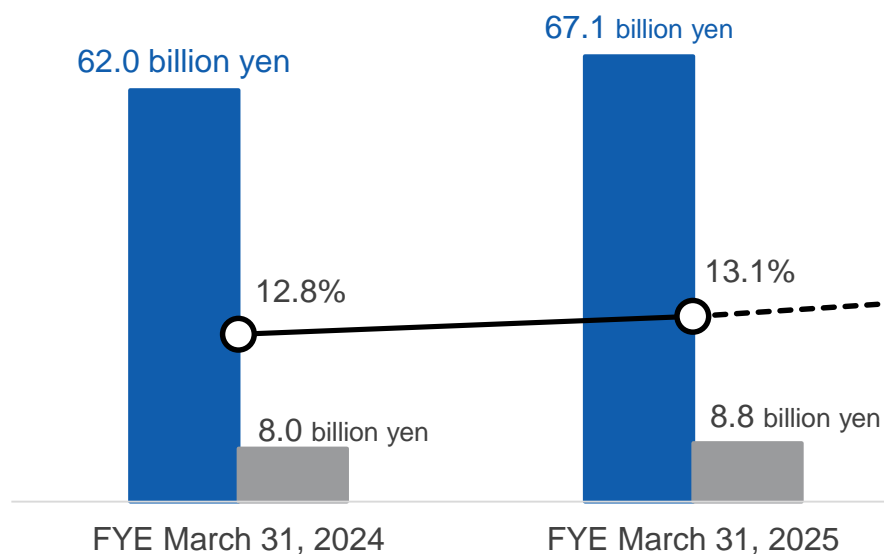
- Build global marketing capabilities.
- Boost global expansion and achieve growth in line with business portfolio.
- Strengthen R&D and production capabilities to support business growth.

Rebuilding foundations

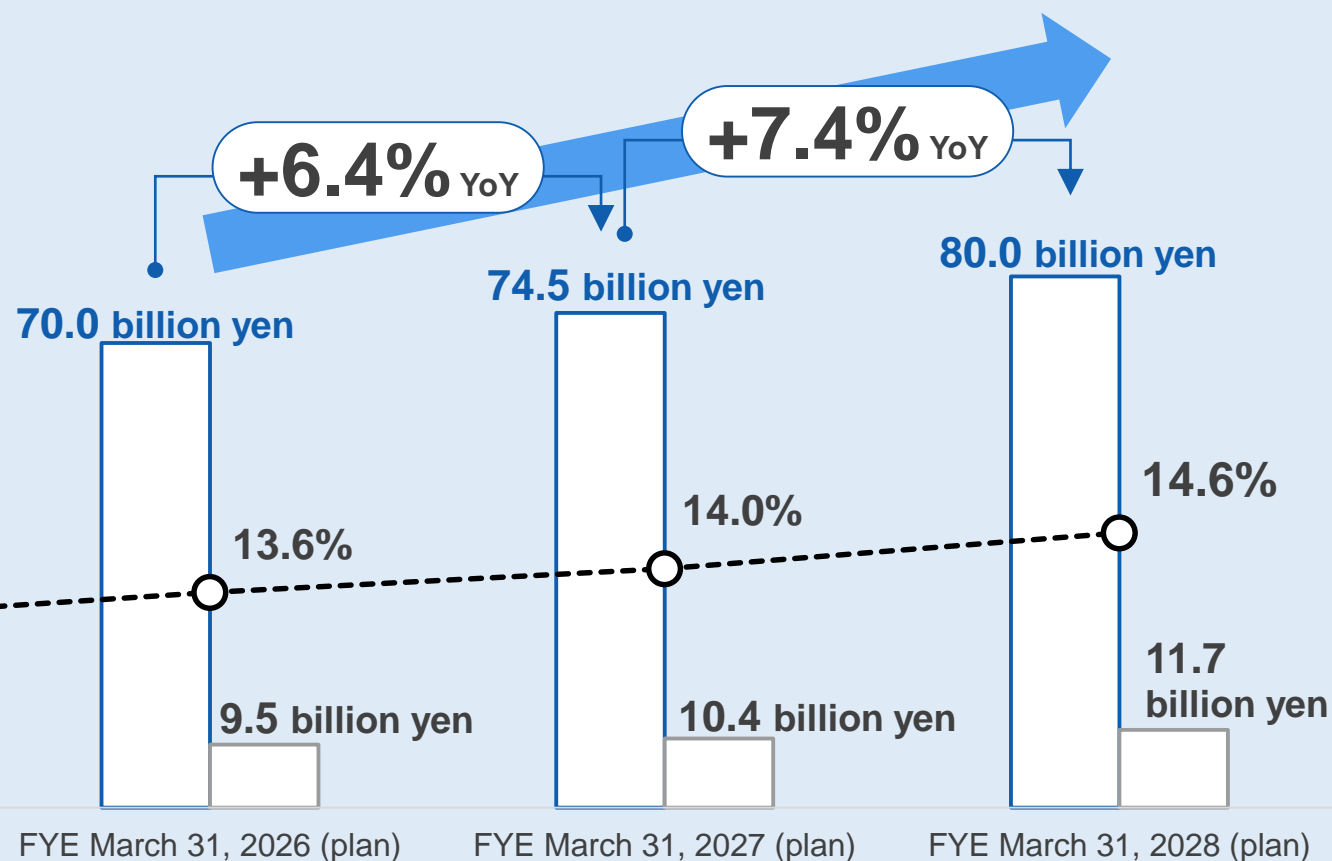
- Conduct business portfolio management.
- Implement sustainability management that adapts to environmental changes.

FY2027 (FYE March 31, 2028) plan: Net sales of 80 billion yen; Operating profit of 11.7 billion yen

■ Net sales ■ Operating profit ○ Operating profit margin



Medium-term Business Plan (FY2025 to FY2027)



Management Indicators by Business

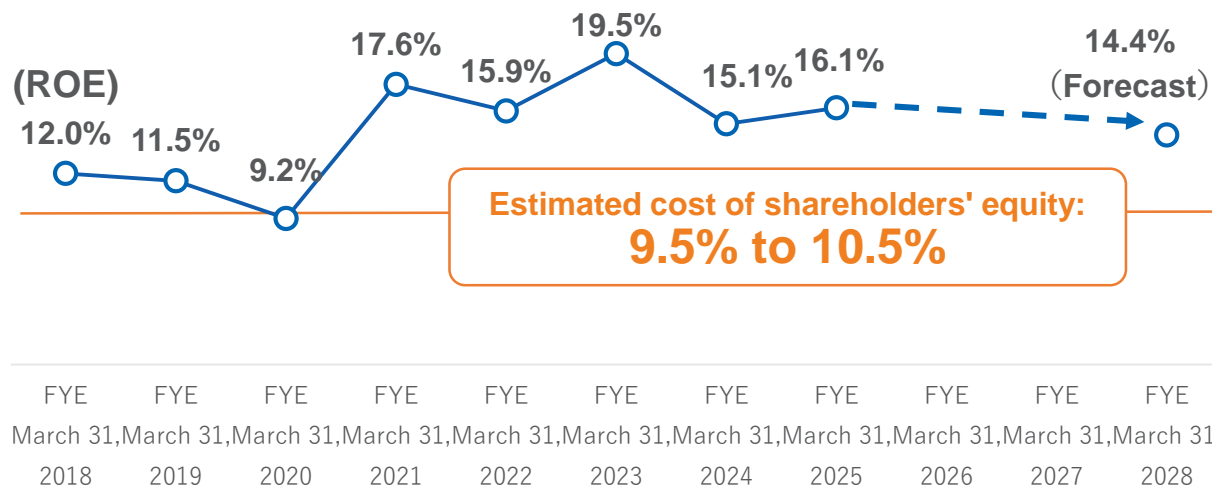
		Medium-term Business Plan (FY2025 to FY2027)							
		FYE March 31, 2024	FYE March 31, 2025	FYE March 31, 2026		FYE March 31, 2027		FYE March 31, 2028	
(Unit: billion yen)		Results	Results	Plan	YoY	Plan	YoY	Plan	YoY
Semiconductor-related Business	Net sales	10.3	12.3	10.7	-13.0%	12.0	+12.1%	14.0	+16.7%
	Operating profit*	3.8	4.1	3.5	-16.4%	3.8	+10.1%	4.7	+23.7%
	Operating profit margin	36.7%	33.6%	32.2%	—	31.7%	—	33.6%	—
Measuring and Weighing Equipment Business	Net sales	28.1	30.7	33.3	+8.6%	35.3	+6.0%	37.3	+5.7%
	Operating profit*	1.8	2.7	3.5	+29.4%	3.9	+10.0%	4.2	+9.1%
	Operating profit margin	6.3%	8.8%	10.5%	—	10.9%	—	11.3%	—
Medical and Healthcare Equipment Business	Net sales	23.6	24.1	26.0	+7.8%	27.2	+4.6%	28.7	+5.5%
	Operating profit*	4.2	4.1	4.4	+7.1%	4.8	+8.0%	5.0	+5.3%
	Operating profit margin	18.0%	17.0%	16.9%	—	17.5%	—	17.4%	—

*: Operating profit by business segment does not include company-wide expenses and adjustments for trade between segments.

Aiming for greater equity spread through resource allocation reflecting the cost of shareholders' equity and proactive investor dialogue

ROE and cost of shareholders' equity

Maintain ROE that exceeds the cost of shareholders' equity



Estimated cost of shareholders' equity

Cost of shareholders' equity
(expected rate of return)

$$= \text{① Risk-free rate} + \text{② } \beta \times \text{③ Risk premium}$$

① Risk-free rate	Rate referenced to 10-year government bond yields
② β value	Comparison of the company's stock price and the overall stock market (TOPIX)
③ Risk premium	6.0% to 7.0%

Enhancement of IR activities

Reduce cost of shareholders' equity through proactive dialogue with capital market participants and information disclosure

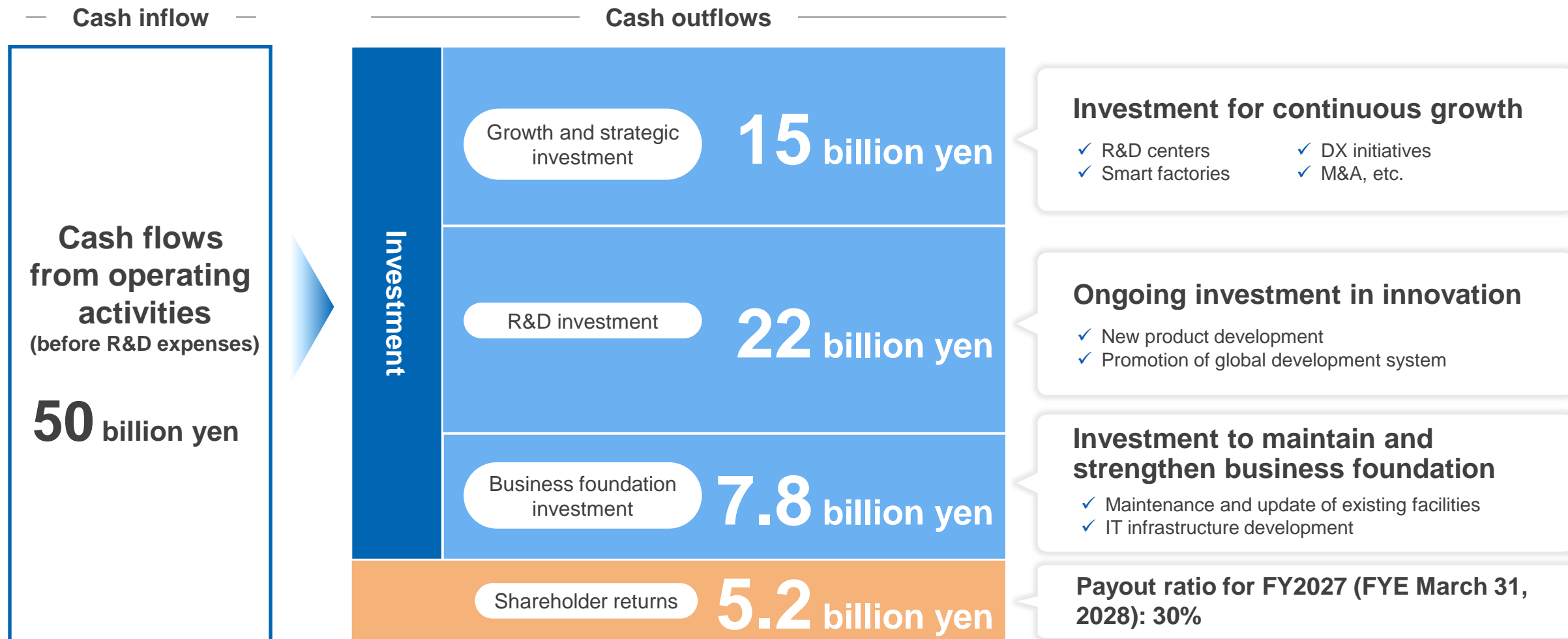
1. Enhance shareholder/investor meetings.
2. Expand range of information disclosed based on feedback from shareholders and investors.
3. Conduct facility tours.
(New HOLON Factory, A&D Development & Technology Center)

Individual meetings with investors (FYE March 31, 2025)

Number of meetings	Investor overview	Responder (varies by case)
107	Institutional investors in Japan and overseas with a wide range of investment approaches	Representative Director and President, directors in charge of IR, other employees in charge of IR

Making growth/strategic investments to drive sustainable growth and providing shareholder returns

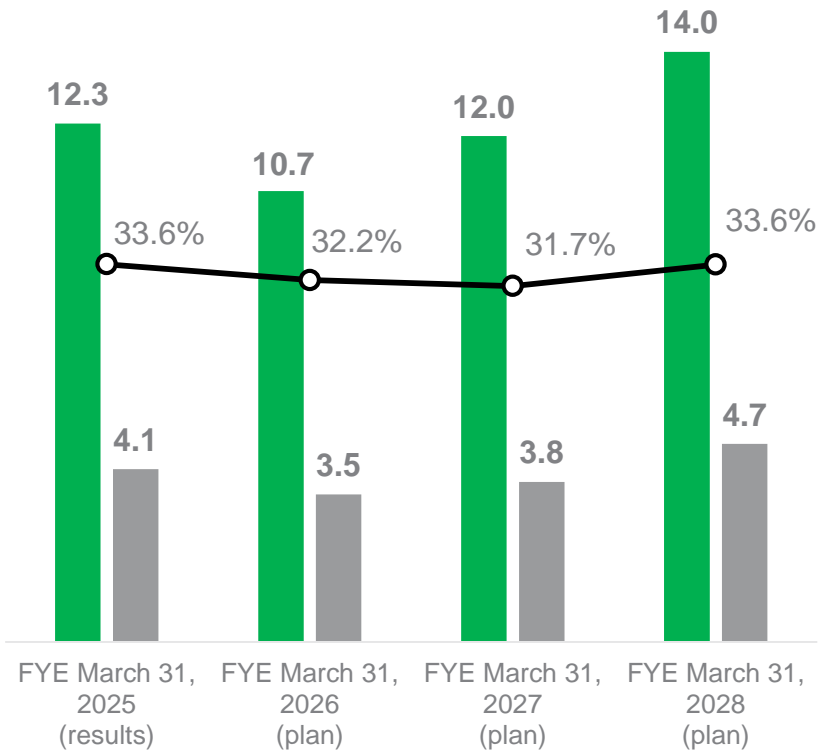
Cumulative for
FY2025 to FY2027



Toward the peak of high industry performance with analog technology

3-year forecast plan (Unit: billion yen)

■ Net sales ■ Operating profit ○ Operating profit margin



*: Semiconductor-related business is in Japan only.

*: Operating profit by business segment does not include company-wide expenses and adjustments for trade between segments.

1 Expand global market share

- Improve presence in target markets (Asia).
- Launch power sources and electron guns globally.

2 Promote new product development

- Release next-generation CD-SEM.
- Create innovative products using electron beam technology.
- Use AD/DA conversion technologies to develop high-value-added products.

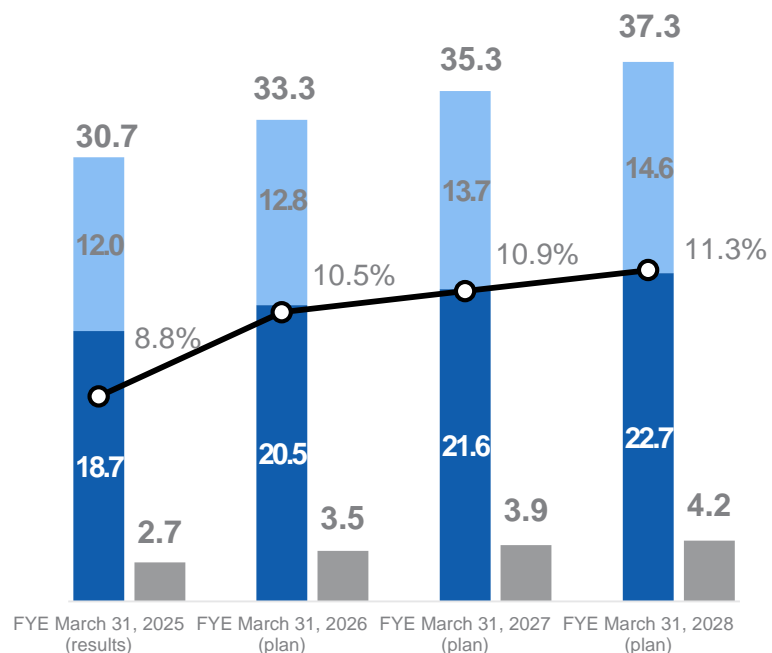
3 Strengthen Group's advanced technologies

- Integrate A&D and HOLON's core technologies.
- Improve processing capacity of technologies like image analysis using AI.

Targeting and entering strategic markets to boost profitability

3-year forecast plan (Unit: billion yen)

■ Net sales (Japan) ■ Net sales (overseas)
■ Operating profit ○ Operating profit margin



1 Expand global market share

- Strengthen sales in key regions (North America and China).
- Enhance global engineering capabilities.

2 Promote new product development

- Develop new products for the laboratory market (analysis scales, etc.).
- Develop new products for the factory automation market (measurement modules, etc.).
- Develop tire testing machines for new regulations.

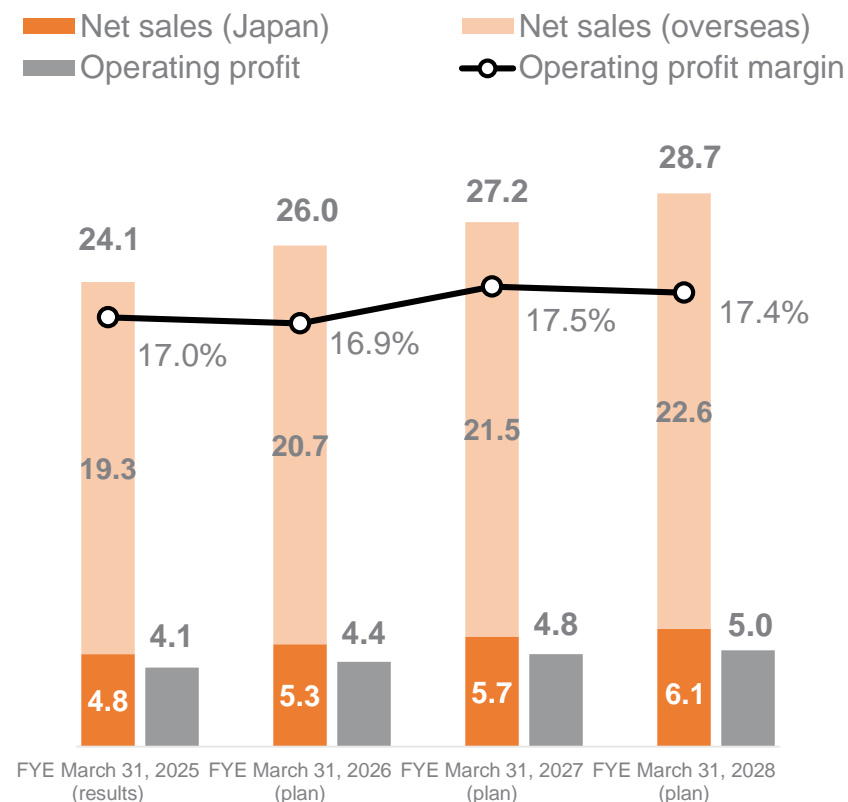
3 Take energy transition measures

- Develop thermal management systems.
- Expand electric vehicle engineering services.

*: Operating profit by business segment does not include company-wide expenses and adjustments for trade between segments.

Bringing cutting edge medical care to the global market

3-year forecast plan (Unit: billion yen)



*: Operating profit by business segment does not include company-wide expenses and adjustments for trade between segments.

1 Expand global market share

- Expand coverage of home-use blood pressure monitors.
- Promote products for medical facilities in countries the Group do not yet have a presence.

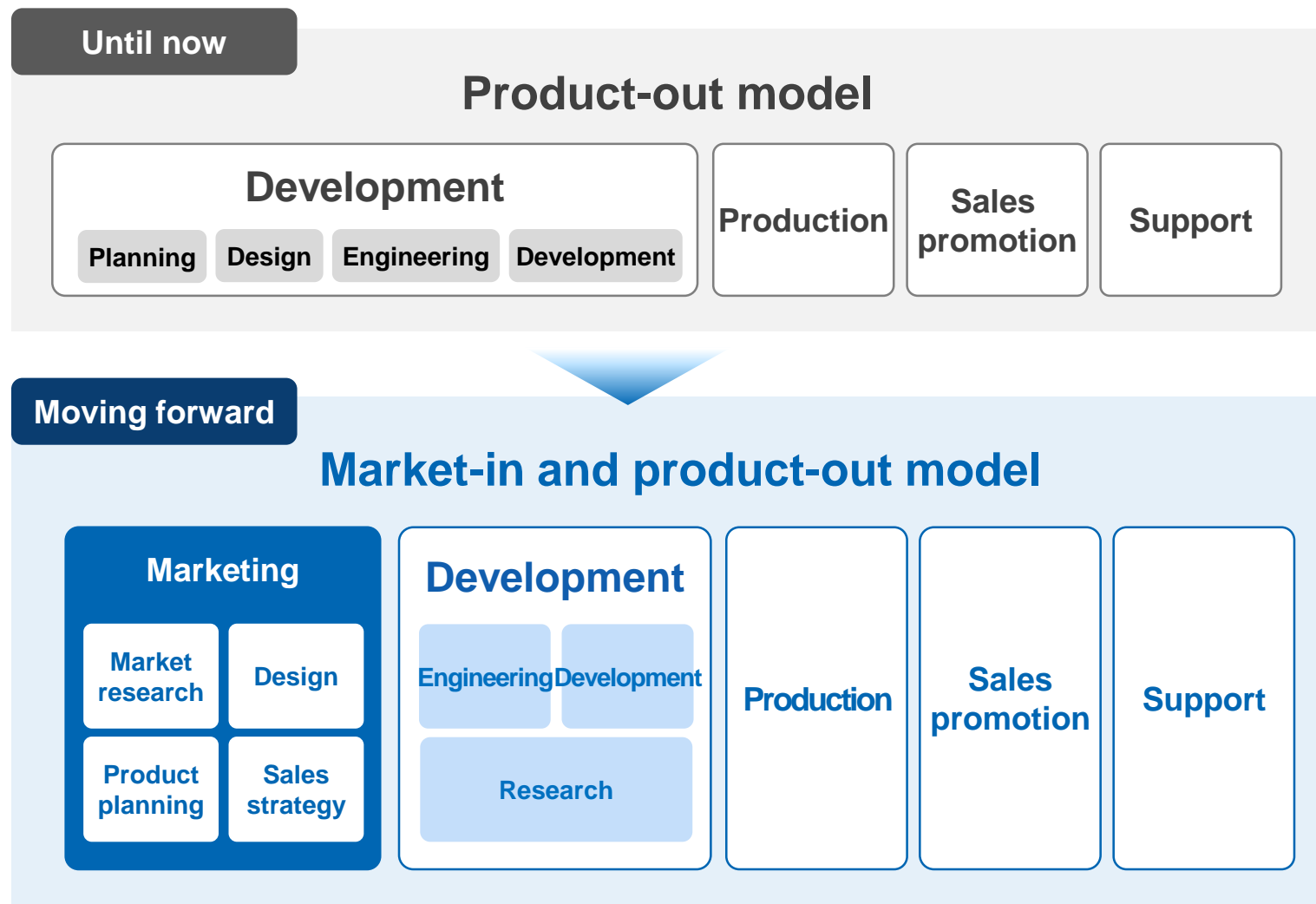
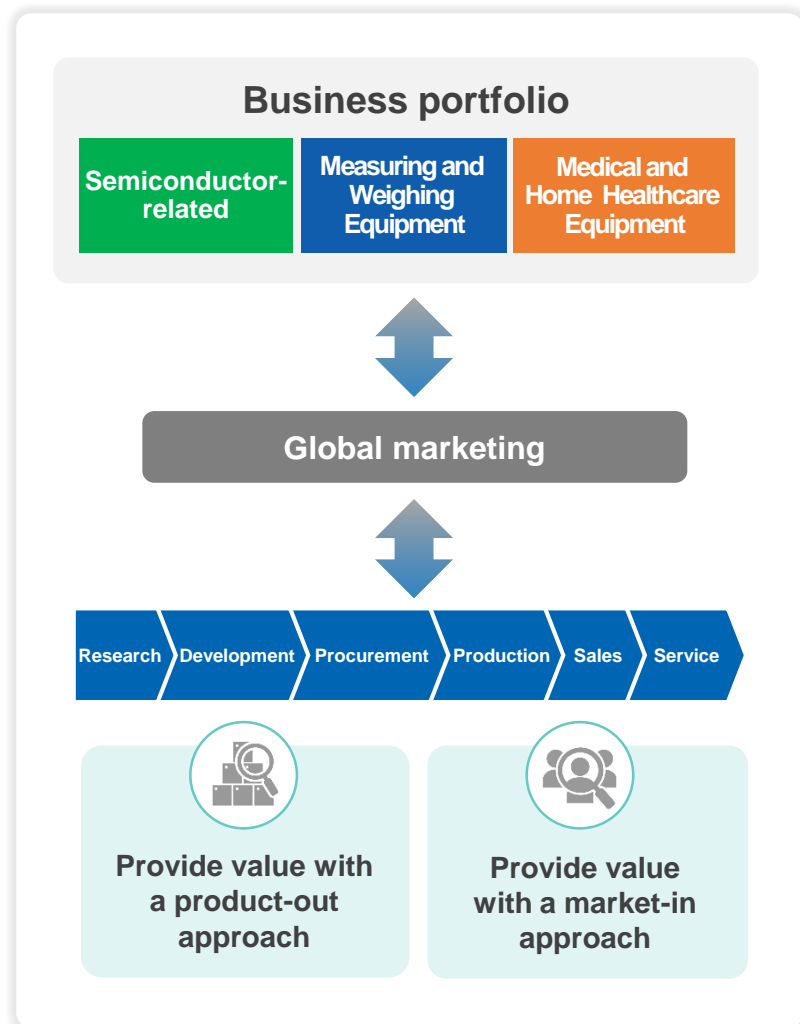
2 Promote new product development

- Expand product lineup with a view to offer digital healthcare solutions globally.
- Develop home-use upper arm blood pressure monitors with sleep measurement capabilities, an industry first.

3 Strengthen business foundation and approach to advanced technology

- Promote innovative product development through industry-academia collaboration.
- Strengthen the product value chain.

Shifting to a hybrid model with market-in and product-out approaches focusing on regional markets around the world



Strengthening market competitiveness by enhancing development and optimizing production capabilities



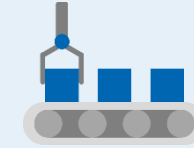
Development

1 Enhancing development capabilities

- Improve new product planning process.
- Make development global.

2 Building R&D capabilities that incorporate a market-in approach

- Establish core technologies and explore technological seeds.
- Boost product planning capabilities.



Production

1 Developing the global supply chain

- Optimize inventory and reduce stock of raw materials based on balance of supply and demand.
- Optimally locate factories in Japan and overseas.

2 Strengthening the product value chain

- Promote automation of production lines and infrastructure.
- Incorporate digital technology into production (using AI for demand forecasting and production planning systems)

Strengthening the business foundation with both protective and proactive DX, securing a competitive advantage

Protective DX

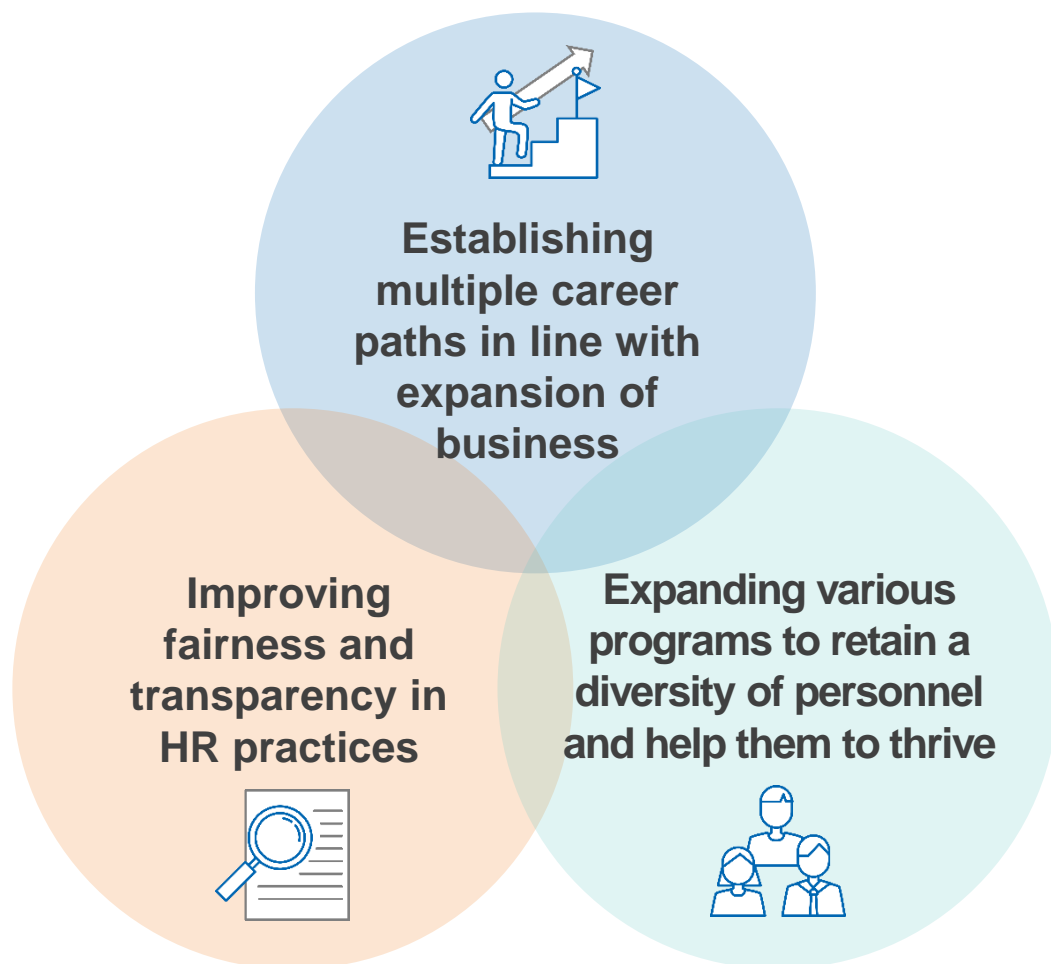
- 1 Introducing various systems to strengthen management foundation
- 2 Enhancing security system to reduce cyber risks
- 3 Building a data platform for collecting market information

Proactive DX

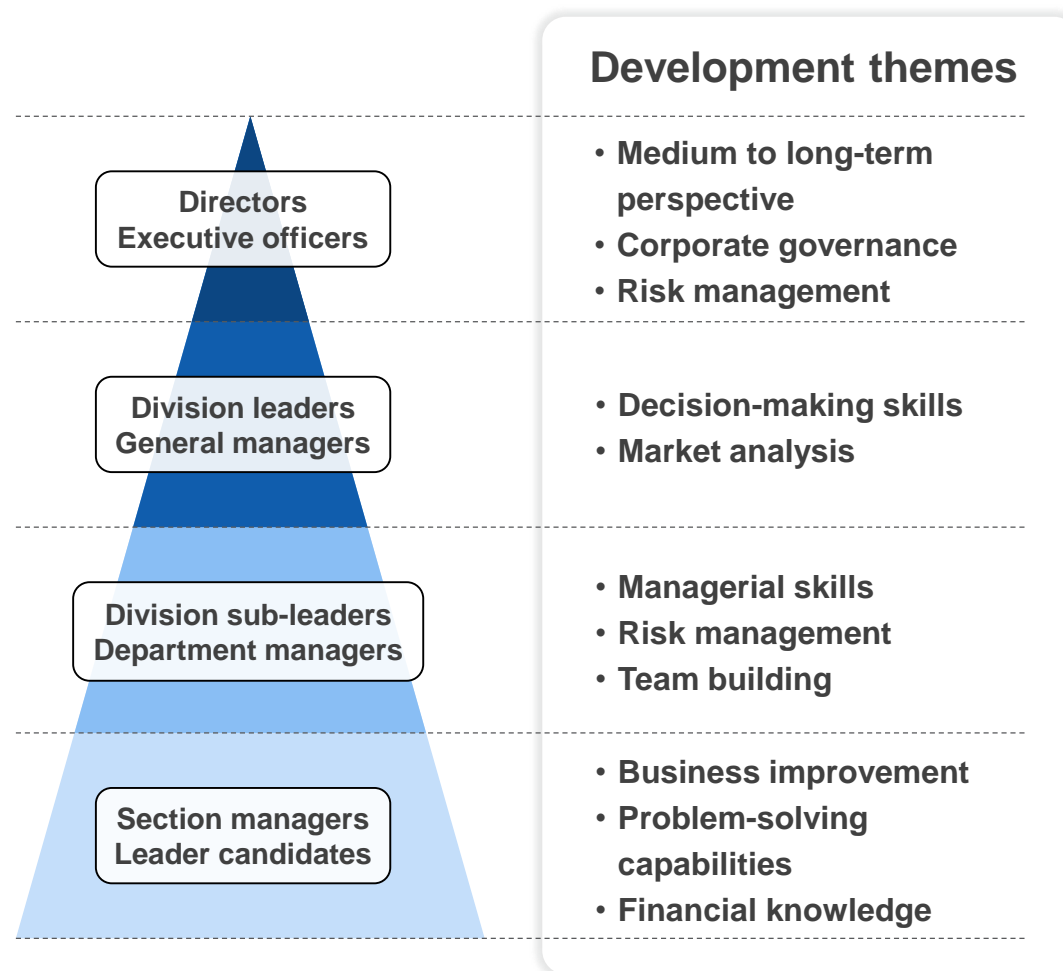
- 1 Improving digital marketing
- 2 Introducing systems to strengthen the supply chain
- 3 Developing smart factories using AI and IoT

Boosting corporate value through developing highly-skilled personnel

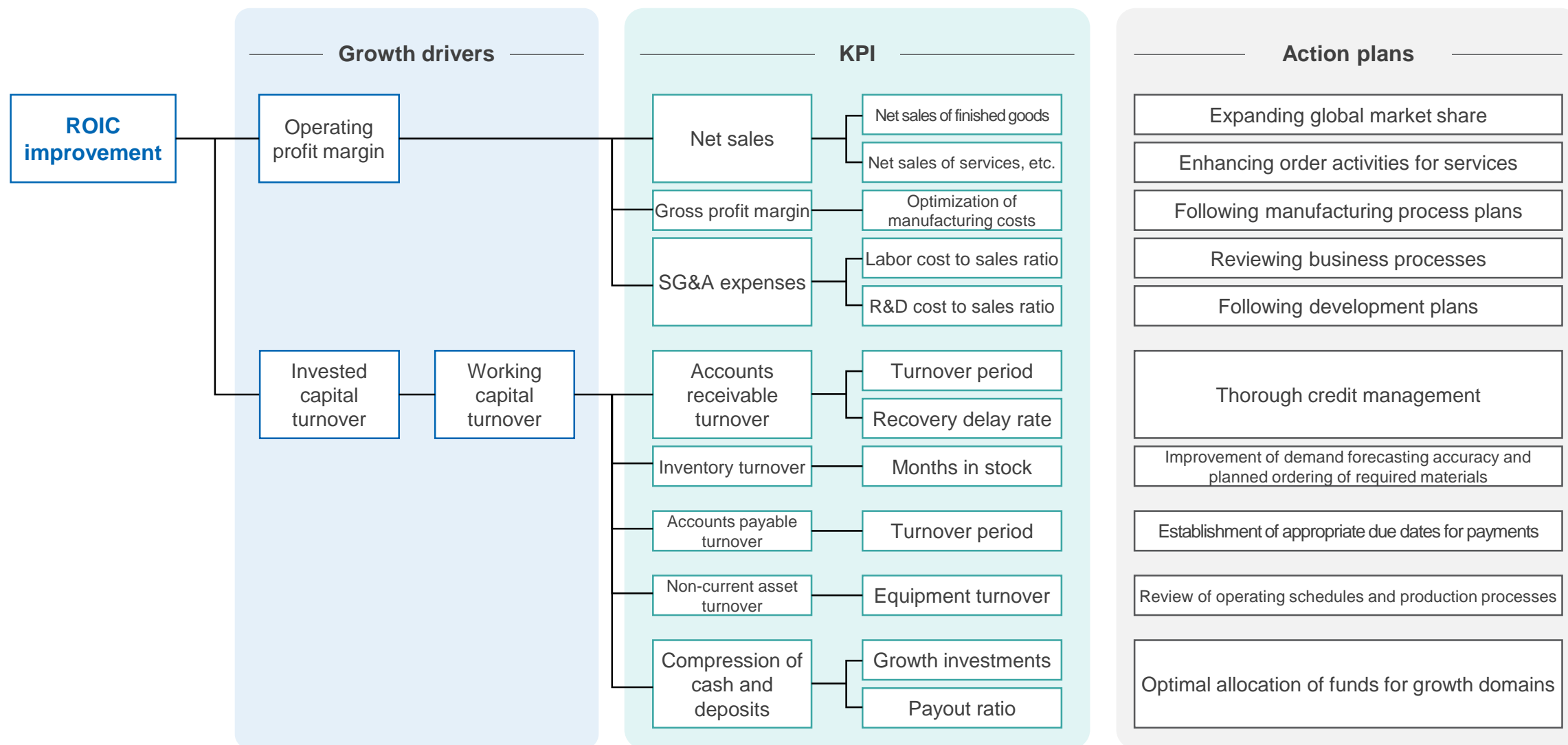
Overview of personnel program reform



Succession plan (HR development program)



Introducing operations that link the ROIC tree with on-site action plans



The Company will celebrate its 50th anniversary in May 2027. I would like to express my sincere gratitude for your patronage and ongoing support. While fulfilling our mission as a manufacturing company, over the past half century we have been striving every day to put quality and reliability first. Our many customers in the global market have helped us grow into a company that is trusted around the world.

Moving forward we will continue to pursue technological innovation, improve quality, and provide products and services that meet the expectations of our customers. We value our customers' feedback. As we strive to progress even further, I ask for your continued support.



Representative Director and
President

Yasunobu Morishima



A&D HOLON Holdings
Click [here](#) for IR website.