Supplementary Briefing Materials on Annual Financial Results for the First Quarter Fiscal Year Ending March 31, 2027

August 7, 2026

DKK Co., Ltd.

Securities code：6706

Tokyo Stock Exchange, Prime

Overview of Financial Results FY2027/3 Q1

Net sales

7,483 Million yen

Year on year: **+1,500 Million yen (+25.1%)**

Operating income

- 4 Million yen

Year on year: **+428 Million yen (－)**

Q1 Earnings Comment

■ Drivers of net sales growth

- Net sales increased year-on-year, driven by steady demand across the Telecommunication segment and a recovery in capital investment demand from the automotive-related industry in the Radio Frequency segment.

■ Drivers of profit growth

- +428 million yen year-on-year due to increased revenue effects in the Telecommunication and the Radio Frequency segments and measures to improve earnings
- The impact of rising raw material costs and logistics costs continues from the previous fiscal year.

■ Efforts to improve profitability

- Continuing to focus on profitability-oriented order acquisition activities and operational efficiency improvements through the promotion of generative AI and DX.

Earnings Forecast FY2027/3

Net sales	36,500 Million yen
Operating income	1,650 Million yen

■ Full-year outlook

- Progressing steadily against forecasts at the beginning of the fiscal year, with no changes.
- The Telecommunication segment expects increased revenue as Mobile Communications and Broadcasting segments remain strong.
- The Radio Frequency segment expects increased revenue and profit due to recovery in capital investment demand from the automotive-related industry.

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1. FY2027/3 Q1 Consolidated Results

1-1. Q1 Consolidated Results Highlights

- Net sales increased 25.1% year-on-year. All income categories also achieved year-on-year increases.
- Net income increased due to the recording of extraordinary gains from the handover of fixed assets sold in the fiscal year ended March 2024.

(Millions of yen)	FY2026/3 Q1 results	FY2027/3 Q1 results	Increase/ decrease	YoY change
Net sales	5,983	7,483	1,500	25.1%
Gross profit	1,144	1,485	340	29.8%
Operating income	-433	-4	428	-
Ordinary income	-411	230	641	-
Net income attributable to shareholders of parent company	-212	1,307	1,519	-

1-2. Net Sales and Operating Income

- The Telecommunication segment achieved increased revenue and profit as demand for 5G antennas and wireless equipment in mobile communications remained strong.
- The Radio Frequency segment achieved increased revenue and profit due to the recovery in capital investment demand from some customers in the automotive industry for induction heating equipment.

(Millions of yen)	FY2026/3 Q1 results	FY2027/3 Q1 results	Increase/ decrease	YoY change
Net sales	5,983	**7,483**	1,500	25.1%
Telecommunication	3,691	**4,835**	1,143	31.0%
Radio Frequency	2,261	**2,619**	357	15.8%
Operating income	-433	**-4**	428	-
Operating margin ratio	-7.2%	**-0.1%**	-	-
Telecommunication	67	**322**	255	378.4%
Radio Frequency	240	**353**	112	46.6%

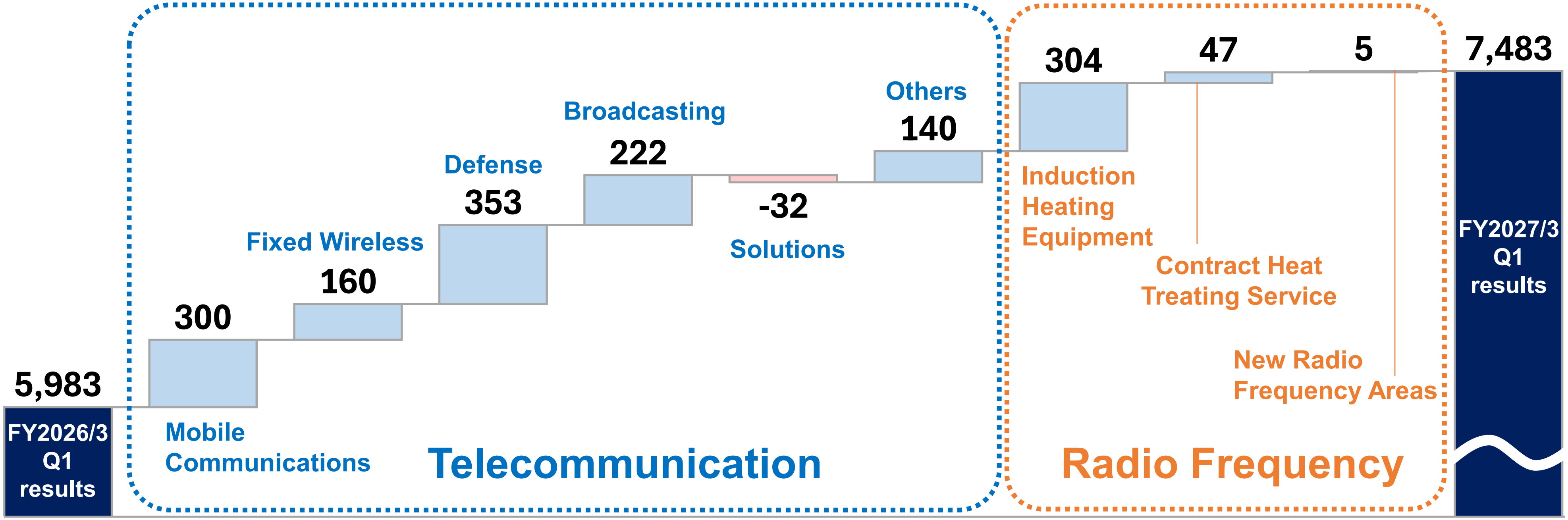
*The operating incomes for Telecommunication and Radio Frequency are provided by segment.

1-3. Results by Segment

(Millions of yen)	FY2026/3 Q1 results		FY2027/3 Q1 results		Increase/ decrease	Increase/ decrease rate
	Amount	Composition	Amount	Composition		
Net sales	**5,983**	**100.0%**	**7,483**	**100.0%**	**1,500**	**25.1%**
Telecommunication	**3,691**	**61.7%**	**4,835**	**64.6%**	**1,143**	**31.0%**
Mobile Communications	1,150	19.2%	1,450	19.4%	300	26.1%
Fixed Wireless	287	4.8%	448	6.0%	160	55.8%
Defense	611	10.2%	964	12.9%	353	57.8%
Broadcasting	449	7.5%	671	9.0%	222	49.5%
Solutions	68	1.1%	35	0.5%	-32	-48.2%
Others	1,124	18.8%	1,264	16.9%	140	12.5%
Radio Frequency	**2,261**	**37.8%**	**2,619**	**35.0%**	**357**	**15.8%**
Induction Heating Equipment	1,494	25.0%	1,799	24.0%	304	20.4%
Contract Heat Treating Service	766	12.8%	814	10.9%	47	6.2%
New Radio Frequency Areas	0	0.0%	6	0.1%	5	-

1-4. Factors of YoY Change in Net Sales

(Millions of yen)



Mobile Communications (+300 Million yen)

Demand for 5G antennas and wireless equipment continues. Tower and maintenance demand has also been steadily secured.

Defense (+353 Million yen)

While demand for defense equipment remained strong, delivery schedule adjustments occurred due to the situation in the Middle East. Recent trends show improvement.

Broadcasting (+222 Million yen)

In addition to maintenance demand for digital broadcasting equipment, renewal demand has also emerged.

Induction Heating Equipment (+304 Million yen)

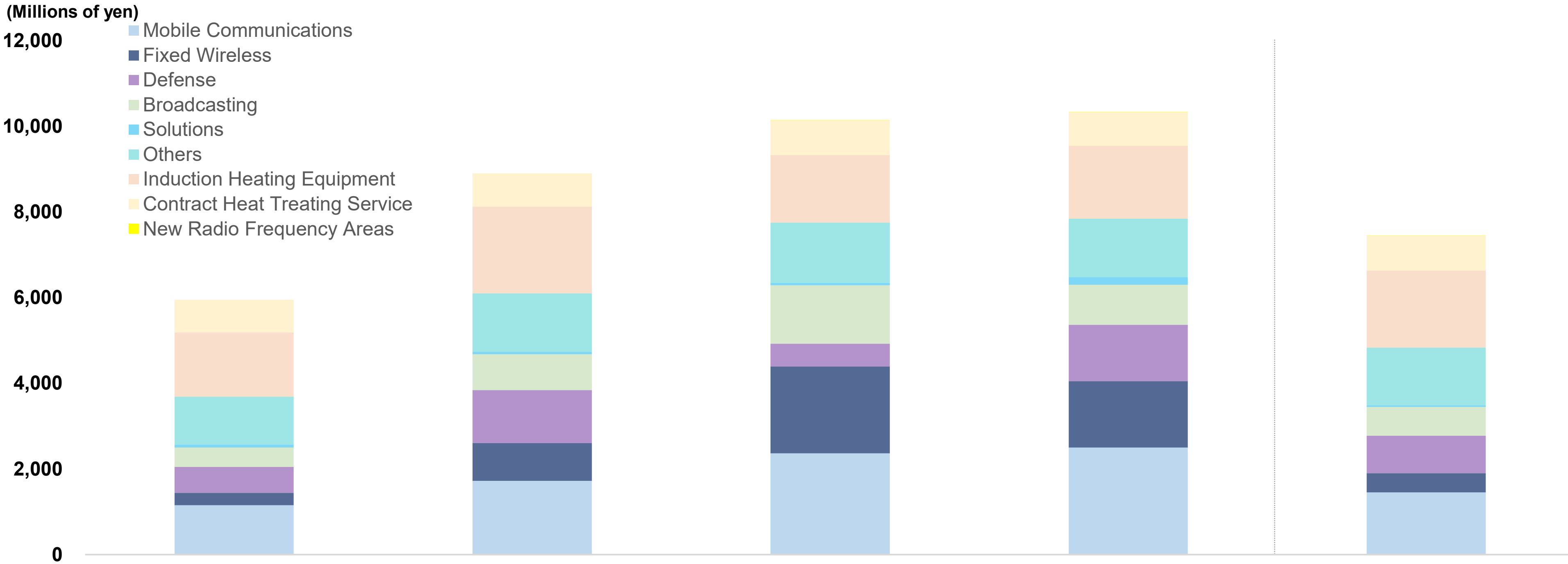
Capital investment demand has recovered among some customers.
Demand from industries other than automotive was also secured, resulting in increased revenue year-on-year.

Contract Heat Treating Service (+47 Million yen)

Automotive production activities remained flat. Steadily securing demand both domestically and internationally.

1-5. Quarterly Sales Trends

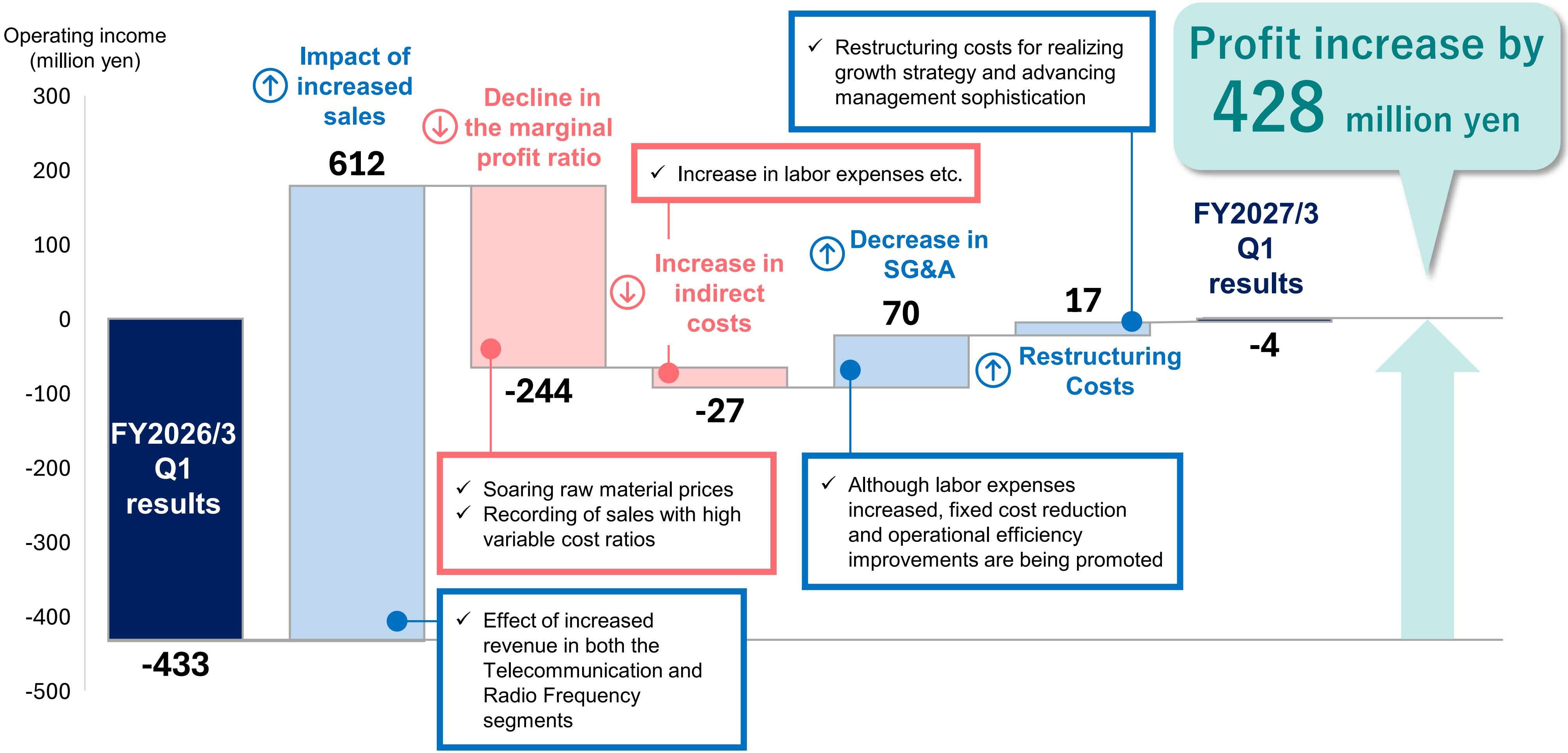
- First-quarter net sales exceeded the level recorded in the same period of the previous fiscal year.
- The Telecommunication segment saw generally increased revenue, with delivery-related projects progressing smoothly across all segments.
- The Radio Frequency segment saw recovery in capital investment demand that had been suppressed in the same period of the previous fiscal year, contributing to increased sales.



Net sales (Millions of yen)	Q1	Q2	Q3	Q4	Q1
	5,983	8,931	10,164	10,367	7,483
	FY2026/3				FY2027/3

1-6. Factors of YoY Change in Operating Income

- Operating income increased due to the effect of increased sales in the Telecommunication and Radio Frequency segments.
- The impact of increased sales and decrease in SG&A absorbed the decline in marginal profit ratio, resulting in a profit increase of 428 million yen year-on-year.



2. FY2027/3 Forecasts for Consolidated Results

2-1. Forecasts for Consolidated Results

- Full-year forecast disclosed at the beginning of the fiscal year remains unchanged.
- Revenue and profit increases are expected due to strong performance in the Telecommunication segment and recovery in capital investment demand in the Radio Frequency segment.

(Millions of yen)	FY2025/3 Full-year results	FY2026/3 Full-year results	FY2027/3 Full-year forecasts	YoY change	
				Increase/ decrease	Increase/ decrease rate
Net sales	32,582	35,446	36,500	1,053	3.0%
Telecommunication	22,067	25,387	25,600	212	0.8%
Radio Frequency	10,411	9,952	10,800	847	8.5%
Operating income	935	1,219	1,650	430	35.3%
Operating margin ratio	2.9%	3.4%	4.5%	-	-
Telecommunication	1,917	2,377	2,800	423	17.8%
Operating margin ratio	8.7%	9.4%	10.9%	-	-
Radio Frequency	1,743	1,596	1,700	104	6.5%
Operating margin ratio	16.7%	16.0%	15.7%	-	-
Ordinary income	1,024	1,216	1,650	433	35.6%
Ordinary income margin	3.1%	3.4%	4.5%	-	-
Net income attributable to shareholders of parent company	777	1,903	2,300	396	20.8%
ROE (%)	2.1%	5.2%	6.1%	-	-

*The operating incomes for Telecommunication and Radio Frequency are provided by segment.
*Sales from the equipment leasing and electric power sales businesses is omitted.

2-2. Forecasts by Segment

(Millions of yen)	FY2025/3 Full-year results	FY2026/3 Full-year results	FY2027/3 Full-year forecasts	YoY change	
				Increase/ decrease	Increase/ decrease rate
Net sales	**32,582**	**35,446**	**36,500**	**1,053**	**3.0%**
Telecommunication	**22,067**	**25,387**	**25,600**	**212**	**0.8%**
Mobile Communications	5,971	7,734	8,200	465	6.0%
Fixed Wireless	4,358	4,744	4,000	-744	-15.7%
Defense	2,818	3,703	3,800	96	2.6%
Broadcasting	3,270	3,589	4,000	410	11.4%
Solutions	482	357	600	242	68.0%
Others	5,165	5,257	5,000	-257	-4.9%
Radio Frequency	**10,411**	**9,952**	**10,800**	**847**	**8.5%**
Induction Heating Equipment	7,336	6,800	7,700	899	13.2%
Contract Heat Treating Service	3,065	3,146	3,000	-146	-4.7%
New Radio Frequency Areas	9	6	100	93	-

2-3. Order Status

- The Telecommunication segment has been steadily accumulating orders, and the order backlog remains strong.
- The Radio Frequency segment saw an increase in order backlog for induction heating equipment due to recovery in capital investment demand from some customers since the second half of the previous fiscal year.

(Millions of yen)	FY2026/3 Order backlog (1)	FY2027/3 Q1 Orders received (2)	FY2027/3 Q1 Net sales (3)	FY2027/3 Q1 Order backlog (4)＝(1)+(2)-(3)	Increase/ decrease (4)-(1)	(Ref.) FY2026/3 Q1 Orders received	(Ref.) FY2026/3 Q1 Order backlog
Tele-communication	17,257	8,458	4,835	20,880	3,623	6,154	17,015
Radio Frequency	3,926	2,930	2,619	4,237	310	2,370	3,206
Total	**21,183**	**11,388**	**7,483**	**25,117**	**3,934**	**8,525**	**20,222**

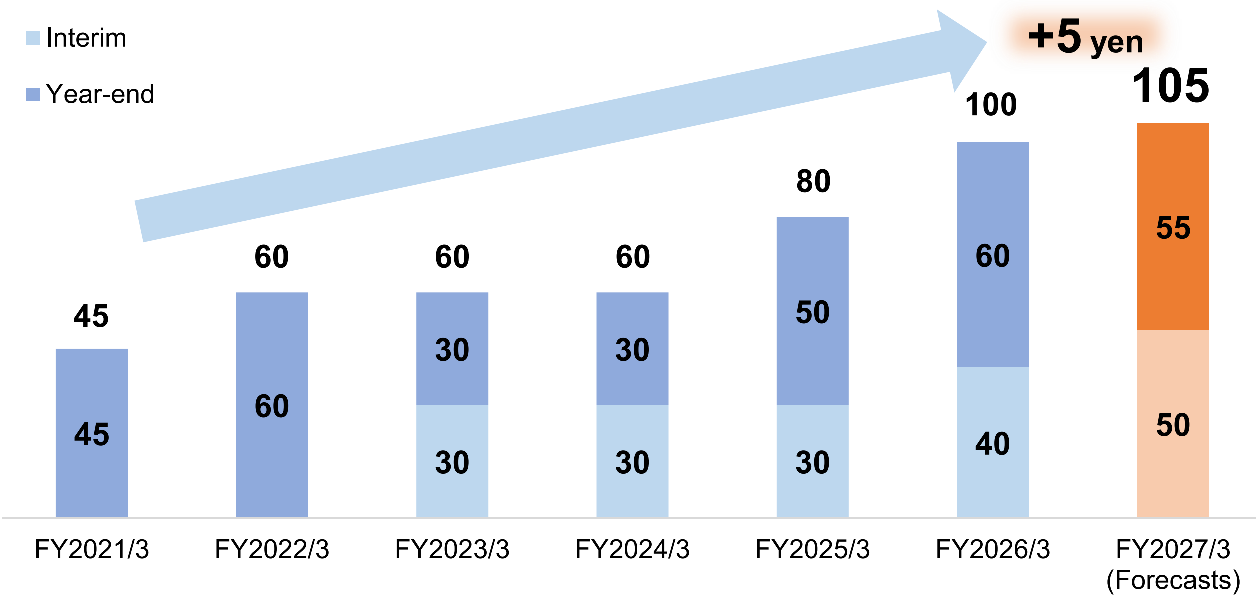
*Total net sales for FY2027/3 Q1 include 28 million yen in net sales from the equipment leasing and electric power sales businesses.

2-4. Policy on Shareholder Returns

Dividend Policy

- The target consolidated payout ratio is set at **40**%, with a minimum DOE of approximately **2.5**%.
  The minimum DOE (consolidated dividend on equity) was raised to **2.5%** from **2.0%** in February 2026.
- The annual dividend forecast for FY2027/3 is **105** yen, an increase of **5** yen

＜Dividend per share trends＞ (yen)



Stable returns to our shareholders will continue

- Under DKK-Plan2028, we formulated a capital strategy focused on business investments for growth and shareholder returns.
- Regarding share repurchases, we will continue to implement them flexibly and opportunistically.

2-5. Introduction of a Shareholder Benefits Program

The program has been introduced to make our shares more attractive as an investment and encourage more shareholders to hold them over the long term.

Purpose

Enhancing the attractiveness of our shares by increasing the combined yield from dividends and shareholder benefits.

Eligible Shareholders

Shareholders holding 100 shares (one unit) or more who are registered or recorded in the Company's shareholder registry as of March 31 each year

Start Date

The program will commence for eligible shareholders as of March 31, 2027.

Details of the Shareholder Benefits

Eligible shareholders may select and receive an item of their choice from our original benefits catalog.

Number of Shares Held	Continuous Holding Period	
	Less than 3 years	3 years or more*
100-299 shares	Equivalent to 2,000 yen	Equivalent to 3,000 yen
300-499 shares	Equivalent to 4,000 yen	Equivalent to 5,000 yen
500 shares or more	Equivalent to 6,000 yen	Equivalent to 7,000 yen

The benefit catalog is expected to feature local specialties from regions connected to our business locations, as well as other items.

* "3 years or more" means that the shareholder is registered or recorded under the same shareholder number as holding 100 shares or more on four or more consecutive March 31 record dates.

Appendix

Disclosure Information (News Releases)

New Products and Services

- **2026/4/1** Implemented an "AI-powered Phone Support" for Nasu Town, Tochigi Prefecture
- **2026/4/27** Implemented the "AI pedestrian Flow and Traffic Analysis System" for Fukushima City
- **2026/5/12** Expanded the Product Lineup for the "RapidDeodorizer-X™," a spot-type deodorization equipment
- **2026/5/12** Developed a Compact, Boiler-less, Recirculating Superheated Steam system
- **2026/5/13** Launched "DK-TBX-15," a Gimbal-Mounted Thermal/Surveillance Camera
- **2026/5/19** Developed a Vertical Heat-Treatment Equipment that Enables a Significant Reduction in Machine Height and Operating Time
- **2026/5/29** Launch of the AI-Powered "Road Patrol Solution" for Road Maintenance Support
- **2026/6/29** Launch of an Inter-Platform Passenger Flow Survey at JR Kitakami Station to Improve Transfer Convenience

Other Updates

- **2026/4/1** An Article About our Technology was Featured in the April 2026 Issue of the Monthly Magazine "Machinery & Equipment For Food Industry."
(Introducing the Features and Potential of Powder Sterilization Technology Using Ultra-High-Temperature Superheated Steam)
- **2026/4/28** Notice of Our Exhibition at Government & Public Sector Week Japan 2026
- **2026/5/20** Notice of Our Exhibition at FOOMA JAPAN 2026
- **2026/6/3** An Article About our Technology was Featured in the June 2026 Issue of the Monthly Magazine "Machinery & Equipment For Food Industry."
(Introducing an Ultra-Fast Deodorization System Combining High-Frequency Induction Heating and Catalytic Decomposition, and Odor Control Measures in Food Manufacturing Facilities)
- **2026/6/3** Report on the Exhibition and Presentation of Our Technologies at Wireless Japan × Wireless Technology Park (WTP) 2026
- **2026/6/25** Receipt of a Certificate of Appreciation for Restoration Work on the Steel Tower at the NTT Aomori Hachinohe Building

Notes on Forecasts

Figures included in this document that are related to descriptions, including plans and policies and not past facts, are forecasts regarding future earnings. They are all calculated based on management assumptions and views based on information grasped by the company at the time of writing.

Therefore, these forecasts include risks and uncertain factors, and actual results may differ from them due to a variety of factors.

Such potential risks and uncertain factors include changes in economic situations and product demand levels in major markets, fluctuations in the exchange rate, changes in regulations in Japan and overseas, and accounting standards and practices.

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