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Consolidated Interim Financial Results for the Six Months Ended September 30, 2025 (Under Japanese GAAP)

October 27, 2025

Company name:	Macnica Holdings, Inc.
Listing:	TSE Prime
Securities code:	3132
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Scheduled date of filing interim securities report:	November 14, 2025
Scheduled date to commence dividend payments:	December 2, 2025
Preparation of supplementary material on financial results:	Yes
Holding of interim financial results briefing:	Yes (For institutional investors and analysts)

1. Consolidated interim financial results for the six months ended September 30, 2025

(April 1, 2025 to September 30, 2025)

(1) Consolidated operating results (cumulative) Yen rounded down to millions, % indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended								
September 30, 2025	575,435	10.9	17,506	△21.8	14,728	△30.2	11,021	△27.7
September 30, 2024	518,960	△5.1	22,377	△41.1	21,099	△42.5	15,243	△41.1

Note: Comprehensive income For the six months ended September 30, 2025: 14,440 million yen [30.9%]
For the six months ended September 30, 2024: 11,031 million yen [△69.1%]

	Net income per share	Diluted net income per share
	Yen	Yen
Six months ended		
September 30, 2025	61.75	—
September 30, 2024	84.68	—

Note: The Company conducted a 1-for-3 share split of its common shares, effective October 1, 2024. Net income per share for the six months ended September 30, 2024 was calculated on the assumption that the share split was conducted at the beginning of the previous fiscal year. Diluted net income per share is stated as "—" because there are no latent shares.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of			
September 30, 2025	596,216	269,960	43.7
March 31, 2025	556,438	261,477	45.4

Reference: Equity as of September 30, 2025: 260,505 million yen; as of March 31, 2025: 252,413 million yen

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	yen	yen	yen	yen	yen
Fiscal year ended March 31, 2025	—	105.00	—	35.00	—
Fiscal year ending March 31, 2026	—	35.00	—	—	—
Fiscal year ending March 31, 2026 (Forecast)	—	—	—	35.00	70.00

1. Revisions to the forecast of cash dividends most recently announced: None

2. The Company conducted a 1-for-3 share split for common shares, effective October 1, 2024. The year-end dividend per share for the year ended March 31, 2025 reflects the impact of the share split. Taking the share split into account, the dividend per share at the second quarter-end of the year ended March 31, 2025 was 35.00 yen, and the annual dividend was 70.00 yen.

3. Forecast of Consolidated Financial Results for the Fiscal Year Ending March 31, 2026

(April 1, 2025 to March 31, 2026)

% indicate changes from the same period of the previous fiscal year

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Net income per share
	Mill yen	%	Mill yen	%	Mill yen	%	Mill yen	%	yen
Fiscal year ending March 31, 2026	1,050,000	1.5	42,000	5.9	38,500	3.2	27,000	6.8	151.33

1. Revisions of the forecast most recently announced: None

Notes:

(1) Significant changes in scope of consolidation during the interim period: None

Newly included: None

Excluded: None

(2) Application of accounting procedures specific to the interim consolidated financial statements: Yes

Please see "2. Consolidated Interim Financial Statements and Major Notes, (4) Notes to Consolidated Interim Financial Statements: Application of accounting procedures specific to the interim consolidated financial" on page 10.

(3) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of September 30, 2025	179,072,146 shares
As of March 31, 2025	179,072,146 shares

(ii) Number of treasury shares at the end of the period

As of September 30, 2025	509,089 shares
As of March 31, 2025	657,485 shares

(iii) Average number of shares outstanding during the interim period

Six months ended September 30, 2025	178,478,266 shares
Six months ended September 30, 2024	180,013,938 shares

Note: The Company conducted a 1-for-3 share split of its common shares, effective October 1, 2024. The "average number of shares outstanding during the interim period for the six months ended September 30, 2024" was calculated on the assumption that the share split was conducted at the beginning of the previous fiscal year.

* Interim financial results reports are exempt from review conducted by certified public accountants or an audit corporation.

* Disclaimer regarding forward-looking statements and other special notes

Forward-looking statements in this document such as financial forecasts are based on assumptions available to management and considered reasonable at the time of publication. The Group does not guarantee the achievement of projections. Actual performance may differ materially from these projections due to various factors. Please see "1. Overview of Operating Results (3) Consolidated Earnings Forecasts and Other Forward-Looking Statements" on page 4 for more information regarding the assumptions used and matters to be noted when relying on profit projections.

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1. Overview of Operating Results

(1) Interim Operating Results

During the consolidated interim period under review, the Japanese economy continued in a gradual recovery underpinned by resilient corporate earnings, despite the impact of rising prices. The global economy continues to face uncertainty, with geopolitical risks and concerns over trade friction stemming from policy changes in the US.

In the electronics industry, to which our company belongs, capital investment for generative AI increased. In the automotive market, while overall growth has been slower than expected for the EV (electric vehicle) market, semiconductor content per vehicle is increasing following demand for advanced control systems for safety and automation, as well as the rapid adoption of EVs for decarbonization. Meanwhile, the industrial equipment market remains in a correction phase, with prolonged inventory adjustments impacting a wide range of sectors including factory automation (FA), machine tools, medical equipment, and measuring instruments.

In the IT industry, the corporate IT investment environment remains favorable. With regards to the security segment, ransomware and cyberattacks via supply chains have proliferated, causing significant information leaks and business disruptions and an increasing number of companies recognizing security as a key management challenge. Furthermore, with the adoption of cloud services and normalization of remote work, increases in external connectivity have expanded areas requiring countermeasures. In addition, as cloud utilization and remote work become more common, the number of external connections has increased, widening the scope of areas that require security measures. There is growing interest in Zero Trust, which does not trust users or devices even within internal systems, and ASM (Attack Surface Management), which visualizes and manages risks to information assets.

As a result of the above, net sales for the interim period were 575,435 million yen, a 10.9% increase over the same period last year. However, profit margins declined, due largely to currency fluctuations in Japan and Taiwan during the consolidated first quarter and increasing SG&A following the consolidation of Navya Mobility SAS during the previous fourth quarter. Consequently, operating income amounted to 17,506 million yen, 21.8% less than the previous interim, ordinary income came to 14,728 million yen, a 30.2% decrease also caused by exchange rate fluctuations, and net income attributable to owners of the parent came to 11,021 million yen, less 27.7% compared to the interim period last year.

Performance by segment follows. Effective from the present interim period, the 'Network Business' segment was changed to 'Cybersecurity and Other IT Solutions Business' with no alteration to the segment classification, scope, or measurement methods.

ICs, Electronic Devices and Other Business

In this business, investment in generative AI accelerated in the computer market and demand for high-performance AI servers increased both in Japan and overseas. In the automotive market, despite market stagnation, our sales activities were highly evaluated, leading to new commercial channels. In the industrial equipment market, demand remained sluggish, particularly in Japan, due to prolonged inventory adjustments, but overseas markets, in addition to the increase due to the transfer of commercial flows, gradually improved. As a result, sales for this business increased 11.1% to 494,785 million yen, while operating income decreased 40.3% to 9,738 million yen for the six-month period under review.

Cybersecurity and Other IT Solutions Business

In this business, recognition of the importance of security measures for client terminals has spread, leading to continued solid performance for endpoint security-related products. In addition, against the backdrop of expanding cloud service usage and the spread of zero trust security, solutions supporting secure content management in the cloud, cloud security gateways, and SASE (Secure Access Service Edge) related products integrating network and security saw steady growth. Overseas cybersecurity operations, primarily in Southeast Asia, are also growing steadily. As a result, interim sales for this segment reached 80,704 million yen, a 9.9% increase year-on-year, and operating income reached 7,767 million yen, a 28.3% increase year-on-year.

Reference: Consolidated Net Sales by Product

		Apr 1 - Sept 30, 2024	Apr 1 - Sept 30, 2025	Y/Y change (%)
		Millions of yen	Millions of yen	
IC, Electronic Devices and Other Businesses		445,504	494,785	11.1
IC		394,478	416,302	5.5
	PLD	36,830	51,239	39.1
	ASIC	9,331	8,606	△7.8
	ASSP	52,438	47,524	△9.4
	Analog	119,439	135,568	13.5
	Memory	34,238	27,856	△18.6
	Microcontroller	72,998	77,678	6.4
	Power and Other ICs	69,201	67,829	△2.0
	Electronic Devices	34,527	42,987	24.5
	Other	16,499	35,495	115.1
Cybersecurity and Other IT Solutions Business		73,456	80,649	9.8
	Hardware	7,093	7,516	6.0
	Software	56,362	60,258	6.9
	Service	10,000	12,874	28.7
Total		518,960	575,435	10.9

1. Amounts are sales to external customers, excluding internal sales or transfer sales between segments.
2. From the present interim, we have divided 'Other Standard ICs' into 'Microcontroller' and 'Power and Other ICs.' Segment information for the previous interim has also been presented using the new segment name.

(2) Interim Financial Position

Total assets at the end of the interim period amounted to 596,216 million yen, an increase of 39,777 million yen compared to the end of the previous fiscal year.

Current assets increased by 38,871 million yen compared to the end of the previous fiscal year. This was primarily due to increases in notes, accounts receivable and contract assets of 34,770 million yen, electronically recorded receivables of 6,420 million yen, and other current assets of 10,069 million yen, despite decreases in cash and deposits of 2,292 million yen and product of 9,908 million yen.

Fixed assets increased by 906 million yen compared to the end of the previous fiscal year. This was primarily due to an increase of 1,155 million yen in investment securities, despite a decrease of 288 million yen in other intangible fixed assets.

Current liabilities increased by 31,271 million yen compared to the end of the previous fiscal year. This was primarily due to an increase of 31,869 million yen in notes and accounts payable.

Long-term liabilities increased by 23 million yen compared to the end of the previous fiscal year. This was primarily due to a 32 million yen increase in other long-term liabilities, despite an 8 million yen decrease in liabilities for retirement benefits.

Net assets increased by 8,482 million yen compared to the end of the previous fiscal year. This was primarily due to increases of 4,777 million yen in retained earnings, 804 million yen in unrealized holding gains on securities, 2,549 million yen in translation adjustments, and 390 million yen in non-controlling interests.

Cash Flows

The balance of cash and cash equivalents at the end of the interim period decreased by 2,231 million yen to 46,221 million yen, compared to 48,452 million yen at the end of the previous fiscal year.

Cash flow from operating activities

Cash flows from operating activities increased by 23,614 million yen, compared to an increase of 18,548 million yen in the same period of the previous year. This was mainly due to recording interim income before income taxes of 14,762 million yen, a decrease in inventories, and an increase in trade payables and other cash inflows from operating activities, despite an increase in notes and accounts receivable.

Cash flow from investing activities

Cash flows from investing activities decreased by 1,180 million yen, compared to a decrease of 7,934 million yen in the same period of the previous fiscal year. This was primarily due to proceeds from collection of loans and proceeds from sales of investment securities, offset by disbursement of loans and purchases of property and equipment and intangible assets.

Cash flow from financing activities

Cash flows from financing activities decreased by 24,907 million yen, compared to a decrease of 12,193 million yen in the same period of the previous fiscal year. This was primarily due to a net decrease in short-term loans, cash dividends paid, and dividends paid to non-controlling shareholders.

(3) Consolidated Earnings Forecasts and Other Forward-Looking Statements

Regarding the outlook, the electronics industry in which we operate continues to face uncertainty due to issues such as tariffs stemming from geopolitical change, exchange rate fluctuation, and the impact of inventory adjustments for semiconductors and electronic components. However, we anticipate a gradual market recovery starting in the latter half of the fiscal year. In the IT industry, as the use of digital technologies expands, information assets requiring protection from cyberattacks is increasing. Consequently, security-related products are expected to continue performing solidly.

Furthermore, as recognition of the effectiveness of data utilization in corporate business activities grows, we anticipate growth in data analysis-related products. Considering these business conditions, the full-year consolidated earnings forecast for the fiscal year ending March 31, 2026 remains unchanged from the figures announced in the “Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 [Japanese GAAP]” released on May 7, 2025. Should any revisions become necessary, they will be promptly disclosed.

2. Consolidated Interim Financial Statements and Major Notes

(1) Consolidated Interim Balance Sheet

	(Millions of yen)	
	As of March 31, 2025	As of September 30, 2025
ASSETS		
Current assets		
Cash and deposits	48,530	46,237
Notes, accounts receivable and contract assets	205,967	240,737
Electronically recorded receivables	9,215	15,636
Product	234,549	224,641
Other	27,130	37,199
Allowance for doubtful accounts	△456	△645
Total current assets	<u>524,936</u>	<u>563,807</u>
Fixed assets		
Tangible fixed assets		
Buildings and structures, net	2,444	2,408
Tools, furniture and fixtures, net	1,730	1,796
Machinery, equipment and vehicles, net	497	632
Land	3,563	3,563
Other, net	1,213	1,227
Total tangible fixed assets	<u>9,450</u>	<u>9,628</u>
Intangible fixed assets		
Goodwill	579	357
Other	6,318	6,030
Total intangible fixed assets	<u>6,898</u>	<u>6,388</u>
Investments and other assets		
Investment securities	7,958	9,114
Other	7,419	7,490
Allowance for doubtful accounts	△224	△213
Investments and other assets	<u>15,153</u>	<u>16,392</u>
Total fixed assets	<u>31,502</u>	<u>32,408</u>
Total Assets	<u>556,438</u>	<u>596,216</u>

	(Millions of yen)	
	As of March 31, 2025	As of September 30, 2025
LIABILITIES		
Current liabilities		
Notes & accounts payable	147,887	179,757
Short-term loans payable	74,728	58,153
Accrued income taxes	1,984	4,603
Accrued bonuses	6,123	5,497
Provision for directors' bonuses	41	25
Other current liabilities	62,297	76,296
Total current liabilities	<u>293,061</u>	<u>324,332</u>
Long-term liabilities		
Liability for retirement benefits	427	418
Other long-term liabilities	1,471	1,504
Total long-term liabilities	<u>1,899</u>	<u>1,923</u>
Total liabilities	<u>294,961</u>	<u>326,256</u>
NET ASSETS		
Shareholders' Equity		
Paid-in capital	14,040	14,040
Additional paid-in capital	30,671	30,654
Retained earnings	182,406	187,183
Treasury share	△1,330	△1,030
Total shareholders' equity	<u>225,788</u>	<u>230,848</u>
Other Comprehensive Income		
Unrealized holding gains on securities	323	1,127
Gain (loss) on deferred hedge	132	△189
Translation adjustments	26,169	28,719
Total comprehensive income	<u>26,625</u>	<u>29,657</u>
Non-controlling interests	9,063	9,454
Total net assets	<u>261,477</u>	<u>269,960</u>
Total Liabilities & Net Assets	<u>556,438</u>	<u>596,216</u>

(2) Consolidated Interim Statements of Income and Comprehensive Income**Consolidated Interim Statement of Income**

	(Millions of yen)	
	Six months ended September 30, 2024	Six months ended September 30, 2025
Net sales	518,960	575,435
Cost of sales	458,692	515,561
Gross profit	60,268	59,873
Selling, general & administrative expenses	37,891	42,367
Operating income	22,377	17,506
Non-operating income		
Interest income	336	212
Dividend income	92	221
Equity in net gain of affiliates	—	11
Insurance proceeds	23	488
Other	343	582
Total non-operating income	795	1,517
Non-operating expenses		
Interest expense	888	1,030
Equity in net loss of affiliates	7	—
Foreign exchange losses	873	2,542
Loss on transfer of receivables	247	215
Other	57	506
Total non-operating expenses	2,073	4,294
Ordinary income	21,099	14,728
Extraordinary income		
Proceeds from sale of investment securities	239	170
Gain on negative goodwill	612	—
Other	7	6
Total extraordinary income	859	177
Extraordinary losses		
Loss on retirement of fixed assets	5	102
Loss on valuation of investment securities	33	36
Loss on termination of ESOP trust	74	—
Other	2	4
Total extraordinary losses	115	143
Interim income before income taxes	21,843	14,762
Corporate, inhabitant and enterprise taxes	5,873	4,062
Total corporate tax	5,873	4,062
Net interim income	15,970	10,700
Net interim income (loss) attributable to non-controlling interests	726	△321
Net interim income attributable to owners of parent	15,243	11,021

Consolidated Interim Statement of Comprehensive Income

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Net interim income	15,970	10,700
Other comprehensive income		
Unrealized holding gains on securities	△592	862
Gain (loss) on deferred hedge	240	△322
Translation adjustments	△4,555	3,208
Other comprehensive income of entities under equity method	△30	△10
Total comprehensive income	△4,938	3,739
Comprehensive interim income	11,031	14,440
(Breakdown of comprehensive income)		
Comprehensive interim income attributable to owners of parent	10,706	14,049
Comprehensive interim income attributable to non-controlling interests	325	390

(3) Consolidated Interim Statements of Cash Flow

	(Millions of yen)	
	Six months ended September 30, 2024	Six months ended September 30, 2025
Operating Activities		
Interim income before income taxes	21,843	14,762
Depreciation and amortization	1,807	2,116
Gain on negative goodwill	△612	—
Interest and dividend income	△428	△434
Interest expense	888	1,030
Insurance proceeds	△23	△488
Equity in net loss (gain) of affiliates	7	△11
Loss (gain) on translation	523	504
Loss on retirement of non-current assets	5	102
Proceeds from sale of investment securities	△239	△170
Loss on valuation of investment securities	33	36
Loss on termination of ESOP trust	74	—
Change in notes and accounts receivable	△1,388	△38,757
Change in inventories	△5,033	11,854
Changes in trade payable	7,833	30,770
Other	921	3,591
Sub-total	26,211	24,907
Interest and dividends received	406	451
Interest paid	△868	△985
Proceeds from insurance income	23	488
Corporate tax payment	△7,224	△1,247
Net cash provided by (used in) operating activities	18,548	23,614
Investing Activities		
Proceeds from withdrawal of time deposits	—	67
Disbursement of loans	△1,585	△729
Proceeds from collection of loans	692	623
Purchases of property and equipment	△672	△697
Proceeds from sales of property and equipment	13	0
Purchases of intangible assets	△986	△652
Purchases of investment securities	△41	△37
Proceeds from sales of investment securities	287	247
Purchase of shares of subsidiaries and associates	△172	—
Payments for transfer of business	△2,237	—
Purchase of shares of subsidiaries	△3,194	—
Other	△37	△1
Net cash provided by (used in) investing activities	△7,934	△1,180

	(Millions of yen)	
	Six months ended September 30, 2024	Six months ended September 30, 2025
Financing Activities		
Change in short-term loans	△3,866	△17,346
Repayment of long-term debt	△206	—
Purchase of treasury shares	△1	△0
Cash dividends paid	△7,192	△6,241
Dividends paid to non-controlling interests	△500	△936
Other	△426	△382
Net cash provided by (used in) financing activities	△12,193	△24,907
Translation adjustments on cash and cash equivalents	△1,142	241
Net increase (decrease) in cash and cash equivalents	△2,722	△2,231
Cash and cash equivalents at the beginning of the year	38,623	48,452
Cash and cash equivalents at end of the interim period	35,901	46,221

(4) Notes to Consolidated Interim Financial Statements

Notes on going concern assumptions

Not applicable.

Notes on significant changes in shareholders' equity

Not applicable.

Application of accounting procedures specific to the interim consolidated financial statements

Tax expenses

The Company adopted a procedure for reasonably estimating the effective tax rate after applying tax effect accounting to income before taxes for the consolidated fiscal year, including the current consolidated interim period, and multiplying interim income before income taxes by the estimated effective tax rate.

Segment information

1. Previous Consolidated Interim Period (April 1 – September 30, 2024)

(1) Sales and profit (loss) by reportable segment

(Millions of yen)

	Reportable segment			Other	Total
	ICs, Electronic Devices and Other Business	Cybersecurity and Other IT Solutions Business	Sub-total		
Sales					
1) Sales to external customers	445,504	73,456	518,960	—	518,960
2) Internal sales, segment transfer	—	5	5	—	5
Total	445,504	73,461	518,965	—	518,965
Operating income by segment	16,321	6,055	22,376	—	22,376

(2) Income (loss) by reportable segment & consolidated interim statements of income (Reconciliation)

(Millions of yen)

Income	Amount
Total segment income	22,376
Elimination of intersegment income	0
Operating income in the consolidated interim statement of income	22,377

(3) Impairment losses on fixed assets, information concerning goodwill by reportable segment (Significant gain on negative goodwill)

In the ICs, electronic devices and other business, the Group acquired additional shares in consolidated subsidiary Glosel Co., Ltd. As a result, a gain on negative goodwill of 612 million yen was recorded in the current consolidated interim period.

2. Current Consolidated Interim Period (April 1 – September 30, 2025)

(1) Sales and profit (loss) by reportable segment

(Millions of yen)

	Reportable segment			Other	Total
	ICs, Electronic Devices and Other Business	Cybersecurity and Other IT Solutions Business	Sub-total		
Sales					
1) Sales to external customers	494,785	80,649	575,435	—	575,435
2) Internal sales, segment transfers	—	54	54	—	54
Total	494,785	80,704	575,489	—	575,489
Operating income by segment	9,738	7,767	17,505	—	17,505

(2) Income (loss) by reportable segment & consolidated interim statements of income (reconciliation)

(Millions of yen)

Income	Amount
Total segment income	17,505
Elimination of intersegment income	0
Operating income in the consolidated interim statement of income	17,506

(3) Impairment losses on fixed assets, information concerning goodwill by reportable segment

Not applicable

(4) Changes in reportable segments

From the current consolidated interim period, the reportable segment previously referred to as the “Network Business” has been renamed “Cybersecurity and Other IT Solutions Business.” This change is in name only and does not affect the segment information. The segment information for the previous interim has also been presented using the new segment name.