

LECIP

LECIP HOLDINGS CORPORATION

Integrated Report 2026



Corporate Policy System

Corporate Policy

Bearing in mind the need for energy conservation, environmental mitigation, and improved security, LECIP provides products and services that help members of society enjoy a comfortable daily life.

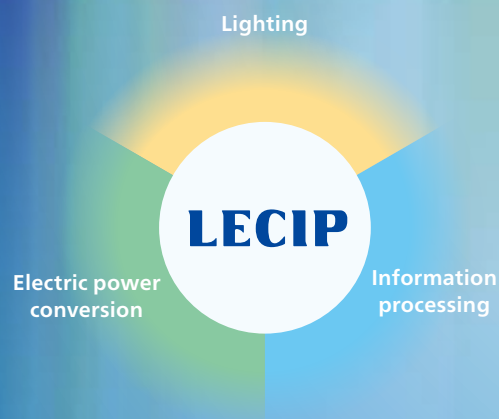
The LECIP Group has specialized in meeting the demands of niche markets since its foundation in 1948. It is constantly working to create products that appeal to and satisfy customers.

From our humble beginnings, we have become a company that, more than any other enterprise in Japan, sells more equipment for unassisted bus and railcar drivers, as well as more onboard lighting systems, forklift battery recharging units, and many other key products.

The Group will strive to create new added value through relentless technological innovation, as it helps support a safe, secure, and optimal daily life for members of society.



Derivation of Company Name



LECIP is an acronym, formed from the first letters of the Company's three core business domains: lighting, electric power conversion, and information processing.

Scope of report

The LECIP Group's Integrated Report 2026 was produced and published to explain to the public how the Group is working to solve societal issues and improve sustainable corporate value through its business. In preparing this report, we have referred to the International Integrated Reporting Framework, recommended by the IFRS Foundation, and the Guidance for Integrated Disclosure and Dialogue for Collaborative Value Creation formulated by the Ministry of Economy, Trade and Industry.

Information disclosure system

Financial information		Sustainability
LECIP HOLDINGS website Investor relations information https://www.lecip.com/ir/ir_top.html IR materials/ stock information, etc.		LECIP HOLDINGS website Sustainability https://www.lecip.com/esg/esg_top.html Environment/Society/ Governance, etc.
Integrated report		

Please visit the website for the PDF version.

IR Library > Integrated Report https://www.lecip.com/ir/ir_04_lib.html#report

Reporting period

FY2026 (April 1, 2025 - March 31, 2026)

* Partially includes activities prior to fiscal 2025 and after April 2026.

Reporting companies

LECIP HOLDINGS CORPORATION and its Group companies

* Related companies are listed on the following URL.

https://www.lecip.com/company/company_02.html

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Note regarding forward looking statements

This report contains projections based on forward-looking statements and plans. Please be aware that actual results and achievements may differ.

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Message from the President

Evolving into a solution-oriented company, driven by growth in the PRODUCTS + SERVICES business and expansion of overseas operations



LECIP HOLDINGS CORPORATION
President and CEO



Feeling a sense of stronger corporate resilience after the wave of demand related to new banknotes

After the fiscal year before last (fiscal 2025), when LECIP recorded the second-highest net sales and the highest operating profit in its history, the previous fiscal year (fiscal 2026) produced results in which both sales and profit fell short of those record levels. The reason for this was attributable to the passing of special demand related to issuing new banknotes in July 2024, as well as a ¥1.3 billion provision for loss on orders received associated with bidding for a large-scale project. On the surface, the results are indeed a decline in sales and profit, but I do not view these figures pessimistically at all. In fact, excluding the effects of special demand and other factors, operating margin has increased by approximately 2.0 to 4.0 percentage points compared with the fiscal year before last. In other words, the Company's underlying capacity to generate profit is on an improving trajectory. As can also be seen from the balance sheet, cash flow from operating activities improved substantially in the previous fiscal year (fiscal 2026). Thanks in part to the effects of the equity financing implemented in

Message from the President

the fiscal year before last, I feel that the previous fiscal year was a year in which LECIP's financial foundation was strengthened significantly and its stability increased.

LECIP has developed businesses across a wide range of markets, including bus, railway, automobile, and industrial equipment. In the Transportation Equipment business, as a comprehensive manufacturer of systems for use on buses and railways, LECIP has grown into a total supplier centered on the bus market, offering products including on-board systems. In the Industrial Equipment business, LECIP has also developed industrial power supply-related equipment and circuit board mounting based on inverter technology. Toward achieving a carbon-neutral society, LECIP has also entered the power supply solution market with products such as forklift battery recharging units.

Although LECIP has a history as a manufacturing company, in 2021 it formulated the long-term vision "VISION2030," with the goal of delivering optimal systems that have the safety and security required by future generations by linking products and information services. From there, LECIP set its sights on the reform of PRODUCTS + SERVICES and shifted its course toward the creation of new value. Under the Medium-term Business Plan, LECIP then set action plans to achieve this vision and has been working on Phase 1 (2021–2023), "CN2023 (Challenge to the Next stage 2023)," and Phase 2 (2024–2026), "RT2026 (Reach our Target 2026)." The previous fiscal year was the interim year of this second phase.

With the final year of RT2026 now approaching, the previous fiscal year was a year in which LECIP internally placed strong emphasis on improving profitability. In the course of implementing the action plans, I have repeatedly spoken to employees about the importance of being conscious of profit margins, and I feel that this is now beginning to bear fruit, evident with figures as an improvement in operating margin. Providing good products and services is of course important for business, but whether LECIP is able to generate profit from them is also extremely important. While there is only one year remaining with RT2026, I intend to continue instilling awareness of profit throughout the Company and aim for growth as a company.



Signs of growth in TMS (Transit Management System), the second pillar, and overseas business

Under RT2026, LECIP has positioned the establishment of overseas businesses, expansion of new areas, and the pursuit of profitability and efficiency as its basic strategies, and improving management efficiency and nurturing a new corporate culture as company-wide strategies. In the previous fiscal year, major results began to emerge from one of these initiatives: Expansion of new areas.

As part of Expansion of new areas, LECIP has taken on various challenges to develop the next growth pillar following AFC (Automated Fare Collection System), its existing growth pillar. Of these efforts, LECIP has placed particular emphasis on the reform of PRODUCTS + SERVICES, which fuses the technological strengths of hardware (products) with software and services. One of the businesses that has recently started to show signs of growth in this initiative is in the TMS (Transit Management System) field. That business is "MoveLe," an integrated solution that supports public transportation, primarily buses. MoveLe was successfully implemented in the previous fiscal year, giving it a track record and providing momentum for future service expansion. Drawing on this as a springboard, LECIP will continue to develop new PRODUCTS + SERVICES businesses following on from MoveLe.

I recently visited an industry trade fair held in Milan, and I noticed that the global trend is shifting toward the provision of services that include not just a single service but the entire operational system. LECIP has grown mainly through AFC for many years, but to advance to the next stage, it needs to expand its TMS business and transform into a company that is capable of providing a broader range of comprehensive services. LECIP is now at a turning point in that transformation.

In its overseas business, LECIP has focused on expanding its share of AFC systems in the U.S. transit bus market for many years. This has finally borne fruit: in the previous fiscal year, LECIP completed delivery of 727 AFC systems to TriMet (Portland, Oregon) and was also

Long-term Vision "VISION2030"

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Medium-term Business Plan "Reach our Target 2026"

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Integrated Solution "MoveLe" for Public Transport Operators

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Message from the President

awarded a five-year contract for maintenance and operation. Furthermore, using the trust and know-how gained from this achievement as a springboard, LECIP was able to secure large AFC system orders in Texas, California, and elsewhere in the previous fiscal year. Going forward, LECIP intends to expand its share in the United States, targeting stable orders of 1,200 units per year.

In retrospect, LECIP's entry into the U.S. market began with the delivery of lighting fixtures for commuter trains of the Long Island Rail Road in the state of New York. That progress continues to remain strong today through the expansion of LECIP's share in AFC systems. Although it took a long time for overseas business to get on track, during that time LECIP was able to strengthen its overall corporate capabilities, including by recruiting and developing talented personnel in the Development Department and other areas. Going forward, LECIP will use this to strengthen its sales capabilities and aims to achieve a 10% share of the U.S. transit bus AFC market in 2030 and further growth thereafter.

RT2026 quantitative targets nearly achieved, and aiming for even higher targets

Under VISION2030, LECIP has set quantitative targets for 2030 of ¥30 billion in net sales and an operating margin of 10%. Under RT2026, LECIP has set targets for the current fiscal year, the final year of the plan, of ¥24 billion in net sales, an operating margin of 5% or more, and ROE of 9% or more. Against these targets, the results as of the previous fiscal year were ¥23.9 billion in net sales, an operating margin of 5.3%, and ROE of approximately 11%, meaning that LECIP was almost able to achieve the RT2026 targets. Accordingly, LECIP has revised its current fiscal year targets upward to ¥26.5 billion in net sales, the highest in its history, and ¥1.9 billion in operating profit, significantly exceeding the original targets. I intend to aim to achieve even higher figures.

Strong progress with MoveLe, the symbol of the PRODUCTS + SERVICES business

As I mentioned earlier, the previous fiscal year was a year in which the reform of PRODUCTS + SERVICES made major strides. Creating and promoting this PRODUCTS + SERVICES business is an essential initiative for LECIP to transform itself into a high-value-added company and achieve VISION2030. In this context, the fact that MoveLe, an integrated solution supporting public transportation centered on buses, received two orders and began to build a track record is very encouraging. MoveLe is a solution service that contributes to the smart transformation of the entire bus business, where LECIP has been operating for many years. LECIP is currently releasing the "Timetable Planning System" and the "Operation Optimization Support System," and plans to release two new services each year going forward, including subsidy application DX. If MoveLe, which continues to grow as a symbol of the PRODUCTS + SERVICES business, gets on track, it should become a model case for new businesses that follow. Seeing as MoveLe has given concrete form to the image of the PRODUCTS + SERVICES business that each employee had in mind, employees now have clear goals in their respective workplaces, and I expect that this will accelerate the creation and growth of new PRODUCTS + SERVICES businesses following on from MoveLe.

Many other new businesses are also growing at LECIP. In the tourism DX field, LECIP received an order from Shizuoka Prefecture for the "Mt. Fuji Climbing Pre-registration System" to help tackle overtourism at Mt. Fuji. In addition, to help address issues in the waste management sector, which faces serious labor shortages and an aging workforce, the "Waste Collection Work Efficiency System," jointly developed with ShinMaywa Industries, Ltd., has been adopted by Nagoya City and has advanced to demonstration testing. In addition, the "EV Bus Charging Management System," which is being developed in collaboration with Chubu Electric Power Co., Inc. to promote wider adoption of electric buses, is also moving

Timetable Planning System
Operation Optimization
Support System

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FUJI NAVI App,
Shizuoka Prefecture

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Message from the President

forward, and LECIP is expanding business from core bus market into related business fields.

Going forward, LECIP will make further use of the know-how and knowledge it has cultivated over many years in the public transportation field, centered on the bus market, to expand new businesses mainly in the bus and railway industries. By fusing hardware (products) technology with software and services, I hope to make LECIP a solution-oriented company that helps customers resolve their issues.

Although some businesses have started to show signs of growth, I feel that the reform of PRODUCTS + SERVICES is still a work in progress and only halfway complete. There is still growth potential before these businesses produce results sufficient to cover their early-stage development costs. In the current fiscal year, the final year of RT2026, I intend to carefully nurture each PRODUCTS + SERVICES business and ensure that they produce solid results.



Overseas business foundation gaining foothold, with an eye to the next step

The previous fiscal year was also a year in which overseas business progressed smoothly and LECIP was able to gain local know-how and trust. Building on this, I hope that LECIP will be able to further increase the range of products and services it can offer. This is because, in the U.S. market, LECIP has so far provided mainly railway lighting fixtures, bus fareboxes, and AFC systems. In Japan's bus market, however, LECIP is a full-line manufacturer providing a wide range of products, including AFC systems (fareboxes, IC card systems, etc.), LED destination signs, in-vehicle displays, bus crewmember support systems, and on-board lighting fixtures for buses, railways, and automobiles. For on-board equipment above the floor, LECIP boasts the top domestic share. I hope that LECIP is able to leverage its track record as a total supplier in Japan overseas as well. First, LECIP will aim to expand its share in the U.S. public transportation market, beginning with the provision of display products such as in-vehicle displays.



Fareboxes for the U.S.



Lighting for railroads in the U.S.

Some may voice concerns about geopolitical risks in the U.S. business. However, even under the current administration, the Pacific coastal regions where LECIP mainly operates—Washington, Oregon, California, and Texas—are focusing particularly on improving public transportation services, so there will be no major impact on business expansion, and I believe LECIP can continue to expand its business.

LECIP will also proceed with business development in other regions. It established LECIP (SINGAPORE) PTE LTD in Singapore in 2012 and has since used it as a base to develop business in the bus and railway markets. As a result, LECIP has captured a large share of the bus transit management system market in Singapore, a country with advanced public transportation infrastructure. Going forward, LECIP will use this as a starting point to expand its business into other Asian countries, and in the future it is also looking at expanding into Indonesia, India, and other markets.



Strengthening the organization from within and contributing to transformation in the bus industry

LECIP is also advancing organizational reforms toward VISION2030. In April of the current fiscal year, LECIP established a new Business Planning Department to sharpen management focus. For example, in the Industrial Equipment business, LECIP has provided a wide range of products, including industrial power supply-related equipment and chargers for industrial vehicles such as forklifts. While providing what is needed where it is needed in response to demand is certainly essential, it is also important to pursue profitability and efficiency as a company by exercising selection and concentration. The newly established Business Planning Department will lead this selection and concentration, considering what to choose and what to develop from the perspective of corporate growth and facilitating decisions. Through this, I hope to transform LECIP from within into an organization capable of generating profit.

Message from the President

Looking across the bus industry as a whole, there are growing calls for transformation with an eye to future growth. Going forward, there may be an industry realignment involving related companies, including suppliers. In this context, I believe there are things that only LECIP can do and roles it should fulfill, because it has long operated in the bus industry and maintained the industry-leading position in most products and systems. With this in mind, LECIP will proceed with consideration of strategic investments, including M&A and other options, from a broad perspective for the development of the industry.



Aiming to enhance corporate value by strengthening profit awareness and utilizing the perspectives of diverse talent

With the progress of its TMS services, I feel that LECIP has taken a major step forward as a company. This is because LECIP has become a company that can be involved in the entire operations of companies, rather than solving only part of their issues as before. I can feel this growth in our collaborations with ShinMaywa Industries, Ltd. and Chubu Electric Power Co., Inc., and it further strengthens my sense that LECIP is becoming a company chosen as a partner. In addition, overseas business in the United States has progressed smoothly, and a project execution structure has been established. LECIP has been able to set a path for future business expansion here, too. With these developments, the management foundation has solidified, and LECIP is now able to focus even more on improving corporate value. Going forward, I will continue to encourage employees to raise their awareness of profit while managing the Company with an awareness of PER (price-to-earnings ratio) and PBR (price-to-book ratio).

In terms of organizational development, LECIP has emphasized diversity in human resources and has actively recruited both new graduates and mid-career hires. LECIP has also linked corporate strategy and personnel evaluations, promoting its own logical approach to

human resource development. As a result, many employees are now demonstrating their abilities in a variety of settings, and I feel that organizational strength has improved.

LECIP is also incorporating diverse perspectives into its management. The Board of Directors in particular is able to discuss what the Company should be from multiple perspectives, incorporating the diverse opinions of three outside directors. I have also sensed from our collaboration with other companies that have taken hold in recent years that exposure to diverse perspectives and experiences broadens people's horizons and helps them grow. Going forward, I intend to actively create such opportunities through collaboration with other companies and the hiring of professionals with experience in various industries, and thereby encourage the growth of both employees and management.



Achieving sustainability by resolving social issues through business

At the foundation of LECIP's business is the corporate philosophy of helping members of society enjoy a comfortable daily life. Based on this philosophy, LECIP has provided society with the products and services required to achieve it. If there are issues that hinder the comfortable daily lives of people, LECIP will continue to be a company that sees them as social issues and resolves them one by one—this is LECIP's approach to sustainability. The development of the Waste Collection Work Efficiency System with ShinMaywa Industries, Ltd. and efforts to expand the adoption of electric buses through the EV Bus Charging Management System with Chubu Electric Power Co., Inc., which I mentioned earlier, can be cited as concrete examples of helping to resolve social issues. In the public transportation market that is LECIP's mainstay, contributing to the optimization of each operator's business leads directly to CO₂ reduction and achieving a carbon-neutral society. LECIP will continue to resolve social issues through its business. Through these initiatives, LECIP will continue to pursue sustainability.

Waste Collection Work Efficiency System

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EV Bus Charging Management System

Message from the President

Turning new knowledge and experience gained through expansion into new areas into growth engines for each individual

In “1Value 4Stance,” which was formulated toward VISION2030 and expresses the ideal model for LECIP, the Company declares “Take Ownership & Initiative” (Step forward with a sense of ownership). This is a message encouraging each employee to approach their work with initiative and a sense of ownership. Going forward, employees will become involved in more new businesses and work with more new partners, exposing them to perspectives and experiences different from those they have encountered before. I hope they will treat these as opportunities for growth and proactively broaden their own knowledge and perspectives. Drawing on that strength, I hope they will continue to practice what LECIP has always valued: putting ideas into action while continuing to evolve. In the coming era, the speed of business will accelerate further due to new technological advances, the growing use of AI, and other factors. In such a fast-moving environment, it is extremely important to combine “execution and evolution” in order to create and grow new service offerings. While sharing these ideas with each employee, LECIP will create and develop an environment in which each person can grow together with the Company with a sense of fulfillment and purpose.

From a manufacturing company to a solution-oriented company that resolves customer and societal issues

As I mentioned at the start of my message, LECIP is now at a turning point in its growth into a company that can provide not just a single service, but services that include entire operational systems. What LECIP should aim for in this context, I believe, is to become a solution-oriented company that addresses customer issues and provides solutions to resolve them. Given that we have grown the business from the provision of bus fareboxes into a total supplier in the

bus market and extended that know-how to the railway market and adjacent markets, I am confident that we can achieve this transformation.

As evidence of this, in recent projects LECIP has built relationships of trust with customers, and they are increasingly consulting us not only about individual issues but about the overall range of issues they face. Using this as a starting point, LECIP aims to become a company that can comprehensively resolve customer issues, leveraging the technologies and expertise it has cultivated over many years as a manufacturer in the public transportation industry. At times, there may be issues that LECIP is unable to resolve on its own. In such cases, LECIP will strengthen its ability to respond to a wide range of issues by working with partners. By doing so, LECIP will help members of society enjoy a comfortable daily life.

Society is now transforming at a rapid pace by revolutionary advances in digital and AI technologies. Amid such changes, to remain a company chosen by customers and needed by society, LECIP will continue to move forward step by step with its employees and grow. We kindly ask for your continued support.



History of the LECIP Group

Aiming to achieve comfortable daily lives

Since its foundation in 1948, the LECIP Group has enjoyed steady growth. Not being a part of a conglomerate, it is free of any limits that might be imposed on it from outside and, to date, has undertaken on its own all facets of business—from development to manufacturing and sales. As an independent entity, we remain firmly committed to creating new markets that emerge from the enhancement of advanced technologies.

We have been taking on challenges to contribute to various needs and social issues to date based on the philosophy of helping members of society enjoy a comfortable daily life. Today, our business areas have expanded to buses, railways, automobiles, and industrial equipment, and further beyond to communities and overseas.

1950

Launch of sales of neon transformers

We have developed neon transformers for neon tubes that became popular for use in outdoor signs. We originally focused our business on converter technology to provide a sufficiently high voltage to light fluorescent tubes.

Since the introduction of LEDs, neon signs which are difficult to handle have been disappearing, but the transformer technology we cultivated for them is a foundation for various in-vehicle products used in environments with unstable voltage.



Coil-type neon transformers

1951

Entrance into the bus market originating from lighting

Lighting systems used for buses and railways are required to have the capability of being constantly turned on even in environments with different voltages than households and regular vehicles and unstable voltage. The development of fluorescent lighting that can respond to such in-vehicle environments has led us to enter the bus market, and later launch transactions in the railway and automobile markets.



Bus lighting

1970

Development of fareboxes for buses

Transitions to one-person (driver-only) operation, in which the drivers also handle operations of conductors in route buses has spread. Following the equipment for one-person (driver-only) operation, we developed new products, such as fare display devices, to replace the fare collection, ticket issuing, and guidance announcements that had traditionally been handled by conductors. Many of the products developed for the bus market during this period continue to be leading products that represent the Company.



Automated farebox with a note and coin exchange function

1983

Received exclusive contract for in-vehicle ticket issuing equipment for buses in Singapore

We have participated in the bidding to learn about the latest technologies in Singapore, where it has one of the world's most advanced public transportation system. We have succeeded in introducing the first magnetic prepaid cards in Japan by utilizing the technology used for the magnetic prepaid cards we delivered in Singapore. We currently continue to maintain 100% of the shares for fareboxes and receipt printers in Singapore.



1985

Develop forklift battery recharging units

We developed a forklift battery recharging unit utilizing the transformer technology that we started with. Compared to engine-type forklifts, battery-type forklifts are more environmentally considerate as well as quiet and do not emit exhaust gas. The sales of recharging units are on a steady trend thanks to the backdrop of the electrification trend toward realizing a decarbonized society.



Rechargers for forklifts

1940 / Initial period after foundation / Market entry led by transformer technology

1970 / Become a supplier of electronic devices for buses

- 1948** Finds Sanyo Electric Works.
- 1953** Establishes Sanyo Electric Works
- 1968** Starts building a production facility in the Itonuki region of Motosu District, Gifu Prefecture (Current Motosu City, Gifu Prefecture)

- 1974** Establishes Sanyo Trading Co., Ltd. as a trading company specializing in trade in preparation for overseas sales expansion
- 1989** Establishes SANYO ELECTRONICS CO., LTD. (current LECIP ELECTRONICS CORPORATION)

History of the LECIP Group

2007

Delivery of IC card readers for buses to integrate them into the cross-modal smartcard transit network in the Tokyo metropolitan area

We were one of the first to adopt technologies related to contactless IC card systems, which was advanced technology at the time. This greatly increased our share in the Tokyo metropolitan area when we launched our IC cross-modal ticket service.



Contactless IC card reader/writer

2016

Delivery of fare collection systems for the U.S.

We became the first Japanese manufacturer to deliver fareboxes in the United States. The fare collection business is greatly affected by the country, culture, and governmental policy. We aim to expand our business overseas by understanding local needs and developing products that are accepted overseas.

Farebox for the U.S.
"LF-9000"Farebox for the U.S.
"LF-7000"

2024

Enter tourism market

Leveraging the business know-how we have cultivated in the field of "mobility," we are expanding our business beyond the bus and railway markets, and with our two core products—the integrated DX cloud system "LECIP CMP (Content Management Platform)" developed in 2021 and the WEB ticketing application "QUICK TRIP" developed in 2024—we have fully entered the tourism market with a focus on digital transformation (DX). We are aiming to supply unique solutions to address challenges such as inbound demand and overtourism.



Entry into the tourism market

2025

Digital transformation of waste collection with refuse trucks and IT

Common factors were identified in the operational characteristics of refuse collection trucks and buses, and the extensive industry expertise of ShinMaywa Industries, Ltd. was combined with our IT and location information technologies, which have been cultivated through our Transit Management System for bus operations. The two companies leveraged their strengths for the joint development of a system that promotes digital transformation (DX) in the waste collection industry. With this system, on-board communication devices are installed in refuse collection trucks, and data such as location information and operating status is acquired and utilized to improve operational efficiency. We aim to further expand our business through



Image of on-board system in use

the resolution of social issues, including labor shortages and the improvement of safety in the industry.

1990 | Quickly adapt to cashless technology

2000 | Establish position as a top niche manufacturer

2010 | Expands overseas business as a new growth opportunity

2020 | Creating new value Helping solve societal issues and achieving sustainable growth

1996 Acquires Quality Management System ISO 9001
2000 Acquires Environmental Management System ISO 14001
2001 Acquires Sanyo Trading Co., Ltd. as a fully owned subsidiary and transfers its Sales Department to the Company
2002 The Company changes its name from Sanyo Electric Works to LECIP CORPORATION
2005 Lists stock on the JASDAQ Securities Exchange
2007 Lists stock on the Second Section of Tokyo Stock Exchange and the Second Section of Nagoya Stock Exchange

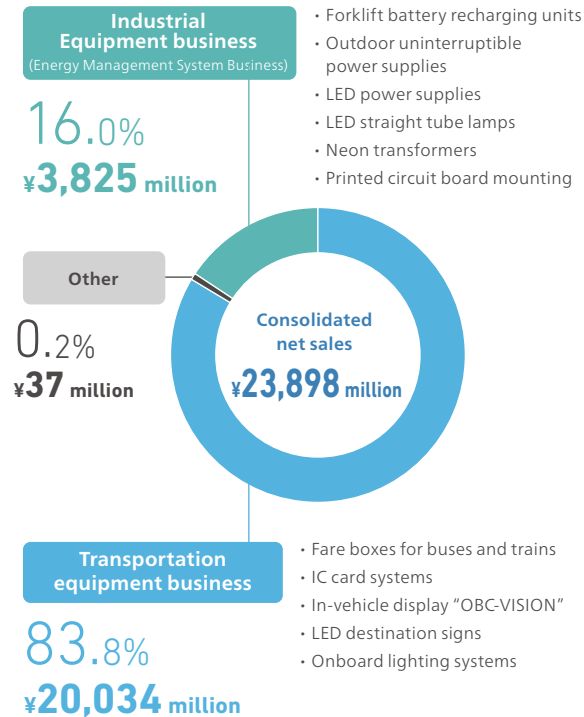
2010 Establishes LECIP INC. in the United States
2010 Transitions to a pure holding company structure
 Changes company name to LECIP HOLDINGS CORPORATION
2010 Establishes GIFU DS OPERATION LTD. (Current LECIP DIGITAL SIGNAGE CORPORATION)
2011 Establishes LECIP ENGINEERING CORPORATION
2011 Acquires Information Management System ISO 27001
2012 Establishes LECIP (SINGAPORE) PTE LTD in Singapore.

2013 Completes the acquisition of Arcontia International AB (current LECIP ARCONTIA AB) in Sweden
2013 Establishes LECIP THAI Co., Ltd. in Thailand as a joint venture with the Thai company THAI INDUSTRIAL PARTS LTD.
2014 Selected for the First Section of Tokyo Stock Exchange and the First Section of Nagoya Stock Exchange
2016 LECIP HOLDINGS CORPORATION transitions into a company with a committee structure
2019 Increases capital stock to 1,190.95 million yen

2022 Transitions to the Prime Market of Tokyo Stock Exchange and Premier Market of Nagoya Stock Exchange
2023 Transitions to the Standard Market of Tokyo Stock Exchange
2024 Transfers business related to high-voltage transformer
 Increases share capital to 1,718.22 million yen
2025 Dissolution of LECIP THAI CO., LTD., a Consolidated Subsidiary

At a Glance

Net sales by segment FY2026



Summary of business performance in FY2026

Net sales	¥23,898 million
Gross profit	¥6,395 million
Operating profit	¥1,268 million
Ordinary profit	¥1,508 million
Net income	¥1,177 million



Transportation equipment business

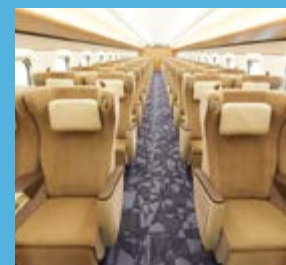
LECIP is a comprehensive manufacturer of mechanisms for use on buses and railways. We enhance passenger convenience by providing tangible and intangible support for products and services used in the operation of public transportation. In addition to manufacturing and selling lighting systems for buses and railways, we also offer them for trucks and other automobiles. We will expand our business by utilizing the know-how we have cultivated as a total supplier which started from focusing on on-board systems for the bus market, which is a mode of public transport, by offering products for railway and automotive markets.

Subsegment

Bus, railway, and automobile markets

Major products

Fare collection system (fareboxes, IC card systems, etc.), LED destination signs, in-vehicle display, bus crewmember support system, and on-board lighting systems for buses, railways, and automobiles



Industrial Equipment business (Energy Management System Business)

In addition to providing industrial power supply-related equipment based on inverter technology, our subsidiary LECIP ELECTRONICS CORPORATION mounts printed circuit boards for automotive electrical components and industrial equipment. We have been involved in the electrification of industrial equipment from an early stage through offering forklift battery recharging units. We aim to contribute to the realization of a sustainable society by using charging and power storage technologies we have cultivated for the electrification of industrial equipment, whose importance is increasing more and more, to achieve a carbon-neutral society.

Subsegment

Power supply solution market and EMS*1 market

Major products

Forklift battery recharging units, LED power supplies, outdoor uninterruptible power supplies, and installing printed circuit boards



*1 EMS (Electronic Manufacturing Services)

Value Creation Process

The Group believes its value lies in its efforts to resolve societal issues based on the corporate policy of helping members of society enjoy a comfortable daily life.

We will use our understanding of the present situation and changes in the broader environment to craft a vision for the Company. By imagining the company we would like to be, and the society in which we want to exist, the Group will engage in appealing, distinctly LECIP-like business activities to realize our vision and thereby create new value.



Financial capital
Equity ¥10.9 billion

Manufacturing capital
Capital investments ¥774 million

Intellectual capital
Research and development expenses ¥566 million

Human capital
Number of employees 721

Social and relationship capital
Domestic share of fareboxes 61.0 %
Domestic share of forklift battery recharging units 49.5 %

Natural capital
Electricity consumption 4,582 Thousand kWh
City gas consumption 49.5 Thousand m³
Gasoline consumption 55.6 kl
Diesel consumption 19.3 kl



Company-wide strategy



Provide convenient, sustainable transport systems

Contribute to the achievement of a decarbonized society

Sustainable manufacturing

Secure and develop human resources that support corporate growth

Build a system to ensure high corporate ethics

AFC

Automated Fare Collection System
Automated Fare Collection System

Provides stress-free ticketing

TMS

Transit Management System
Transit Management System

Provides safe, secure, and optimal movement for passengers and drivers

EMS

Energy management system
Energy Management System

Develops EV mobility and contributes to the realization of safe, secure, and optimal communities

GROUP

Overseas, LECIP ENGINEERING, and LECIP ELECTRONICS

Utilization of the Group's comprehensive capabilities and overseas business expansion

VISION2030

The LECIP Group seeks to help provide a safe, secure, and optimal daily life for societies undergoing change by connecting technology and ideas.

Please see page 13 for details

Easy-to-use, seamless transportation system

Peripheral technologies that support a decarbonized society

Building safe and secure communities

Goal

Realizing optimal systems that have the safety and security required by future generations by linking products and information services

SDGs goals whose accomplishment we seek to contribute to through our business



Corporate Policy

Bearing in mind the need for energy conservation, environmental mitigation, and improved security, LECIP provides products and services that help members of society enjoy a comfortable daily life.

Risks and opportunities for the LECIP Group

- Shrinking Population: Declining Birthrate, Aging Citizenry
- Changes in Social Conditions
- Climate Change, Carbon Neutrality
- Progress of Digitization
- Greater Sustainability Awareness

Please see page 14 for details

Material Issues

Please see page 32 for details

Long-term Vision “VISION2030”

Long-term vision for 2030

VISION2030

Vision

The LECIP Group seeks to help provide a safe, secure, and optimal daily life for societies undergoing change by connecting technology and ideas.

Goal

Realizing optimal systems that have the safety and security required by future generations by linking products and information services

Quantitative targets

Net sales: ¥30 billion/Operating margin: 10%

Expansion of overseas business



Expand businesses focusing on bus and railway businesses in the U.S. and ASEAN regions where public transportation is expanding

Business structural reform for PRODUCTS + SERVICES

System integration and
advanced use of data

Systemization and
enhancement of
system coordination

One-person/
driver-only system

We aim to transform our business structure into one that adds value by transitioning from a hardware-centered structure to using hardware-based systems and services that incorporate software.

Develop industrial equipment business (energy management system) Business development



Horizontal deployment of recharger business to respond to the social shift to EVs in line with the global trend toward reducing greenhouse gases.

Awareness of Business Environment/Risks and Opportunities

The Group is continuing to deal with the risks and opportunities it faces resulting from the impact of external environmental changes.

These include new lifestyles, due to the COVID-19 pandemic; the move to attain carbon neutrality; and responses to the UN's SDGs.

In short, we respond to risks and turn opportunities into business.

In this way, the Group aims to remain a company that contributes to society by providing value as it helps solve societal issues and achieve a sustainable world.

At the same time, this will ensure the Group's ongoing growth.

Shrinking Population: Declining Birthrate, Aging Citizenry	Risks - Declining trend of investments by operators due to the shrinking of public transportation demands - Shrinking existing domestic market due to population decline - Decrease in labor force, difficulty in maintaining technological capabilities	Opportunities - Increased investment in use of streamlined and driverless vehicles - Increase in new transportation demand (where public transportation is poor)
Changes in Social Conditions	Risks - Changes in demand structure reflecting economic, social changes - Higher costs due to policy changes, tightening of export controls - Supply chain disruptions	Opportunities - Greater inbound demand as economy recovers - Higher capital investment due to increased demand for public transportation abroad - More need for logistics solutions
Climate Change, Carbon Neutrality	Risks - Increase in environment-related costs - Higher resource and energy prices - Suspension of business activities due to natural disasters	Opportunities - Promotion of public transportation as a low-carbon choice - Growing need for automobile and industrial vehicle electrification - New trading opportunities - Increased investment in recharging and power storage to improve energy efficiency
Progress of Digitization	Risks - Decline in demand for cash due to spread of cashless payments - System failures due to cyberattacks or unauthorized use - Shortage of digital human resources	Opportunities - Spread and sophistication of mobility as a service - Expansion of digital investment - Productivity improvement through digital transformation
Greater Sustainability Awareness	Risks - Decline of employee engagement - Reputational damage - Loss of business opportunities due to delays in response	Opportunities - Increase in sustainability-related business opportunities - Greater competitiveness resulting from promoting sustainability - More environmental, social, and governance investment

Value
Provided
to Society

Easy-to-use, seamless transportation system

We will contribute to the realization of safe, secure, and optimal transportation by creating systems that ensure sustainable public transportation.



Provide convenient, sustainable transport systems

Contribute to the achievement of a decarbonized society

Peripheral technologies that support a decarbonized society

We will contribute to the efficient use of energy by utilizing peripheral technologies for power conversion, power storage, and recharging.



Material
Issues

Sustainable manufacturing

Building safe and secure communities

We will help contribute to creating cities where everyone can live safely and securely.



Secure and develop human resources that support corporate growth

Build a system to ensure high corporate ethics

Medium-term Business Plan Reach our Target 2026

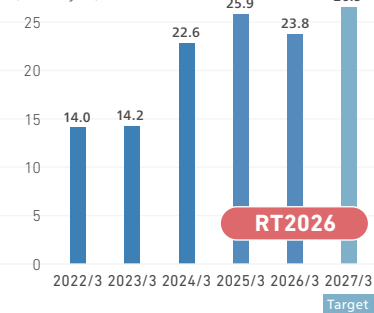
Medium-term Business Plan



We aim to become a company with stable sales and profits by reforming the business structure by growing overseas businesses and creating new businesses.

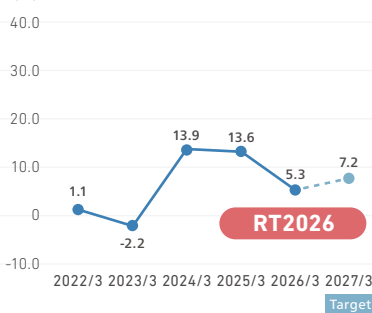
Consolidated net sales

(Billion yen)



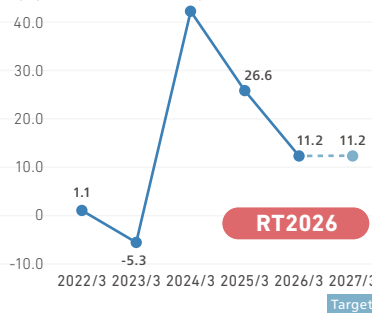
Consolidated operating margin

(%)



ROE

(%)



(Unit: million yen, %)

	2022/3	2023/3	2024/3	2025/3	2026/3	2027/3
Net sales	14,075	14,253	22,684	25,931	23,898	26,500
Operating profit	149	-310	3,164	3,531	1,268	1,900
Operating margin	1.06%	-2.17%	13.9%	13.6%	5.3%	7.2%
Net income	53	-249	2,416	2,255	1,177	1,300
ROE	1.1%	-5.3%	41.8%	26.6%	11.2%	11.2%
EPS	4.2	-19.2	178.0	152.29	76.3	84.03

Medium-term
performance
targets
(2027/3)

Consolidated net sales

24 billion yen

Consolidated operating margin

5% or more

ROE

9% or more

Basic strategy

Establishment of overseas businesses

- Establish stable delivery of projects in the U.S. and structure
- Continuously acquire new projects
- Enhance product lineup

Expansion of new areas

- Growth of products and services
- Full entries into new markets
- Release products in surrounding markets

Pursue profitability and efficiency

- Develop customer-oriented products and services
- Optimize product portfolio
- Pursue unit prices and quality
- Expand sales channels for LECIP ELECTRONICS

Company-wide strategy

Improve management efficiency

- Promote DX
- Optimize organizational structure and improve efficiency of decision-making
- Strengthen KPI and budget control
- Financial strategy that aims to improve corporate value

Nurture a new corporate culture

- Disseminate mission, vision, and value
- Reform of human resources system
- Develop proposal-type human resources

Please see pages 27 to 30 for details

Medium-term Business Plan

Establishment of overseas businesses

Order Received for Bus Fare Collection System in Eastern Washington

Strategic Progress Toward the Establishment of Overseas Businesses

As part of one of our key sustainable growth strategies—the establishment of overseas businesses—we are steadily expanding our operations in the U.S. market. We received a contract from Spokane Transit Authority (STA), a public transport agency that operates bus and other transit services in Spokane County, WA, for an AFC (Fare Collection System) for public transport agencies. The contract includes delivery of a system comprising 189 bus fareboxes, as well as five years of maintenance and operational support.

This order is the result of the comprehensive evaluation of our past delivery record, capability to complete large-scale projects, and high product quality. Beginning with delivery to C-TRAN (Washington) in 2016, we have gradually built up trust and a track record in the U.S. market with clients including NCTD (California) and TriMet (Oregon). With this order, the cumulative number of units acquired is expected to reach 3,328 as of June 2026.

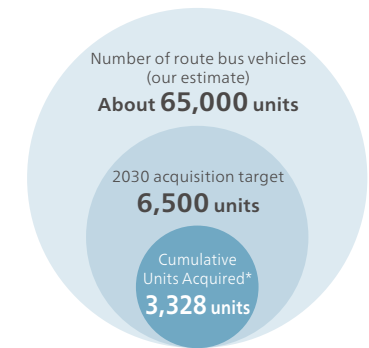
Future Prospects

The route bus AFC market in the U.S. is estimated to encompass approximately 65,000 potential units, and our current market share is about 3%. Going forward, we will leverage our strengths in product reliability and responsiveness to customer needs, pursue challenging projects, and aim to achieve a 10% market share by 2030. We will continue to promote company-wide initiatives to improve the profitability of our overseas businesses and achieve sustainable growth.

Order Record to Date in the United States

	...	NCTD	TriMet	Houston METRO	OCTA	CAT	STA
Delivery period	Through 2019	March 2023	October 2025	2026 June	2026 (Scheduled)	2026 (Scheduled)	2026 (Scheduled)
Number of Fareboxes (Units)	174	182	727	1,431	592	33	189

The AFC market for route buses in the U.S.



* Including orders received as of June 2026

Expansion of new areas

Continued Delivery of Mt. Fuji Climbing Pre-registration System in Shizuoka Prefecture

Issues Prevalent at Mt. Fuji and Approaches with Tourism DX



FUJI NAVI App,
Shizuoka Prefecture

Overtourism has intensified at Mt. Fuji, a World Cultural Heritage site, creating major challenges in reducing the impact on the natural environment and ensuring climber safety. To contribute to solving these issues, we used operational data from fiscal 2025 to enable all procedures to be completed smoothly within the app, expand map information and weather displays for climbing routes, and strengthen on-site reception management functions. We have continued to deliver the system, which incorporates these numerous additional functions, for operations in fiscal

2026. This continued delivery reflects the positive rating of the system's full-scale rollout in fiscal 2025, particularly its contribution to smoother operations and greater convenience for climbers.

Expected Effects and Future Outlook

With the implementation of this system, we are hoping to reduce the environmental impact on Mt. Fuji, increase climber satisfaction, and further promote tourism DX in the future through the utilization of accumulated data. Building on the achievements of this project, we will contribute to achieving “smart tourism” nationwide by reducing congestion and promoting additional trips around major tourist spots and large-scale events facing similar challenges.

Expansion of new areas
Pursue profitability and efficiency

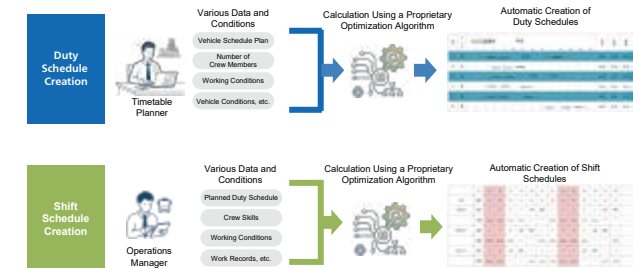
Commissioned by MLIT to Conduct a Demonstration Survey Project (MLIT COMmmONS)

Challenges Facing Bus Operators and New Initiatives for Promoting Regional Transportation DX

Route bus operators are currently facing challenges such as severe labor shortages and driving time regulations. Under the Regional Transportation DX Promotion Project “COMmmONS” being run by the Ministry of Land, Infrastructure, Transport and Tourism (MLIT), we have been commissioned to conduct a demonstration survey project on automation technology for crew scheduling operations using AI technology to promote regional transportation DX. Using a proprietary algorithm, we will develop and demonstrate a system that automatically calculates optimal operation plans. We will also implement a “Remaining Schedule Optimization Function” that lowers implementation barriers through API integration while combining fixed assignments made manually by experienced staff with optimization using our proprietary algorithm.

Vision of this Demonstration Project and Achieving Sustainable Public Transportation

By leveraging a proprietary algorithm, the system is expected to reduce the workload of personnel by cutting the time required to create work schedules and shift rosters, while also enabling smoother operations management and improving working conditions for drivers through fair shifts that comply with labor requirements. Through these efforts, we will contribute to achieving sustainable local public transportation.



Message from the Executive Director

Cultivating new businesses that have sprouted in the market, with an eye to harvest Transformation to a “PRODUCTS + SERVICES business” led by every employee



Accelerating the “Expansion of new areas” to reap the benefits of investment

LECIP has formulated five strategies to achieve the goals of its Medium-term Business Plan, “RT2026 (Reach our Target 2026).” In the previous fiscal year (fiscal 2026), significant progress was made in two growth strategies: “Establishment of overseas businesses” and “Expansion of new areas.”

Under “Establishment of overseas businesses,” deliveries of large-scale projects in the United States were completed by the end of the previous fiscal year, and the overseas sales ratio grew to 15%. This led to the establishment of an overseas production system and the acquisition of know-how. Building on this successful track record, the Company has secured multiple large-scale projects and is making steady progress in the overseas market.

Under “Expansion of new areas,” LECIP has created a new “PRODUCTS + SERVICES business” and is nurturing new businesses through two approaches: “expanding” and “deepening.” In the “expanding approach,” the Company is entering new peripheral markets such as tourism, while in the “deepening approach,” it is introducing new services in the existing bus market, including operation optimization systems and timetable planning systems. To date, the Company has created a succession of new businesses, including the “QUICK TRIP” mobile ticket app for tourists and “MoveLe,” an integrated solution for resolving issues in the bus industry.

In the current fiscal year (fiscal 2027), the final year of “RT2026,” the Company will further accelerate “Expansion of new areas.” To that end, the Company believes it is first necessary to instill the “PRODUCTS + SERVICES business” throughout the Company more thoroughly than ever before. This is because the shift from the conventional one-time product sales model to a “business model that provides solutions to issues through PRODUCTS + SERVICES” is what holds the key to future growth. Accordingly, this fiscal year, the

Hiroko Mitsui

LECIP HOLDINGS CORPORATION
Senior Managing Director

Company launched an internal project and began fundamental structural reform. Going forward, the Company will reorganize the way work is performed and workflows into a form that is optimal for the “PRODUCTS + SERVICES business” and make working from a “PRODUCTS + SERVICES” perspective a daily practice. The Company plans to connect the results of these company-wide efforts to monetization from the next fiscal year.



The “PRODUCTS + SERVICES business” led by “MoveLe”

In “Expansion of new areas,” the Company is growing “MoveLe,” an integrated solution that supports bus operators in providing sustainable public transportation, into a new business pillar. The bus industry is currently challenges such as labor shortages and increasingly complex operations. “MoveLe” addresses these challenges by providing new solutions, including DX initiatives, that reduce the burden on frontline operations and help resolve management issues. By leveraging high-quality data obtained from its own equipment, such as fareboxes, and an extensive understanding of frontline operations, LECIP supports digital transformation (DX) in the bus industry. In 2025, the Company released two solutions, “Timetable Planning System” and “Operation Optimization Support System,” and was able to build up a track record. The Company has also received high praise from customers for significant improvements in frontline operations and is encouraged by the response. Going forward, the Company plans to release at least two new solutions each year, and this fiscal year it plans to release “Subsidy Application Operations DX,” among others. In addition, from the next fiscal year onward, the Company will

 **MoveLe**

Integrated Solution “MoveLe” for Public Transport Operators



Message from the Executive Director

introduce a wide range of new services, including large-scale deployment of these solutions, as well as "Operation Management" and "Labor and Vehicle Management." Through these efforts, the Company aims to achieve net sales of ¥3.5 billion in 2030.

"MoveLe" is also envisioned as a recurring-revenue business model that generates ongoing usage fees in addition to implementation fees, and the Company believes that establishing a stable business structure unaffected by economic conditions may enable net sales to return to growth. "MoveLe" is a solution that only LECIP, which has long addressed the on-site issues of bus operators, is able to provide. All employees will work together with a strong sense of mission and passion to develop and promote this solution.

Expanding business into tourism DX and waste collection DX using buses as the starting point

As a pillar of its growth strategy, the tourism DX business has also steadily built up a track record. Typical examples are "QUICK TRIP," a mobile ticket system that enables the online sale and management of transportation tickets and facility admission tickets, and the "Shizuoka Prefecture FUJI NAVI App," an app for managing entry to Mt. Fuji. Developed by leveraging the technological assets of "QUICK RIDE," a smartphone ticket app for route buses, these services have helped LECIP to address the issues that the tourism industry has been facing since 2024, including the need for multilingual support and labor shortages. In the previous fiscal year, the Company also began utilizing data collected by these apps. For example, through reports based on the collection and analysis of ticket-purchaser data from the "Shizuoka Prefecture FUJI NAVI App," LECIP has made data-driven improvement proposals to Shizuoka Prefecture regarding operational issues such as safety measures and environmental conservation. This approach has been well received and has led to repeat orders this fiscal year. In addition to building a track record of implementation with JR Central, the Company introduced event tickets using "QUICK TRIP" at events such as large fireworks festivals, significantly alleviating congestion (as a way of tackling overtourism) at ticket counters and ticket vending machines on event days for users who do not normally use IC cards. In Gifu Prefecture, the Company is also expanding the scope of its initiatives to address tourism challenges faced by local governments, including jointly



Waste Collection Work Efficiency System "G-SUPPORT"
co-developed with ShinMaywa Industries, Ltd.

winning a tourism branding project with another company.

Meanwhile, a demonstration experiment for "G-SUPPORT," a Waste Collection Work Efficiency System that applies bus operation management know-how,

began in May 2026 in Nagoya City, the first such project with a municipality. The Company plans to provide the system for 5,000 vehicles by 2030 and further strengthen its revenue base. In this way, LECIP will continue to promote the expansion of various business domains by deploying the systems and services cultivated in the bus market into adjacent areas.

Internal structural reform to create a "PRODUCTS + SERVICES business"

Internally, to accelerate "Expansion of new areas," the Company launched the "Monokoto AI Project" to promote integrated reform of organization, operations, and human resources, and is undertaking structural reform. As part of this, the Company divided the ideal state of work into three stages—"Planning and Proposal," "Design and Manufacturing," and "Maintenance and Service"—and restructured the organization so that it can focus particularly on the "planning stage" and "maintenance and service," which enhance added value. Through this, the Company plans to enhance solution sales and after-sales services and begin building mechanisms for recurring revenue from post-sale services and for customer success. In addition, the Company has implemented reforms that incorporate AI into manufacturing stages, including design, with the aim of accelerating development speed and improving the efficiency of operational processes. The Company has also started encouraging behavioral change among employees by communicating and sharing its corporate culture on a daily basis. Through these project activities, the Company aims to align each employee's envisioned state of the "PRODUCTS + SERVICES business" with how they work in practice, and to rapidly accelerate the "Expansion of new areas" growth strategy.

Further instilling "1Value 4Stance" and taking the next step with all employees

Internally instilling "1Value 4Stance," the ideal model for LECIP employees formulated in 2024, is also progressing steadily. This can be said to be a result of the fact that "1Value 4Stance" is linked to personnel evaluations and the expected behaviors for each level are defined. This fiscal year, the Company will further advance this initiative, aiming to "move from instilling the philosophy to cultivating a new culture." To that end, the Company also launched "LECIpi," a portal site for sharing examples of employee activities, making it possible to share activities and their processes based on "1Value 4Stance" on a daily basis. Through this, the Company expects employees to inspire one another and increasingly take proactive actions. In this fiscal year's human resources reform, LECIP will also focus on human resource development and plans to steadily cultivate the personnel needed for future growth from within by developing career maps.

✓ New Philosophy 1Value 4Stance

LECIP Value

Take Ownership & Initiative

Step forward with a sense of ownership

Our Stance

Customer Success

Identify Fundamentals through Customer Success as an Origin

Data Driven

Correctly understand facts based on data

Trust & Open mind

Heighten each other with an open mind

Fail Fast

Make failures lead to successes

To accomplish the major shift to a "PRODUCTS + SERVICES business," each employee needs to exercise greater ownership. This fiscal year, LECIP will instill the "PRODUCTS + SERVICES business" throughout the Company, with every employee taking the lead in transformation as it aims to achieve "RT2026" and, beyond that, fulfill "VISION2030."

Feature MoveLe is Changing the Future of Public Transportation

Solutions to the challenges faced by bus operators. An integrated solution for solving problems through PRODUCTS + SERVICES.



Solving front line challenges through PRODUCTS + SERVICES.
Why LECIP is tackling public transportation challenges.

With population decline and the shortage of workers increasing in severity, regional bus operators are being forced to implement reforms in order to keep their services running. The Company is shifting to a solution-oriented business that addresses the individual challenges faced by each bus operator and accumulates solutions step by step. At its core is MoveLe, an integrated solution that connects products (hardware) and services (software and services). MoveLe is not a single product, but an all-inclusive term for initiatives that solve customer challenges. As a one-of-a-kind partner to bus operators, the Company co-creates sustainable public transportation, leveraging more than 60 years of field expertise and high-quality primary data obtained from its own equipment.

What is MoveLe, exactly?

MoveLe is not a specific product name. It is an all-inclusive term for the Company's solutions that resolve bus operators' challenges, and a concept for continuous efforts.

VISION Never letting bus operations stop.

MISSION Connecting products and services for smarter operations.

NAME Move (mobility) × Sustainable (sustainability)
The name embodies the desire to keep mobility moving by connecting.

Each existing product and system is part of MoveLe. As the number of challenges solved grows, the solutions that comprise MoveLe will also expand; MoveLe is currently at the beginning of this journey.

MoveLe is not a finished packaged product. It is an ecosystem in which the true challenges that customers are facing in their operations are identified and solutions continue to accumulate. The Company stands side by side with bus operators and will continue to grow MoveLe with each challenge solved.

Integrated Solution "MoveLe" for Public Transport Operators

1 Efficiency improvement of operation management



- Operational efficiency through driver support and operation management support systems
- Optimization of operation planning through systems that automatically aggregate OD data and passenger numbers



Making public transportation sustainable

- Contributing to the maintenance and revitalization of local transportation
- Revitalization of regional economies
- Achieving a sustainable mobility society
- Promoting the digital transformation of public transportation

Outcomes for Customers

- Reduction of operating costs and improvement in profitability
- Improvement in working conditions through business process optimization
- Increase in user satisfaction and repeat usage rates
- Rapid decision making and optimal PDCA cycle based on data
- Building a sustainable management model

Leveraging our unique strength of combining hardware such as fareboxes with data, we provide PDCA solutions delivered through PRODUCTS + SERVICES.

MoveLe

Support for efficiency improvement based on data

Total in-vehicle device solutions

Comprehensive lineup of services

2 Support for revenue improvement



- Route and timetable optimization through data analysis
- Support for generating additional income through in-vehicle digital advertising, etc.
- Attracting customers through solutions tailored to tourism



3 Improve convenience for passengers

- Terminals compatible with IC card payments and mobile tickets
- Real-time location information services and passenger information systems
- Tourist information apps and multilingual-compatible devices



1 Efficiency improvement of operation management

→ Solving the issue of being overwhelmed by manual work

Achieves automatic aggregation of OD data and passenger numbers and optimization of operation planning with fare support and operation management support systems. This substantially reduces manual work in the field and supports faster decision-making.

2 Support for revenue improvement

→ Solving the challenge of unclear revenue structures

Supports route and timetable optimization based on data analysis, as well as the creation of ancillary revenue through in-vehicle digital advertising and other means. This contributes to strengthening a sustainable business foundation.

3 Improve convenience for passengers

→ Ensuring users continue to choose our services

Improves passenger convenience through IC card payments, mobile ticketing, real-time location information, multilingual support, and other features.

MoveLe's Vision in Numbers

Net sales
3.5
billion yen
(Fiscal 2030)

Announcing
2 or more
solutions each year
through 2030

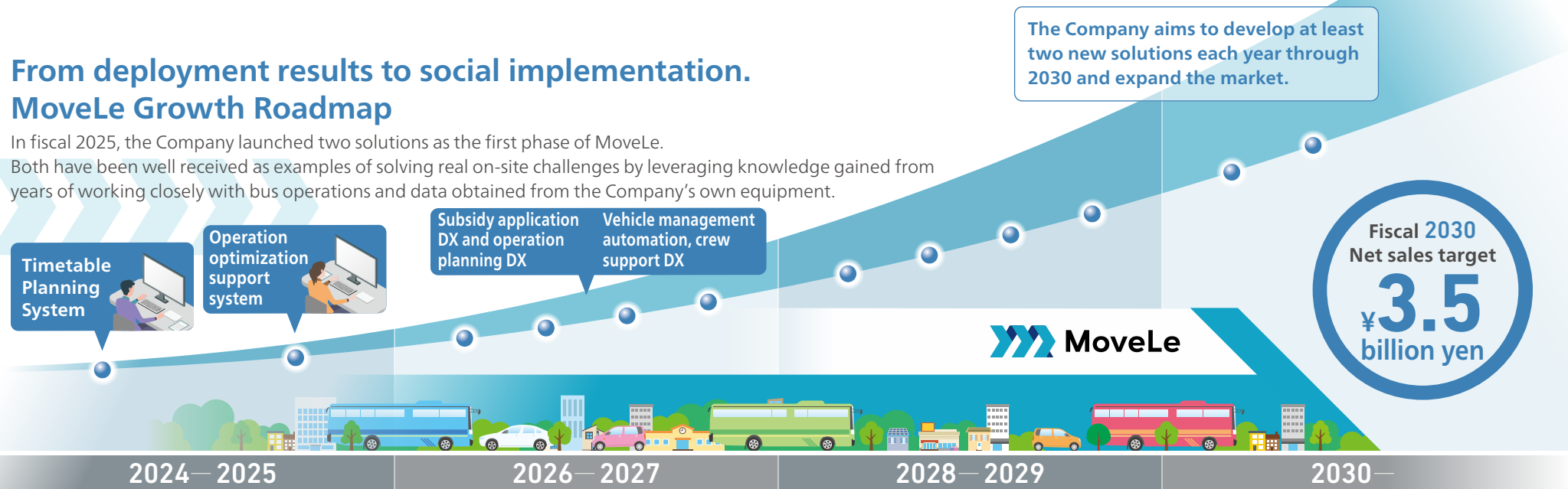
Target market size (TAM)
Approximately
16.6
billion yen

Feature MoveLe: Transforming the Future of Public Transportation

From deployment results to social implementation. MoveLe Growth Roadmap

In fiscal 2025, the Company launched two solutions as the first phase of MoveLe.

Both have been well received as examples of solving real on-site challenges by leveraging knowledge gained from years of working closely with bus operations and data obtained from the Company's own equipment.



Implementation results in November 2025

Operation optimization support system (Announced in November 2025)

Route demand forecasting and boarding/alighting analysis driven by data science improves bus business profitability!

Revenue can be analyzed and forecast from multiple perspectives by leveraging data from bus fareboxes, IC card systems, and other sources.

This cloud service centrally manages and analyzes farebox and IC card sales data from each business office on the cloud, supporting transportation operators' management. It streamlines aggregation work that was previously performed manually and, by leveraging data, enables a more objective understanding of conditions for each route. This helps achieve sustainable public transportation based on data, including route and timetable reviews.



VOICE Customer feedback

Jotetsu

- Without indicators for consolidating or eliminating routes, IC card and cash data were manually compiled and routes were reviewed.
- By introducing this system, the time required to consider adding or reducing services and to prepare timetables has been reduced to about one-fifth.
- It has become possible to create content backed by data, which is extremely convenient.

Future outlook

With these two implementation results as a starting point, the Company will accelerate expansion from individual deployments to broader adoption. By continuing to provide new value through solutions, from 2026 onward, the Company will advance the resolution of challenges in the bus industry and aim to achieve net sales of ¥3.5 billion in the MoveLe business in fiscal 2030. As a one-of-a-kind partner that integrates hardware and software—products and services—the Company will work with operators to create the future of sustainable public transportation.

Feature Changing the Structure of Value Creation

“Monokoto AI Project” Launches

Structural challenges behind our strengths. From focusing on design and manufacturing to optimizing the entire value chain

Since entering the bus market in the 1960s, the Company has accumulated design and manufacturing technologies and expertise in the public transportation field, and has provided high-quality products. On the other hand, as society and customer needs change, customers increasingly expect value not only from the products themselves but also from planning and proposals based on the challenges they are facing and from continuous post-delivery services.

The Company positions DX not merely as a means of improving operational efficiency, but as business transformation that increases added value throughout all business processes and maximizes the value delivered to customers. Building on expertise and product development capabilities cultivated over many years in public transportation, the Company will use digital technologies to upgrade the entire business process. By delivering integrated value from planning and proposals through design and manufacturing to maintenance and services, the Company aims to solve the challenges that customers are facing and create continuous value.

To achieve this, the Company is reviewing the entire business process, identifying challenges in each stage—planning and proposals, design and manufacturing, and maintenance and services—and advancing initiatives to enhance added value at each stage.

Company-wide Strategy (PRODUCTS + SERVICES)

Organization & Role Design

Transformation into a proposal-driven organization

- Proposal activities driven by each customer issue
- Business operations aimed at maximizing customer LTV
- Clarification of roles and responsibilities across organizations

Business Design (Mirai Works)

AI-centered business transformation

- Backcasting from the envisioned way of working in 2030
- Integration from a company-wide perspective
- Development of DX talent and improvement of DX skills

1value
4stance
5step

Culture Design

Taking ownership of transformation and changing behavior

- Significantly increase the volume of information, including messages from management and updates on workplace transformation
- Share and celebrate the desired state and expected actions through the Value Award and workshops
- Company-wide rollout of successful practices from the MONOKOTO AI Project

Each process and its ideal state

Process	Issues	Goal
Planning and proposals	Insufficient confirmation of requirements and specification changes resulting from prioritizing delivery deadlines	Develop proposals based on customer challenges and usage environments, and create solutions designed to deliver value after implementation.
Design and manufacturing	Rework caused by reliance on the experience and intuition of seasoned employees	Digitize and standardize accumulated technologies and know-how and leverage digital technologies such as AI to build a high-quality, efficient development and production system.
Maintenance and services	Post-delivery maintenance handled individually and reactively, posing challenges for preventive service provision.	Build long-term relationships with customers by leveraging data obtained through products and services for preventive maintenance and continuous improvement proposals.

The MONOKOTO AI Project is an initiative to resolve these challenges and drive transformation throughout all entire business processes. To achieve business transformation through DX, simply introducing digital technology is not enough. The Company is advancing the MONOKOTO AI Project, and by integrating the transformation of its organization, business processes, and corporate culture. With this, the Company aims to enhance the entire business process from planning and proposals through design and manufacturing to maintenance and services, thereby increasing the value delivered to customers. By linking these three initiatives—Organization & Role Design, Mirai Works Design, and Culture Design—the Company will maximize the use of digital technologies including AI, accelerate business transformation toward PRODUCTS + SERVICES, and build a management foundation that supports sustainable enhancement of corporate value.

The next page focuses on the initiatives of the Mirai Works Design Team, which is leading the way in producing concrete results.

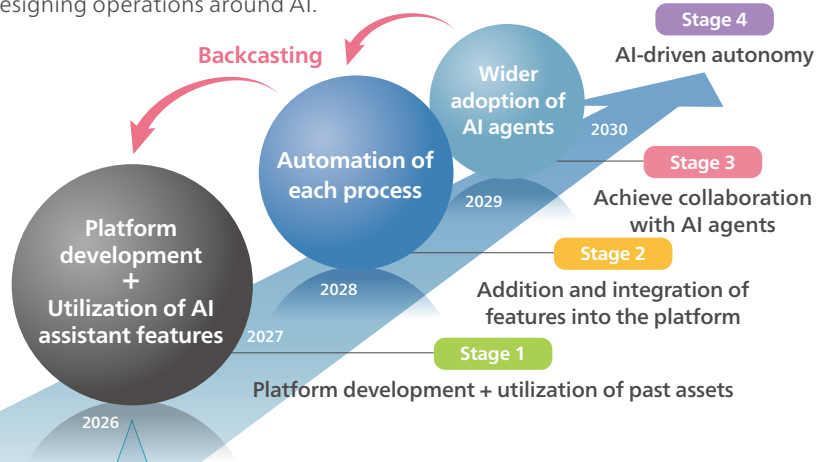
For details, see the next page (P.22).

Feature Changing the structure of value creation. Launch of the MONOKOTO AI Project

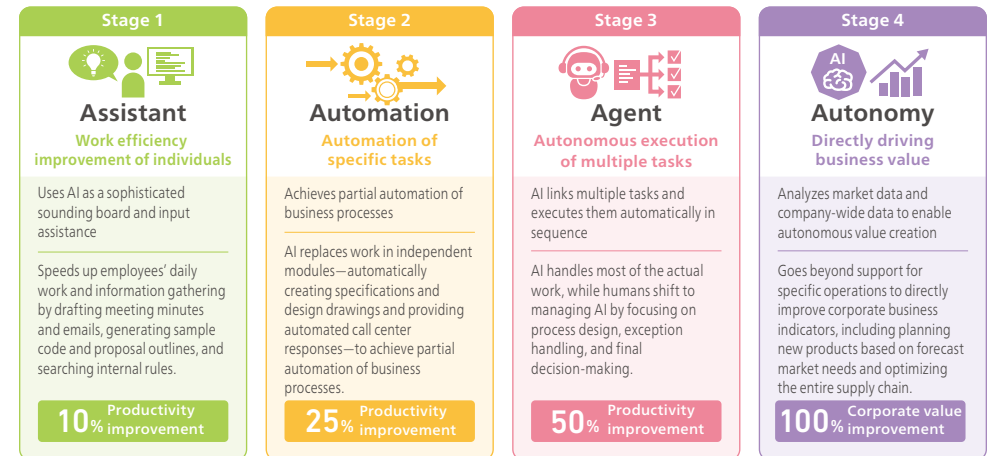
AI-powered internal transformation by the Mirai Works Design Team

AI Implementation Roadmap for Each Business Workflow

The Mirai Works Design Team is backcasting from the envisioned way of working in 2030 and redesigning operations around AI.



Four stages of AI adoption



Mirai Works Design Team Initiatives

To instill AI-driven transformation throughout the company, both top-down and bottom-up approaches are essential. The top-down approach involves management setting the direction and driving initiatives, while the bottom-up approach involves each employee thinking about how to use AI and linking it to new value creation. The Mirai Works Project combines these two approaches to promote AI-driven business transformation.

Case.1 Building a company-wide foundation for leveraging AI

Top
DOWN



Hirofumi Sugie
Group Manager
LECIP CORPORATION
Development Headquarters,
Technical Management Section

The Company is driving a fundamental redesign of business processes throughout the entire company using an approach that works by calculating back from its desired state in 2030. Rather than simply extending conventional methods, the Company will advance the development of a company-wide digital environment and structural reforms, creating a foundation that makes full use of digital technologies, including AI, as tools. By eliminating existing inefficiencies, the Company will strengthen its business foundation so that each employee is able to focus on higher-level value creation and decision-making.

Case.2 An AI utilization culture driven by employees in the field

Bottom
UP

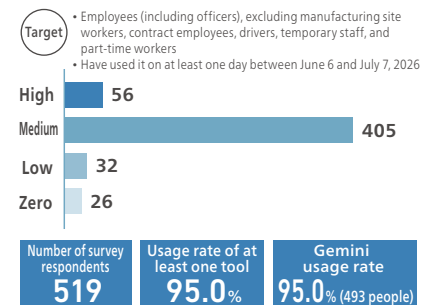


Takashi Kondo
Director
LECIP CORPORATION
Quality Assurance Headquarters,
Product Assurance Department

Culture reform driven from the bottom up by those in the field is progressing. Stretch goals and one-on-one meetings spark awareness of issues and foster a culture of celebrating each other's achievements. In actual processes such as understanding requirements for large-scale projects, creating overseas documents, structuring knowledge, and refining risk assessments, significant reductions in lead time and improvements in quality have been achieved. These are results of activities aimed at Stage 2, Automation. Humans act as conductors who manage AI, intentionally guiding its reasoning and focusing on further process improvement.

Close-up!

Internal AI Adoption Check (Gemini Usage)



Business Overview

Transportation equipment business

We have been growing by expanding our business into the railway and automobile markets by utilizing the know-how cultivated as a supplier of in-vehicle equipment and systems in the bus market.

LECIP is a comprehensive manufacturer of electrical mechanisms for use on buses and railways. We enhance passenger convenience by providing tangible and intangible support for products and services used in the operation of public transportation.

Aiming to create a business comprising not merely conventional products, but also what we call PRODUCTS + SERVICES, we provide solutions to the issues faced by individual business operators. In this way, we contribute to the realization of sustainable transportation systems, as well as safe and secure urban development.

Risks

- Decrease in demand due to consolidation of regional transportation reflecting the declining population
- Fewer people using public transportation—due to lifestyle changes
- Intensifying domestic price competition
- Changes in capital investment policies for public transport according to changes in governmental policies
- Emergence of new technologies and standards

Opportunities

- Increased demand due to recovery of flow of people and increase in inbound demand
- Increased demand for transition to cashless transactions
- Increased investment for streamlining operations and promoting driver-less vehicles
- Increased public support for maintaining and revitalizing public transportation
- Progress in tourism DX and MaaS integration

Competitive advantages

- As a comprehensive supplier of electrical equipment for buses
- Direct sales system and close customer support through sales offices nationwide
- Wide range of systematically linked products for buses
- In-house system development capabilities leveraging expertise in fare and operation data
- Track record and having a high share in the one-person (driver-only) operation in the railway market
- High rating for delivery track record in the U.S. AFC market (Project structure and high-quality products)
- Development expertise for overseas specifications and a global development structure

Results for fiscal 2026

Bus market (Sales: 15,010 million yen, YoY -7.6%)

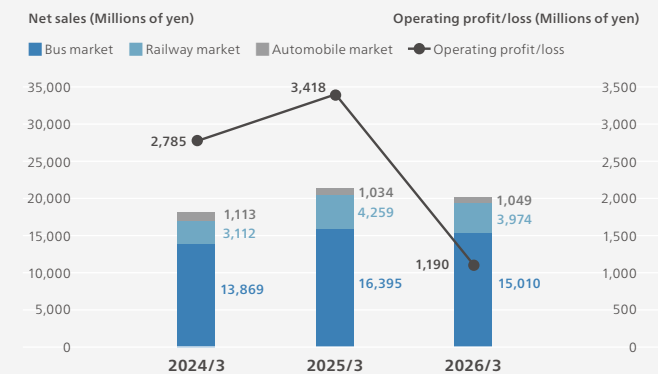
- Decrease in sales of farebox modifications, software updates, and other related items due to the drop-off in special demand associated with the issuance of new banknotes.
- AFC sales to the United States increased due to the delivery of a large-scale U.S. AFC (Fare Collection System) project.

Railway market (Sales: 3,974 million yen, YoY -6.7%)

- Decreased sales of farebox modifications, software updates, and other related items due to the drop-off in special demand associated with the issuance of new banknotes.
- Sales of lighting for railcars for the domestic market increased.

Automobile market (Sales: 1,049 million yen, YoY +1.4%)

- Increase in sales of lighting for automobiles.



Strategy toward achieving the Medium-term Business Plan

Bus market

- Maintain top share and make product proposals as a top supplier
- Provision of data utilization services such as location information (Development of MoveLe)
- Expand new services under the theme of tourism DX

Railway market

- Expand into markets other than the one-person (driver-only) market (train market)
- Horizontal expansion of passenger information system utilizing the know-how in the bus market

Automobile market

- Continue being selected as genuine products by strengthening relationships with vehicle manufacturers
- Promotion of development for solutions for garbage trucks (such as Waste Collection Work Efficiency System)

Overseas market

- Build and enhance production, procurement, and support systems for a stable delivery
- Continuously acquire new projects and expand sales channels
- Enhance product lineup according to market needs and cultivate new needs

Progress of strategies

Expansion of orders for overseas AFC systems

The Company's past system implementation achievements and its project execution structure have been highly regarded, and this is steadily leading to the acquisition of large-scale projects in the U.S. market. Acceptance inspections for the project for METRO in Houston, Texas, for which an order had been received earlier, were completed in June 2026, and sales were recorded.

This project was a large-scale installation of 1,431 fareboxes — completion of this large-scale delivery will contribute to performance in the fiscal year ending March 2027, while also serving as a track record that further strengthens confidence in the Company's systems in the U.S. market. With a view to future business development amid this steady progress in the U.S. market, the Company will strengthen its U.S. staffing structure, continue the stable and reliable delivery of projects already received, promote sales activities to secure new orders, and strive to improve corporate value over the medium to long term.



Farebox for the U.S. market LF-7000

Business Overview

Industrial Equipment business

Based on inverter technology, we provide industrial power supply-related equipment and chargers for industrial vehicles (such as forklifts). Additionally, our subsidiary LECIP ELECTRONICS CORPORATION performs printed circuit board assembly for a wide range of industries, including automotive electrical components and industrial equipment. As the momentum for electrification grows across all industries in pursuit of a carbon-neutral society, we are leveraging our accumulated charging and energy storage technologies to contribute to the realization of a sustainable society. We aim to achieve this by developing and providing products and services that promote decarbonization and efficient energy utilization.

Risks

- Rise in raw material prices (iron, copper, etc.)
- Intensifying price competition with overseas manufacturers
- Response to the technological shift from lead-acid batteries to lithium-ion batteries

Opportunities

- Growing need for electrification to achieve carbon neutrality
- Growth of the logistics market and stable demand for forklifts
- Increase in demand for wireless charging due to increased use of AGV/AMR (autonomous mobile robots)
- Domestic re-shoring of production bases
- Advances in automotive electrification in the EMS market

Competitive advantages

- Major market share in forklift battery rechargers
- Sales activities leveraging name recognition and sales channels in the Japanese market
- Electric power conversion technology, charging (inverter technology)
- Product development capabilities with high safety and durability based on dustproof and waterproof technologies
- High-quality and highly reliable circuit board mounting capabilities cultivated in the in-vehicle field (LECIP ELECTRONICS CORPORATION)
- Strengthening of production capacity and integrated production system through the operation of the new LECIP ELECTRONICS CORPORATION factory

Results for fiscal 2026

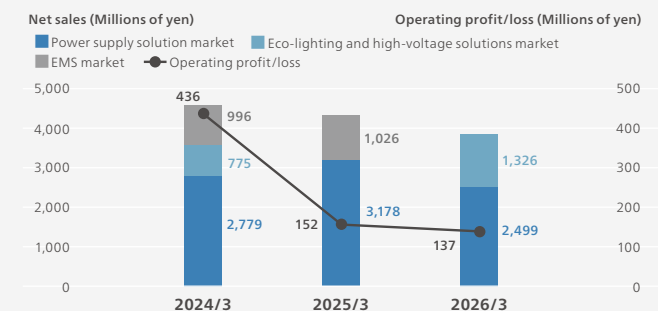
Power supply solution market

(Sales: 2,499 million yen, YoY -21.3%)

- Sales of forklift battery recharging units decreased.
- Sales related to the high-voltage transformer business, for which the business transfer was completed in March 2024, decreased, resulting in lower revenue.

EMS market (Sales: 1,326 million yen, YoY +29.2%)

- Higher sales of circuit board mounting for automobiles.



* Due to the business transfer of the high-voltage transformer business conducted in the fiscal year ended March 2024, the items previously listed under the eco-lighting and high-voltage solution market have been reclassified under the power supply solution market.

Strategy toward achieving the Medium-term Business Plan

Power supply solution market

- Expand sales into the logistics market (for AGV/AMR)
- Initiatives for the solution business and product deployment as charging systems
- Improve costs by reviewing the supply chain

EMS market

- Increase sales of in-vehicle equipment and improve productivity
- Development of new business partners (semiconductor manufacturing equipment, robots, etc.)
- Set up an integrated system for receiving orders, to include procurement and design

Progress of strategies

Production expansion from the start-Up of the new LECIP ELECTRONICS CORPORATION Plant

The start of operations at the new plant has increase production of the Company's circuit board production. Leveraging the mounting technology capabilities of its 11 front-end process lines, which represent one of the largest line counts among independent board manufacturers, the Company introduced a fully automated integrated line for automotive components. The line has now transitioned to full-scale mass production and is operating smoothly. The Company has also been able to improve the workspace and secure room for future expansion, and will continue to aim for sustained sales growth.



Fully automated integrated line for automotive components

Financial Strategies

Toward Achieving Management with a Focus on Capital Cost and Stock Price

We are promoting management that is conscious of capital cost in order to enhance corporate value in a sustainable manner.

We recognize our shareholders' equity cost as approximately 7 to 8%, and we aim to achieve an ROE of 9% or higher, which exceeds this capital cost.

At present, business performance has settled to a normal level as special demand related to new banknotes has run its course, while net assets (capital) have increased through steady profit accumulation to date. As the increase in capital outpaced profit growth, ROE declined, and the current PBR remains below 1x.

To address these challenges, we will promote business portfolio transformation, improvement of capital efficiency, and enhancement of shareholder returns in an integrated manner, aiming for sustainable improvement in corporate value.

Progress of Business Portfolio Transformation under RT2026

With replacement demand related to new banknotes running its course, in fiscal 2026 the Company saw expected pullback, mainly in domestic farebox-related operations. Meanwhile, the basic strategies under the current Medium-term Business Plan (RT2026)—“business portfolio optimization” and “reduction of volatility in business performance”—made steady progress.

The establishment of overseas businesses advanced in the core Transportation equipment business. Large-scale AFC (Fare Collection System) projects in the United States entered the sales recognition phase, among other developments, marking steady progress toward achieving an overseas sales ratio of 20% or higher. To offset the decline in demand for cash handling equipment, in Japan the Company steadily expanded sales through onboard DX deployments such as digital signage (CMP) and by building up a track record of installations of bus location systems and operational support systems. These efforts are driving a shift from a conventional focus on hardware sales to a solution-based business that provides ongoing value.

Despite the severe market environment with stagnant new vehicle sales in the automotive market, solid performance was maintained by shifting to high-value-added products such as color EDS.

In the Industrial Equipment business, although sales did not increase due to a review of priority areas, sales of automotive circuit boards in the EMS field are expanding steadily.

In this way, in fiscal 2026, resources were allocated with a preference to growth areas such as overseas operations, domestic DX, and EMS, and the shift to a stable earnings base advanced. As a result, solid sales that exceeded initial expectations were achieved, and the earnings forecast was revised upward while absorbing the risk of losses on certain orders, with the results of business portfolio transformation beginning to emerge. Going forward, the Company will continue to invest in growth areas and aim for sustainable improvement in corporate value.

Fiscal 2026 Financial Summary

	RT2026 Target Value	FY2026 Results
Net sales	24 billion	23.8 billion
Operating margin	5% or more	5.3%
ROE	9% or more	11.2%

Improvement of Capital Efficiency and Optimal Capital Structure

We focus on improving capital efficiency and achieving an optimal capital structure to enhance corporate value in a sustainable manner. To improve recognition from the capital markets, optimal balance sheet management will be promoted from a financial perspective.

Maintaining a Strong Financial Foundation

The Company operates businesses that are easily affected by tenders from public transport agencies and national policies, and entail the risk of changes in the business environment. Therefore, to ensure business continuity and fulfill its supply obligations to customers, the Company maintains sufficient levels of cash and deposits as well as equity.

As of the end of fiscal 2026, the D/E ratio was 0.12x, and cash and deposits of approximately ¥4.38 billion exceeded interest-bearing debt of approximately ¥1.35 billion, leaving the Company effectively debt-free and ensuring a stable financial base.

Cash and Deposits, Interest-bearing Debt and D/E Ratio

	2022/3	2023/3	2024/3	2025/3	2026/3
Cash and deposits (millions of yen)	4,094	3,179	2,964	2,073	4,383
Interest-bearing debt (millions of yen)	4,521	5,479	3,108	1,778	1,354
D/E ratio (times)	0.95	1.17	0.45	0.18	0.12
Equity (millions of yen)	4,775	4,688	6,881	10,100	10,977

Optimization of Financial Leverage

Meanwhile, excessive cash holdings are a factor that lowers capital efficiency (ROE). Going forward, while maintaining a sound financial base, the Company will appropriately utilize interest-bearing debt for growth investment and shareholder returns, aiming for an optimal capital structure that both reduces WACC (Weighted Average Cost of Capital) and improves ROE.

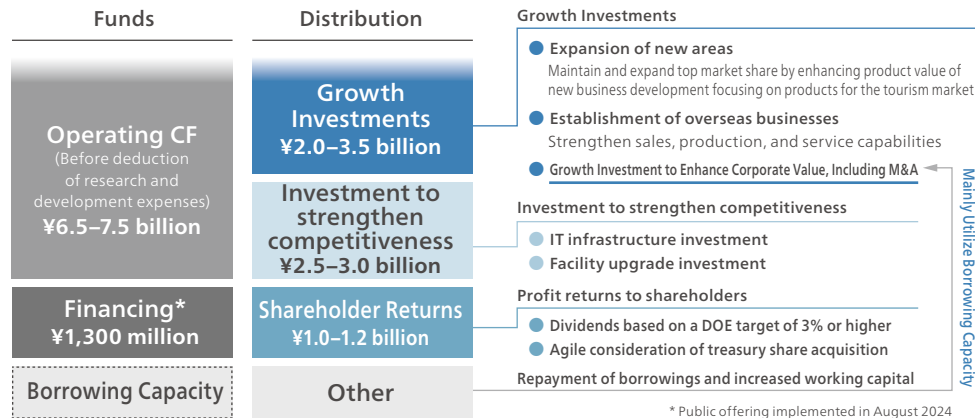
Optimizing Working Capital

LECIP HOLDINGS centrally manages the funds management and procurement of its subsidiaries, utilizing a cash management system (CMS). A framework has been established to secure the liquidity required for daily business operations and efficiently channel generated cash into investments and shareholder returns.

Financial Strategies

Cash Allocation toward an Optimal Capital Structure

To prevent an excessive increase in net assets due to special demand and other factors and to raise ROE in a sustainable manner, the cash allocation framework under the current Medium-term Business Plan (RT2026) has been revised upward.



Under the new plan, funds will be allocated in a strategic and balanced manner to the following areas, using operating cash flow of ¥6.5–7.5 billion generated cumulatively over the three-year period as the source of funds.

Growth Investment Allocation (¥2.0–3.5 billion)	With M&A and alliances also under consideration, the Company will accelerate new business creation, including expanding overseas businesses, primarily in the United States, and building a data utilization platform.
Competitiveness-Strengthening Investment Allocation (¥2.5–3.0 billion)	The Company will promote system investments to increase production capacity and improve operational efficiency through internal DX, thereby strengthening its stable earnings base.
Shareholder Returns Allocation (¥1.0–1.2 billion)	A review of the dividend policy and treasury share acquisition will enhance shareholder returns.

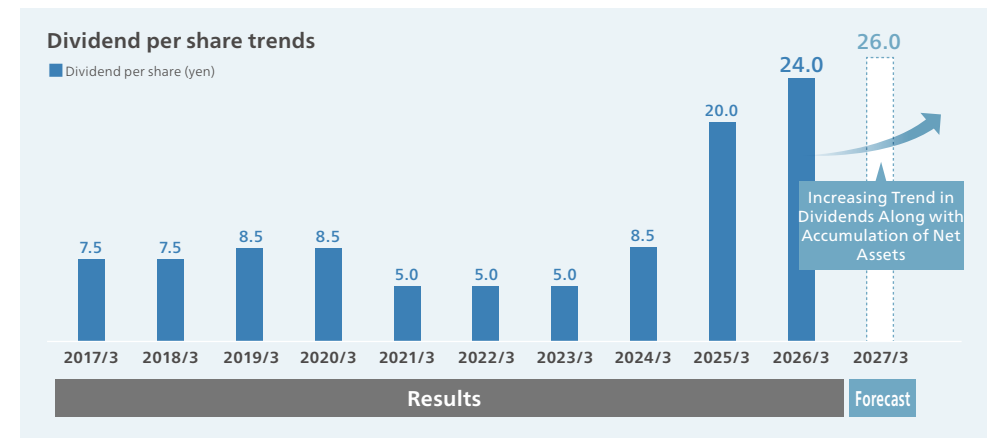
Progress in the First Two Years of RT2026

From funding sources including ¥5.9 billion in operating cash flow, ¥1.2 billion was allocated to growth investment, ¥2.0 billion to investment to strengthen competitiveness, and ¥1.9 billion to repayment of borrowings. Going forward, growth investment and shareholder returns will be implemented in a well-balanced manner, leading to medium- to long-term improvement in corporate value.

Enhancement of Shareholder Returns and Treasury Share Acquisition

Progress of the Dividend Policy

To balance improvement in capital efficiency with stable shareholder returns, the target level for DOE (Dividend on Equity) was raised from the previous 2% or more to 3% or more. Based on this policy, the Company plans to pay an ordinary dividend of ¥24 per share for fiscal 2026 and increase it to ¥26 per share for fiscal 2027.



Implementation of Flexible Capital Policies

As a measure to improve capital efficiency, the Company is implementing a treasury share acquisition totaling ¥150 million and up to 250,000 shares (1.59% of the total number of shares issued). By acquiring treasury share, the Company will improve capital efficiency and work to increase earnings per share (EPS).

The Company will combine growth investment, stable shareholder returns based on a DOE of 3% or higher, and flexible treasury share acquisition to achieve an optimal capital structure. Through these initiatives, the Company aims to earn appropriate recognition from the capital markets and achieve a PBR above 1x through medium- to long-term improvement in corporate value.

Human Resources Strategy

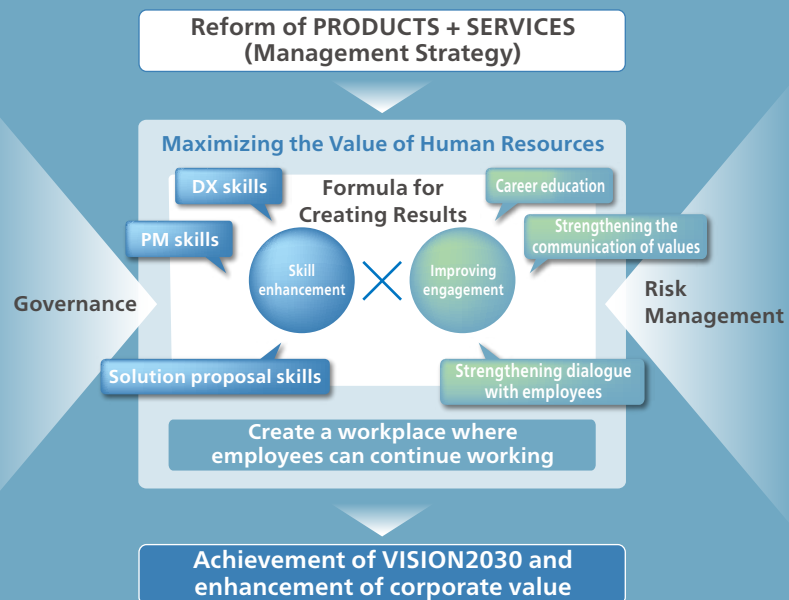
Approach Toward Human Capital Management

Based on the belief that it is people who drive the “Reform of PRODUCTS + SERVICES,” the Company has positioned “Maximizing the value of human resources” as the most important theme underpinning its human resources strategy.

To achieve this, the Company is putting into practice its “Formula for Creating Results,” which combines “Skill enhancement” with “Engagement improvement.” The Company promotes the strengthening of expertise and value creation capabilities directly linked to business transformation, while enhancing engagement through career development and thorough dialogue, and drawing out employees’ motivation and abilities to the fullest.

As a solid foundation for these initiatives, the Company focuses on “creating a workplace where employees can continue working” and reinforces its “governance” and “risk management” systems to ensure the reliable execution of its strategy.

Through such continuous investment in human capital, the Company will maximize organizational vitality, and achieve VISION2030 and enhance corporate value over the medium to long term.



Materiality in human resources

	Item	Activities Continued since FY2024	FY2024	FY2025	FY2026 (planned)
Supply human resources required by business units	New graduate hiring	• Strengthening education of new employees	• Renewal of the “Supporting society, fulfilling myself” concept • Strengthen collaboration between industry and academia	• Strengthen recruitment marketing • Strengthen internships	
	Career Recruitment	• Referral recruitment • Alumni activities	• Acceptance of specified skills	• Proactive recruitment of talent for overseas business and solutions	• Proactive recruitment of talent for the energy management system business
Human resources development for transforming into a proposal-driven organization	–	• Internal recruitment system • In-house certification system for IT architects • In-house reskilling training	• Introduction of a new personnel system	• Introduction of talent management system	• Operation of human resource portfolio • Operation of succession plans • Strengthen project management
Improve employee engagement	–	• Company-wide engagement survey • Promote one-on-one meetings	• Establish the Value Award • Continuous workplace improvement with pulse survey	• Deployment of career maps	• Strengthen communication through the internal portal
Create a workplace where employees can continue working	–	• Implement measures focusing on balancing work and childcare • Improve the ratio of male employees taking childcare leaves • Support flexible work styles		• Introduction of Life Support Leave • Increase in the percentage of paid leave taken	• Implement health and productivity management

		FY2022	FY2023	FY2024	FY2025
Supply human resources required by business units	Number of recruits	21	22	17	17
	Number of mid-career recruits	47	42	55	49
	Employees engaged in overseas business	45	61	65	65
Human resources development for transforming into a proposal-driven organization	Number of certified in-house IT architects	–	6	9	9
Improve employee engagement	One-on-one satisfaction	67.2 points	67.5 points	69.3 points	70.8 points
	Engagement score	–	–	–	62 points
Create a workplace where employees can continue working	Post-childcare leave return rate	100%	100%	100%	100%
	Men taking childcare leave	10%	67%	100%	100%
	Percentage of paid leave taken	75%	69%	71%	77%

* Number of recruits are those that joined the company in April of the following fiscal year

Human Resources Strategy

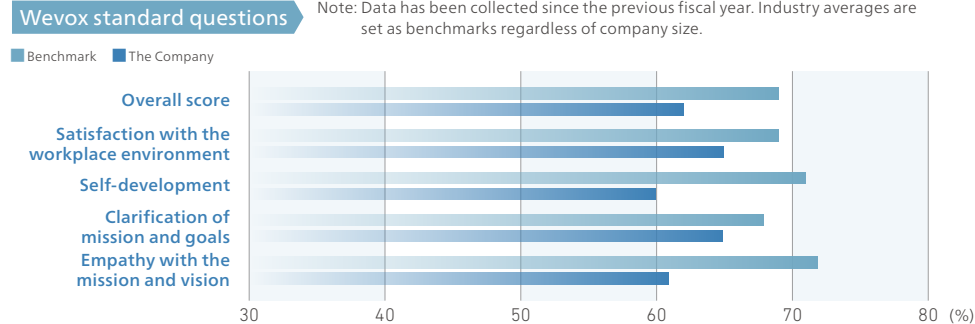
Initiatives to Improve Engagement

With the aim of achieving VISION2030, the Company is working to create a corporate culture in which each employee takes on challenges in an autonomous manner. To objectively assess the current state and further accelerate data-driven organizational improvement, the Company fully rolled out Wevox from Atræ, Inc. in fiscal 2025 and established a framework for measuring and managing engagement.

Survey Overview

To gain a clearer picture of the state of the organization, the Company runs two survey cycles. In specific departments such as sales and design, pulse surveys are conducted every month to identify changes in real time. Meanwhile, the annual "Ownership Survey" covers all departments. It had previously been conducted in-house using Google Forms and other tools, but with the introduction of Wevox, it can now be conducted using standard questions plus the Company's own original questions. This has made it possible to compare with general standards while also identifying issues unique to the Company, enabling more precise data analysis.

Engagement Survey 2025



The Company's own questions Note: Because the aggregation tool was changed starting in 2025, simple comparison is not possible.

Item	Percentage of Positive Responses		
	2023	2024	2025
Do the mission and goals of the company or department make your work feel important?	52.1%	48.8%	47.4%
At work, do you praise or recognize workplace members when they demonstrate ownership?	29.7%	29.4%	29.7%
At work, do you create opportunities to learn and grow on your own as necessary?	50.3%	48.0%	56.4%

Issues Identified from the Survey

To complete the "Reform of PRODUCTS + SERVICES" set forth in VISION2030, highly engaged employees who can proactively address the latent issues faced by customers and create value are essential. However, the latest survey results show that factors such as "self-development," "empathy with the mission and vision," and "recognition of ownership"—which are sources of engagement and prerequisites for drawing out initiative—are relatively low, and therefore these factors have the potential to become a serious bottleneck in execution strategies.

To resolve this issue, the Company is promoting the rollout of "Career Maps" that align the growth trajectories of employees and the organization, together with the "Value Award," which recognizes employees for taking on day-to-day challenges. By establishing a cycle in which employees find meaning in their work and

Deployment of Career Maps **Career education**

As a company that supports social infrastructure, the Company's mission is to continue providing value to society and customers from a long-term perspective. Therefore, rather than general career development that starts from individual will (WILL), the Company is deploying a unique career map that starts from the mission (MUST) that the Company should fulfill.

The Company aims to achieve both individual growth and enhanced corporate value by having each employee understand the organization's mission and align their own will (WILL) and strengths (CAN) with that mission.

The Company is promoting the use of this career map in one-on-one meetings with supervisors and other settings, aiming to embed it thoroughly in the workplace and foster understanding and buy-in among employees.

By integrating the system with ongoing dialogue, the Company encourages employees to take ownership of their careers and supports proactive growth. This increased engagement will be the driving force that turns the management strategy into tangible results and drives forward the "Reform of PRODUCTS + SERVICES."

Value Award Ceremony **Strengthening the communication of values**

To cultivate a corporate culture that values ownership, the Company created the "Value Award," a company-wide employee recognition program. The aim is to recognize and share company-wide initiatives that embody the Company's behavioral guidelines "1Value 4Stance," and to make their practice the norm throughout the organization.

As these guidelines take root in the workplace, the organization will grow into one where essential problem-solving based on deep insight and proposals for new value naturally emerge, rather than merely responding to requests. These behavioral changes will drive growth in overseas businesses centered on the United States and new areas such as tourism DX, thereby maximizing LTV and sustainably enhancing corporate value.



Human Resources Strategy

Strengthening Skills to Achieve Strategy

The Company has developed its business mainly around product-oriented sales, but the challenge is that proposals remain passive and dependent on the functions and specifications of its own products.

To promote the company-wide strategy of "PRODUCTS + SERVICES" and achieve VISION2030, the Company must evolve into a "proposal-driven organization" that starts from the latent issues that customers are facing. To close the gap between the current state and the desired state, it is essential to redefine roles and responsibilities across organizations and fundamentally update the skills and thought processes of each employee. The following introduces the Company's new skill enhancement initiatives that are key to achieving its strategy.

Improving DX Skills across All Employees DX skills

The Company is promoting company-wide DX centered on the "Mirai Works Design Team." The Company aims to shift from routine work that depends on specific individuals to higher-value-added work by backcasting from its desired state in 2030 and improving operational efficiency through the use of AI. In addition, by sharing examples of using AI and disseminating information through the internal portal site, the Company is encouraging all employees to take an interest in and make practical use of AI. Through these efforts, the Company will develop DX human resources across the organization who can make effective use of technology and resolve the latent issues that customers are facing.

IT Architect

The Company's "IT Architect System" aims to develop advanced IT talent capable of resolving management issues. The Company pays architects certified through the review process a monthly allowance of up to ¥100,000, providing strong support for their activities. The most distinctive feature of this program is human resource development through detailed feedback from the review process. Beyond technical assessment, the review process encourages architects to develop a perspective that encompasses the entire business and leadership capable of engaging other departments, leading to concrete results in the form of autonomous individual growth and greater organizational momentum.

Comments
from reviewer

In the review process, I am personally inspired by the young and mid-level employees who take on ambitious goals. On the other hand, acquiring advanced specialized skills requires not only individual motivation but also organizational support in the form of challenging opportunities (assignments). As an architect working with them in the field, I will continue to support the development of specialized professionals who proactively create the future.

Kuniki Shimizu System Architect, AFC Development Department, LECIP CORPORATION

Strengthening Solution Sales Capabilities Solution proposal skills

The Company is strengthening employee skills to support the shift away from traditional manufacturer sales focused on "selling products" toward "solution sales" that address customer issues. Specifically, to shift from a product-led "Product-Out" approach to a customer-driven "Market-In" approach, the Company is articulating and standardizing expected sales behaviors and has begun practical training to put them into practice.

Specific Measures

Defining required skills and standardizing behaviors	By articulating the expected behaviors for solution sales and standardizing them using systems such as Salesforce, the Company will create a foundation that makes it easier to acquire the required sales skills.
Provision of practical education programs	The Company will invite external instructors to provide practical training on identifying customers' fundamental challenges and proposing solutions.
Update of the evaluation system	The Company is designing systems, including changes to individual goal setting and evaluation methods, so that acquired skills are demonstrated as actual behavior.

Development of Project Management Talent PM skills

To enable the Sales Department to focus on high-value-added proposal activities, the Company redefined roles in the post-order process and established a new project management organization and the professional position of "Project Manager" to achieve this. Going forward, the Company plans to develop specialized talent capable of leading projects by establishing project manager competencies and accumulating practical experience through projects.

Specific Measures

Establish new professional position of "Project Manager"	Defined a new professional position responsible for "controlling uncertainty and completing delivery" and clarified it as a career path.
Building a development foundation through the establishment of a specialized organization	Established the Customer Relations Department within the Development Department, creating a structure focused on developing specialized skills and sharing know-how.
Practical development linking OJT and Off-JT	Using the newly established Customer Relations Department as a development platform, the Company will provide practical skills development that links systematic training (Off-JT) with on-the-job practice (OJT).

Human Resources Strategy

Toward a Workplace that Maximizes Productivity Create a workplace where employees can continue working

The Company aims to create a highly productive organization by achieving both “thorough legal compliance (defense)” and “maximization of operational efficiency (offense).”

Achieving this requires an environment in which each employee is physically and mentally healthy and is able to continue working with peace of mind. Healthy, energetic employees perform at a high level and channel that energy into business growth. To create this virtuous cycle, the Company is promoting health and productivity management and developing systems that make it easier for employees to work.

Key Initiatives

1 Promotion of physical and mental health

Employee health is an important management resource that supports sustainable corporate growth. The Company will enhance health support and promote the creation of a vibrant organization.

Results of initiatives

- Thorough implementation of specified health guidance
- Expansion of subsidies for comprehensive health checkups

2 Work-life balance

The Company is promoting systems that balance appropriate working-hour management with improved operational efficiency, and prevent excessive working hours.

Results of initiatives

- Visualize monthly variances in planned overtime hours and promote appropriate working hours in cooperation with the workplace
- Improvement in the percentage of paid leave taken

3 Reduction of downside risk

The Company is creating an environment that reduces the risk of employees leaving due to life events such as childcare or illness.

Results of initiatives

- Promotion of flexible working styles through the use of teleworking and work-from-home programs
- Introduction of Life Support Leave

Introduction of “Life Support Leave” to Prepare for Unexpected Events

The Company has introduced a new “Life Support Leave system” to enable employees to continue their careers with peace of mind even when facing unexpected life events. This system allows employees to build up paid leave that would otherwise expire, and use it when they or a family member becomes ill or requires care. By supporting employees through diverse life stages, reducing the risk of losing talented employees, and providing a psychologically safe workplace, the Company will ensure medium- to long-term improvement in engagement.

Promotion of Childcare Leave among Male Employees

To actively support male employees’ participation in childcare, the Company is expanding its childcare leave programs and making them easier to use. In addition to extending special leave for a spouse’s childbirth from two days to five days, the Company revised the system in line with legal reforms so that employees can work in a flexible manner during the leave period, encouraging longer periods of childcare leave. Furthermore, by establishing a dedicated information site for eligible employees and holding briefing sessions for managers, the Company is fostering greater understanding in the workplace and a psychologically safe corporate culture in which employees can balance work and childcare regardless of gender.

Future Initiatives

Aiming to be a company with appeal that everyone wants to talk about with pride

The Company’s human resources system has been deliberately designed and run in a steady, unpretentious manner, centered on universal principles and incorporating the “Human Capital Visualization Guidelines” and leading examples from other companies. At present, recruitment, development, engagement, and labor management initiatives aimed at achieving the management strategy are generally progressing smoothly while addressing their respective challenges. Numerical results also support this progress and are gradually producing outcomes that are sufficient for disclosure.

In the engagement area in particular, the Company uses the engagement analysis tool “Wevox,” introduced the year before last, in a wide range of ways. Data-based analysis of the current situation is progressing, including understanding the Company’s characteristics through benchmark comparisons with competitors and identifying key drivers that influence scores. Currently, the Company is using this data to communicate monthly with managers at each workplace and promote organizational improvement. Furthermore, the Human Resources Department is translating these findings into concrete initiatives, such as enhancing career education and strengthening internal communications.

The essence of companies has always been, and will always be, its people. For this reason, the Company wants to be an organization that attracts talented people who will lead the future. To that end, efforts by the Human Resources Department alone are not enough; it is essential that current employees and business partners speak proudly about the Company’s appeal. In other words, the Company itself must be fundamentally attractive enough that those around it want to talk about how appealing it is.

For others to speak proudly about the Company’s appeal, what matters most is “mutual trust (the psychological contract).” Going forward, the Company’s human resources strategy will place the highest priority on never losing sight of each individual’s aspirations and further strengthening these relationships of trust.



Atsushi Noda

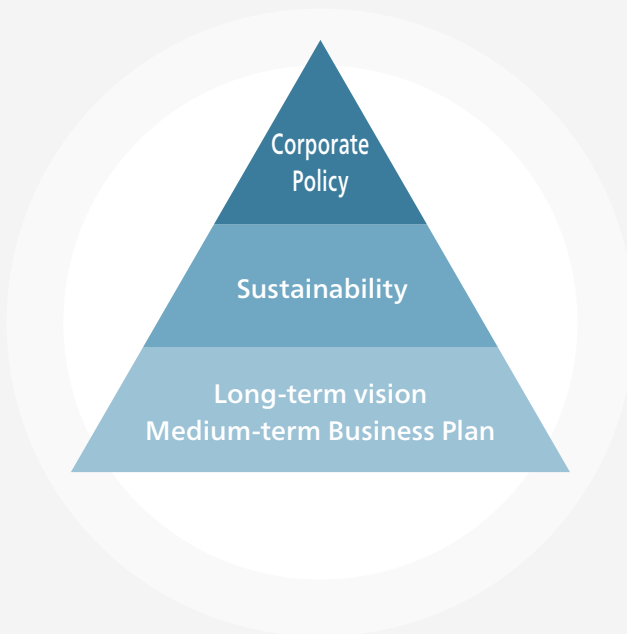
Executive Officer
(in charge of Human Resources Planning)
and Director, Human Resources Department

Sustainability Management

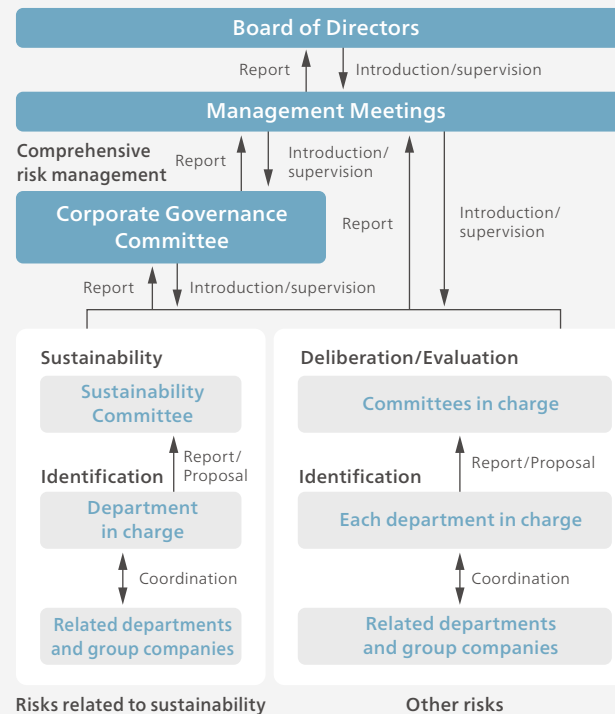
LECIP Group's Materiality

The LECIP Group has identified material issues and combined business strategies with sustainability issues and targets in an effort to improve corporate value and help realize a sustainable society based on its corporate policy.

Based on these material issues, we will develop business based on our long-term vision and mid-term business plan, in an effort to help resolve societal issues by leveraging our strengths to create new value.



Promoting Sustainability

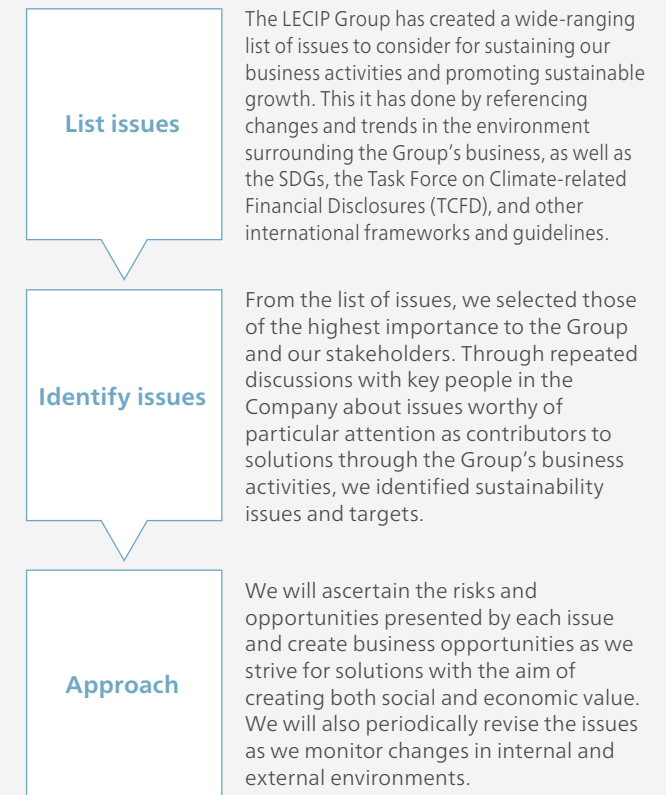


In April 2022, the LECIP Group established a Sustainability Committee chaired by an executive officer to strengthen its sustainability promotion across the Group and to implement initiatives. Members from all Group companies take part in committee meetings—held as required—at which specific activities are discussed and decided. The discussions focus on sustainability-related risks and opportunities considered important for the Group. When it comes to major projects, the Sustainability Committee submits any significant findings to the Management Meetings and the Board of Directors, which incorporate them into management policies and decision-making.

Identifying Material Issues

The Group implements the following process to identify and then analyze which material issues to tackle. The list of issues is revised as necessary.

Process of identifying material issues



Sustainability Management

Sustainability Issues and Targets (Material Issues)

Material Issues		Targets	Relevant SDGs
Provide convenient, sustainable transport systems	• Improve convenience of public transportation • Promote transition to cashless transactions • Help cut crewmember workloads	• Expand bus location system lineup • Develop New Cashless ticketing system • Enhance functions; expand adoption of bus crewmember support system • Expand language support for information systems and bus crewmember support systems for users • Visualize route bus income data, etc.	 
Contribute to the achievement of a decarbonized society	• Develop energy management system business • Promote use of renewable energy • Lower product size/weight/CO₂ • Reduce greenhouse gas emissions	• Develop new products utilizing storage and charging technologies • Invest in in-house solar power generation facilities; convert company-owned vehicles to EVs • Design products that reduce environmental burdens • Reduce energy consumption by improving productivity • Reduce emissions by cooperating with suppliers (Scope 1 and 2)	  
Sustainable manufacturing	• Reduce environment-damaging substances • Improve product quality • Establish relationships with suppliers • Coexist with local communities	• Develop products based on environmental design guidelines • Use quality management systems to provide reliable products • Promote and realize green procurement guidelines • Interact with local residents for mutual understanding	  
Secure and develop human resources that support corporate growth	• Supply human resources required by business units • Human resources development for transforming into a proposal-based organization • Improve employee engagement • Create a workplace where employees can continue working	• Strengthen recruitment marketing for selecting and being selected • Operate human resource portfolio and succession plan • Disseminate the 1 Value 4 Stances and expected actions • Continuously improve values based on the results of the engagement surveys • Define and implement well-being in the Company	  
Build a system to ensure high corporate ethics	• Fair and honest business activities • Strengthen corporate governance based on the Corporate Governance Code • Enhance information security	• Establish rules and improve awareness of compliance • Respond to revisions of the Corporate Governance Code • Upgrade information security management systems (ISMSs)	

Environmental Initiatives

LECIP Group's Environmental Vision

The LECIP Group will provide appealing products and services that consider the environment to realize a sustainable society.

Taking environmental considerations into account throughout the entire product life cycle and contributing to achieving a sustainable society.



Toru Tanaka

Head of Quality Assurance
Headquarters and Director of
Quality Control Department

The LECIP Group is consistently conducting activities that consider the environment through each process of the product life cycle. In upstream processes, through collaboration with suppliers and the Development Department, the Group is promoting the shift to low-CO₂ materials, materials free of environmentally hazardous substances, and recycled materials. In downstream processes, the Group is promoting the development of low-power-consumption products. In manufacturing processes, along with reducing material loss through the elimination of defects, the Group is curbing the use of fuel and electricity in the manufacturing process and striving to achieve environmentally friendly manufacturing. To ensure the reuse of parts and recycling of materials within the LECIP Group, the Group is also promoting the collection of sold products. The Group is also working on the development of services that contribute to sustainable public transportation by providing not only hardware but also services—such as EV charging support systems, operation optimization support systems, and timetable scheduling systems—that leverage the knowledge of existing businesses. Through these thorough environmentally conscious activities and the provision of services that achieve sustainability, the Group will contribute to achieving an environmentally friendly, sustainable society.

We will promote business activities that consider the environment during each

Procurement	Development	Manufacturing	Transport	Use	Waste
Reduction of environmental impacts during raw material generation	Renewable Energy Capital Investment in Clean Energy			Reduction of environmental impacts on the market	
Partnerships with suppliers	Product Development: Circular society with low power consumption	Use of clean energy	Use of EVs	Provision of low energy consumption products	Material recycling

The LECIP Group is conducting activities that consider the environment through the entire life cycle process. In the upstream, we will enhance partnerships with suppliers, cooperate in promoting carbon neutrality of the suppliers, and promote the transition to materials with lower CO₂ emissions and materials with reduced environment-damaging substances.

In product development, we are promoting the development of products that use materials with lower CO₂ emissions, use of materials with reduced environment-damaging substances, and products with lower power consumption to reduce CO₂ emissions in the downstream. We are also promoting design that considers active use of recycled materials and a structure that is easy to recycle.

In production activities, we are promoting the installation of photovoltaic panels in offices to replace 30% of the electricity used in production activities with electricity generated by photovoltaic panels by fiscal 2030.

Furthermore, we are aiming to achieve zero CO₂ emissions from business activities by introducing next-generation clean energy and purchasing clean energy.

In business activities and product transport, we are promoting switching company cars to EVs to achieve zero combustible fuel use as well as transitioning to a transport system that corresponds to the reforms in the logistics industry.

Through these activities, we aim to achieve zero CO₂ emissions in the entire supply chain and life cycle while also engaging in conserving the global environment by supplying products with a lower environmental impact.

Sustainability activities during the Medium-term Business Plan RT2026

Product development



The LECIP Group will promote the reduction of environmental impact on its product development.

- Reducing energy consumption of products
- Product design that enables recycling
- Active use of recycled materials
- Eliminate the use of environmentally hazardous substances

Production and business activities



The LECIP Group will make active capital investments to realize carbon neutrality.

- Capital investment aimed at achieving zero combustion fuel use in air conditioning equipment
 - ➔ The Group will achieve a 50% reduction in Scope 1 by FY2030 (compared with FY2021).
- Formulation of a plan to install renewable energy facilities for the next Medium-term Business Plan
 - ➔ The Group aims to achieve a renewable energy rate of 30% or more by FY2030.

Partnerships



The LECIP Group is actively working to disclose information and enhance its communication.

- Disclosure of carbon neutrality initiatives through CDP
- Active participation in biodiversity conservation activities rooted in the community

Toward Carbon Neutrality

Disclosure of information related to climate change based on the TCFD Recommendations

The LECIP Group made its endorsement of the Task Force on Climate-Related Financial Disclosures (TCFD) Recommendations public in October 2021. We will continue to promote the disclosure of the following four items.

Governance

- As an auditing system by the Board of Directors, the Board receives a report on the issues and responses related to climate change discussed at important committees at least once a year at the Management Meetings, which are discussed and deliberated in the Board of Directors meetings.
- Establishment of the Sustainability Committee chaired by the Executive Officer responsible for quality. Share and discuss measures to address business risks and opportunities related to climate change and other issues as well as consideration and determination of policy on corporate information disclosure and management of its progress.
- Establishment of the Quality Environment Committee chaired by the Executive Officer responsible for quality. We are promoting the maintenance and management of quality and environment and solving quality and environmental issues related to the Group.

Strategies

- We have set 2030 as a target year for analyzing the transportation equipment and industrial equipment businesses in the Group companies in Japan and evaluating the impacts of climate change on business activities to categorize the impacts on business activities.
- In the transportation equipment business, while the number of automobiles produced is declining due to the tightening of the regulations on car ownership, the use of public transportation is promoted, and its convenience is in demand. In the industrial equipment business, we recognized that the increase in the demand for making products more energy efficient and highly efficient power conversion due to the rising need for electrification are opportunities.
- We recognize that the rise in material and resource costs, suspension of plant operations due to disasters, and other issues are risks for the entire business that need to be addressed.
- Address these opportunities and risks through business strategies in the Medium-term Business Plan and long-term vision.

Indicators and targets

- Set a reduction target for FY2030 as a milestone for achieving carbon neutrality by FY2050.
- Reduction of Scope 1 and 2 emissions by FY2030.

Risk and Opportunity		Impact
Risks	Changes in policy/laws and regulations	• Introduction of carbon taxes will cause rise in procurement (e.g., of raw materials) and distribution costs • Clients' capital investments will slow as fuel prices rise and ownership of fossil fuel-using vehicles is increasingly restricted • Purchases of green electricity will drive up energy procurement costs
	Ever-changing client behavior	• Changes in clients' environmental awareness will cause rise in demand for eco-friendly (energy- and resource-saving) products; delayed responses will result in lost opportunities
	Intensification of extreme weather events	• Distribution network disruptions will compromise procurement and production capacity • Extreme weather events will cause factory shutdowns
Opportunities	Promotion of electrification	• The ongoing electrification of automobiles and industrial vehicles (forklifts, AGVs) will prompt the replacement of existing products and expand business opportunities for EV-related products • Demand for better energy-efficient rechargers will rise, the need for more efficient operation will grow
	Promotion of public transportation	• Increasing ridership rooted in the promotion of public transportation will drive up capital investment • MaaS-related business opportunities will expand • Public funds will be used to maintain/enhance public transportation networks • The need for efficient public transportation (cashless transactions, reduced operation and management workloads) will increase

Note: Scenario analysis based on information from the International Energy Agency, the Intergovernmental Panel on Climate Change, and other sources.

Risk Management

- The department in charge of items related to climate change coordinates with related departments in the Company and Group companies to grasp the situation and makes reports and proposals at the Sustainability Committee and other important committees in the Company.
- Identified risks and opportunities are reported to the Board of Directors at the Management Meetings (once a year or more).
- The Sustainability Committee and other important committees make reports and proposals to the Corporate Governance Committee as necessary.
- The Board of Directors receives reports on the state of comprehensive risk management and response, including for climate change, from the Sustainability Committee and other important committees in the Company.

Toward Carbon Neutrality

The LECIP Group is making systematic efforts to reduce fuel usage, decrease electricity consumption and shift to renewable energy, aiming to achieve carbon neutrality by 2050.

1 Initiatives to Reduce Scope 1 (Reduction of Combustion Fuel)



Reduce gasoline consumption

Switch modes of transport and travel to environmentally considerate vehicles (EVs, HVs)

- Fiscal 2025**
- Converted one gasoline-powered vehicle at Gifu Head Office to EV
 - Converted three of the nationwide sales vehicles from gasoline to HV
 - Sent eco-driving awareness messages to all employees



Replace air conditioning systems from gas to electric

- Fiscal 2024**
- Converted air conditioning at Plant 4 from gas to electric; The new No. 1 Plant introduced electric systems from the start
- Fiscal 2028**
- Convert air conditioning at No. 3 Plant from gas to electric

As a result, the Group will reduce gas consumption to as close to zero as possible by FY2030.

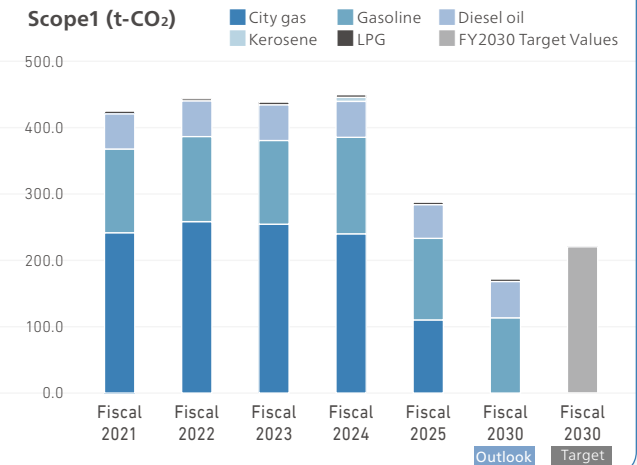
Planned Future Initiatives

Air conditioning: sequential conversion from gas to electric; gradually convert gasoline vehicles to EV/HV; eco-driving awareness activities

- Fiscal 2025**
- Introduced one EV/HV at Gifu Head Office
- From FY2026 onward**
- Continue the shift to EV/HV



Scope 1 (t-CO₂)



2 Reduction of Electricity Purchased



We installed and began operation of 450kW solar panels by August 2024. As a result, in FY2025, 539 MWh was replaced with renewable energy, achieving a reduction of 227 t-CO₂.

The Group is also exploring the installation of solar power generation equipment on the roofs of existing buildings to increase the renewable energy rate.

In addition, the Group is actively installing power-saving equipment, promoting reductions in air conditioning electricity use and transmission losses, and striving to achieve its FY2030 targets.

Toward Further Scope 2 Reductions

- Convert emergency fluorescent lighting equipment to LED
- Promote power-saving awareness in office areas; expect reduction in power consumption
- Regularly upgrade operating equipment to low-power-consumption production equipment and test equipment

Planned Future Initiatives

Fiscal 2025

- Introduction of the Ai Glies power-saving equipment

Fiscal 2026

- Introduction of the ecomio power-saving equipment

Fiscal 2027

- Rooftop solar power generation facilities at No. 2 Plant

Fiscal 2028

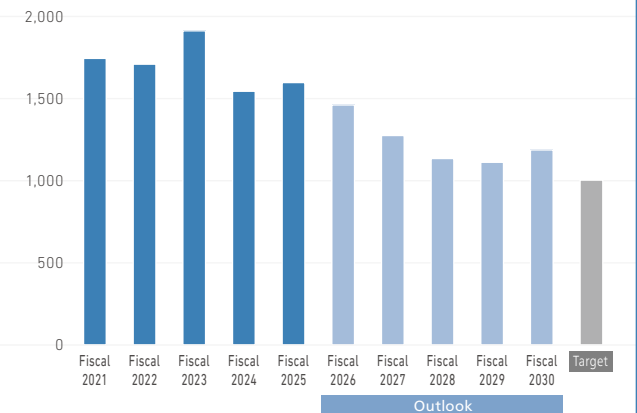
- Rooftop solar power generation facilities at No. 3 Plant

Fiscal 2029

- Rooftop solar power generation facilities at No. 4 Plant



Scope 2 GHG Emissions (t-CO₂)



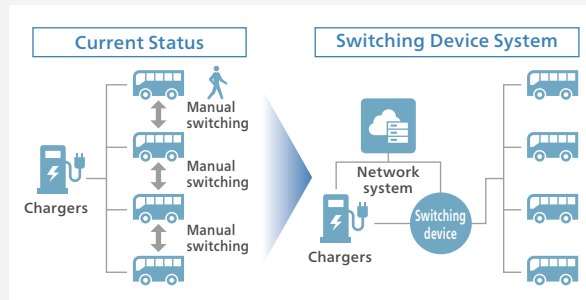
Toward the Realization of a Sustainable Society

Development of Charging Control Systems for EVs

As the uptake of EVs progresses, the LECIP Group has developed a charging control system that contributes to more efficient charging. By combining the switching device with a cloud monitoring service, multiple vehicles can be charged with a single charger using nighttime hours. This will curb increases in contracted power and achieve zero nighttime work. By installing a single charger with two outlets, up to four route buses or up to eight passenger cars (using two switching devices) can be charged overnight, thus contributing to EV adoption.



EV Bus



Adoption of Recycled Materials

In anticipation of the arrival of the circular economy era, the LECIP Group is actively working to adopt recycled resin. The Group is also moving forward with measures related to the use of recycled resin in automobiles, for which legislation is expected to progress in Japan. In addition, the Group is considering the adoption of recycled resin for bus and truck lighting fixtures and aims to bring products to market in FY2027.

Development of Low-CO₂ Products

As a company-wide activity, the LECIP Group is promoting the development of "low-CO₂ products" that reduce CO₂ emissions for customers who use its products. In FY2025, the Group renewed its bus fare indicators with low-power-consumption products, achieving a reduction of 8 t-CO₂ per unit over the life cycle of these products. For onboard equipment, low power consumption has been progressing, with smaller effects achieved, but the Group will continue to launch CO₂-reducing products.

Sustainability Lecture

The LECIP Group holds sustainability lectures for executives and managers every year. In fiscal 2025, under the theme of "Diversifying Sustainability Management," the Group invited experts to give a lecture on "the shift from decarbonization to nature positive and the circular economy."



Sustainability Workshop

As a practical initiative, cross-departmental sustainability workshops were held three times a year. Participants learned about domestic and international initiatives and national regulations regarding climate change, biodiversity, and the circular economy. They also used a backcasting approach to envision "the future the LECIP Group wants to achieve in five years" and created sustainable business ideas unique to the Company. The Group will continue to hold workshops next fiscal year and beyond, working to develop human resources so that each employee can link social issues to their own work and contribute to achieving a sustainable society.



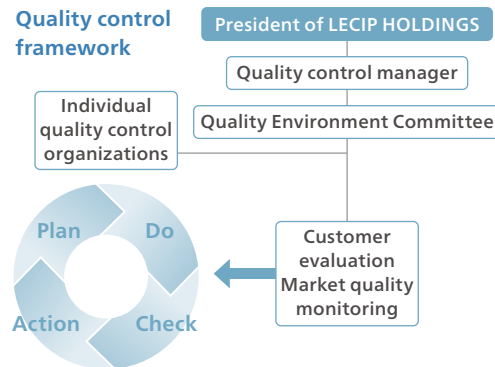
Stakeholder Relations

Customer Relations

Quality policy

We will constantly challenge to make reforms to ensure product and service quality expected by customers from a customer perspective.

The LECIP Group has built and operates a quality environment system to improve and maintain quality. In doing so, we especially listen to the valuable feedback and requests from customers and are actively implementing them in the products and services we develop.



Relations with Business Partners

Basic policy

We will enhance our communication with our business partners and implement activities to improve quality, realize carbon neutrality, and reduce environment-damaging substances.

The LECIP Group will continue its activities to achieve QCDSE (Quality, Cost, Delivery, Safety, and Environment) while coordinating not only within the Company but with our business partners and achieving the realization of a sustainable society and environment.

Respect for human rights

In the LECIP Group Charter of Conduct, we established an item addressing respect for human rights in the supply chain with a recognition of our social responsibility as a global company. We are striving to encourage the improvement of the working environment in the supply chain as well as conducting necessary training in the Company.

LECIP Group Charter of Conduct Excerpt (respect for human rights)

Conduct management that respects the human rights of everyone. We do not tolerate forced labor, child labor, or allow young workers to engage in operations that may be harmful to their health or safety.

Community relations

As a member of the communities in which we operate, we promote partnerships and offer support. This involves factory tours; providing work experience placements for neighboring children and students; engaging in environmental conservation; cleaning activities in areas neighboring the plants, interacting with community members, and more.



Cleaning activity

Dialogue with shareholders

We believe that it is important to engage in constructive dialogue with shareholders and investors to increase corporate value over the medium to long term. We will continue striving to disclose the appropriate information required to make decisions on investments and enhance information disclosure to increase their understanding. In fiscal 2026, we held results briefings twice, issued shareholder reports twice, issued an integrated report, and held individual meetings with institutional investors. We also held our first factory tour for shareholders. The tour provided them with an opportunity to visit production sites, including the new plant that began operations in 2025, and to deepen understanding of the Company's manufacturing initiatives and business.



Factory tour for shareholders

Disclosure policy

Information Disclosure Standards

We disclose information as required by the Companies Act, the Financial Instruments and Exchange Act, and the timely disclosure rules stipulated by stock exchanges. In addition, even if the information does not fall under the timely disclosure rules, we provide information that leads to a deeper understanding of our Company and ensures transparency.

Corporate Governance

Basic Approach to Corporate Governance

The LECIP Group recognizes that our priority management issues are to respect the interests of our customers, shareholders, and all other stakeholders, as well as to enhance corporate governance. To do so, the Group must provide society with products and services that help members of society enjoy a comfortable daily life through energy conservation, environmental mitigation, and improved security. Our initiatives are based on the five basic policies listed below. We use the holding company format and make every effort to strengthen Group-wide governance by managing and supervising member companies in addition to providing guidance in line with Group management strategies.

Basic Policies of Corporate Governance

(1) Ensure shareholder rights and equality

We will ensure the substantial rights and substantive equality of all shareholders in part by creating a proper environment for exercising those rights at the General Meeting of Shareholders.

(2) Cooperate with stakeholders

We will achieve sustainable growth and create medium- to long-term corporate value by fostering a corporate culture and climate of respect for stakeholders, as well as through cooperation with customers, shareholders, employees, suppliers, communities, and other stakeholders.

(3) Disclose pertinent information and ensure transparency

We will establish a foundation for constructive dialogue with shareholders by proactively and fully disclosing and providing not only financial information, but also management policies, management issues, business activity status updates, CSR activities, and other useful information about the Company.

(4) Execution of duties by the Board of Directors

The Board promotes the Company's business strategies to create leading products in each business segment by gathering management resources in our three core business domains: lighting, electric power conversion, and information processing. To actualize the strategies, the Board strives to increase profitability, capital efficiency, and more. This it does by promoting sustainable growth and the medium- to

long-term improvement of corporate value, while fulfilling its roles and responsibilities. These involve creating supportive environments for appropriate risk-taking by management and executives, as well as effectively supervising management and directors.

(5) Engage in dialogue with shareholders

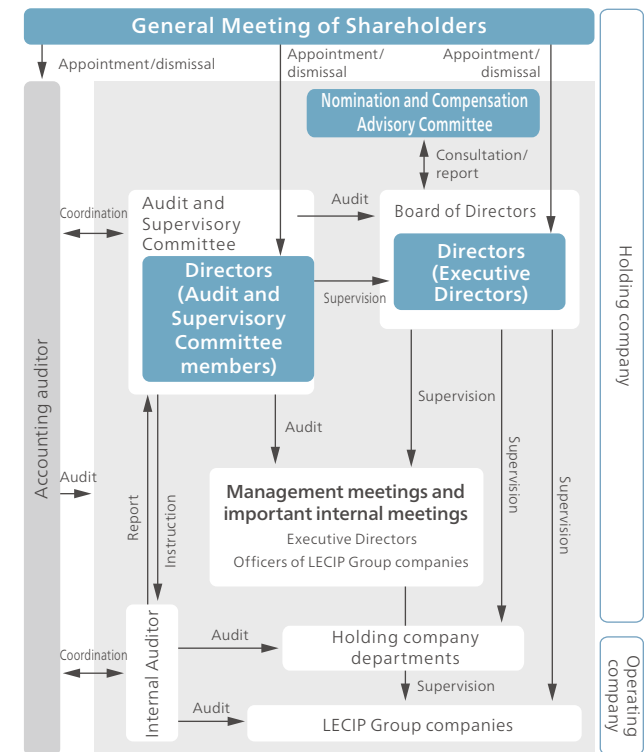
Using briefings that grab the attention of investors, as well as carrying out other IR activities—such as publishing integrated report, communicating with shareholders, and disseminating information through mass media—we promote constructive dialogue between the Company and shareholders. In this way seek to earn shareholders' understanding of our management strategies and plans, achieve sustainable growth, and improve our medium- to long-term corporate value.

Corporate Governance System

In an effort to further strengthen the Board's supervisory functions, we set up an Audit and Supervisory Committee mostly comprising outside directors, and gave directors who are also Audit and Supervisory Committee members the right to vote on resolutions of the Board of Directors. In addition, the Board was given wide-ranging authority to make decisions on the execution of operations, in order to expedite management decision-making and increase efficiency. We transitioned to being a company with an audit and supervisory committee in June 2016, with a view to further improving corporate value.

The Group's holding company structure unifies common, indirect, Group-wide operations—such as HR, general affairs, accounting—and strengthens governance through the management and supervision of Group companies, while at the same time providing guidance in line with Group management strategies.

We have set up a Nomination and Remuneration Advisory Committee, under the Board of Directors, to nominate Representative Directors, Directors, and Executive Officers. It also enhances the impartiality, objectivity, and accountability of the Board concerning the remuneration of directors and other matters. This committee comprises at least five members, a majority of whom are independent outside directors.

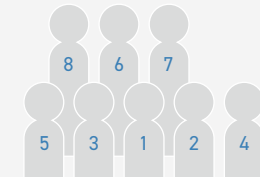


Corporate Governance

Director (as of June 23, 2026)



- | | |
|---|---|
| <p>President and CEO</p> <p>1 Makoto Sugimoto
SUGIMOTO Makoto</p> | <p>Senior Managing Director</p> <p>2 Hiroko Mitsui
MITSUI Hiroko</p> |
| <p>Managing Director</p> <p>3 Norihiro Shinagawa
SHINAGAWA Norihiro</p> | <p>Director</p> <p>4 Koji Iwasa
IWASA Kouji</p> |
| <p>Director</p> <p>5 Motoaki Kitano
KITANO Motoaki</p> | <p>Director, Audit and Supervisory Committee Member (Outside)</p> <p>6 Kiyohiro Shii
SHII Kiyohiro</p> |
| <p>Director, Audit and Supervisory Committee Member (Outside)</p> <p>7 Miwa Yamaguchi
YAMAGUCHI Miwa</p> | <p>Director, Audit and Supervisory Committee Member (Outside)</p> <p>8 Mamiko Yatabe
YATABE Mamiko</p> |



Skills matrix

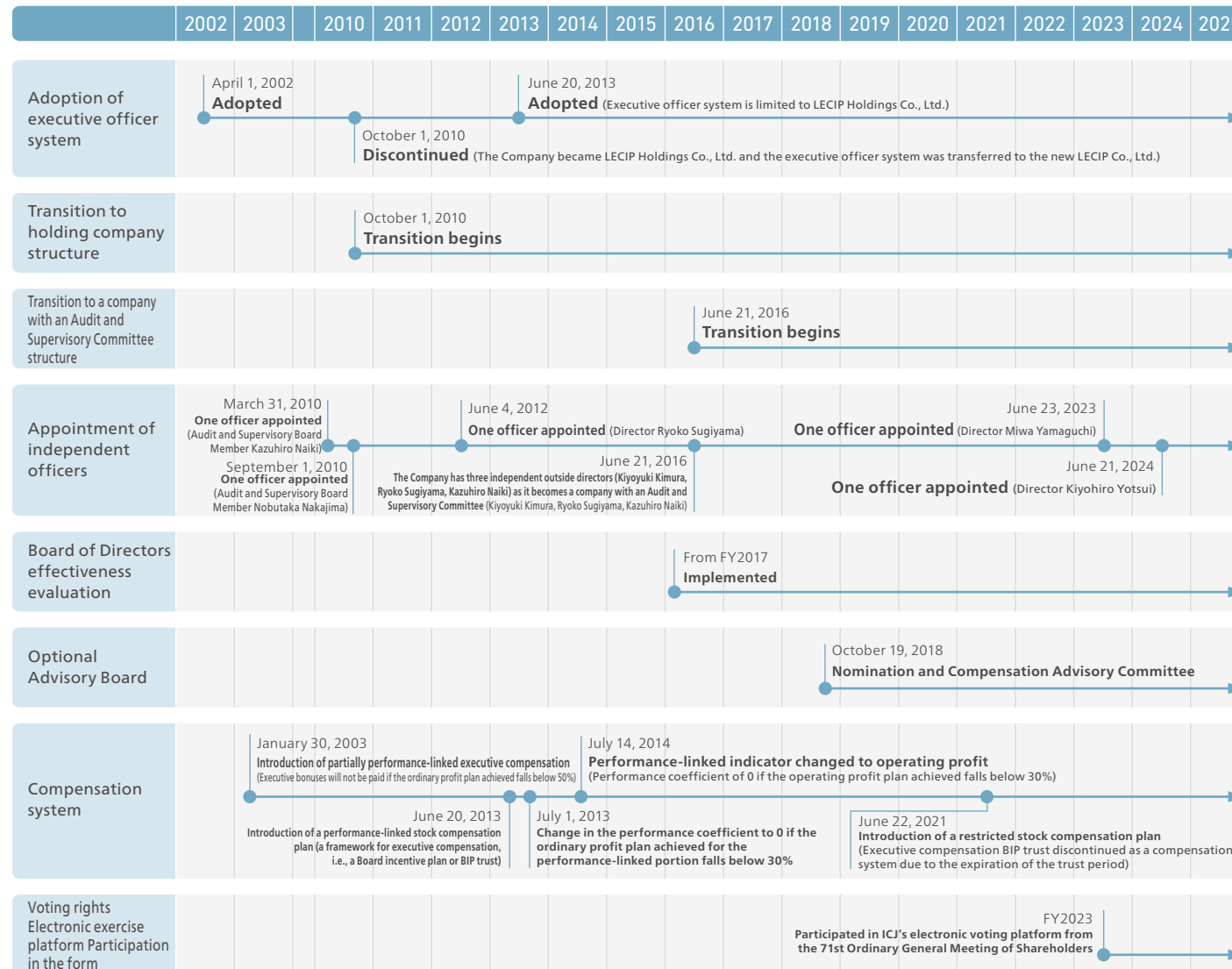
Our skills matrix combines skills and diversity, including the knowledge, experience, and abilities of each director, so that the Board might properly exercise its supervisory functions. Given the Company's management strategy, the matrix makes it easy to: compare the knowledge, experience, and skills of each director as required; disclose whether the composition of the Board is, on the whole, well-balanced; and reveal whether the appointed directors are appropriate.

The LECIP Group nominates director candidates with due consideration for the balance of knowledge, experience, ability, and diversity. The skills matrix for each LECIP Group director is shown on the right.

	Management	Finance / accounting	Legal affairs / risk / compliance	Global	Sales / marketing	DX / digital	Sustainability / diversity	Personnel / labor affairs	Research / development
Makoto Sugimoto	●	●		●	●	●	●	●	
Hiroko Mitsui	●			●	●	●	●	●	
Norihiro Shinagawa	●	●	●	●		●	●	●	
Koji Iwasa	●		●	●	●	●			●
Motoaki Kitano	●				●	●			
Kiyohiro Shii		●	●						
Miwa Yamaguchi	●				●	●	●		
Mamiko Yatabe	●		●	●			●	●	

Corporate Governance

Strengthening of Our Corporate Governance



Strategic Shareholdings

1. Policy on strategic shareholdings

The LECIP Group may strategically hold shares of other publicly listed companies only if it has judged the holding of such shares to be necessary for improvement of its medium- to long-term corporate value, based on such factors as their importance from the perspective of business strategy and relationships with business partners. The Company shall review the rationale for such holdings in a timely manner, and reduce any holdings that lack major strategic benefits or are inconsistent with the its capital policies.

The Board conducts annual assessments of these holdings, checking their specific benefits and making sure they are consistent with the risk-benefit evaluations based on the cost of capital and other factors. The Company will disclose an overview of its assessments.

Through the assessments carried out at the Board meeting in May 2026, the LECIP Group confirmed that it has sufficient rationale for all of its strategic shareholdings. That said, we will reduce any share holdings should they come to lack sufficient strategic benefits or be inconsistent with our capital policies, based on such factors as their importance to business strategy and relationship to business partners.

2. Standard on exercising voting rights for strategic shareholdings

In exercising voting rights related to strategic shareholdings, the Company reviews individual proposals and, rather than making uniform judgments on whether to approve or reject a given proposal based on formulaic standards, it makes such determinations from the perspective of whether a proposal will lead to medium- to long-term growth in corporate value, based on sufficient consideration of the relevant investee's management policy, strategies, and other factors.

Corporate Governance

Board of Directors effectiveness evaluation Independence of Outside Directors

Since FY2017, we have conducted the following annual evaluations to enhance the effectiveness of the Board of Directors, and we are continuously making improvements based on the results of these evaluations.

Evaluation method	Self-evaluation by questionnaire
Evaluation target	All directors including outside directors
Evaluation item	1. Composition and operation of the board of directors 2. Management strategy and business strategy 3. Corporate ethics and risk management 4. Evaluation and compensation of management 5. Dialogue with shareholders and other stakeholders

Summary of results

The survey items have been assessed as generally appropriate and their effectiveness has been assured. We will continue making improvements to further enhance effectiveness, such as by providing more information to outside officers to stimulate discussions at the Board of Directors.

Criteria for determining independence

In addition to the independence standards stipulated by the Tokyo Stock Exchange, the LECIP Group judges persons who meet any of the following criteria to lack independence.

- (1) A person who is a major business partner of the Company or a subsidiary of the Company (hereinafter referred to as "the Group"),^{*1} or an executive thereof.
- (2) Major business partners of the Group^{*2} or their executives.
- (3) Consultants, accounting experts, or legal experts who receive a large amount of cash^{*3} or other assets from the Group, other than executive compensation (if the person receiving such assets is a corporation, union, or other organization, this item refers to a person who belongs to such organization).
- (4) A person to whom any of the following three items have recently applied^{*4}
 - i. Persons listed in (1), (2), or (3).
 - ii. An executive or non-executive director of the Company's parent company.
 - iii. An executive of the Company's sister company.
- (5) A close relative of a person matching any of the following five descriptions (excluding immaterial persons).
 - i. Persons listed in (1) to (4) above.
 - ii. An executive of a Company subsidiary.
 - iii. An executive or a non-executive director of the Company's parent company.
 - iv. An executive of the Company's sister company.
 - v. A person who matched ii. within the past three years, or an executive of the Company.
- (6) Any other person who may have a conflict of interest with general shareholders.

^{*1} "Person who is a major business partner" refers to parties whose transaction amount in the most recent FY2026 is 2% or more of the annual consolidated net sales of the said person.

^{*2} "Major business partner" refers to a business partner whose transaction amount in the most recent FY2026 is 2% or more of the annual consolidated net sales of the Group.

^{*3} "Large amount of cash" means when the total value exceeds an average of 10 million yen over the past three years.

^{*4} "Recently" refers to any point in the past three years.

Nomination and Compensation Advisory Committee: Concept, Authority, Roles, and Independence

The LECIP Group has established a Nomination and Remuneration Advisory Committee under the Board of Directors to nominate representative directors, directors, and executives, as well as to enhance the functional impartiality, objectivity, and accountability of the Board regarding director remuneration and other matters.

This committee comprises at least five members, a majority of whom are independent outside directors.

The committee discusses the following matters on inquiries from the Board, providing it with advice and recommendations.

- (1) Proposals for the General Meeting of Shareholders regarding the appointment and dismissal of directors.
- (2) Appointment and dismissal of the president (CEO) and succession plan.
- (3) Appointment and dismissal of representative directors other than the president and CEO.
- (4) Appointment and dismissal of executives.
- (5) Criteria for independence of independent officers.
- (6) Establishment, change, or discontinuation of basic policies, rules, procedures, etc. necessary for resolutions of the preceding items.
- (7) Other matters deemed necessary by the Nomination and Compensation Advisory Committee regarding each of the preceding items.
- (8) Policies for determining individual remuneration packages for directors and executive officers (including the selection of performance indicators used to assess performance-linked remuneration and criteria for granting stock-related remuneration, etc.).
- (9) Details of remuneration for individual directors and executives.
- (10) Establishment, change, or discontinuation of basic policies, rules, procedures, etc. necessary to resolve the preceding two items.
- (11) Other matters deemed necessary by the Nomination and Compensation Advisory Committee regarding remuneration, etc. for directors and important employees.

Messages from Outside Directors

Please allow us to tell you, from the perspective of outside directors, about what we believe to be the roles that LECIP should fulfill to attain sustainable corporate growth and ensure the medium- to long-term improvement of corporate value, at a time when we see drastic changes in society and the business environment.

Kiyohiro Shii

Outside Director,
Audit and Supervisory
Committee Member



As demand related to the introduction of new banknotes in the bus farebox business, which is the Company's core business, runs its course, there is an even greater need to expand into overseas and new markets going forward.

For the expansion into these markets, it is essential to practice management that is consistently conscious of capital costs and profits. As an Outside Director, I am actively exchanging opinions and conducting analyses and deliberations from the following two perspectives with the aim of achieving the targets of the Medium-term Business Plan (RT2026).

The first is to generate stable sales and profits, we have set a target of ROE (return on equity) of 9% or higher to further improve capital efficiency, and are working to achieve continuous improvement in management efficiency. Second, while the Company had set a DOE (Dividend on Equity) target of 2% or higher as part of its efforts to strengthen shareholder returns based on a policy of maintaining stable dividends, it has now raised the target to 3% or higher in light of its solid business performance and strong financial position.

With these perspectives in mind, I will strive to achieve further growth of the LECIP Group, improve its credibility in the market, and enhance its corporate value.

Miwa Yamaguchi

Outside Director,
Audit and Supervisory
Committee Member



In response to changes in the environment surrounding public transportation, the LECIP Group is steadily advancing global expansion in its core transportation equipment business while accelerating initiatives in the IT and digital fields, including "MoveLe." I highly value the approach of accurately capturing customer feedback and market changes and linking them to the creation of customer value, based on the technologies and trust cultivated in existing businesses. When discussing technology development and service deployment at Board of Directors meetings, importance is placed not only on technological advancement but also on the value these initiatives bring to customers and society, and how they will contribute to future competitiveness. I also offer constructive opinions from an objective standpoint.

People are also essential to supporting transformation. I expect that through the dissemination of the new action guidelines "1Value 4Stance" and the promotion of diversity, a corporate culture in which diverse human resources recognize each other's strengths and embrace challenges will take root, and that various perspectives and ideas will lead to innovation. As an Outside Director, I will support these initiatives and strive to ensure that the Company remains trusted and needed by customers and society.

Mamiko Yatabe

Outside Director,
Audit and Supervisory
Committee Member



The LECIP Group is accurately grasping changes in the business environment and steadily advancing initiatives toward sustainable growth and the creation of new value under its Long-term Vision "VISION2030." I recognize that (1) reform of PRODUCTS + SERVICES, (2) development of the Energy Management Systems Business, and (3) expansion of overseas business are important strategies for taking on new growth areas while leveraging the Group's strengths.

And while there is growing uncertainty, including geopolitical risks, the ability to respond to risks associated with business expansion is becoming increasingly important. As an Outside Director, I will verify from an external perspective whether the governance framework that supports risk response is established and operated in an appropriate manner. In a rapidly changing market environment, I will also monitor whether necessary measures are being implemented quickly and flexibly, and I intend to hold deeper discussions at Board of Directors meetings, particularly regarding the service domain and the growing U.S. market. From the perspective of legal affairs, risk, and compliance, I will contribute to the Group's sustainable growth and enhancement of corporate value.

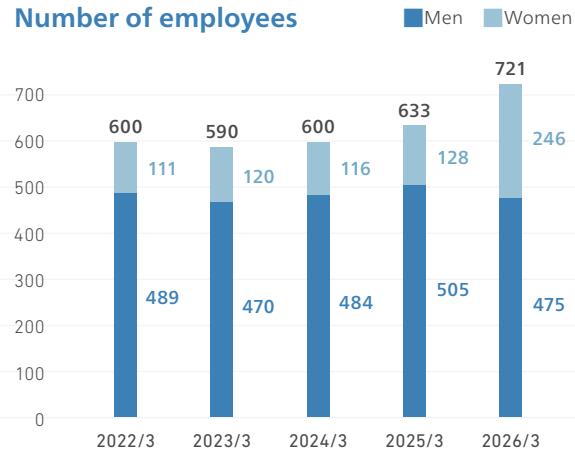
Financial Highlights

	2016/3	2017/3	2018/3	2019/3	2020/3	2021/3	2022/3	2023/3	2024/3	2025/3	2026/3
Profit and loss											
Net sales (Millions of yen)	16,203	16,985	15,749	21,538	26,051	15,553	14,075	14,253	22,684	25,931	23,898
Operating profit (Millions of yen)	(571)	483	(235)	1,021	1,854	(40)	149	(310)	3,164	3,531	1,268
Ordinary profit (Millions of yen)	(649)	354	(248)	1,030	1,830	35	325	(207)	3,557	3,483	1,508
Net profit (Millions of yen)	(1,378)	50	(454)	438	891	(124)	53	(249)	2,416	2,255	1,177
Financial position											
Total assets (Millions of yen)	13,173	13,048	12,465	16,445	14,791	15,129	14,449	14,856	19,948	20,403	21,715
Net assets (Millions of yen)	3,277	3,499	2,985	3,427	5,078	4,912	4,775	4,688	6,881	10,100	10,977
Cash flows											
Cash flows from operating activities (Millions of yen)	324	1,135	487	125	2,876	(1,130)	2,300	(1,494)	2,336	1,183	3,603
Cash flows from investing activities (Millions of yen)	(555)	(387)	(326)	(452)	(685)	(481)	(138)	(222)	(105)	(1,556)	(314)
Cash flows from financing activities (Millions of yen)	402	(59)	(187)	1,005	(2,239)	2,747	(1,415)	781	(2,480)	(543)	(1,039)
Related information											
Capital investments (Millions of yen)	488	306	492	770	916	337	289	239	551	1,620	774
Depreciation (Millions of yen)	528	384	473	534	514	433	476	477	463	645	675
Research and development expenses (Millions of yen)	395	445	691	761	854	506	576	523	653	622	566
Index											
Equity ratio (%)	24.9	26.8	24.0	20.8	34.3	32.5	33.0	31.6	34.5	49.5	50.6
Return on equity (ROE) (%)	(34.8)	1.5	(14.0)	13.7	21.0	(2.5)	1.1	(5.3)	41.8	26.6	11.2
Earnings per share (EPS) (Yen)	(125.3)	4.6	(40.9)	38.8	74.4	(9.8)	4.2	(19.2)	178.0	152.2	76.3
Book-value per share (BPS) (Yen)	297.0	315.5	267.6	301.9	398.6	385.2	371.6	346.6	505.9	656.8	709.5

* In the fiscal year ended March 31, 2020, a capital increase involving the new issuance of 1,380 thousand shares was conducted.

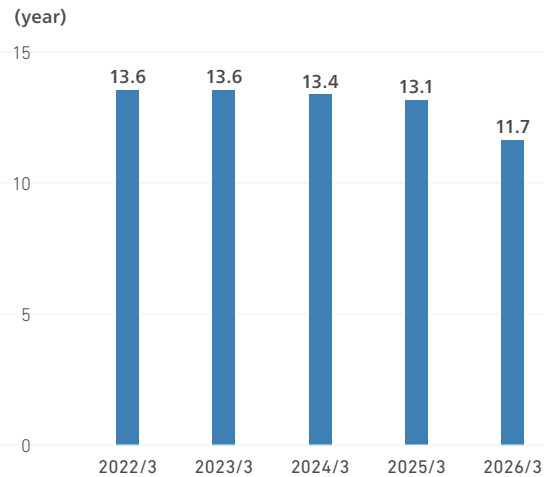
Non-financial Highlights

Number of employees

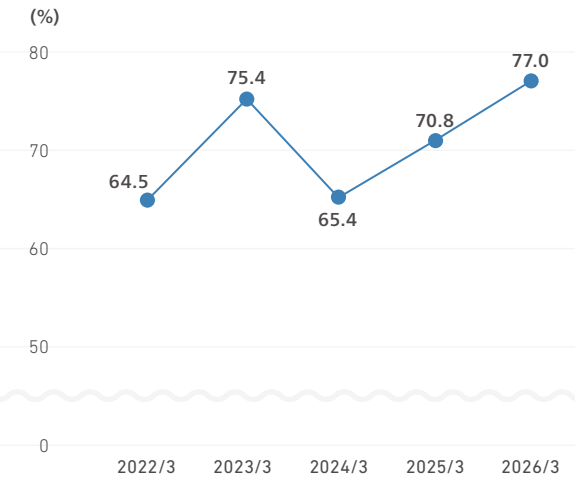


* Beginning with the fiscal year ended March 31, 2026, the aggregation method was changed to include employees whose work locations and job types are restricted (permanent employees), who were previously excluded, in the number of employees.

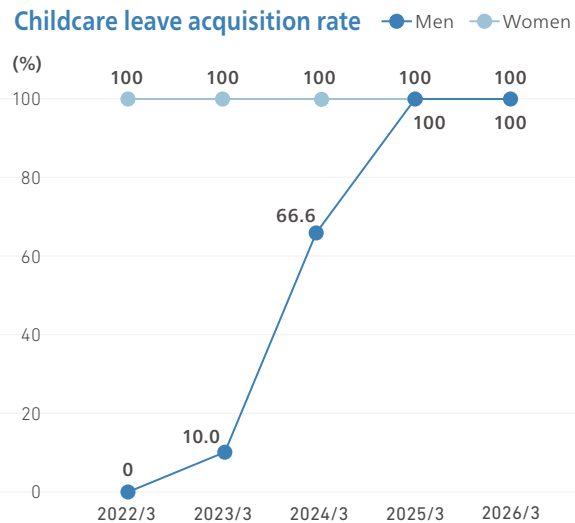
Average years of continuous employment



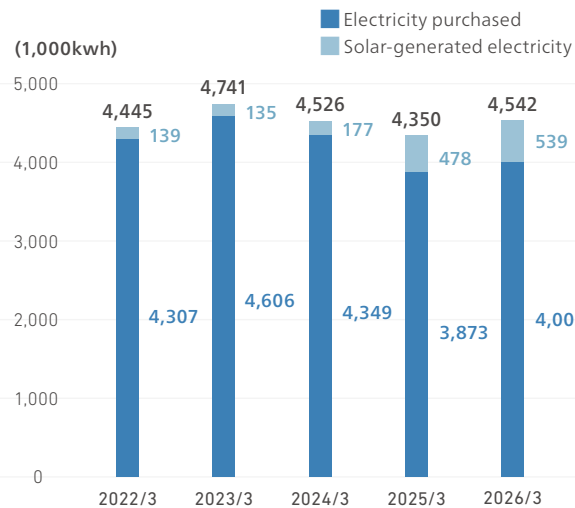
Percentage of paid leave taken



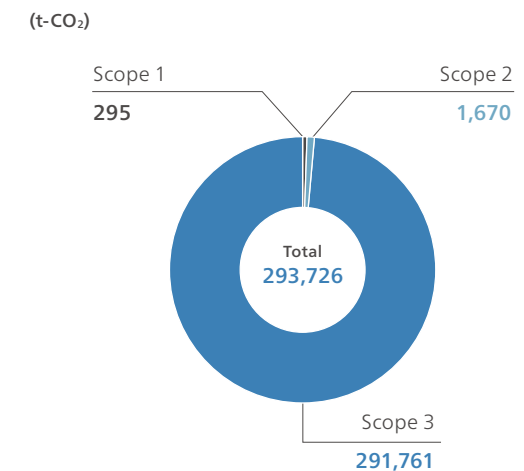
Childcare leave acquisition rate



Domestic electricity consumption



GHG Emissions FY2026 results



Consolidated Financial Statements

Consolidated Balance Sheet (As of March 31, 2026)

	(Thousands of yen)	
	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Assets		
Current assets		
Cash and deposits	2,073,769	4,383,854
Notes receivable - trade	356,329	121,599
Accounts receivable - trade	5,607,752	4,764,073
Merchandise and finished goods	2,497,149	2,578,620
Work in process	708,071	799,853
Raw materials and supplies	4,148,480	3,938,286
Income taxes refund receivable	67,249	1,546
Other	629,248	270,545
Allowance for doubtful accounts	(6)	(6)
Total current assets	16,088,045	16,858,374
Non-current assets		
Property, plant and equipment		
Buildings and structures	4,269,026	4,293,761
Accumulated depreciation	(2,731,093)	(2,824,779)
Buildings and structures, net	1,537,932	1,468,981
Machinery, equipment and vehicles	1,684,786	1,790,629
Accumulated depreciation	(1,086,128)	(1,281,587)
Machinery, equipment and vehicles, net	598,657	509,042
Tools, furniture and fixtures	3,492,260	3,371,655
Accumulated depreciation	(3,318,356)	(3,215,385)
Tools, furniture and fixtures, net	173,904	156,270
Land	110,915	110,915
Leased assets	395,134	586,016
Accumulated depreciation	(208,133)	(184,712)
Leased assets, net	187,001	401,303
Construction in progress	11,185	12,711
Right-of-use assets	7,998	23,834
Total property, plant and equipment	2,627,596	2,683,059
Intangible assets	294,449	321,220
Investments and other assets		
Investment securities	750,496	929,406
Deferred tax assets	424,461	717,563
Other	260,794	247,425
Allowance for doubtful accounts	(42,650)	(41,550)
Total investments and other assets	1,393,102	1,852,845
Total non-current assets	4,315,148	4,857,125
Total assets	20,403,193	21,715,499

	(Thousands of yen)	
	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,088,846	1,073,841
Electronically recorded obligations - operating	2,544,878	1,957,517
Short-term borrowings	586,320	40,000
Current portion of long-term borrowings	559,687	484,698
Lease liabilities	68,714	103,430
Income taxes payable	263,776	427,401
Advances received	2,204,399	2,771,624
Provision for bonuses	427,239	347,942
Provision for product warranties	127,587	148,554
Provision for loss on orders received	36,438	1,310,429
Allowance for loss on liquidation of subsidiaries	66,000	13,289
Other	1,427,241	1,042,230
Total current liabilities	9,401,129	9,720,958
Non-current liabilities		
Long-term borrowings	388,586	382,983
Lease liabilities	143,541	343,749
Deferred tax liabilities	10,126	17,922
Provision for Management Board Incentive Plan Trust	80,268	80,268
Other	279,198	192,127
Total non-current liabilities	901,720	1,017,050
Total liabilities	10,302,849	10,738,009
Net assets		
Shareholders' equity		
Share capital	1,718,223	1,718,223
Capital surplus	1,747,974	1,751,209
Retained earnings	6,939,698	7,804,084
Treasury shares	(226,107)	(187,922)
Total shareholders' equity	10,179,788	11,085,595
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	224,801	341,314
Foreign currency translation adjustment	(304,246)	(449,419)
Total accumulated other comprehensive income	(79,444)	(108,104)
Total net assets	10,100,344	10,977,490
Total Liabilities and Net Assets	20,403,193	21,715,499

Total Liabilities and Net Assets (April 1, 2025 to March 31, 2026)

	(Thousands of yen)	
	Fiscal year ended From April 1, 2024 To March 31, 2025	Fiscal year ended From April 1, 2025 To March 31, 2026
Net sales	25,931,893	23,898,213
Cost of goods sold	17,300,210	17,503,102
Gross profit	8,631,683	6,395,110
Selling, general and administrative expenses		
Executive compensation	314,833	351,140
Salaries and allowances	1,689,146	1,770,418
Bonuses	228,933	176,529
Provision for bonuses	168,715	141,392
Provision for doubtful receivables	(21)	(0)
Retirement benefit expenses	56,766	61,436
Statutory welfare expenses	302,506	293,073
Share-based compensation expense	41,006	40,999
Freight	222,558	209,616
Travel and transportation expenses	191,374	156,088
Free repair expenses	45,555	89,237
Provision for product warranties	92,007	77,054
Depreciation	214,133	192,302
Outsourcing expenses	466,203	467,480
Other	1,066,075	1,099,609
Total selling, general and administrative expenses	5,099,794	5,126,379
Operating profit	3,531,888	1,268,730
Non-operating income		
Dividend income	18,186	22,321
Foreign exchange gains	—	225,718
Compensation received	73,601	—
Technical support fees	30,000	—
Other	30,226	50,409
Total non-operating income	152,014	298,449
Non-operating expenses		
Interest expenses	25,963	18,752
Foreign exchange losses	70,107	—
Commission expenses	—	26,422
Technical support expenses	10,508	—
Stock issue expenses	14,448	—
Compensation for damages	76,000	—
Provision for allowance for loss on liquidation of subsidiaries	—	6,704
Other	3,378	6,387
Total non-operating expenses	200,406	58,266
Ordinary profit	3,483,496	1,508,913
Extraordinary income		
Subsidy income	—	298,324
Total extraordinary income	—	298,324
Extraordinary losses		
Impairment losses	13,990	21,915
Loss on abandonment of non-current assets	3,626	1,584
Provision for allowance for loss on liquidation of subsidiaries	66,000	—
Total extraordinary losses	83,616	23,499
Profit before income taxes	3,399,880	1,783,738
Income taxes - current	1,061,076	942,132
Income taxes - deferred	83,339	(336,335)
Total income taxes	1,144,416	605,797
Net income	2,255,463	1,177,940
Net profit	2,255,463	1,177,940

Company Information and Status of Shares

Company Overview (As of March 31, 2026)

Trade name	LECIP HOLDINGS CORPORATION
Address	1260-2 Kaminoho, Motosu City, Gifu Prefecture 501-0401, Japan
Established	March 1953
Share capital	¥1,718.22 million
Employees	721 (Consolidated)
Description of business	Formulation and promotion of the Group's management strategy and other management support as the Group's holding company

List of Group companies and main business activities

LECIP CORPORATION	Manufacture, sale, and servicing of electrical components and equipment for buses and railways, and manufacture, sale, and servicing of various industrial equipment, automotive parts, etc.
LECIP ELECTRONICS CORPORATION	Mounting and assembly of printed circuit boards
LECIP ENGINEERING CORPORATION	Repair, installation, and other services for transportation machinery and equipment, industrial machinery and equipment, electrical machinery and equipment, and other products
LECIP INC.	Sale of the LECIP Group's products and related products for the United States transportation equipment market
LECIP(SINGAPORE) PTE LTD	Sale and repair of, and installation services for, the Group's products and related products for the transportation equipment market in ASEAN countries and other regions
LECIP ARCONTIA AB	Design, development, and sale of contactless reader/writers, terminals, and software platforms for buses and trams

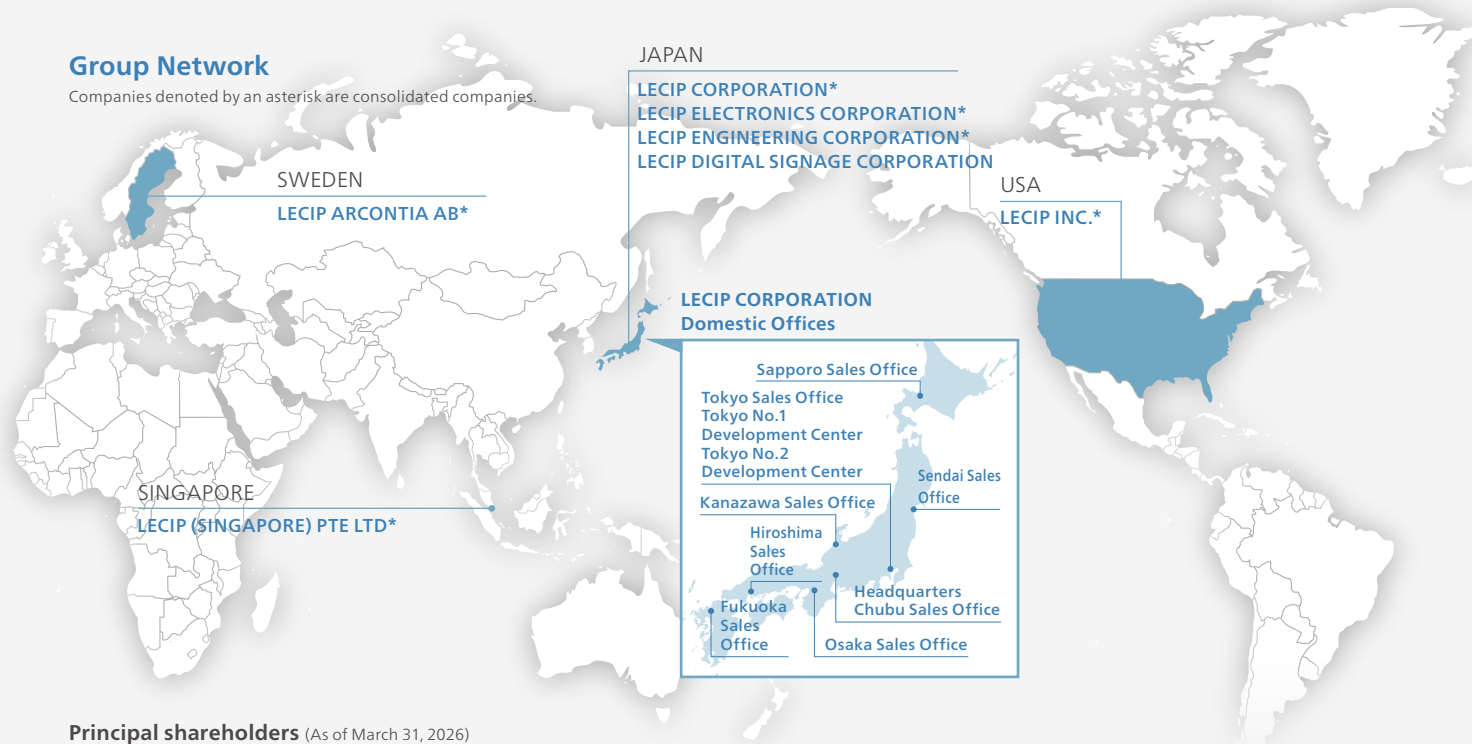
Status of Shares

Status of shares (As of March 31, 2024) (As of March 31, 2026)

Total number of shares authorized	44,000,000 shares
Total number of shares issued	15,771,891 shares (excluding 119,609 treasury shares)
Number of shareholders	17,364

Group Network

Companies denoted by an asterisk are consolidated companies.



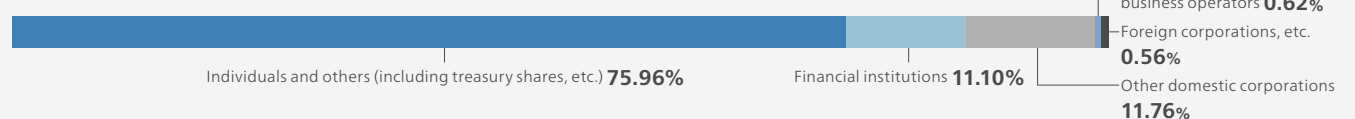
Principal shareholders (As of March 31, 2026)

Shareholder name	Number of shares held (shares)	Shareholding ratio (%)
Nagoya Small and Medium Business Investment & Consultation Co., Ltd.	936,480 shares	5.94 %
LECIP Employees' Shareholder Association	890,814	5.65
The Juroku Bank, Ltd.	560,000	3.55
Makoto Sugimoto	454,123	2.88
LECIP Business Partners' Shareholder Association	405,000	2.57
The Master Trust Bank of Japan, Ltd. (Board Incentive Plan Trust)	300,920	1.91
Nippon Life Insurance Company	260,000	1.65
MUFG Bank, Ltd.	245,000	1.55
Ogaki Kyoritsu Bank, Ltd.	140,000	0.89
Kyoei Life Partners Co., Ltd.	140,000	0.89

Notes: 1. The Company holds 119,609 treasury shares, and is excluded from the principal shareholders list above. The treasury shares (119,609 shares) do not include the Company's shares held by the Board Incentive Plan Trust (300,920 shares).

2. Treasury shares (119,609 shares) are excluded in the calculation of the shareholding ratio.

Distribution of shares



LECIP HOLDINGS CORPORATION

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