CMK CORPORATION
(Stock code : 6958)

FY2024 Financial Results (presentation material)

May 16, 2025

CMK CORPORATION

■Summary

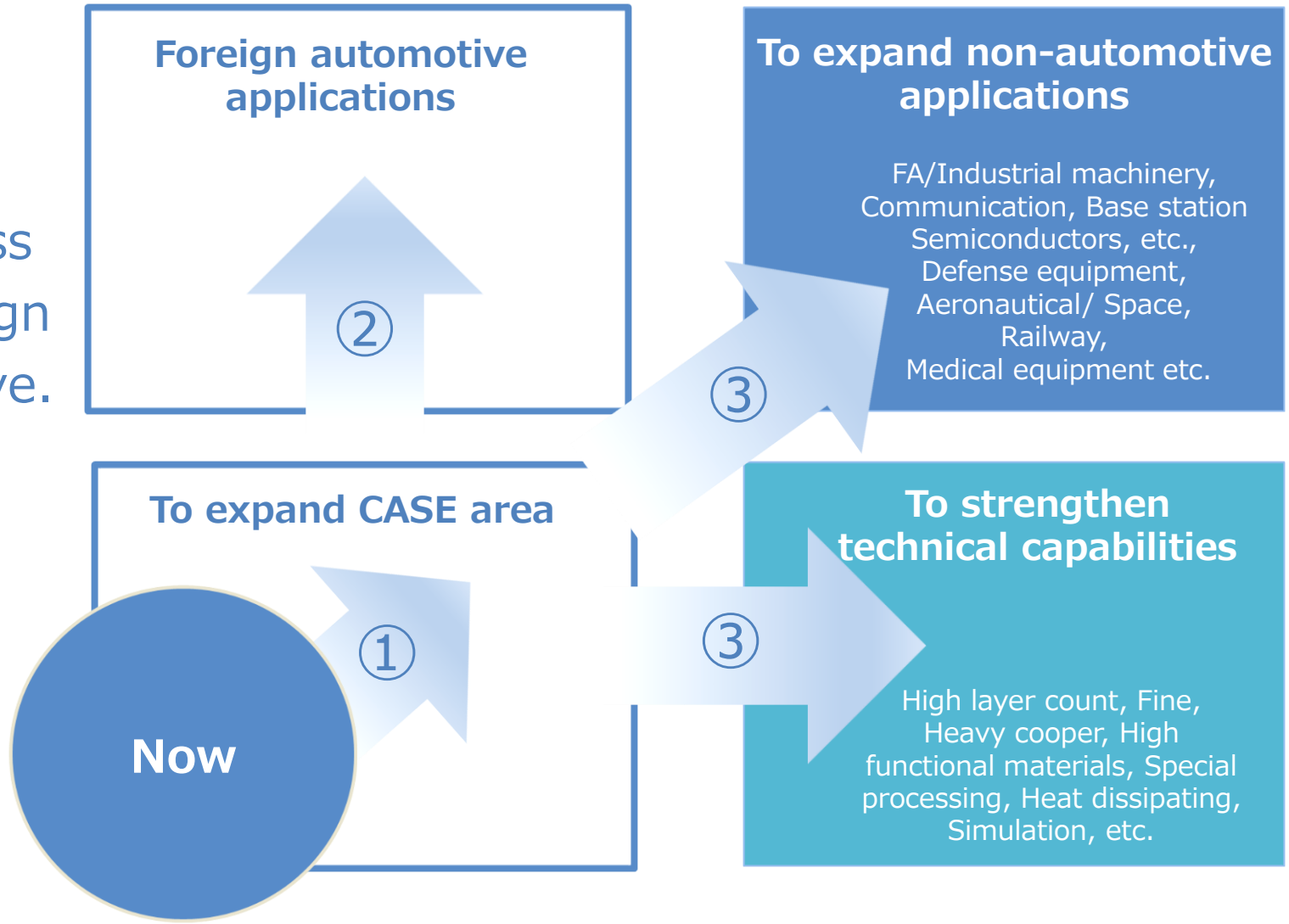
①To promote targeted orders for the targets in CASE area as a source of income in the mainstay automotive business

②Order activities for new foreign customers will stay aggressive.

③To strengthen technical capabilities required for non-automotive applications

③To expand non-automotive applications and promote portfolio diversification

Portfolio diversification



Contents

1. Consolidated financial results for FY2024

① Consolidated Financial results

■ Key points of FY2024 Financial results

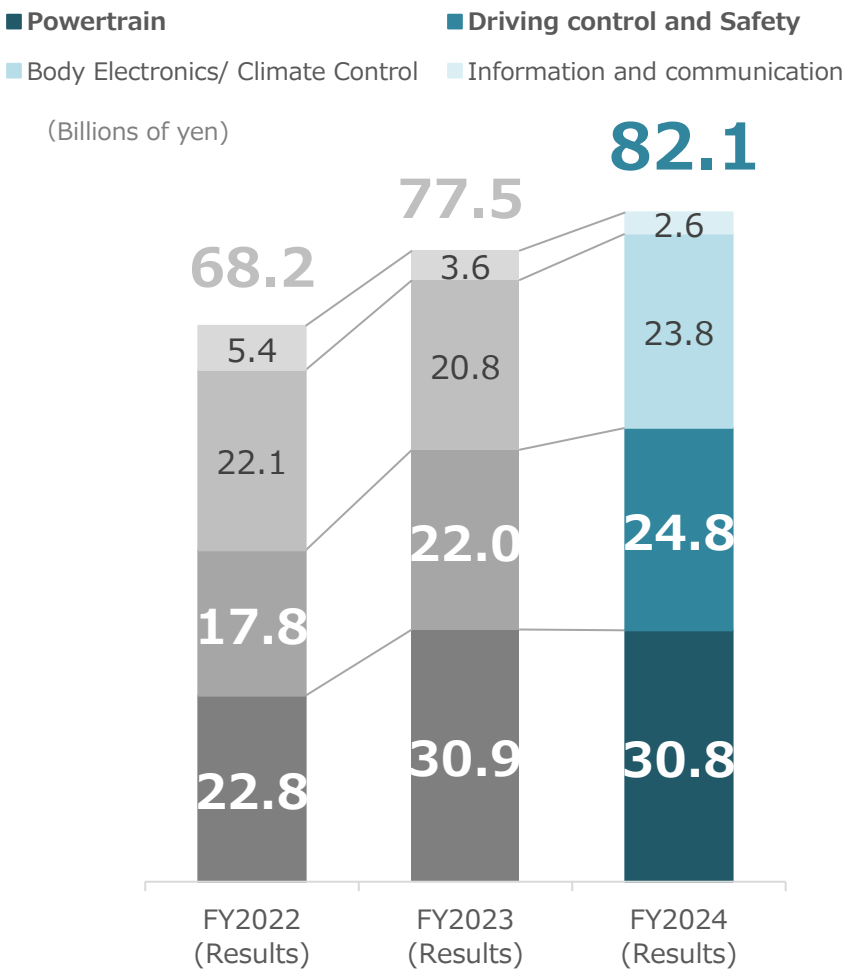
・Sales have increased mainly due to strong sales of driving safety products we focused on (+13%) and the favorable exchange rate.
・Profits are raised due to increased sales, productivity improvement, the favorable exchange rate, etc., in spite of the stagnant operation rate of the factories.
・Foreign Exchange gains 1.9

(Billions of yen)	FY2023 (Results)	FY2024 (Results)	YoY Change	YoY %
Net sales	90.5	95.4	+4.9	+5%
Operating income	3.5	3.8	+0.2	+8%
Operating margin	3.9%	4.0%	+0.1%	-
Ordinary income	4.7	5.5	+0.7	+15%
Profit attributable to owners of parent	3.8	3.7	-0.0	-2%
Exchange rate (USD/JPY)	141.20	152.27	+11.07	+8%

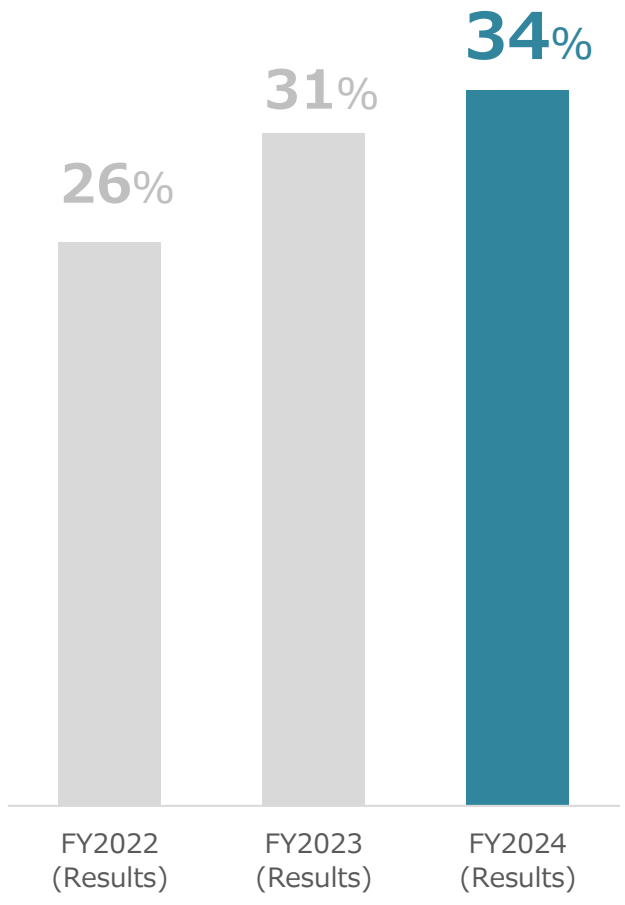
② Sales development breakdown itemized by automotive uses, board types and foreign customers.

The automotive growth strategy has made steady progress.

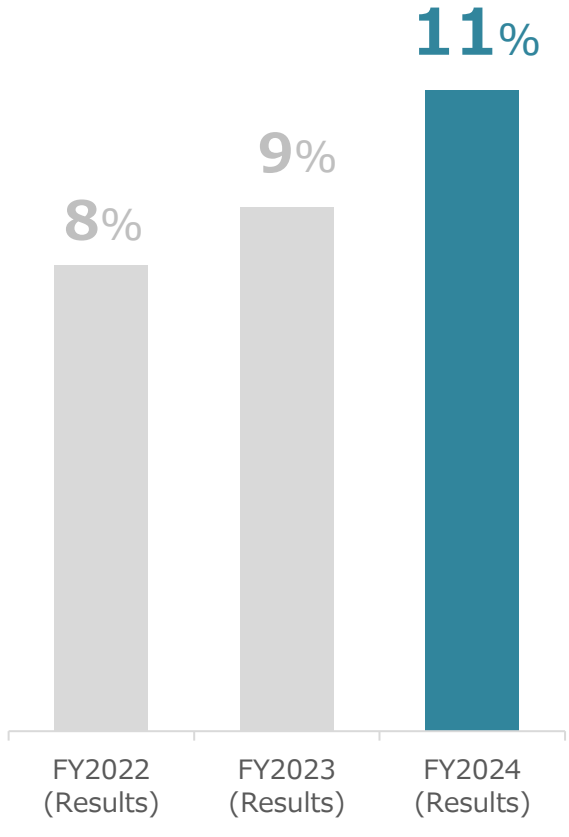
Sales by product (Car Electronics)



Sales ratio of HDI PCBs

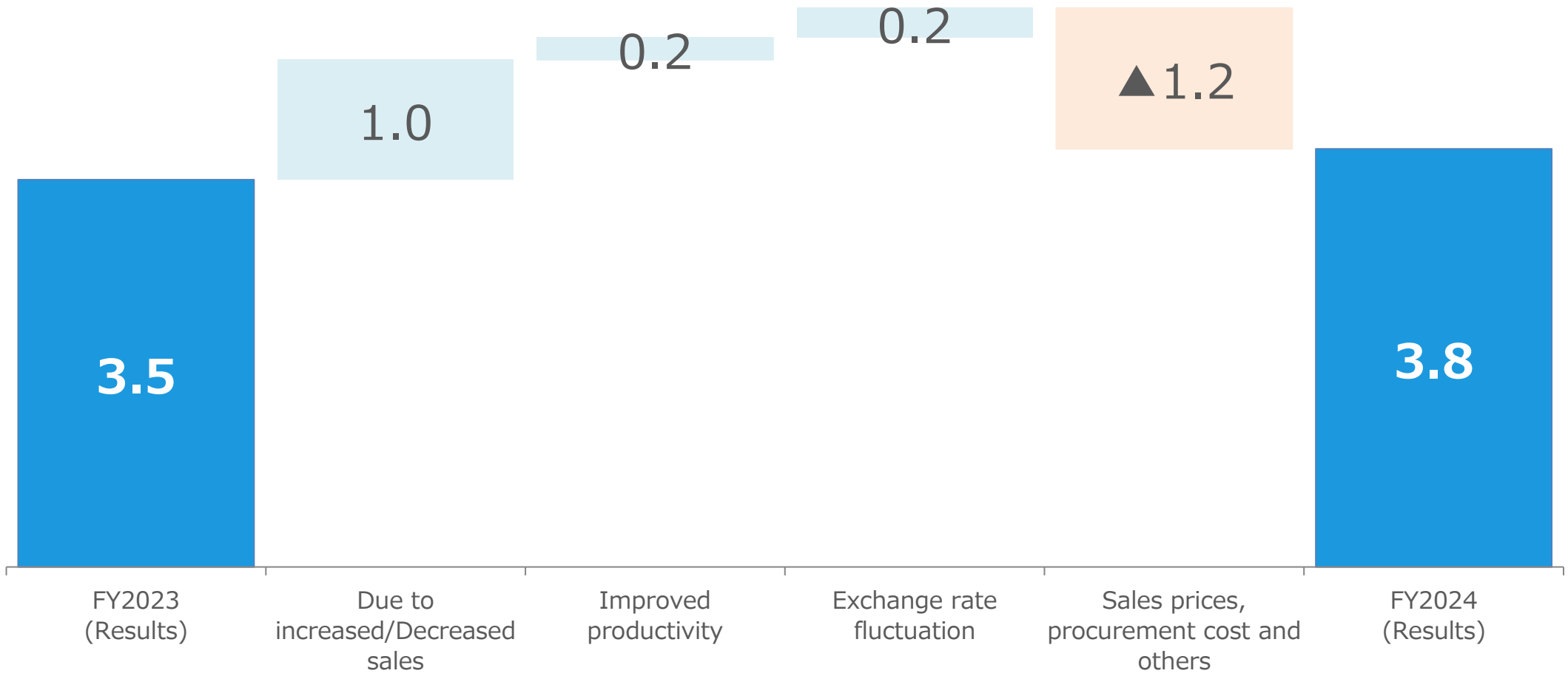


Sales ratio of foreign customers



③ Analysis of changes in operating income

(Billions of yen)



2. Consolidated financial forecast for FY2025

①Consolidated financial forecast

■ Key points of FY2025 Financial forecast

・The expected new orders from the second half should reflect the slow recovery in demand for automobiles in many countries.

＊ Tariff policy is too uncertain at this point to be incorporated into the full-year forecast.

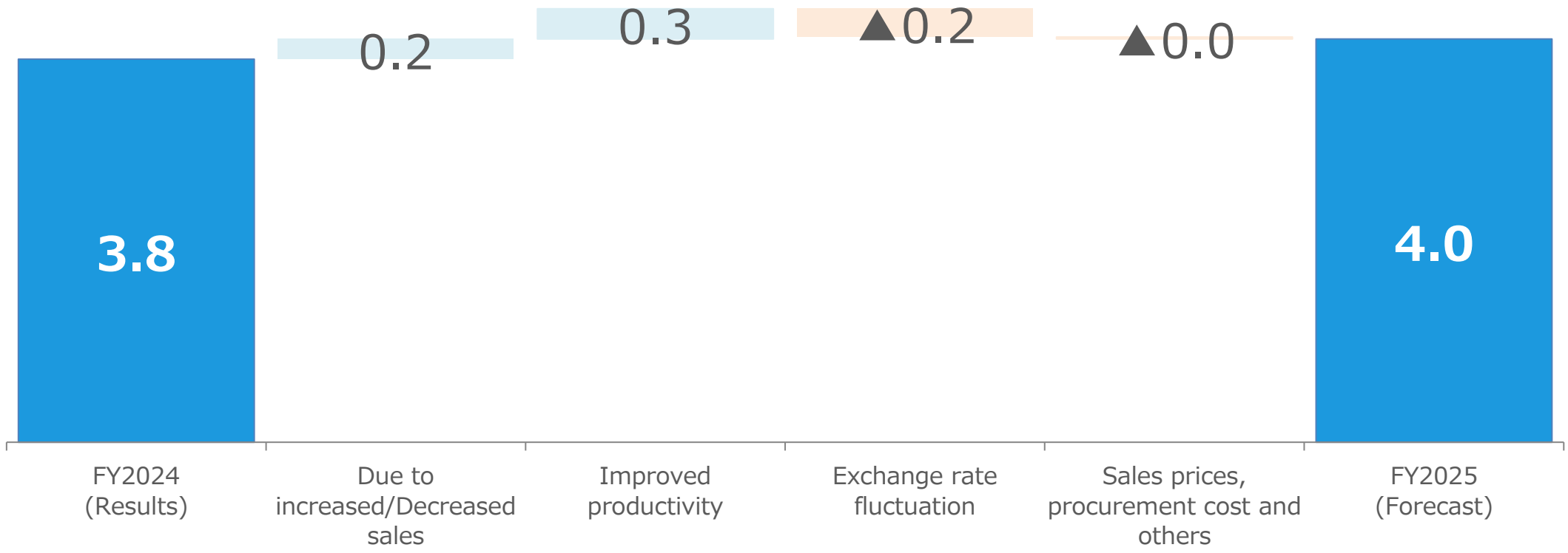
(Billions of yen)	FY2024 (Results)	FY2025 (Forecast)	YoY Change	YoY %
Net sales	95.4	96.0	+0.5	+1%
Operating income	3.8	4.0	+0.1	+5%
Operating margin	4.0%	4.2%	+0.2%	-
Ordinary income	5.5	3.4	-2.1	-39%
Profit attributable to owners of parent	3.7	2.0	-1.7	-47%
Exchange rate (USD/JPY)	152.27	145.00	-7.27	-5%

② Measures to cope with the changes in the business environment

Recognition of current situation	**External factors**	■ Sluggish sales by automakers in the Chinese market ■ Global EV vehicles slowdown ■ Decrease in demand from foreign customers due to deteriorating market conditions, etc.
	Internal factors	■ Sluggish orders due to slump in automobile production for main customers ■ Change of plan for mass production timing of the new factory in Thailand. ■ Volume lackage for new business areas
Measures	**Regarding sales**	■ **Further sales expansion in new business areas** ⇒ Above is explained in “New business field growth strategy” ■ **Further acceleration of orders for high value-added products for automotive applications and acquisition of new customers** ⇒ Above is explained in “In-vehicle growth strategy”
	Regarding profits	■ **Profitability improvement through operation of the new factory in Thailand (starting operation in fall, 2025)** ⇒ Above is explained in “In-vehicle growth strategy” ■ **We improve profitability through automation and large format production** ⇒ Above is explained in “Production in the factories in China” Through other measures such as cost containment in each factory, yield improvement and thorough rationalization

③ Analysis of changes in operating income

(Billions of yen)



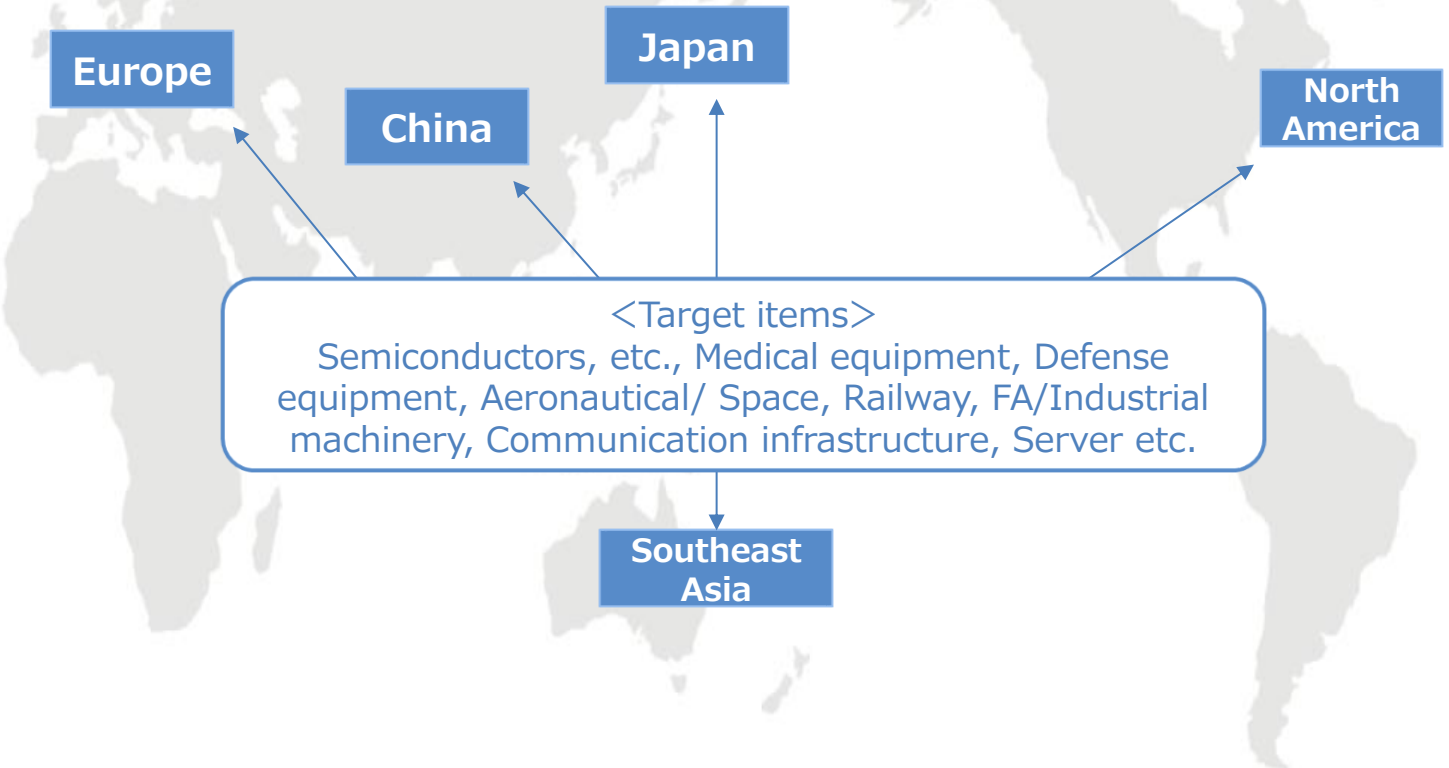
3. New business field growth strategy

① Sales expansion system for sales expansion

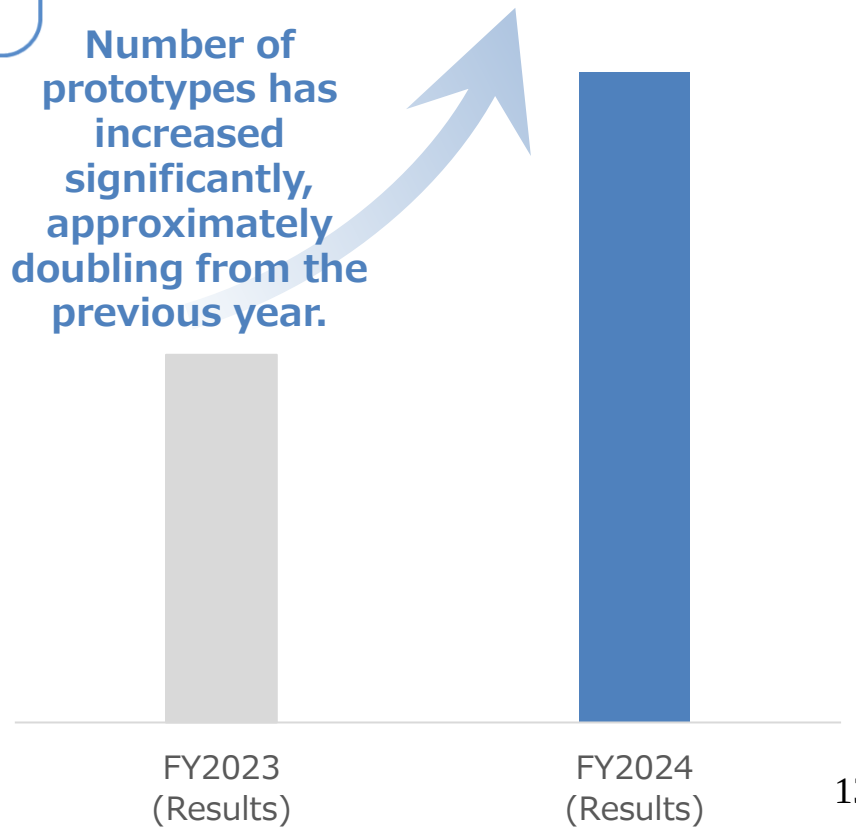
We strengthen sales system globally and accelerate sales expansion in new business areas in overseas markets by leveraging our strengths in customer support and proposal capabilities

Share expansion strategies

① We strengthen sales and marketing in new business areas in Japan and engage in broader and deeper activities
② Sales expansion using REP (distributors) in the overseas markets
③ We continue exhibiting in the overseas exhibits and develop local sales channels



Number of prototypes in new business areas

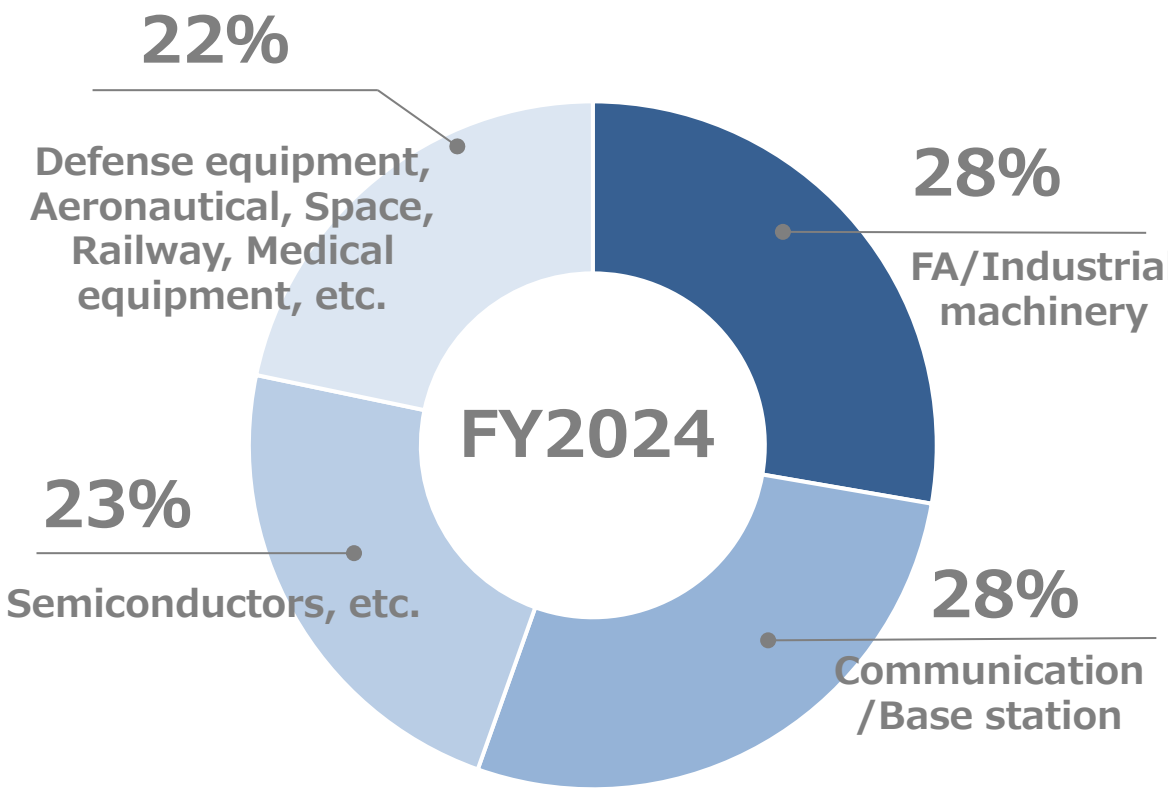


② Required technology and development situation

＜ PCB technology trends ＞

Application product／Required technology	High layer count	Fine	Heavy copper	High functional materials	Special processing
FA, Industrial machinery	★	★	★	★	★
Communication, Base station	★	★		★	★
Semiconductors, etc.	★	★		★	★
Railway, etc.	★	★		★	★
Defense equipment, Aeronautical, Space	★		★	★	★
Medical equipment				★	★

＜ Percentage of development projects by use ＞

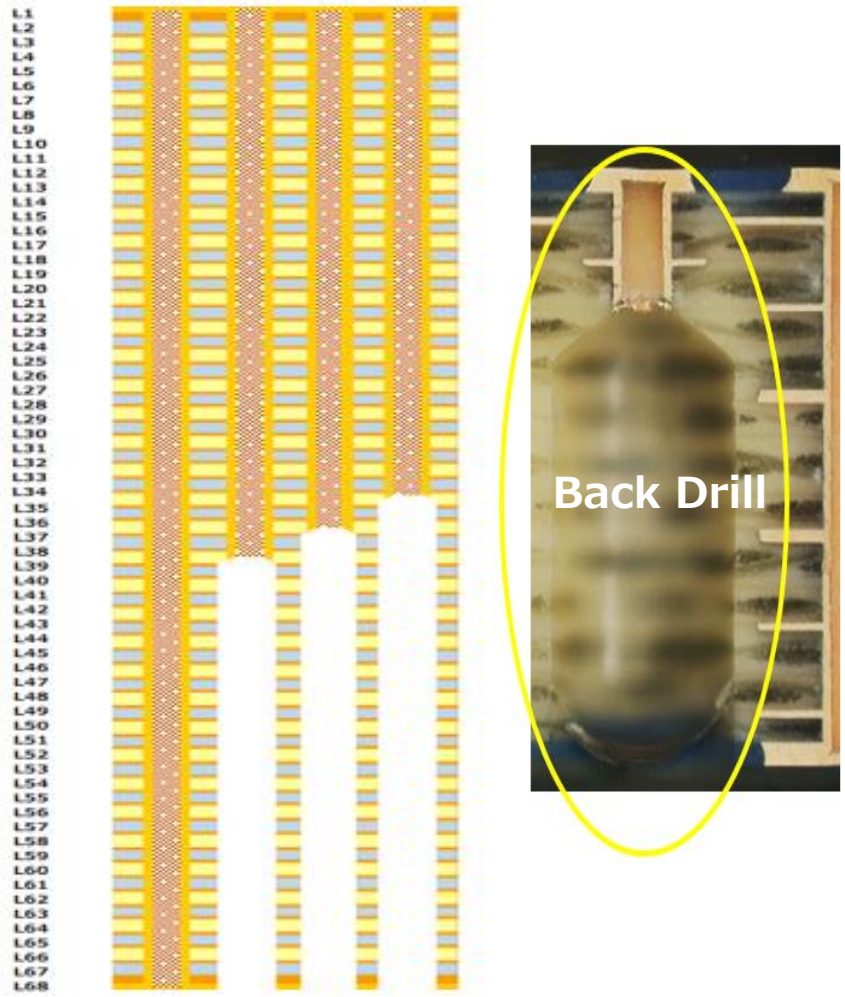


Requirement items for PCBs: **Promote sophistication and complexity**
⇒Various technological advancements are required for each application product

③Examples of combined technology

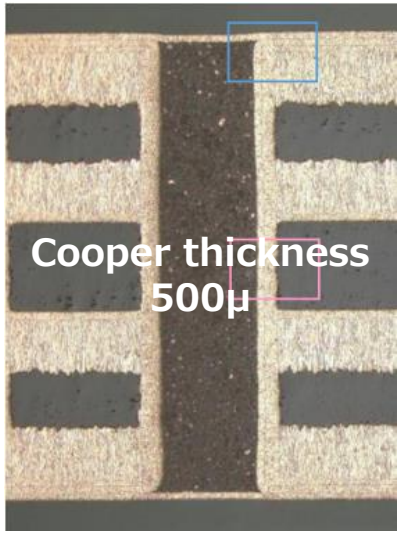
We refine technology to meet increasingly sophisticated and complex market demands

High layer count（68layers）+ Special processing（Back Drill）

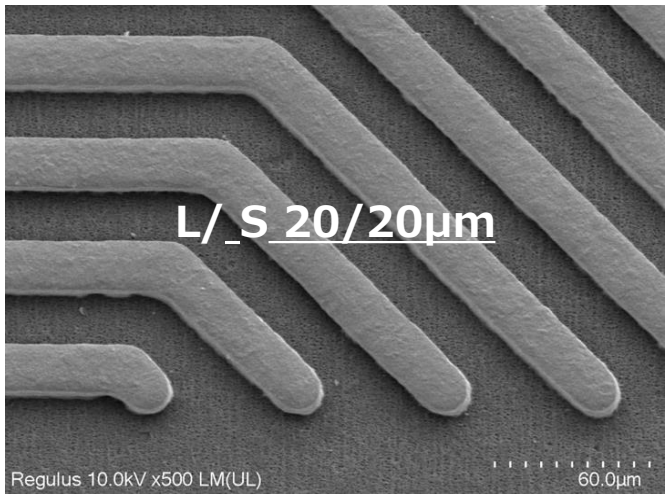


High functional material+ Technical lamination +Special processing（Back Drill）+ Special processing （Dimple via）

Heavy copper



Fine



④Acquisition of Normal License for heat-dissipating PCBs

On April 25th, 2025, the non-exclusive license agreement with Daiwa Co.Ltd., concerning their patent for heat-dissipating PCB (DPGA PCB) was concluded.

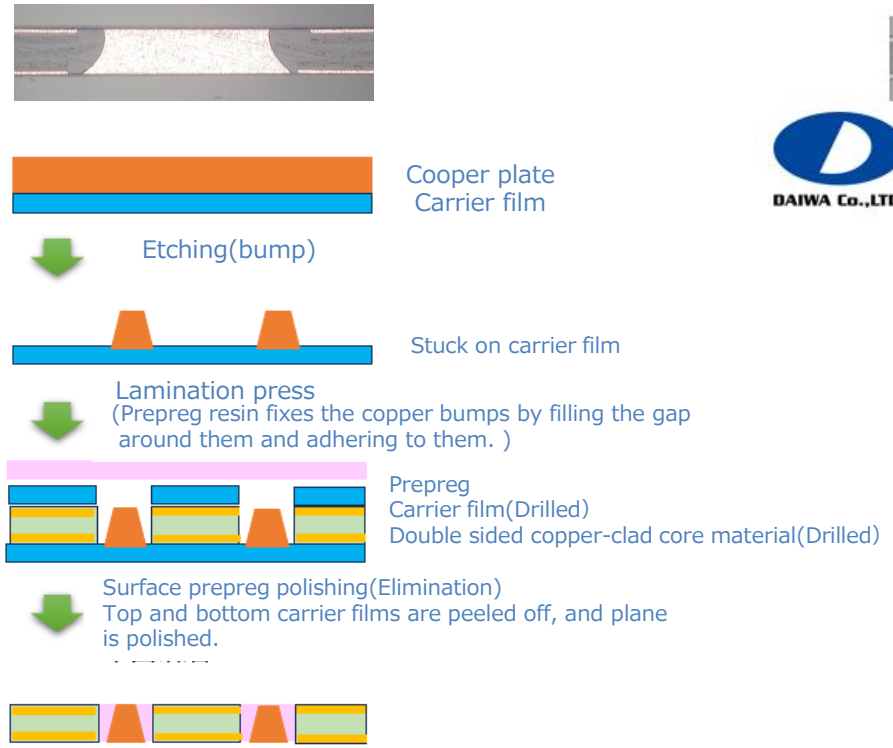
<Features>

DAIWA Co.,LTD.

1 Heat dissipating

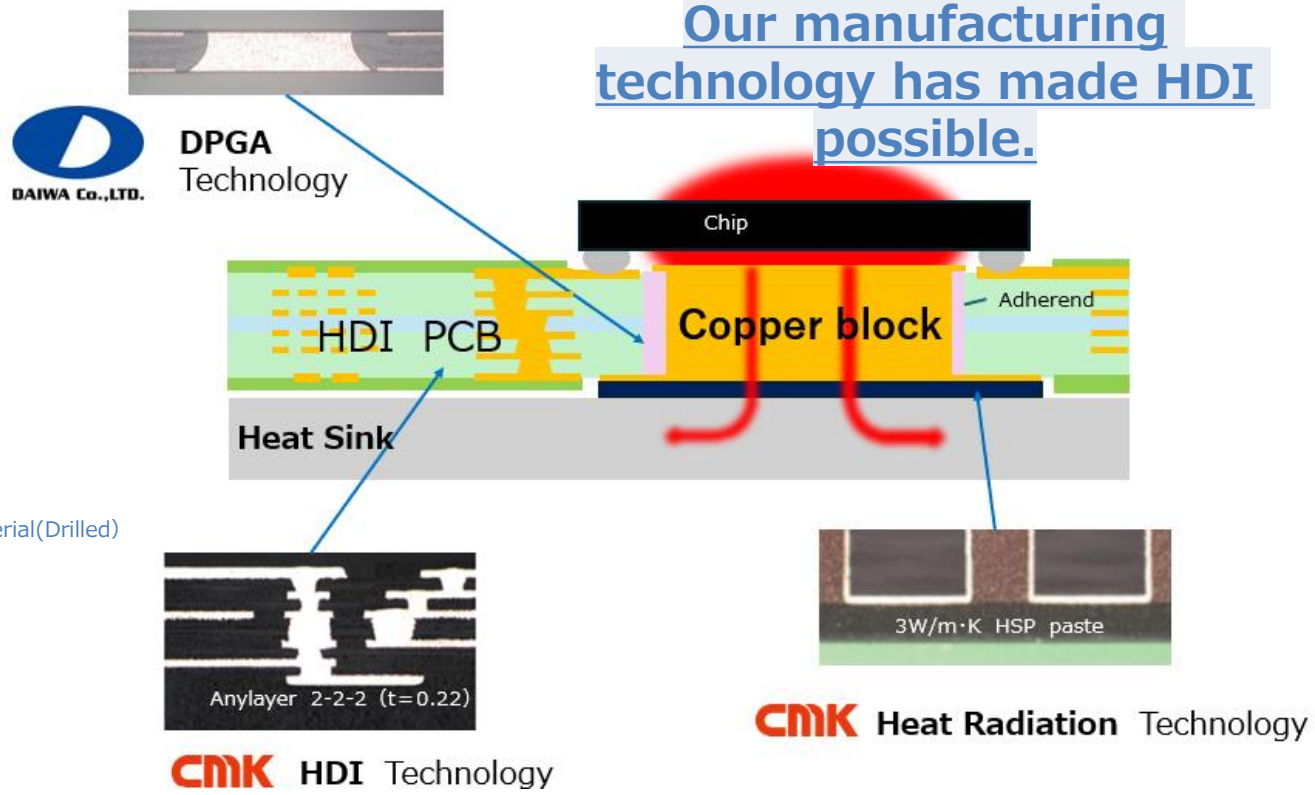
2 connection reliability

3 Lightweighting



<Image of HDI >

Our manufacturing technology has made HDI possible.

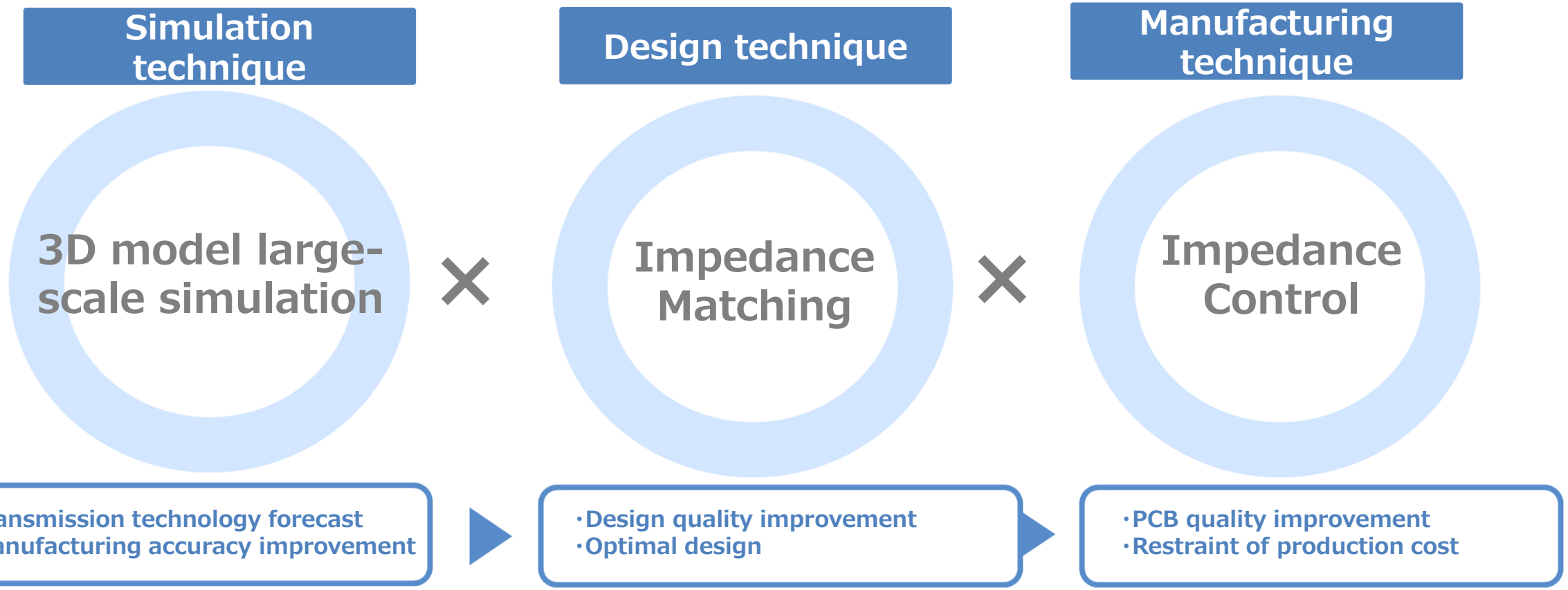


⇒Based on this technology, **we aim at sales expansion in new business areas by meeting coming needs for heat-dissipating PCBs** and by expanding design and proposal capabilities.

⑤Measures for high-speed transmission simulation

Rapidly developing AI society where high-speed transmission technology is the key

At present, technologies to realize high-speed transmission of large amounts of data are required in the areas of AI, self-driving, medical care, robots, etc. PCBs in such process should be highly efficient.



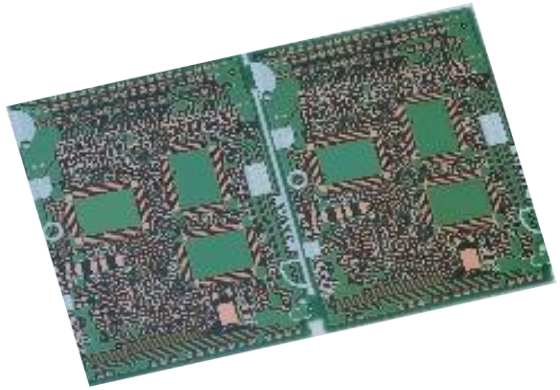
⇒We meet high-speed transmission needs in the AI era by one-stop service with our know-how.
Thus **both the number of prototypes and development cost can be reduced.**

4. In-vehicle growth strategy

①Upcoming trend（Annual Growth rate by market）

Though the automobile market is sluggish, the necessary number of ECUs is increasing accompanied by control complexity due to electrification, ADAS and self-driving evolution, **which leads to much more PCBs per car. To integrate ECUs, the upward trend of HDI PCB needs doesn't change.**

CAGR（’30/’25）

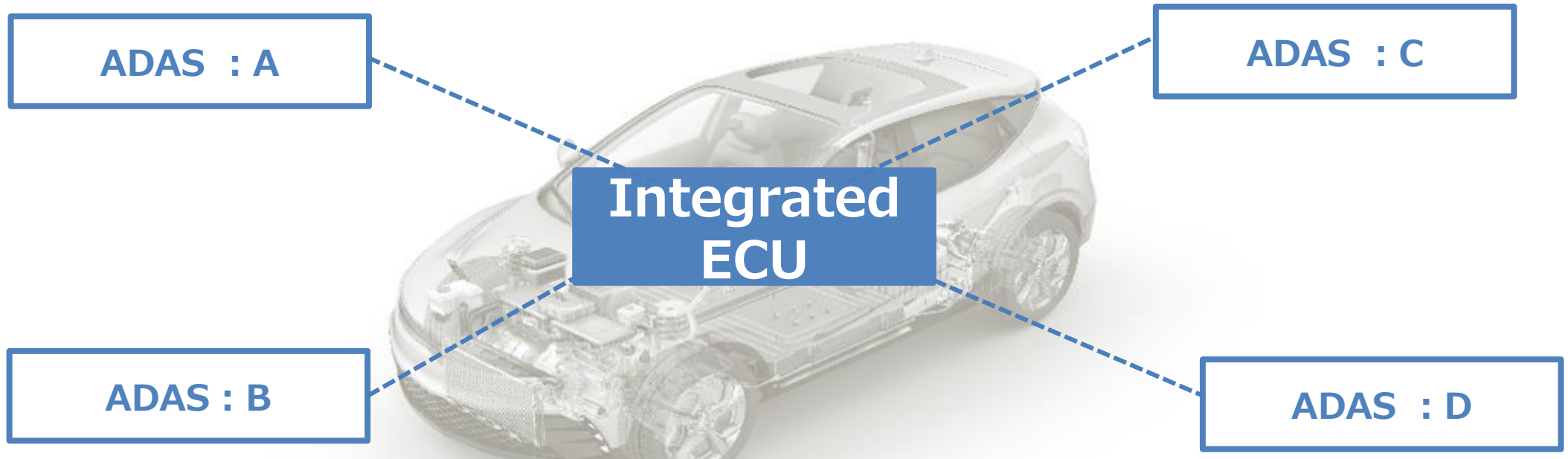
Global vehicle production (Units)		PCBs for automotive use (㎡)	HDI PCBs for automotive use (㎡)
	＜		
1.8%		**5.4%**	**20.9%**

＊Source: “Comprehensive Study of In-Vehicle Electronics Devices and components 2025” by Fuji Chimera Research
We calculated base on above

② Upcoming trend (Integrated ECU)

A current automobile may have more than 100 ECUs and each ECU has a different function. An integrated ECU brought by ADAS and self-driving evolution controls the whole and realizes complex linked functions.

<Domain integrated ECU (Example) >

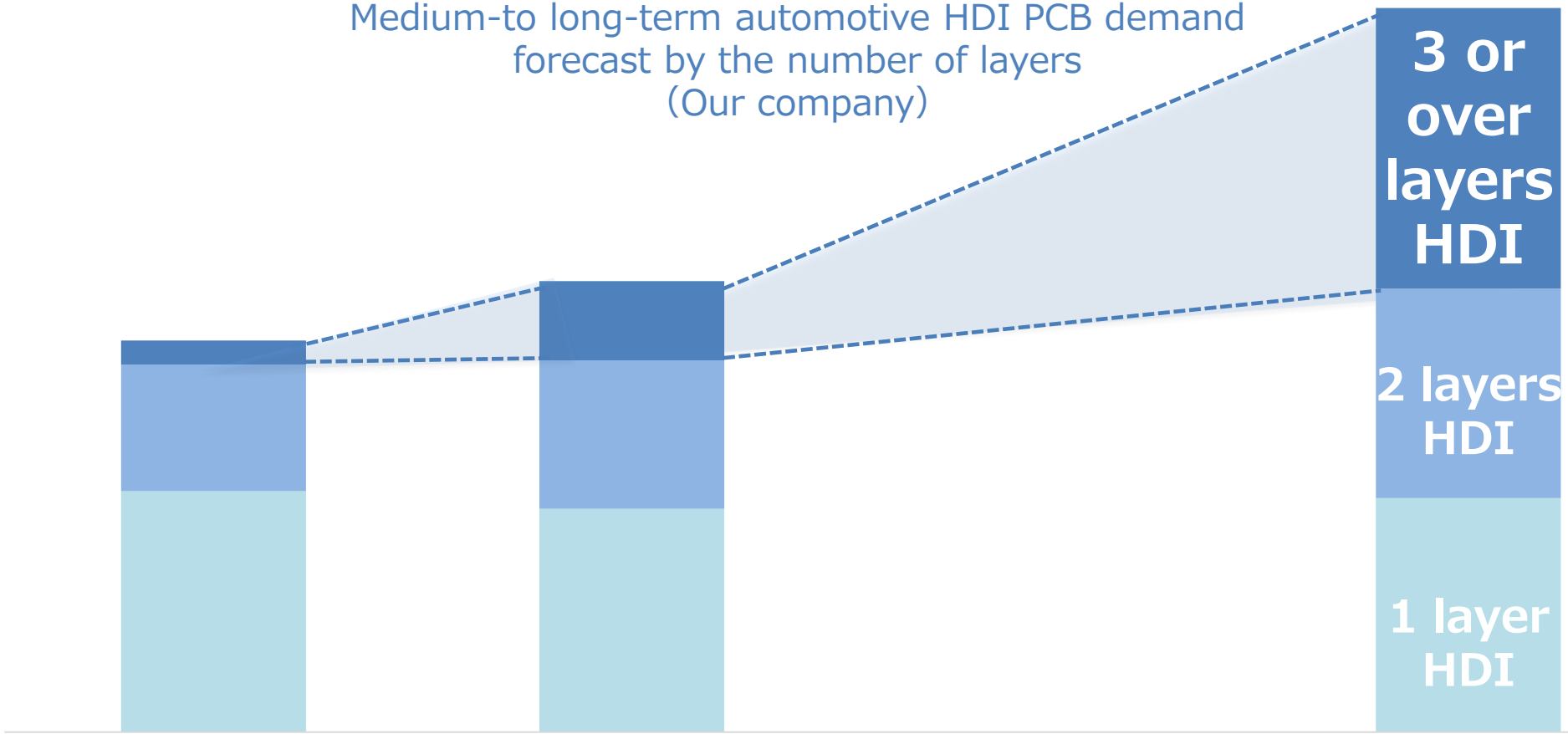


Requirement for PCBs: **To integrate ECU functions on a single board**
⇒HDI PCB comes to be more multi-layered and larger.

③Medium-to long-term demand trends of HDI PCBs

Under the trend toward multi-layered for HDI PCBs, our medium-to long-term demand forecast foresees **increasing demand on HDI PCBs of three layers or more.**

Medium-to long-term automotive HDI PCB demand forecast by the number of layers (Our company)



CAGR ('FY2025/FY2029)

42.4%

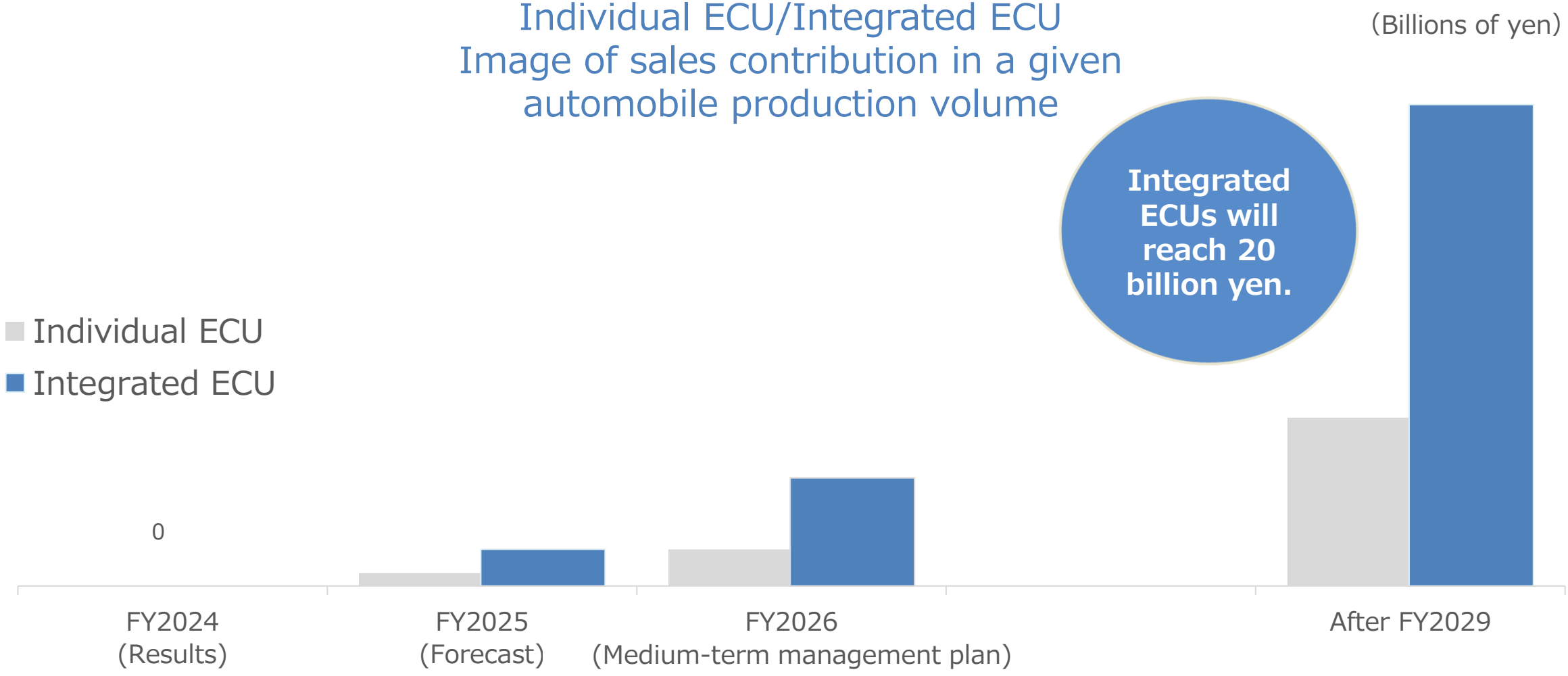
10.6%

-0.6%

④In-vehicle growth strategy （Sales by integrated ECU）

Production start-up of “**Integrated ECU**” which is the growth driver, targeting sales increase and improved profitability with better mix including multilayer HDI PCBs

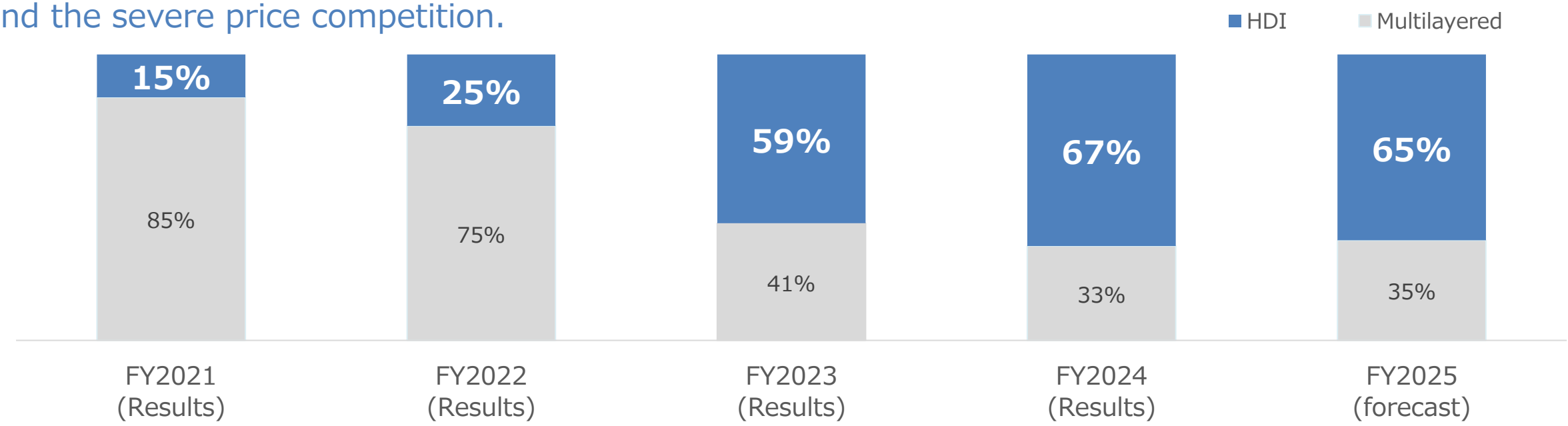
Individual ECU/Integrated ECU
Image of sales contribution in a given automobile production volume



⑤ In-vehicle growth strategy (Situations regarding foreign customers)

HDI sales ratio for foreign customers（Tier1）

・Sales to main foreign customers have been expanded focusing on high-value added products for driving safety systems. We continue to focus on these amid the influence of total automobile demand decrease and the severe price competition.

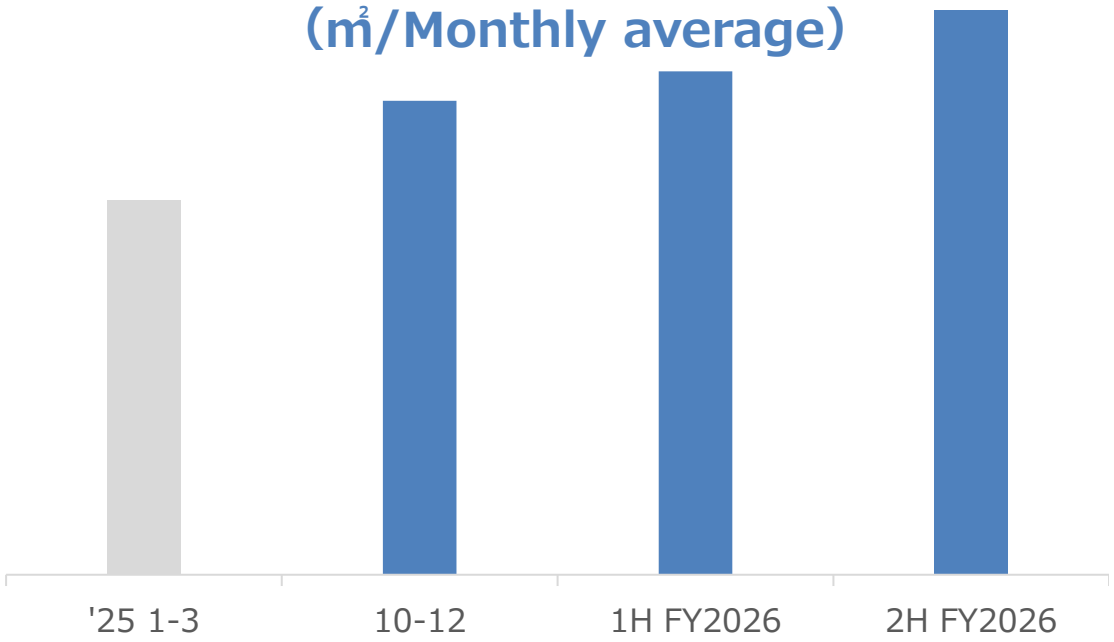


Situations regarding new foreign customers

・Products for new foreign customers, North America EV manufacturers, are in full swing.
・For other big foreign customers in Tier 1, mass production is planned to start in sequence.

⑥Thai new factory's situation

Sales volume trend in Thailand (㎡/Monthly average)



Outline of New factory

Production items : HDI PCBs and Multilayered PCBs
Start of operations : Launch from Autum,2025
Capacity : 130k㎡⇒160K㎡
(Existing factory + New factory)

Production concept

・Productivity improvement by large format
・Manpower saving and yield improvement through automatization
⇒**Improving cost competitiveness**
・By eliminating the film manufacturing process, we aim for sustainable manufacturing

5. Others

Production in the factories in China

Acceleration of productivity improvement and automation

Highly efficient production through large format

・2024 : Implementation of large-format investment to replace equipment of Wuxi factory
・2025 : Start-up of large-format production

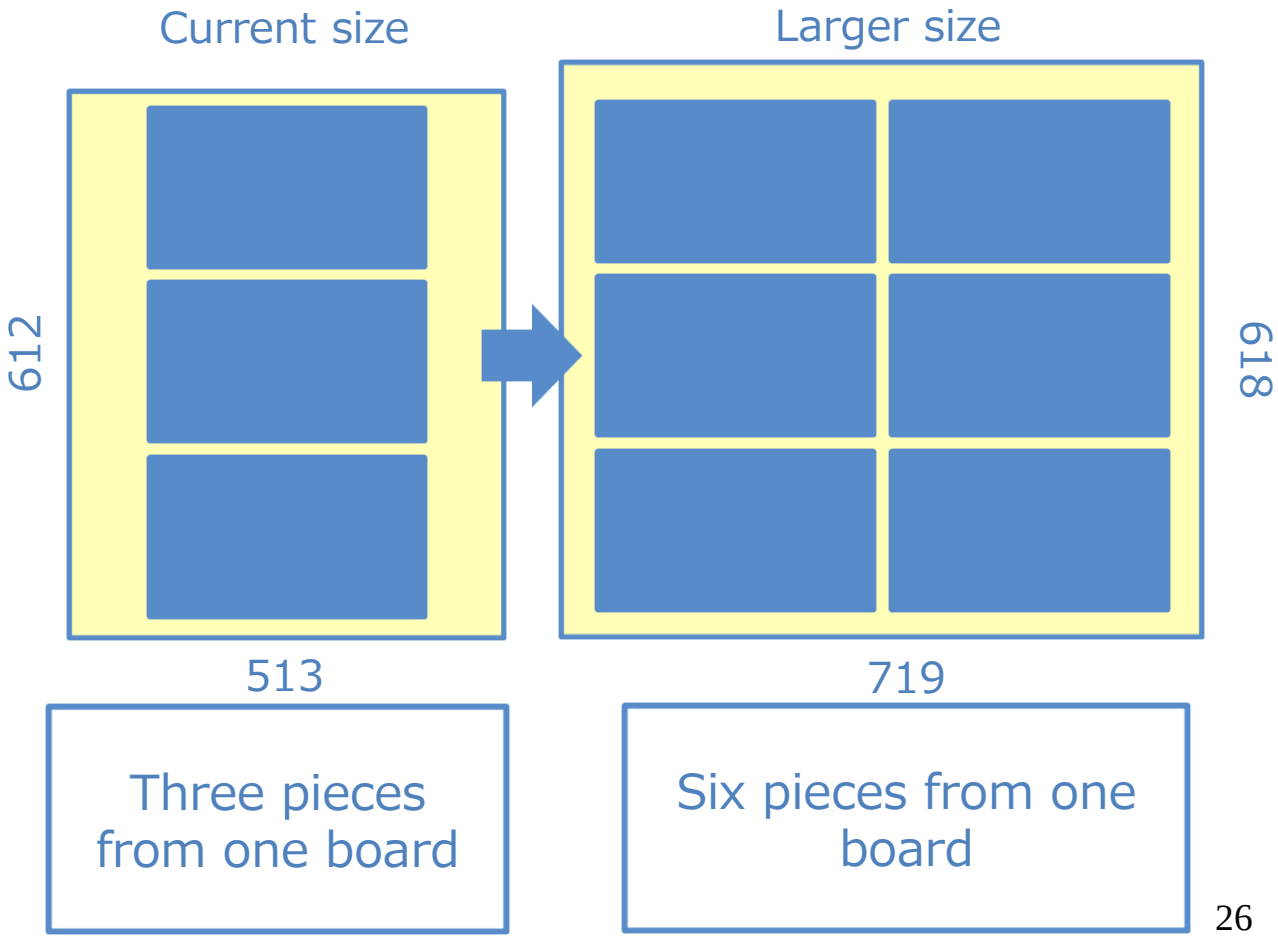
⇒**Profitability of Wuxi factory is expected to be improved** through higher productivity.
⇒Promoting automation is expected to reduce failure rates.

Another measures

・Management unification of the factories in China (Wuxi and Dongguan) promotes rationalization and efficiency.
・By utilizing intelligent manufacturing management system, we promote cost competitiveness (labor saving), stable quality (improved analysis), production efficiency (best operation system/optimal inventory control).

<Image of large format>

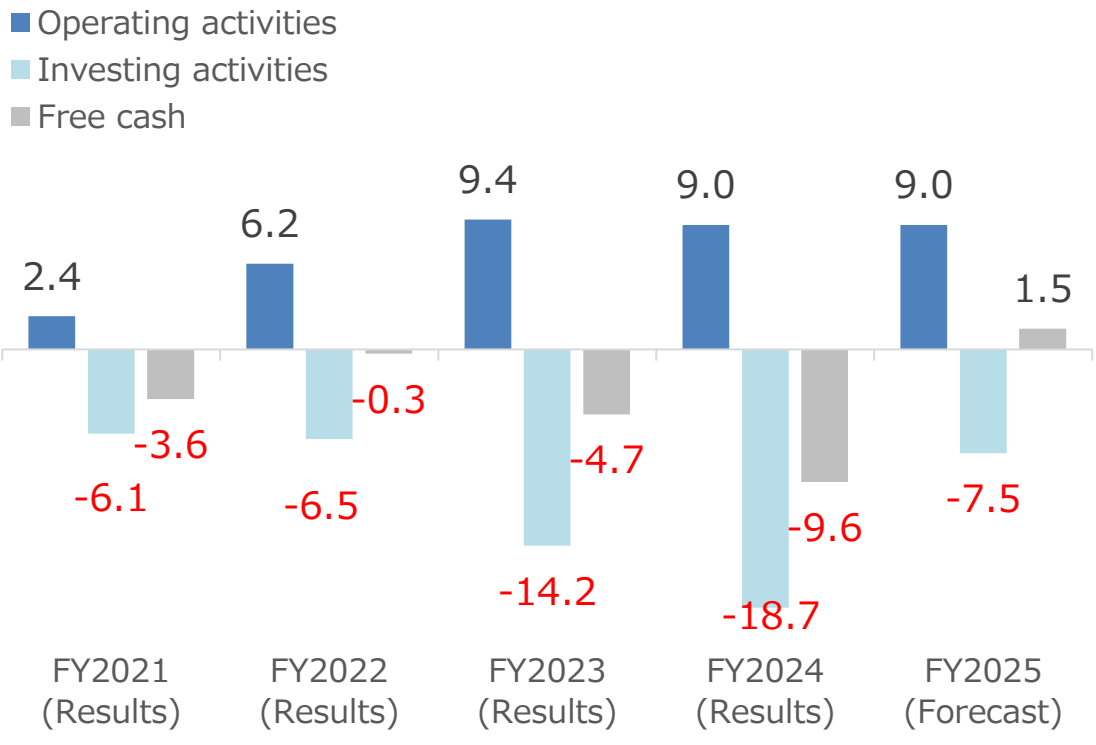
Double production in one processing



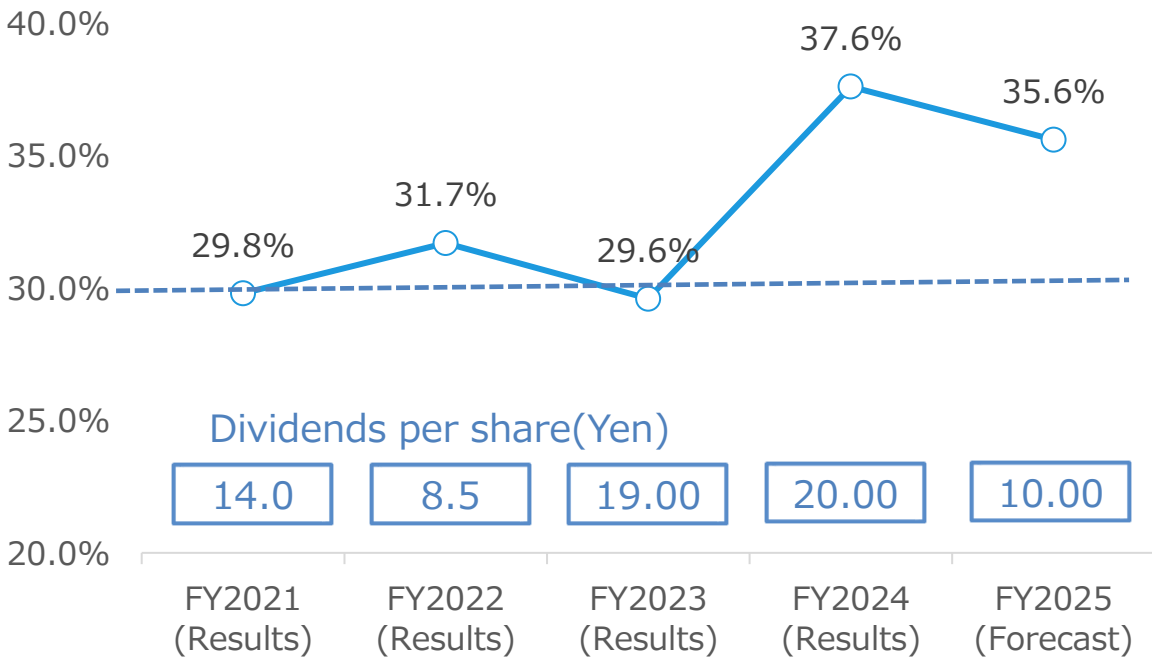
Shareholder return policy

■ Dividend policy: We should pay stable dividends with a target consolidated payout ratio of 30% after taking into consideration our business performance and financial position, while securing the necessary internal reserves to strengthen our management structure and develop our business in the future.

Cash Flows (Billions of yen)



Dividend payout ratio (%)

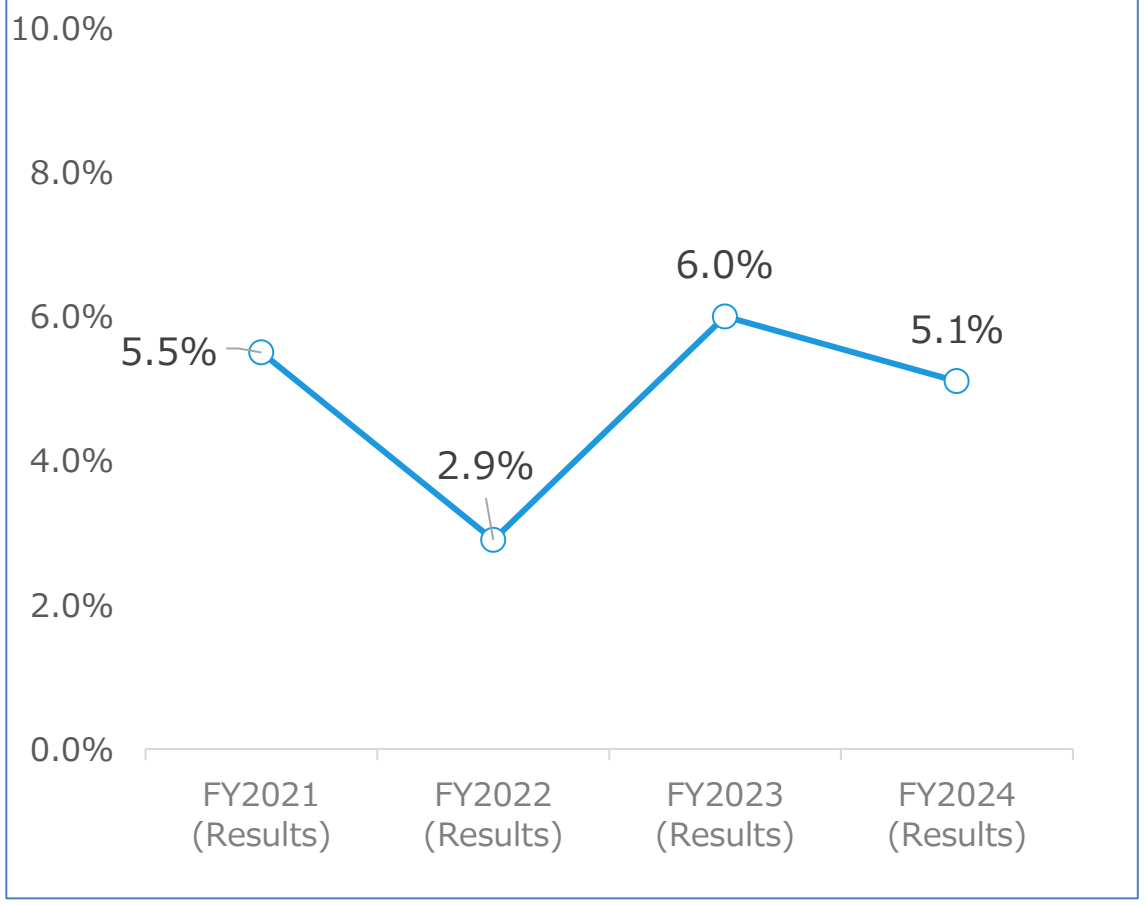


⇒We pay dividends putting the dividend payout ratio as an important measure return profits to shareholders amid the need to continue capital investment to realize our growth strategies.

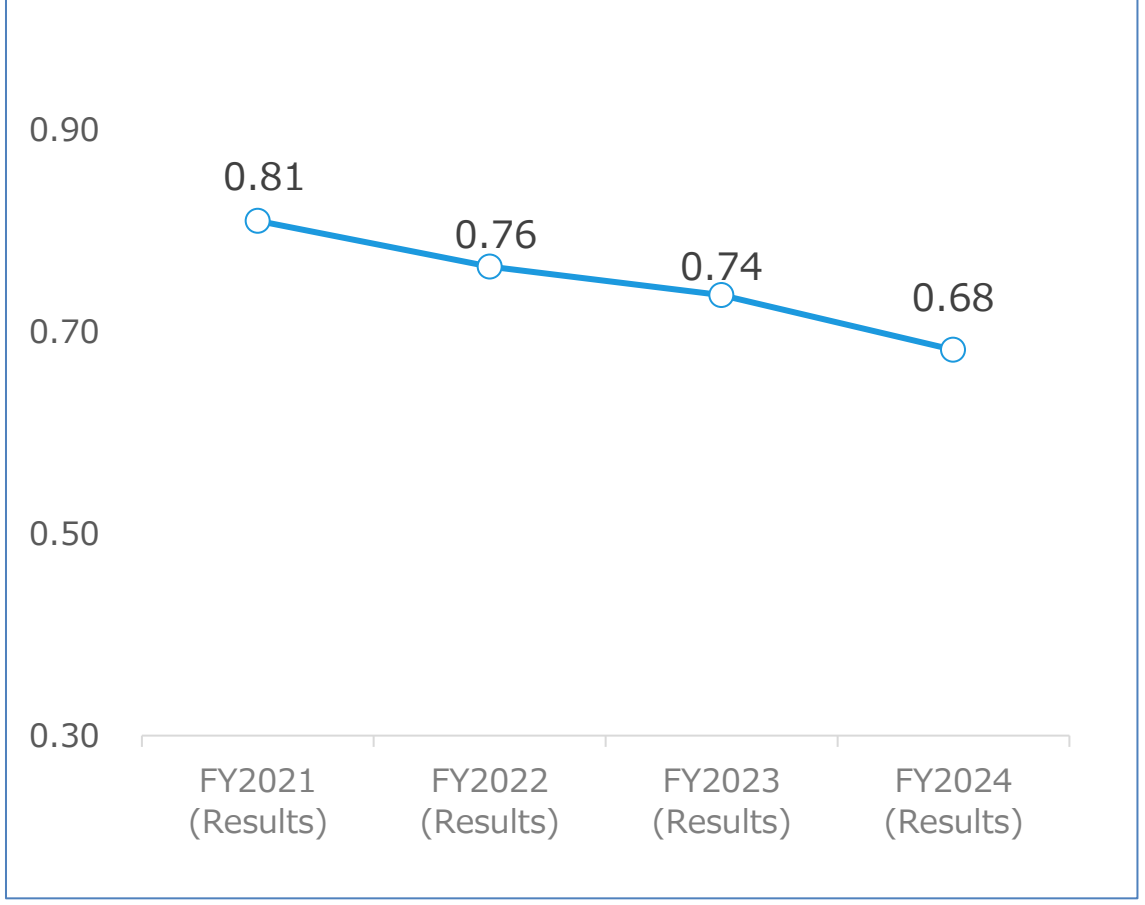
Increase in corporate value (Return on capital and current recognition of our market valuation)

- ROE is below cost of shareholder's' equity; effective use of assets and enhancement of profitability are essential to improve ROE.
- Price to Book Ratio is currently below 1x.

ROE



Total Asset Turnover



Improvement of corporate value（to increase ROE/PBR）

We aim at ROE increase and PBR improvement, the actions below should be taken.

Growth strategy

- **Shift to high value-added products as for automotive product（Increase in the ratio of HDI PCBs)**
- **Realization of growth strategy by starting up mass production at the new factory in Thailand**
- **Productivity improvement through large-format production**
- **Profit generation through sales expansion of high value-added products in new business areas**

Financial Strategy

- Continuously improvement in asset efficiency
- Stable dividend payment and sufficient return of profits to shareholders

IR Strategy

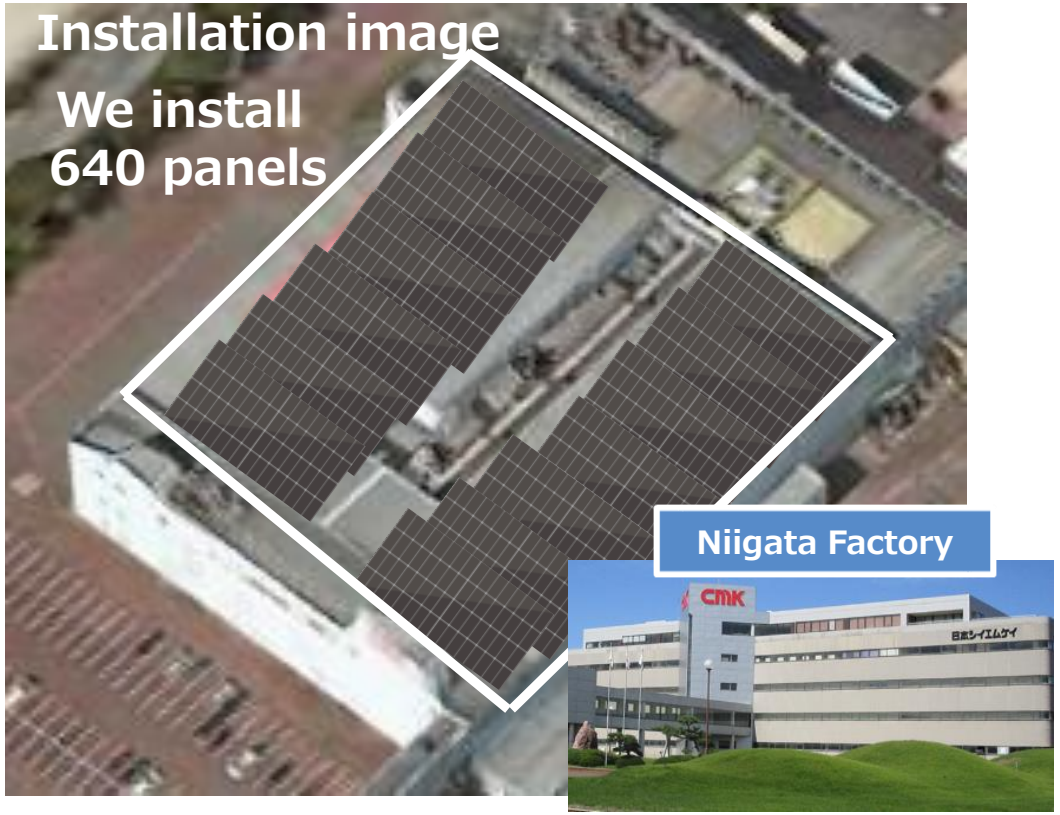
- We activate dialogues with shareholders and investors by expanding IR events
- Expansion of disclosure materials
- More opportunities to feed back the gained opinions in dialogues to board of directors

Sustainability（Topics）

Promotion of carbon neutral initiatives

1 Solar panels

・Solar panels will be installed on the roof of Niigata factory and will start to run in summer 2026, which will lead to reduction of about 160t CO2 emissions.



2 Green power

・Green power will be introduced in 2024 at the Chinese factories (Wuxi and Dongguan). Thus, in Wuxi in 2025, and in Dongguan in 2026, 100% operations will run by green power.

3 Energy reduction

・Old facilities such as utility equipment with large power ratings will be systematically replaced to reduce energy consumption.

4 CDP2024

・We received a “B” score in the “Climate Change Report 2024” published by CDP

CDP Discloser 2024

6. Supplementary information

①Sales by product

(Billions of yen)		FY2023 Results	FY2024 Results	YoY Change	YoY %	FY2025 Forecast
Car Electronics		77.5	82.1	+4.6	+6%	81.6
Breakdown	Powertrain	30.9	30.8	-0.1	-1%	36.2
	Driving control and Safety	22.0	24.8	+2.8	+13%	27.8
	Body Electronics/Climate Control	20.8	23.8	+2.9	+14%	15.8
	Information and Communication	3.6	2.6	-0.9	-27%	1.7
Mobile communications		0.8	1.1	+0.3	+39%	1.3
Others		12.1	12.1	-0.0	-0%	12.9
Total		90.5	95.4	+4.9	+5%	96.0

②Sales by type of PCBs

(Billions of yen)	FY2023 Results	FY2024 Results	YoY Change	YoY %	FY2025 Forecast
HDI PCBs	26.0	29.8	+3.7	+15%	29.5
Multilayered PCBs	49.8	51.0	+1.1	+2%	50.9
Double-sided PCBs	10.0	10.0	-0.0	-0%	7.6
Others	4.5	4.5	-0.0	-0%	7.8
Total	90.5	95.4	+4.9	+5%	96.0

③Financial results by region

(Billions of yen)		FY2023 Results	FY2024 Results	YoY Change	YoY %	FY2025 Forecast
Japan	Sales	57.0	58.2	+1.2	+2%	61.3
	Operating income	1.5	2.2	+0.6	+39%	3.0
China	Sales	34.2	34.4	+0.1	+0%	31.3
	Operating income	1.8	1.5	-0.2	-16%	1.5
Southeast Asia	Sales	30.1	34.7	+4.5	+15%	35.2
	Operating income	0.7	0.8	+0.0	+13%	0.0
Europe & North America	Sales	4.4	4.3	-0.1	-3%	6.1
	Operating income	0.3	0.2	-0.0	-27%	0.3
Adjustment	Sales	▲35.3	▲36.1	-0.8	-	▲38.0
	Operating income	▲1.0	▲1.0	-0.0	-	▲0.9
Consolidated	Sales	90.5	95.4	+4.9	+5%	96.0
	Operating income	3.5	3.8	+0.2	+8%	4.0

④Capital investment

(Billions of yen)	FY2023 Results	FY2024 Results	YoY Change	FY2025 Forecast
Japan	1.6	1.9	+0.3	4.1
Overseas	14.3	16.9	+2.6	3.4
Consolidated	15.9	18.9	+2.9	7.5
Depreciation cost	5.2	5.9	+0.6	6.2

Future-related information and descriptions in this material are just forward-looking statements and not guarantees for future achievements

(Amounts are rounded, and % is rounded to one decimal place.)

END