JCU CORPORATION

Financial Results Briefing Material

for the Fiscal Year Ended March 2025

JCU CORPORATION

TSE Prime (Stock Code: 4975)

May 13, 2025

Summary of Consolidated Financial Results for FY3/25

Accounting Period of FY3/25
JCU (non-consolidated): April 1, 2024 to March 31, 2025
Overseas subsidiaries: January 1 to December 31, 2024

Chemicals Business

For electronic components

- China: The inventory adjustment of high-performance electronic devices including smartphones ran its course, resulting in a recovery trend in the demand for PWBs. As a result, sales of chemicals substantially increased year over year.
- Taiwan: With signs of recovery in the semiconductor market, demand for servers and semiconductor package substrates for high-performance electronic devices moderately expanded. As a result, sales of chemicals increased year over year.
- South Korea: Due to the bottoming out of the semiconductor market and the progress in inventory adjustment by customers, demand for semiconductor package substrates showed a moderate recovery. As a result, sales of chemicals increased year over year.

For decoration

- Japan: Although the impact of the suspension of shipments by some automobile manufacturers eased, demand for chemicals declined due to changes in design trends. As a result, sales of chemicals decreased year over year.
- China: Despite increases in automobile production due to an improvement in shortages of semiconductors and parts, demand for automobile parts which is subject to our business decreased. Sales of chemicals decreased year over year.

Machine Business

- Sales substantially increased thanks to the ordered projects progressing on schedule. However, orders received and order backlog decreased due to a decline in new orders as customers' investment projects have run their course.

Summary of Financial Results for FY3/25

(Millions of yen)

	FY3/23	FY3/24	FY3/25		
	Results	Results	Forecasts (Revised February 2025)	Results	YoY % Change
Net sales	27,137	24,859	28,000	28,356	14.1%
Operating profit	9,285	8,041	10,000	10,513	30.8%
Ordinary profit	9,369	8,216	10,500	10,920	32.9%
Profit attributable to owners of parent	6,013	5,530	7,200	7,497	35.6%
Net income per share	232.62 yen	216.95 yen	285.68 yen	297.71 yen	-

Summary Consolidated Balance Sheet

(Millions of yen)	FY3/24	FY3/25
Current assets	40,831	40,223
Cash and deposits	27,037	26,046
Notes and accounts receivable-trade	10,171	10,461
Inventories	2,518	2,315
Non-current assets	8,810	14,617
Property, plant and equipment	6,165	11,830
Investments and other assets	2,602	2,652
Total assets	49,641	54,841
Current liabilities	6,664	6,347
Notes and accounts payable-trade (incl. electronically recorded obligations-operating)	3,122	2,342
Short-term borrowings (incl. current portion of long-term borrowings)	616	391
Non-current liabilities	727	680
Long-term borrowings	121	30
Total liabilities	7,391	7,028
Total net assets	42,250	47,812
Total liabilities and net assets	49,641	54,841

Note: Certain line items are omitted

Foreign Exchange Rates

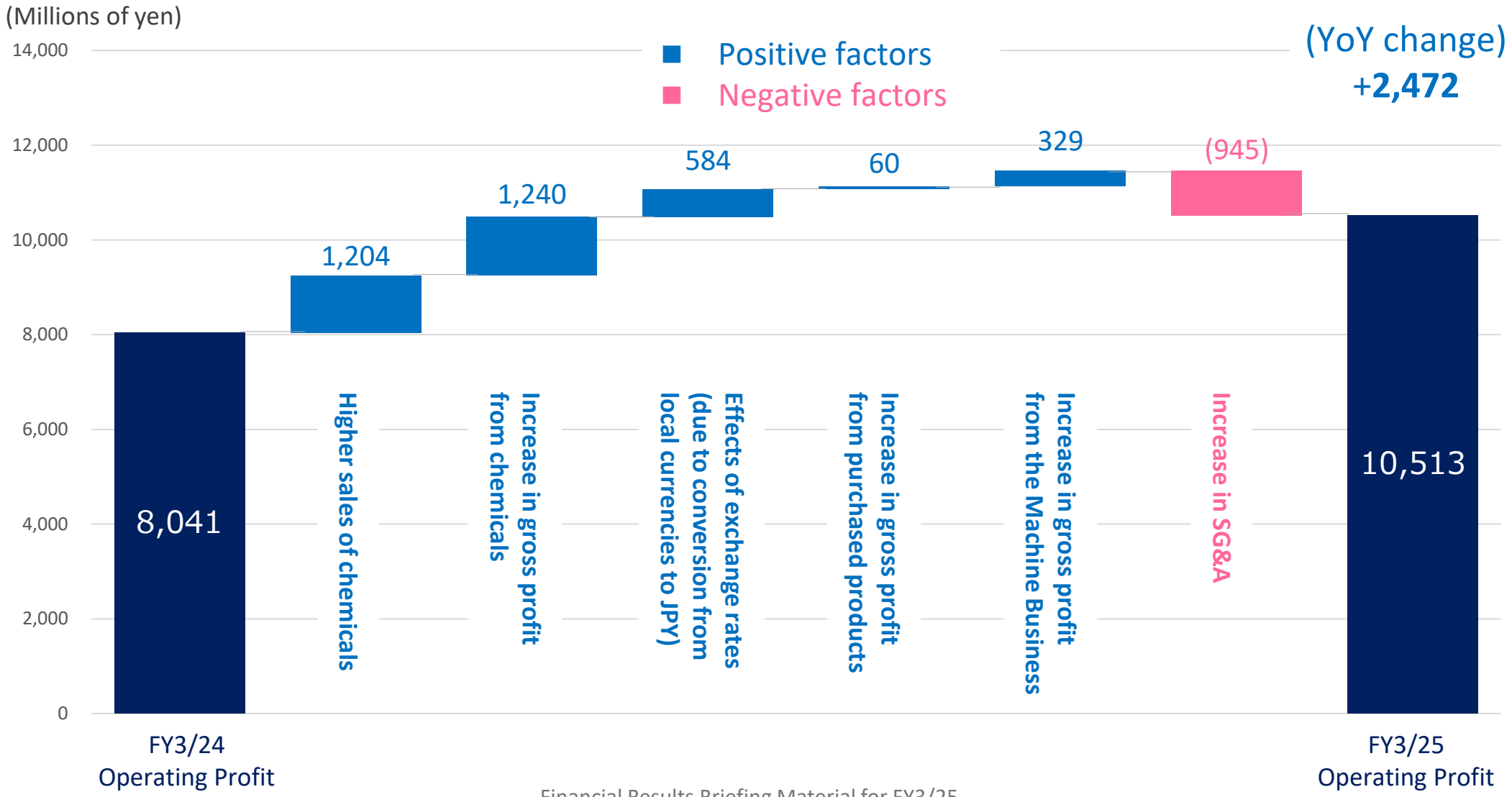
Foreign exchange sensitivity (as at the consolidated year):
Changes of about 100 million yen in consolidated operating profit with 1% change in major currency rates listed below

(Yen)

	FY3/24	FY3/25					FY3/26 (Forecast)
		(Initial forecast)	1Q	2Q	3Q	4Q	
Chinese yuan (CNY)	19.82	20.40	20.63	21.05	20.97	21.02	20.40
Taiwan dollar (TWD)	4.51	4.60	4.73	4.78	4.73	4.72	4.50
Korean won (KRW)	0.1076	0.1100	0.1117	0.1127	0.1118	0.1112	0.1090

Note: The average rate for the period is used to translate Chinese yuan, Taiwan dollar and Korean won, our major foreign currencies, to Japanese yen.

Changes in Consolidated Operating Profit for FY3/25



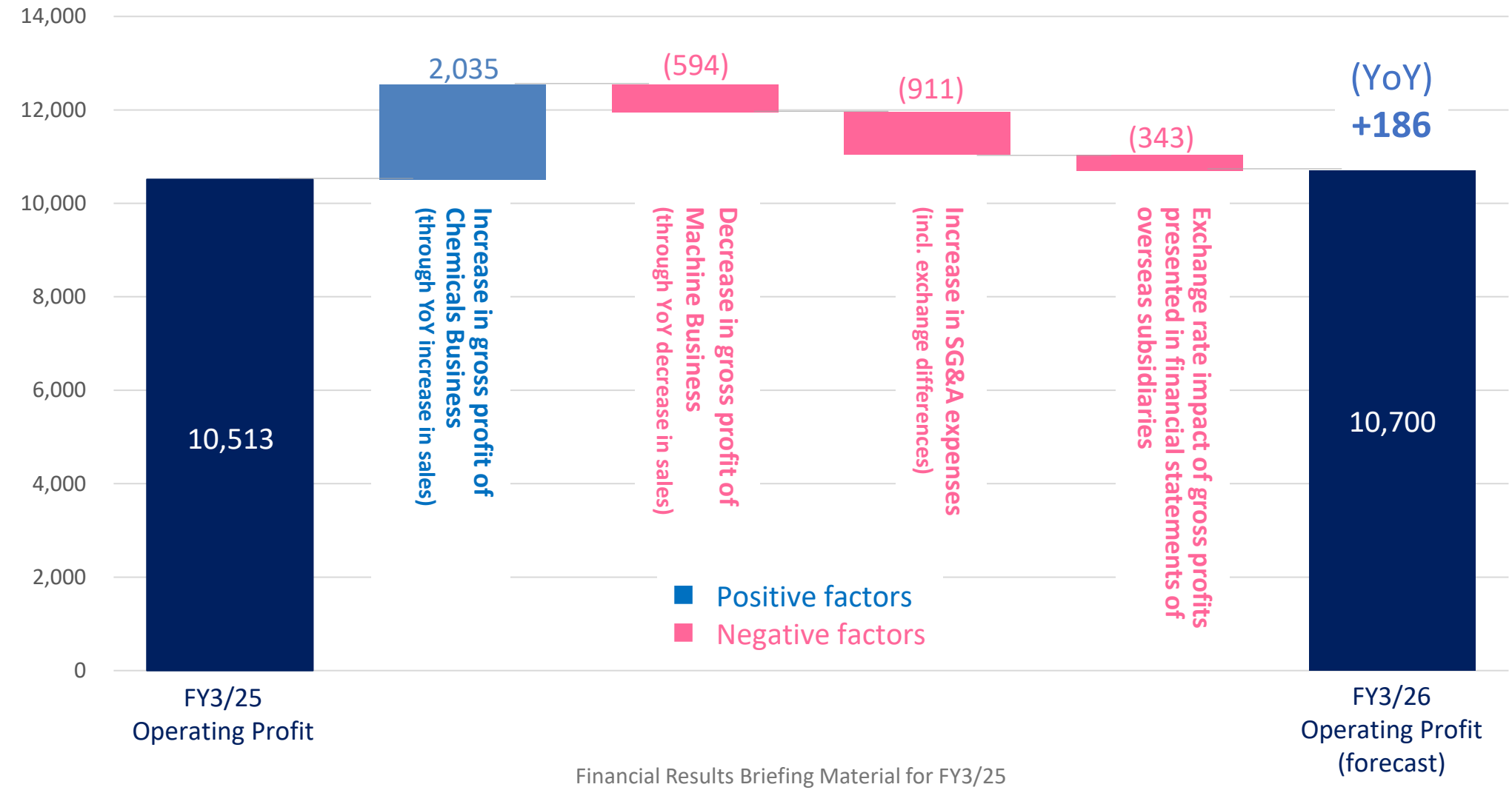
Forecasts for FY3/26

(Millions of yen)

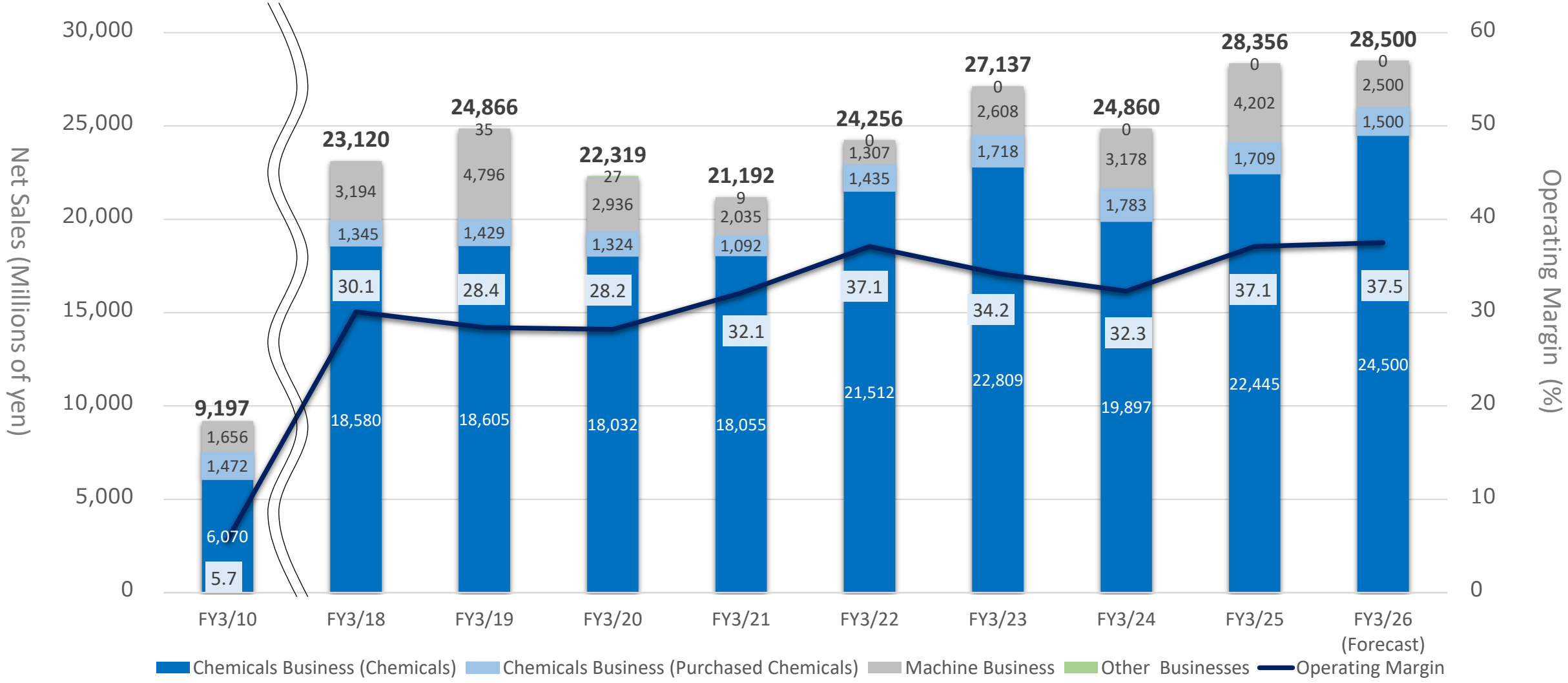
	FY3/25 Results	FY3/26 Forecasts	YoY% Change
Net sales	28,356	28,500	0.5%
Operating profit	10,513	10,700	1.8%
Ordinary profit	10,920	10,800	(1.1)%
Profit attributable to owners of parent	7,497	7,400	(1.3)%
Net income per share	297.71 yen	296.94 yen	-

Changes in Consolidated Operating Profit (Forecast for FY3/26)

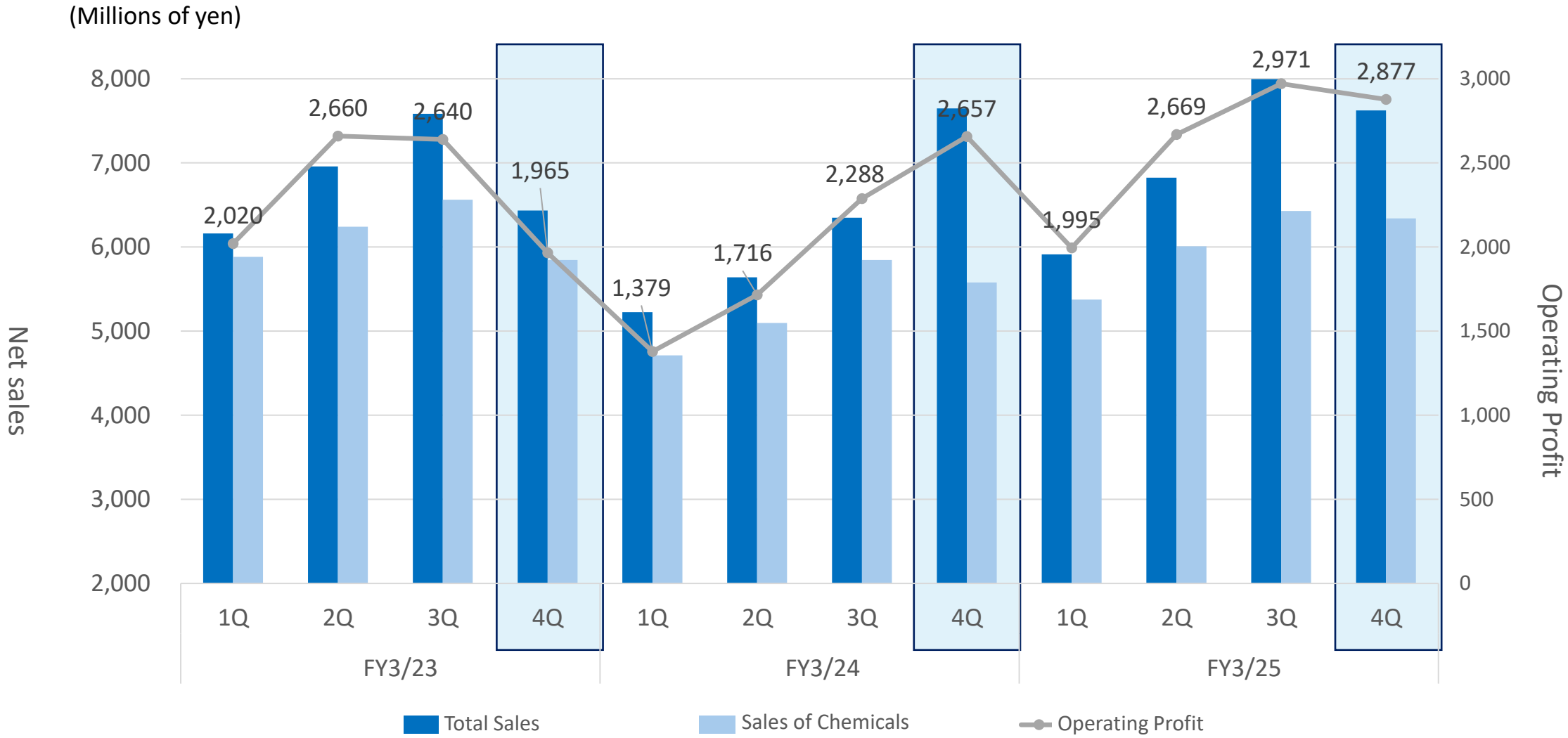
(Millions of yen)



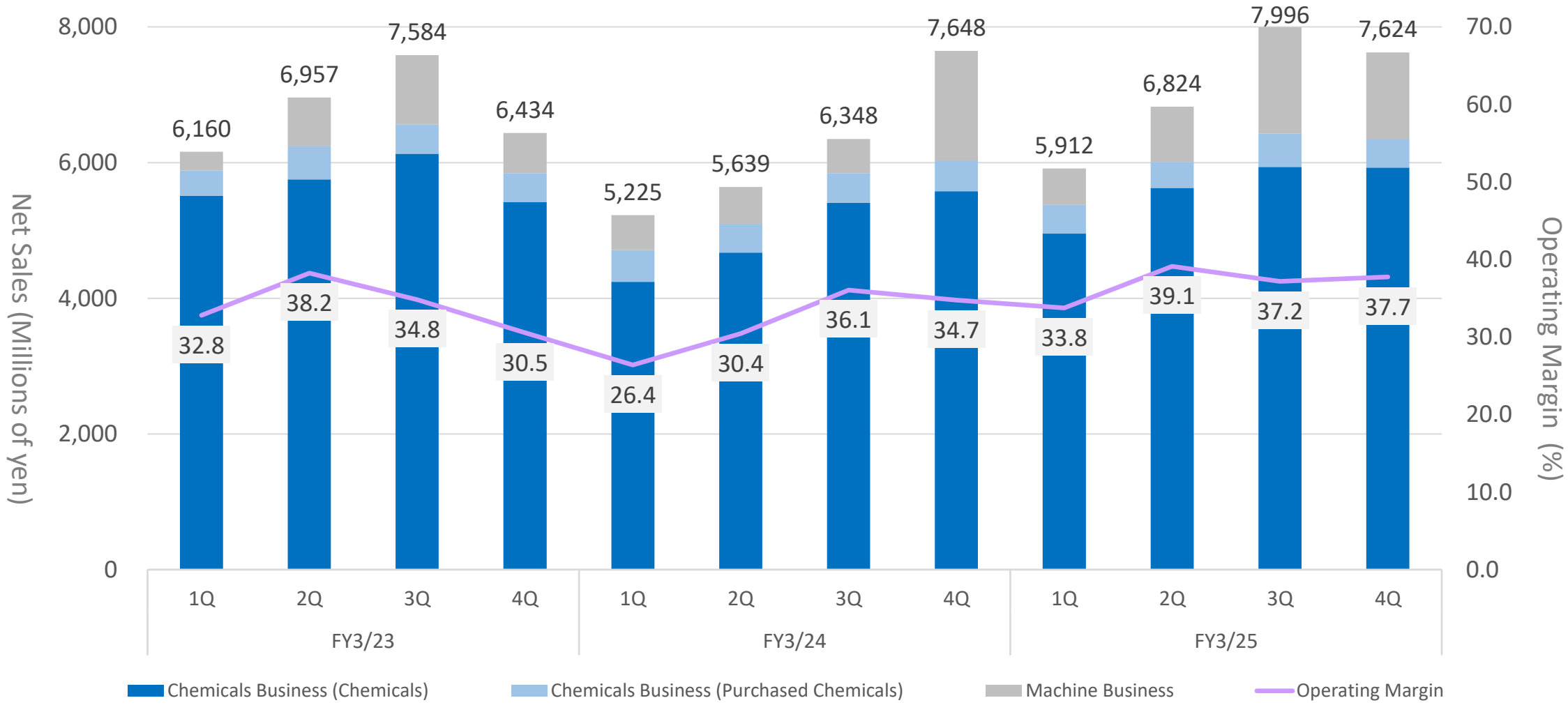
Annual Consolidated Financial Results (By Segment)



Quarterly Consolidated Financial Results

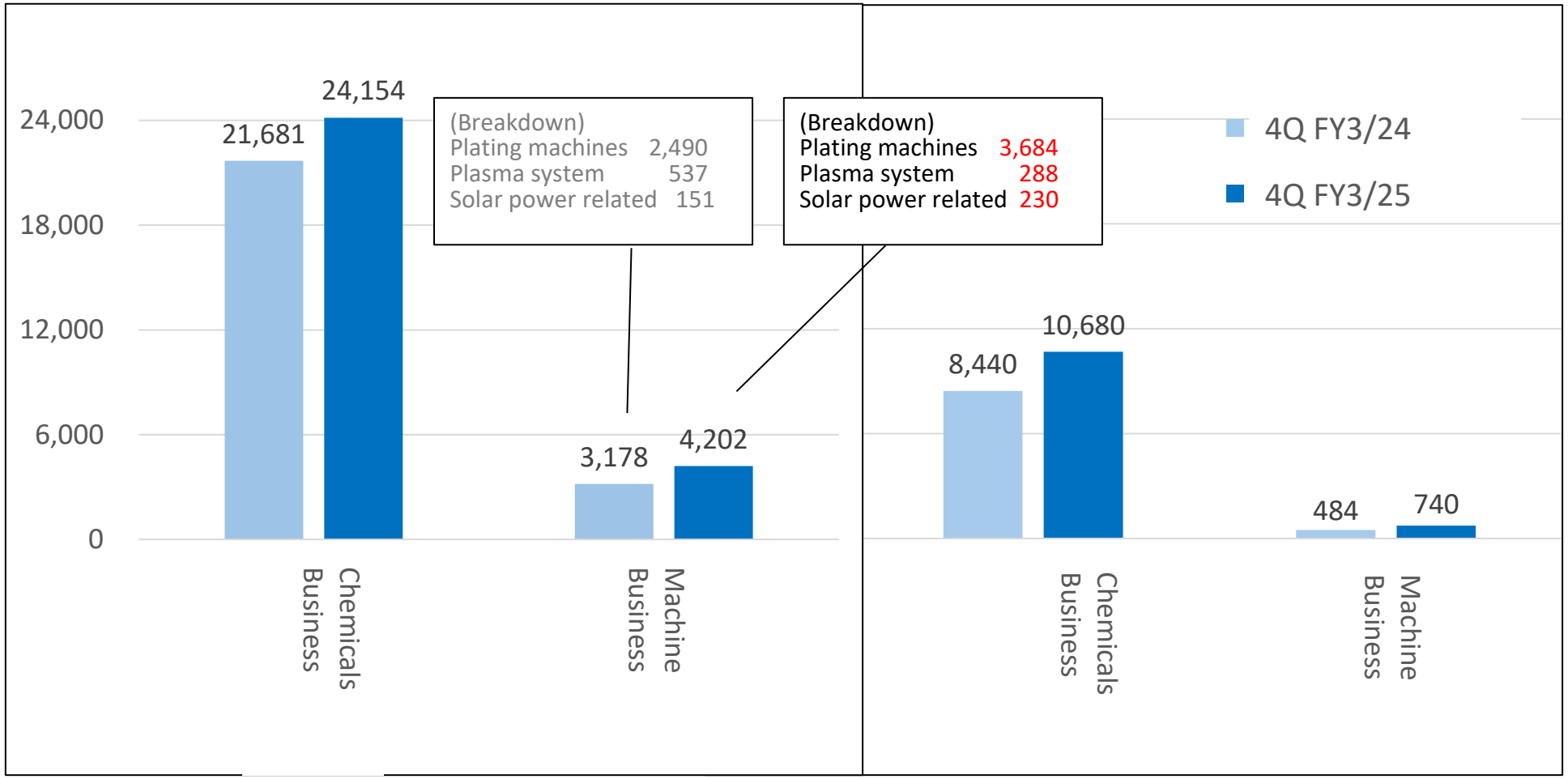


Quarterly Consolidated Financial Results (By Segment)



Consolidated Segment Results for FY3/25

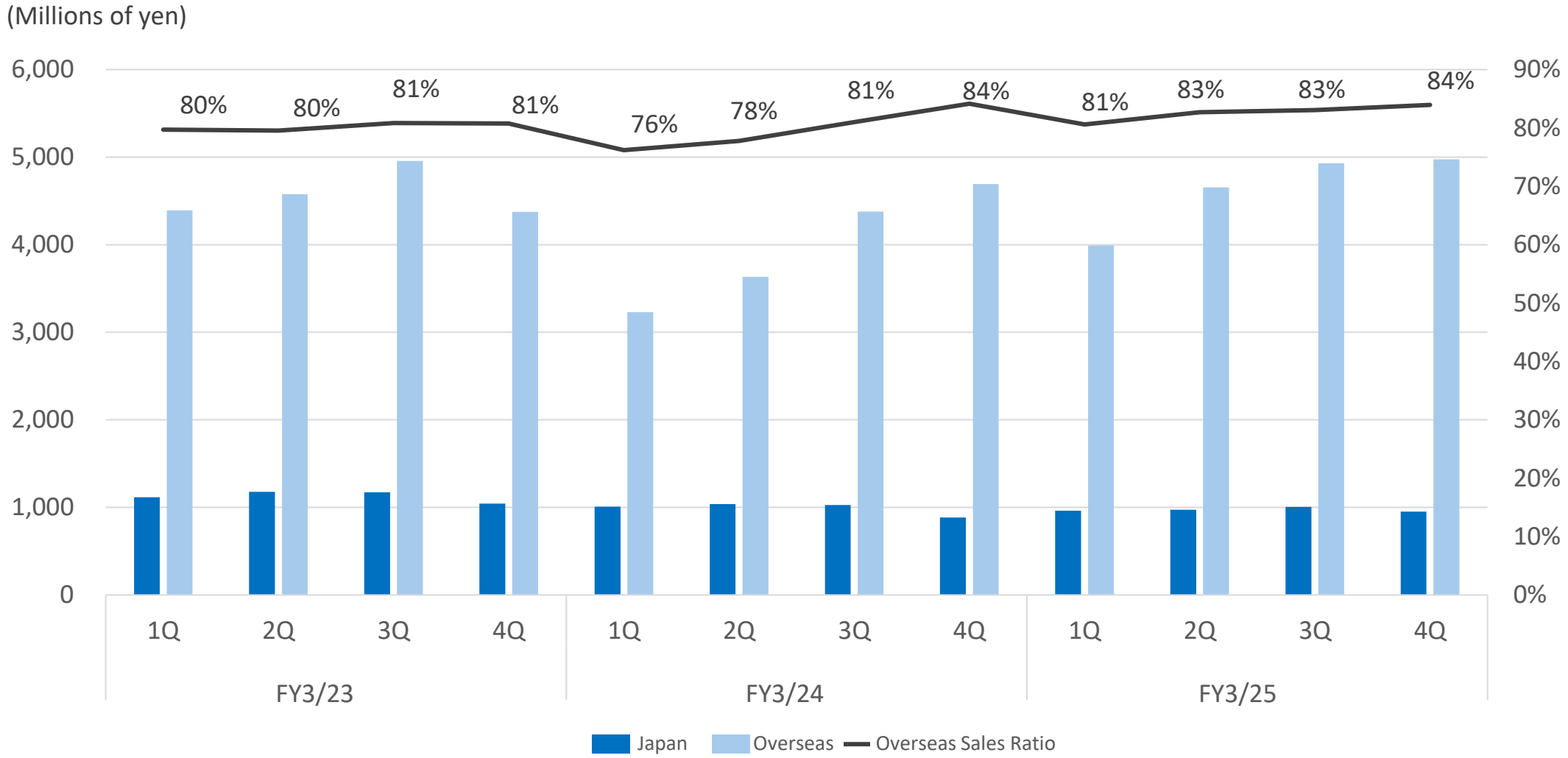
(Millions of yen)



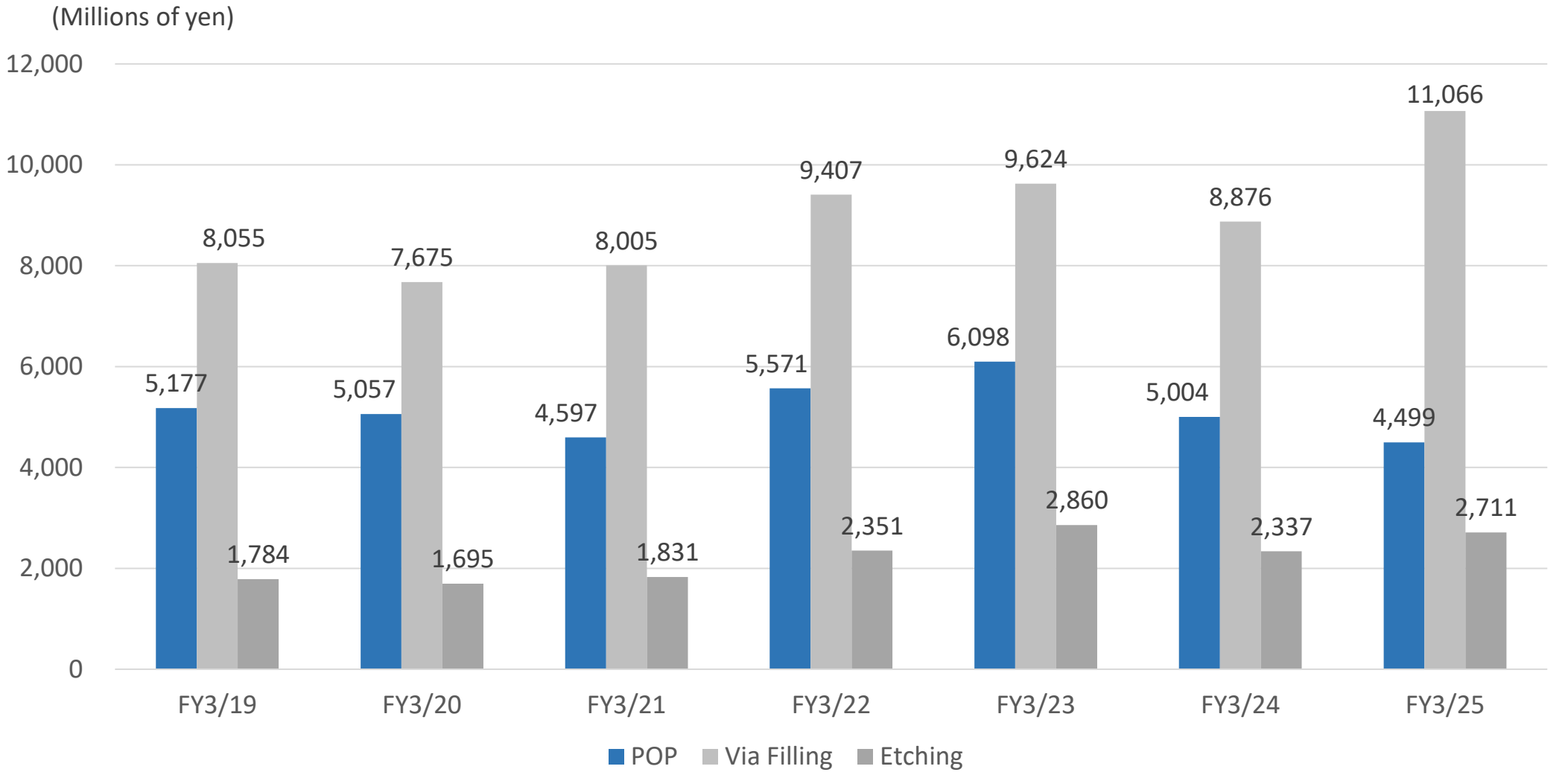
Net Sales

Segment Profit

Quarterly Sales of Chemicals in Japan and Overseas



Annual Sales of Chemicals, POP, Via Filling and Etching

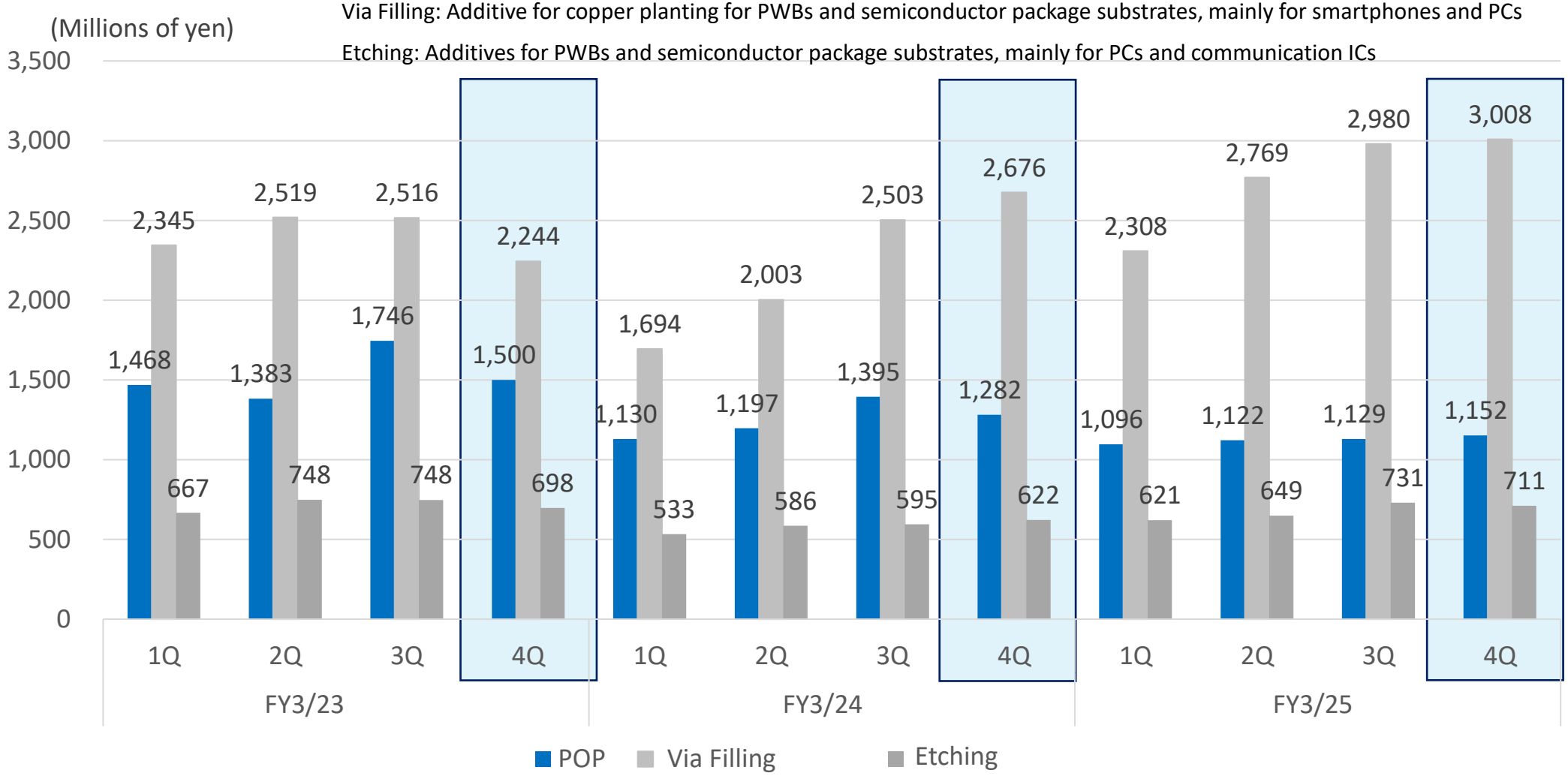


Chemicals for POP, Via Filling and Etching | Quarterly Sales

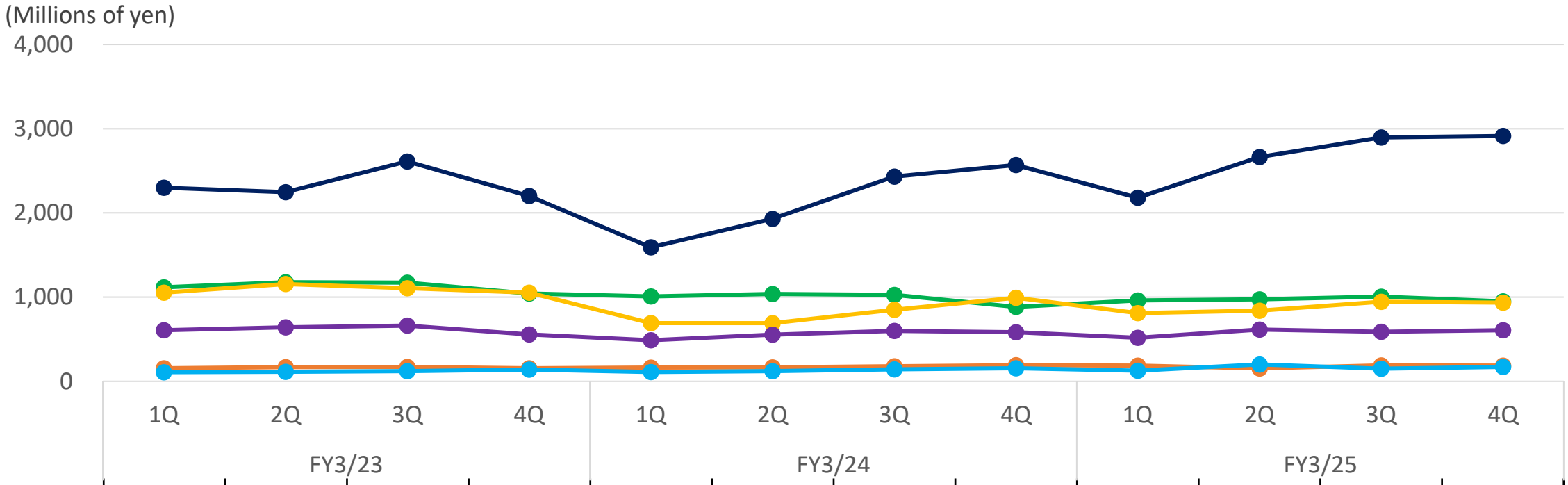
POP: Planting on Plastics, mainly for automotive components

Via Filling: Additive for copper planting for PWBs and semiconductor package substrates, mainly for smartphones and PCs

Etching: Additives for PWBs and semiconductor package substrates, mainly for PCs and communication ICs

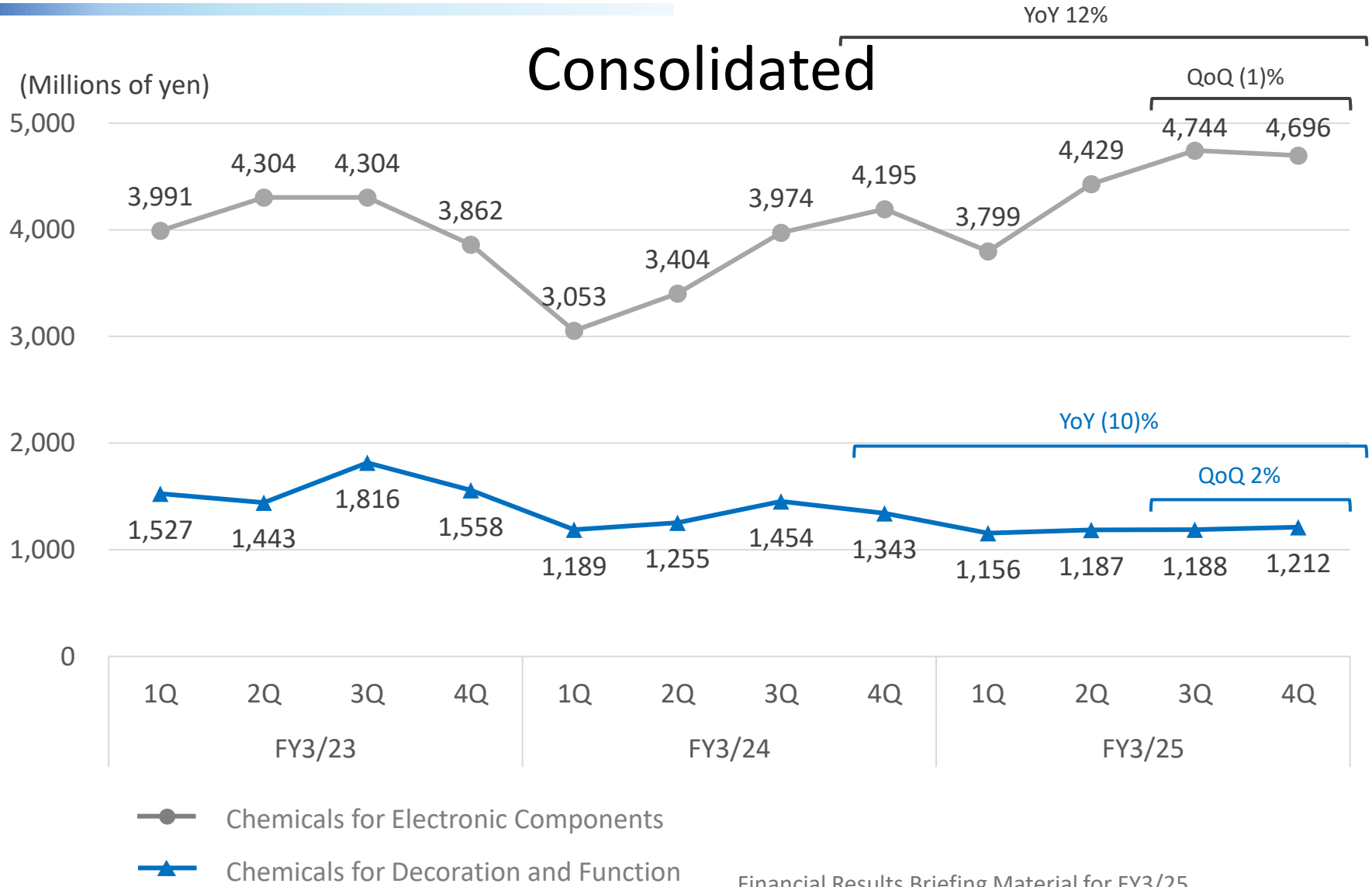


Quarterly Sales of Chemicals by Region



	FY3/23 1Q	FY3/23 2Q	FY3/23 3Q	FY3/23 4Q	FY3/24 1Q	FY3/24 2Q	FY3/24 3Q	FY3/24 4Q	FY3/25 1Q	FY3/25 2Q	FY3/25 3Q	FY3/25 4Q
Japan	1,117	1,177	1,173	1,043	1,009	1,038	1,028	884	962	974	1,005	950
China	2,307	2,247	2,612	2,203	1,591	1,931	2,432	2,569	2,181	2,657	2,895	2,890
Taiwan	1,052	1,155	1,106	1,054	692	691	851	994	809	839	945	935
S. Korea	607	641	662	556	488	553	598	582	517	616	587	605
Thailand	156	170	170	155	164	166	179	191	186	154	189	186
Vietnam	109	112	120	139	111	121	142	156	127	201	149	174

Quarterly Sales of Chemicals by Category

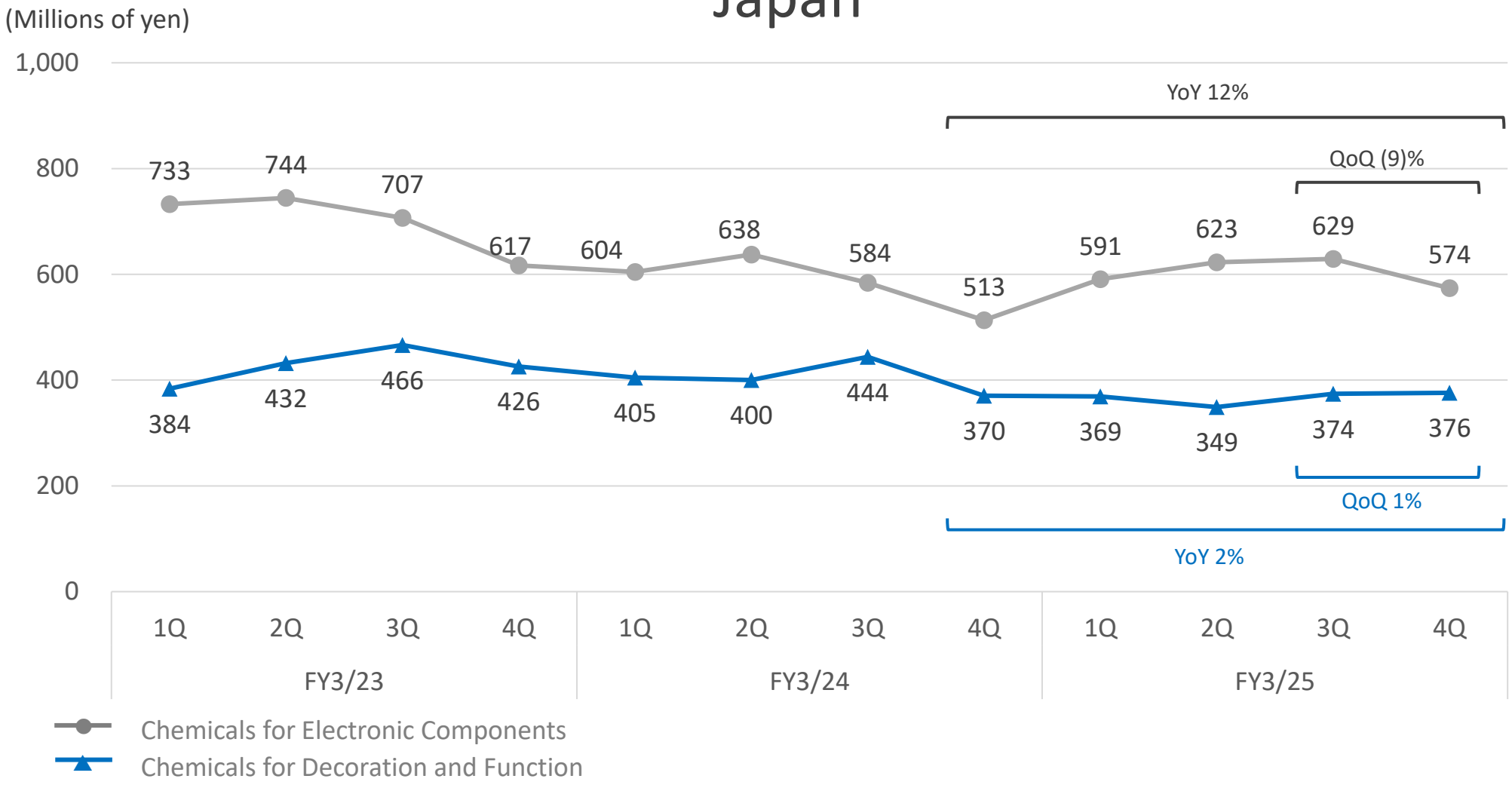


(Chemicals for Electronic Components)
Core Products: Via filling
PWBs, connectors, surface treatment chemicals for semiconductor sector

(Chemicals for Decoration and Function)
Core Products: POP
Chemicals for decoration and rust-proofing
Surface treatment chemicals mainly for automotive components and water faucet clasps

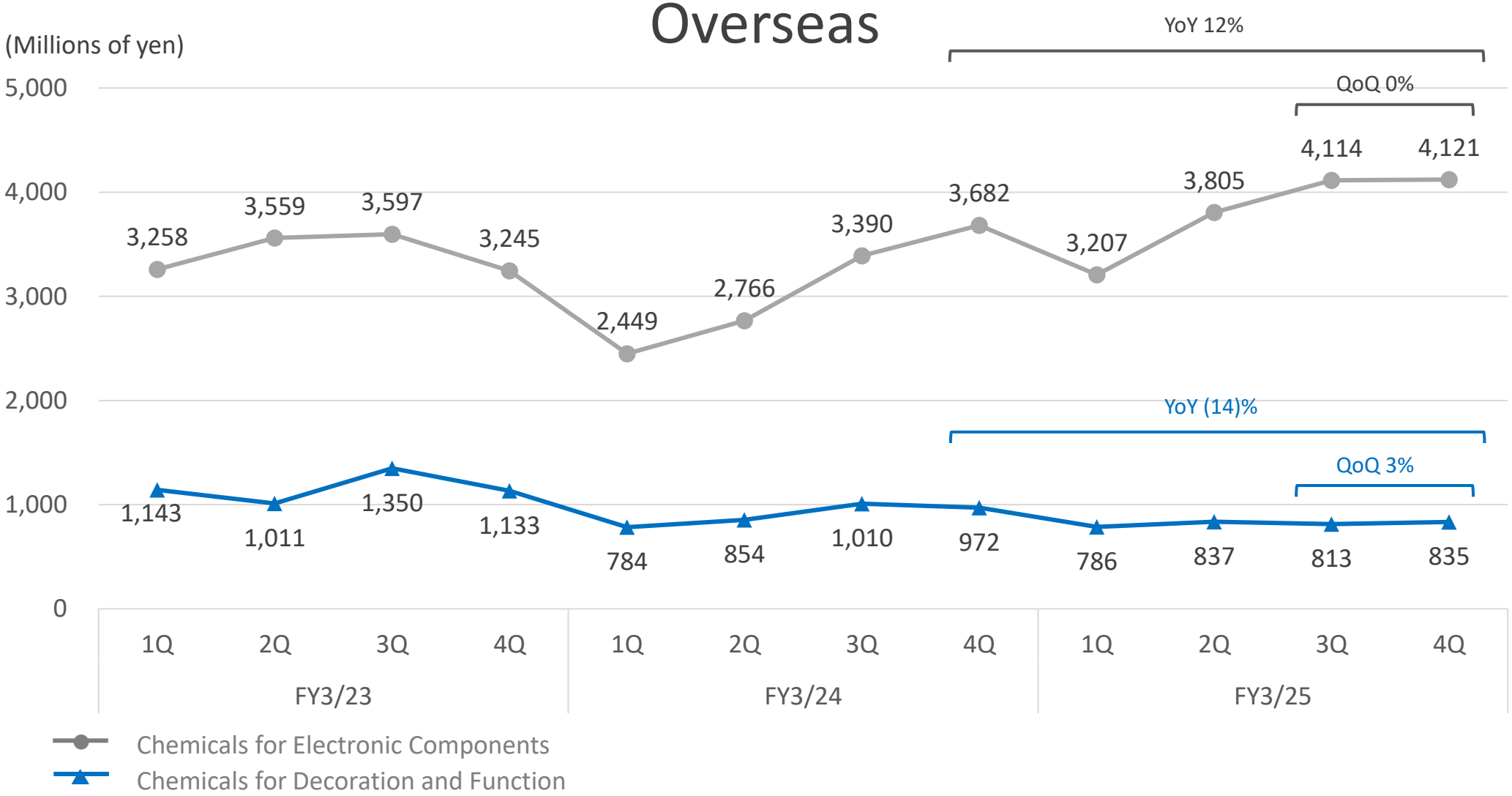
Quarterly Sales of Chemicals by Region

Japan

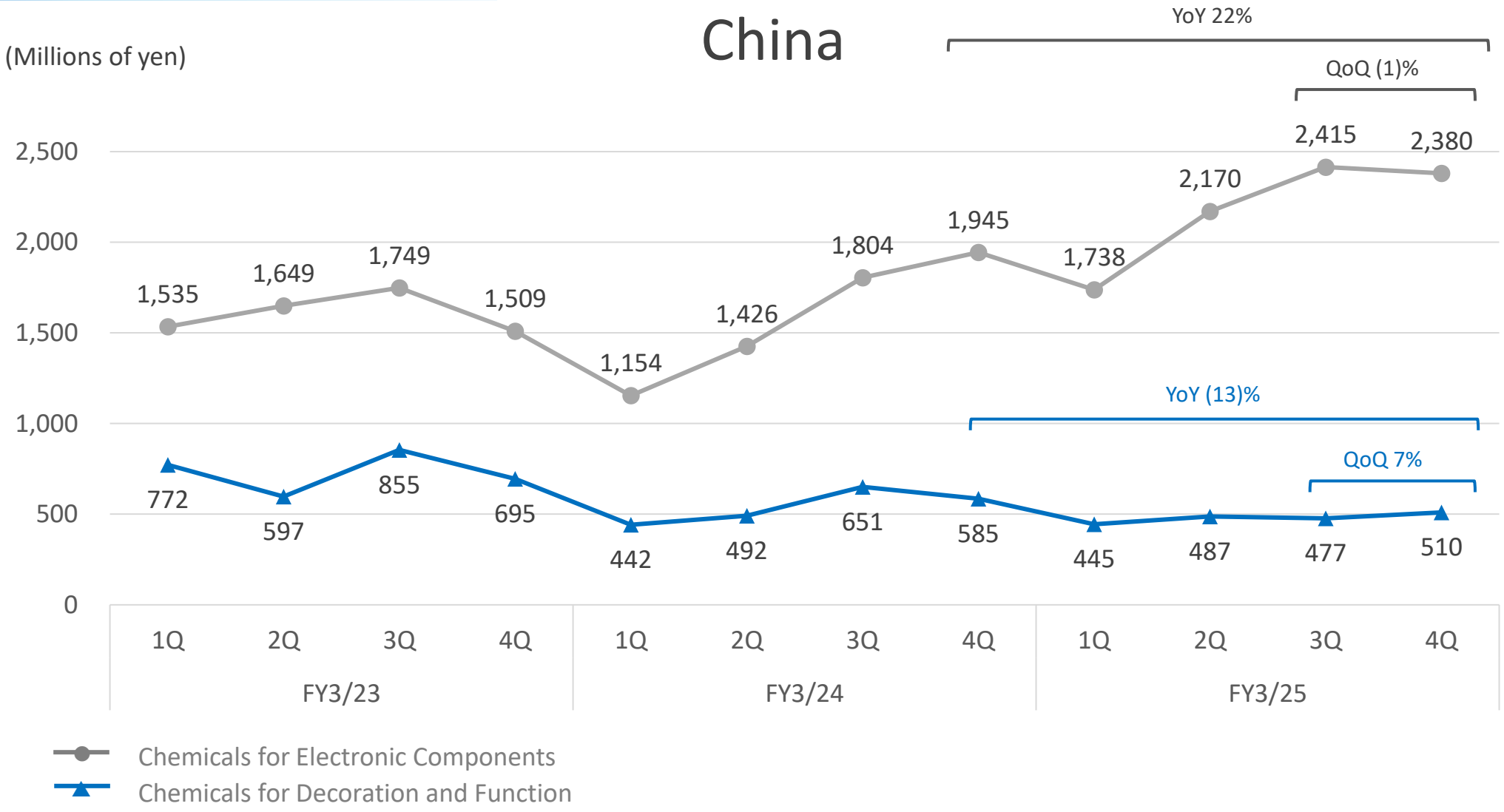


Quarterly Sales of Chemicals by Region

Overseas

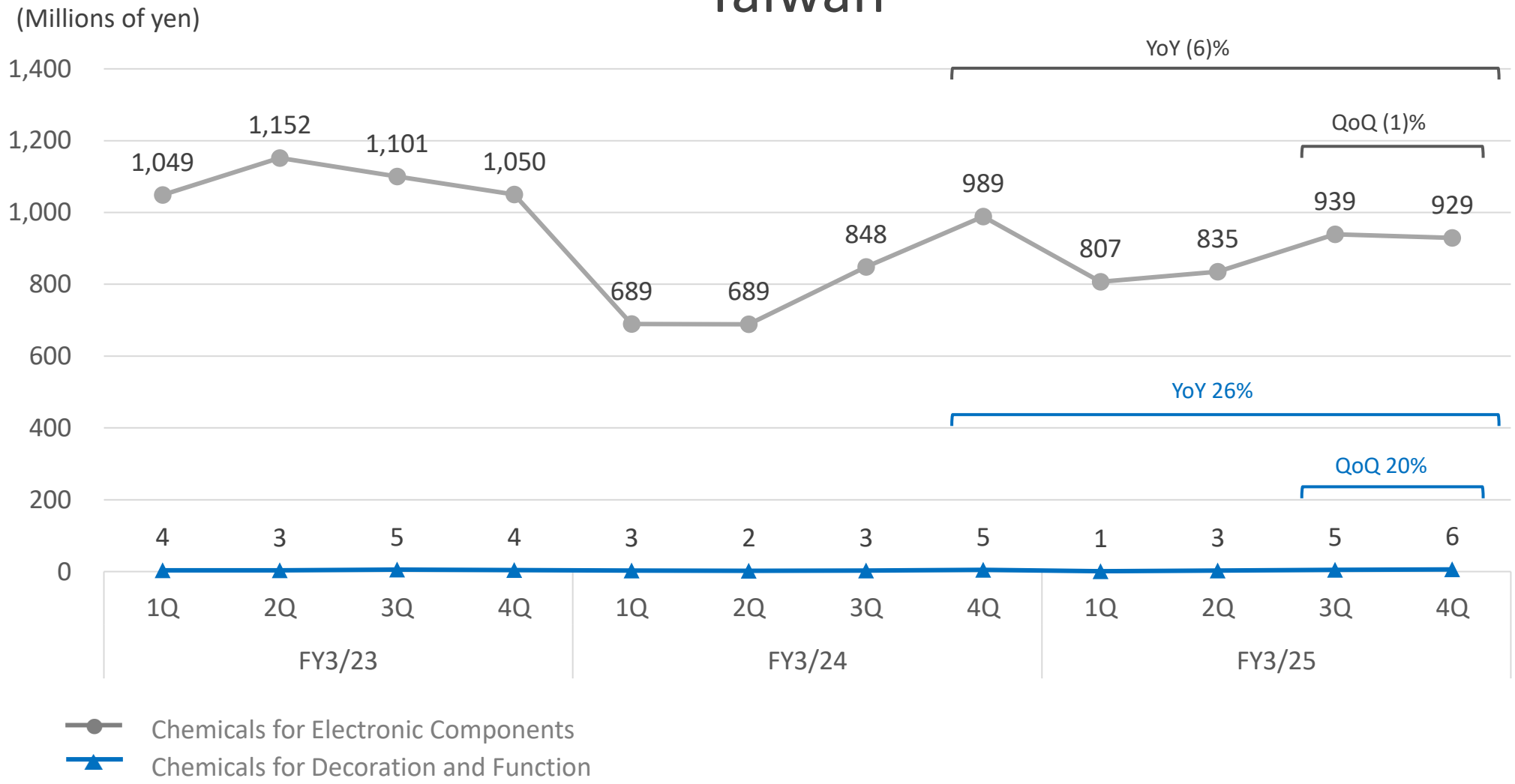


Quarterly Sales of Chemicals by Region



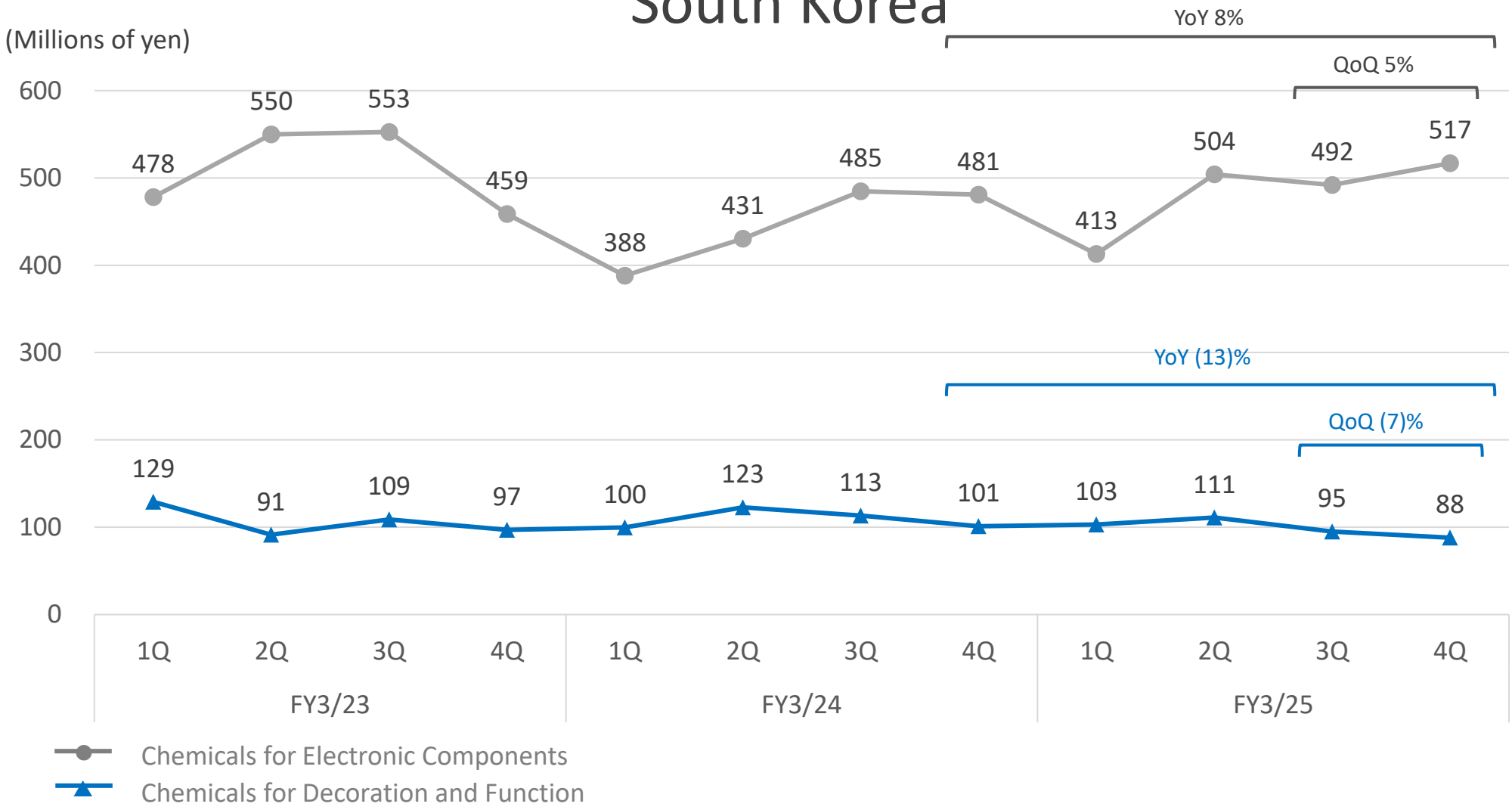
Quarterly Sales of Chemicals by Region

Taiwan

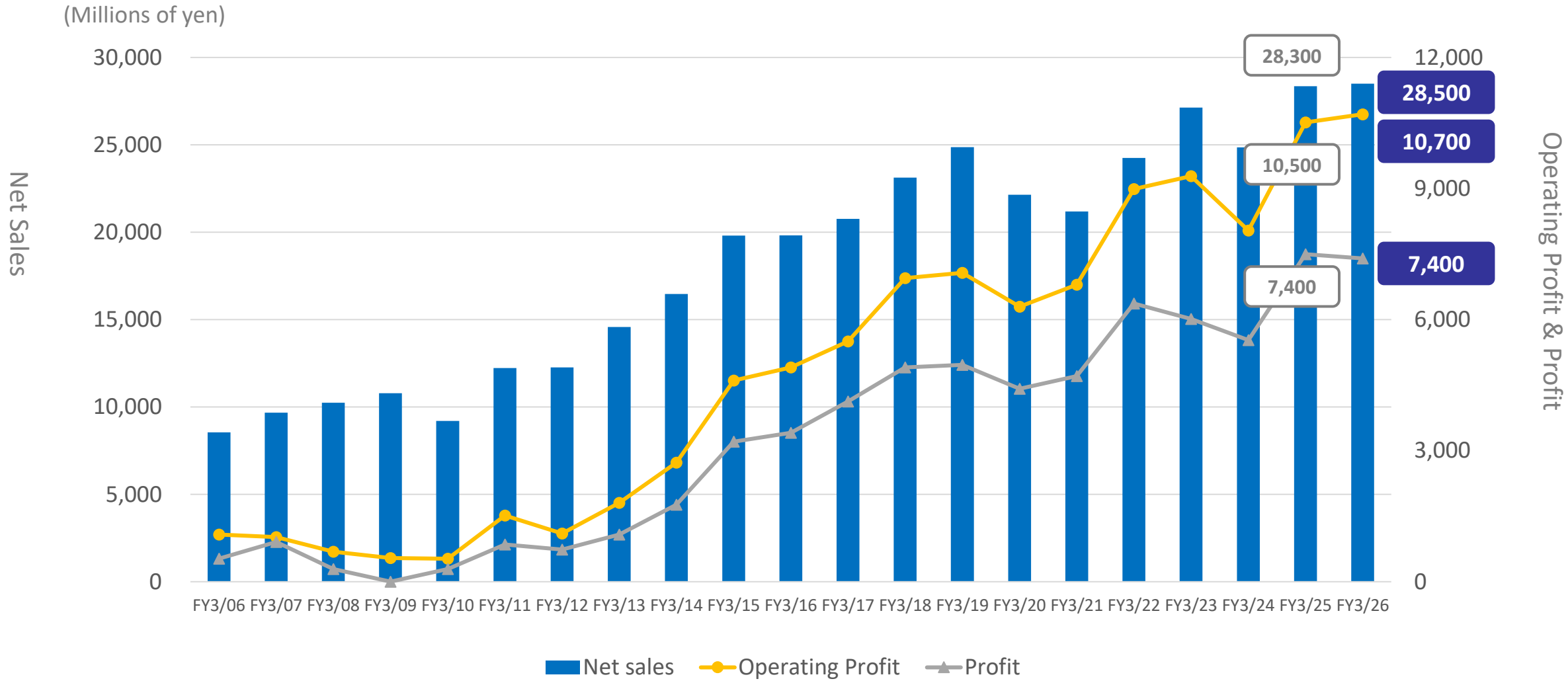


Quarterly Sales of Chemicals by Region

South Korea



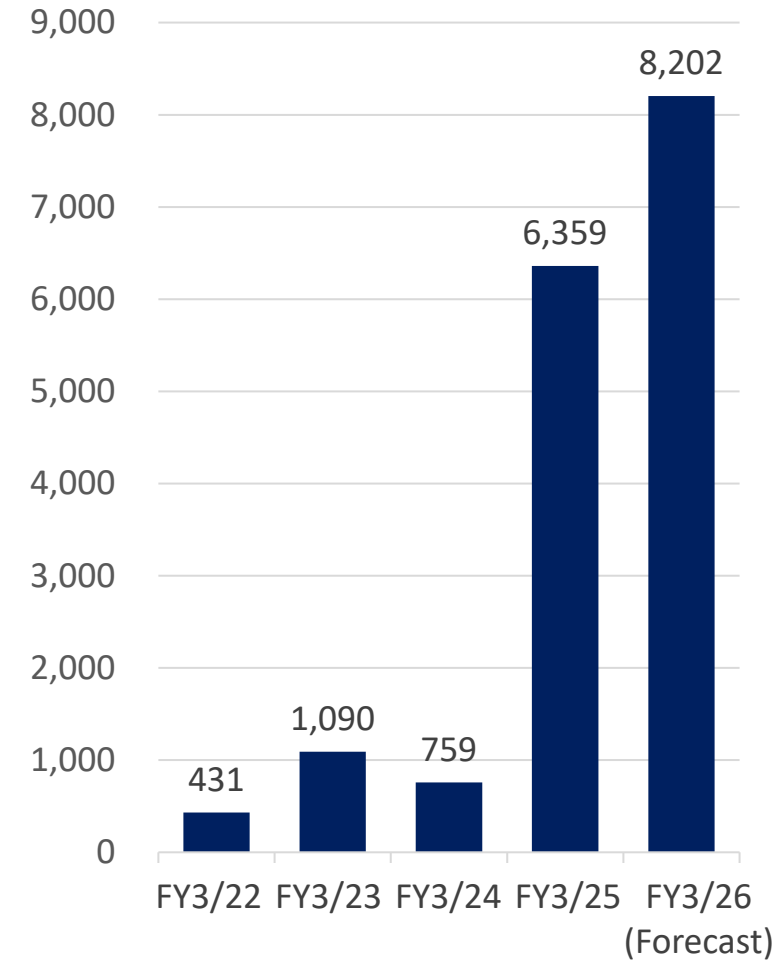
Financial Results since Listing



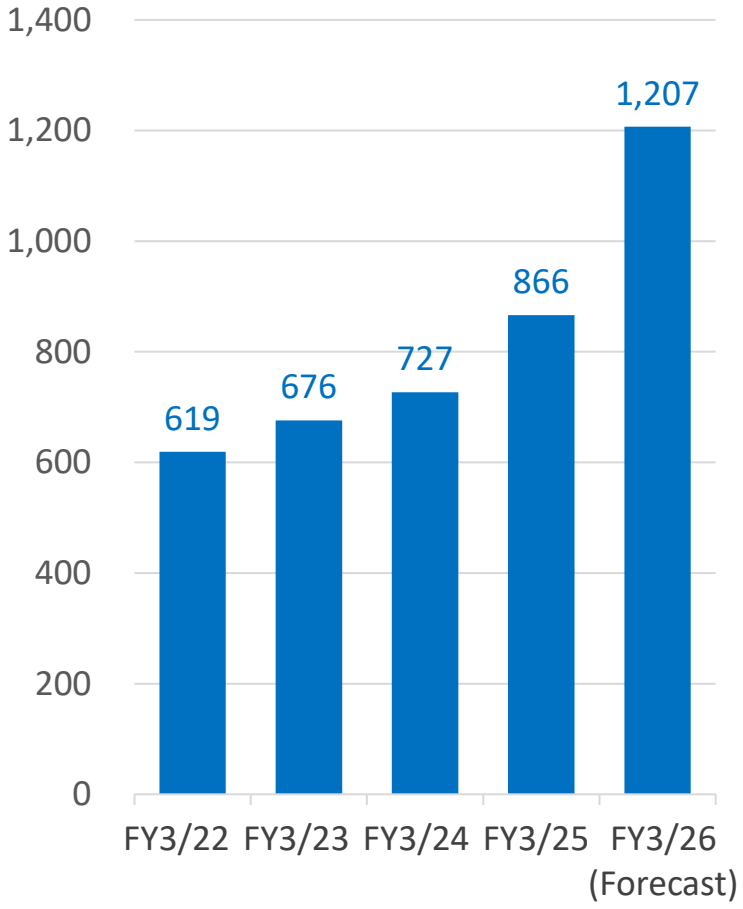
Capital Expenditures, Depreciation and R&D Expenses

Capital Expenditures

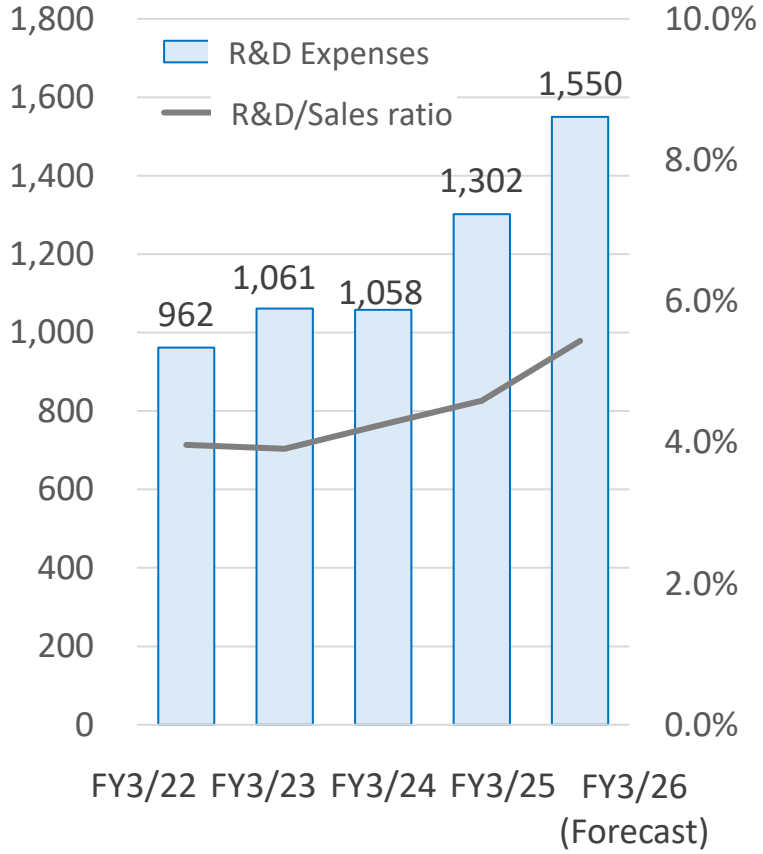
(Millions of yen)



Depreciation



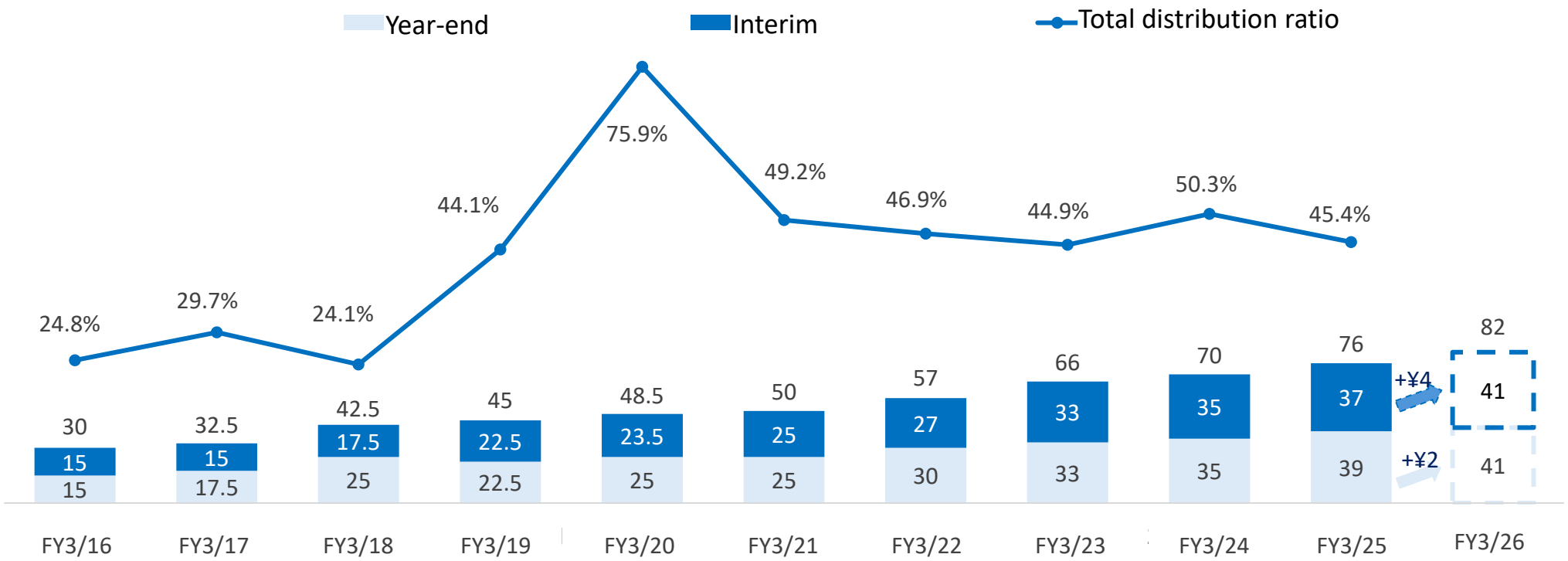
R&D Expenses and R&D/Sales ratio



FY3/26 Equity Policy

Dividends per share (Forecasts)	Interim dividend: 41 yen Year-end dividend: 41 yen

Plans to increase dividends for 16 consecutive fiscal years



Basic policy

- Continue to make investments for sustainable growth while securing liquidity on hand and maintaining stable financial base
- Continue a consistent dividend increase
- Return profits to shareholders through well-timed repurchases of stock with total distribution ratio of about 50%

Efforts in Addressing ESG Challenges

JCU aims to become a global company that continues to grow in a sustainable fashion by addressing ESG challenges through its business activities.

Environment

Development of environmentally responsible products

- Chromic acid-free etching process
- Eco-friendly chemical nickel plating process
- Eco-friendly decorative copper sulfate plating process
- Eco-friendly trivalent chromium plated product post treatment process

CO2 emissions (non-consolidated)

1,005 tons of CO_2 (as of end-March 2024)

* Down 30.6% from those in FY3/14

ESG external rating

CDP climate change 2024:
received a score of B

Social

Ratio of female managers (non-consolidated)

10.3% (as of end-March 2025)

ISO 9001 certified production sites in Japan and overseas

12 sites in 7 countries (as of end-March 2024)

* Japan, China, Taiwan, South Korea, Thailand, Vietnam, and Mexico

Governance

Corporate governance structure

- Number of Directors
  Internal: 6, Outside: 3 (including 1 female)
- Number of Audit & Supervisory Board Members
  Full-time: 1, Outside: 2 (including 1 female)

Topics (1) | Revision to Performance Targets in the Medium-Term Management Plan

(Millions of yen)

	FY3/25	FY3/26		FY3/27	
	Result	Initial target	Revised target	Initial target	Revised target
Net sales	28,356	29,000	28,500	31,000	31,000
Operating profit	10,513	9,100	10,700	10,000	11,000
Ordinary profit	10,920	9,100	10,800	10,000	11,000
Profit attributable to owners of parent	7,497	6,300	7,400	6,900	7,500

Topics (2) | Progress of Kumamoto Manufacturing and Research Center


Full view of Kumamoto Manufacturing and Research Center


Full view of the research building


Full view of the factory building

*As of end of April 2025

Completion is on schedule for December 2025.

○ Outline of Kumamoto Manufacturing and Research Center

Location:
2083-8 Nishitakayu, Oyatsu, Oaza, Mashiki, Kamimashiki District, Kumamoto

Land area/Building area:
26,178.41m^2/8,902.27m^2

Business:
R&D concerning chemicals used for semiconductor production and manufacture these chemicals and other products

Capital expenditures:
About 11.4 billion yen (excluding construction site acquisition costs)

Reference

- Company Profile
- Surface Treatment Technology in Future
- Major Distribution Channels
- Usages of Chemicals and Typical Final Products

Company Profile

Founded in	:	December 1957
Established on	:	April 1, 1968
Capital stock	:	1,281 million yen
Annual sales	:	Non-consolidated: 16.0 billion yen / Consolidated: 28.3 billion yen (For the fiscal year ended March 31, 2025)
Head office	:	TIXTOWER UENO 16F, 8-1 Higashiueno 4-chome, Taito-ku, Tokyo
Lines of business	:	Manufacturing and sale of surface treatment chemicals, surface treatment machines, and related materials
Representative Directors	:	Masashi Kimura, Chairman and CEO Akihisa Omori, President and COO
Employees	:	Non-consolidated: 235 / Consolidated: 538 (As of March 31, 2024)

ISO Certificates

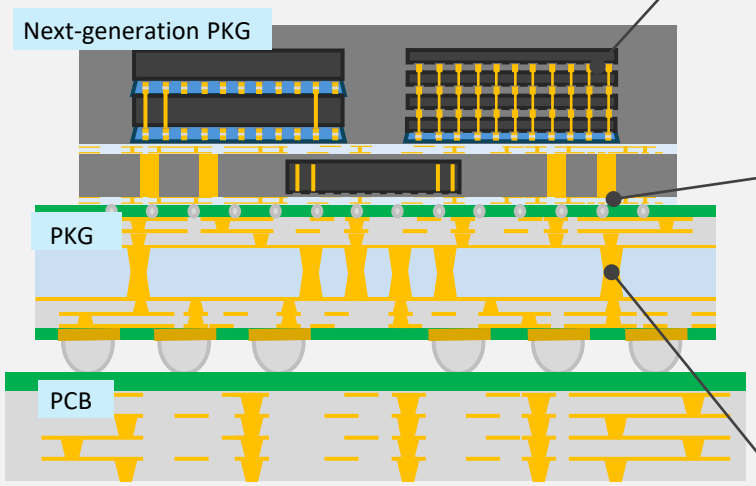
ISO9001	Production Headquarters, Head Office Sales and Marketing Department, and R&D Center (JCQA-0281)
ISO14001	Production Headquarters and R&D Center (JCQA-E-0143)

Surface Treatment Technology in Future —Electronic Components—

Target Next-generation PKG substrate for AI accelerators, data centers, high-performance electronic devices

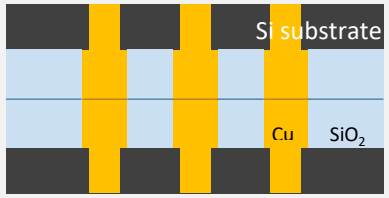
Surface treatment technology in future

2.xD/3D package



- Diversified packaging technology for high performance
- High-density mounting allows use of larger substrates
- Shorter connections between chips

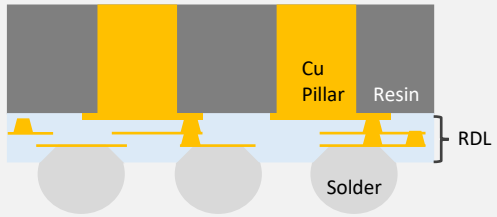
Hybrid bonding



Expected primary application
Memory

Performance required by surface treatment technology
Higher reliability for connectivity
Outstanding electrical properties

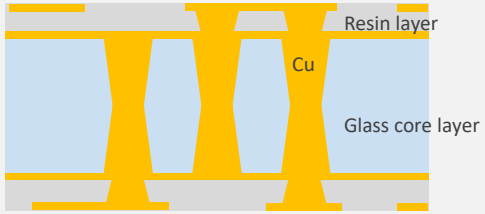
RDL (Redistribution layer)



Expected primary application
FO-WLP / PLP
RDL interposers

Performance required by surface treatment technology
Improve within wafer non-uniformity
Improve via filling for thin-film layer

TGV (Through-glass via)



Expected primary application
Glass core substrates (FC-BGA)
Glass interposers

Performance required by surface treatment technology
Void free
Improve via filling for thin-film layer

Surface Treatment Technology in Future —Decoration & Function—

Target	Automotive components (front grilles, door handles, emblems, etc.) Faucet parts (showerheads, drain plugs, etc.)

Surface treatment technology in future

Environmentally friendly surface treatment technology

Plating technology with no hexavalent chromium (Cr^{6+}) and no PFAS

Before processing

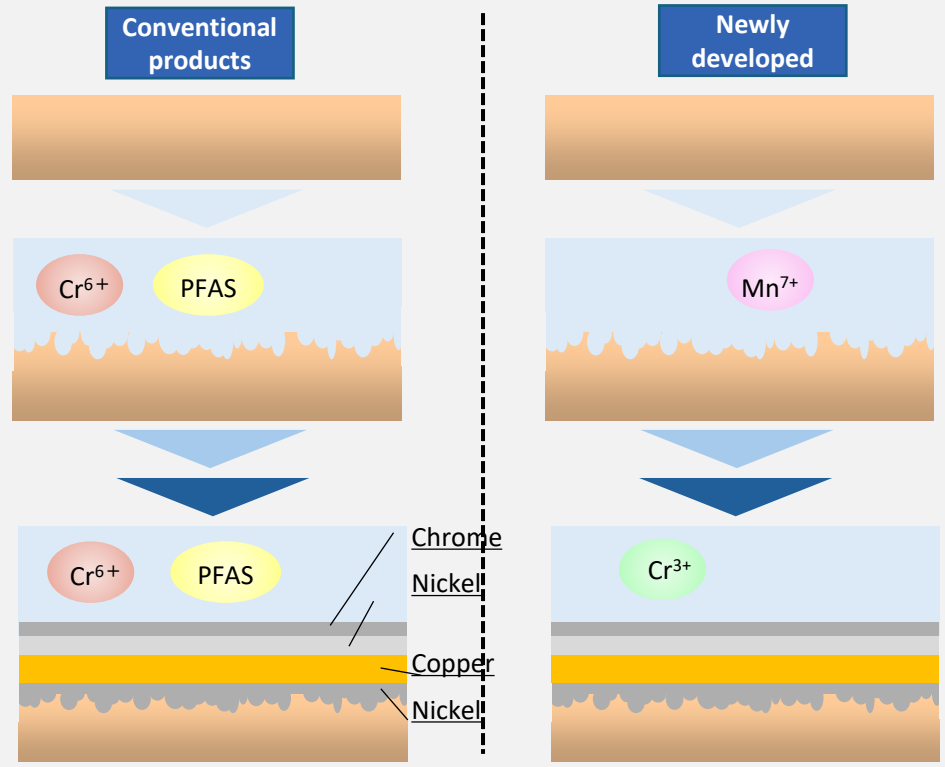
Major substances used for decorative plating
- ABS
- PC/ABS

Etching

Forms uneven plastic surface

Chrome plating

Many layers of plating materials possible (Copper/Nickel/Chrome)



Cross-sectional Image

Cr^{6+} free
PFAS free

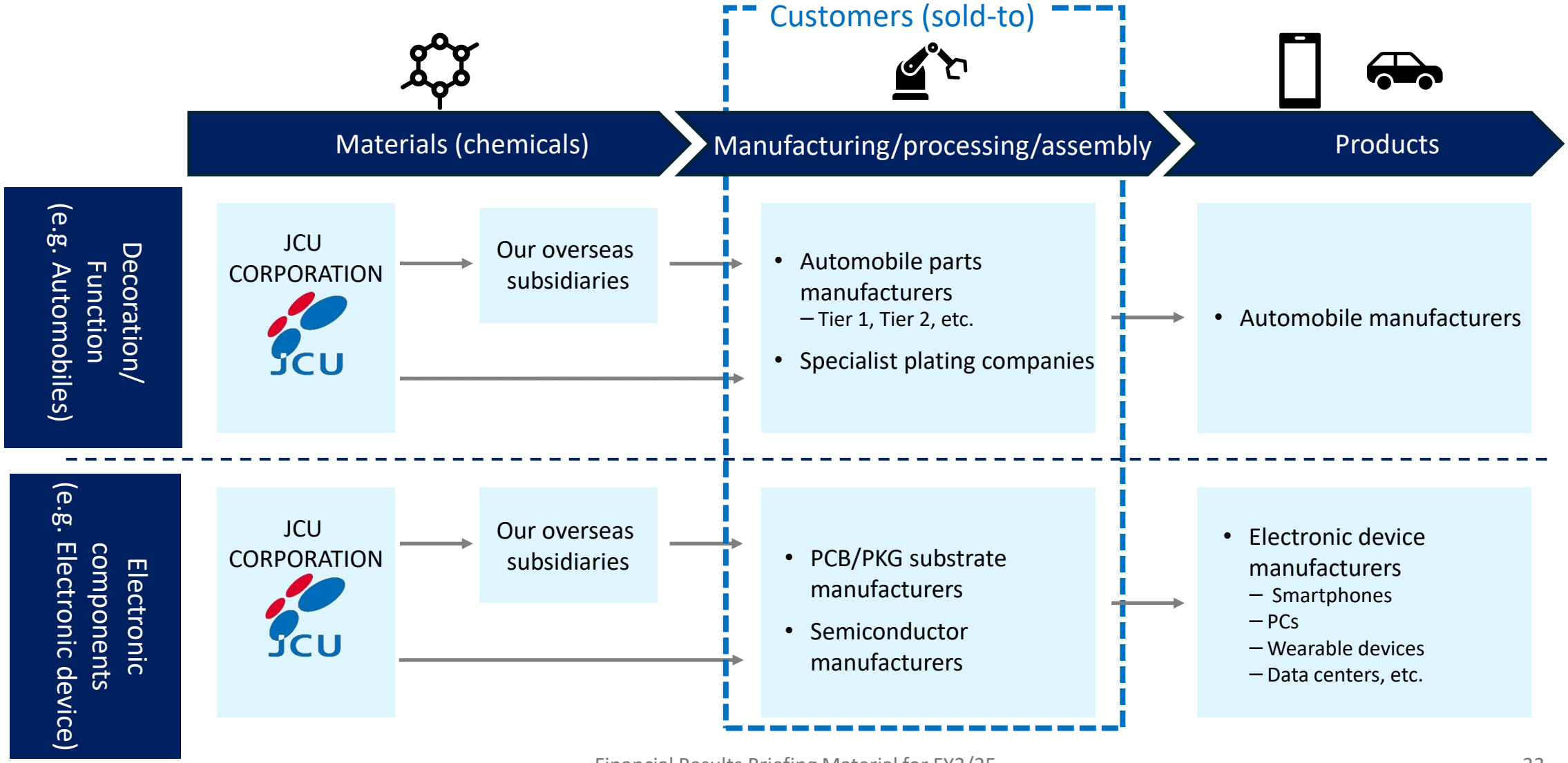
〇Conventional process

Uses environmentally harmful Cr^{6+} and PFAS in the first and last processes of decorative plating on plastic

〇Environmentally friendly process created by JCU

A comprehensive process with a low environmental impact due to the elimination of Cr^{6+} and PFAS from all processes

Major Distribution Channels



Usages of Chemicals and Typical Final Products

Description of term		Final products
Chemicals for function/decoration	Surface treatment chemicals for decorative and function purposes such as those for providing a metal appearance and preventing rust	Automotive parts, faucet parts, construction materials, etc.
POP (Plating on Plastics) chemicals	Chemicals for metal coating on plastics (Examples) Etching chemicals, various kinds of plating chemicals (copper, nickel and chrome), etc.	(Automotive parts) Front grilles, emblems, etc. (Faucet parts) Showerheads, water faucet cocks, etc.
Other	Chemicals for metal coating on metallic materials such as copper and steel	(Construction materials) Screws, hinges, etc.
Chemicals for electronic components	Plating chemicals for manufacturing PWBs, such as a circuit for electronic signals and an electrical contact for electronic components	High-performance electronic devices, data centers and other infrastructures, communication related components, etc.
Via filling chemicals	Chemicals used for copper plating holes (via) to create electrical connections between different layers of PCB substrates and of semiconductor package substrates and other semiconductor components	(High-performance electronic devices) Smartphones, PCs, tablets, game consoles, etc. (Data centers and other infrastructures) PWBs for communication servers, etc. (Communication related components) Base stations, in-vehicle PWBs, smart home appliances, etc.
Etching chemicals	Chemicals used to create the required patterns in PCBs and in semiconductor substrates and other semiconductor components by using a chemical reaction to remove a thin film of copper that was formed on the surface of materials used during the fabrication process	
Other	Plating chemicals for connecters and lead frames	
Surface treatment related equipment	Equipment designed to fully utilize the properties of chemicals used for surface treatment processes	Examples of surface treatment related equipment
Fully-automated surface treatment equipment	Fully-automated equipment from input of materials to completion of the plating process	
Peripheral equipment	Filtration machines and other peripheral equipment to be attached to surface treatment equipment	
Automatic analytical control systems	Automatic management of plating solutions by analyzing concentrations of chemicals and adding chemicals when an insufficient level is detected	
Plasma surface treatment system	Etching and washing devices for PWBs as part of pre-plating processes	

Plasma surface treatment system

Automatic analytical control systems

This material contains current plans and forecasts of future performance of JCU CORPORATION. These plans and forecast figures are prepared by the Company based on currently available information. This material does not give any assurance or guarantee of the Company's future financial performance and actual results may differ substantially from these plans for a number of conditions or developments in the future.

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