



CMK CORPORATION
(Stock code: 6958)

1H FY2022 Financial Results (presentation material)

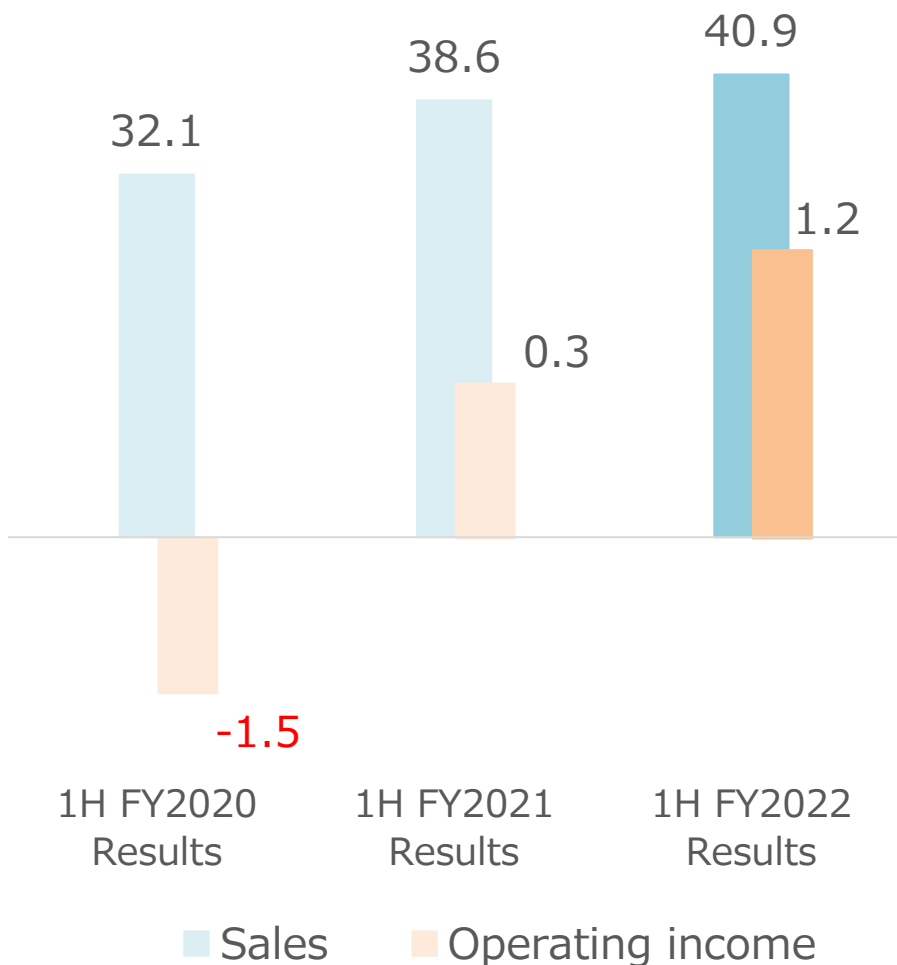
November 8, 2022
CMK CORPORATION

1. Consolidated financial results for 1H FY2022
2. Consolidated financial forecast for FY2022
3. Medium-Term Management Strategy
4. Supplementary information

1 . Consolidated financial results for 1H FY2022

① Key points of 1H FY2022 Financial results

(Billions of yen)

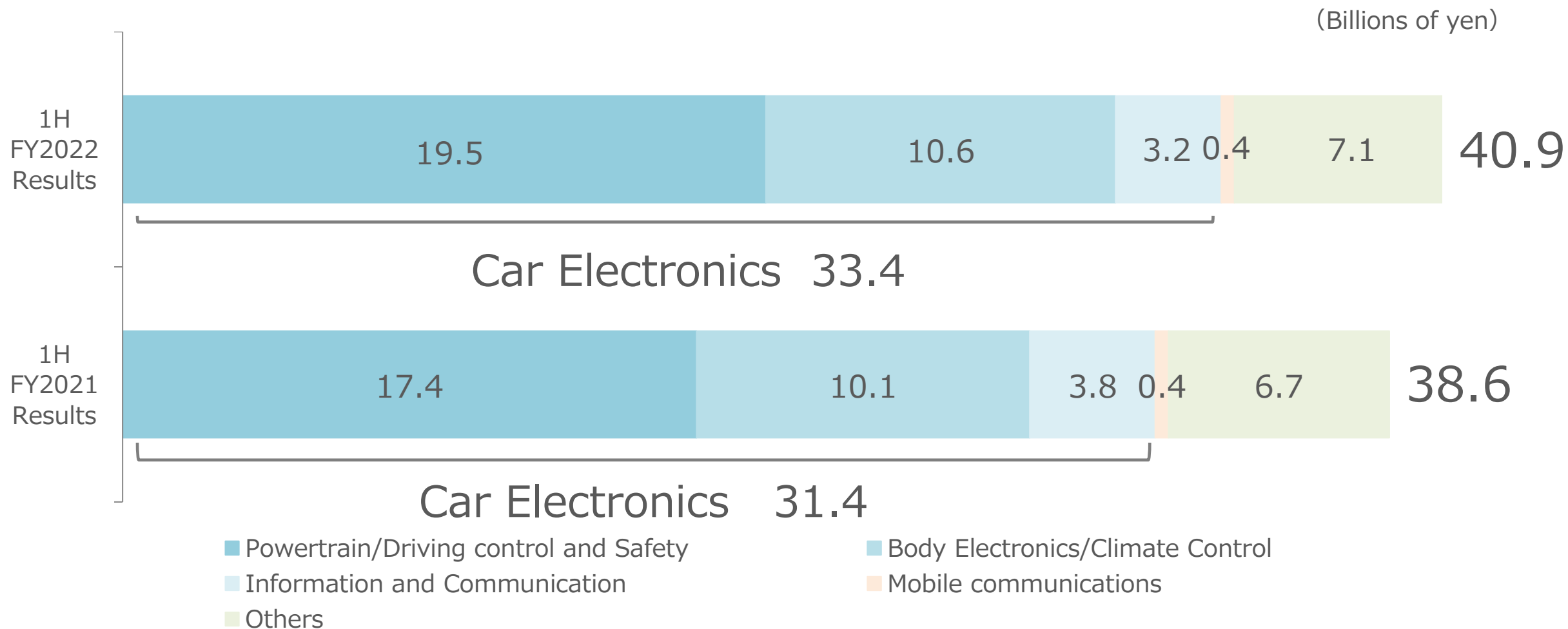


- Global automobile production remained weak. However, net sales increased due to strong sales of Powertrain/ Driving control and Safety.
- Operating income improved due to improved productivity and exchange rate fluctuation, etc.

② Consolidated financial Results

(Billions of yen)	1H FY2021	1H FY2022	YoY Change	YoY %
Net sales	38.6	40.9	+2.3	+6%
Operating income	0.3	1.2	+0.8	+212%
Operating margin	1.0%	3.0%	+2.0%	-
Ordinary income	0.1	1.5	+1.4	-
Profit attributable to owners of parent	0.0	1.0	+1.0	-
Exchange rate (USD/JPY)	108.47	124.54	+16.07	+15%

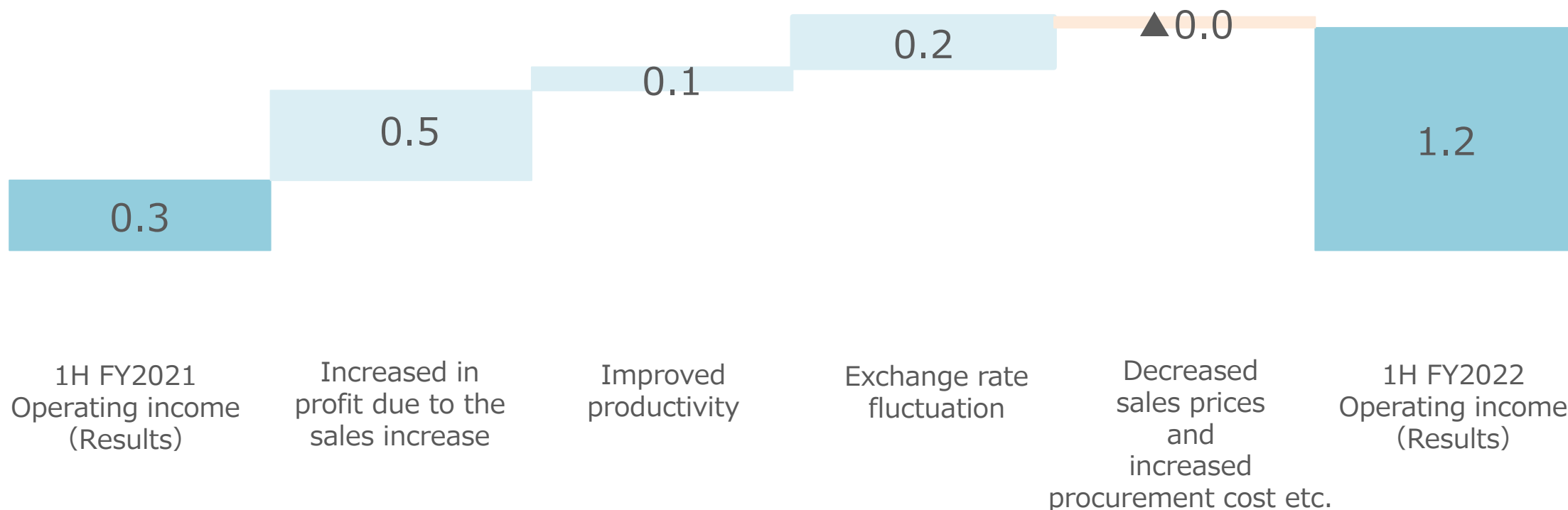
③ Sales by product



- Sales of Powertrain/Driving control and Safety increased by 12% compared with the 1H FY2021.

④ Analysis of changes in operating income

(Billions of yen)



2. Consolidated financial forecast for FY2022

① Consolidated financial Results and Forecast

(Billions of yen)	1H FY2022 Results	2H FY2022 Forecast	FY2022 Forecast
Net sales	40.9	41.0	82.0
Operating income	1.2	1.7	3.0
Operating margin	3.0%	4.3%	3.7%
Ordinary income	1.5	1.3	2.9
Profit attributable to owners of parent	1.0	1.0	2.1
Exchange rate (USD/JPY)	124.54	135.00	133.00

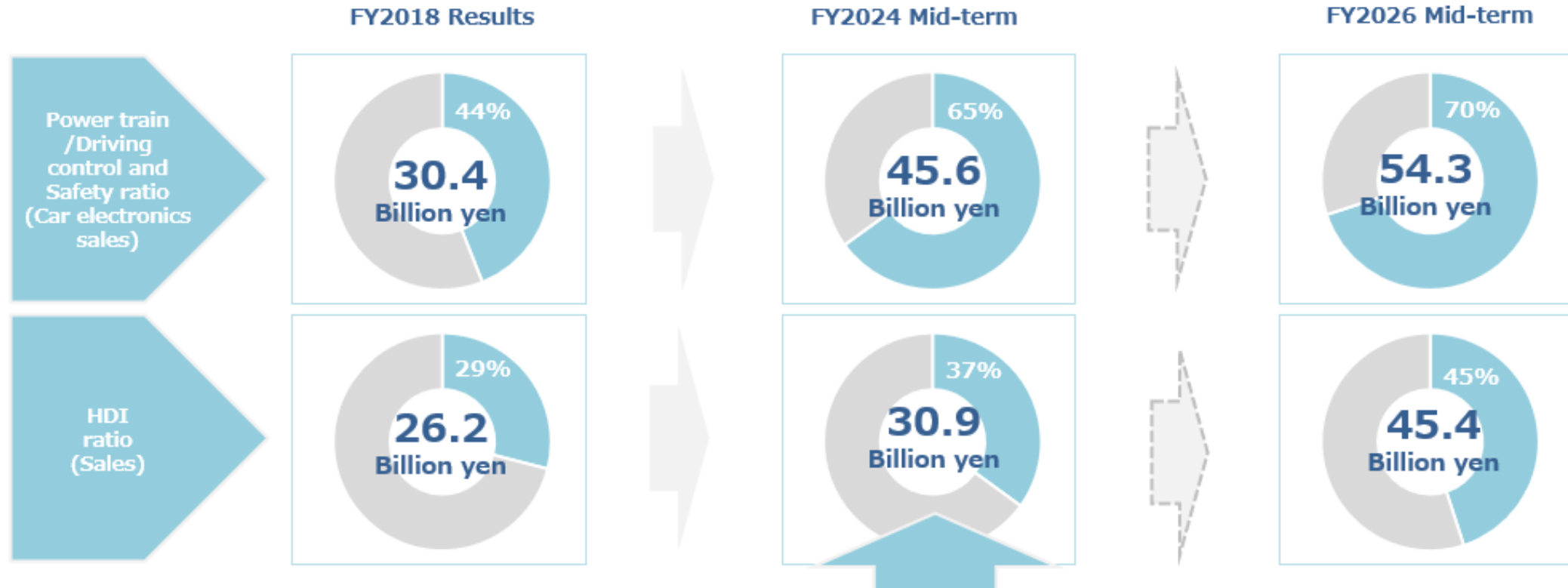
3. Medium-Term Management Strategy

Outline of the Mid-Term Management Plan (Reposted)

1st Medium-Term Management Plan (From FY2022 to FY2024)	2nd Medium-Term Management Plan (From FY2025 to FY2026)
<p data-bbox="198 429 1480 536">Establishment of the profit base and preparation for the growth</p> <ul data-bbox="231 579 1462 922" style="list-style-type: none">• Improving production efficiency through the business structure reform• Highly-added value shift in the automotive product portfolio (improvement of the product mix)• Preparation for new businesses and acceleration of commercialization	<p data-bbox="1651 429 2328 536">Accelerated of the growth</p> <ul data-bbox="1600 579 2397 858" style="list-style-type: none">• Establishment of the growth cycle by increasing net sales from CASE demand• Increasing of the net sales from new businesses

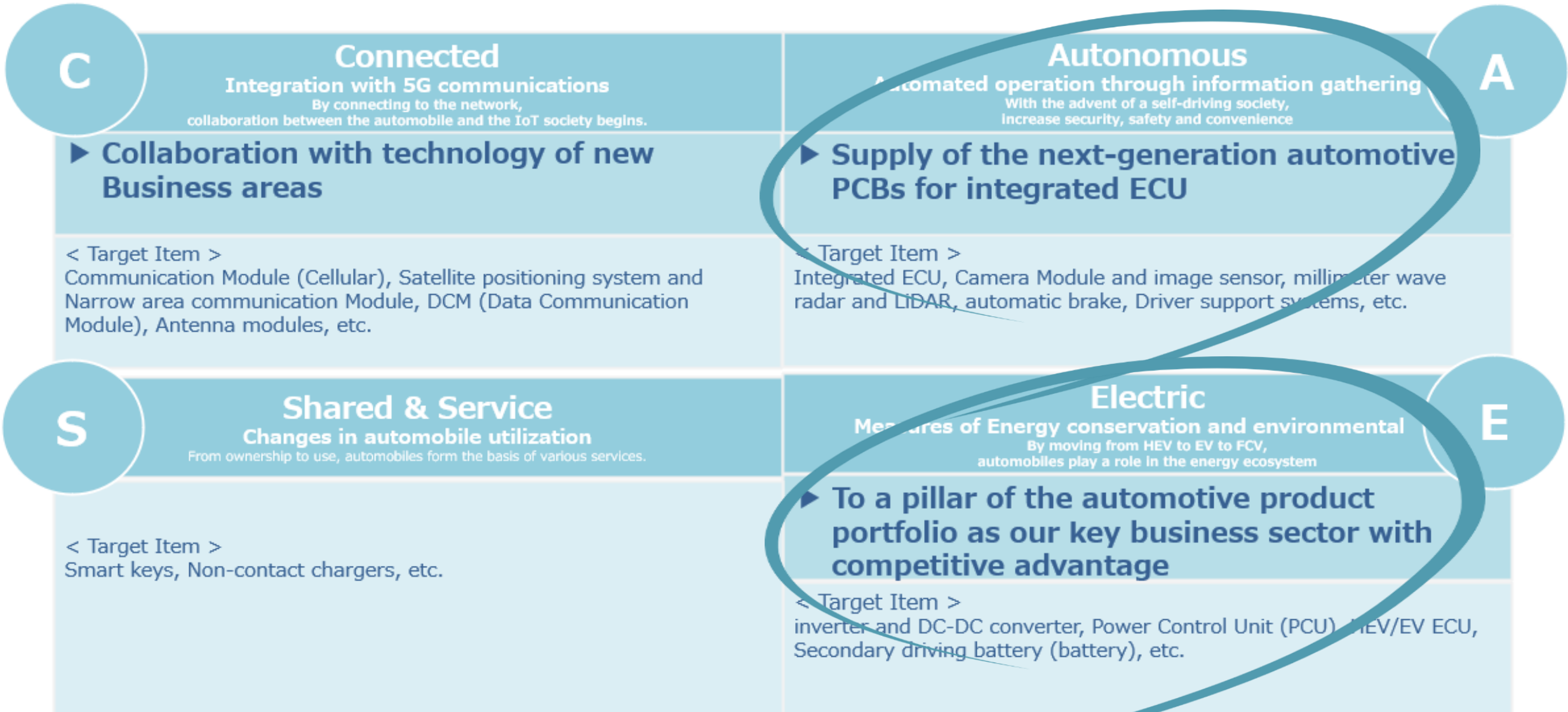
By shifting the highly-added value to the automotive product portfolio, Establish a stable profit base.
⇒Based on a stable profit base, we establish a growth cycle by increasing net sales from CASE demand

Highly-added value shift in the automotive product portfolio / Increase of the profitability by improvement of the product mix ⇒ Focus on Powertrain/Driving control and Safety and increase HDI production ratio



Model change of production system

- Increasing of HDI production ratio at the Thailand factory and producing Multilayered Fine at the China factory
- Outsourced manufacturing of general-purpose automotive PCBs.



Construction of New Factory at CMK CORPORATION(THAILAND)CO.,LTD.

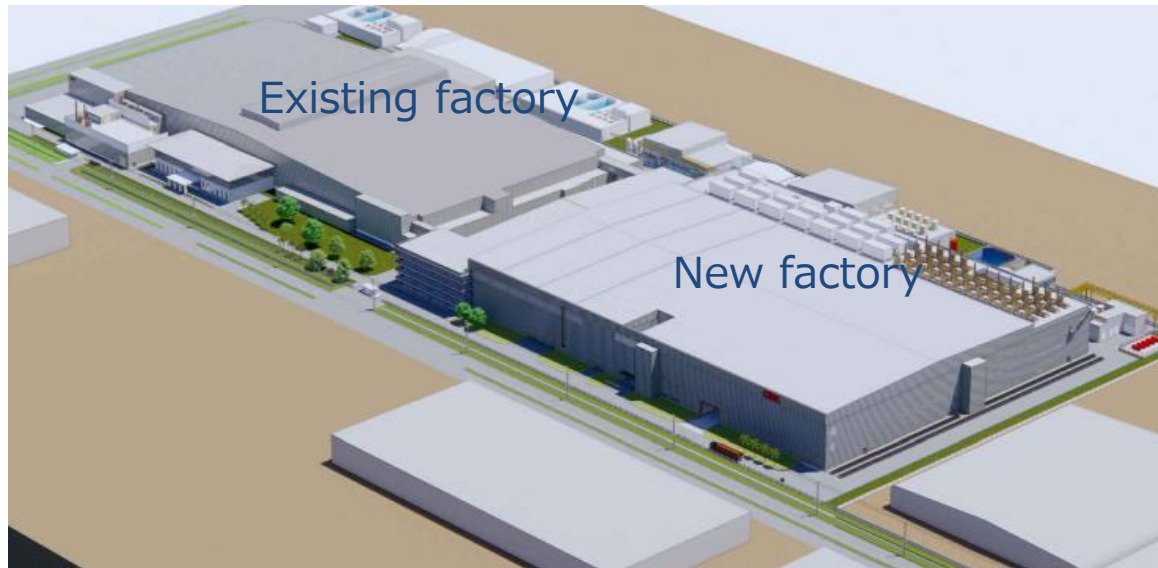
In order to realize the establishment of a growth cycle by increasing net sales from CASE demand, We made the decision to construct a new factory in Thailand

Outline of construction

- Location : Prachinburi Province, Thailand
- Total floor area : Approximately 102,000m²
- Production items : HDI PCBs and Multilayered PCBs
- Investment amount : Approximately 25 billion yen (1st investment)
- Start of operations : Sequential launch from August 2024(planned)

Production concept

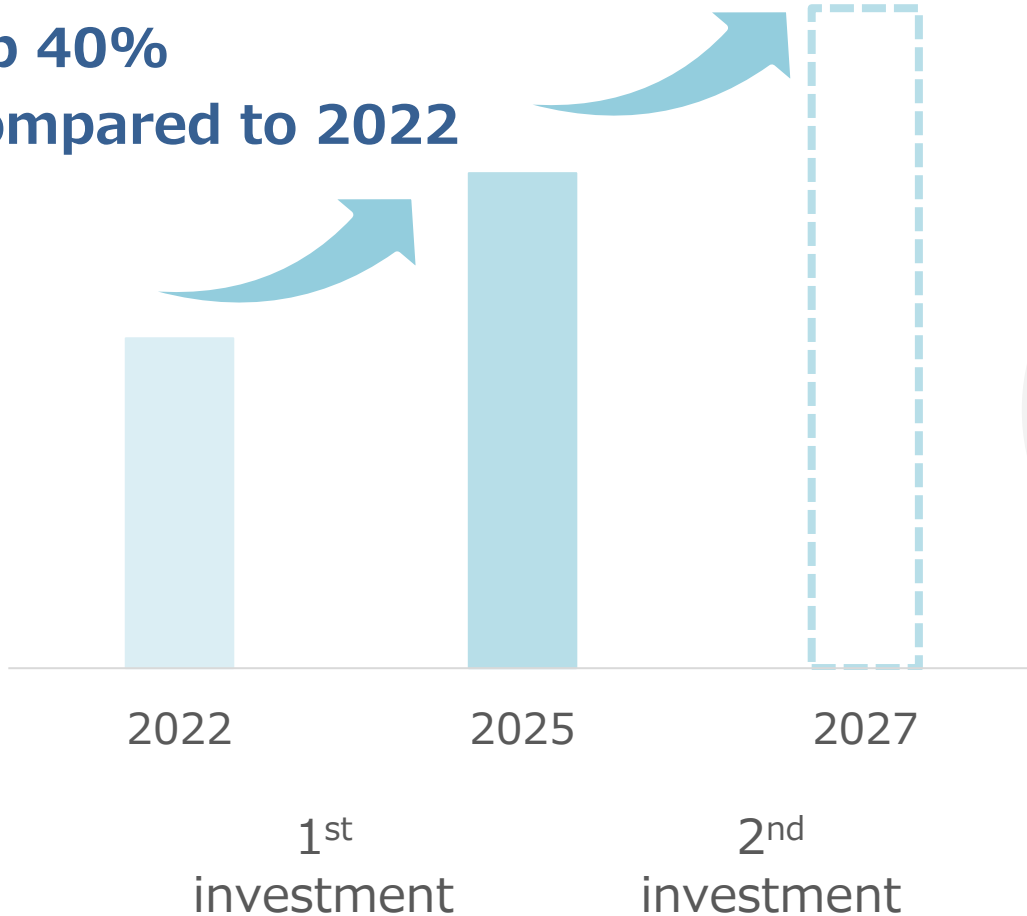
- Highly-added value shift in the automotive product portfolio (Increasing in HDI production ratio)
- **Productivity improvement by large format** and Manpower savings and yield improvement through automatization
⇒ Improving cost competitiveness
- By eliminating the film manufacturing process, we aim for sustainable manufacturing



Net sales

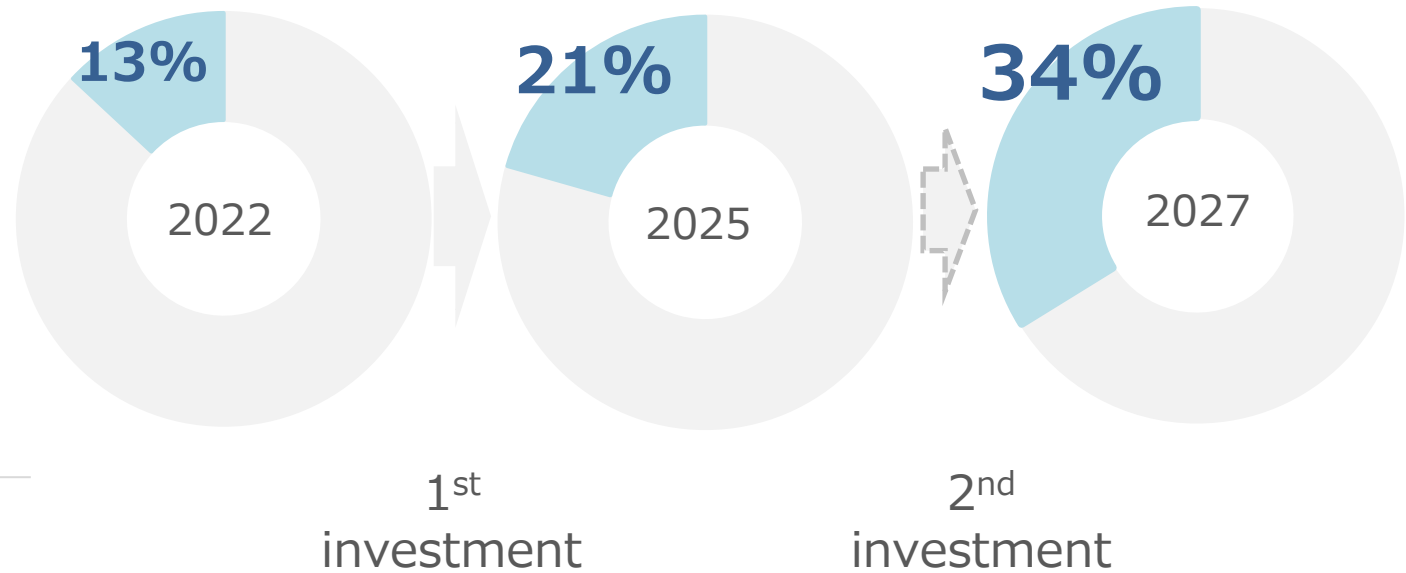
**Up 80%
compared to 2022**

**Up 40%
compared to 2022**



Composition by type of PCBs

Increasing in HDI production ratio



Sustainability Initiatives

- As capital investment for production efficiency in the first medium-term management plan, we raised funds by “Mizuho Positive Impact Finance” on September 30, 2022
- Establish KPIs for achievement of SDGs and promote activities.

Impact	KPI	Goal and Policies	SDGs
Transportation (Positive)	Sales ratio for EV	2023: Target setting (Note1)	
Transportation (Negative)	Sales ratio for Driving control and safety	2027: Above 30%	
Climate	Reduction rate of CO2 emission (Scope1 and2) (Base year:2013) (Our group)	2030: 46% reduction	
Water, Air and Soil	Implementing EHS management	Yearly: Implementing one or more companies (Note2)	
	Number of environmental pollution incidents	Yearly: 0(continuation)	
Resource efficiency, Safety and Waste	Zero emission rate	Yearly: Continue activities toward 100%	
Health, Hygiene and Employment	Number of serious accidents	Yearly: 0(continuation)	

Impact	KPI	Goal and Policies	SDGs
Inclusive and healthy economy	Ratio of female managers	2022: Above 3.3%	
	Employment ratio of people with disabilities	Yearly: Above statutory 2.3%	
Personality and Personal security	Implementing Human Rights Due Diligence	2023: Implementing Human Rights Due Diligence	

(Note1) For this indicator, we are currently developing a system to capture actual performance. After the establishment of the system, we monitor actual results and evaluate the progress of efforts during the period until the goal is set

(Note2) At the time of monitoring related to these items, we evaluate CMK’s efforts to communicate through dialogue to achieve appropriate EHS management at the target companies.

* Please refer to our website about “Mizuho Positive Impact Finance”
<https://www.cmk-corp.com/topics/topics000487.html>

3 . Supplementary information

① Sales by product

	(Billions of yen)	1H FY2021	1H FY2022	YoY Change	YoY %	FY2022 Forecast
Car Electronics		31.4	33.4	+1.9	+6%	69.7
Breakdown	Powertrain/Driving control and Safety	17.4	19.5	+2.0	+12%	41.5
	Body Electronics/Climate Control	10.1	10.6	+0.4	+5%	22.8
	Information and Communication	3.8	3.2	-0.6	-16%	5.4
Mobile communications		0.4	0.4	-0.0	-11%	1.3
Others		6.7	7.1	+0.4	+6%	11.0
Total		38.6	40.9	+2.3	+6%	82.0

※AV equipment, Digital still camera, Amusement include "Others"

② Sales by type of PCBs

(Billions of yen)	1H FY2021	1H FY2022	YoY Change	YoY %	FY2022 Forecast
HDI PCBs	9.8	9.9	+0.0	+1%	22.5
Multilayered PCBs	20.8	23.2	+2.3	+11%	44.5
Double-sided PCBs	5.3	5.0	-0.3	-6%	10.0
Others	2.6	2.8	+0.2	+8%	5.0
Total	38.6	40.9	+2.3	+6%	82.0

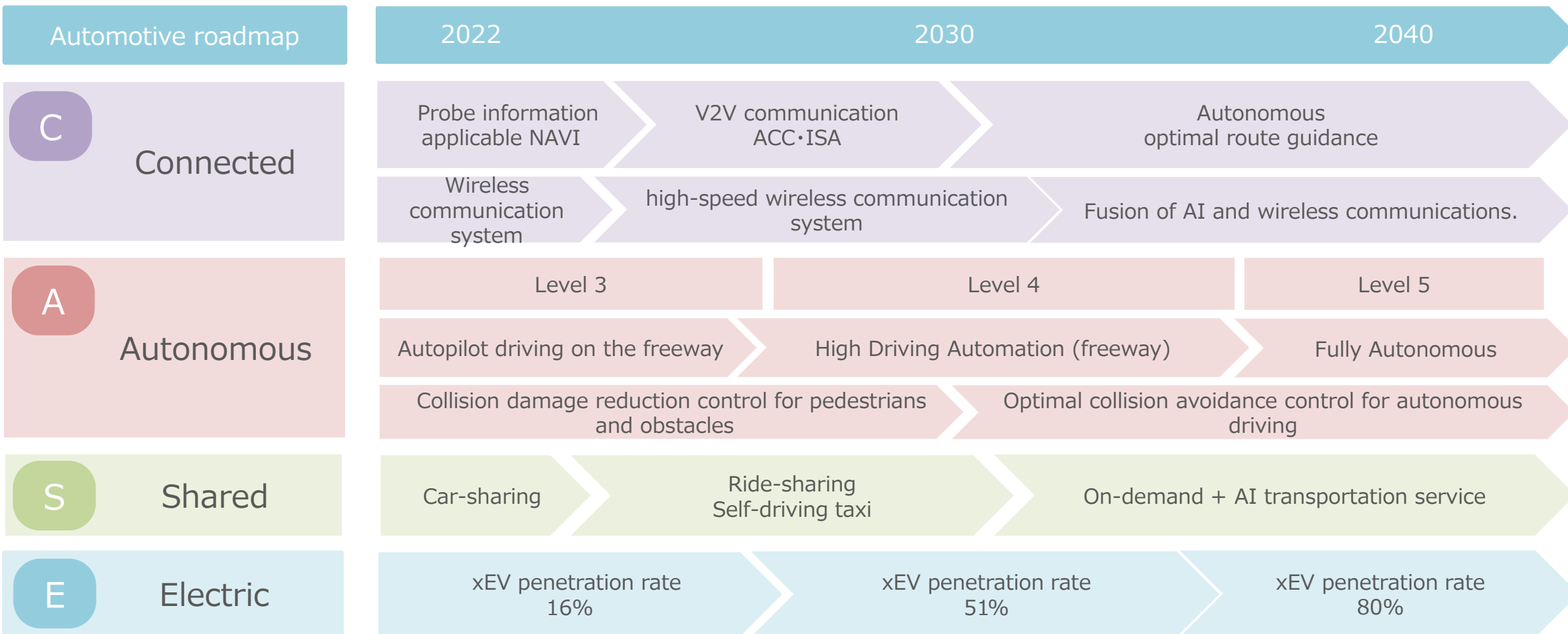
③ Financial results by region

(Billions of yen)		1H FY2021	1H FY2022	YoY Change	YoY %	FY2022 Forecast
Japan	Sales	23.4	23.5	+0.1	+1%	48.0
	Operating income	0.8	0.3	-0.5	-61%	0.8
China	Sales	13.9	16.7	+2.8	+20%	32.5
	Operating income	-0.1	0.7	+0.9	-706%	1.6
Southeast Asia	Sales	11.5	14.4	+2.8	+24%	27.9
	Operating income	0.0	0.8	+0.7	-	1.5
Europe & North America	Sales	2.0	1.9	-0.0	-2%	3.6
	Operating income	0.0	0.0	-0.0	-1%	0.1
Adjustment	Sales	▲12.2	▲15.6	-3.4	+28%	▲30.0
	Operating income	▲0.4	▲0.7	-0.3	+75%	▲1.0
Consolidated	Sales	38.6	40.9	+2.3	+6%	82.0
	Operating income	0.3	1.2	+0.8	+212%	3.0 ²⁰

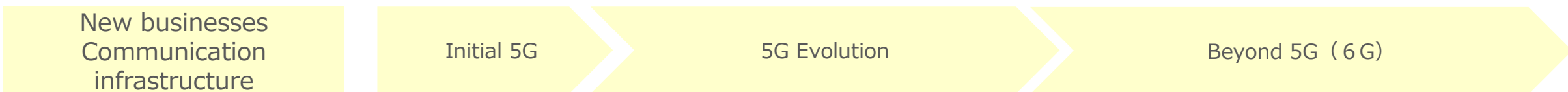
④ Capital investment

(Billions of yen)	1H FY2021	1H FY2022	YoY Change	FY2022 Forecast
Japan	2.3	0.9	-1.4	3.0
Overseas	1.2	1.5	+0.3	3.3
Consolidated	3.5	2.5	-1.0	6.3
Depreciation cost	2.0	2.3	+0.2	4.6

⑤-1 CASE and New businesses roadmap



※Prepared in our company with reference to the Society of Automotive Engineers of Japan "Technology Roadmap" of "Future vision : 2050 Challenge"



※Prepared in our company with reference to the Ministry of Internal Affairs and Communications " Beyond 5G Promotion Strategy -6G Roadmap."

⑤-2 CASE and New businesses roadmap

Market needs	Products	PCB requirement	Our technological innovation
<p>C Connected</p>	<p>Data communication module 5G,V2X Infotainment IVI</p>	<p>Low loss SoC processors</p>	<p>Low dielectric material, characteristic impedance control Multiple stacked vias HDI, Fine circuit MSAP</p>
<p>A Autonomous</p>	<p>Millimeter wave Radar Sensing camera</p>	<p>Stable accuracy of antenna circuit, Downsized unit, 3D</p>	<p>High-definition circuit pattern MSAP Multiple stacked vias HDI, High-thickness Rigid-Flex</p>
<p>S Shared</p>	<p>AI-equipped Unit for infrastructure</p>	<p>AI processors High layer count, Small Diameter VIA</p>	<p>Low dielectric material , characteristic impedance control Multiple stacked vias HDI , High aspect ratio</p>
<p>E Electric</p>	<p>Integrated ECU Power module</p>	<p>Signal circuit and Power mix High withstand voltage, High current PCB and Heat resistance</p>	<p>Heavy copper circuit, Inner layer copper core, High heat radiation material Highly insulating resist, Heat Dissipation simulation</p>
<p>5G New businesses Communication infrastructure</p>	<p>5 G Base station small cell</p>	<p>High layer count, low loss High density, Fine circuit</p>	<p>Low dielectric material, High layer count, High aspect ratio Subtract-process fine circuit, Back Drill</p>

⑥ Technology roadmap

Our technological innovation

1st Medium-Term Management Plan

2nd Medium-Term Management Plan

FY2021 FY2022 FY2023 FY2024 FY2025 FY2026

C



High density

Multiple stacked BVH HDI

AnyLayer HDI

Fine circuit MSAP

Mass-produced

Trial

Mass-production

Development

Trial

Mass-production

A



High function

High-definition circuit MSAP

High thickness Rigid-Flex

Trial

Mass-production

Development

Trial

Mass-production

S



High frequency

Low loss

characteristic impedance control

Development

Trial

Mass-production

±10%(actual measurement control)

±10%(process guarantee)

simulation control

E



High heat dissipation

Heavy copper + Signal circuit

High heat conduction

Development

Trial

Mass-production

Development

Trial

Mass-production



5G

High layer

High aspect Ratio

Subtract-Process fine circuit

AR12

AR21

AR24

Development

Trial

Mass-production

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