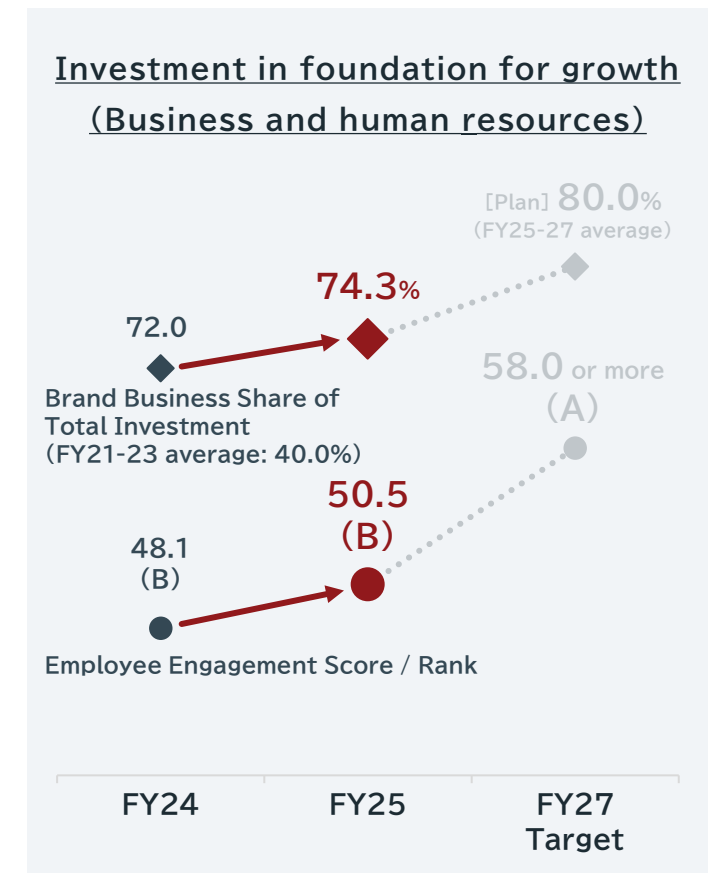
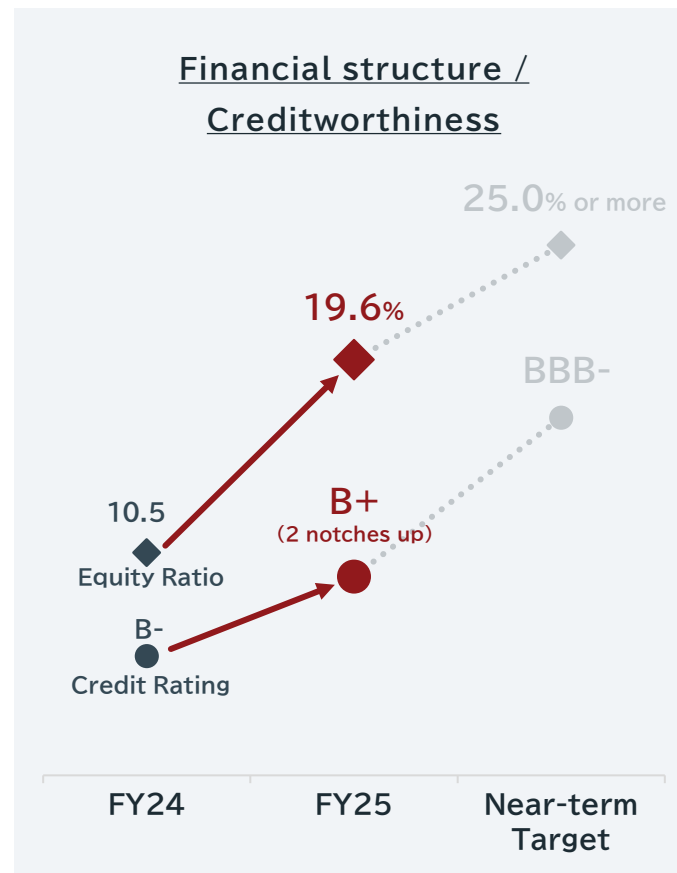
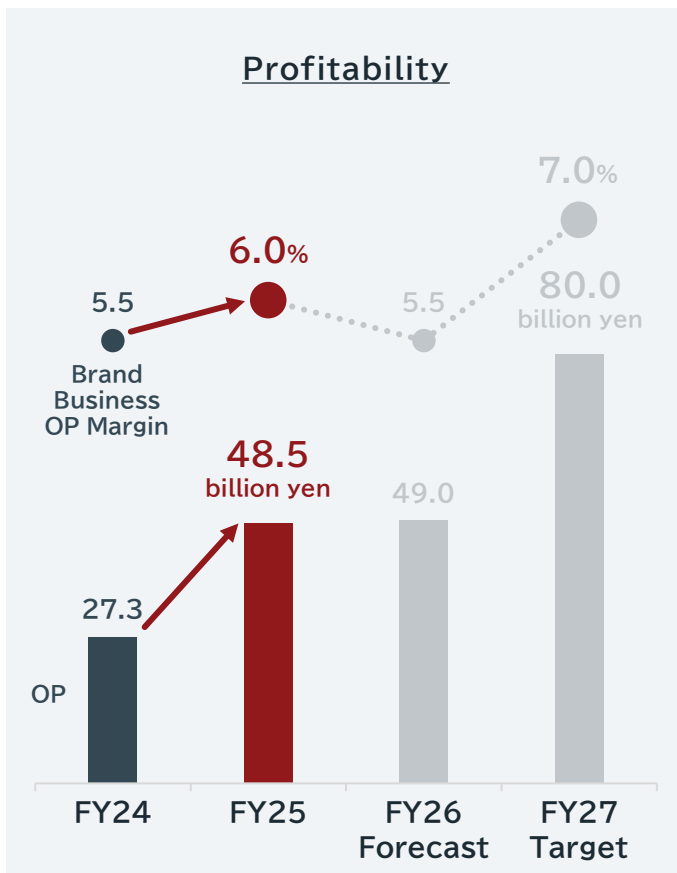


Initiatives for Regrowth

President and CEO

Tetsuji Kawamura

Profitability and financial structure improved, and investment for growth increased, steadily advancing the **groundwork for regrowth**. Accelerate to **strengthen growth capability going forward**.



■ Our Direction

In step with your future.

SHARP

It's not the big occasions that Sharp focuses on,
but rather the ordinary days.

Why? Because it's the ordinary days that shape our lives.

In those nameless days,

lie our most honest feelings, our long-held hopes,
the quiet dreams held deep in our hearts.

We anticipate and exceed—

beyond your expectations yet in harmony with your desires.

You might say we strive to stay in step with you.

As we move forward together,

we are close enough to truly listen,

to understand and fulfill your future needs.

From the moment you wake in the morning,

until the time you go to bed at night,

you'll find Sharp right there by your side.

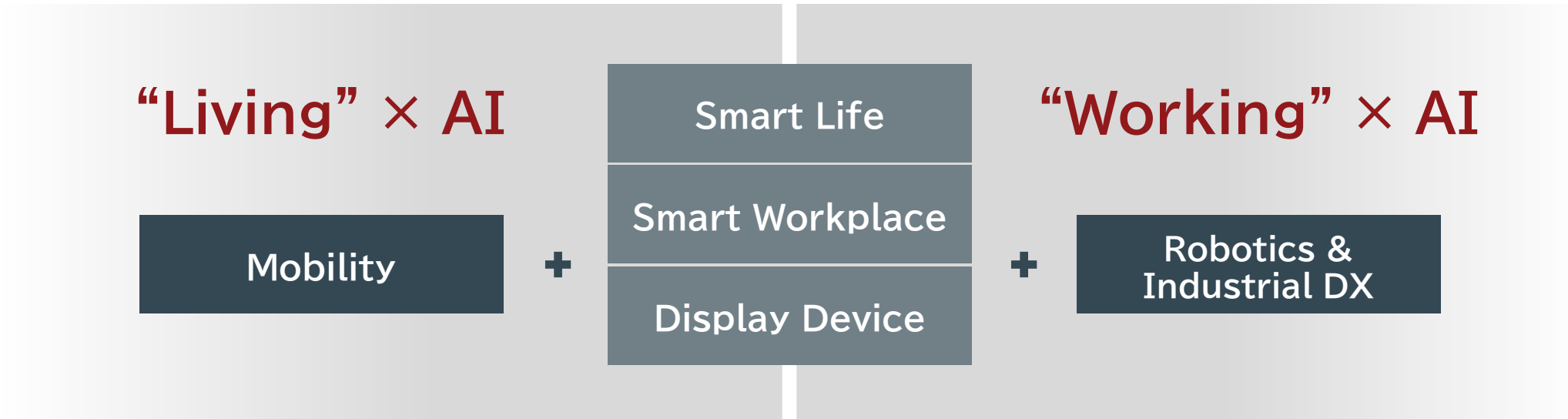
That's why we aspire to play an integral role in all aspects of daily life,

both at home and at work, in step with you,

leading onward to the future.

Leaving no one behind.

Integrate AI with every perspective of “Living” and “Working” to unlock people’s future



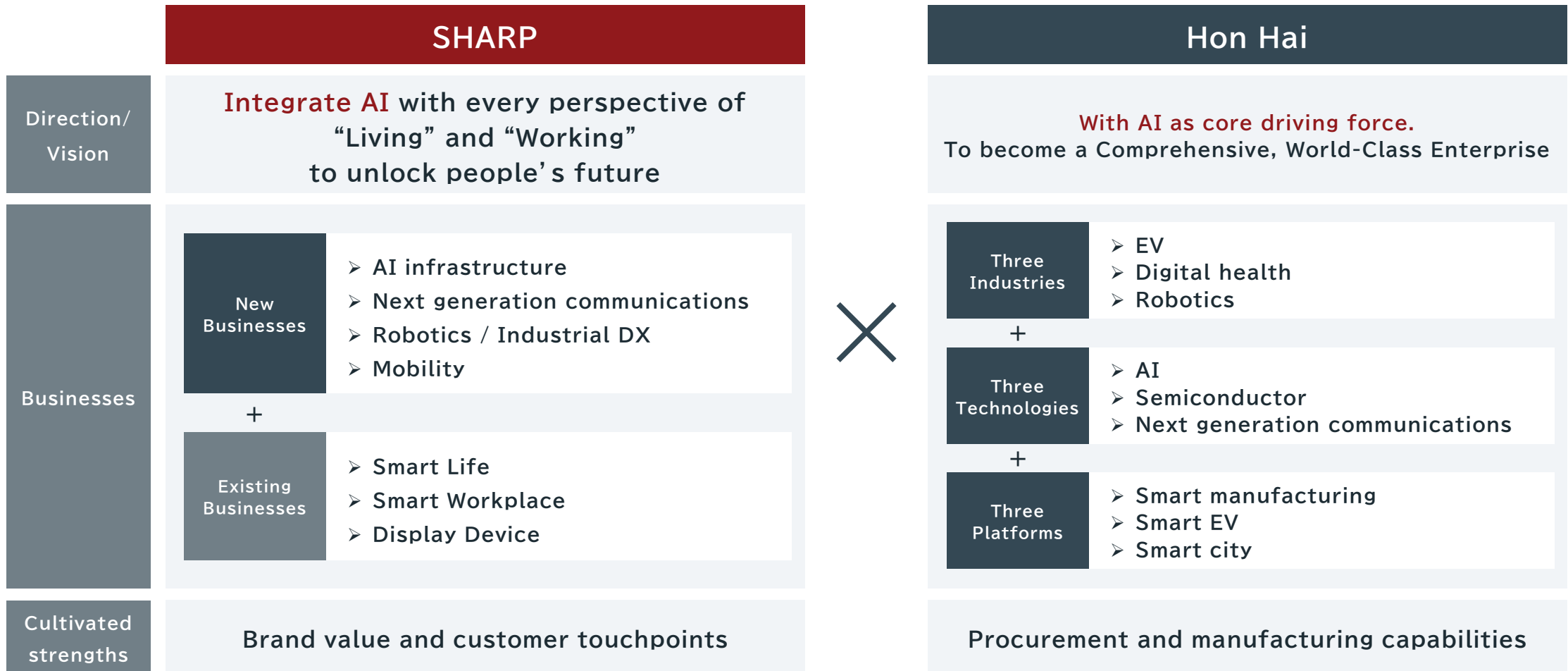
Building social infrastructure that supports value creation through AI



✕ Including space solar cells

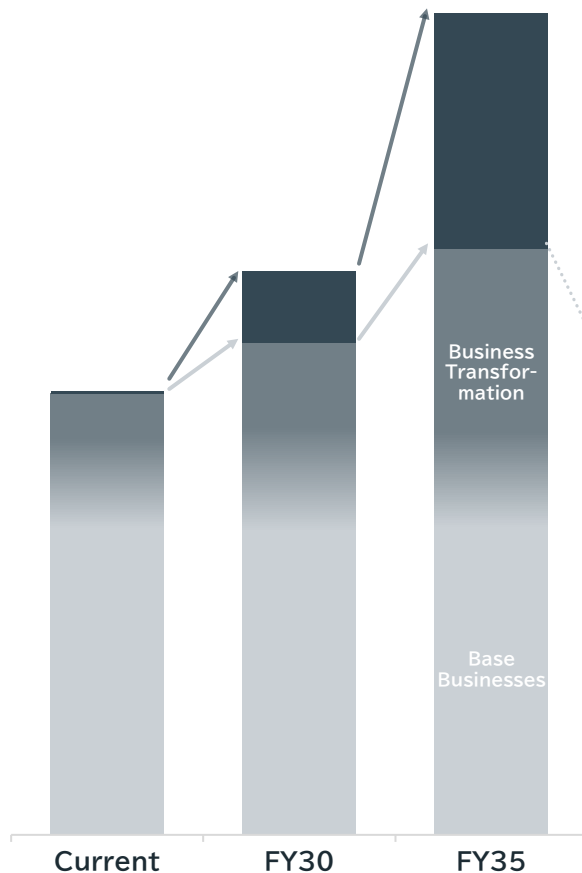
Existing businesses New businesses

Integrate the strengths of both companies to accelerate growth and realize both visions, with **AI as a core** driving force



Shift to **growth-oriented** business structure based on "Living" and "Working"

Image of the Business Structure



New Businesses

- AI Infrastructure
- Next Generation Communications
- Robotics & Industrial DX
- Mobility

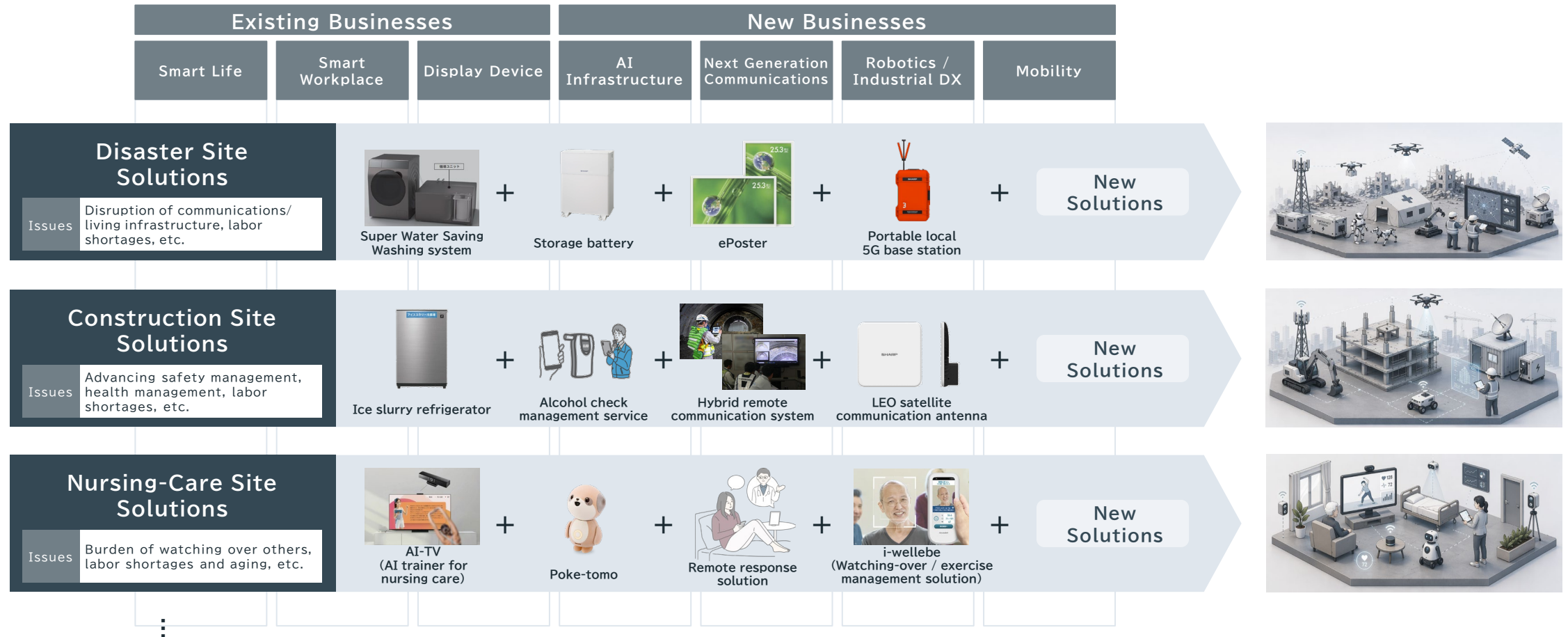
- ✓ Take on new industrial domains leveraging the company's strengths to **expand customer touchpoint** in "Living" and "Working" while building the foundation for **AI utilization**
- ✓ Aim for **significant growth** centered on collaboration with partner companies such as Hon Hai

Existing Businesses

- Smart Life
- Smart Workplace
- Display Device

- ✓ Achieve steady business growth and improved profitability **by strengthening customer touchpoints** and driving **AI-centered business transformation**

Leveraging our wide range of hardware and service, we provide **integrated solutions optimally configured to address customer issues**



■ Status of New Business Initiatives

Entering AI server business leveraging the company's cultivated asset and collaboration with Hon Hai at this timing of a **major shift in the market**

Business Opportunities

Changes in global trends

Inference applications will rapidly expand beyond training applications

Composition (Global)	FY25	FY30
Training	Approx. 55%	Approx. 35% ↓
Inference (judgment using trained AI)	Approx. 45%	Approx. 65% ↑

- Shift from emphasizing the latest specifications to **optimal specifications** according to the user's purpose
- Distributed siting at the point of use will accelerate

In addition to hyperscalers, **diverse players** such as companies, research institutions, and local governments are going to participate

[Centered on hyperscalers]

Cloud type

+

[Centered on companies, research institutions, etc.]

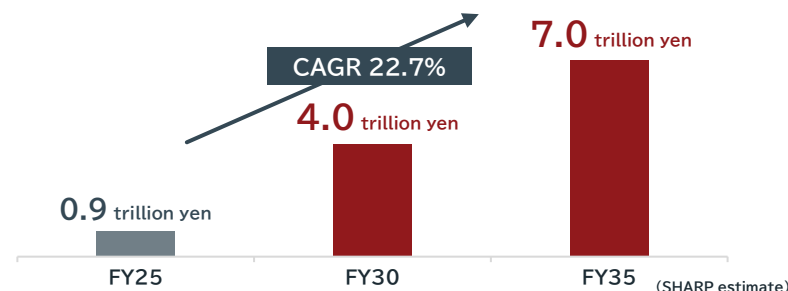
On-premise/hybrid type
(high security)

Edge type [physical AI, etc.]
(high real-time performance)

- **Diverse needs** tied to servers will emerge

Japan market

- ✓ The AI server market will **expand rapidly**
- ✓ With changes in global trends, **inference applications centered** market growth and **diverse players entering** the market is expected



Anticipated customer needs

- ✓ **Reliable supply of AI servers** (securing units directly affects an operator's competitiveness)
- ✓ **Proposals addressing user needs**
 - **Optimal hardware specifications** (≠ the latest)
 - **Integrated solutions** (operation/maintenance, security, PoC support, etc.)
- ✓ **Prompt / wide-range support according to customers' business location**

Our Strengths

Utilization of Hon Hai's capabilities

- World's largest-scale AI server manufacturing capability
- Extensive AI data center solutions
- Strong partnerships with major players

Broad customer (on-site) touchpoints

- Broad B2B customer network
- Diverse applications to address customer issues

Nationwide maintenance/service network in Japan

- Nationwide maintenance system cultivated through the MFP convenience-store business
- Service network of 108 locations nationwide
- 45+ years of field maintenance experience

Start **AI server business with sales by fiscal 2027**,
leveraging Hon Hai's procurement and manufacturing capabilities.
Contribute to the development of AI server value chain in Japan

STEP 3
(Future)

- **Next-generation infrastructure platform** for the “Physical AI / Agentic AI”
 - Provide an integrated solutions that solves customer issues from site (edge) to the data center of AI infrastructure
- **Global expansion**

STEP 2
(Around FY28-)

- Expand the business domain to “**construction and deployment support**” of AI servers
 - Promote collaboration with “Dynabook,” which handles from PC production to sales and service
- Build a **production structure** for AI servers in Japan (joint consideration with Hon Hai)

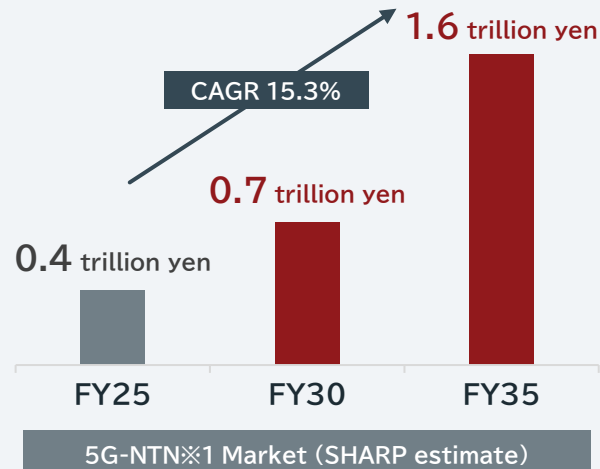
STEP 1
(FY26/27-)

- Enter AI server business, starting from the **sales** in Japan, by utilizing Hon Hai's procurement and manufacturing capabilities
- Build an “**operation and maintenance**” structure

Aim for **commercialization within fiscal 2027**
 leveraging world's-smallest-class satellite communication terminal
 to establish **telecommunications infrastructure supporting future "AI anywhere"**

Business Opportunity (Market Size)

- ✓ Conventionally, satellite communications were operated on proprietary standards, but from 2027 the 5G standard will be extended to satellites, improving versatility
- ✓ Going forward, the market will expand from industrial uses such as defense, vessel, and construction
- ✓ In the future, the market is expected to grow explosively as adoption expands to "moving platforms" such as drones and automobiles



Our Strengths

Industry-leading communications technology

- World's first successful demonstration of 5G-NTN via LEO satellite
- Japan's No.1 patent holder in the number of 5G standard-essential patents held ※2



Hardware miniaturization and lightweighting technology

- Realized downsizing and light-weighting of satellite communication terminal size to approx. 1/10 of conventional types, creating opportunity for use on mobile terminals and at sites with installation constraints



Growth Scenario

STEP 3 (Future)

- Expand the business domain to **mobility and drones**

STEP 2

- Deploy the business for specific industries with strong needs, such as **vessels and construction**
 - Vessel : Improve communication environment during voyages, DX of marine operations
 - Construction : Promote adoption of remote operation, DX
 - Ministry of Defense : Improve communication reliability during time of disasters and emergencies

STEP 1 (FY27)

- **Entry into business** leveraging our world's smallest-class satellite communication terminal

Through collaboration with partner companies, initiatives in each domain are **steadily progressing**

Status of Initiatives

Future Direction

	FY2024	FY2025	FY2026
[STEP 3] Deployment for mobility and drones		<ul style="list-style-type: none"> Started joint development of an ultra-compact terminal for mobility [Jul. 2025] <ul style="list-style-type: none"> - Jointly with Mitsubishi Chemical, NICT, and TECHLAB 	<ul style="list-style-type: none"> Unveiled a concept model of an ultra-compact, lightweight terminal for drones/automobiles [Apr. 2026] <ul style="list-style-type: none"> - Exhibited at the Space Symposium (U.S.) jointly with Mitsubishi Chemical
[STEP 2] Deployment for specific industries	<ul style="list-style-type: none"> Started development of a terminal for vessel use [Sep. 2024] <ul style="list-style-type: none"> - In collaboration with Furuno Electric 	<ul style="list-style-type: none"> Started development of a remote operation solution for construction machinery [Oct. 2025] <ul style="list-style-type: none"> - In collaboration with ARAV 	<ul style="list-style-type: none"> Selected for a Ministry of Defense project [Apr. 2026] <ul style="list-style-type: none"> - Jointly with JRC and SKY Perfect JSAT - Development and demonstration of resilience-enhancing technology
[STEP 1] Collaboration with satellite communication operators	<ul style="list-style-type: none"> World's first successful 5G NTN communication connection via LEO satellites with Eutelsat and others [Mar. 2025] 	<ul style="list-style-type: none"> With Eutelsat and others, next-generation standard Rel-19 achieved the world's first successful NTN communication compliant with NR-NTN [Nov. 2025] 	<ul style="list-style-type: none"> Unveiled a prototype user terminal aiming for compatibility with SES's next-generation MEO satellite [Mar. 2026]

Promote concrete discussions with a major automaker on the development of in-vehicle terminals

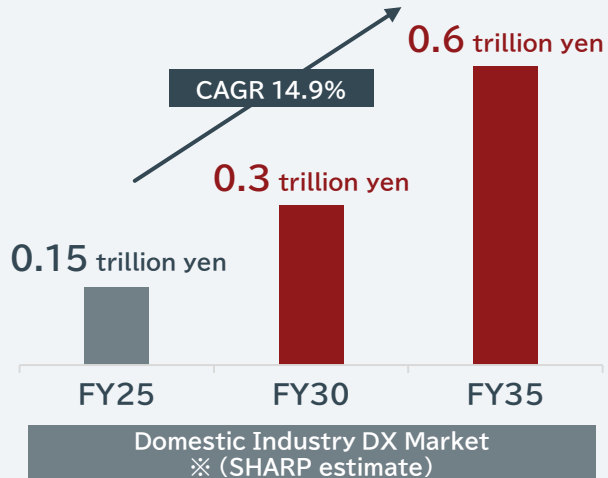
Provide offerings including solutions centering satellite communications for various markets

Build concrete business schemes with satellite communication operators

Contribute to solving issues across diverse industries, such as living and transportation infrastructure and the construction industry by leveraging advanced video/audio technologies and AI-based control/simulation technologies as strengths

Business Opportunity (Market Size)

- ✓ Infrastructure built during the high-growth era requires renewal, and the number of inspection/maintenance targets is increasing explosively
- ✓ Demand for DX in on-site work are expanding with compound issues of labor shortages, soaring labor costs, and stricter safety regulations
- ✓ Beyond cost reduction through labor savings, there are high expectations for sophistication such as improved predictive-maintenance accuracy and AI-based autonomous operations



Our Strengths

Advanced video and audio technologies

- Realizes high-precision analysis and correction through image surveying processing
- Real-time processing through high-speed video transmission
- Utilize acoustic analysis to detect anomalies where visual check is challenging



Optimization of physical sites and virtual space

- Reproduce and visualize the on-site environment using digital twins
- Optimal operation and automated transport through AI simulation



Status of Demonstration Trials with Collaboration Partners

Priority Areas	Specific Initiatives					
Living Infrastructure	Sewer pipe conduit inspection	×	Kansei Kogyo, Cantool	Water pipe leak detection	×	Various local governments
	Pantograph contact strip measurement	×	JR East	Under-floor vehicle inspection	×	Kintetsu Railway
Construction Industry	Rebar inspection system	×	Shimizu Corporation	Remote monitoring system	×	Various construction companies

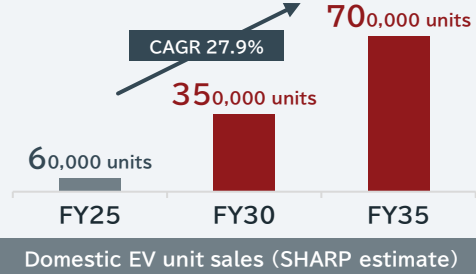
Business Opportunity (Market Environment)

Aim/Significance of Entry / Our Strengths

Status

EV

- ✓ Expected to recover and with new vehicle launches and expansion of government subsidies
- ✓ With fossil fuel prices expected to remain high, the EV market is on an expanding trend over the long term



Propose a new experience with our **unique EV “LDK+”**, focusing on its use while parked

Utilization of Hon Hai’s capabilities

- Manufacturing capability for cost-effective EVs

×

Space creation applying home-appliance-related technologies

- Various distinctive devices and AI technologies
- Natural UI that is easy-to-use

×

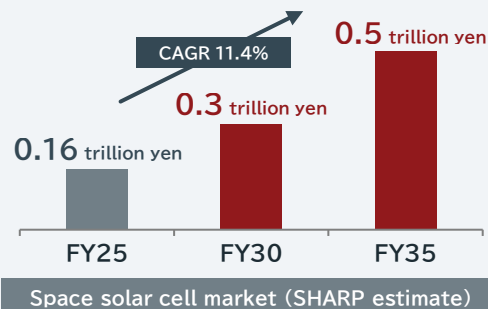
Connecting with homes

- Connect with AIoT home appliances at home
- Energy management

Assessing the entry plan considering current market trends

Space-Qualified PV

- ✓ The market is expected to expand with the increase in LEO satellites
- ✓ A domain where, against a security backdrop, it is difficult for Chinese companies to enter the U.S. and European markets



Contribute to **space development and satellite communications** developed through solar cell technology

Over 50 years of track record and trust

- The only JAXA-certified manufacturer in Japan

×

World’s highest-class conversion efficiency

- Achieved the world’s highest conversion efficiency of 33.66% with a compound/silicon stacked solar cell module (Oct. 2023)

×

Broad product lineup

- Possess high-performance “compound type” and the low-cost “crystalline silicon type,” enabling optimal proposals

Advancing toward securing a new large-scale project in fiscal 2027

- ✓ Integrate AI with every perspective of “Living” and “Working” to unlock people’s future
- ✓ In line with this direction, we will drive the **strengthening and transformation of our existing businesses**, while accelerating the **launch of new businesses** leading our growth
- ✓ Through such initiatives, we will advance into a **growth stage**

SHARP

In step with your future.