

---

# Financial Results Briefing for 1H FYE 12/2025

---

August 8, 2025



**MEC COMPANY LTD.**

Securities code: 4971

<https://www.mec-co.com/en/>

Note : This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

# 1H FYE12/2025 Key Factors

---

1

Sales: 9,387 million yen (YOY change: Up 5.7%)  
Operating income: 2,440 million yen (YOY change: Up 3.3%)

2

Exchange rate impact (YOY change)  
Sales: Down 110 million yen,  
Operating income: Down 70 million yen.

3

Chemicals  
Sales: 9,025 million yen (YOY change: Up 7.6%)  
Shipments: 21,985 ton (YOY change: Up 8.6%)

4

Major products sales (YOY change)  
CZ: Up 11.4% V-Bond: Down 0.2% EXE: Down 2.8% SF: Down 31.8%

# Exchange Rates

Unit : yen

	Initial forecast	1H FYE12/2025	1H FYE12/2024	Q1 FYE12/2025
N T D	4.76	4.68	4.78	4.63
R M B	21.08	20.53	21.08	20.99
H K D	19.48	19.11	19.47	19.66
T H B	4.22	4.44	4.22	4.51
E U R	164.84	162.60	164.82	160.71
U S D	152.33	148.98	152.30	152.93

- Overseas subsidiaries are basically transactions denominated in local currency, and are affected by the yen / local currency rate when converting to yen in consolidated accounting.
- Our major foreign currencies are the Taiwan dollar (NTD) and the Chinese yuan (RMB). Both use the average rate during the period.

Exchange sensitivity (6 months conversion)

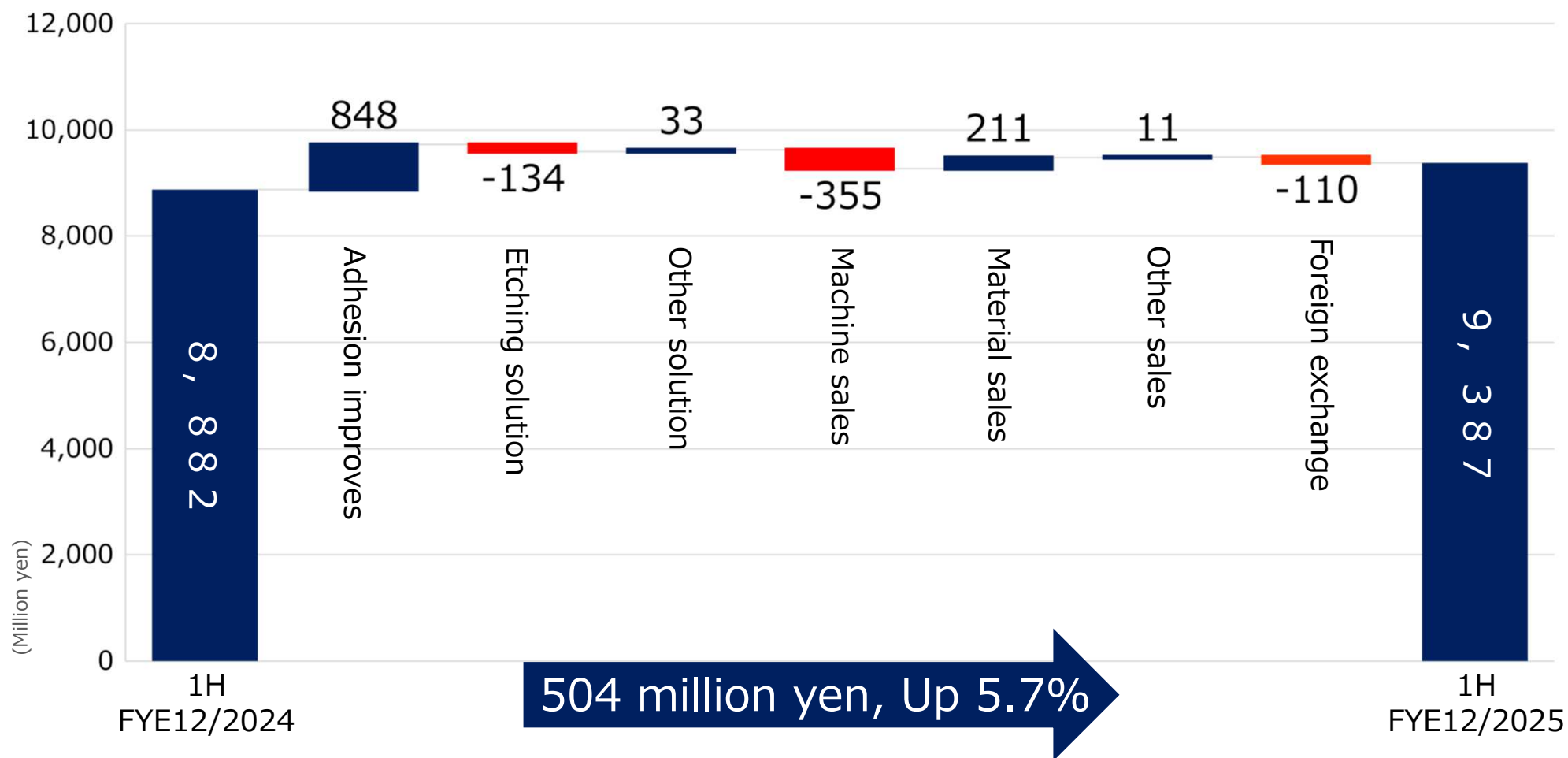
NTD: (Sale)	38 million yen
(Operating income)	26 million yen
RMB: (Sale)	14 million yen
(Operating income)	6 million yen

# 1H FYE12/2025 Results

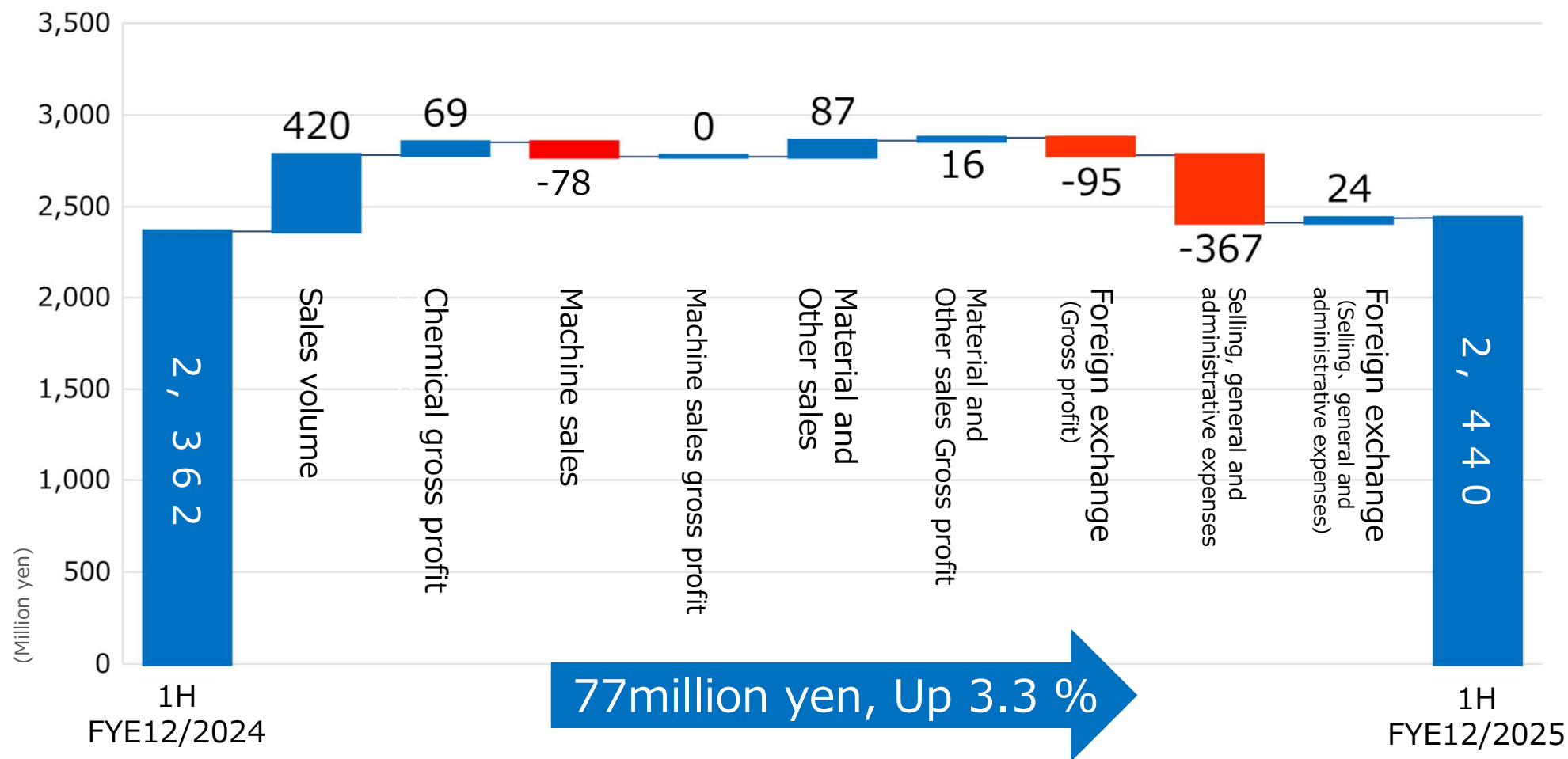
Unit : million yen

	1H						Full-year		
	FYE12.2024		FYE12.2025				FYE12.2024	FYE12.2025	
	Results	Progress ratio (%)	Results	Progress ratio (%)	YOY (%)		Results	(Forecast)	YOY (%)
Net sales	8,882	48.7%	9,387	46.9%	504	5.7%	18,234	20,000	9.7%
Chemical sales	8,384	-	9,025	-	640	7.6%	17,478	-	-
Gross profit	5,383	-	5,804	-	420	7.8%	11,101	-	-
Gross profit margin	60.6%	-	61.8%	-	-	-	60.9%	-	-
SGA	3,020	-	3,363	-	343	11.4%	6,539	-	-
Sales ratio	34.0%	-	35.8%	-	-	-	35.9%	-	-
Operating income	2,362	51.8%	2,440	48.8%	77	3.3%	4,562	5,000	9.6%
Operating profit margin	26.6%	-	26.0%	-	-	-	25.0%	-	-
Ordinary income	2,641	56.4%	2,493	48.9%	-147	-5.6%	4,682	5,100	8.9%
Ordinary profit margin	29.7%	-	26.6%	-	-	-	25.7%	-	-
Profit before tax	2,637	-	2,892	-	255	9.7%	4,669	-	-
Net income	1,890	82.5%	1,893	52.6%	3	0.2%	2,291	3,600	57.1%
EBITDA	3,029	-	3,287	-	258	8.5%	5,487	-	-
EPS	100.97	-	101.47	-	-	-	122.38	192.26	-
ROE	7.3%	-	7.0%	-	-	-	8.9%	12.8%	-

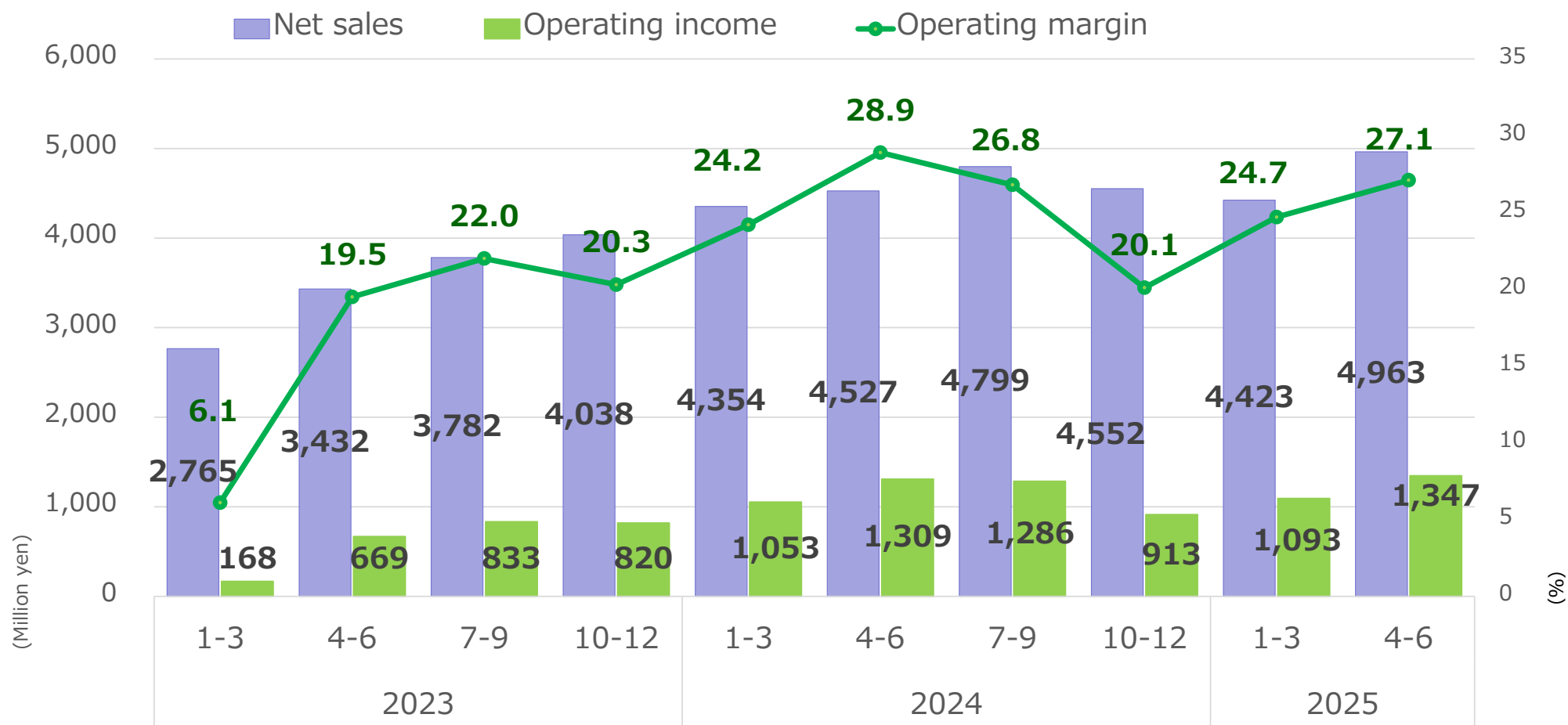
# Net Sales YOY



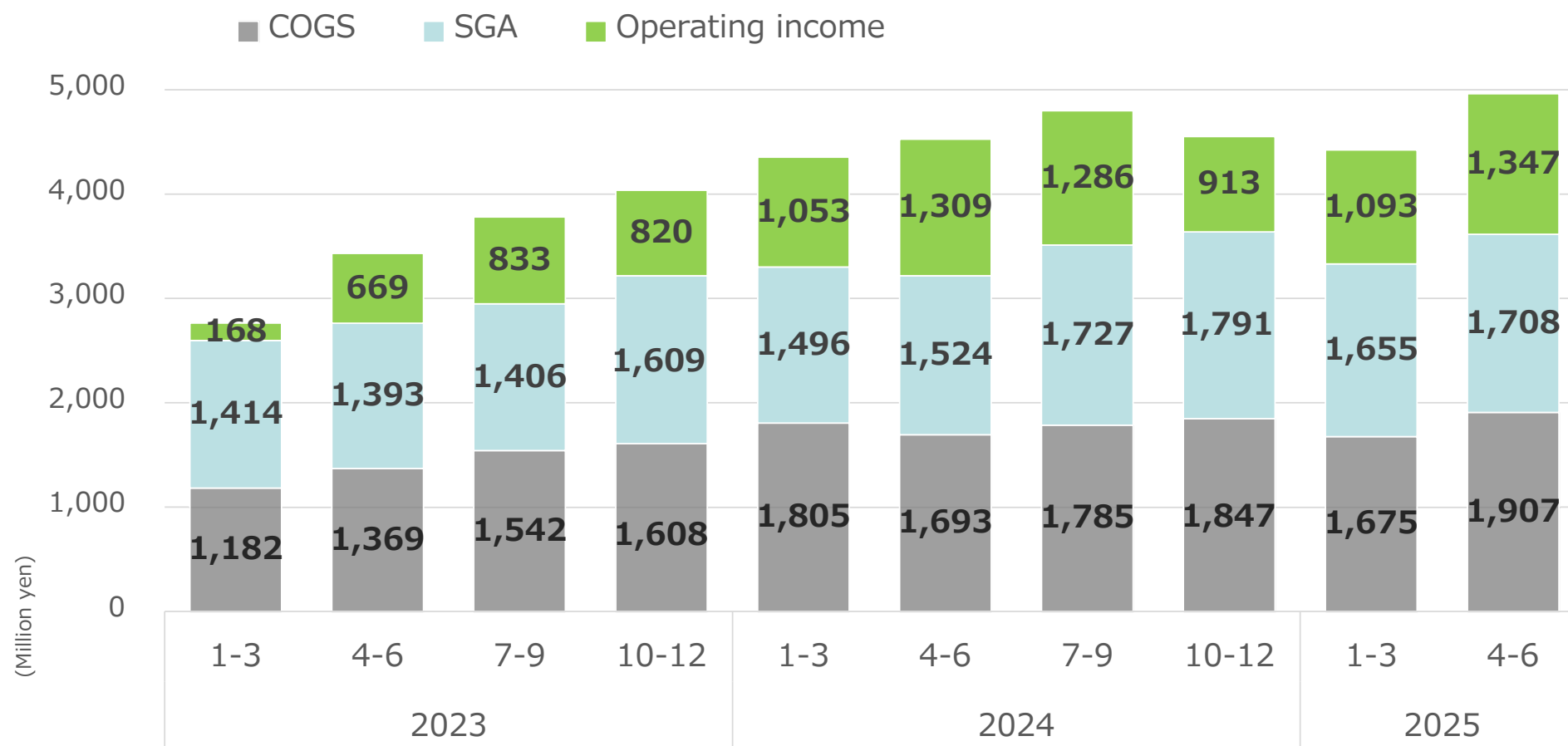
# Operating Income YOY



# Quarterly Performance: Sales, Operating Income, Operating Margin (Consolidated)

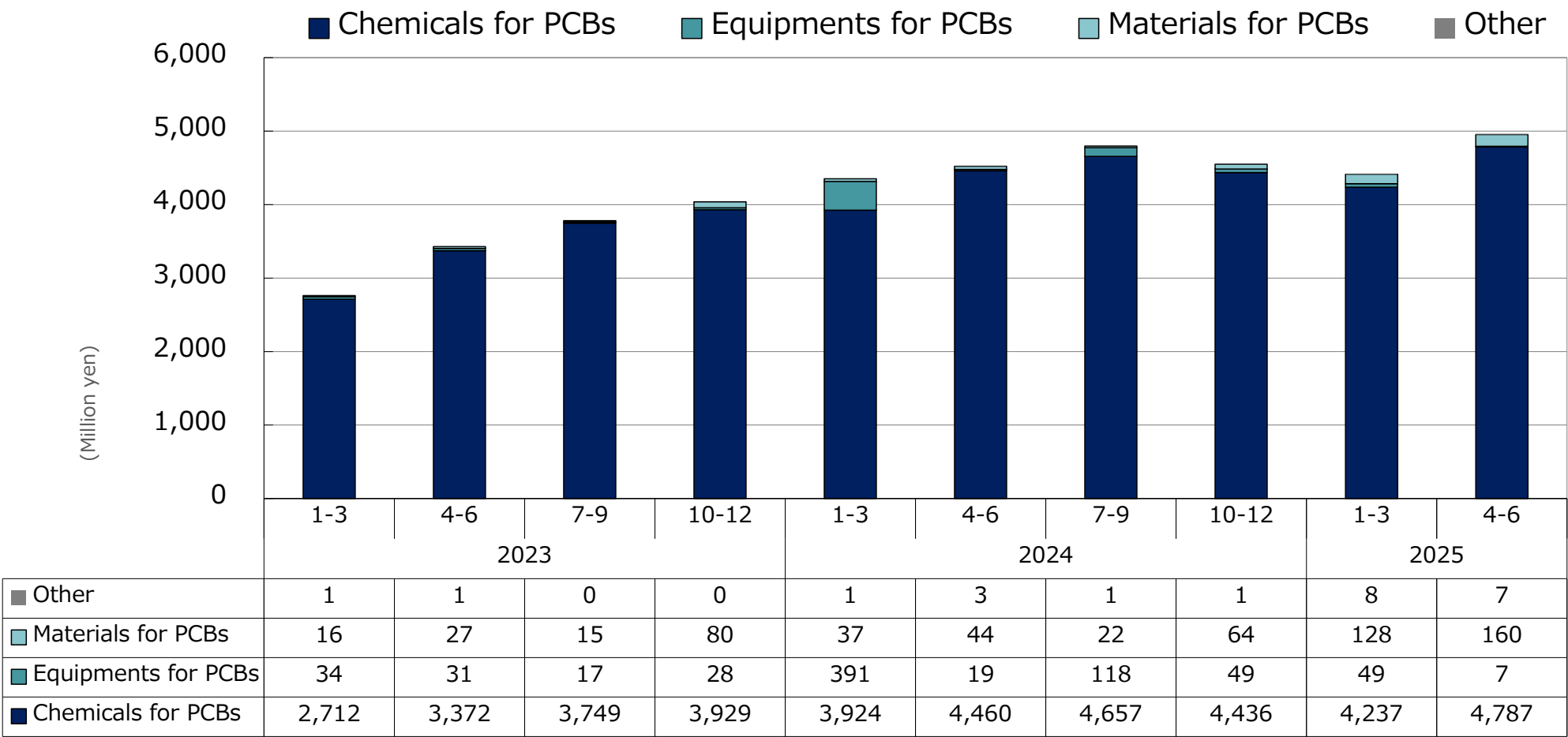


# Quarterly Composition: Operating Income, SG&A, COGS (Consolidated)

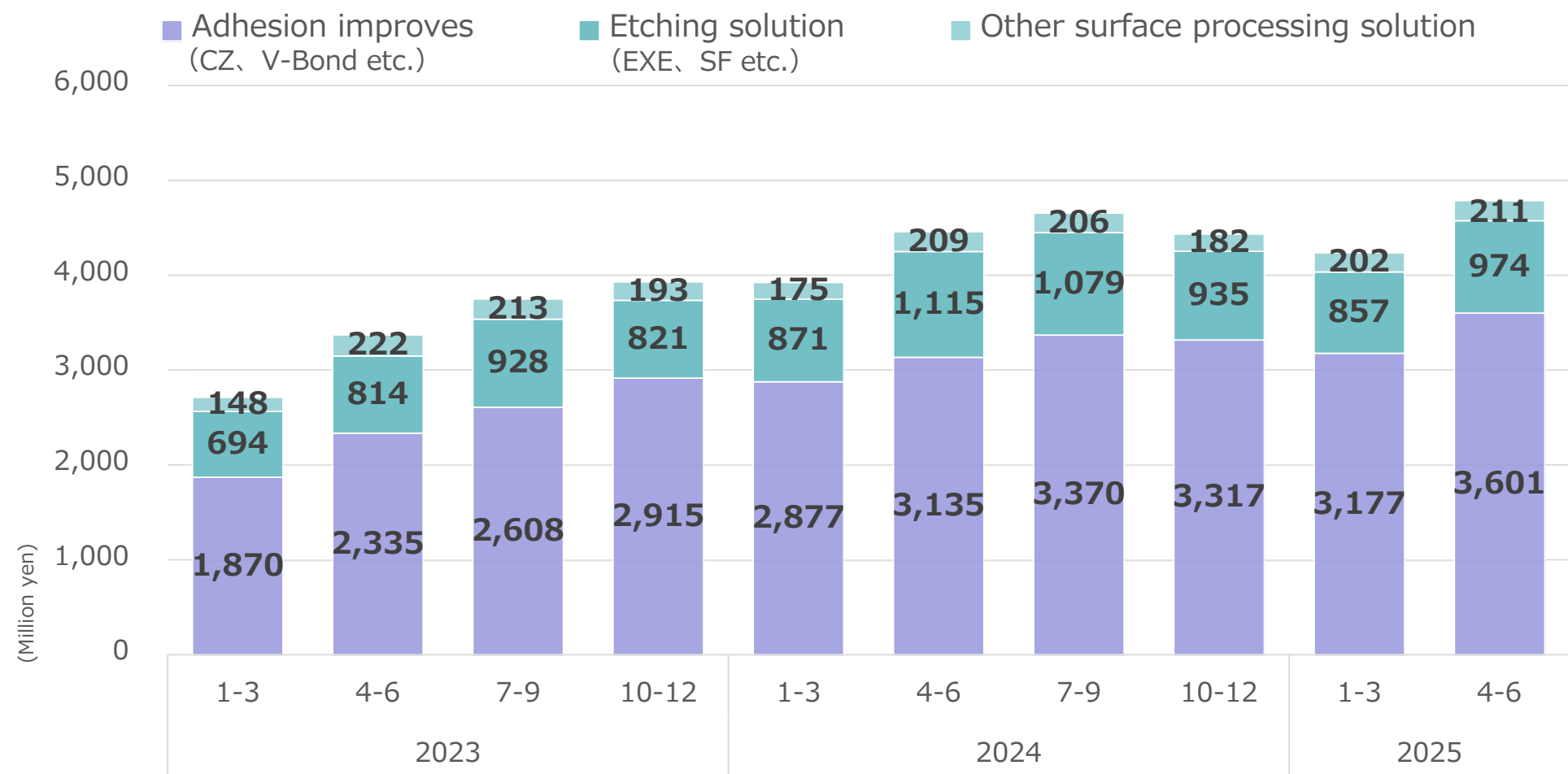




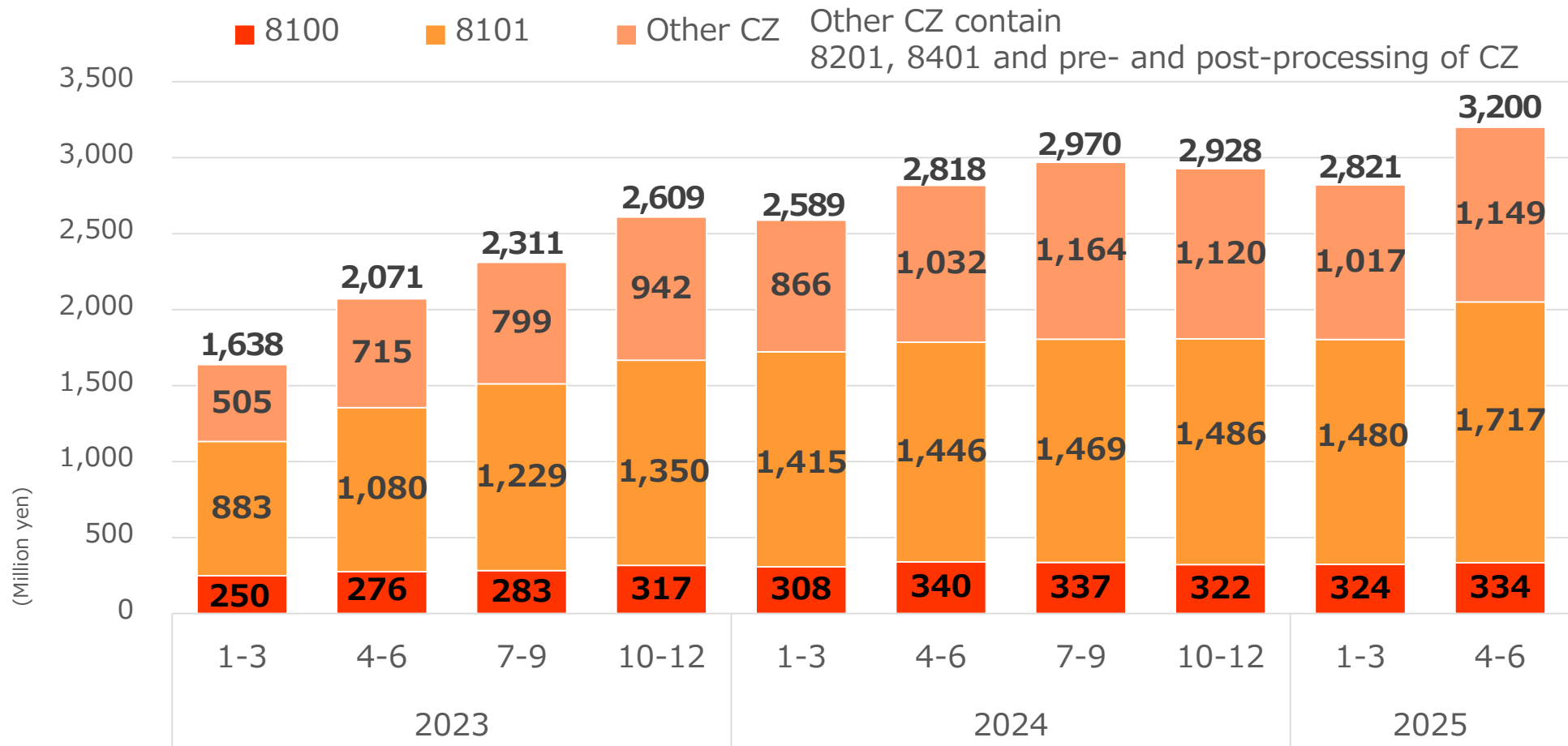
# Quarterly Performance : Product-Specific Sales (Consolidated)



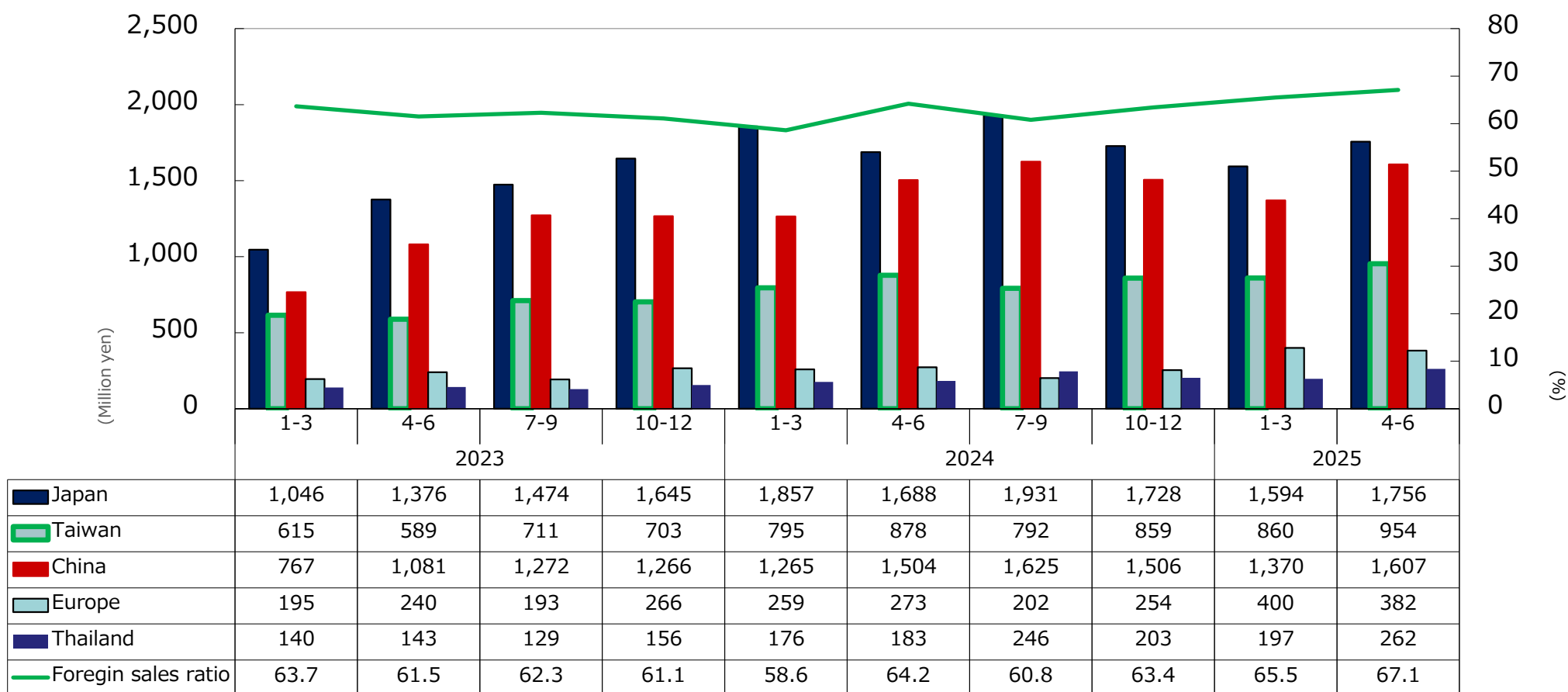
# Quarterly Performance : Chemical Sales (Consolidated)



# Quarterly Performance : CZ Series Sales



# Quarterly Performance : Region-Specific Sales and Overseas Sales Ratio



Overseas sales ratio is 81.2%(same period of the previous year: 79.5%)  
including sales to overseas customers through agents in Japan.

# **Our Future Plans**

# Our Future Plans

---

## Business environment

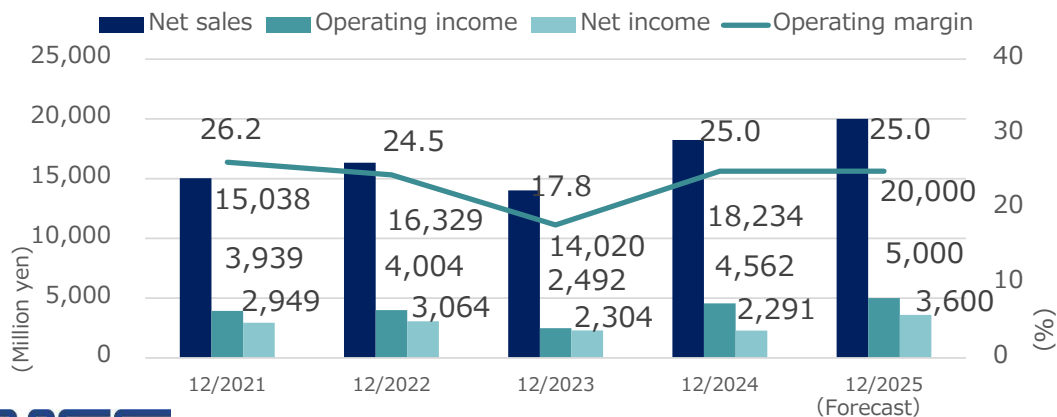
- In the short term, it will be affected by the semiconductor market, which is in a recovery phase.
- In the medium to long term, technological innovation will advance against the backdrop of the spread of technologies such as IoT, AI, 5G, electrification of vehicles, and the promotion of DX and GX, and markets related to our company will expect continue expanding.
- Demand for the related CZ series and Chemical adhesion promoter is expected to grow thanks to ultra-high density, ultra-high frequency and higher performance and increase in PKG substrates due to growing demand for semiconductors.

## Major chemical

- CZ : In the short term, demand will be affected by the semiconductor market is a recovery phase. In the medium to long term, demand is expected to increase due to an increase in PKG substrates and an increase in size and multilayer structure.
- V-Bond : In the short term, the automobile market and smartphone market will recover. Increasing trend for satellite communication boards.
- EXE : Demand will be affected by the demand trend for displays.
- SF : Demand will be affected by the demand trend for tablet PCs.

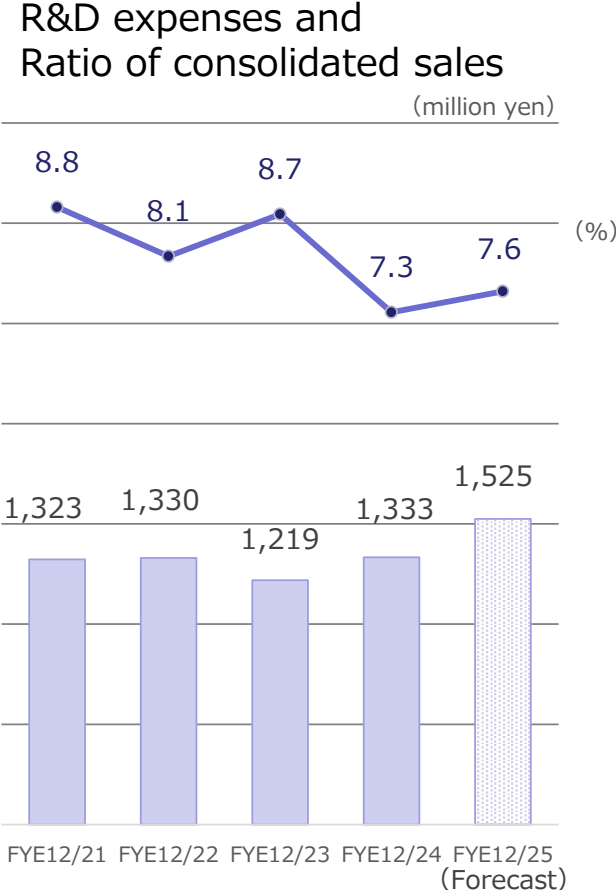
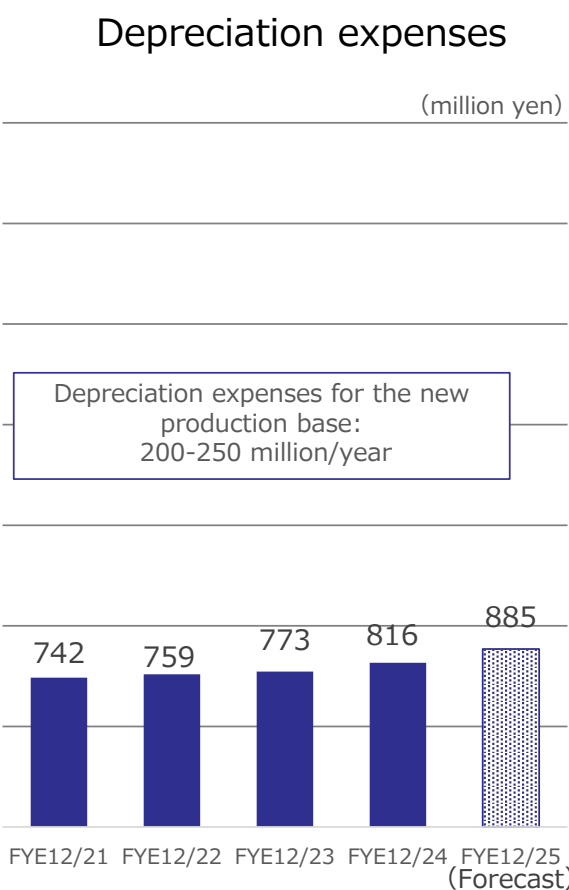
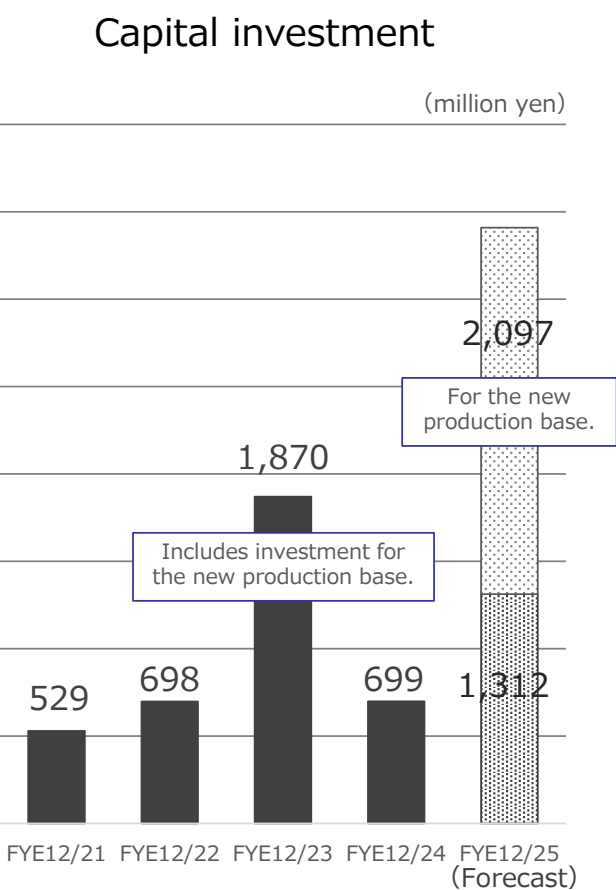
# FYE12/2025 Full-year Forecast

	FYE12/2024		FYE12/2025		
	Full-year		Full-year		
	Amount (million yen)	Profit ratio (%)	Amount (million yen)	Profit ratio (%)	YOY change (%)
Net sales	18,234	-	20,000	-	9.7%
Operating income	4,562	25.0	5,000	25.0	9.6%
Ordinary income	4,682	25.7	5,100	25.5	8.9%
Net income	2,291	12.6	3,600	18.0	57.1%
Net income per share(yen)	122.38	-	192.26	-	-



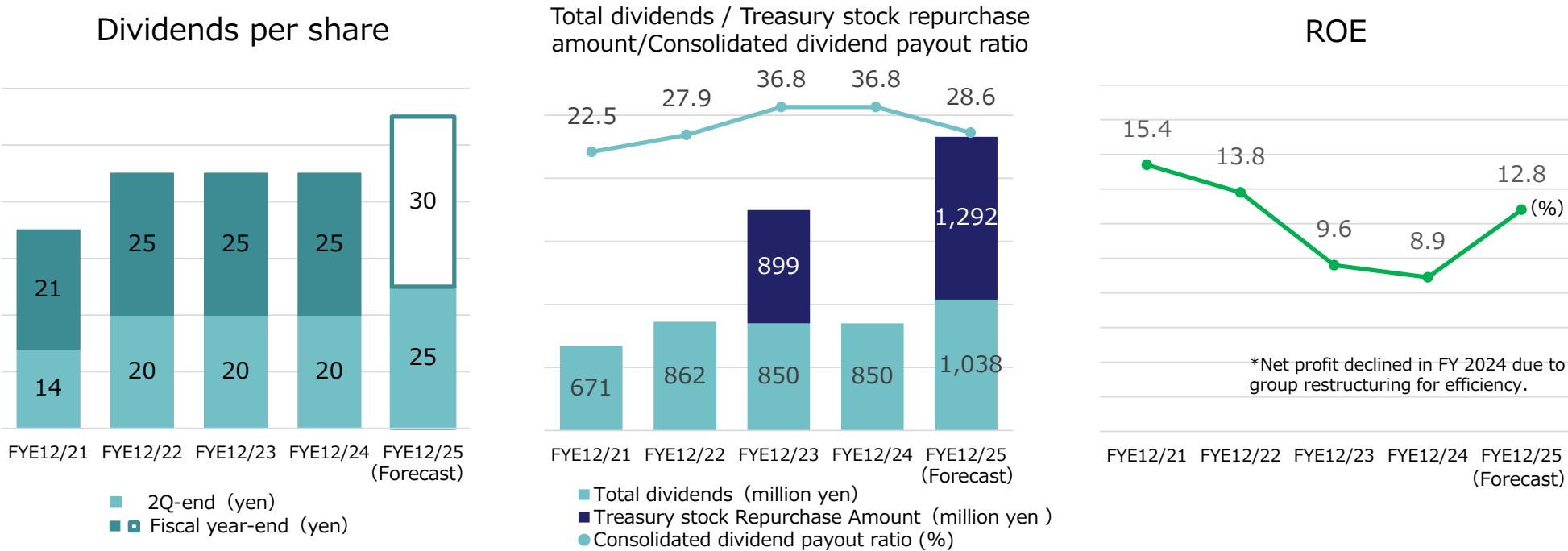
Exchange rates			FYE12/2024	FYE12/2025
N	T	D	4.72	4.76
R	M	B	21.04	21.08
H	K	D	19.41	19.48
T	H	B	4.31	4.22
E	U	R	163.79	164.84
U	S	D	151.44	152.33

# Capital Investment, Depreciation Expenses and R&D Expenses





# Trends in Total Dividends, Consolidated Dividend Payout Ratio, and ROE



## 2030 Vision Phase 2 Medium-term Management Plan (2025-2027)

### Shareholder returns

Maintain and increase the annual dividend per share (Consolidated payout ratio target: 30%)  
Flexibly implement share buyback according to the circumstances

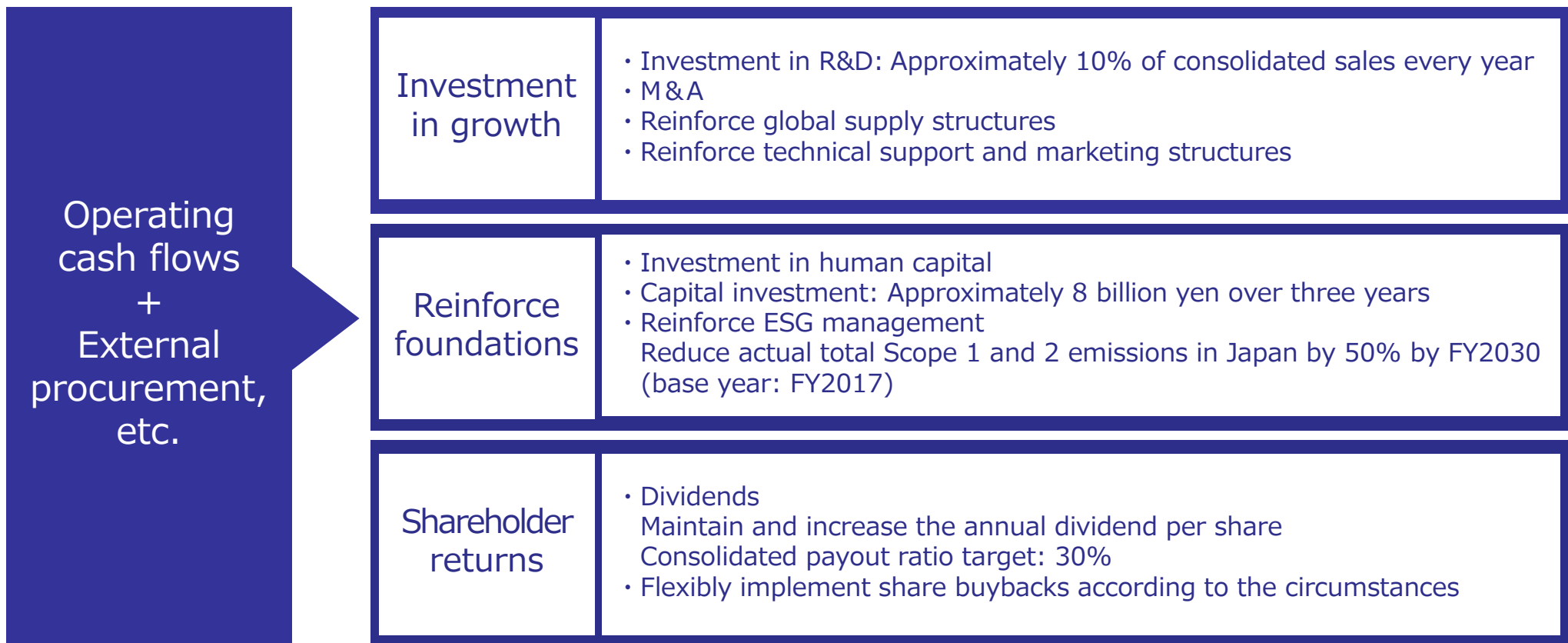
### ROE

Quantitative targets: At least 10%



# Cash Allocation

Profits obtained through business activities by investing management capital will be allocated to shareholder returns, growth investments, and foundation strengthening while maintaining balance.



# ESG Effort

---

## Environment

- Development of products that reduce environmental impact.
- Appropriate chemical substance management.
- Promotion of resource recycling.
- Measures to address climate change.

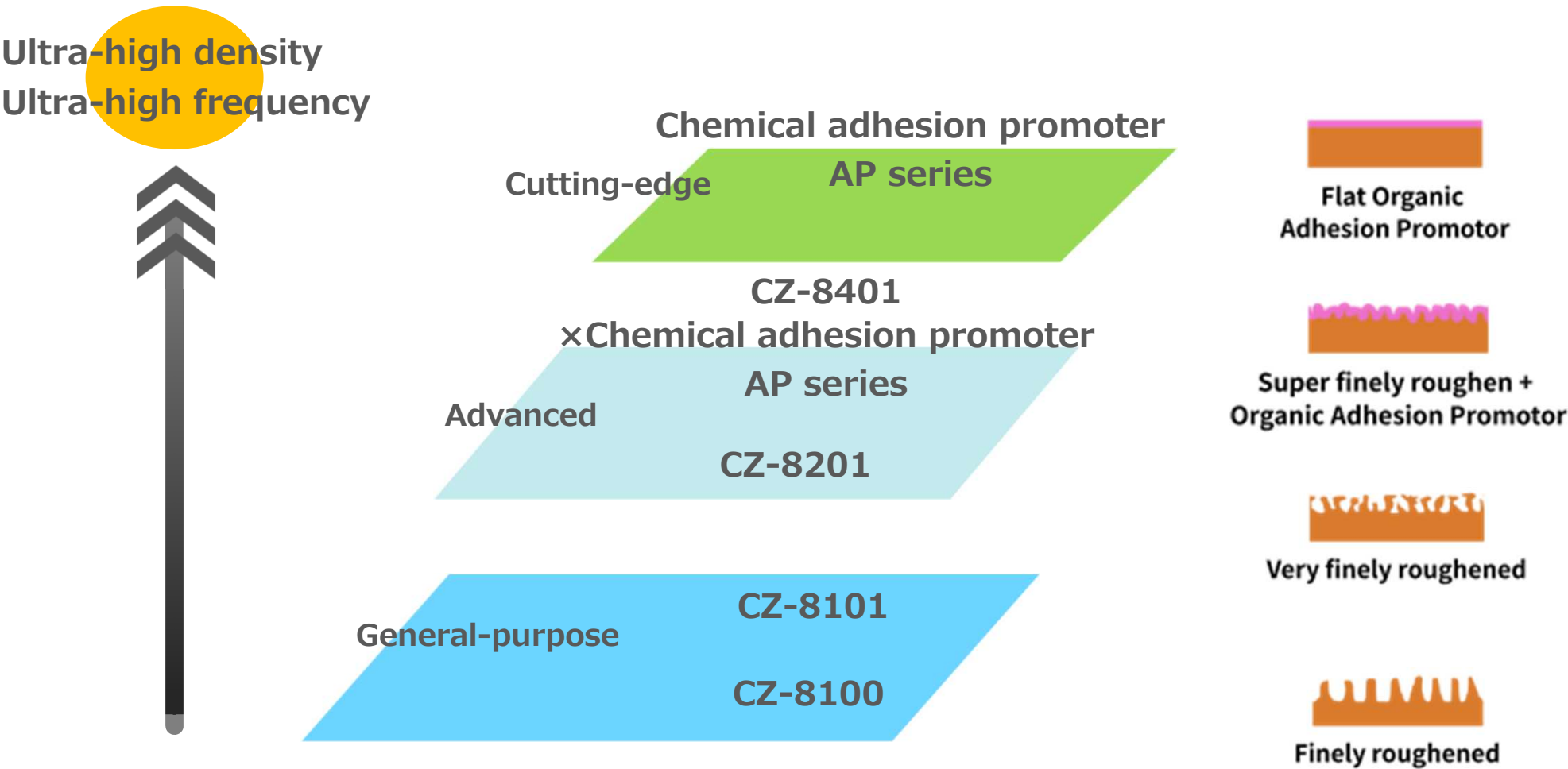
## Social

- Human capital strategy.
- Utilization of diverse human resources.  
(Empowerment of women, WLB, promotion of men taking childcare leave, etc.)
- Contribution to social development.  
(5G, autonomous driving)

## Governance

- Reinforcement of management foundations.  
(CG system, various committees, risk management, etc.)

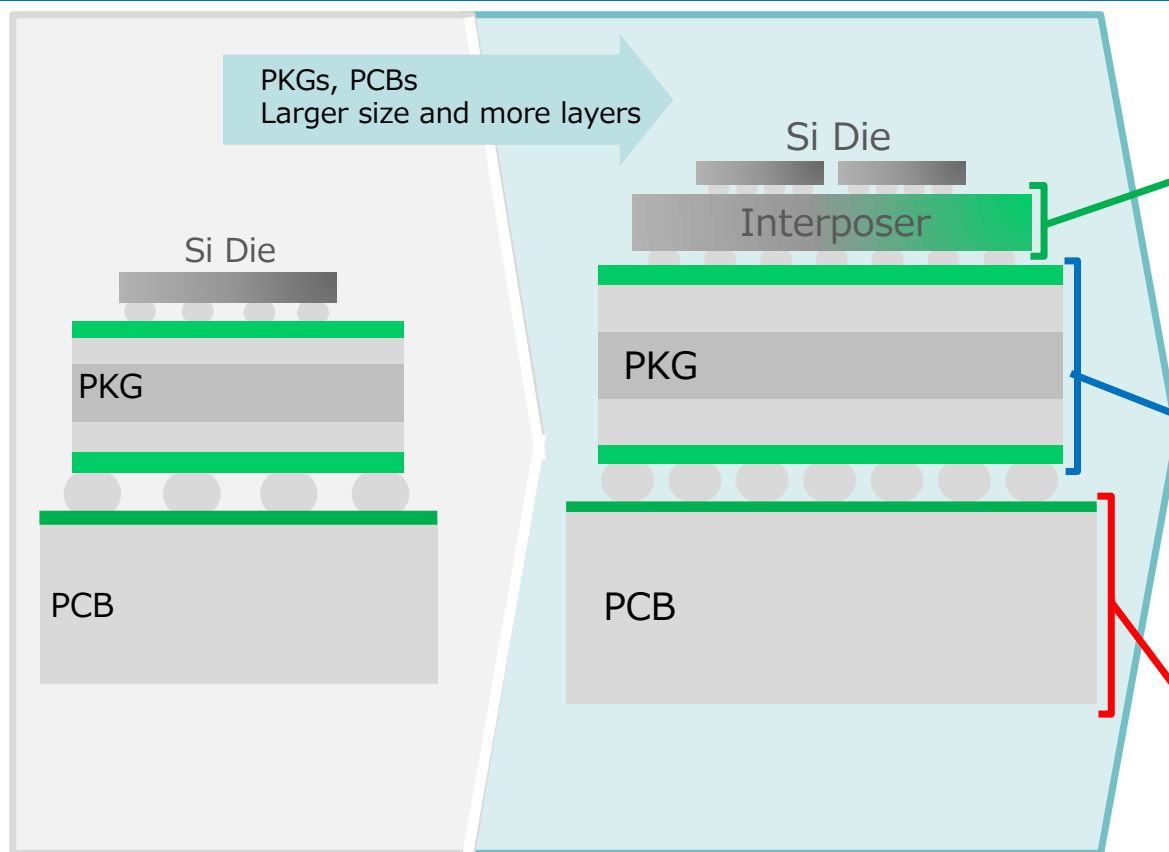
# Our Products & PKG Substrate Trend



# Aiming to Expand the Technical Domain

## Evolution of Our Company's Technology and Required Technology

Ultra-high density, low signal loss, low power consumption



### New field (Interposer)

- Products : Roughening adhesion(CZ)×Chemical adhesion(AP)
- Technical trend : Ultra-high density (Low L/S)
- Final products : Generative AI、 Data centers

### Existing field (PKG)

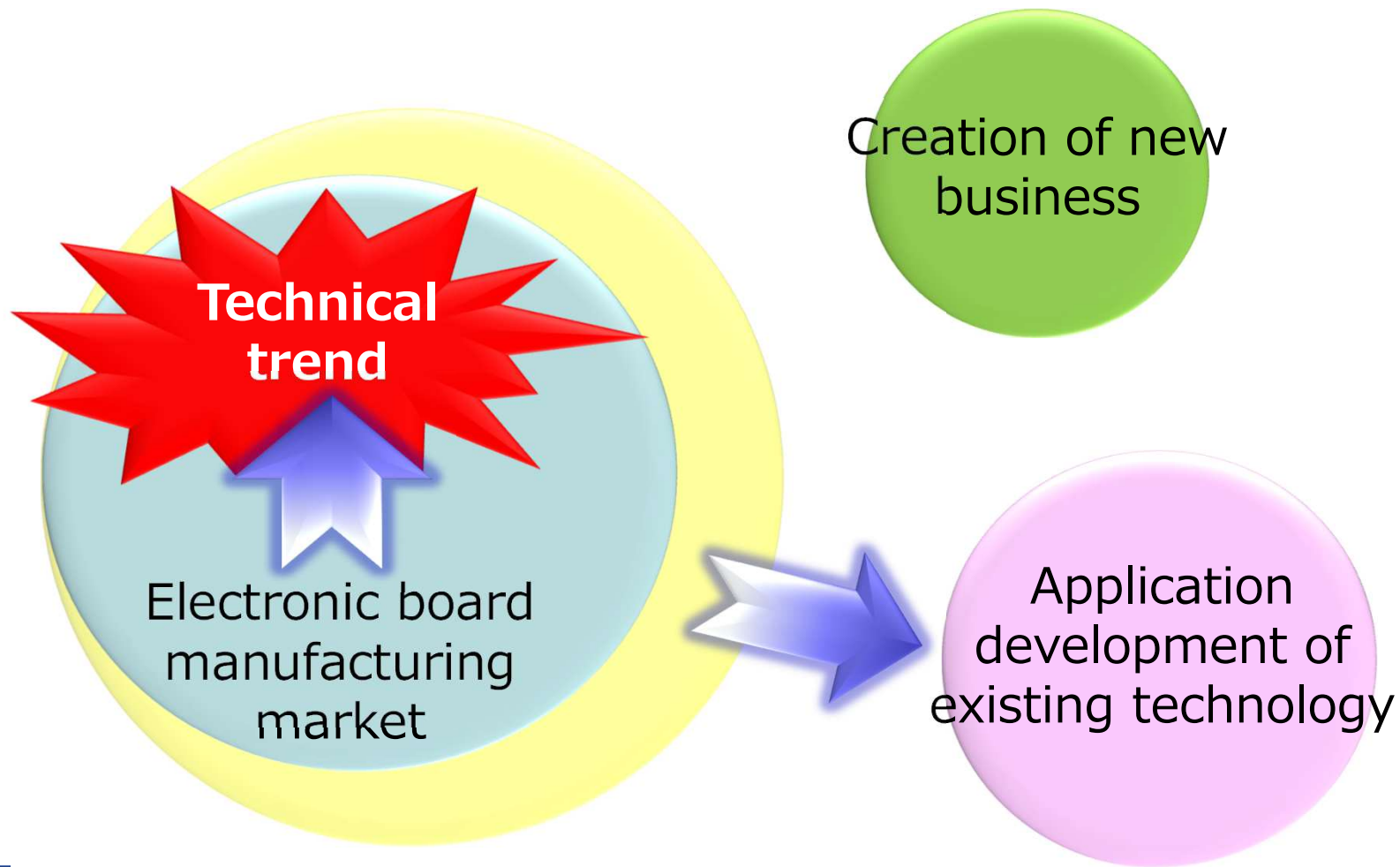
- Products : Roughening adhesion(CZ), Chemical adhesion(AP)
- Technical trend : High density (Low L/S)  
Reduction of coarsening amount due to low power consumption needs
- Final products : Generative AI、 Data centers

### New field (High-frequency)

- Products : Chemical adhesion(AP)
- Technical trend : Reduction of roughening amount due to low signal loss requirements
- Final products : Generative AI, Data centers, Semiconductor inspection equipment

# Aiming to Expand the Business Domain

---



# Appendix

# Corporate Profile

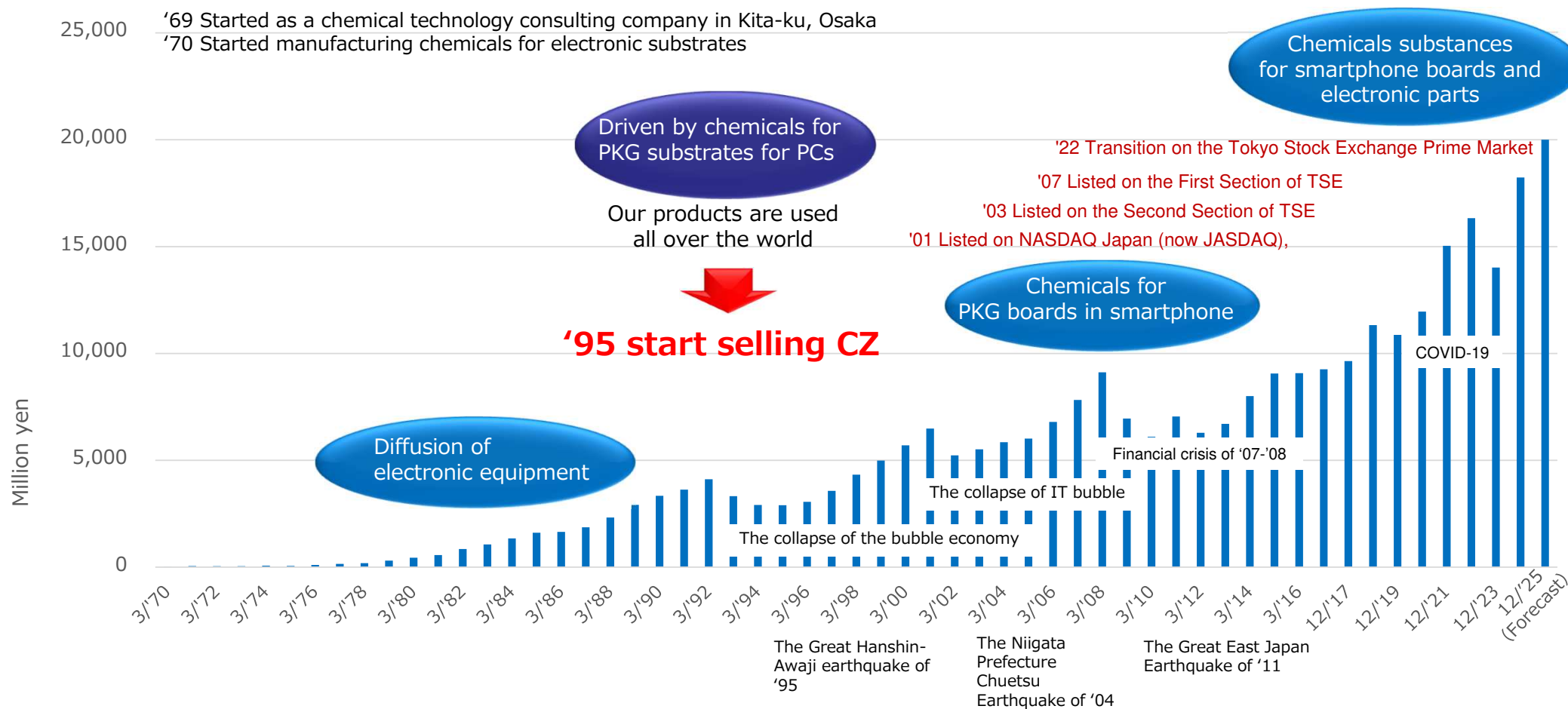
(As of December 31, 2024)

Company name	MEC COMPANY LTD.
Head quarters location	3-4-1, Kuise Minamishimmachi, Amagasaki, Hyogo
Date of establishment	May 1, 1969
Business activities	R&D, production and sales of chemicals, equipment and related materials used in the production of PCBs and electronic components.
Presentative	President and CEO      Kazuo Maeda
Capital	594,142,400 JPY
Net sales	18,234 million JPY (Consolidated)
Stock listing	Tokyo Stock Exchange Prime Market, Securities code: 4971
Number of employees	480 persons (Consolidated), 277 persons (Non-consolidated)





# MEC Sales Trend since Foundation



# Process of Commercialization



From R&D  
To Factory



Beaker experiment ⇒ Scale-up experiment ⇒ Production line verification



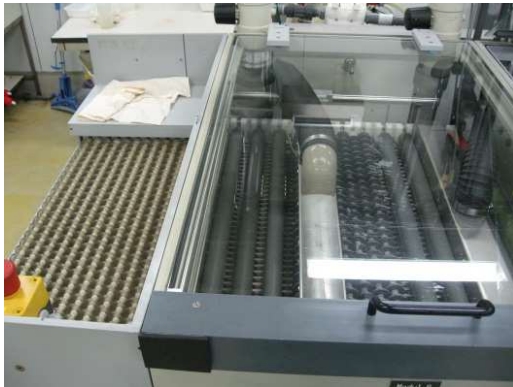
To  
customers



Manufacturing ⇒ Quality inspection ⇒ Filling

# Example of Product Usage Process

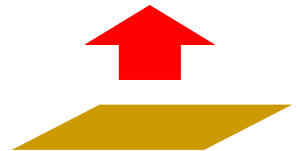
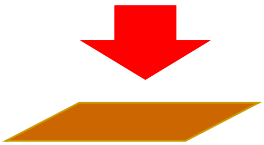
«Drying»



«Water rinse»



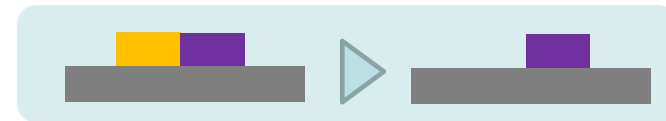
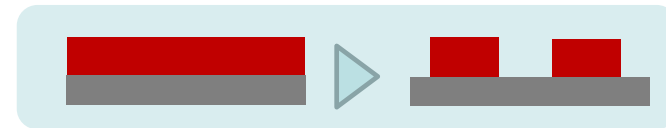
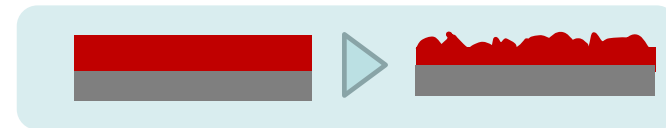
«Chemical treatment»



# MEC's Core Technologies

## *Creating and Fostering Value at Various Interfaces*

- **Roughen the surface, and physically improve adhesion**  
CZ, V-Bond
- **Pattern formation**  
EXE
- **Selective etching**  
SF
- **Treat the surface, and chemically adhesion promoter**  
AP

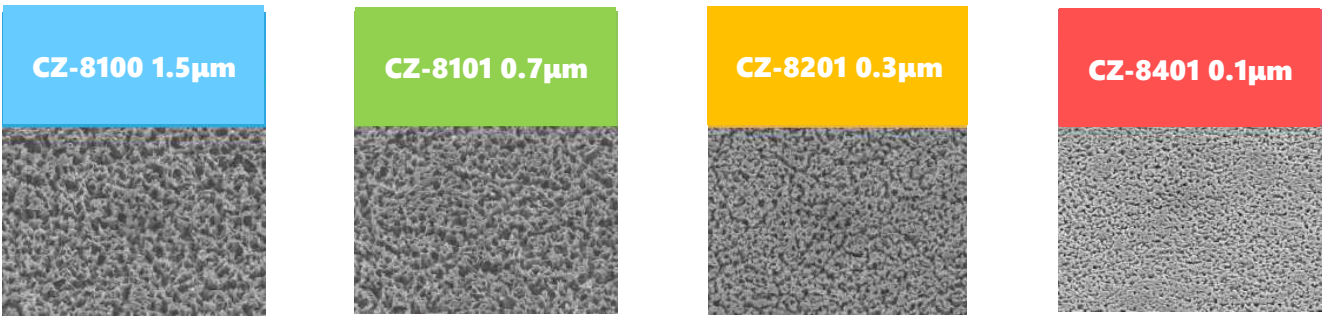
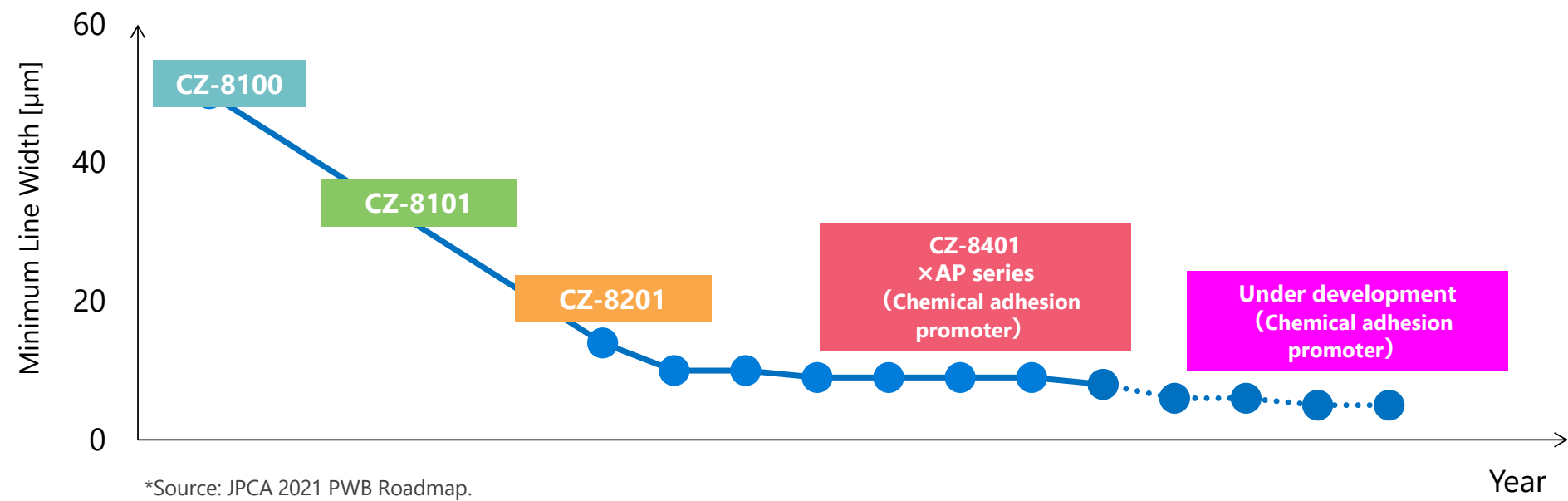


# Examples of Major Chemical Applications and Final Products

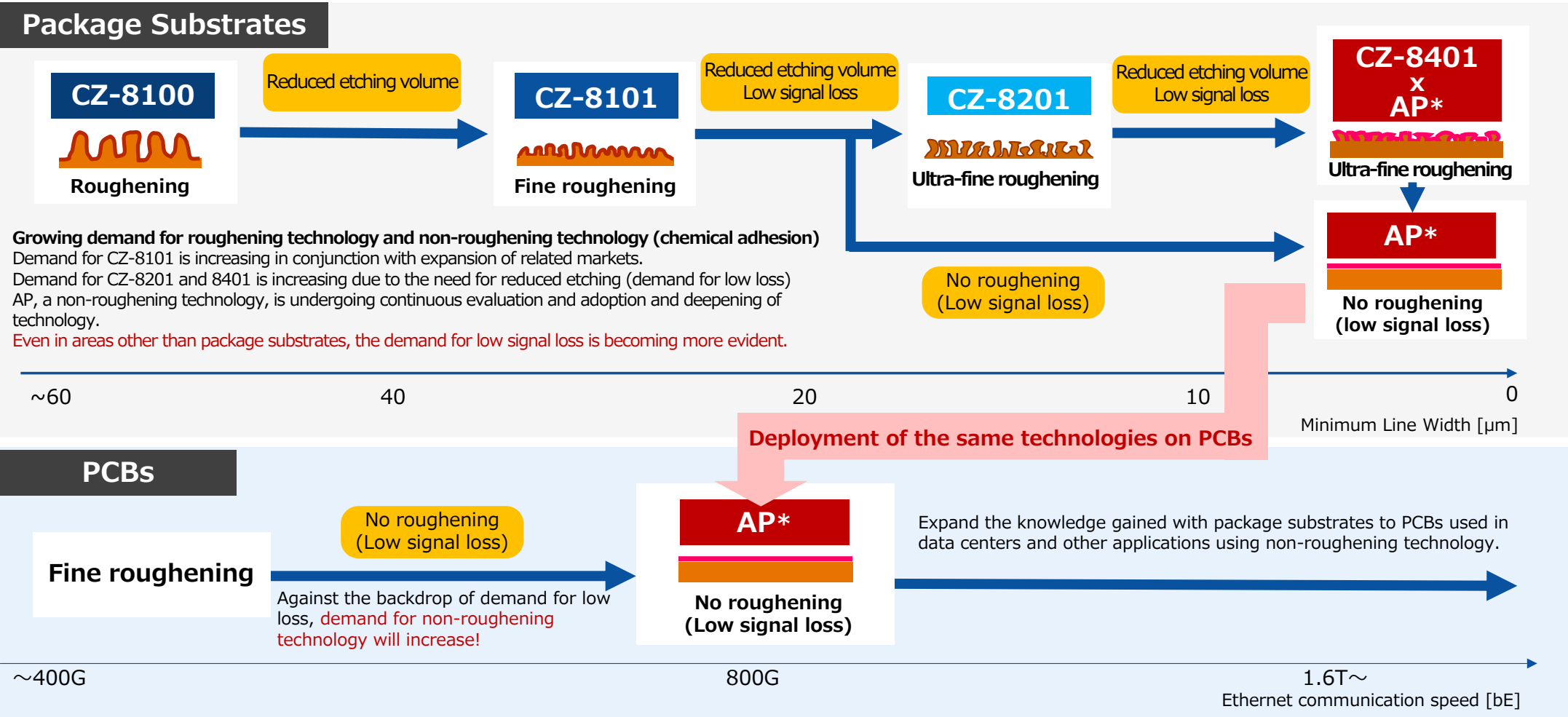
Major chemical	Characteristic	Final products
Super-roughening type adhesive enhancement CZ series	A copper surface treatment agent that enhances adhesion between copper and resin. It is mainly an adhesion improver for PKG substrates, and is also used for high-density PCBs.	Infrastructure (Generative AI, 5G/6G-related, data centers, etc.) and high-function devices (PCs, smartphones, tablet PCs, etc.)
Adhesion improvers for multilayer substrates V-Bond series	A copper surface treatment agent that enhances adhesion between copper and resin. Adhesion improver mainly for multilayer substrates. Not used for PKG substrates.	Automobile, smartphones, Satellite communications etc.
Anisotropic etchant EXE series	Fine wiring can be formed through subtraction. Etching agent for COF substrates.	TV and PC monitors, etc.
Selective etchant SF series	Etching agent with selectivity to copper.	Tablet PCs, etc.



# CZ Series Roadmap



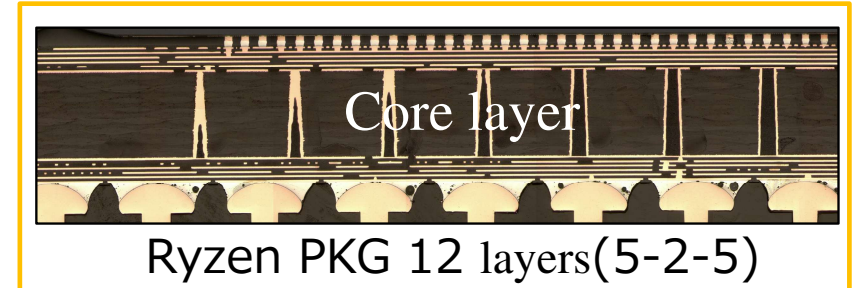
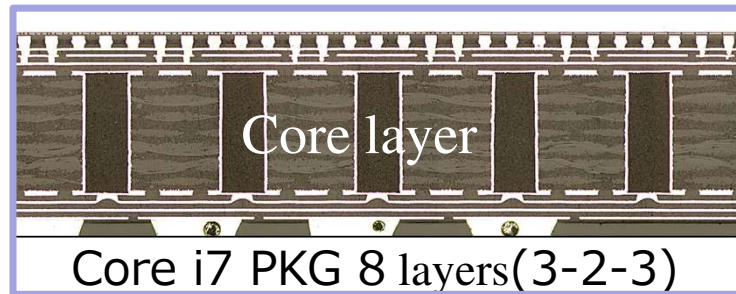
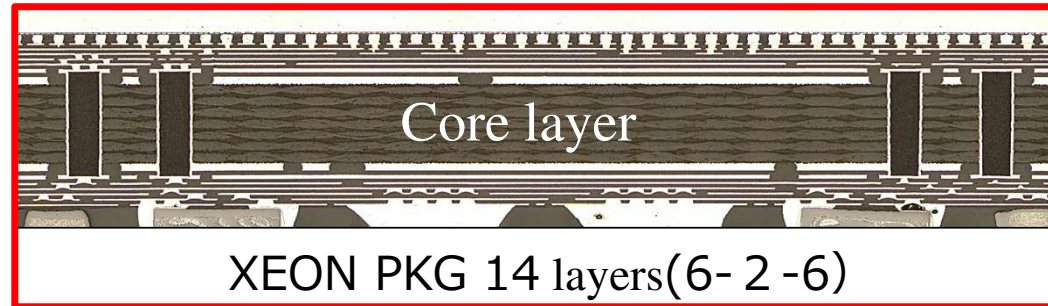
# Changes in Copper Adhesion Surface Technology



\* AP : Adhesion Promotor



# Cross Section Observations



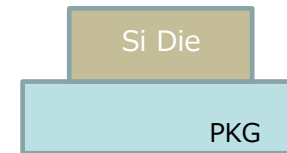
	Size(cm <sup>2</sup> )	Layers
<b>XEON</b>	<b>27.44</b>	<b>14</b>
<b>Core i7</b>	<b>14.44</b>	<b>8</b>
<b>Ryzen 7</b>	<b>16.00</b>	<b>12</b>



# Evolution of the PKG Substrate

## Conventional PKG substrate

One **PKG**, One Si Die

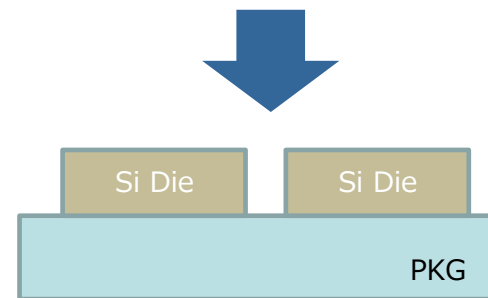


## Advanced PKG substrate

Chiplet, 2.X/3D

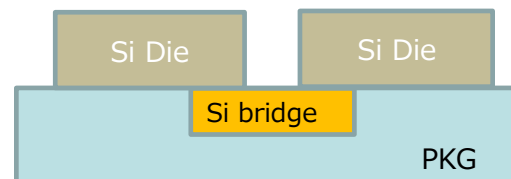
Enlarging **PKG** to mount multiple semiconductors

- High-density PKG
- Large-size PKG
- High multi-layer PKG



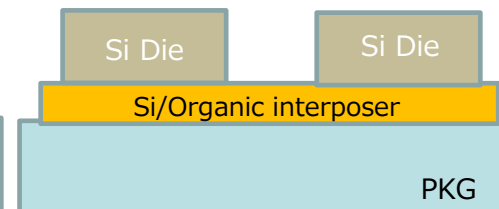
### EMIB

(Embedded **M**ulti-die **I**nterconnect **B**ridge)



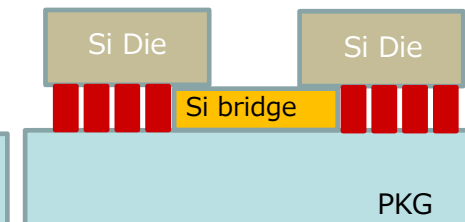
### CoWoS

(Chip **o**n **W**afer **o**n **S**ubstrate)



### EFB

(Elevated **F**anout **B**ridge)



■ Copper pillar

# Production Capacity

Domestic base  
(Japan)



Amagasaki Factory  
900 t / mo.



Nagaoka Factory  
2,750 t / mo.

New production base  
(Under construction)



Kitakyushu Plant (tentative name)  
Maximum capacity 2,500 t /mo. (Plan)

Global base



MEC TAIWAN  
1,200 t / mo.



MEC SUZHOU  
1,350 t / mo.



MEC ZHUHAI  
1,000 t / mo.



MEC EUROPE  
400 t / mo.



MEC THAILAND  
500 t / mo.

8,100 t/mo. (97,200 t/year) As of December 31, 2024 (YOY Up12.5%)



Financial Results Briefing for 1H FYE12/2025

## *Creating and Fostering Value at Various Interfaces*



This presentation includes forward-looking statements (such as predictions and business forecasts) made in August 8, 2025. These statements are assumptions based on information available at the time, and they are subject to risks and uncertainties. Actual results or events could differ substantially from those forecasted in such statements due to a plethora of variables.

