



**Briefing Materials:
Financial Results for FY2022 Q2**

**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.

| Contents

- 1 | Summary of Financial Results for FY2022 Q2 P3
- 2 | Results by Segment for FY2022 Q2 P11
- 3 | FY2022 Q2 Topics P16
- 4 | Forecast for FY2022 (Upward Revision) P20
- 5 | Shareholder Returns P24
- 6 | APPENDIX P26

The Company integrated management with HOLON Co., Ltd., a consolidated subsidiary of the Company, and started operations as A&D HOLON HOLDINGS on April 1, 2022. Therefore, the results for FY2021 are the results of A&D and the forecast for the FY2022 is the forecast of A&D HOLON Holdings, Co., Ltd.

| Contents

1 | Summary of Financial Results for FY2022 Q2 P3

2 | Results by Segment for FY2022 Q2 P11

3 | FY2022 Q2 Topics P16

4 | Forecast for FY2022 (Upward Revision) P20

5 | Shareholder Returns P24

6 | APPENDIX P26

Executive Summary: FY2022 Q2



Sales and operating profit for Q2 were 15,180 million yen and 2,046 million yen respectively, both record highs.

Continued year-on-year revenue growth in all businesses against a backdrop of strong orders, and upwardly revised full-year forecasts.

Q2 Total
Sales

27,162_{M JPY}

YoY
113.8%

Q2 cumulative forecast
achievement rate
111.8%

Q2 Total
Operating
Profits

1,826_{M JPY}

YoY
85.6%

Q2 cumulative forecast
achievement rate
92.3%

- In terms of profits, semiconductor-related and measurement/weighing instruments recorded higher profits YoY, while medical and healthcare equipment saw slightly lower profits YoY due to the impact of high material costs and expenses.
- Current orders in all businesses remain strong, and overseas sales are also solid.
- Minimize the impact of soaring material costs and high resource prices by increasing revenue through continuous sales expansion and reducing SG&A expenses.

Summary of Business Results for FY2022 Q2

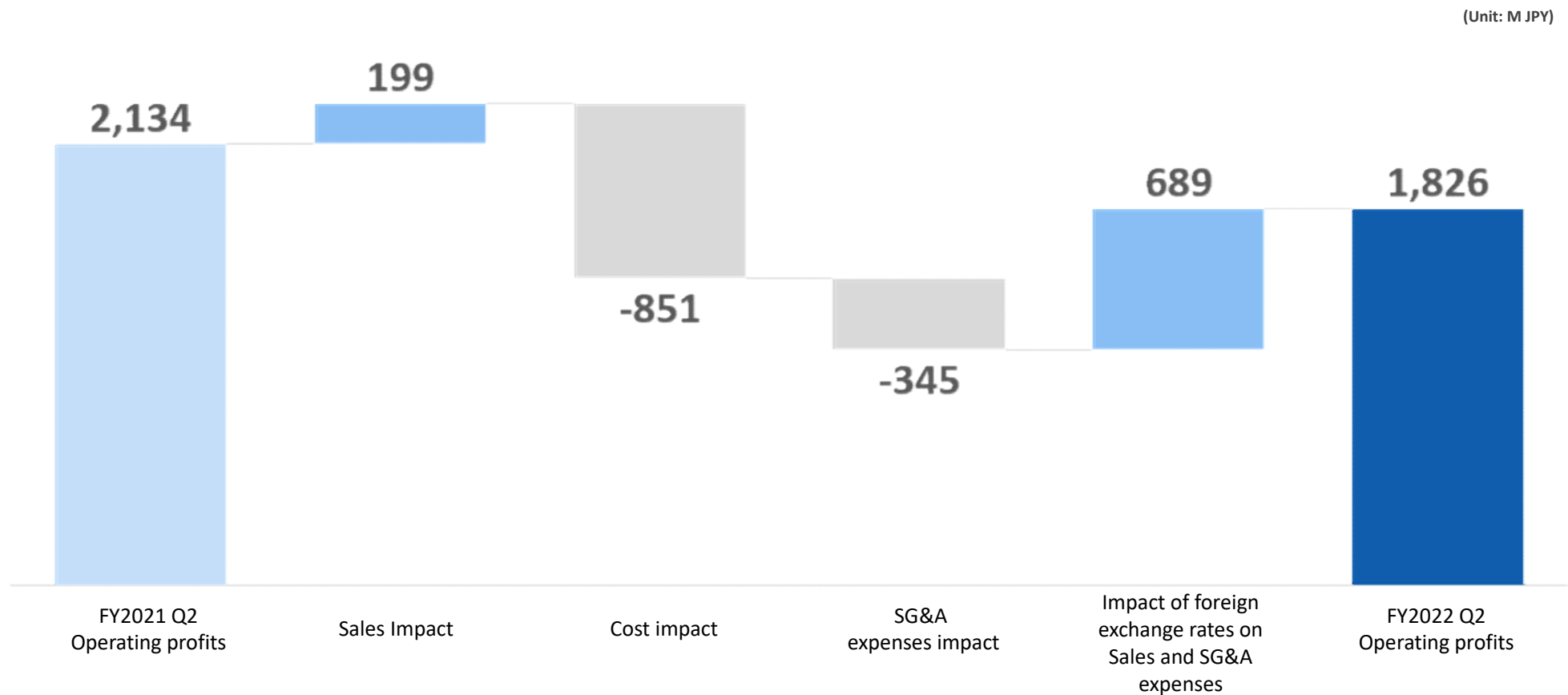
In addition to strong orders, the impact of foreign exchange rates resulted in a significant increase in sales, exceeding the initial forecast. Profits improved significantly.

(Unit: M JPY)	FY2021	FY2022				(Reference) FY2022 Q2 Cumulative Total Forecast	
	Q2 Cumulative total	Q1 April to Jun	Q2 Jul to Sep	Q2 Cumulative total	YoY	Q2 Total Forecast	Achievement Rate
Sales	23,876	11,981	15,180	27,162	113.8%	24,300	111.8%
Cost of Sales	13,324	7,604	8,360	15,965	119.8%	—	—
SG&A Expenses	8,417	4,596	4,774	9,370	111.3%	—	—
Operating profits	2,134	-219	2,046	1,826	85.6%	1,980	92.3%
Ordinary profit	2,234	-1	2,234	2,232	99.9%	1,920	116.3%
Profit before tax	2,170	-6	2,234	2,227	102.7%	—	—
Quarterly net profit attributable to shareholders of parent company	1,363	-159	1,625	1,465	107.5%	1,300	112.7%
Quarterly net profit per share (yen)	66.02	-5.83	59.25	53.43	-12.6yen	47.40	+6.03 yen

Elimination of unrealized profit decreased by 100 million yen from Q1.

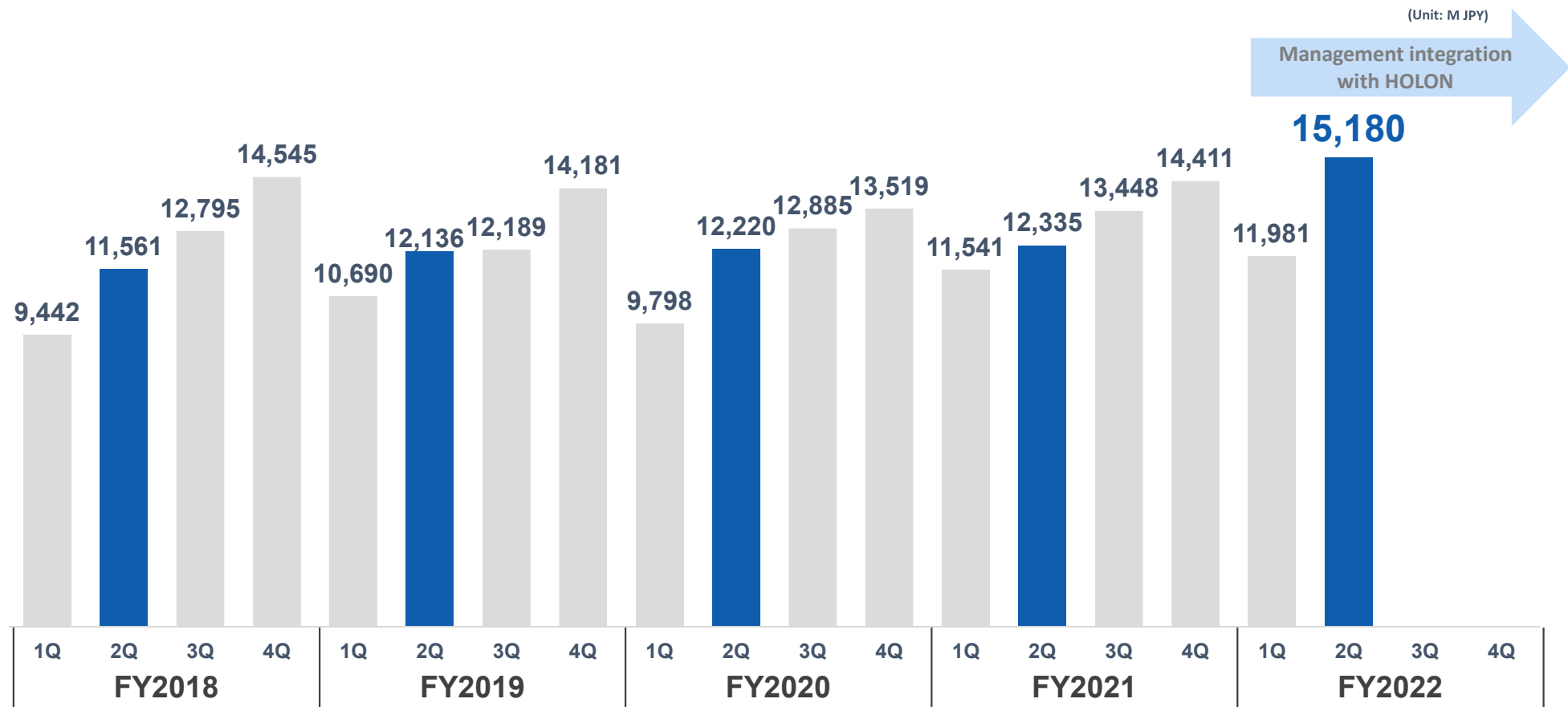
Gain/Loss Factors in Operating Profit (YoY)

Profitability improved significantly due to higher gross profit on higher revenues; cost of sales increase related to elimination of unrealized income on inventories due to foreign exchange rate trends also improved.



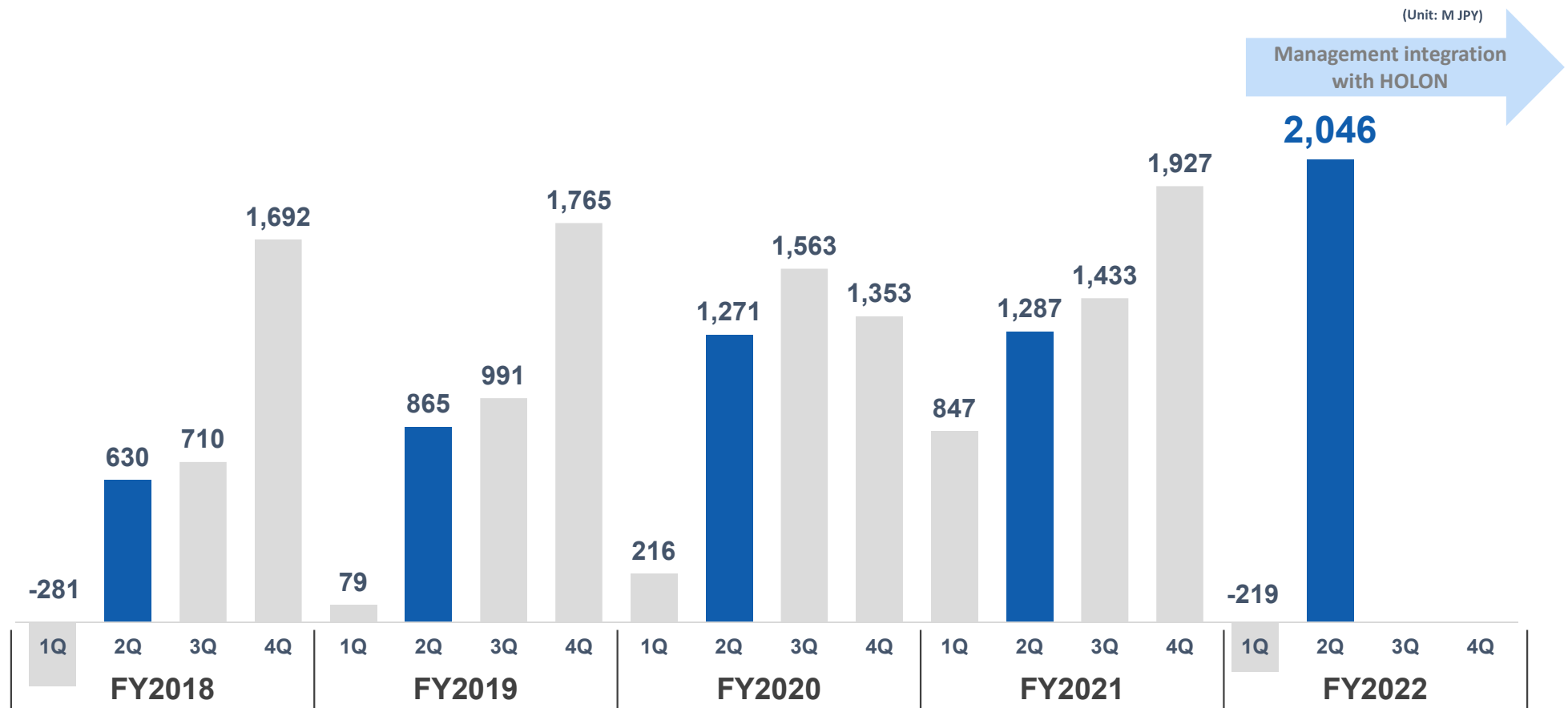
Quarterly Sales Trends

Record quarterly sales



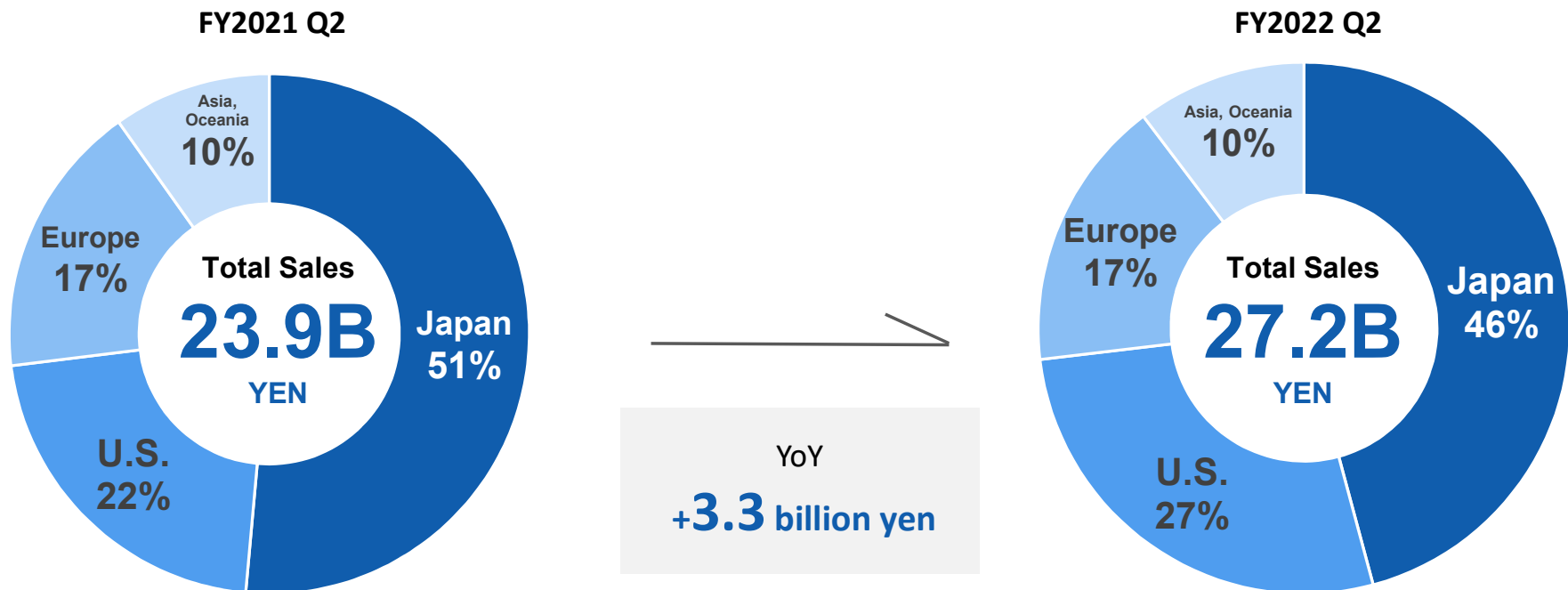
Quarterly Operating Profit Trend

Record quarterly operating profit



Percentage of Sales by Region

Overseas sales growth drove overall performance.



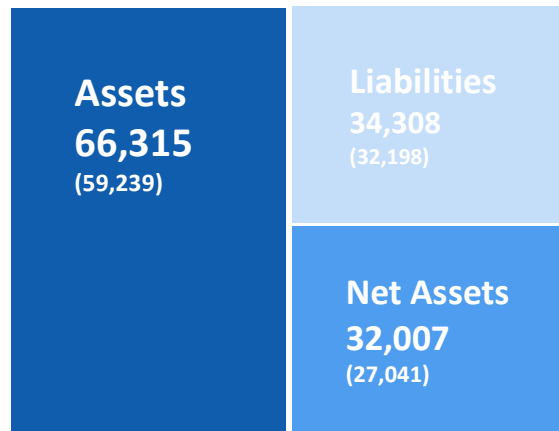
(Unit: M JPY)

Region	FY2021 Q2	Composition ratio	FY2022 Q2	Composition ratio	YoY
Japan	12,283	51.4%	12,441	45.8%	101.3
Overseas	11,590	48.5%	14,717	54.2%	127.0%

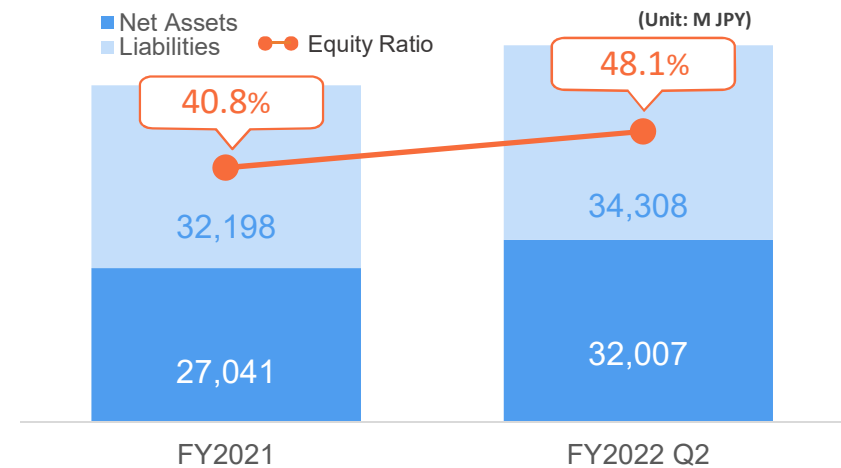
Financial Analysis (Balance Sheet)

Financial Conditions FY2022 Q2 End

Figures in parentheses are as of the end of FY2021



Liabilities, Net Assets and Equity Ratio



(Unit: M JPY)	FY2021	FY2022 Q2	
Current assets	43,946	50,104	
Fixed assets	15,292	16,210	
Total assets	59,239	66,315	1
Current liabilities	26,202	28,767	
Fixed liabilities	5,995	5,541	
Total liabilities	32,198	34,308	2
Total net assets	27,041	32,007	3

	Increase in cash and deposits	1.64B yen
1	Increase in merchandise and finished goods and work in process	3.56B yen
	Increase in raw materials and supplies	0.92B yen
2	Increase in notes and accounts payable-trade	0.88B yen
	Increase in short-term borrowings	1.6B yen
3	Increase in shareholders' equity	3.91B yen

| Contents

1 | Summary of Financial Results for FY2022 Q2 P3

2 | Results by Segment for FY2022 Q2 P11

3 | FY2022 Q2 Topics P16

4 | Forecast for FY2022 (Upward Revision) P20

5 | Shareholder Returns P24

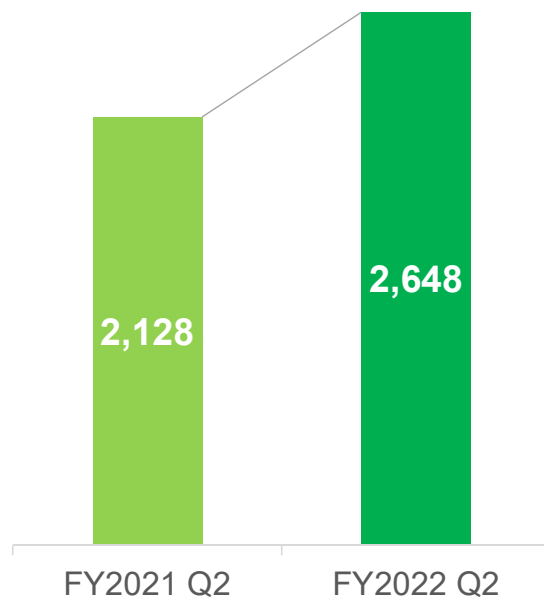
6 | APPENDIX P26

Semiconductor-related Business

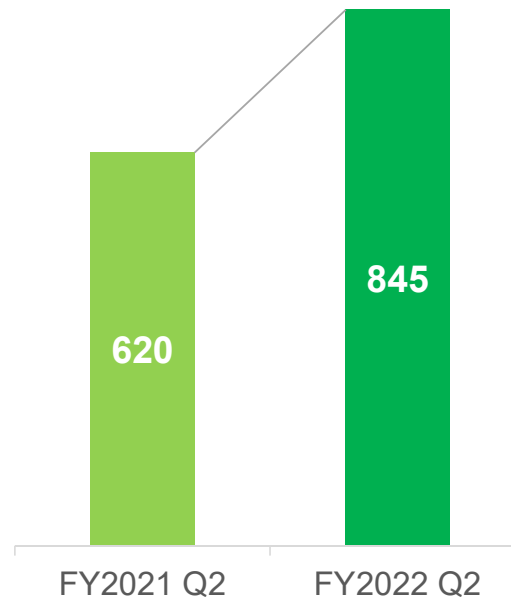
Net sales YoY 124.4%. Operating profit YoY 136.2% increase in sales and income

(Unit: M JPY)

Sales



Operating Profits



- Shipment and acceptance inspection were completed as initially planned, and business performance progressed as expected.
- Demand for further miniaturization of semiconductors is strong, and investment in cutting-edge areas is expected to continue.
- Inquiries and orders remained active for both A&D and HOLON.

*Semiconductor related business only in Japan

Measuring and Weighing Instruments Business

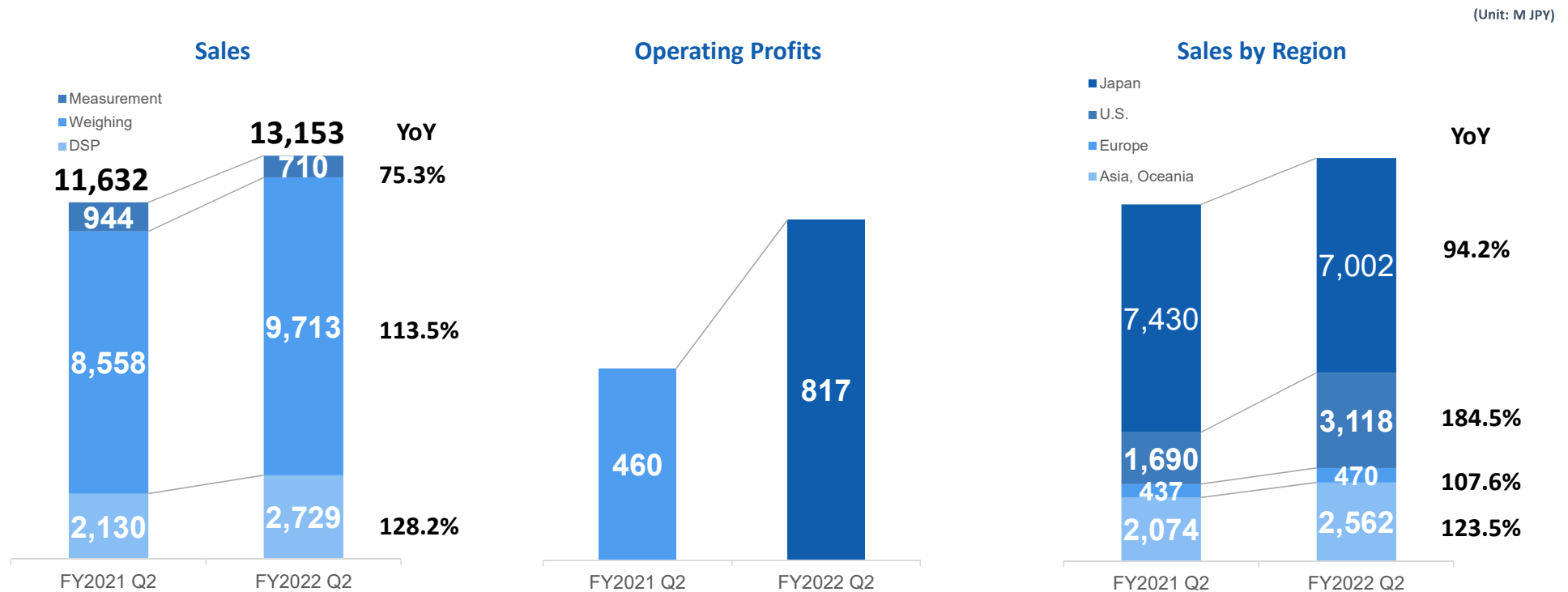
Net sales YoY 113.1%. Operating profits YoY 177.3% increase in sales and income

Japan: No impact on overall segment performance despite delays in some testing equipment and DSP projects.

U.S.: Sales and profits both increased significantly due to continued strong sales of mainstay weighing equipment and special demand for precision balances.

Asia and Oceania: Sales of weighing equipment in Korea and metal detectors and weight checkers in India increased.

Profits are expected to increase significantly as a result of increased production and more efficient production.



Segment Results: Medical and Health Care Equipment

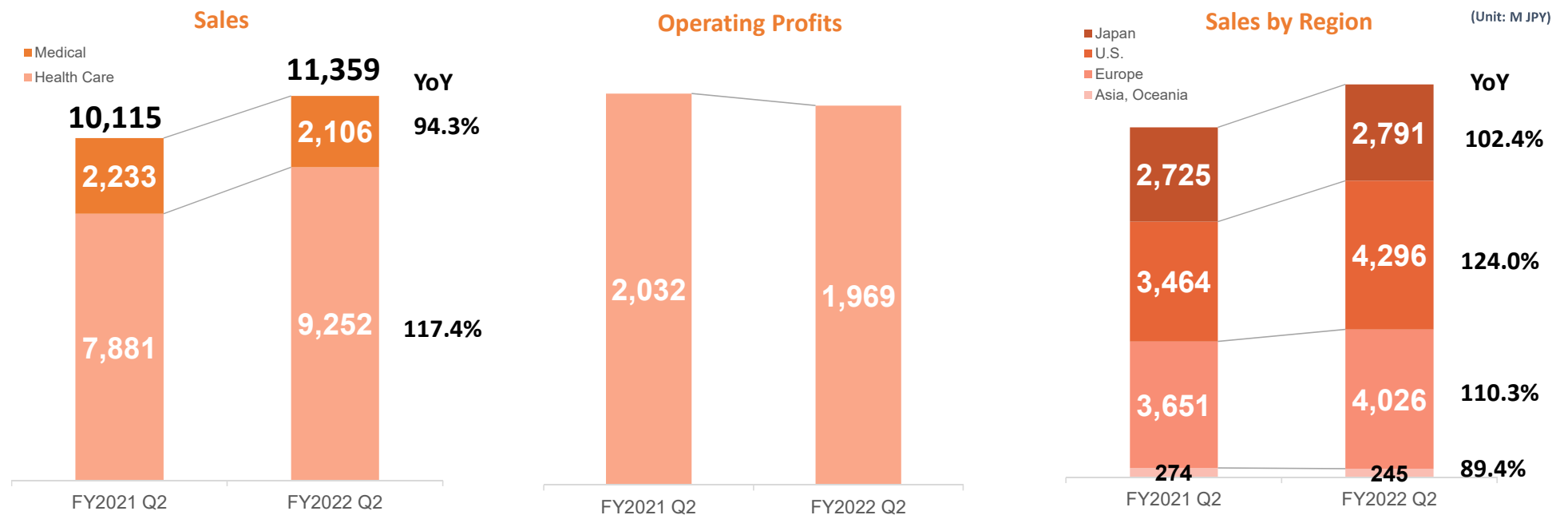
Net sales YoY 112.3%. Operating profits YoY 96.9% increase in sales and decrease in income

Japan: Sales of medical equipment declined due to a lull in demand for blood pressure monitors for nursing care in hospitals, while demand for home blood pressure monitors, etc. remained strong.

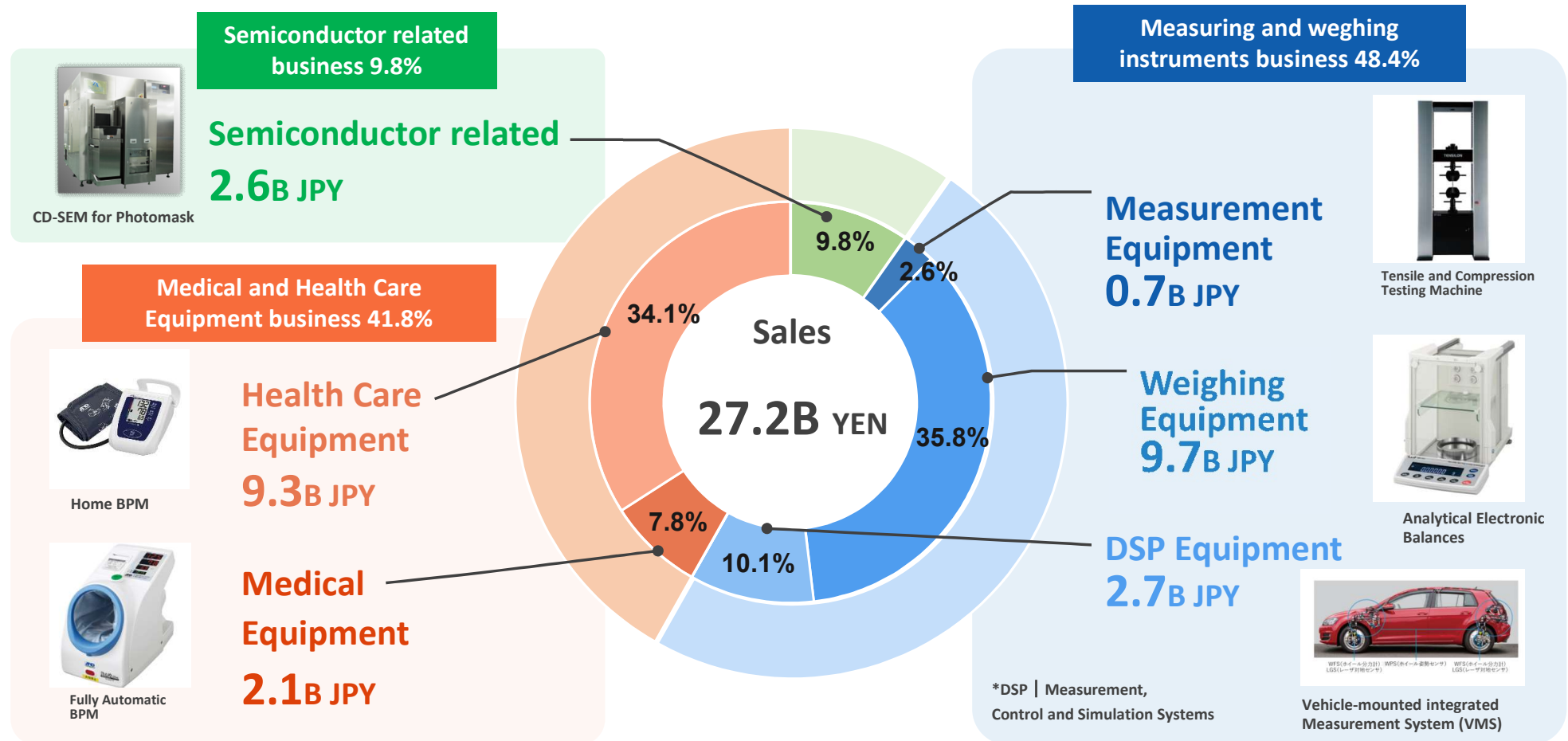
U.S.: In addition to continued large orders in the U.S., sales of home blood pressure monitors to consumers grew in Canada.

Europe: Despite a decrease in sales volume in some regions, both sales and income after currency conversion into yen increased due to the significant impact of yen depreciation.

Profits decreased due to the impact of higher raw material prices and higher transportation costs to the U.S., including airfreight.



Sales Composition by Business Segment

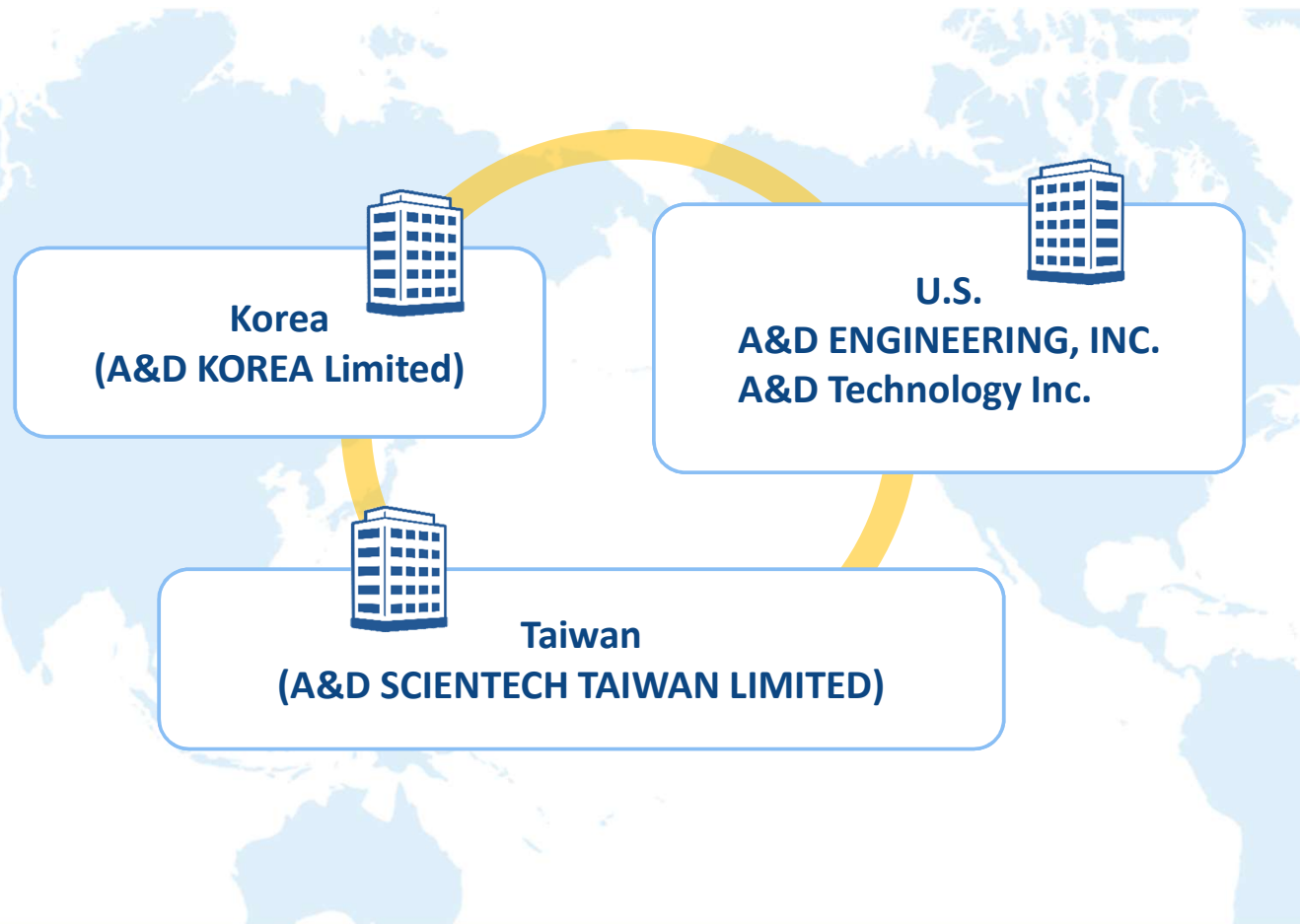


| Contents

- 1 | Summary of Financial Results for FY2022 Q2 P3
- 2 | Results by Segment for FY2022 Q2 P11
- 3 | FY2022 Q2 Topics P16**
- 4 | Forecast for FY2022 (Upward Revision) P20
- 5 | Shareholder Returns P24
- 6 | APPENDIX P26

Progress after Management Integration

Leverage A&D's existing overseas offices



State of Progress

Strengthen procurement capabilities

Sharing of purchasing functions and purchasing information will enhance procurement capabilities for semiconductor parts and materials.

Establishment of joint development system

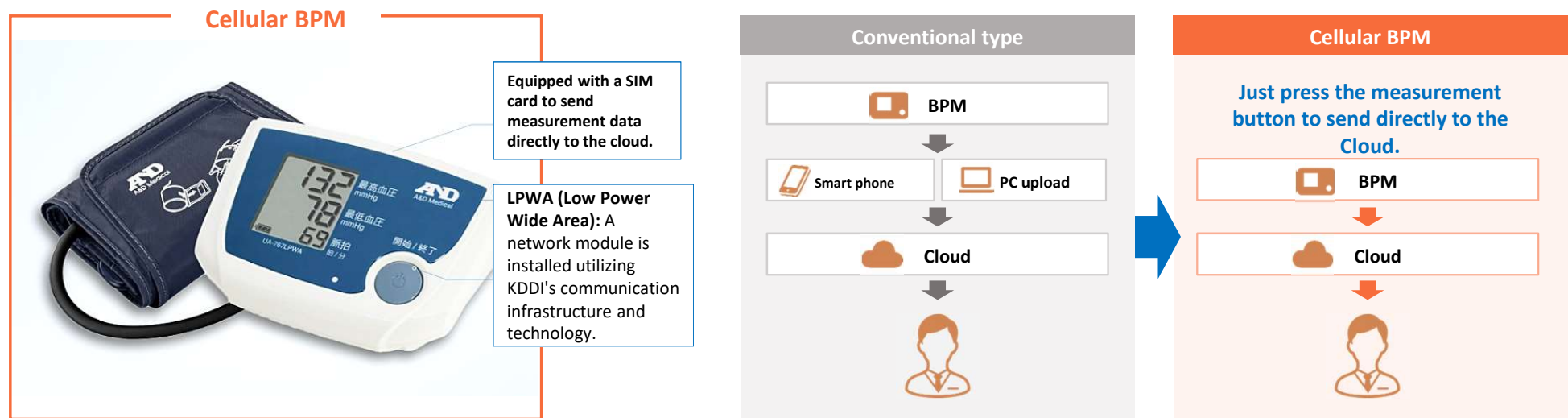
A&D engineers are being transferred to HOLON and other joint development systems are being established.

Strengthening the service system

Preparations underway to utilize A&D's overseas sales offices as service centers for semiconductor-related business.

Developed a cellular communication-based blood pressure monitor with medical device certification in Japan.

This BPM enables anyone to easily manage their blood pressure in the cloud at the touch of a button without the need for a smartphone or PC. This provides blood pressure data collection solutions for telemedicine and communities without access to a connected device.



Medical DX

The Japanese government's "Medical DX Promotion Headquarters" was established in October 2022. Digital Transformation (DX) of medical equipment is essential for the next generation of medical care. A&D is actively developing products to meet market demand.

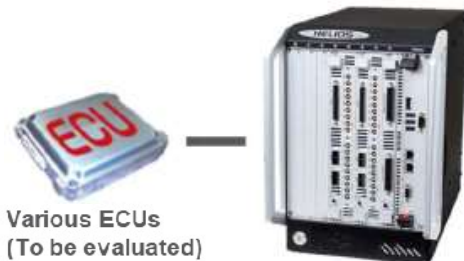
Jointly developed " EV-Sim HELIOS Edition " a real-time simulator for electric vehicle development. Full-scale sales started in May 2022. Sales steady, capturing demand for EVs.

By responding flexibly to the electrification of the automotive industry we are innovating products to meet customer needs.
We will strengthen our sales force to further expand our sales of this product line.



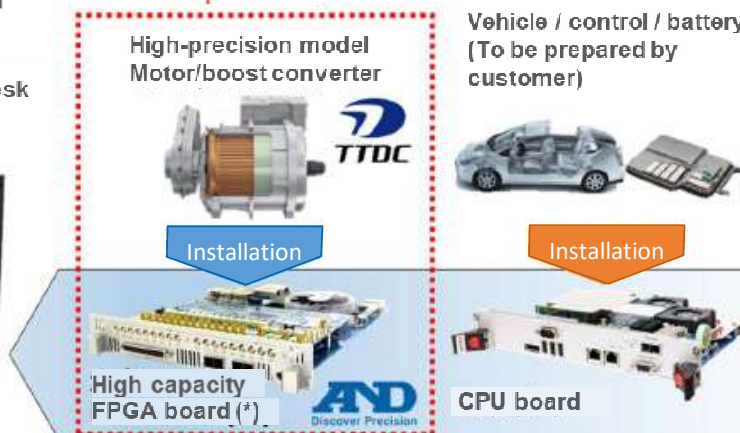
EV-Sim HELIOS Edition (Overall image)

- Compact size that can be installed on a desk
Size: W: 224.84 / H: 350 / D: 403 mm
Weight: approximately 11.6 kg



Various ECUs
(To be evaluated)

New development



*FPGA: Abbreviation for Field Programmable Gate Array, an electronic component for digital circuits that can be rewritten any number of times.

Significantly shortened development time for control development and verification procedures

Contribute to more efficient development

"EV-Sim HELIOS Edition " enables real-time simulation of electric vehicles using a high-precision model (motor/boost converter) equivalent to that of the actual vehicle, making it possible to evaluate on a desktop what was previously done with an actual vehicle.

※ Electric Vehicle(EV) is a generic term for BEV, HEV, PHEV, FCEV, etc.

| Contents

- 1 | Summary of Financial Results for FY2022 Q2 P3
- 2 | Results by Segment for FY2022 Q2 P11
- 3 | FY2022 Q2 Topics P16
- 4 | Forecast for FY2022 (Upward Revision) P20**
- 5 | Shareholder Returns P24
- 6 | APPENDIX P26

Revision of Full-Year Earnings Forecasts for FY2022

Despite the uncertain outlook for the global economy, we have upwardly revised our full-year forecasts considering strong orders and exchange rate trends.

Consolidated P/L				(Unit: M JPY)	
	FY2022 A&D HOLON HD Initial Forecast (Announced on May 12, 2022)	FY2022 A&D HOLON HD Revised Forecast (Announced on November 8, 2022)	% change	FY2021 A&D Full Year Results	YoY
Sales	53,800	57,500	+6.9%	51,736	111.1%
Operating Profits	6,000	6,100	+1.7%	5,496	111.0%
Ordinary profit	5,870	6,222	+6.0%	5,604	111.0%
Net Profit Attributable to Shareholders of Parent Company	3,990	4,092	+2.6%	3,573	114.5%
Net Profit Per share (JPY)	145.48	149.18	+3.7yen	172.92	-23.74 yen

Assumed exchange rate: The original forecast was 120 yen to the dollar and 1.5 yen to the ruble; the revised forecast is 130 yen to the dollar and 2.0 yen to the ruble.

Recognition of changes in the business environment and current conditions

Business Environment		
Semiconductor Related Business		Rapidly rising demand for semiconductors led to increased capital investment by semiconductor equipment manufacturers . Our main customers' cutting-edge investments will be increasingly active, and strong demand will continue over the medium term . However, changes in the environment, such as tighter U.S. restrictions on exports to China, require close monitoring.
Measurement and Weighing Equipment Business	Measurement Equipment	Demand for measuring equipment is on the rise as industrial capital investment recovers. For weighing equipment, demand for weighing equipment for production facilities increased due to expanded EV-related investments , including secondary battery manufacturing.
	Weighing Equipment	
	DSP Equipment	Expand investment in new technologies, especially CASE. Investment in internal combustion engines is expected to taper off due to accelerated efforts to become carbon neutral, while EV-related investment is expected to grow.
Medical / Health Care Equipment Business	Medical Equipment	Although demand was expected to slow down in the previous fiscal year, demand is on an upward trend due to the advancement and digitalization of medical care and medium-term investment expansion associated with the development of medical infrastructure .
	Health Care Equipment	Expect to see increased demand for ICT (internet connected) health care equipment, especially in Japan and the Americas , as individuals become more health conscious and digitalized. However, changes in consumer attitudes due to inflation concerns in the U.S. need to be closely monitored.
Responding to changes in the external environment		

- Sharp fluctuations in exchange rates
- Difficulty in procuring parts and materials; high costs of raw materials, resources, and transportation



- Thorough inventory control
- Strengthen procurement of parts and materials, and thoroughly manage manufacturing and shipping.
- Strengthening and optimization of domestic production system
(Merger of three domestic production subsidiaries, promotion of domestic production of products for Japan)

Revision of Business Forecasts by Business Segment for FY2022

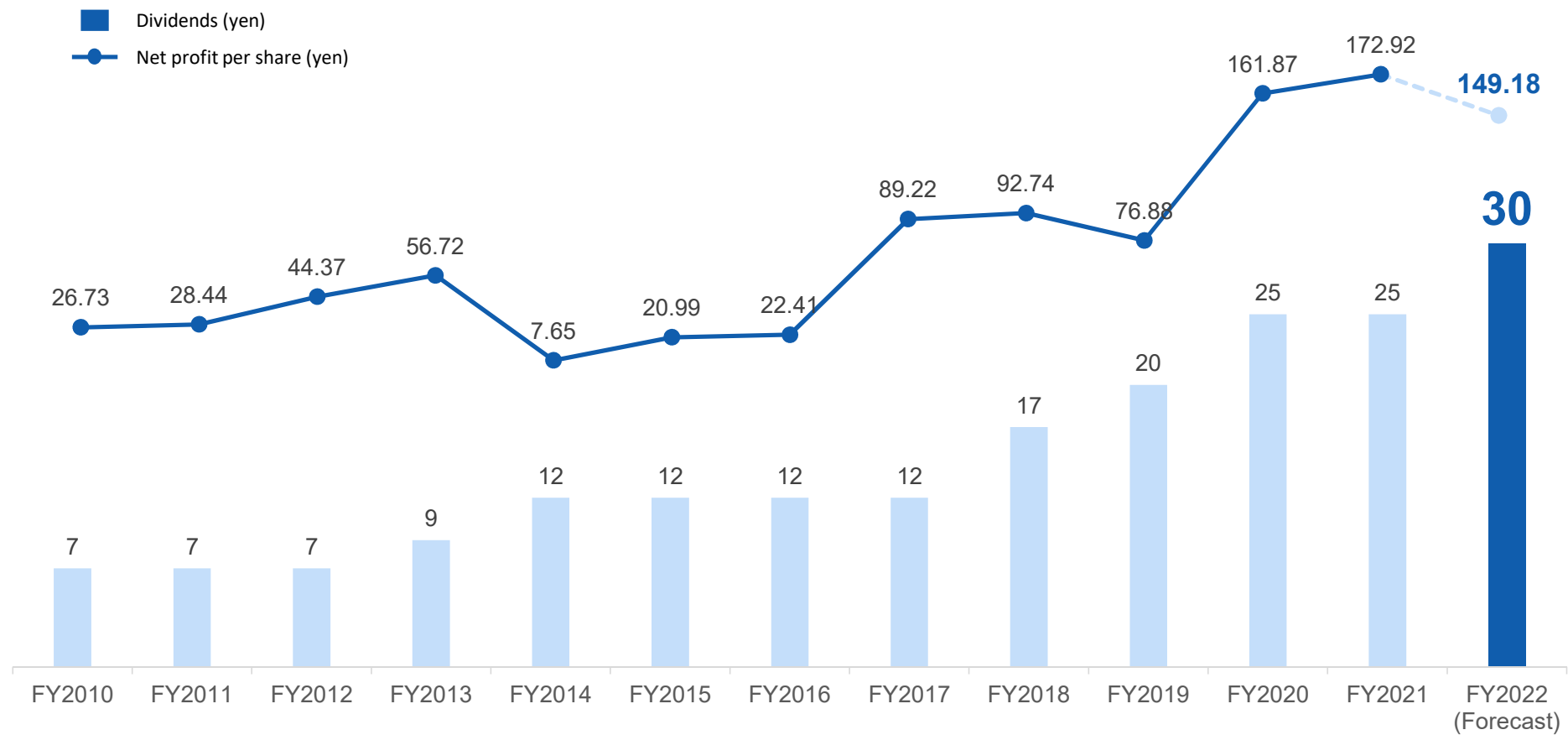
(Unit: M JPY)		FY2022 Initial forecast	FY2022 Revised Forecast	% change	FY2021 (Actual)	YoY
Semiconductor Related Business		6,400	6,732	+5.2%	5,082	132.5%
Measurement and Weighing Equipment Business	Measurement Equipment	3,150	2,368	-24.8%	2,655	89.2%
	Weighing Equipment	18,460	19,076	+3.3%	17,235	110.7%
	DSP Equipment	6,680	6,171	-7.6%	5,227	118.0%
	Subtotal	28,290	27,615	-2.4%	25,119	109.9%
Medical / Health Care Equipment Business	Medical Equipment	4,220	4,006	-5.1%	4,370	91.7%
	Health Care Equipment	14,890	19,147	+28.6%	17,164	111.5%
	Subtotal	19,110	23,153	+21.2%	21,534	107.5%
Total Sales		53,800	57,500	+6.9%	51,736	111.1%

| Contents

- 1 | Summary of Financial Results for FY2022 Q2 P3
- 2 | Results by Segment for FY2022 Q2 P11
- 3 | FY2022 Q2 Topics P16
- 4 | Forecast for FY2022 (Upward Revision) P20
- 5 | Return to Shareholder P24**
- 6 | APPENDIX P26

Return to Shareholder

Annual dividends (forecast) for FY2022 is 30 yen, an increase of 5 yen from FY2021



| Contents

- 1 | Summary of Financial Results for FY2022 Q2 P3
- 2 | Results by Segment for FY2022 Q2 P11
- 3 | FY2022 Q2 Topics P16
- 4 | Forecast for FY2022 (Upward Revision) P20
- 5 | Shareholder Returns P24
- 6 | APPENDIX P26**

Summary of Business Results by Business Segment

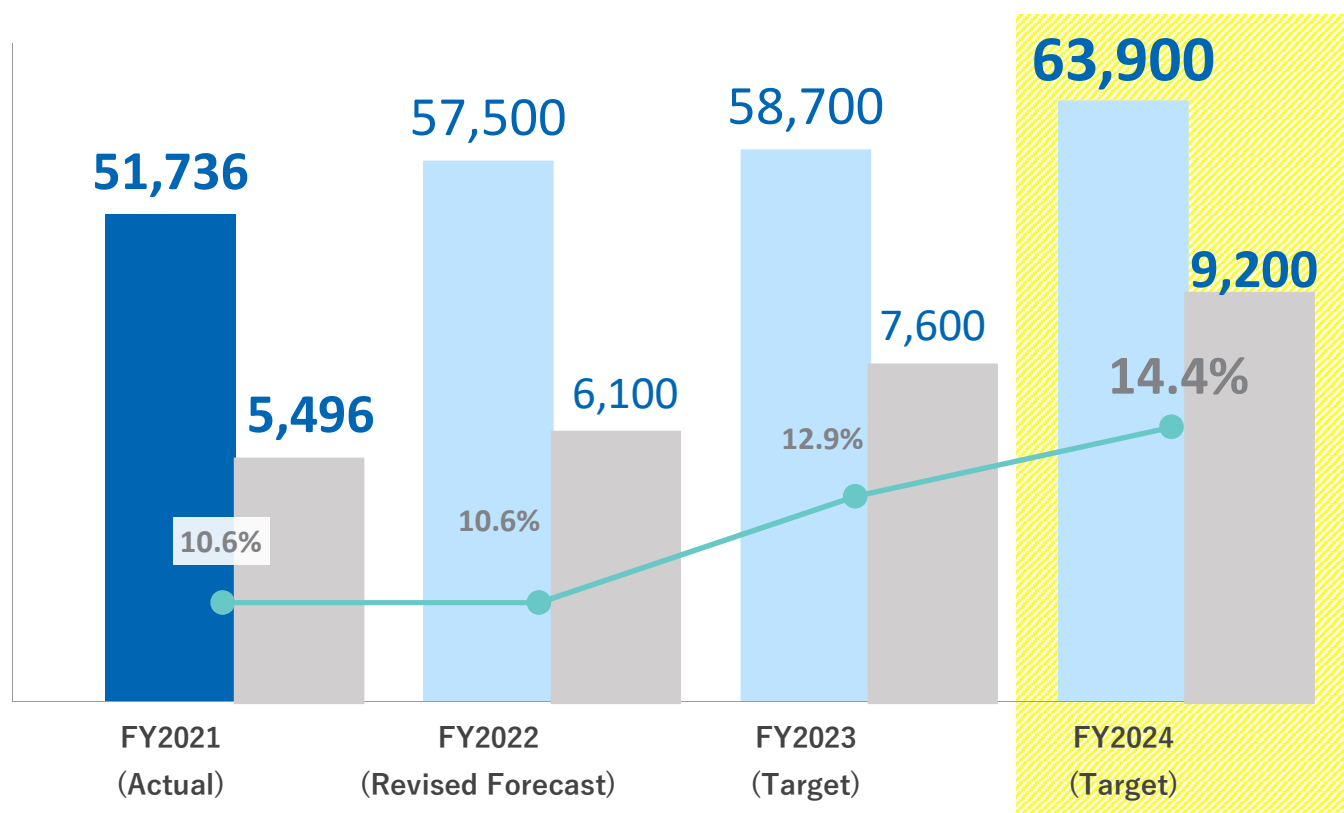
(Unit: M JPY)

	FY2021 Q2 Total	FY2022 Q2 Total	YoY
Sales	23,876	27,162	113.8%
Semiconductor related	2,128	2,648	124.4%
Measuring and Weighing Equipment	11,632	13,153	113.1%
Medical and Health Care Equipment	10,115	11,359	112.3%
Cost of Sales	13,324	15,965	119.8%
Semiconductor related	941	1,136	120.8%
Measuring and Weighing Equipment	6,772	7,675	114.2%
Medical and Health Care Equipment	5,468	6,189	113.2%
SG&A expenses	8,417	9,370	111.3%
Semiconductor related	566	666	117.6%
Measuring and Weighing Equipment	4,449	4,661	104.7%
Medical and Health Care Equipment	2,615	3,201	122.4%
Operating Profits	2,134	1,826	85.6%
Semiconductor related	620	845	136.2%
Measuring and Weighing Equipment	460	817	177.3%
Medical and Health Care Equipment	2,032	1,969	96.9%

Medium-Term Management Plan Numerical Targets

Reflects revised full-year forecast figures for FY2022

(Unit: M JPY)



For details, please refer to the "Post-Merger Medium-Term Management Plan" disclosed on May 19, 2022.

FY2024

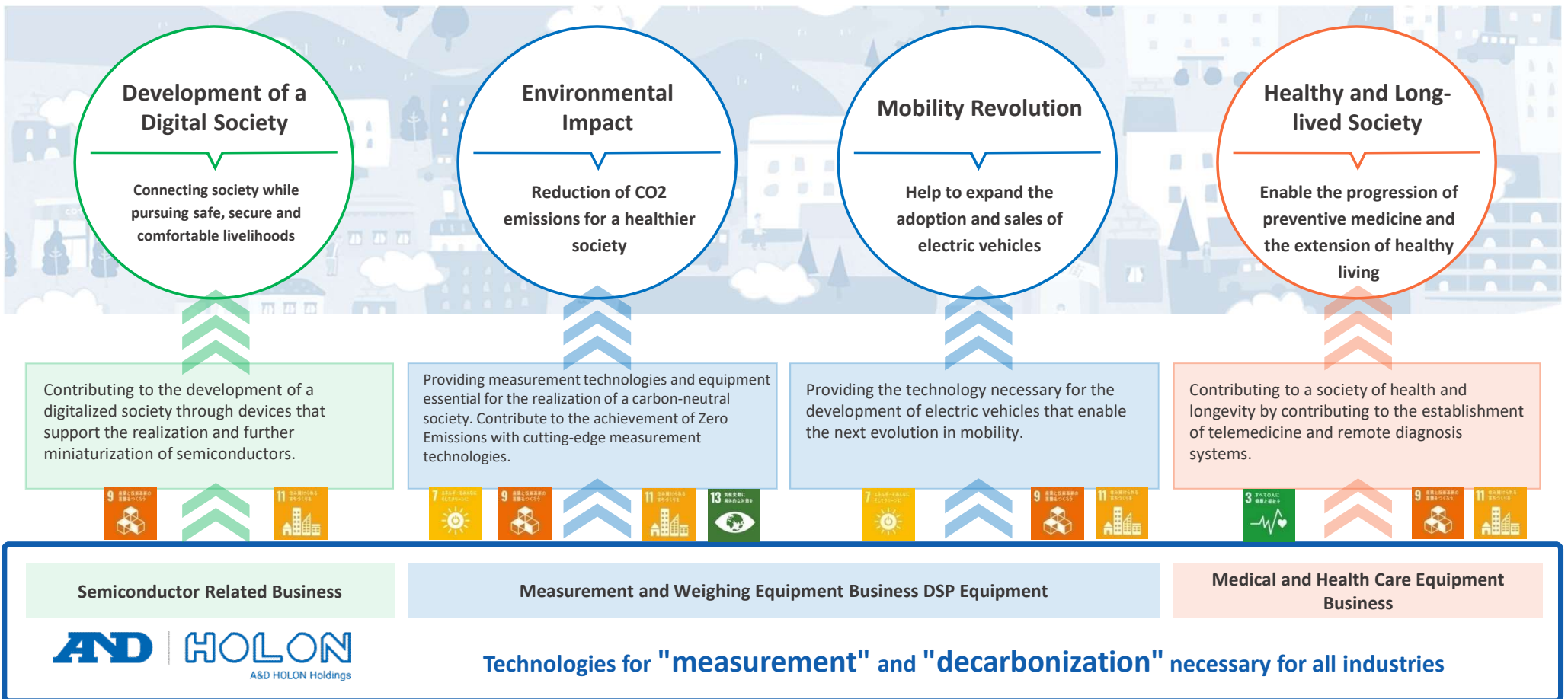
Sales
Compared to FY2021
123.5 %

Operating Profits
Compared to FY2021
167.4 %

Medium-term Management Plan Sales Plan by Business Segment

(Unit: M JPY)		FY2021 (Actual)	FY2022 (Revised forecast)	FY2023 (Target)	FY2024 (Target)	vs. FY2021 Increase	vs. FY2021 % change
Semiconductor Related Business		5,082	6,732	7,780	8,960	3,877	+76.3%
Measurement and Weighing Equipment Business	Measurement Equipment	2,655	2,368	3,540	3,900	1,244	+46.9%
	Weighing Equipment	17,235	19,076	19,900	21,570	4,334	+25.1%
	DSP Equipment	5,227	6,171	7,580	8,260	3,032	+58.0%
	Subtotal	25,119	27,615	31,020	33,730	8,610	+34.3%
Medical / Health Care Equipment Business	Medical Equipment	4,370	4,006	4,410	4,670	299	+6.9%
	Health Care Equipment	17,164	19,147	15,490	16,540	▲ 624	-3.6%
	Subtotal	21,534	23,153	19,900	21,210	▲ 324	-1.5%
Total Sales		51,736	57,500	58,700	63,900	12,163	+23.5%

A&D HOLON Holdings will contribute to solving various social issues through its business activities in order to help build an environmentally friendly and sustainable society.



Recognized as an “Excellent Health Management Corporation”

A&D Company, Limited has been certified as an "Excellent Health Management Corporation" in FY 2022, following its certification in FY 2021. This certification by the Ministry of Economy, Trade and Industry and the Japan Health Council is awarded to corporations that maintain an excellent level of health management within their organization.

With this certification, we will further promote our efforts to improve the health of our employees and contribute to a healthier society.



A&D has established a “Health Management Declaration” to realize its management philosophy, focusing on "mental health," "physical health," and "workplace environment improvements". As a manufacturer of measurement, weighing, medical, and health equipment, we believe that in order to provide products that support the health of our customers, it is important for all employees to first be healthy in mind and body. A&D is committed to health management throughout our organization more than ever.



We aim to be a corporate group that contributes to the development of science and technology, the advancement of industry, and the health of people's lives by providing society with the "measurement" technology we have cultivated over many years, thereby contributing to the creation of a prosperous and sustainable society on a global scale.



Digital
Society



Environment

Carbon
Neutral



Medical
Care

Healthy
Long-lived
Society



Technological innovation with "measurement" at its core

AND

HOLON

A&D HOLON Holdings