CMK CORPORATION
Securities Cord No : 6958

Creating the future

2025

Business Report

Year Ended March 31, 2025

We would like to express our sincere gratitude to our shareholders for your continued support.

During the consolidated fiscal year under review, the Japanese economy showed some signs of gradual recovery but still remained uncertain because of the need to closely monitor concerns of recession overseas, continuous price increases and exchange rate fluctuations. The world economy also remained uncertain reflecting the things such as the geopolitical risks, stagnant economy in China and Europe, and concerns about deterioration in the global economy due to trade policy trend in each country.

Under such circumstances, in the CMK Group's main business of in-vehicle products, because of the slow recovery in demand for automobiles in many countries, orders are still sluggish.

We could reach consolidated net sales of ¥95,486 million (up 5.4% year on year) thanks to steady sales of the products for driving safety systems which we focused on and other factors such as foreign exchange rates.

On the profit front, the operating income amounted to ¥3,807 million (up 7.9% year on year) mainly reflecting net sales increase, productivity increase and foreign exchange rates while the utilization rates of production factories have remained low. The ordinary income came to ¥5,533 million (up 15.4% year on year) due to the increase in operating income and ¥1,957 million of foreign exchange gains brought by the depreciation of the yen against the dollar and the Thai baht. The profit attributable to owners of parent was ¥3,789 million (down 1.7% year on year).

The business environment around us is changing rapidly and we will keep focusing on order promotion in CASE area in the automotive parts market which is our main stage.

As for new business domain of non-automotive parts, we try hard to promote sales and enhance our corporate value. We sincerely ask our shareholders for your continued understanding and support.

June 2025

Yoshiaki Ishizaka

President

Future Outlook

The outlook for the world economy is expected to remain uncertain with concerns about slowdown in national economies due to policy changes in major countries, unstable exchange rates, etc.

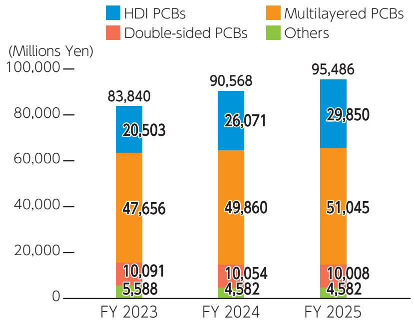
The automotive industry is similarly affected and expected to stay uncertain. However, from a medium-to long-term perspective, along with ADAS and the evolution of automated driving technology, the number and complexity of in-vehicle ECUs will increase and thus the demand for automotive PCBs, our group's mainstay products, is expected to increase. Our group reviewed the medium-to long-term plan in November, 2023. Because the medium-to long-term demand from our main customers is vigorous and needs toward a factory in Thailand increased to avoid geopolitical risks, we built a new factory in Thailand to realize acceleration of growth. In August, 2024, we started to produce prototype boards for reliability evaluation and have conducted customer approval activities. Mass production is planned to start in October, 2025 reflecting the slowdown of the whole demand for automobiles.

Though the current business environment is still challenging, our in-vehicle growth strategy which includes increasing focus on automotive products where we have competitive superiority and shifting more to high value-added products by building up a automotive product portfolio is on track.

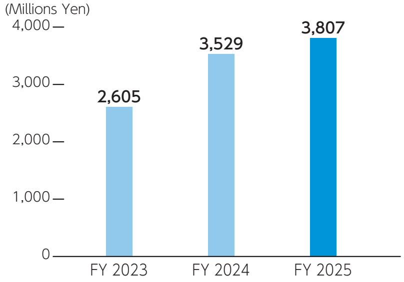
To make a new business area other than in-vehicle another pillar of our business, we are enhancing our technological capability. In this process, we concluded a non-exclusive license agreement concerning a patent on 'DPGA board' owned by DAIWA CO., LTD. on April 25th, 2025.

DPGA board is characterized by good heat dissipation, connection reliability, and light weight. With this technology, we can meet heat dissipation needs that will surely come, expand the range of design and planning proposals, promote sales and realize the medium-term management plan. We will respond appropriately to these challenges to maximize corporate value and achieve sustainable growth.

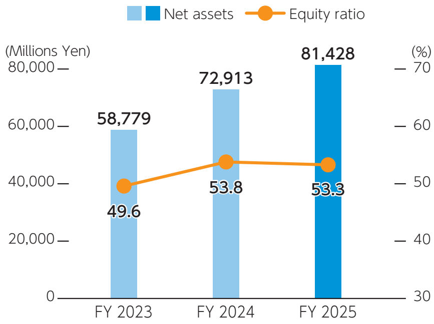
Net sales



Operating income



Net assets／Equity ratio

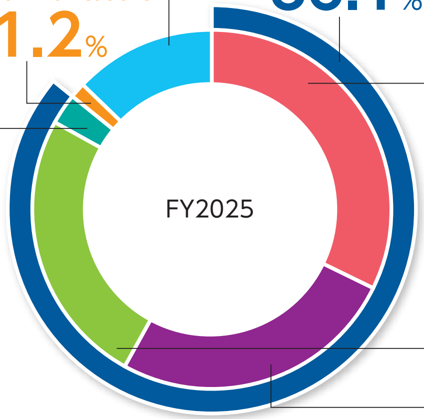


Sales by application

Others
12.7%

Car electronics
86.1%

Mobile communications
1.2%

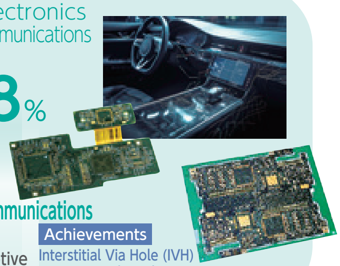


Car electronics
Body and comfort systems
25.0%

Body and comfort systems
Meter panels
Air conditioners
Power windows
Headlights

Achievements
Interstitial Via Hole (IVH)
High heat dissipation wiring board
PPBU wiring board

Car electronics
Telecommunications systems
2.8%



Telecommunications systems
Automotive TV monitor

Achievements
Interstitial Via Hole (IVH)
PPBU wiring board
Rigid-flex wiring board

Car electronics
Driving safety systems
26.0%

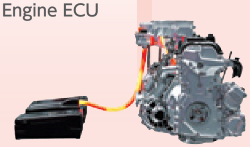
Driving safety systems
ABS, electric power steering
VSC, air bag system

Achievements
Interstitial Via Hole (IVH)
PPBU wiring board

Car electronics
Powertrain systems
32.3%

Achievements
Interstitial Via Hole (IVH)
PPBU wiring board

Powertrain systems
Hybrid ECU
Engine ECU



	FY2024	FY2025	Change
Car electronics	85.6%	86.1%	0.5%
Powertrain systems	34.2%	32.3%	△1.9%
Driving safety systems	24.3%	26.0%	1.7%
Body and comfort systems	23.1%	25.0%	1.9%
Telecommunications systems	4.0%	2.8%	△1.2%
Mobile communications	0.9%	1.2%	0.3%
Others	13.5%	12.7%	△0.8%

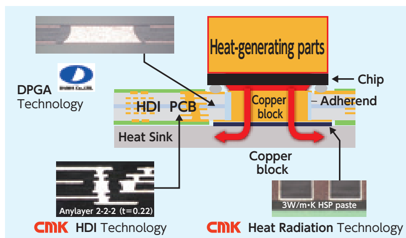
Signing an agreement to expand sales channels

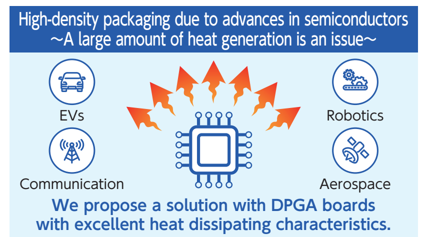
Our company signed a non-exclusive license agreement concerning the heat dissipation printed circuit board (hereafter DPGA board) with DAIWA CO., LTD. after negotiations since October, 2024.

DPGA board is a board based on a printed circuit board process with excellent heat dissipation characteristics, and can replace conventional copper inlay boards and aluminum boards by becoming thinner, finer and easier to build-up. DAIWA CO., LTD., founded in 1967, has been developing, producing and selling heat dissipation PCBs mainly in the industrial equipment market. This agreement enables both of us to expand the market for ‘DPGA board’ because their capabilities and our capabilities of development, production technologies, mass production and global expansion collaborate.

The markets in such areas as self-driving and electric vehicles, communication, robotics, automobiles and aerospace will rapidly grow and increase the necessary number of semiconductors and electronical parts that will require PCBs. The heat generated by each component will increase, and the increased mounting density of components will further increase the heat generation, and thus thermal solutions will become market needs. We will promptly respond to needs to effectively dissipate the heat by producing and and selling DPGA boards, and will expand sales channels.

<left> President of DAIWA CO., LTD., Eiji Yoshimura
<right> President of Japan CMK Corporation, Yoshiaki Ishizaka





In the ‘Climate Change Report 2024’ by CDP, we received a ‘B score’.

Two years in a row, we received a ‘B score’ in the ‘Climate Change Report 2024’ released by CDP. CDP is a global environmental NGO which assesses and discloses strategies and activities to challenge climate change and greenhouse gas. They collect and analyze environmental data from companies and municipalities in the world and assess each across 8 levels (A, A-, B, B-, C, C-, D, D-). ‘B score’ means we are ‘recognizing our environmental risks and their impacts, and taking actions.’

CDP
Discloser
2024

Installation image

To respond to carbon neutrality by 2050, each factory is reducing power through equipment renewal and other means. Besides we are planning to install solar panels at Niigata factory. The panels will go into operation in 2026 or later and will reduce CO_2 emissions by about 160 tons.

The CMK group will keep on working to reduce the burden on the global environment as one, aiming to contribute to a sustainable society.

Corporate Data (As of March 31, 2025)

Name of listed company	CMK CORPORATION (Securities code no.: 6958)
Date of establishment	February 25, 1961
Capital	24, 102million yen
Number of employees	1,143 (Group total 4,483)

Executives (as of June 25, 2025)

Board of Directors

Chairman	Isao Osawa	Director	Rika Sato
President	Yoshiaki Ishizaka	Director	Shoshiro Taneichi
Director and Executive Officer	Kunihiko Tedo	Director	Yosuke Tomoi
Director and Executive Officer	Yoshihisa Yamaguchi	Standing Corporate Auditor	Akihiro Okabe
Director and Executive Officer	Kazuto Ono	Corporate Auditor	Masaki Ashibe
Director and Executive Officer	Satoru Takahashi	Corporate Auditor	Kiyotaka Yokokoji

Executive Officers

Senior Executive Officer	Toshikazu Fujino	Executive Officer	Manabu Miyamoto
Senior Executive Officer	Tatsuya Koizumi	Executive Officer	Li Min

Primary Consolidated Subsidiaries (as of June 25, 2025)

Japan

- CMK PRODUCTS CORPORATION

Overseas

- CMK ASIA (PTE.) LTD.
- CMKM SDN.BHD.
- CMK CORPORATION (THAILAND) CO.,LTD.
- CMK ELECTRONICS (WUXI) CO., LTD.
- CMKC (HK) LIMITED
- CMKC (DONG GUAN) LTD.
- CMKC (SHENZHEN). LTD.
- CMK EUROPE N.V.
- CMK AMERICA CORPORATION
- CMK (Germany) GmbH

Our Website

- PRODUCT
- IR INFO
- COMPANY
- CSR
- RECRUIT
- TOPICS

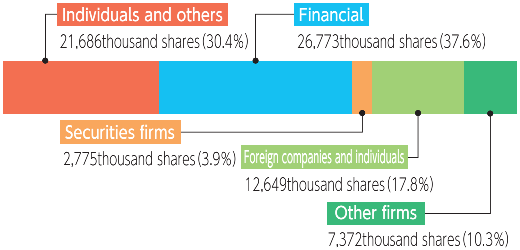
We disclose detailed information on this website.

Stock Information (As of March 31, 2025)

Total number of shares authorized	227,922,000
Total number of shares issued and outstanding	71,256,476
Number of shareholders	18,663

Shareholder Breakdown

【Total 71,256,476shares】



Major shareholders (10 largest)

Shareholders	Number of shares held (thousands)	Percentage (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	10,596	14.9
Custody Bank of Japan, Ltd. (Trust Account)	4,782	6.7
Mizuho Bank, Ltd.	2,576	3.6
The Foundation for Technology Promotion of Electronic Circuit Board	2,500	3.5
The Dai-ichi Life Insurance Company, Limited	1,895	2.7
Kiraboshi Bank, Ltd.	1,745	2.4
Sumitomo Mitsui Banking Corporation	1,613	2.3
Sato Shoji Corporation	1,506	2.1
NORTHERN TRUST CO. (AVFC) RE IEDU UCITS CLIENTS NON LENDING 15 PCT TREATY ACCOUNT	1,300	1.8
JP Morgan Securities Japan Co., Ltd.	1,290	1.8

Note: 1. Although the Company holds 4,595 shares of treasury stock.
2. Treasury shares were excluded in calculating the shareholding ratios.

Shareholders Memo

Fiscal year: April 1 through March 31 of the following year

Regular general meeting of shareholders: Held in June each year

Date of record for end-of-year dividends: March 31

Date of record for mid-year dividends: September 30

Notification method: Electronic notification (company website at https://www.cmk-corp.com). If notification cannot be made electronically, it will be made using the Nihon Keizai Shimbun.

Transfer agent: Mizuho Trust & Banking Co., Ltd.
1-3-3 Marunouchi, Chiyoda-ku, Tokyo

Contact address: Mizuho Trust & Banking Co., Ltd.
8-4 Izumi 2-chome, Suginami-ku,
Tokyo 168-8507
0120-288-324

43rd Floor, Shinjuku I-Land Tower Bldg., 6-5-1
Nishi-Shinjuku, Shinjuku-ku, Tokyo 163-1388, Japan
Tel.: +81-3-5323-0231 (main)
https://www.cmk-corp.com