Mid-Term Management Plan (FY2025-2027)

Macnica Holdings, Inc.

May 7, 2025

Long-Term Management Concept

Long-Term Management Concept: Overview

Corporate Philosophy	Sowing seeds continuously under our feet	
Management Philosophy	**Purpose**	Leading in an ever-changing world, we seek technology and intelligence beyond the cutting-edge, while envisioning the future and creating the "Now".
	Vision	Services & Solutions Company, creating new value by connecting Technology and Intelligence from around the world, towards a prosperous future society
	Value	T.E.A.M.S. （Trust Excitement Aggressiveness Move Stretch）

Policy on Sustainability	We consider addressing global environmental and social issues to be one of the most important matters in our management policy and are committed to achieving our purpose: Leading in an ever-changing world, we seek technology and intelligence beyond the cutting-edge, while envisioning the future and creating the "Now".			
	Identifying Materiality and Promoting Business Investment	Management and supply chain development with consideration for the environment and human rights	Trust from society Strengthening governance and risk management	Employee education and awareness

Materiality

- Creating a sustainable global environment
- Contributing to economic development through solving customer issues
- Creating safe, secure, and comfortable lifestyles
- Strengthening resilience of management and business

Three Mid-Term Management Plans

FY2022-24	FY2025-27	FY2028-30
Management Resource Fusion Phase	Specialization Enhancement Phase	Management Resource Integration Phase

Company-wide Strategy

- Growth Investment Toward Vision 2030
- Business Model Transformation
- Strengthening AI-Related Businesses

Semiconductor Business	Cybersecurity Business	CPS Solutions Business
• Focused Investment in Growth Countries • Continued Strengthening in Growth Markets • Enhancing AI-related Businesses	• Expanding Value-added Distribution Model • Enhancing Value-added Services • Expanding Services & Solutions	• Expansion in Smart City & Mobility and Smart Manufacturing Businesses • Targeted Enhancement in Circular Economy, Healthcare, and Food & Agritech

Strengthening Management Base

- Strengthening Financial Strategy
- Strengthening Human Capital strategy
- Strengthening IR Strategy
- Strengthening Branding
- Strengthening IT/DX Strategy
- Strengthening Corporate Governance

Mid-Term Management Targets

Net Sales	1.4	tri yen
Operating Income	80	bil yen
Operating Income Margin	Over 5.7	%
ROE	Over 15.0	%

Long-Term Management Targets

Driving the development of future society

Creating a sustainable global environment

Creating safe, secure, and comfortable lifestyles

Contributing to economic development through solving customer issues

Sustainable Business Growth

Net Sales	2.0	tri yen
Operating Income	150	bil yen
Operating Income Margin	Over 7.5	%
ROE	Over 15.0	%

Mid-Term Management Plan (FY2025-2027)

Mid-Term Management Targets

	FY2024 (Actual)	FY2027 (Mid-term)	FY2030 (Long-term)
Consolidated net sales	1.0342 tri yen	1.4 tri yen	2.0 tri yen
Consolidated operating income	39.6 bil yen	80 bil yen	150 bil yen
Consolidated operating income margin	3.8 %	5.7 %	7.5 %
Consolidated ROE*1	10.0 %	15.0 %	15.0 %

*1 Consolidate ROE = Net Income attributable to Owners of Parent / Shareholders' Equity (Net Assets less Non-Controlling Interests, at end of the period)

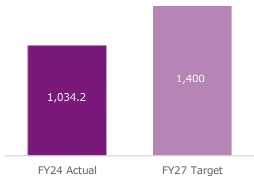
Mid-Term Management Targets (by Segment)

Group Consolidated | Semiconductor Business | Cybersecurity Business | CPS Solutions Business*

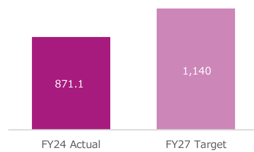
Yen billion

Net Sales

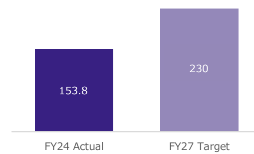
Group Consolidated



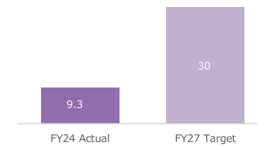
Semiconductor Business



Cybersecurity Business



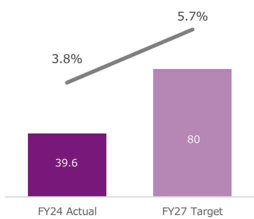
CPS Solutions Business*



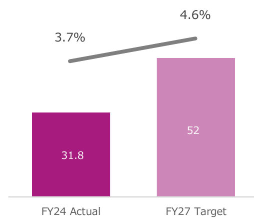
Yen billion

Operating Income

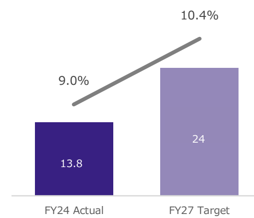
Group Consolidated



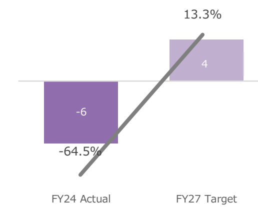
Semiconductor Business



Cybersecurity Business



CPS Solutions Business*



In this slide, figures for Semiconductor and Cybersecurity businesses exclude any duplication of CPS Solutions Business figures. As a result, FY2024 actuals for the Semiconductor and Network businesses shown here differ from those on page 12.

Mid-Term Management Strategy

Company-wide Strategy

- Growth Investment Toward Vision 2030
- Business Model Transformation
- Strengthening AI-Related Businesses

Strengthening Management Base

- Strengthening Financial Strategy
- Strengthening Human Capital strategy
- Strengthening IR Strategy
- Strengthening Branding
- Strengthening IT/DX Strategy
- Strengthening Corporate Governance

Semiconductor Business

- Focused Investment in Growth Countries
- Continued Strengthening in Growth Markets
- Enhancing AI-related Businesses

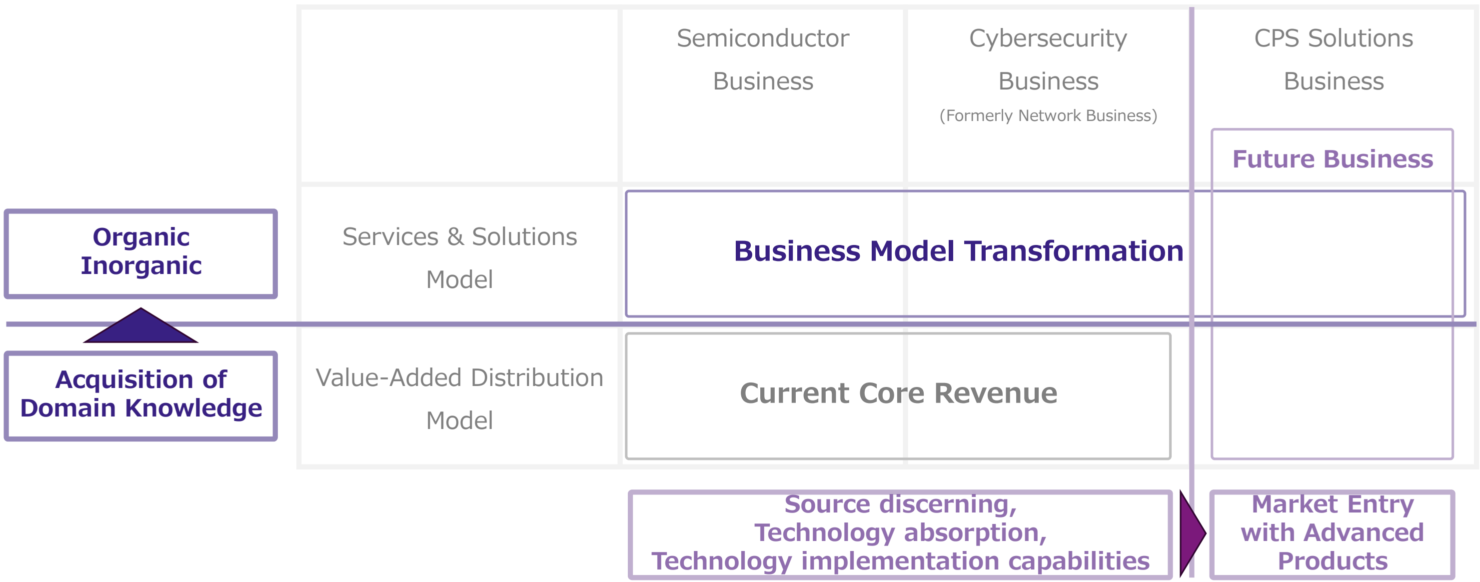
Cybersecurity Business

- Expanding Value-added Distribution Model
- Enhancing Value-added Services
- Expanding Services & Solutions

CPS Solutions Business

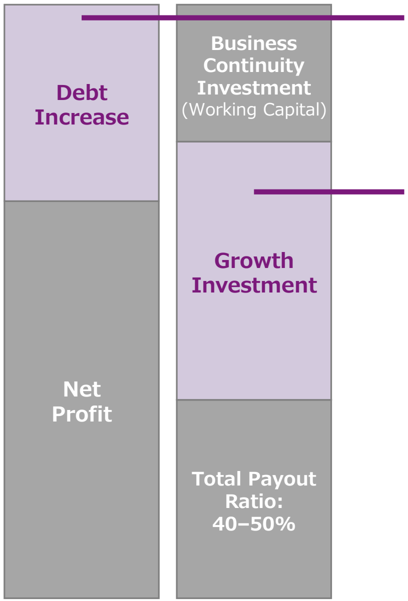
- Expansion in Smart City & Mobility and Smart Manufacturing Businesses
- Targeted Enhancement in Circular Economy, Healthcare, and Food & Agritech

Services & Solutions Model



Company-wide Strategy: Growth Investment Toward Vision 2030

Capital Policy



Maintaining Financial Soundness

Net DER : 0.5x
(Upper limit approx.)

Total growth investment of 50-80 bil yen over the three-year period FY2025-FY2027

	Expected Allocation	Semiconductor Business	Cybersecurity Business	CPS Solutions Business
Services & Solutions Model	Approx. 50%		Key Investment Area (2) **Business Model Transformation**	
Value-Added Distribution Model	Approx. 50%	Key Investment Area (1) **Sustainable Growth**		

Company-wide Strategy: Business Model Transformation

Strengthening Services & Solutions Model through Inorganic Growth

	Semiconductor Business	Cybersecurity Business	CPS Solutions Business
Services & Solutions Model	**Business Model Transformation** → Organic Growth + **Inorganic Growth**		
Value-Added Distribution Model	Core Revenue		Entry Point to New Markets

Company-wide Strategy: Strengthening AI-Related Businesses

Strengthening Three Distribution Models and Two Services & Solutions Models

	Semiconductor Business	Cybersecurity Business	CPS Solutions Business
Services & Solutions Model	**Industry- and Operation-Specific General Services / Customized Solutions for Individual Clients**		
Value-Added Distribution Model	**Infrastructure-Oriented AI Solutions Edge-Oriented AI Solutions**	**System-Oriented AI Solutions**	Specialized

Semiconductor Business

Sustainable Growth as Core Revenue Base

Focused Investment in Growth Countries	Focused Investment in Growth Countries Specialized Strategy for the Chinese Market
Continued Strengthening in Growth Markets	Continued Strengthening of Industrial Equipment Enhancing Software Solutions
Enhancing AI-related Businesses	Company-wide AI Strategy Infrastructure-Oriented and Edge-Oriented AI Solutions

Cybersecurity Business

Strengthening Growth Investments to Drive Focused Growth

Business Domains (Categories)	Security, Data/AI, Applications, and Overseas
Expanding Value-added Distribution Model	Growth Strategy for Existing Products Growth Strategy for New Products and New Subcategories
Enhancing Value-Added Operational Support Services Associated with Distribution	Enhancing Managed Services Global Expansion of Managed Services
Expanding Services & Solutions	Strengthening Proprietary Services & Solutions Inorganic Growth Strategy

CPS Solutions Business

Continued development and expansion as future core businesses

Smart City & Mobility	Expansion Phase	Expansion of Autonomous EV Bus and Operation Management Systems
Smart Manufacturing	Expansion Phase	Expansion of Integration for the Manufacturing Sector
Circular Economy	Growth Phase	Expansion of Potential Businesses
Healthcare	Evidence Development Phase	Medical Device Sales and Evidence Development in the Cardiovascular Field
Food & Agritech	Commercialization Phase	Development of Data Business in Controlled Environment Agriculture

Management Base

Global Management Base Supporting Sustainable Growth

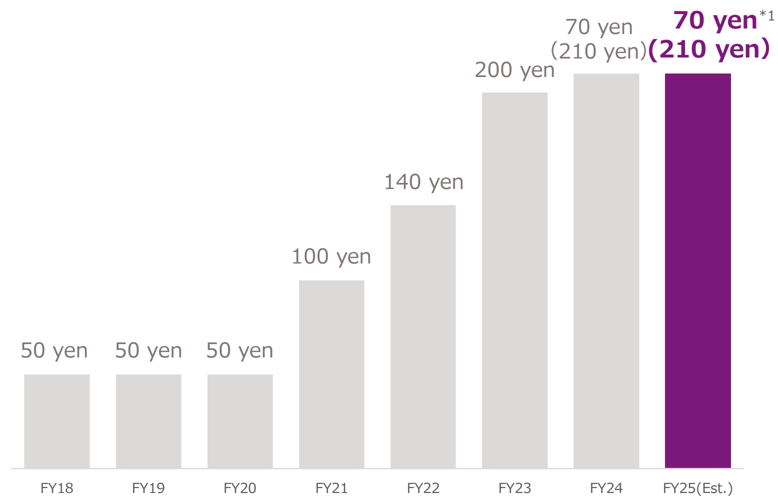
Strengthening Financial Strategy	Strengthening Capital Policy
Strengthening Human Capital Strategy	Maximizing Human Capital and Enhancing Well-being
Strengthening IR Strategy	Continued Strengthening in IR/SR Activities
Strengthening Branding	Enhancing Brand Equity
Strengthening IT/DX Strategy	Continued Strengthening of Global Common Platforms and DX
Strengthening Corporate Governance	Continued Enhancement of Global Governance

Shareholder Return

Shareholder Return Policy

Total Payout Ratio	**40-50%**
DOE	**5%**

Annual Dividend per Share



*1 The dividend forecast for FY25 (210 yen) is based on the amount before the share split.