Financial Results Briefing

FY2024 1Q Presentation

Macnica Holdings, Inc.

July 29, 2024

*In this presentation, "ICs, Electronic Devices and Other Business" is referred to as Semiconductor Business.

Business Performance Highlights for FY2024 1Q

Yen billion	Q1 Results	Q1 Y/Y change		Q1 Q/Q change		FY24 Planned	FY24 Progress
Net Sales	256.3	▲22.2	▲8%	+27.9	+12%	1,100	23%
Semiconductor Business	218.7	▲31.4	▲13%	+24.5	+13%	960	23%
Network Business	37.6	+9.2	+32%	+3.4	+10%	140	27%
Operating Income	12	▲8.6	▲42%	▲0.4	▲3%	64	19%
Semiconductor Business	8.7	▲9.6	▲53%	▲1.8	▲18%	51	17%
Network Business	3.4	+1	+44%	+1.5	+78%	13	26%
Net Income attributable to Owners of Parent	8	▲5.6	▲41%	▲4.9	▲38%	42	19%
Cash Flows from Operating Activities	9						
Average exchange rate (JPY/USD)	153.14 yen					145 yen (FY24 Planned)	

- **In 1Q, Semiconductor business continued adjustment phase, Network business remained strong domestically and overseas.**
  - Semiconductor business decreased 31.4 b/-13% YoY following decline in the industrial equipment sector, despite consolidating Glosel.
  - Network business increased significantly by 9.2 b/+32% YoY due to strong sales of endpoint security-related products.
- **2Q onward, the Semiconductor business expects a recovery in the industrial equipment market, while the Network business expects to maintain high growth both domestically and overseas, particularly in security-related products.**
- **Outlook for FY2024:** In view of the above situation, the forecast announced on May 7, 2024 remains unchanged.

Dividends (per share, before stock split)

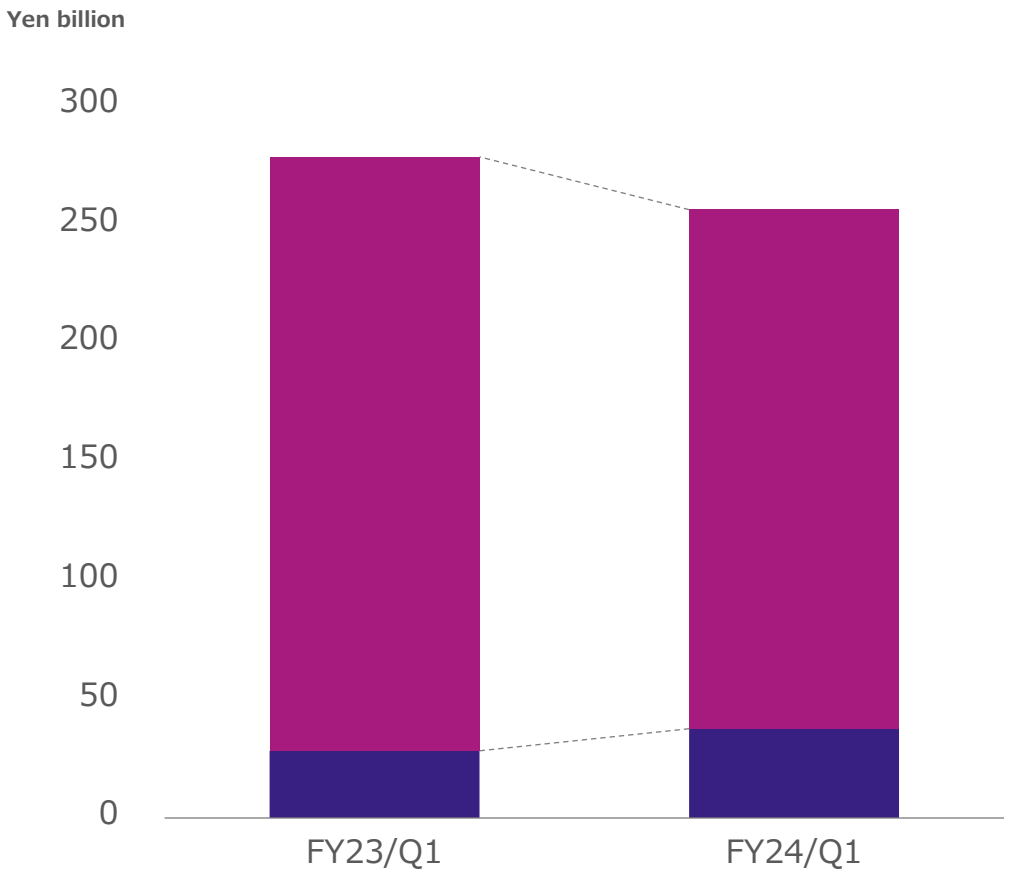
	Mid	End	Annual	Payout Ratio
FY2023	80 yen	120 yen	200 yen	25%
FY2024	105 yen*1	105 yen*2	210 yen*2	30% *3

*1 Est. *2 Est. before stock split *3 Est.

Consolidated Glosel's B/S at end of March 2024, and P/L from April 2024 (Semiconductor Business)

Net Sales by Segment

256.3 billion Y/Y Change ▲8.0%



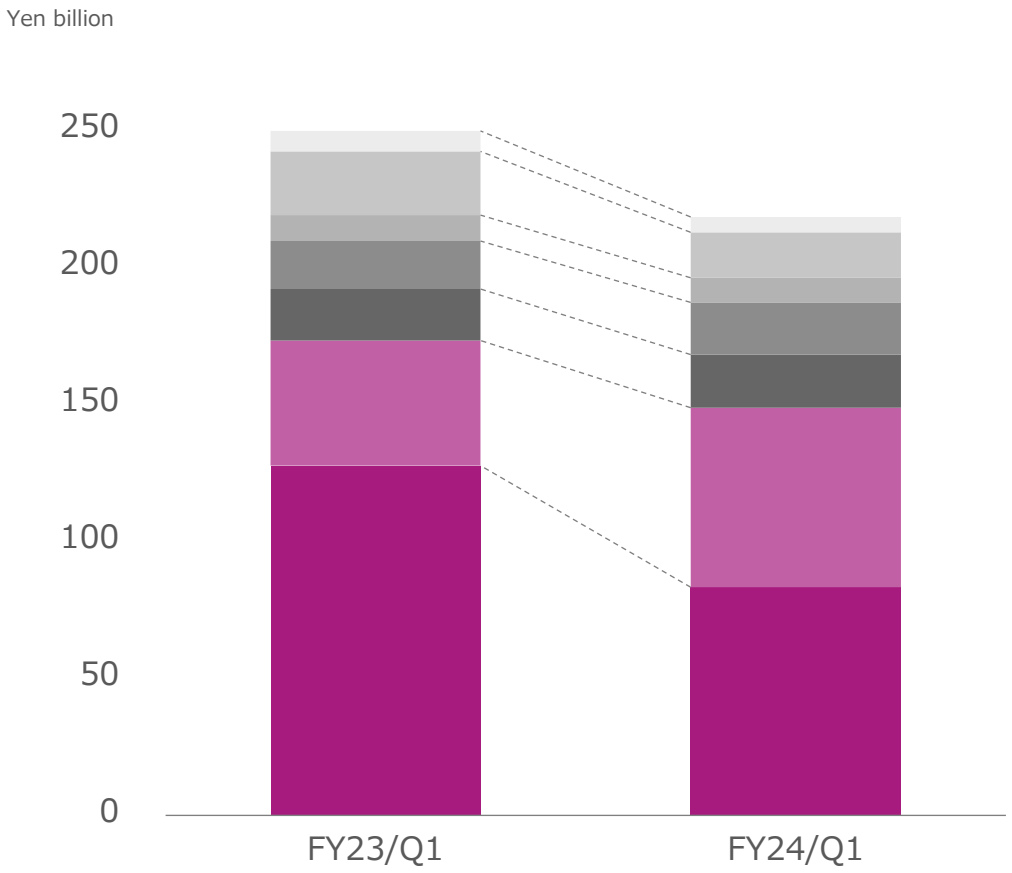
Y/Y Change ▲8.0%

(Yen billion)	FY23/Q1 Results	FY23/Q1 Ratio	FY24/Q1 Results	FY24/Q1 Ratio	Y/Y Change	Y/Y Change%
Semiconductor	250.1	90%	218.7	85%	▲31.4	▲13%
Network	28.4	10%	37.6	15%	+9.2	+32%
Total	**278.6**	**100%**	**256.3**	**100%**	**▲22.2**	**▲8.1%**

Consolidated Glosel's B/S at end of March 2024, and P/L from April 2024 (Semiconductor Business)

Semiconductor Business by Application: Net Sales

218.7 billion Y/Y Change ▲12.6%

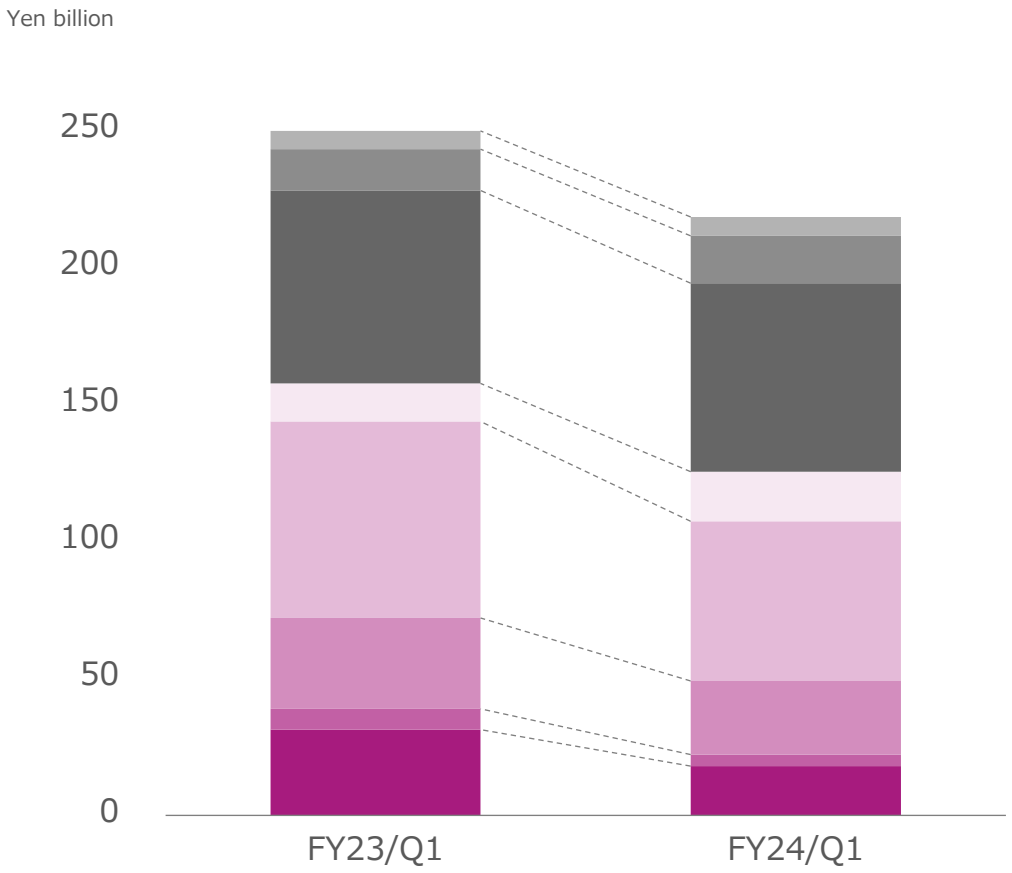


(Yen billion)	FY23/Q1 Results	FY23/Q1 Ratio	FY24/Q1 Results	FY24/Q1 Ratio	Y/Y Change	Y/Y Change%
Telecom Terminals	7.5	3%	5.6	3%	▲1.9	▲25%
Telecom Infrastructure	23.2	9%	16.7	8%	▲6.5	▲28%
OA/Peripherals	9.5	4%	8.9	4%	▲0.6	▲6%
Computers	17.5	7%	19.1	9%	+1.6	+9%
Consumer Products	18.9	8%	19.5	9%	+0.6	+3%
Automotive Products	45.7	18%	65.6	30%	+19.9	+43%
Industrial Equipment	127.8	51%	83.4	38%	▲44.5	▲35%
Total	**250.1**	**100%**	**218.7**	**100%**	**▲31.4**	**▲12.6%**

Consolidated Glosel's B/S at end of March 2024, and P/L from April 2024 (Semiconductor Business)

Semiconductor Business by Product: Net Sales

218.7 billion Y/Y Change ▲12.6%

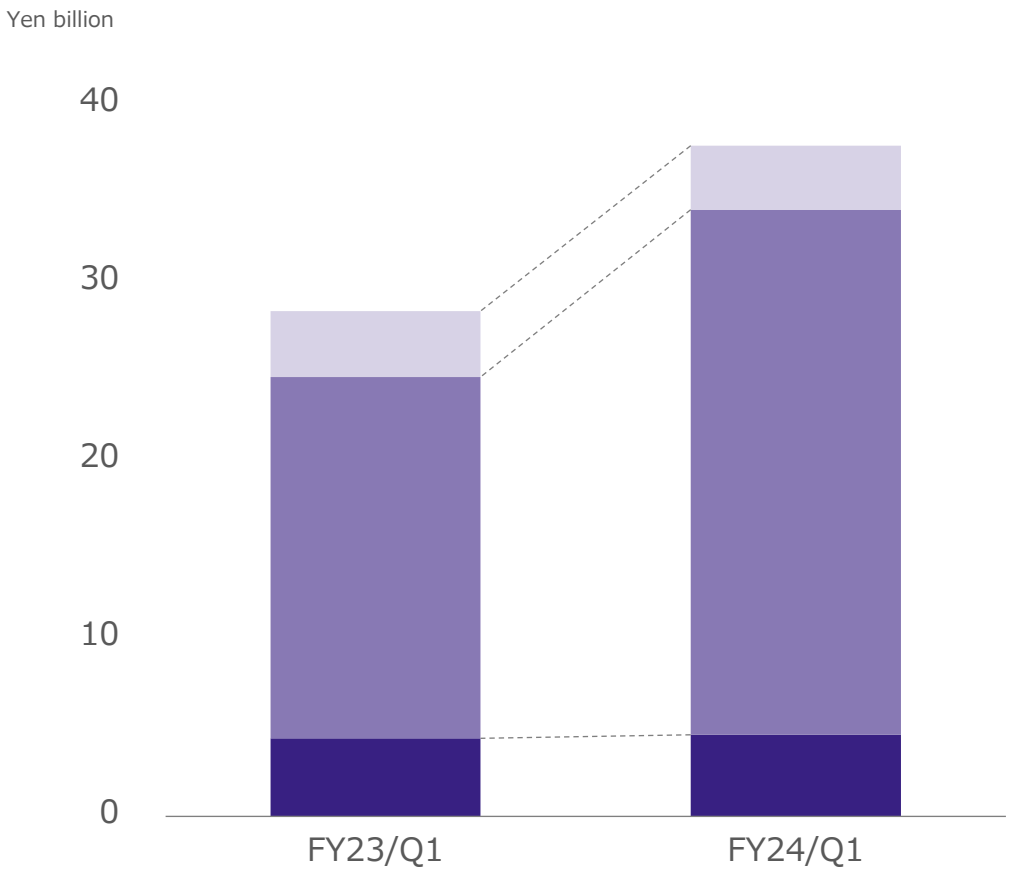


(Yen billion)	FY23/Q1 Results	FY23/Q1 Ratio	FY24/Q1 Results	FY24/Q1 Ratio	Y/Y Change	Y/Y Change%
Other	6.7	3%	6.9	3%	+0.2	+3%
Electronic Devices	15.1	6%	17.3	8%	+2.2	+14%
Other Standard IC	70.4	28%	68.9	32%	▲1.5	▲2%
Memory	13.9	6%	18.1	8%	+4.2	+30%
Analog	71.8	29%	58.3	27%	▲13.5	▲19%
ASSP	33.2	13%	26.9	12%	▲6.3	▲19%
ASIC	7.6	3%	4.1	2%	▲3.5	▲46%
PLD	31.3	13%	18.1	8%	▲13.2	▲42%
Total	**250.1**	**100%**	**218.7**	**100%**	**▲31.4**	**▲12.6%**

Consolidated Glosel's B/S at end of March 2024, and P/L from April 2024 (Semiconductor Business)

Network Business by Product: Net Sales

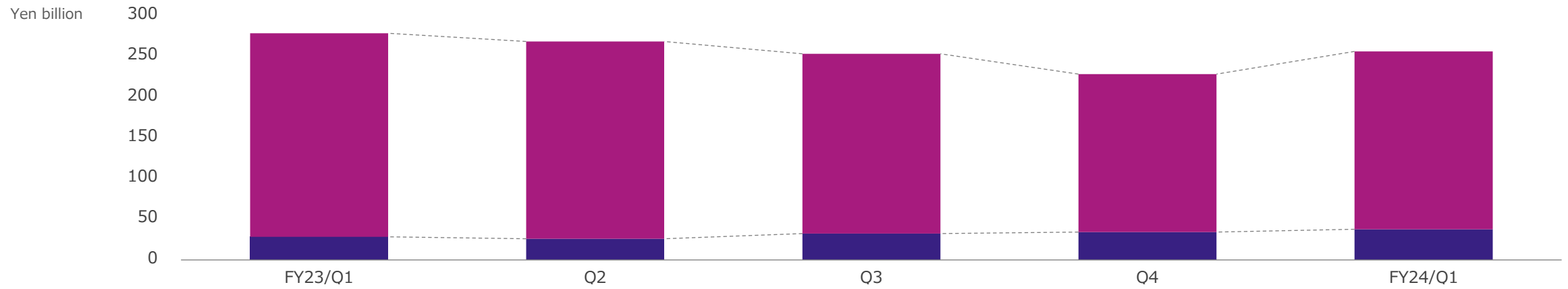
37.6 billion Y/Y Change +32.3%



(Yen billion)	FY23/Q1 Results	FY23/Q1 Ratio	FY24/Q1 Results	FY24/Q1 Ratio	Y/Y Change	Y/Y Change%
Hardware	3.7	13%	3.6	10%	▲0.2	▲5%
Software	20.3	72%	29.5	78%	+9.1	+45%
Service	4.4	15%	4.6	12%	+0.2	+5%
Total	**28.4**	**100%**	**37.6**	**100%**	**+9.2**	**+32.3%**

Appendix

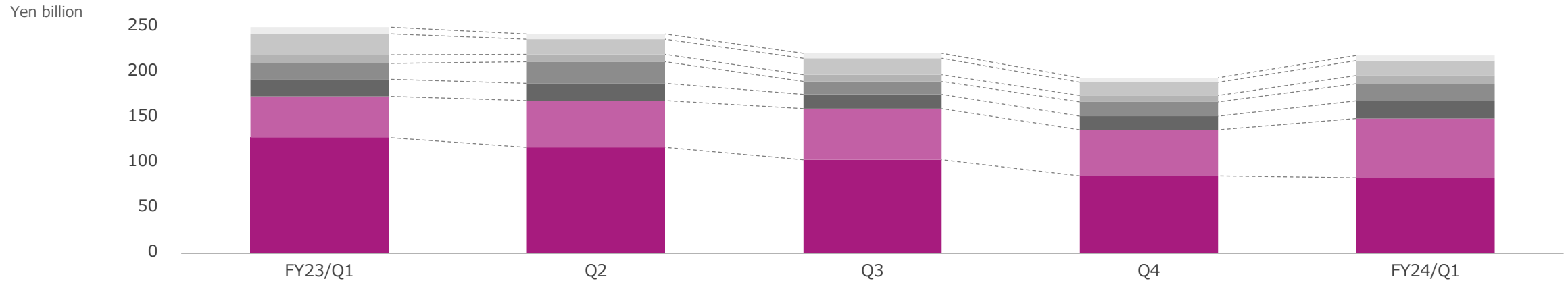
Quarterly Net Sales by Segment



		FY23/Q1		Q2		Q3		Q4		FY24/Q1	
Result / Ratio	Semiconductor	250.1	90%	242.4	90%	221	87%	194.2	85%	218.7	85%
	Network	28.4	10%	26	10%	32.3	13%	34.2	15%	37.6	15%
YoY / QoQ	Semiconductor	+14%	+8%	+7%	▲3%	▲12%	▲9%	▲16%	▲12%	▲13%	+13%
	Network	+29%	▲4%	+7%	▲9%	+32%	+24%	+16%	+6%	+32%	+10%

Consolidated Glosel's B/S at end of March 2024, and P/L from April 2024 (Semiconductor Business)

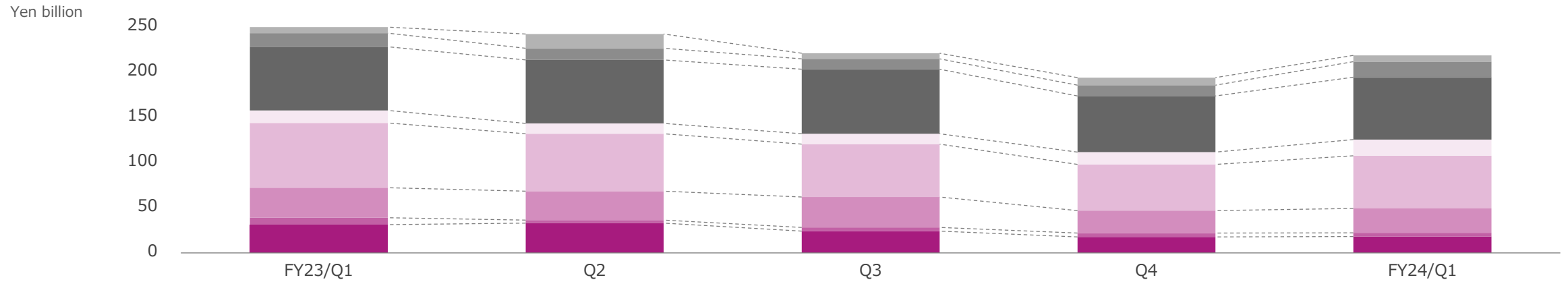
Quarterly Semiconductor Business by Application: Net Sales



		FY23/Q1		Q2		Q3		Q4		FY24/Q1	
Result / Ratio	Telecom Terminals	7.5	3%	5.9	2%	5.5	2%	5.1	2%	5.6	3%
	Telecom Infrastructure	23.2	9%	16.6	7%	18.2	8%	14.7	8%	16.7	8%
	OA/Peripherals	9.5	4%	8.1	3%	7.4	3%	7.1	4%	8.9	4%
	Computers	17.5	7%	24.1	10%	14.3	6%	15.6	8%	19.1	9%
	Consumer	18.9	8%	19.1	8%	15.9	7%	15.2	8%	19.5	9%
	Automotive	45.7	18%	51.6	21%	56.6	26%	50.8	26%	65.6	30%
	Industrial	127.8	51%	117.1	48%	103.3	47%	85.7	44%	83.4	38%
YoY / QoQ	Telecom Terminals	+12%	+16%	▲14%	▲22%	▲22%	▲7%	▲21%	▲6%	▲25%	+9%
	Telecom Infrastructure	▲41%	+4%	▲34%	▲29%	▲44%	+10%	▲34%	▲20%	▲28%	+14%
	OA/Peripherals	+1%	▲1%	▲19%	▲15%	▲32%	▲9%	▲26%	▲4%	▲6%	+26%
	Computers	▲12%	+15%	+7%	+38%	▲29%	▲41%	+3%	+9%	+9%	+22%
	Consumer	+19%	+7%	+2%	+2%	▲16%	▲17%	▲13%	▲4%	+3%	+28%
	Automotive	+31%	+7%	+24%	+13%	+19%	+10%	+19%	▲10%	+43%	+29%
	Industrial	+37%	+9%	+15%	▲8%	▲9%	▲12%	▲27%	▲17%	▲35%	▲3%

Consolidated Glosel's B/S at end of March 2024, and P/L from April 2024 (Semiconductor Business)

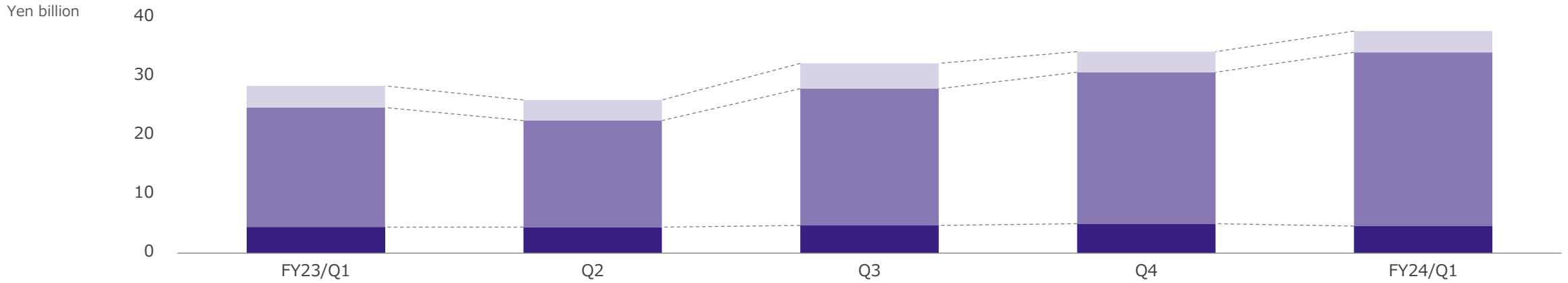
Quarterly Semiconductor Business by Product: Net Sales



		FY23/Q1		Q2		Q3		Q4		FY24/Q1	
Result / Ratio	Other	6.7	3%	15.7	6%	6.2	3%	8.5	4%	6.9	3%
	Electronic Devices	15.1	6%	13.1	5%	11.5	5%	12	6%	17.3	8%
	Other Standard IC	70.4	28%	70.3	29%	71.5	32%	62	32%	68.9	32%
	Memory	13.9	6%	11.3	5%	11.5	5%	13.6	7%	18.1	8%
	Analog	71.8	29%	63.6	26%	58.7	27%	51.1	26%	58.3	27%
	ASSP	33.2	13%	32	13%	33.7	15%	24.9	13%	26.9	12%
	ASIC	7.6	3%	3.5	1%	4.1	2%	4.3	2%	4.1	2%
	PLD	31.3	13%	32.9	14%	24	11%	17.6	9%	18.1	8%
YoY / QoQ	Other	+67%	+29%	+245%	+134%	+2%	▲61%	+63%	+38%	+3%	▲18%
	Electronic Devices	+11%	+17%	▲20%	▲13%	▲27%	▲12%	▲7%	+4%	+14%	+44%
	Other Standard IC	+50%	+28%	+35%	▲0%	+25%	+2%	+12%	▲13%	▲2%	+11%
	Memory	▲60%	▲6%	▲55%	▲19%	▲57%	+2%	▲8%	+19%	+30%	+33%
	Analog	+19%	▲3%	▲7%	▲11%	▲21%	▲8%	▲31%	▲13%	▲19%	+14%
	ASSP	+8%	+1%	▲3%	▲4%	▲6%	+5%	▲24%	▲26%	▲19%	+8%
	ASIC	+25%	+35%	▲38%	▲54%	▲24%	+15%	▲23%	+7%	▲46%	▲5%
	PLD	+38%	+0%	+48%	+5%	▲20%	▲27%	▲44%	▲26%	▲42%	+3%

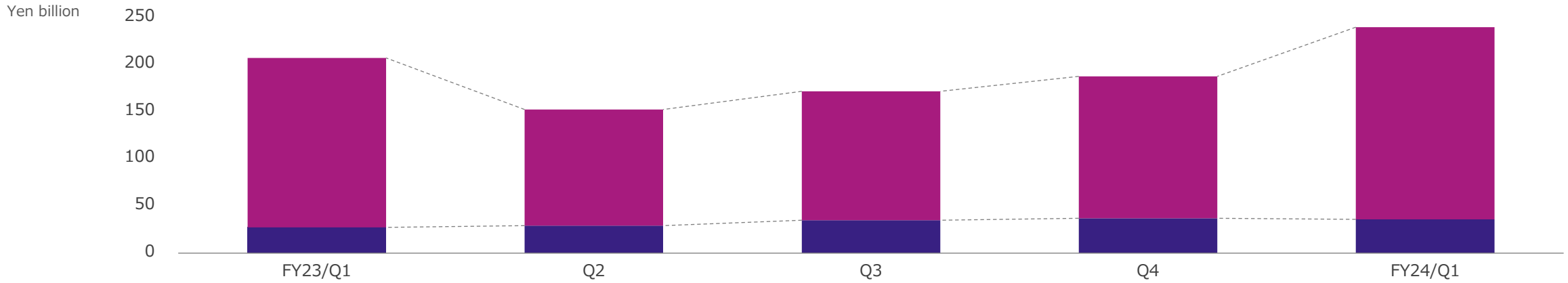
Consolidated Glosel's B/S at end of March 2024, and P/L from April 2024 (Semiconductor Business)

Quarterly Network Business by Product: Net Sales



		FY23/Q1		Q2		Q3		Q4		FY24/Q1	
Result / Ratio	Hardware	3.7	13%	3.5	13%	4.3	13%	3.5	10%	3.6	9%
	Software	20.3	72%	18.1	70%	23.2	72%	25.7	75%	29.5	78%
	Service	4.4	15%	4.4	17%	4.7	15%	5	15%	4.6	12%
YoY / QoQ	Hardware	▲23%	▲5%	▲13%	▲7%	+8%	+22%	▲11%	▲18%	▲5%	+2%
	Software	+57%	▲3%	+15%	▲11%	+45%	+28%	+23%	+11%	+45%	+15%
	Service	+4%	▲7%	▲2%	+0%	+7%	+8%	+7%	+6%	+5%	▲8%

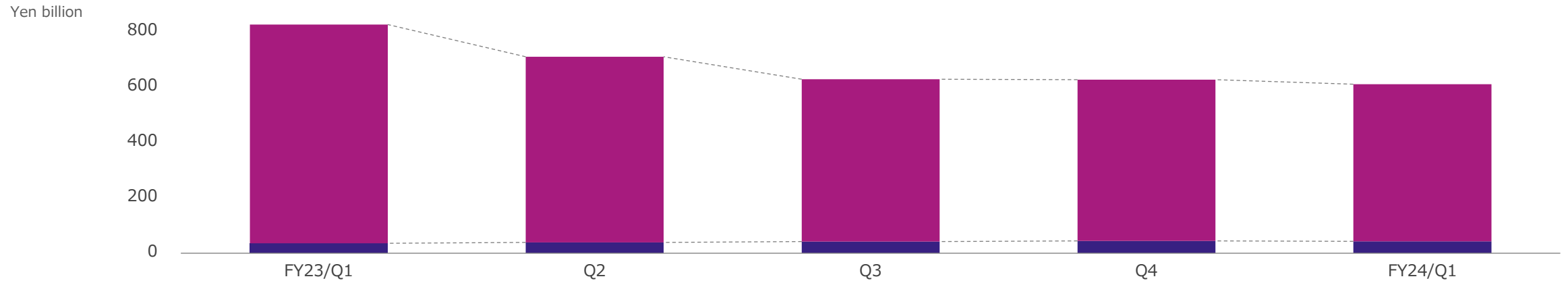
Quarterly Orders Received by Segment



		FY23/Q1		Q2		Q3		Q4		FY24/Q1	
Result / Ratio	Semiconductor	179.8	87%	123.3	81%	136.8	80%	150.4	80%	203.9	85%
	Network	27.3	13%	29.1	19%	34.8	20%	37	20%	35.7	15%
YoY / QoQ	Semiconductor	▲54%	+69%	▲56%	▲31%	▲31%	+11%	+41%	+10%	+13%	+36%
	Network	+19%	▲8%	+16%	+6%	+36%	+20%	+24%	+6%	+31%	▲3%

Consolidated Glosel's B/S at end of March 2024, and P/L from April 2024 (Semiconductor Business)

Quarterly Order Backlog by Segment



		FY23/Q1		Q2		Q3		Q4		FY24/Q1	
Result / Ratio	Semiconductor	790.4	96%	671.3	94%	587	93%	583	93%	568.3	93%
	Network	36.2	4%	39.3	6%	41.9	7%	44.6	7%	42.7	7%
YoY / QoQ	Semiconductor	▲20%	▲8%	▲35%	▲15%	▲41%	▲13%	▲32%	▲1%	▲28%	▲3%
	Network	+3%	▲3%	+9%	+9%	+13%	+7%	+20%	+7%	+18%	▲4%

Consolidated Glosel's B/S at end of March 2024, and P/L from April 2024 (Semiconductor Business)

