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# Financial Results Briefing for Q3 FYE 12/2025

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November 11, 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.

# Q3 FYE12/2025 Key Factors

1

Sales: 14,987 million yen (YOY change: Up 9.5%)  
Operating income: 4,247 million yen (YOY change: Up 16.4%)

2

Exchange rate impact (YOY change)  
Sales: Down 23 million yen,  
Operating income: Down 11 million yen.

3

Chemicals  
Sales: 14,559 million yen (YOY change: Up 11.6%)  
Shipments: 34,844 ton (YOY change: Up 10.9%)

4

Major products sales (YOY change)  
CZ: Up 16.4% V-Bond: Down 1.3% EXE: Down 1.6% SF: Down 35.7%

# Exchange Rates

Unit : yen

	Initial forecast	Q3 FYE12/2025	Q3 FYE12/2024	1H FYE12/2025
N T D	4.76	4.75	4.72	4.68
R M B	21.08	20.60	20.95	20.53
H K D	19.48	19.08	19.28	19.11
T H B	4.22	4.48	4.24	4.44
E U R	164.84	165.47	163.86	162.60
U S D	152.33	148.79	150.62	148.98

- 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 (9 months conversion)

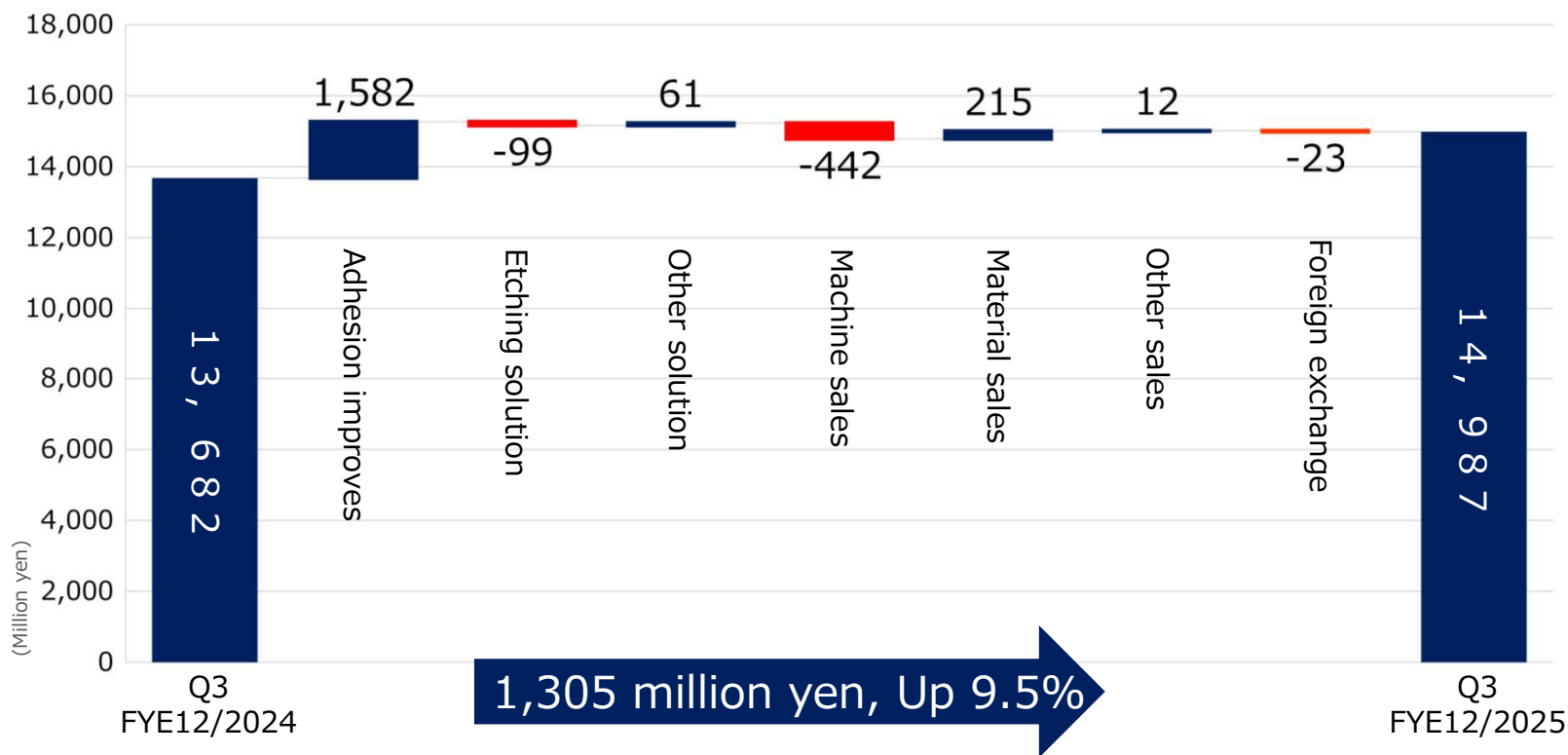
NTD: (Sale)	59 million yen
(Operating income)	40 million yen
RMB: (Sale)	23 million yen
(Operating income)	11 million yen

# Q3 FYE12/2025 Results

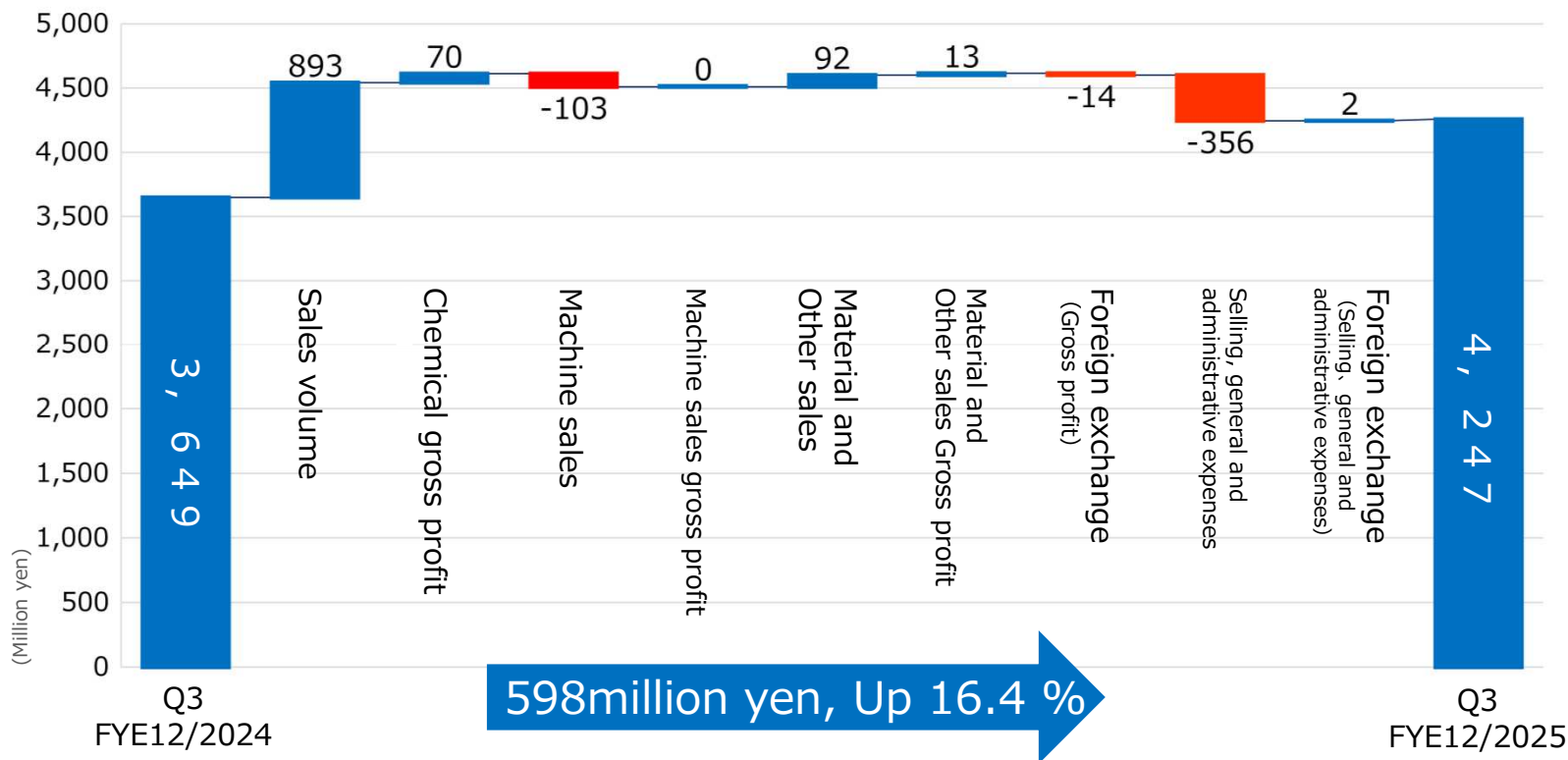
Unit : million yen

	Q3						Full-year		
	FYE12.2024		FYE12.2025				FYE12.2024	FYE12.2025	
	Results	Progress ratio (%)	Results	Progress ratio (%)	YOY (%)		Results	(Forecast)	YOY (%)
Net sales	13,682	75.0%	14,987	73.8%	1,305	9.5%	18,234	20,300	11.3%
Chemical sales	13,041	-	14,559	-	1,517	11.6%	17,478	-	-
Gross profit	8,397	-	9,349	-	952	11.3%	11,101	-	-
Gross profit margin	61.4%	-	62.4%	-	-	-	60.9%	-	-
SGA	4,747	-	5,101	-	354	7.5%	6,539	-	-
Sales ratio	34.7%	-	34.0%	-	-	-	35.9%	-	-
Operating income	3,649	80.0%	4,247	77.2%	598	16.4%	4,562	5,500	20.5%
Operating profit margin	26.7%	-	28.3%	-	-	-	25.0%	-	-
Ordinary income	3,700	79.0%	4,361	77.2%	661	17.9%	4,682	5,650	20.7%
Ordinary profit margin	27.0%	-	29.1%	-	-	-	25.7%	-	-
Profit before tax	3,695	-	4,761	-	1,066	28.9%	4,669	-	-
Net income	2,627	114.7%	3,329	77.4%	701	26.7%	2,291	4,300	87.6%
EBITDA	4,296	-	5,364	-	1,068	24.9%	5,487	-	-
EPS	140.32	-	179.53	-	-	-	122.38	232.71	-
ROE	10.3%	-	12.1%	-	-	-	8.9%	15.3%	-

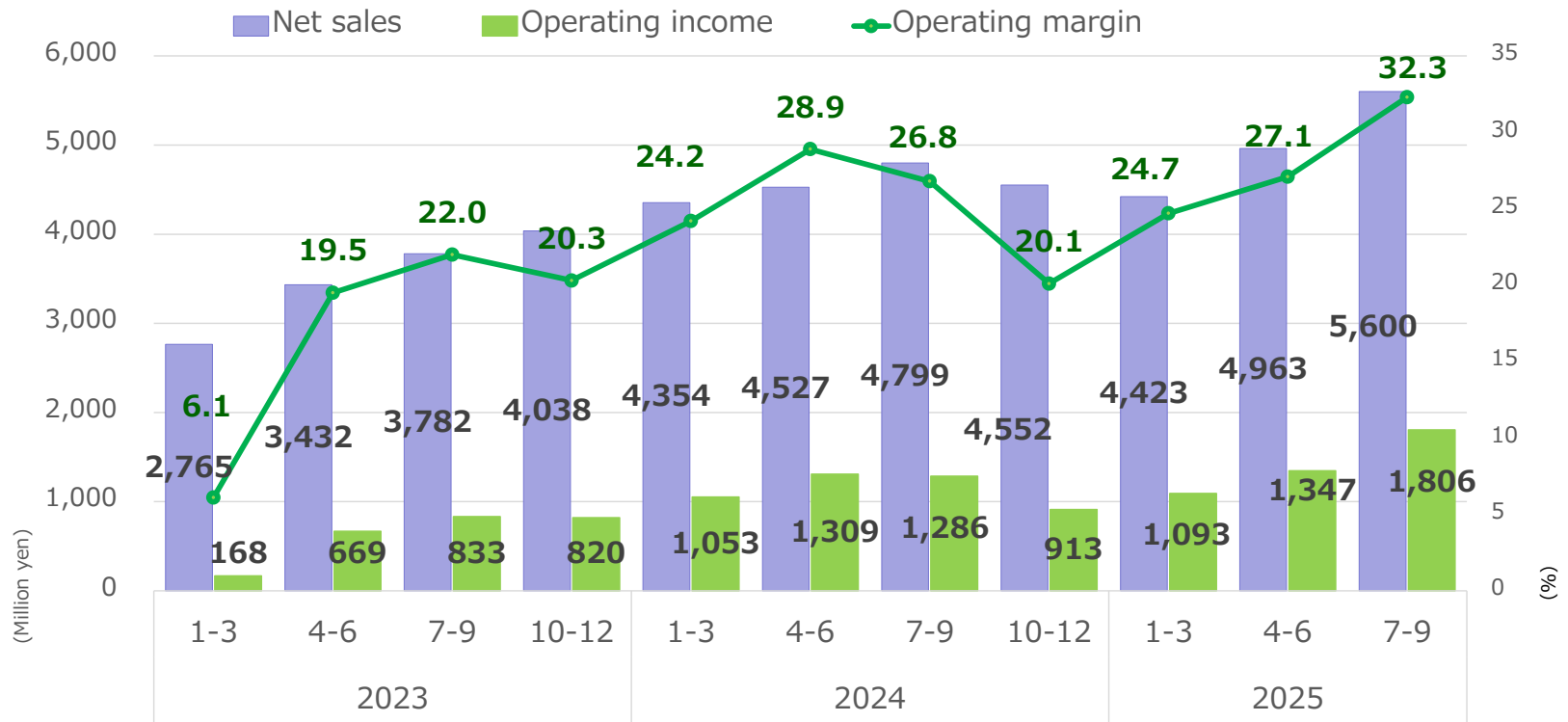
# Net Sales YOY



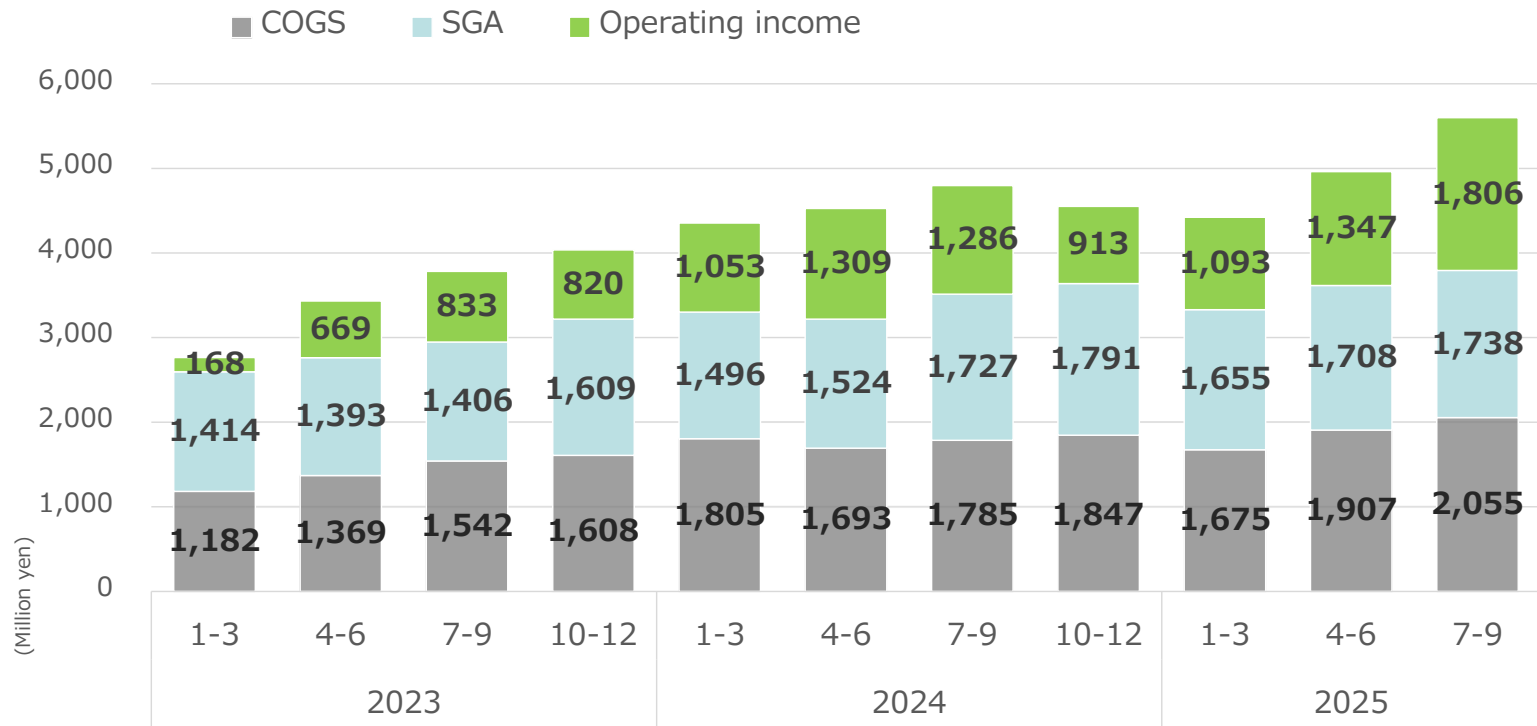
# Operating Income YOY



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

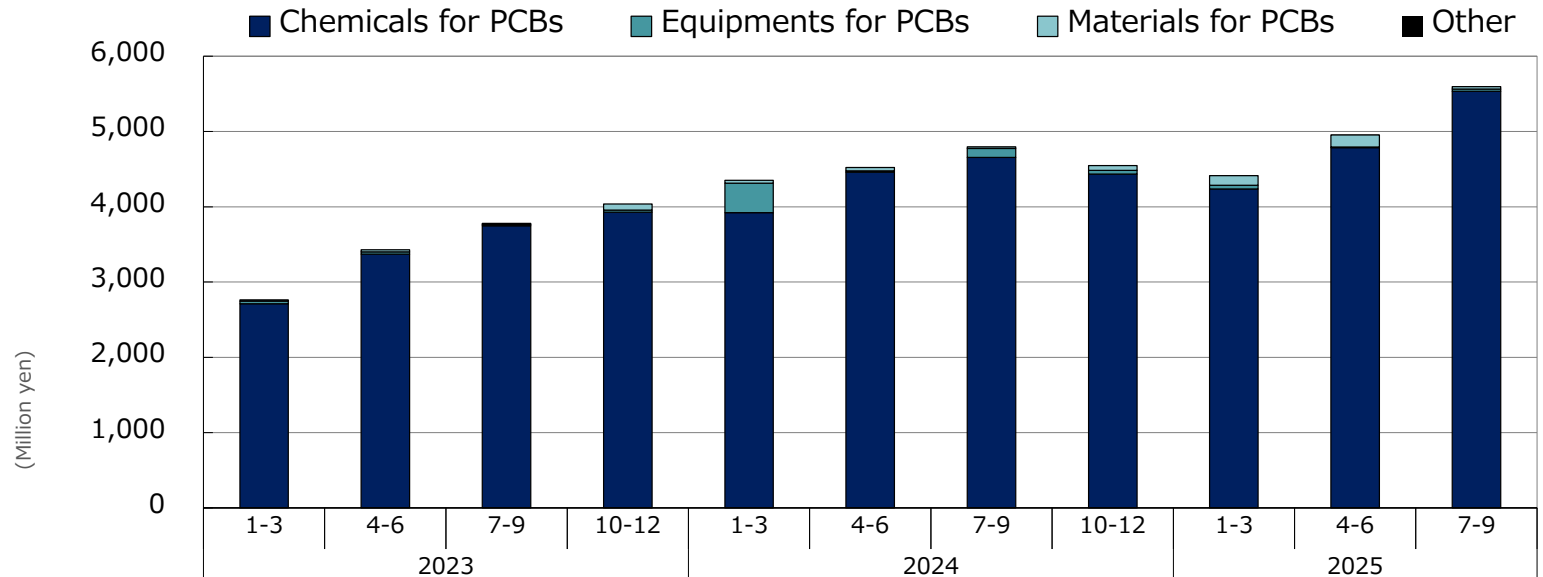


# Quarterly Composition: Operating Income, SG&A, CODS (Consolidated)



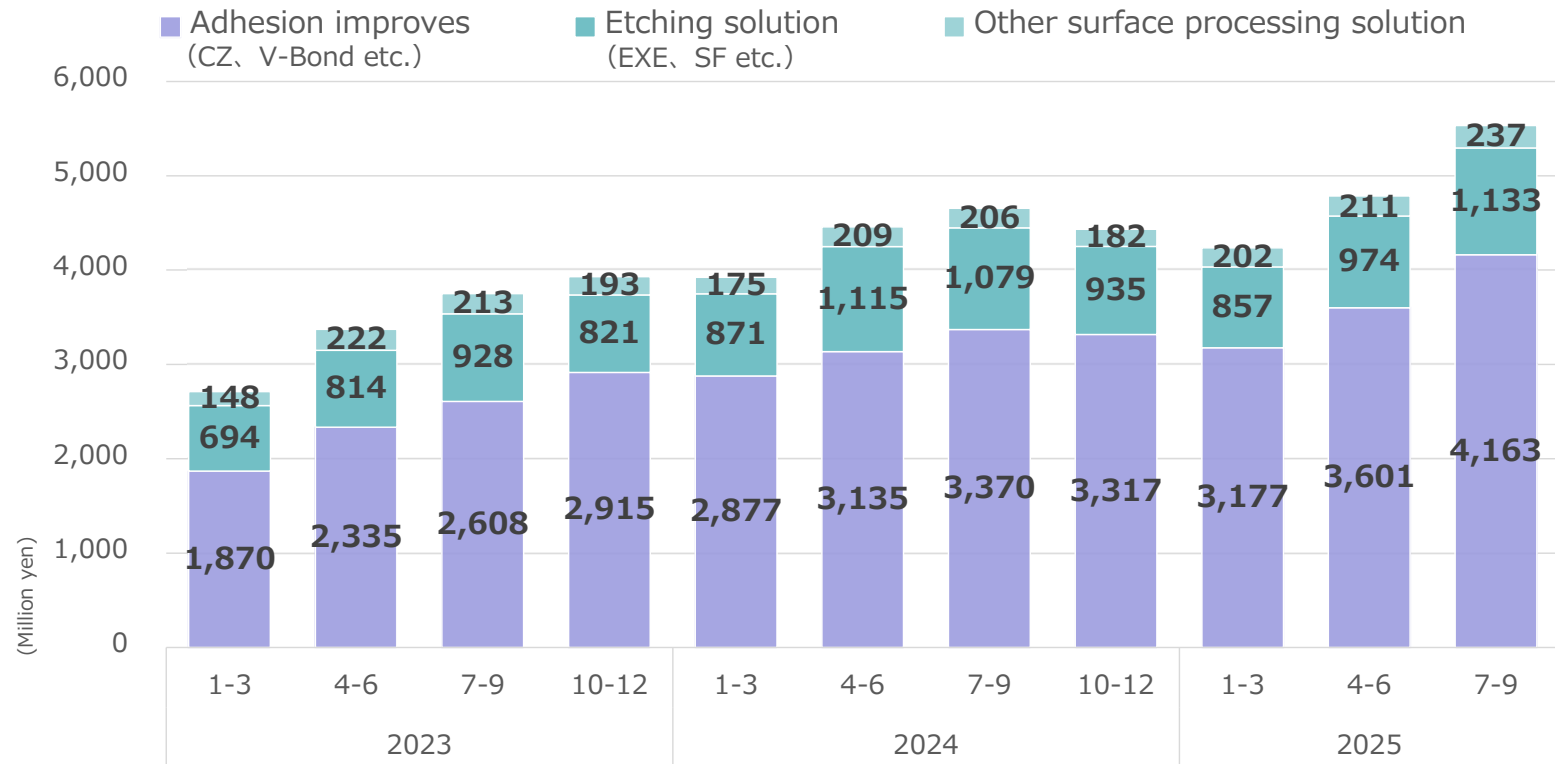


# Quarterly Performance : Product-Specific Sales (Consolidated)

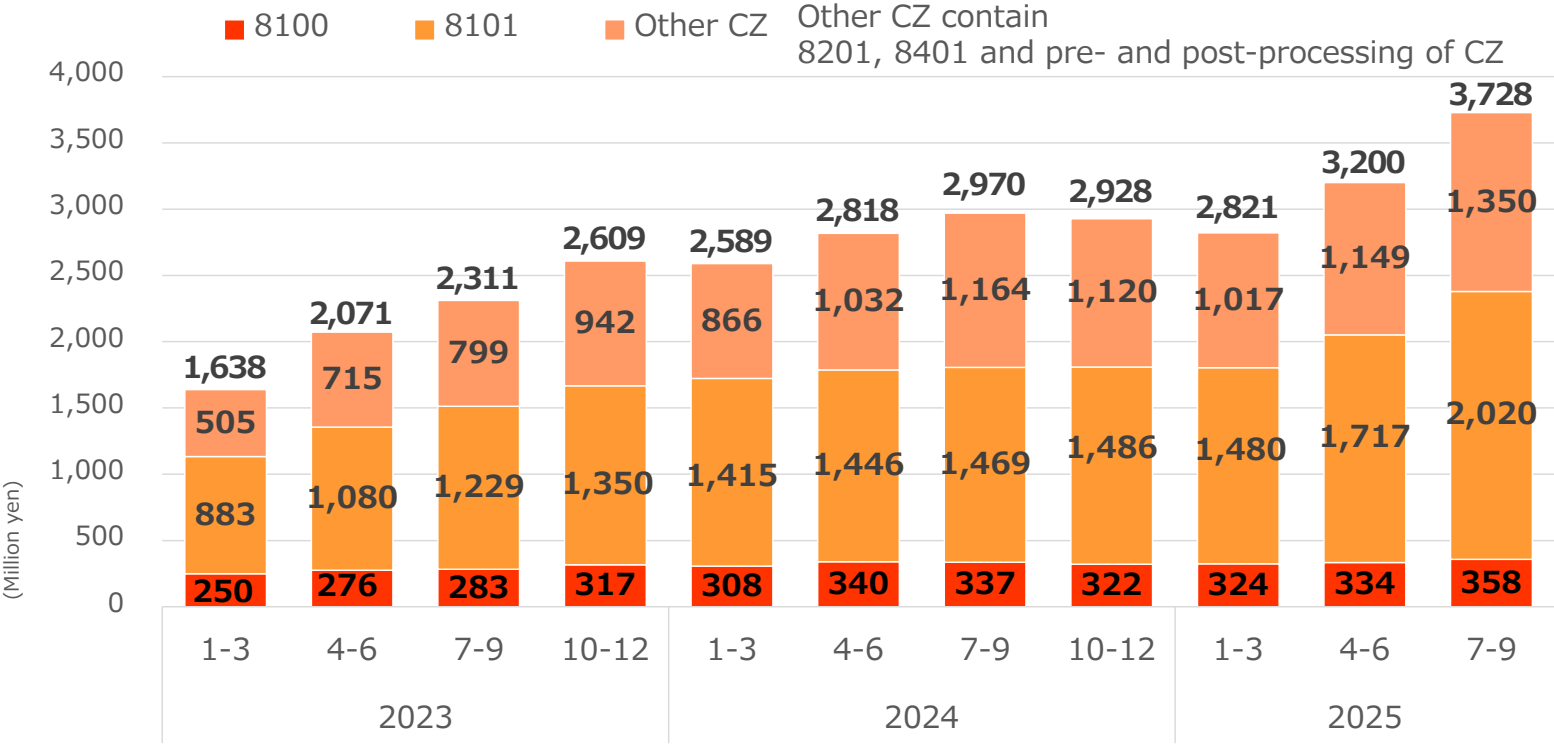


■ Other	1	1	0	0	1	3	1	1	8	7	2
■ Materials for PCBs	16	27	15	80	37	44	22	64	128	160	33
■ Equipments for PCBs	34	31	17	28	391	19	118	49	49	7	30
■ Chemicals for PCBs	2,712	3,372	3,749	3,929	3,924	4,460	4,657	4,436	4,237	4,787	5,534

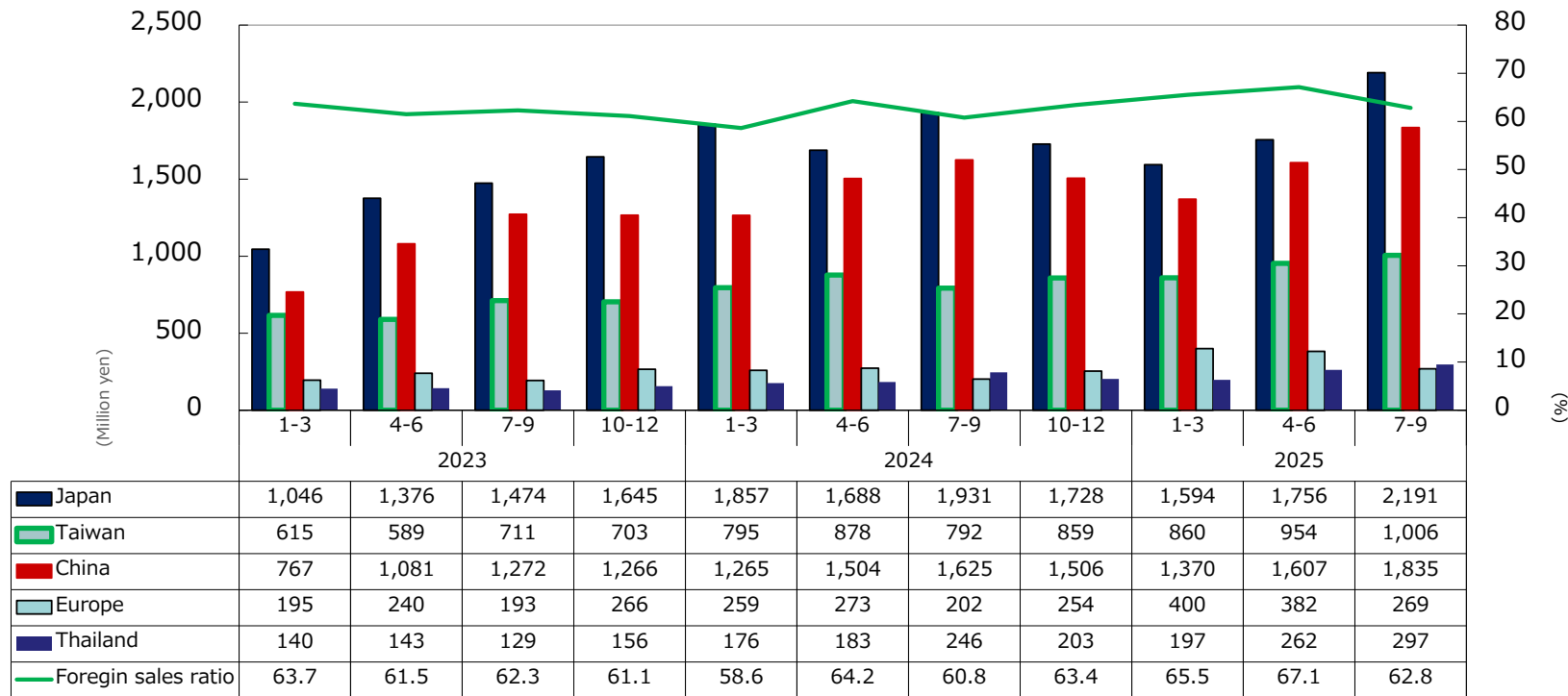
# Quarterly Performance : Chemical Sales (Consolidated)



# Quarterly Performance : CZ Series Sales



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



Overseas sales ratio is 80.6%(same period of the previous year: 77.8%)  
including sales to overseas customers through agents in Japan.

# **Our Future Plans**

# Our Future Plans

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## Business environment

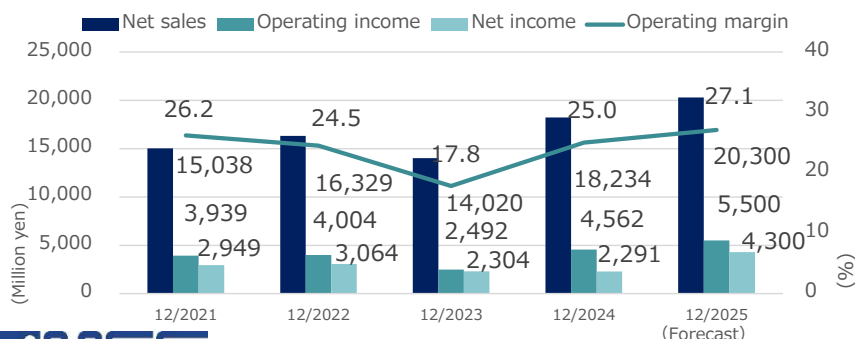
- In the short term, it will be affected by the semiconductor market, which is in a recovery phase.
- In the medium to long term, technological innovation is expected to advance against the backdrop of the ongoing digital revolution and the spread of technologies such as IoT, AI, 5G, electrification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

## Major chemical

- CZ : In the short term, demand will be affected by trends in the semiconductor market. In the medium to long term, demand is expected to expand due to an increase in PKG substrates and advances in larger and more multilayered designs.
- V-Bond : In the short term, recovery is expected in the automobile and smartphone markets. Demand for satellite communication boards is on an upward trend.
- EXE : Demand will be affected by trends in the display market.
- SF : Demand will be affected by trends in the tablet PC market.

# FYE12/2025 Full-year Forecast

	FYE12/2024		FYE12/2025 (Revised on November 11, 2025)		
	Full-year		Full-year		
	Amount (million yen)	Profit ratio (%)	Amount (million yen)	Profit ratio (%)	YOY change (%)
Net sales	18,234	-	20,300	-	11.3%
Operating income	4,562	25.0	5,500	27.1	20.5%
Ordinary income	4,682	25.7	5,650	27.8	20.7%
Net income	2,291	12.6	4,300	21.2	87.6%
Net income per share(yen)	122.38	-	232.71	-	-

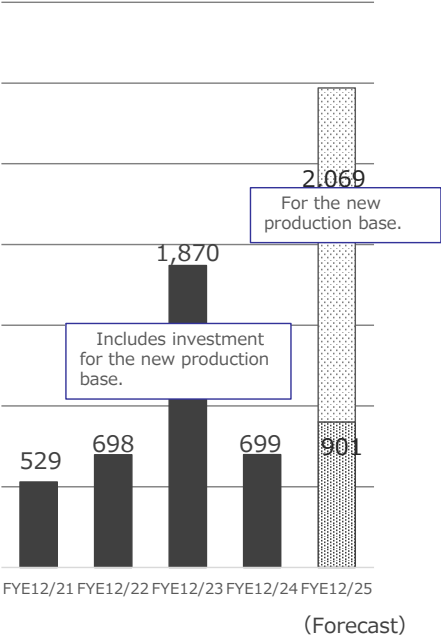


Exchange rates			FYE12/2024 Actual	FYE12/2025 Assumed
N	T	D	4.72	4.76
R	M	B	21.04	21.08
H	K	D	19.41	19.48
T	H	B	4.31	4.22
E	U	R	163.79	164.84
U	S	D	151.44	152.33

# Capital Investment, Depreciation Expenses and R&D Expenses

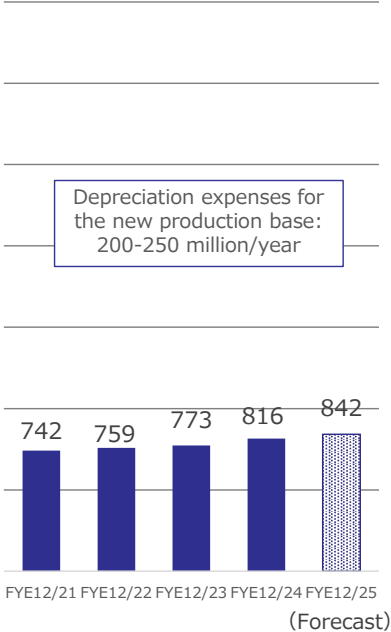
Capital investment

(million yen)



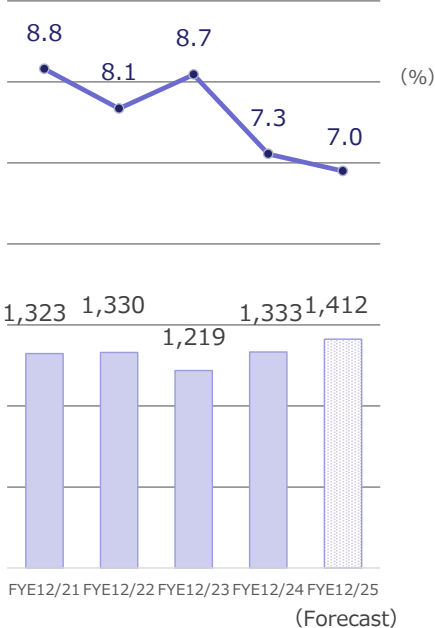
Depreciation expenses

(million yen)



R&D expenses and Ratio of consolidated sales

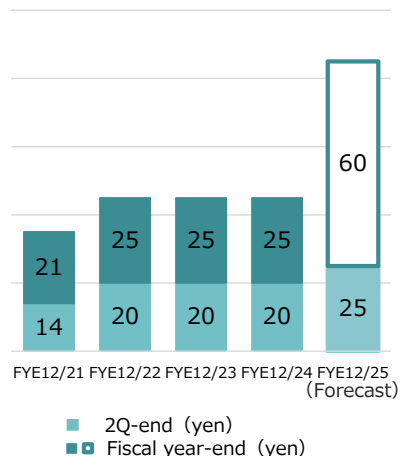
(million yen)



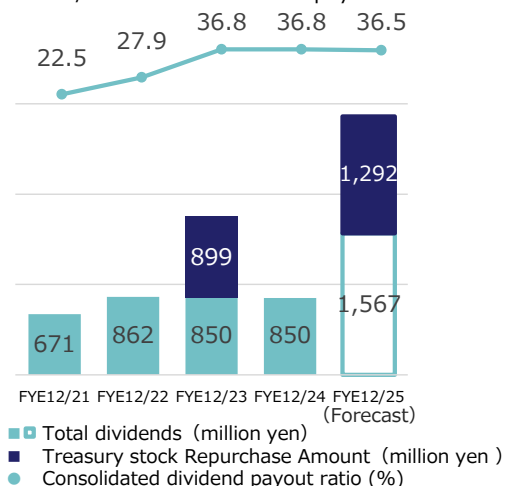


# Trends in Total Dividends, Consolidated Dividend Payout Ratio, and ROE

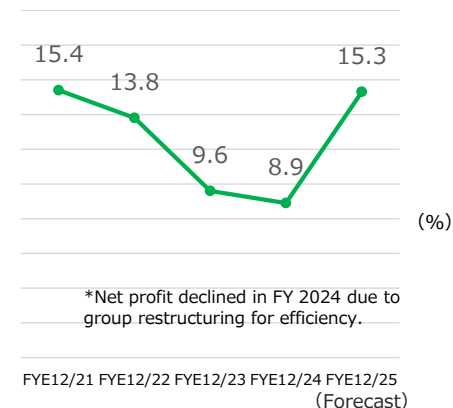
Dividends per share



Total dividends / Treasury stock repurchase amount/Consolidated dividend payout ratio



ROE



## Shareholder Return Policy

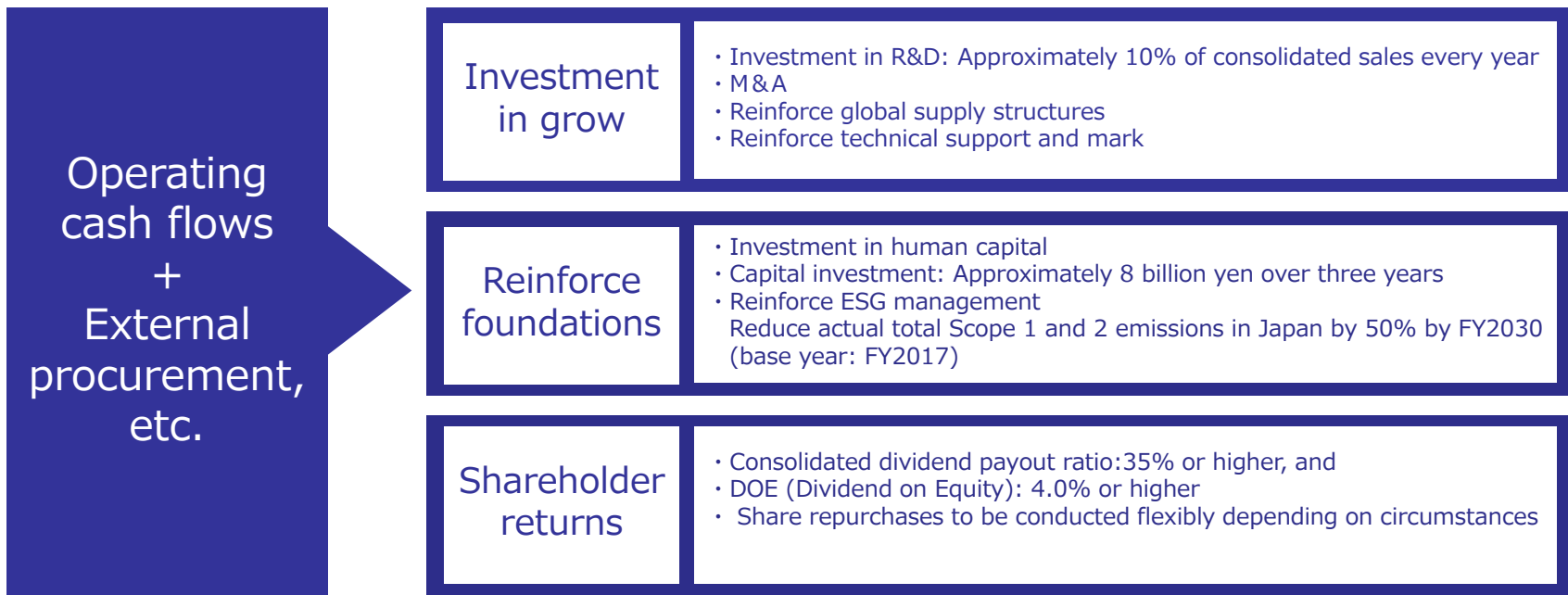
- Consolidated dividend payout ratio: 35% or higher, and
- DOE (Dividend on Equity): 4.0% or higher
- Share repurchases to be conducted flexibly depending on circumstances

## ROE

- 10% or higher

# 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.



## 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

Ultra-high density  
Ultra-high frequency



Cutting-edge  
Chemical adhesion promoter  
AP series



Advanced  
CZ-8401  
×Chemical adhesion promoter  
AP series  
CZ-8201



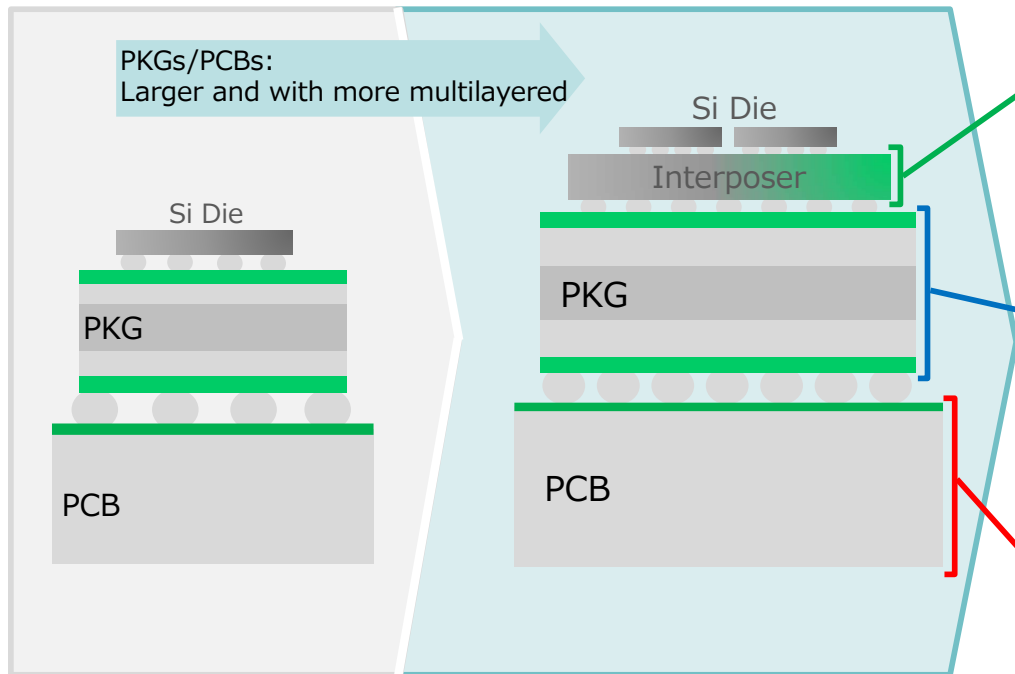
General-purpose  
CZ-8101  
CZ-8100



# 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

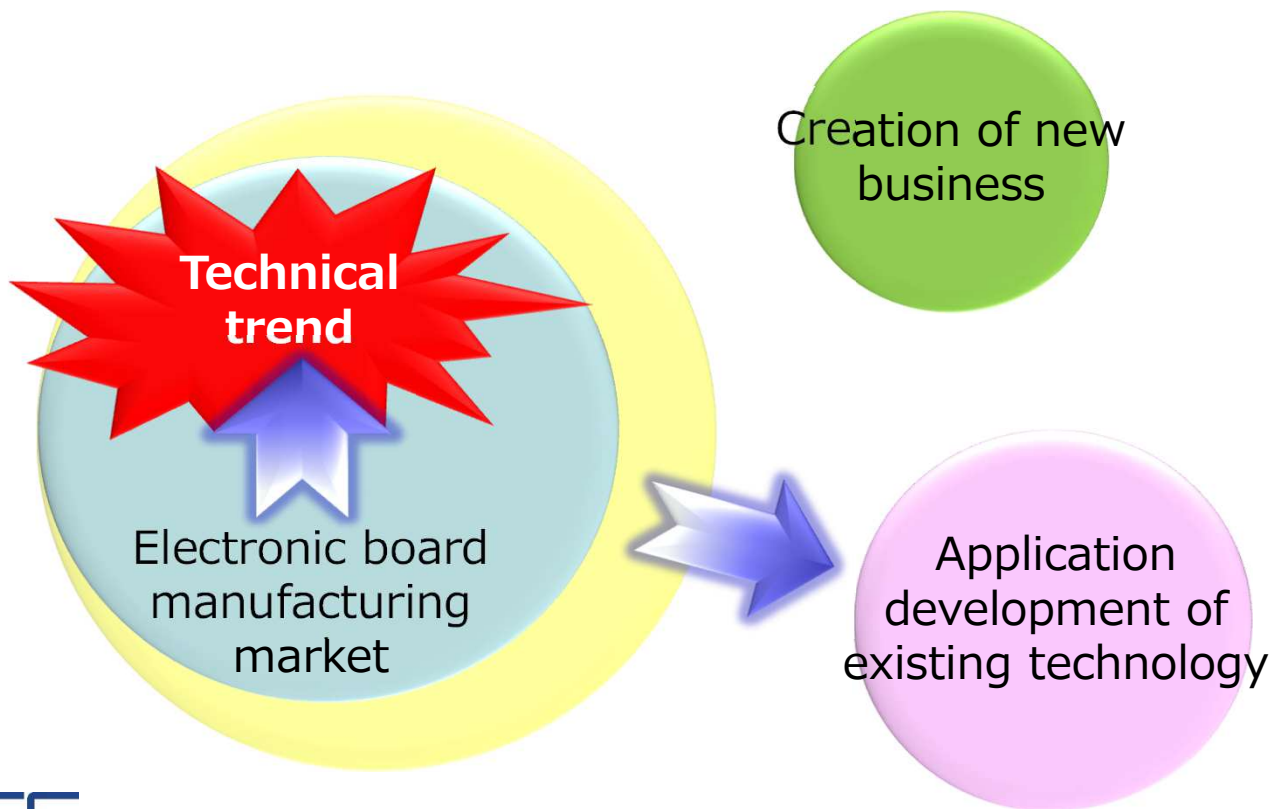
### Existing field (PKG)

- 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

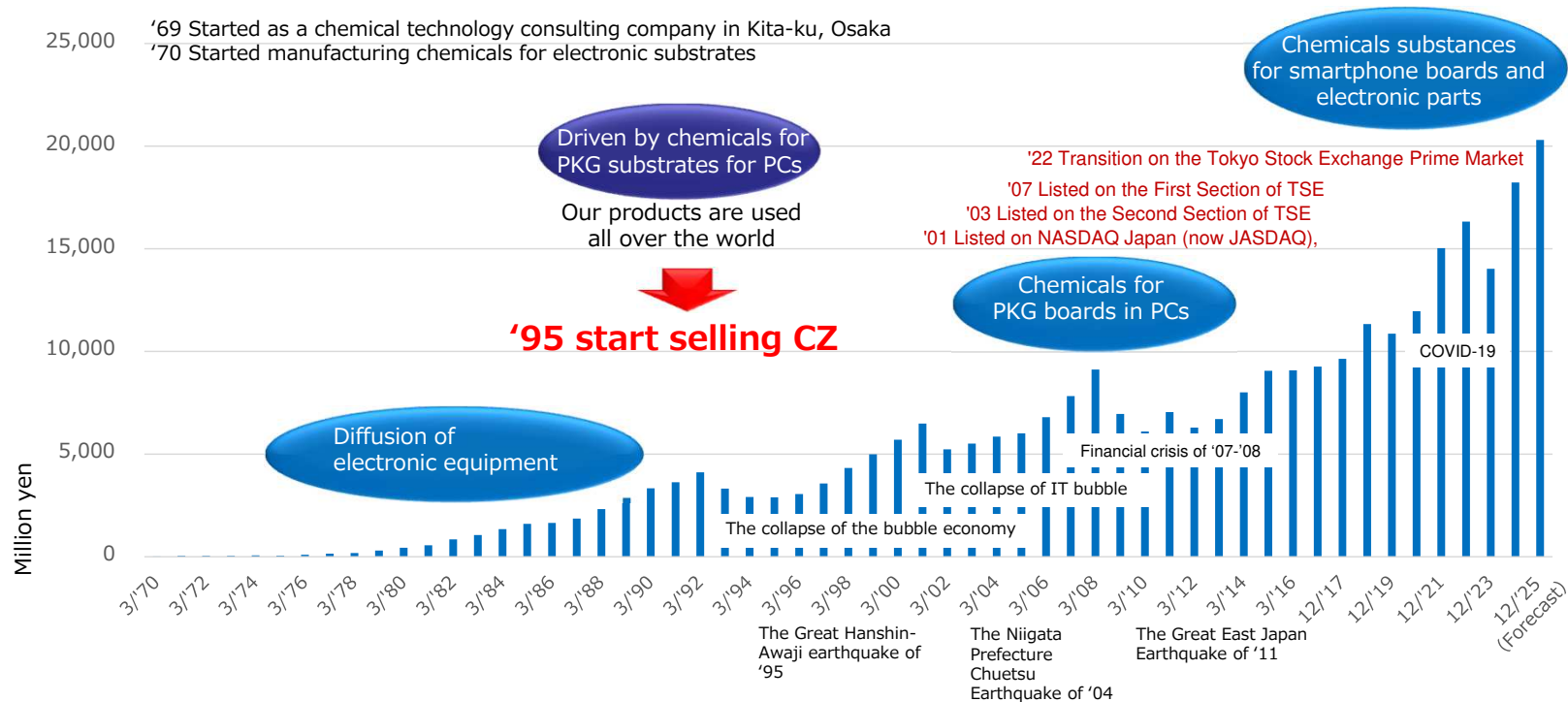
# Corporate Profile

(As of December 31, 2024)

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



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*

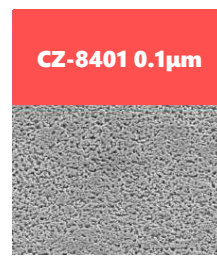
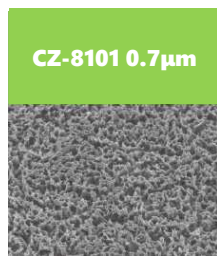
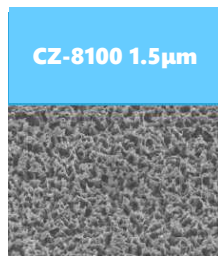
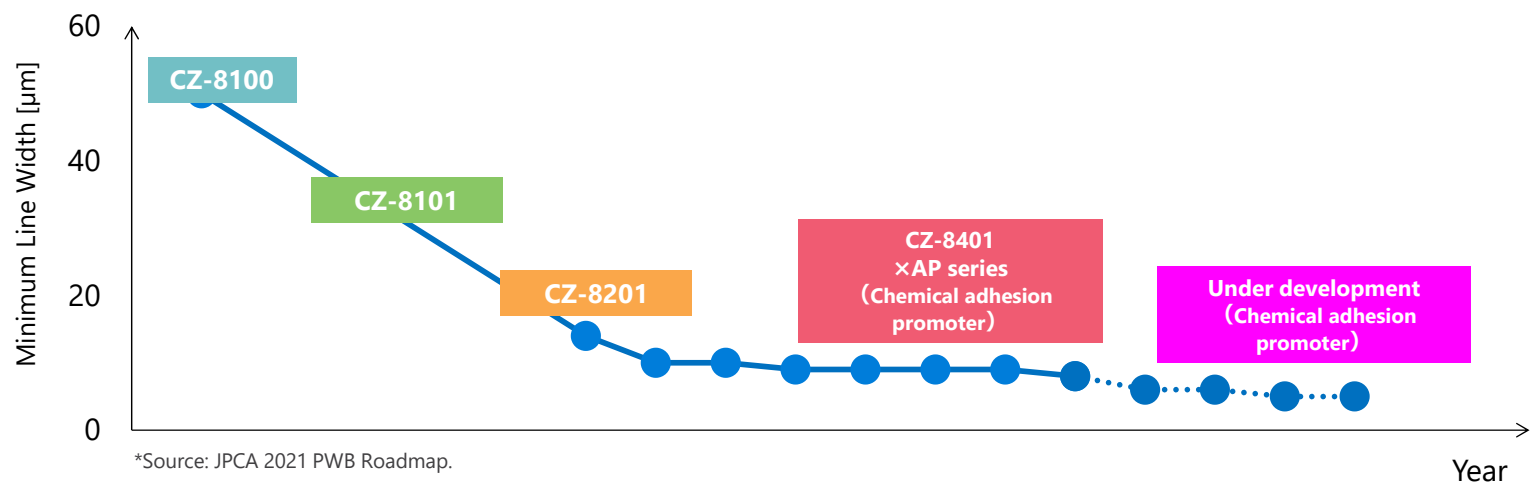
- **Roughen** the surface, and **physically improve adhesion**  
CZ,V-Bond
- **Pattern formation**  
EXE
- **Selective etching**  
SF
- **Treat** the surface, and **chemically adhesion promoter**  
AP



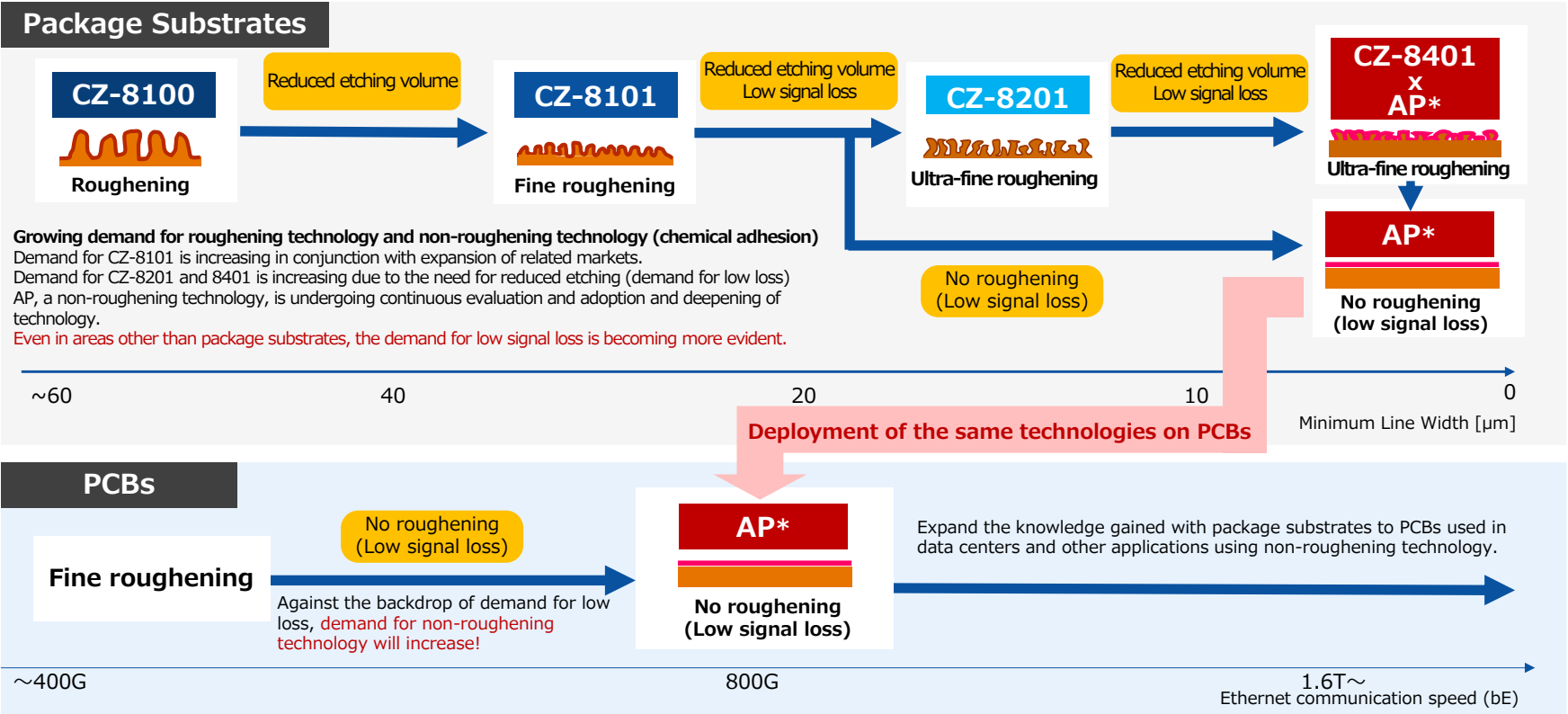
# Examples of Major Chemical Applications and Final Products

Major chemical	Characteristic	Final products
Super-roughening type adhesive enhancement <b>CZ series</b>	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 <b>V-Bond series</b>	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 <b>EXE series</b>	Fine wiring can be formed through subtraction. Etching agent for COF substrates.	TV and PC monitors, etc.
Selective etchant <b>SF series</b>	Etching agent with selectivity to copper.	Tablet PCs, etc.

# CZ Series Roadmap



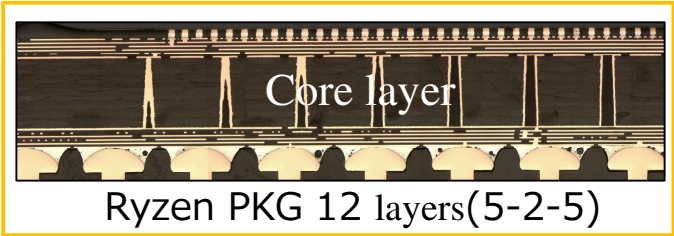
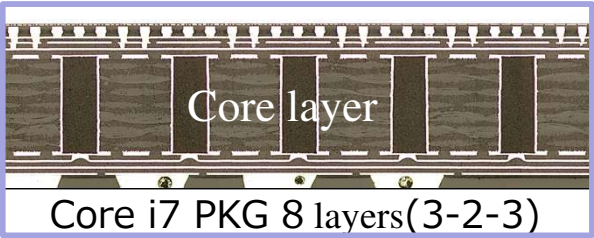
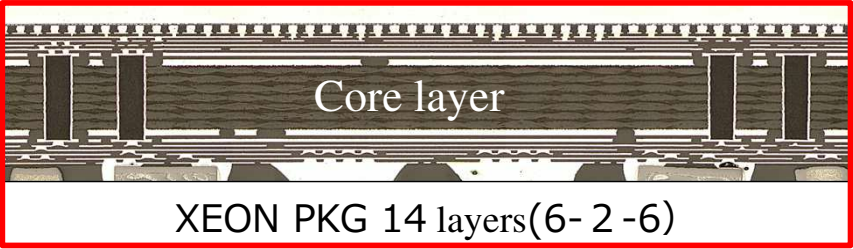
# Changes in Copper Adhesion Surface Technology



\* AP : Adhesion Promotor



# Cross Section Observations



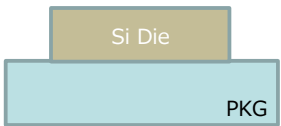
	Size(cm <sup>2</sup> )	Layers
<b>XEON</b>	<b>27.44</b>	<b>14</b>
<b>Core i7</b>	<b>14.44</b>	<b>8</b>
<b>Ryzen 7</b>	<b>16.00</b>	<b>12</b>



# Evolution of the PKG Substrate

## Conventional PKG substrate

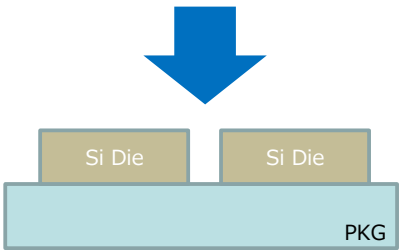
One **PKG**, One Si Die



## Advanced PKG substrate

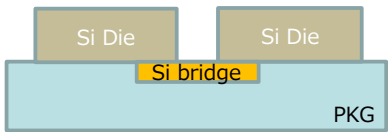
Chiplet, 2.X/3D  
Enlarging PKG to mount multiple semiconductors

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



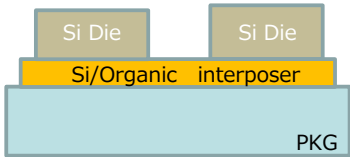
### **EMIB**

(Embedded Multi-die Interconnect Bridge)



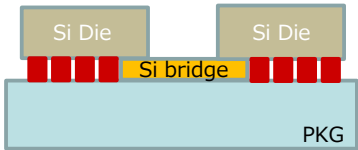
### **CoWoS**

(Chip on Wafer on Substrate)



### **EFB**

(Elevated Fanout Bridge)



■ 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 Q3 FYE12/2025

## *Creating and Fostering Value at Various Interfaces*



This presentation includes forward-looking statements (such as predictions and business forecasts) made in November 11, 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.