



**OXIDE Corporation**

**Supplementary Explanatory Materials for  
Fiscal Year 2025 February Financial Results**

April 14, 2025

TSE Growth: 6521

**Illuminate with Innovation - OXIDE**

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I will provide an explanation based on the supplementary explanatory materials for the financial results.

# Agenda

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- 01.** FY2025 Feb Consolidated Results
- 02.** Results by Business Segment [Semiconductor, Healthcare, Frontier Tech.]
- 03.** Financial Information
- 04.** FY2026 Feb Budget
- 05.** Mid-term Management Targets
- 06.** Impact of Tariff Policies and Export Controls by the U.S. and China

## FY2025 Feb Full year financial highlights

OXIDE

## Revenue

JPY 8,394M

vs FY2024 Feb +JPY 1,788M

vs Revised budget +JPY 94M

## Operating Profit

JPY 126M

vs FY2024 Feb +JPY 1,109M

vs Revised budget +JPY 126M

## EBITDA Margin

13.6%

vs FY2024 Feb +14.8%

- Revenue and Operating Profit both exceeded the revised budget disclosed in the third quarter results, and the Company returned to operating profitability.
- Cash generation capability was restored, with an EBITDA margin of 13.6%.

First of all, I would like to explain the highlights of the Full year financial results for FY2025 Feb.

Revenue and Operating Profit both exceeded the revised budget disclosed in the third quarter results, and the company returned to operating profitability.

Cash generation capability was restored, with an EBITDA margin of 13.6%.

# 01. Consolidated Results

## FY2025 Feb Full year result

OXIDE

■ Revenue: JPY 8,394M (up JPY 94M from the revised budget; up JPY 1,788M from the previous year)

■ Operating Profit: JPY 126M (up JPY 126M from the revised budget, up JPY 1,109M from the previous year)

■ EBITDA: JPY 1,145M (up JPY 1,222M from the previous year)

(Unit : JPY M, %)

Item	FY24 Feb Full year	FY25 Feb					Variance
		1Q	2Q	3Q	4Q	Full year	
Revenue	6,606	1,388	2,010	2,322	2,673	8,394	1,788
Operating Profit	▲ 983	▲ 406	9	39	482	126	1,109
(Operating Profit Margin)	▲ 14.9%	▲ 29.3%	0.5%	1.7%	18.1%	1.5%	16.4%
R&D Expenditure	1,049	315	311	365	304	1,296	247
CAPEX	2,035	-	-	-	-	1,676	▲ 359
EBITDA <sup>*1</sup>	▲ 77	▲ 144	280	309	699	1,145	1,222
(EBITDA margin <sup>*2</sup> )	▲ 1.2%	▲ 10.4%	14.0%	13.3%	26.2%	13.6%	14.8%

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I would like to explain our Full year results for FY2025 Feb.

Revenue was JPY 8,394M. This is an increase of JPY 94M over the revised budget and an increase of JPY 1,788M over the previous year.

Operating Profit was JPY 126M. This is an increase of JPY 126M over the revised budget and an increase of JPY 1,109M over the previous year.

EBITDA was JPY 1,145M. This is an increase of JPY 1,222M from the previous year.

## 01. Consolidated Results

### Consolidated Balance Sheet

OXIDE

- The Company's net assets are expected to decrease due to impairment of goodwill and other factors, and the Company will be in breach of a covenant on maintenance of net assets in its financial covenants. The Company has agreed with the banks to refinance its short-term borrowings with the same amount of the maturing borrowings.

FY25 Feb Consolidated Balance Sheet (Unit : JPY M)

Cash and deposits, etc. 2,245 (+614 compared to the end of the previous period)	
Other current assets 6,278 (+351)	interest-bearing debt 10,369 (+1,163)
fixed assets 9,681 (▲2,011)	Other liabilities 2,423 (▲11)
	net assets 5,412 (▲2,198)
Assets	Liabilities and Net Assets

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I will now explain the consolidated balance sheet.

The Company's net assets are expected to decrease due to impairment of goodwill and other factors, and the Company will be in breach of a covenant on maintenance of net assets in its financial covenants.

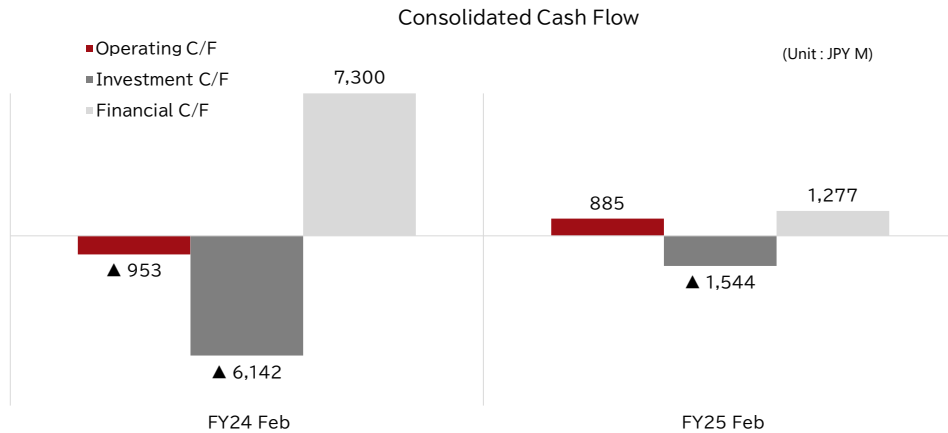
However, the Company has obtained the consent of the bank with which it does business to repay its long-term borrowings as originally contracted.

01. Consolidated Results

## Consolidated Cash Flow

**OXIDE**

■ Consolidated operating cash flow for FY2025 Feb has turned positive, and the deficit in investing cash flow has narrowed significantly.



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I will explain about consolidated cash flow.

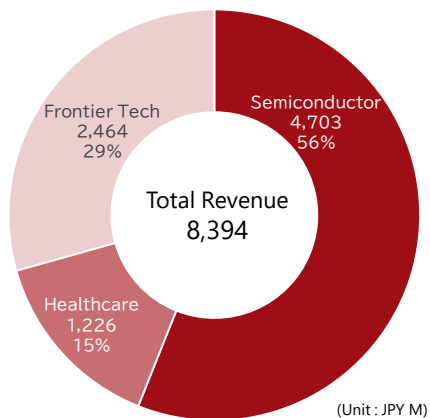
Consolidated operating cash flow for FY2025 Feb has turned positive, and the deficit in investing cash flow has narrowed significantly.

## 02. Business Performance

### Revenue by Business Segment FY2025 Feb

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■ By business segment, the Semiconductor business accounted for 56%, Healthcare 15%, and Frontier Tech 29%.



#### Semiconductor

Production and sales of Single crystals and Lasers for Semiconductor wafer defect inspection systems



#### Healthcare

Production and sales of single crystals for PET equipment for cancer diagnosis



#### Frontier Tech

Expanding into various fields such as Quantum, Power Semiconductors, Aerospace & Defense, Energy, Medical Aesthetics, etc.

Next, I will explain the composition of Revenue by business segment.

Of the JPY 8,394M in revenue, 56% came from the Semiconductor business, 15% from the Healthcare business, and 29% from the Frontier Tech business.

## 02. Business Performance

### Semiconductor | Revenue

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■ Revenue for the Semiconductor business reached a record high for both the quarter and full year.

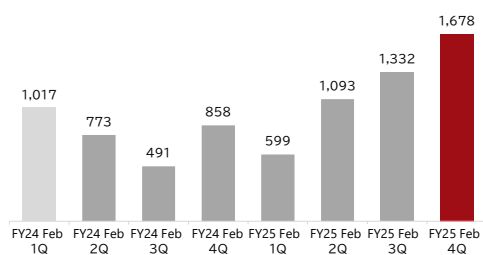
■ Full year Revenue is JPY 4,703M (up JPY 1,563M from the previous year).

(Unit : JPY M)

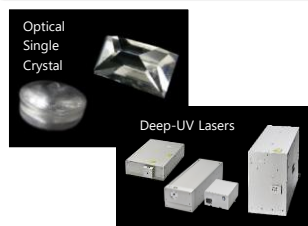
Item	FY24 Feb Full year	FY25 Feb					compared to FY24 Feb
		1Q	2Q	3Q	4Q	Full year	
Revenue	3,140	599	1,093	1,332	1,678	4,703	1,563

#### Revenue

(Unit : JPY M)



Our product line for Semiconductor wafer defect inspection systems



Semiconductor wafer defect inspection system



Image

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I will explain our business performance by business segment.

First, Semiconductor revenues reached record highs for both the quarter and Full year.

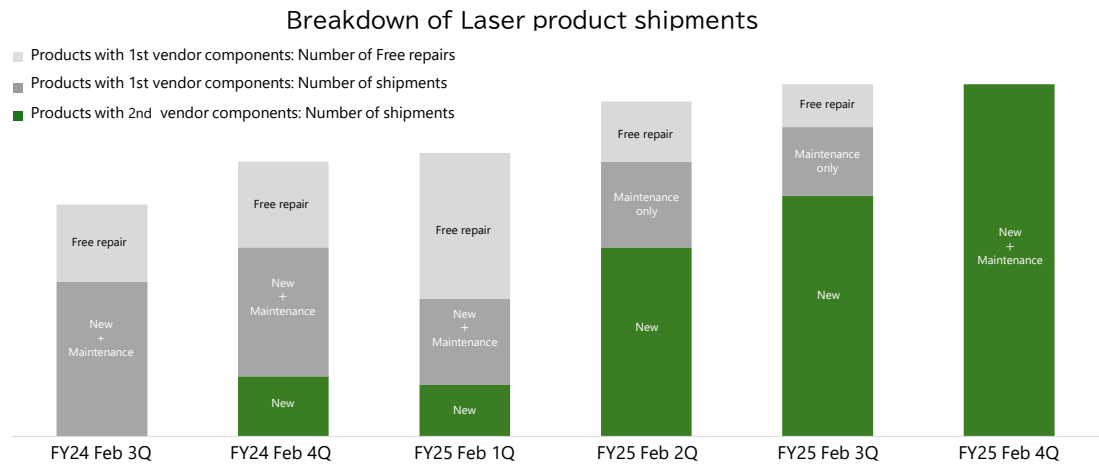
Full year revenue is JPY 4,703M, up JPY 1,563M from the previous year.



Semiconductor | Complete resolution of component failure issue



■ The component failure issue has been completely resolved, and from the fourth quarter, 100% of both new and maintenance parts are now equipped with second vendor components.

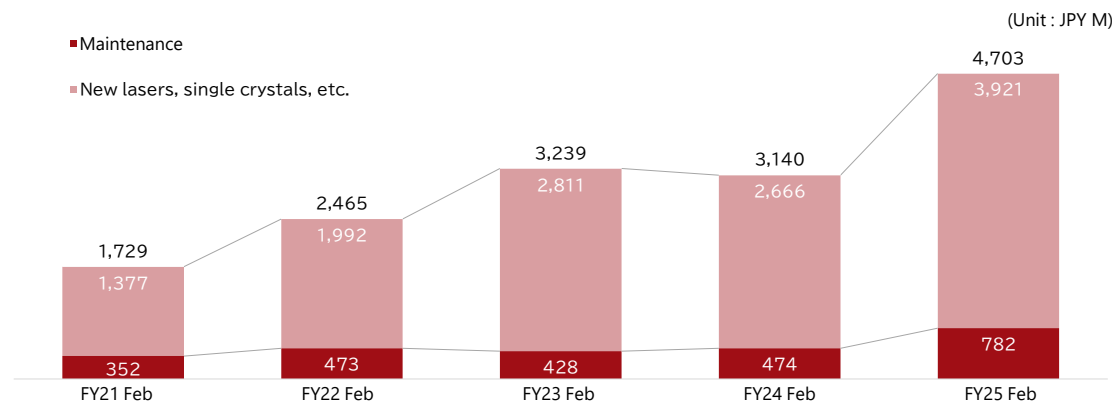


The component failure issue in laser products has been completely resolved, and from the fourth quarter, 100% of both new and maintenance products are now equipped with second vendor components.

## Semiconductor | Revenue Trends

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- Revenue for FY2025 Feb increased due to an increase in shipments of existing products resulting from a significant improvement in production efficiency, as well as the contribution of new product research and development contracts.
- Maintenance demand for the shipped laser products was on an increasing trend in the FY2025 Feb, and maintenance revenue amounted to JPY 782M (up JPY 308M from the previous fiscal year). This will lead to the formation of a stable revenue base as a recurring business model.



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Revenue trends are explained below.

Revenue for FY2025 Feb increased due to an increase in shipments of existing products resulting from a significant improvement in production efficiency, as well as from contract R&D for new products.

Maintenance demand for the shipped laser products was on the rise in FY2025 Feb, and maintenance revenue increased JPY 308M from the previous year to JPY 782M.

This will lead to the formation of a stable revenue base as a recurring business model.

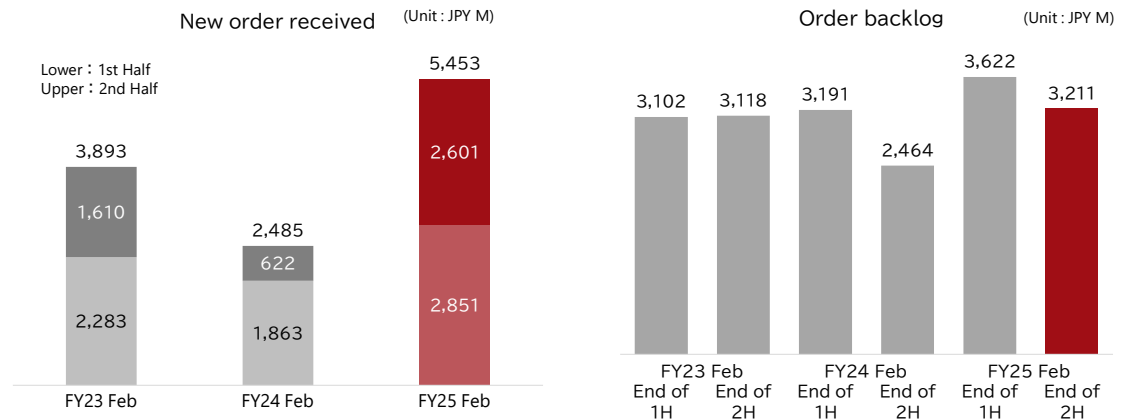
## 02. Business Performance

### Semiconductor | New order received and Order backlog

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■ New order received for FY2025 Feb more than doubled from the previous year to a record high of JPY 5,453M.

■ As of FY2025 Feb, the Order backlog was JPY 3,211M.



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I will explain New order received and Order backlog in Semiconductor business.

New order received for FY2025 Feb, more than doubled from the previous year to a record high of JPY 5,453M.

As of FY2025 Feb, the Order backlog was JPY 3,211M.

## 02. Business Performance

### Semiconductor | Received the Laser Society Industry Award for Excellence **OXIDE**

- We received the "Award of Excellence" at the 17th Laser Society of Japan Industry Awards sponsored by the Laser Society of Japan.
- We will contribute to the advancement of next-generation processes in the Semiconductor manufacturing equipment market and aim for further growth.

#### Award-winning products

##### 266nm high power pulsed fiber laser light source for Semiconductor inspection equipment

#### Reason for Award.

Through the development of a 266nm high-power pulsed fiber laser light source for Semiconductor inspection equipment, OXIDE has made a significant contribution to improving quality control and manufacturing processes in the industry. This laser system realizes short wavelength, high output, and high repetition rate operation, enabling high-speed and high-accuracy measurement of defects and foreign matter on wafer and mask surfaces, which has been difficult with conventional visible and ultraviolet lasers. In addition, our proprietary wavelength conversion technology and BBO crystal growth technology have ensured long life and high reliability, contributing to the advancement of next-generation processes in the Semiconductor production equipment market. Furthermore, the company has steadily increased its sales results both in Japan and overseas, establishing its technological superiority in a field where future market growth is expected. In recognition of these achievements, we judged the awarding of the Excellence Award to be appropriate.



As the most recent topic in Semiconductor business, on April 1, 2025, the Company received the "Award of Excellence" at the 17th Laser Society Industry Awards sponsored by the Laser Society of Japan.

We will contribute to the advancement of next-generation processes in the Semiconductor manufacturing equipment market and aim for further growth.

02. Business Performance

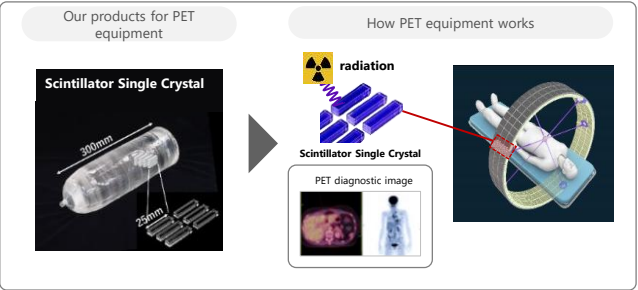
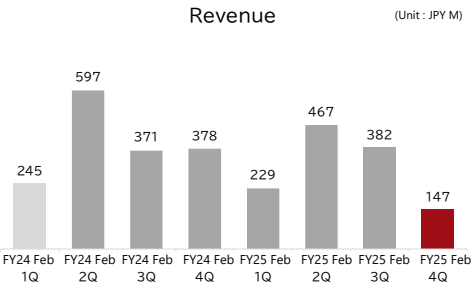
Healthcare | Revenue

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- Revenue from the Healthcare business decreased from the previous year due to a decline in demand from existing customers.
- Transactions with a new customer, a top manufacturer of high-performance PET, were delayed due to the time required to finalize delivery specifications.  
The transaction will be in full swing from FY2026 Feb onward.

(Unit : JPY M)

Item	FY24 Feb Full year	FY25 Feb					compared to FY2024 Feb
		1Q	2Q	3Q	4Q	Full year	
Revenue	1,772	229	467	382	147	1,226	▲ 546



I would like to explain our Healthcare business.

Revenue from the Healthcare business decreased from the previous year due to a decline in demand from existing customers.

The transaction with a new customer, a top manufacturer of high-performance PET, was delayed due to the time required to finalize delivery specifications, and will be fully implemented from FY2026 Feb.

02. Business Performance

Frontier Tech | Revenue



- Revenue from the Frontier Tech business reached a record high in the fourth quarter.
- Raicol's results were weak due to the prolonged conflict in Israel, but OXIDE's non-consolidated sales increased by JPY 590M from the previous year on a consolidated basis for the Full year due to contributions from new projects for data centers, etc.

(Unit : JPY M)

Item	FY24 Feb Full year	FY25 Feb					compared to FY2024 Feb
		1Q	2Q	3Q	4Q	Full year	
Revenue	1,874	559	449	608	847	2,464	590



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I would like to explain our Frontier Tech business.

Revenue from the Frontier Tech business reached a record high in the fourth quarter.

Raicol's results were weak due to the prolonged conflict in Israel, but OXIDE's non-consolidated sales increased by JPY 590M from the previous year on a consolidated basis for the Full year due to contributions from new projects for data centers, etc.

**Deep-UV Lasers, Single Crystal**

Basic Research, Semiconductor Inspection, Industrial Applications

- In the FY2025 Feb, we delivered the world's only commercialized 114nm (vacuum ultraviolet) laser to RIKEN for use in cutting-edge materials research.
- Demand for Deep-UV Lasers is growing in the quantum and next-generation semiconductor testing fields, and we received several new development projects.
- Inquiries about our deep-ultraviolet single crystals have been increasing rapidly for industrial applications as well as for Semiconductor testing.

**Module for Quantum Entangled Photon Source**

Quantum Applications

- For quantum communication applications, a Module for Quantum Entangled Photon Source has been launched and is now being evaluated by research institutions.
- In addition to quantum communications and quantum sensing, wavelength conversion devices are beginning to ship for use in the development of quantum computers.
- Although the quantum field is still in the research and development stage, our high technology and quality have been recognized, and Revenue has increased to approximately JPY 600M.

We will explain the research themes of our Frontier Tech business.

In the areas of basic research, Semiconductor testing, and industrial applications, we are the only company in the world to commercialize a 114nm (vacuum ultraviolet) laser, which we sell to research institutes around the world.

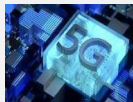
Demand for Deep-UV Lasers is growing in the quantum and next-generation semiconductor testing fields, and we received several new development projects.

Inquiries about our deep-ultraviolet single crystals have been increasing rapidly for industrial applications as well as for Semiconductor testing.

For quantum communication applications, a Module for Quantum Entangled Photon Source has been launched and is now being evaluated by research institutions.

In addition to quantum communications and quantum sensing, wavelength conversion devices are beginning to ship for use in the development of quantum computers.

Although the quantum field is still in the research and development stage, our high technology and quality have been recognized, and Revenue has increased to approximately JPY 600M.



### Faraday Rotator/Scintillator Single Crystal

Generative AI and data center applications,  
space applications

- We have launched sales of Faraday Rotators, which have the property of rotating the direction of polarization of light. Demand for Faraday Rotators is increasing against the backdrop of growing global demand for data centers.
- Our high-performance scintillator single crystals have been adopted for radiation detection applications in space because of their high temperature stability and excellent γ-ray energy capability.



### Solution-Method SiC Single Crystals

Power infrastructure and large mobility applications

- We have formed a business partnership with JS Foundry, with the aim of building a value chain for the processing and epitaxy of solution-method SiC.
- We have succeeded in growing inclusion-free\*, high-quality, large SiC single crystals and have started sample shipments.

In the area of generation AI and data center applications, we have begun sales of Faraday Rotators, which have the property of rotating the direction of polarization of light. Demand for Faraday Rotators is increasing against the backdrop of growing global demand for data centers.

In space applications, our high-performance scintillator single crystals have been adopted for radiation detection applications in space due to their high temperature stability and superior γ-ray energy capability.

In the area of solution-method SiC, we have formed a business alliance with JS Foundry, to establish a value chain for solution-method SiC processing and epitaxy.

We have succeeded in growing inclusion-free, high-quality, large SiC single crystals and have started sample shipments.

Based on these achievements, the Company aims to enter the growing market and create new value.

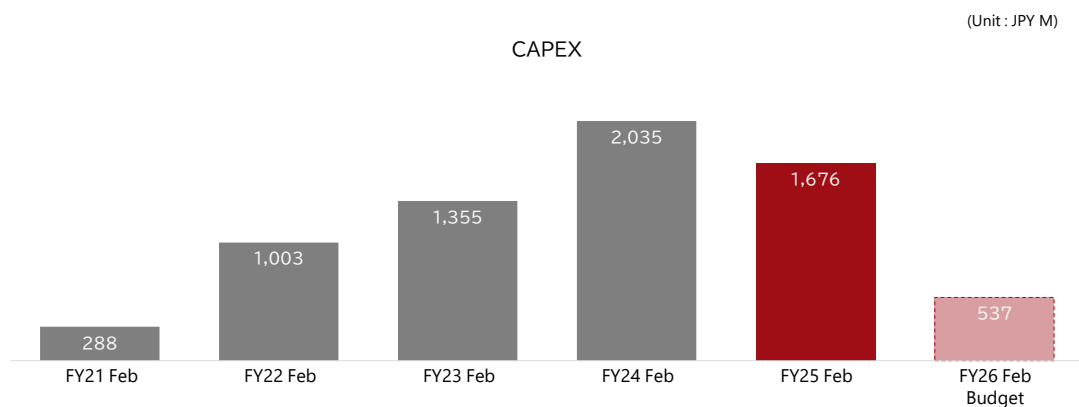


### 03. Financial Information

## CAPEX

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- Large CAPEX over the past several years have peaked in the FY2024 Feb and have begun to decline.
- Through major investments to date, we have expanded our manufacturing capacity, particularly in the Semiconductor business.
- We are shifting from a phase of large-scale CAPEX to a phase of business growth and profitability improvement.



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Next, I will explain CAPEX.

CAPEX totaled JPY 1,676M, a decrease from the peak in FY2024 Feb, when major CAPEX over the past several years peaked.

Through major investments to date, we have expanded our manufacturing capacity, particularly in the Semiconductor business.

We are shifting from a phase of large-scale capital investment to a phase of business growth and profitability improvement.

### 03. Financial Information

## R&D Expenditure

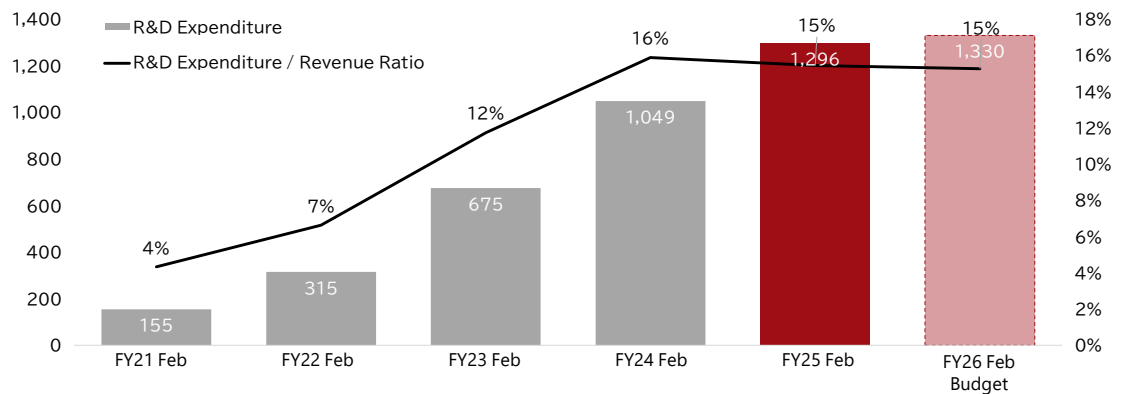
OXIDE

■ R&D Expenditure increased from the previous year, mainly focusing on the Semiconductor business, power semiconductor materials, and the quantum field.

■ R&D is essential for future growth and we will continue to invest in this area.

R&D Expenditure (Unit: JPY M)

R&D Expenditure / Revenue Ratio (%)



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I would like to explain R&D Expenditure.

R&D Expenditure amounted to JPY 1,296M, or about 15% of Revenue.

R&D Expenditure increased from the previous year, mainly focusing on the Semiconductor business, power semiconductor materials, and the quantum field.

Research and development is essential for future growth and we will continue to invest in this area.

#### 04. budget for the FY2026 Feb

### FY2026 Feb budget (consolidated)

**OXIDE**

■ Revenue: JPY 8,713M (up JPY 319M from the previous year).

■ Operating Profit Margin: JPY 409M (up JPY 283M from the previous year), Operating Profit Margin: 4.7%.

■ EBITDA JPY 1,278M (up JPY 133M from the previous year), EBITDA margin 14.7%.

(Unit : JPY M, %)

Item	FY25 Feb Full year	FY26 Feb					variance
		1Q	2Q	3Q	4Q	Full year	
Revenue	8,394	1,814	2,162	2,091	2,645	8,713	319
Semiconductor	4,703	890	1,068	1,061	1,534	4,555	▲ 148
Healthcare	1,226	401	584	534	649	2,170	944
Frontier Tech	2,464	521	509	495	461	1,987	▲ 477
Operating Profit	126	▲ 215	265	32	326	409	283
(Operating Profit Margin)	1.5%	(11.9%)	12.3%	1.5%	12.4%	4.7%	3.2%
R&D Expenditure	1,296	337	282	306	403	1,330	34
EBITDA <sub>*1</sub>	1,145	6	479	246	545	1,278	133
(EBITDA margin <sub>*2</sub> )	13.6%	0.4%	22.2%	11.8	20.6%	14.7%	1.0%

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We would like to present our consolidated budget for FY2026 Feb.

Revenue is expected to increase by JPY 319 M from the previous year to JPY 8,713M for the Full year

Operating Profit is expected to increase by JPY 283M from the previous year to JPY 409M. Operating Profit Margin is 4.7%.

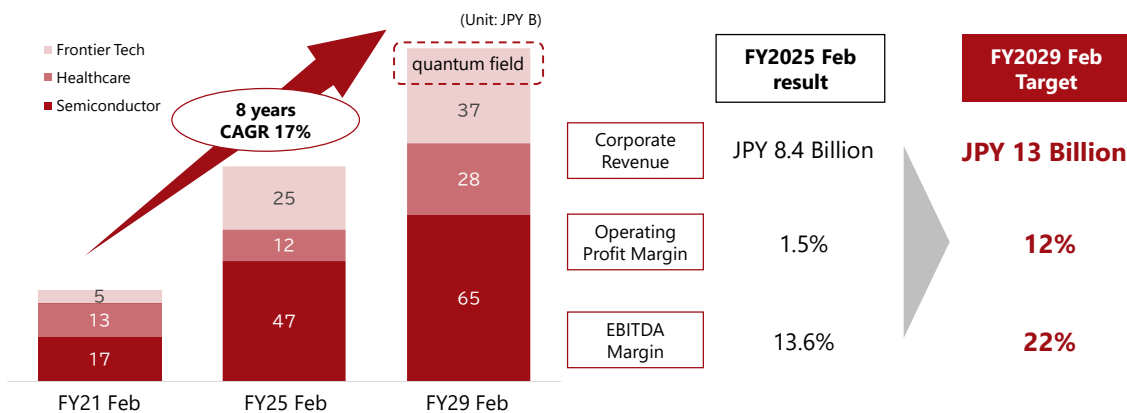
EBITDA is expected to increase by JPY 133M from the previous year to JPY 1,278M, with an EBITDA margin of 14.7%.

# 05. Mid-term management targets

## Mid-term management targets

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- Management targets for FY2029 Feb are Revenue of JPY 13Billion, Operating Profit Margin of 12%, and EBITDA Margin of 22%.
- In addition to the growth of existing businesses, we aim to generate business revenue in the quantum field as a new business pillar.



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I would like to explain our Mid-term management targets.

The management indicator targets for FY2029 Feb are Revenue of JPY 13 billion, Operating Profit Margin of 12%, and EBITDA Margin of 22%.

In addition to the growth of existing businesses, we aim to generate business revenue in the quantum field as a new business pillar.

06. Impact of Tariff Policies and Export Controls by the U.S. and China

Impact of Tariff Policies and Export Controls by the U.S. and China



- The following is a summary of our current views on the impact of tariff policies and export controls by the U.S. and China.
- We will continue to monitor regulatory trends and take proactive action in response to business opportunities.

	Semiconductor	Healthcare	Frontier Tech
Our production sites	Japan	Japan	Japan and Israel
U.S. Policy Effects	<p>[Risk] We believe that the impact of the U.S. tariff policy will be limited due to our low dependence on U.S. shipments of laser products.</p> <p>The market share of wavelength conversion single crystals is over 95%, and we believe that replacement with other companies' products will be difficult in terms of quality and production system, and that the impact of the U.S. tariff policy will be limited.</p> <p>[Business Opportunity] U.S. export controls may limit purchases of U.S. products by Chinese Semiconductor equipment manufacturers. Therefore, inquiries to our company are increasing.</p>	<p>[Risk] The degree of impact of the U.S. tariff policy is currently under scrutiny.</p> <p>[Business Opportunity] Even if not affected by Chinese export controls, U.S. crystal manufacturers may see their business development affected by the U.S. tariff policy. Therefore, inquiries to our company may increase.</p>	<p>[Risk] We believe that the impact of the U.S. tariff policy will be limited due to the low dependence on U.S. shipments of Frontier Tech business products.</p> <p>The impact of the U.S. tariff policy on Raicol's products is expected to be limited, as tariffs on Israeli products are lower than those in other major countries.</p> <p>[Business Opportunity] U.S. customers may be reluctant to purchase Chinese products due to the U.S. tariff policy and long-term procurement concerns. As a result, the number of inquiries to us and Raicol may increase.</p>
China Policy Effects	<p>[Business Opportunity] China's tariff policy may affect Chinese Semiconductor equipment manufacturers when they purchase products from the United States. Therefore, inquiries to our company are increasing.</p>	<p>[Risk] We are currently examining the degree of impact of China's export controls.</p> <p>[Business Opportunity] China's export controls may limit the purchase of Chinese raw materials by U.S. crystal manufacturers. This may lead to an increase in inquiries to our company.</p>	<p>[Business Opportunities] Prices of laser products, which are not affected by U.S. export controls, may rise due to China's tariff policy. For this reason, inquiries to our company are increasing.</p>

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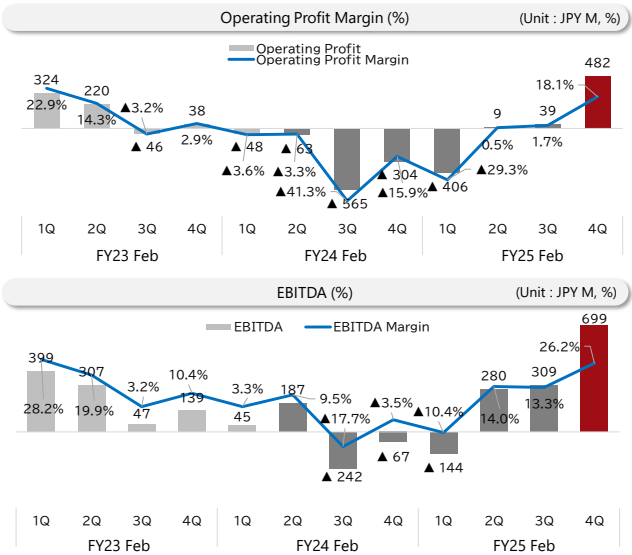
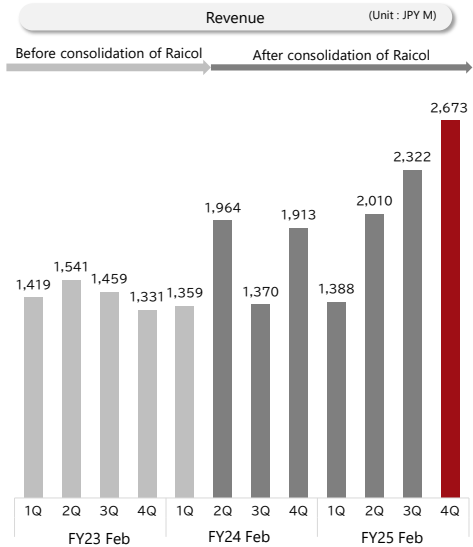
Finally, we summarize our current views on the impact of tariff policies and export controls in the U.S. and China on our company.

We will continue to monitor regulatory trends and take proactive action in response to business opportunities.

# Appendix

Financial Trends

OXIDE



\*The allocation of the acquisition cost was revised in FY2024 Feb due to the finalization of the PPA for the acquisition of Raicol as a subsidiary. As a result, the figures for the second and third quarters of FY2024 Feb. have been retroactively adjusted.

## Be a global-niche-top company in **single crystals and Lasers**

- Use the results of our research to benefit society, and provide **key materials** to the world
- Provide **material solutions** to customers and contribute to the development of society
- Develop products centered on single crystals, and continue to create **future market opportunities**





# OXIDE

## DISCLAIMER

This material was not prepared for the purpose of soliciting investments in securities issued by the Company.

The information contained in this material is based on our assumptions and beliefs at the time of preparation and we do not guarantee or promise the accuracy or completeness of such information.

The report contains risks, economic trends, industry demand, and other uncertainties that may affect actual results.

Our estimates and actual results may differ. Please be aware that actual results may differ from our projections.

Amounts in this document are rounded down to the indicated unit, and percentages are rounded off to the indicated unit, so the total of the breakdown may not equal the total.

In the fourth quarter of FY2024 Feb, the allocation of the acquisition cost was revised due to the finalization of the PPA for the acquisition of Raicol as a subsidiary. As a result, the figures for the second and third quarters of FY2024 Feb. have been retroactively adjusted.

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# Illuminate with Innovation

**OXIDE**

The 21st century is often referred to as the era of optics, a time when advancements in optical technologies are transforming industries and shaping the future.

At OXIDE, we are committed to exploring the full potential of optical technology and delivering its benefits to society as swiftly and extensively as possible.

This commitment has been at the core of OXIDE's mission since its founding.

