socionext™
The Solution SoC Company

2Q FY2026/3

Consolidated Financial Results

October 31, 2025

Socionext Inc.

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Cautionary Note Regarding “Design Win Amount” and “Design Win Balance”

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Cautionary Note Regarding “Design Win Amount” and “Design Win Balance”

The calculation of “Design Win Amount” and “Design Win Balance” involves a considerable degree of future estimation and subjective judgment, including assumptions regarding development plans, development costs, NRE revenues, per-unit prices and estimated future product sales volumes as well as the estimated lifespan and likelihood of cancellation of particular products. Product sales volumes are estimated based on preliminary customer indications of volume as well as our own projections made using historical customer transaction data, third-party market data and other factors while restrictions on the available manufacturing capacity for our products are not fully taken into account. In connection with analyzing our net sales and determining our design win balance, we take into account whether any customer demand constitutes “special demand,” a term we use to refer to short-term customer demand resulting from stockpiling and other activities that do not reflect current underlying demand. We determine whether any given demand is special demand on a case-by-case basis at our own discretion based on our assessment of a variety of factors related to the demand in question. As a result, amounts that we identify as special demand may not be objectively accurate in light of such definition of “special demand.” We believe that it is appropriate to exclude such short-term “special demand” amounts from our design win balance because the design win balance is intended to serve as an index to evaluate and analyze our long-term revenue trends. In terms of our net sales, net sales that are attributable to “special demand” should be viewed as short-term inflated demand that may be front-loading longer-term demand, and thus such sales should be appropriately deemphasized when analyzing historical and future trends in our results of operations. While “Design Win Balance” is not impacted by the occurrence or the amount of “special demand,” it can fluctuate by reflecting changes in assumptions for forecasts of demands except for “special demand.” We may change our calculation method for “Design Win Amount” and “Design Win Balance” and have done so in the past, and thus a direct period-to-period comparison may not be meaningful beyond describing general trends over an extended period. Design win information is calculated on a management accounting basis and is formulated and used internally for management’s assessment of business performance and strategic initiative planning. Due to our relatively short operating history under our new business model and the extended period of time before a design win contributes to our product revenue, we have limited financial data that can be used to evaluate our business and future prospects, and our management believes that our operating results in recent fiscal years may not be indicative of our future performance. We present design win information for reference purposes only. You should not place undue reliance on design win information presented herein. Please refer to page 2 of this presentation regarding certain risks associated with forward-looking statements.

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2Q FY2026/3

Consolidated Financial Results

- *Consolidated Financial Results 2Q FY2026/3*
- *Consolidated Earnings Forecast FY2026/3*

2Q FY26/3 Consolidated Statements of Income

(Yen in billions)

		FY25/3				FY26/3			
		1Q	2Q	3Q	4Q	1Q	2Q	YoY	YoY%
Net Sales		**52.8**	**46.4**	**46.1**	**43.3**	**34.6**	**52.7**	**+6.3**	**+13.5%**
	Product Revenue	42.3	37.7	35.0	31.6	25.9	44.5	+6.8	+18.1%
	NRE Revenue	10.3	8.4	10.8	11.4	8.5	8.0	-0.5	-5.6%
	Others	0.2	0.3	0.2	0.3	0.2	0.2	-0.1	-28.8%
Cost of Sales		**22.9**	**22.2**	**20.6**	**18.8**	**14.4**	**30.9**	**+8.6**	**+38.8%**
	Product Cost Ratio	54.3%	59.1%	58.8%	59.6%	55.6%	69.4%	+10.3pt	
Selling, General and Administrative Expenses		**19.6**	**18.9**	**20.4**	**20.1**	**18.7**	**19.5**	**+0.6**	**+3.1%**
	R&D	15.0	13.8	15.6	15.4	14.2	14.7	+0.9	+6.6%
	SG&A (excluding R&D)	4.6	5.1	4.7	4.7	4.5	4.7	-0.3	-6.3%
Operating Income		**10.3**	**5.3**	**5.1**	**4.3**	**1.4**	**2.3**	**-3.0**	**-56.0%**
	Margin	19.4%	11.4%	11.1%	10.0%	4.2%	4.4%	-7.0pt	
Net Income		**7.6**	**4.0**	**4.9**	**3.1**	**0.5**	**1.6**	**-2.4**	**-60.2%**
	Margin	14.3%	8.6%	10.6%	7.2%	1.3%	3.0%	-5.6pt	
FX Rate (USD/JPY)		**155.9**	**149.4**	**152.4**	**152.6**	**144.6**	**147.5**		

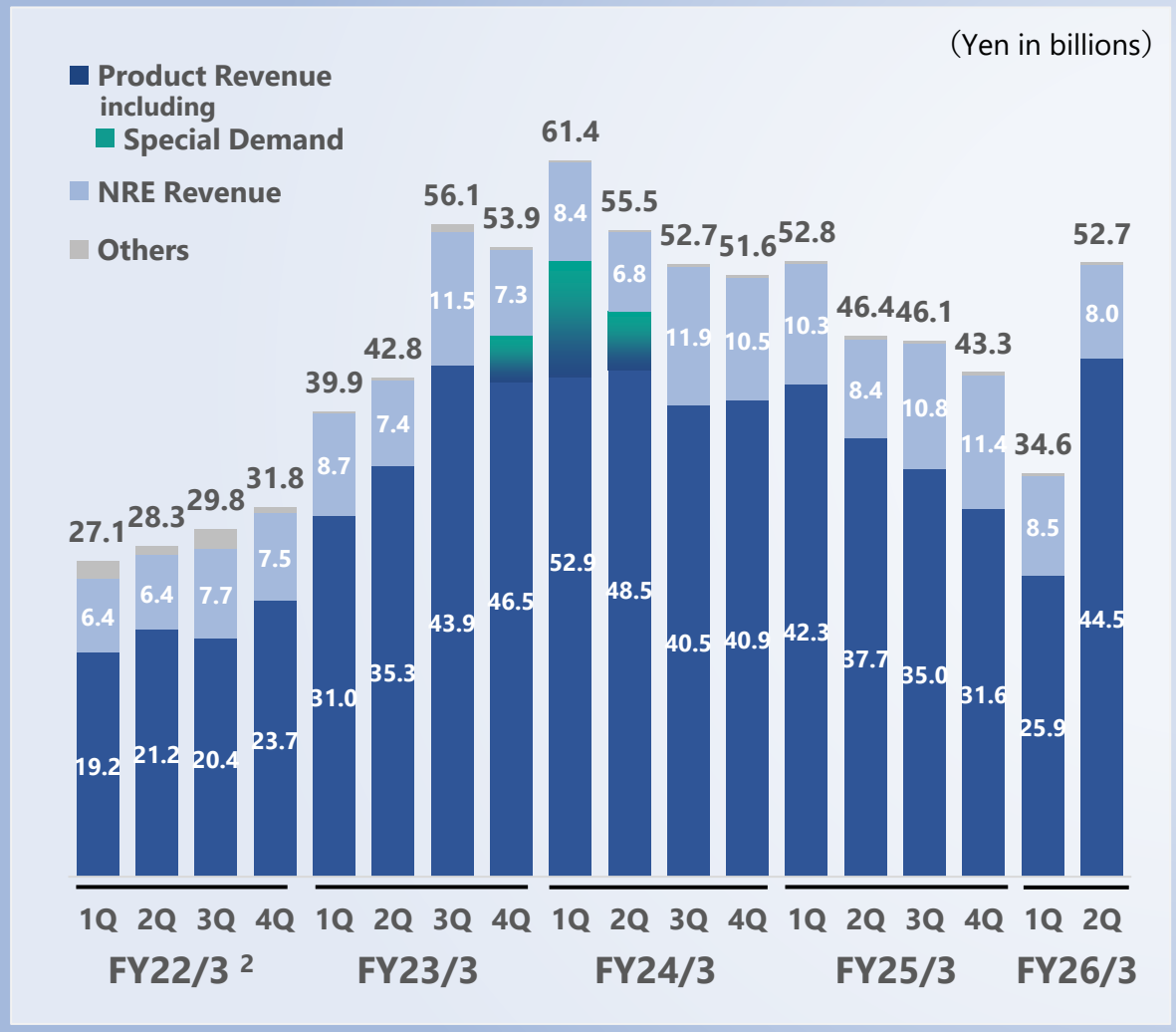
1H FY2026/3 Consolidated Statements of Income

(Yen in billions)

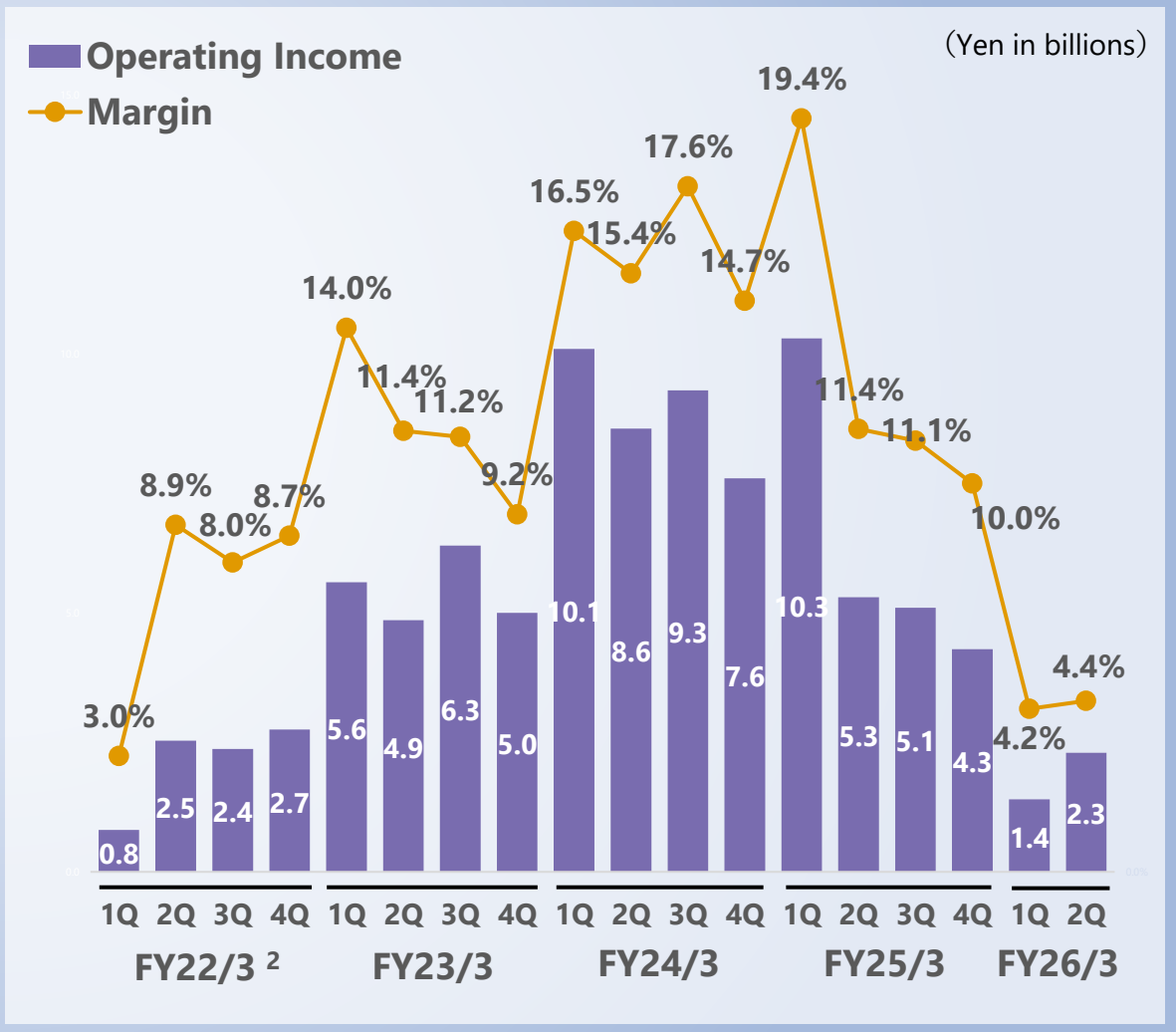
		FY2025/3 1H	FY2026/3 1H	YoY	YoY%
Net Sales		**99.2**	**87.2**	**-12.0**	**-12.1%**
	Product Revenue	80.0	70.4	-9.6	-12.0%
	NRE Revenue	18.8	16.4	-2.3	-12.4%
	Others	0.5	0.4	-	-10.4%
Cost of sales		**45.2**	**45.3**	**+0.1**	**+0.2%**
	Product Cost Ratio	56.5%	64.3%	+7.8pt	
Selling, General and Administrative Expenses		**38.4**	**38.2**	**-0.3**	**-0.7%**
	R&D	28.8	29.0	+0.2	+0.7%
	SG&A (excluding R&D)	9.7	9.2	-0.5	-4.7%
Operating Income		**15.6**	**3.8**	**-11.8**	**-75.8%**
	Margin	15.7%	4.3%	-11.4pt	
Net Income		**11.6**	**2.1**	**-9.5**	**-82.2%**
	Margin	11.7%	2.4%	-9.3pt	
FX Rate (USD/JPY)		**152.6**	**146.0**		

Quarterly Net Sales and Operating Income

Net Sales[1]



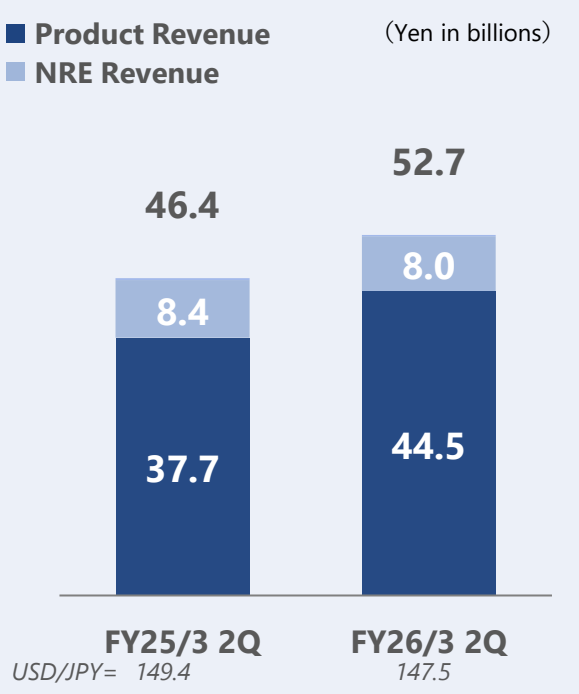
Operating Income[1]

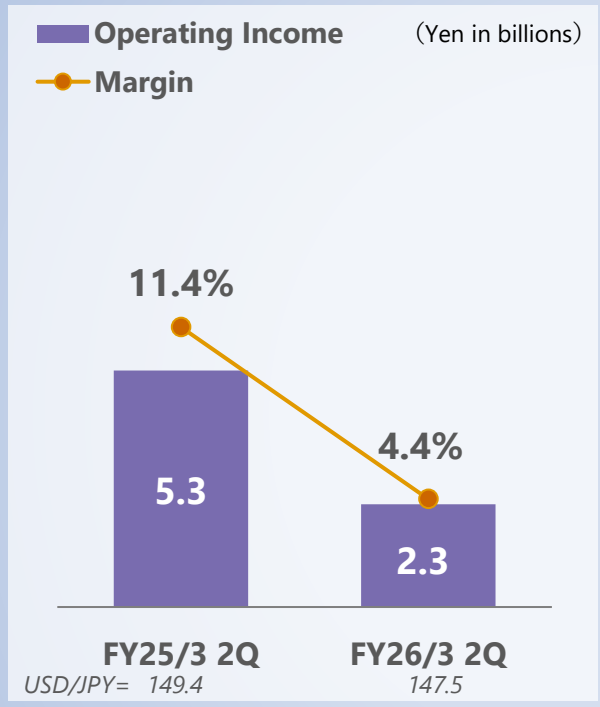


1. The quarterly figures are highly volatile and may fluctuate significantly from quarter to quarter as they are greatly affected by the development status of individual projects.
2. Quarterly financial results of FY 22/3 are unaudited and unreviewed by external auditors.

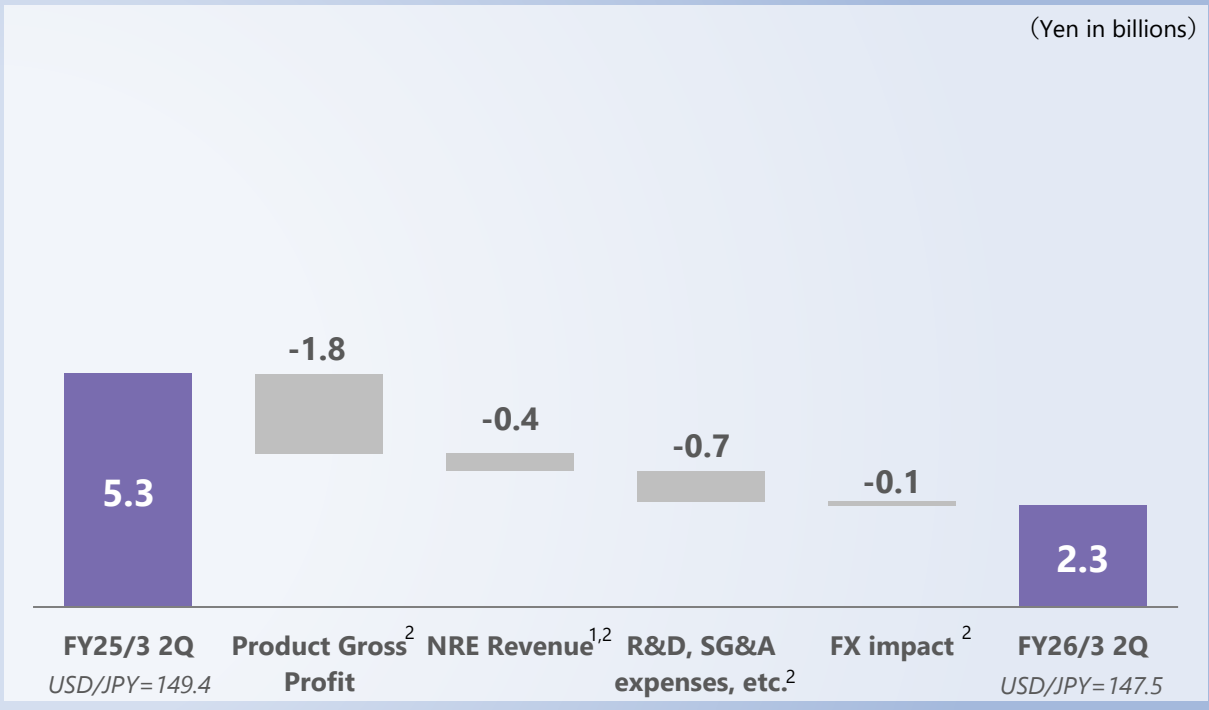
2Q FY26/3 Financial Results – YoY

Net Sales and Operating Income YoY





Operating Income YoY Analysis



Net sales YoY + 6.3 bn yen (+ 13.5%)

- Product revenue: + 6.8 bn yen (FX impact - 0.6 bn yen)
- NRE revenue: - 0.5 bn yen (FX impact - 0.1 bn yen)

(USD/JPY 149.4→147.5)

Operating income YoY - 3.0 bn yen (- 56.0%)

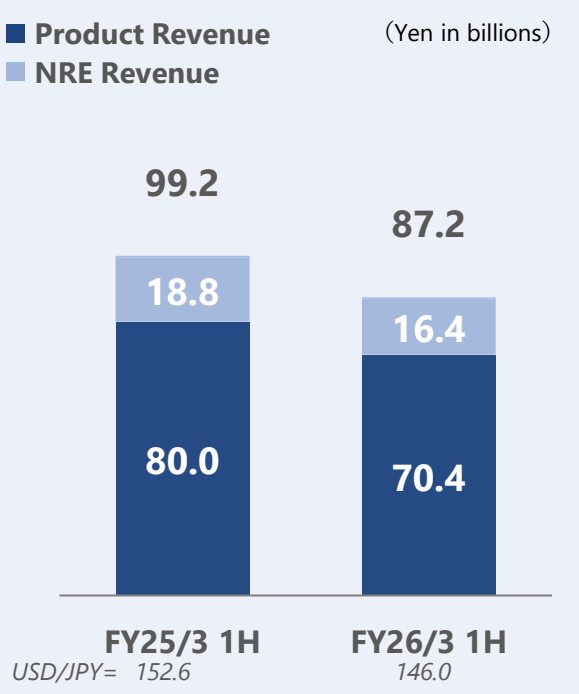
- Product gross profit: - 1.8 bn yen
- NRE revenue: - 0.4 bn yen
- R&D, SG&A, etc.: - 0.7 bn yen
- FX impact: - 0.1 bn yen

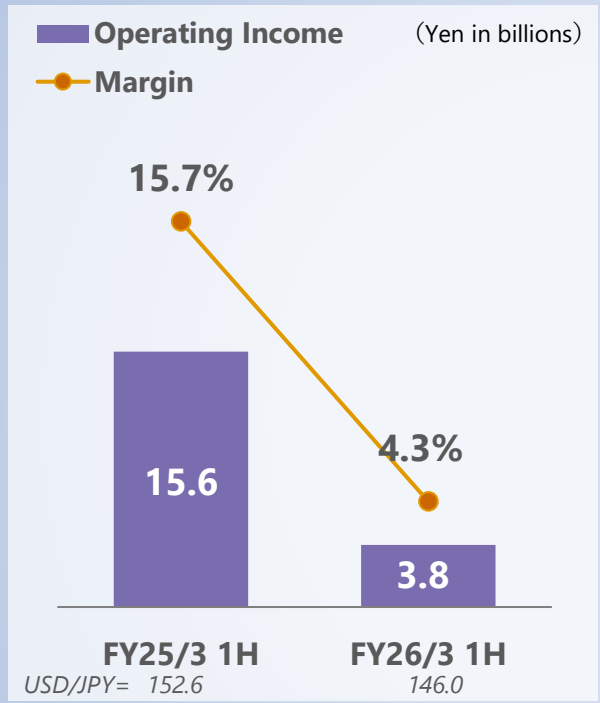
(USD/JPY 149.4→147.5)

1. R&D cost connected to NRE revenue is recorded as an expense. Accordingly, NRE does not fully contribute to an increase in operating income for a particular period.
2. FX impact is an increase or decrease from the previous year or quarter caused by change in USD/JPY exchange rate. The FX impact is excluded from the other factors shown in the operating income analysis.

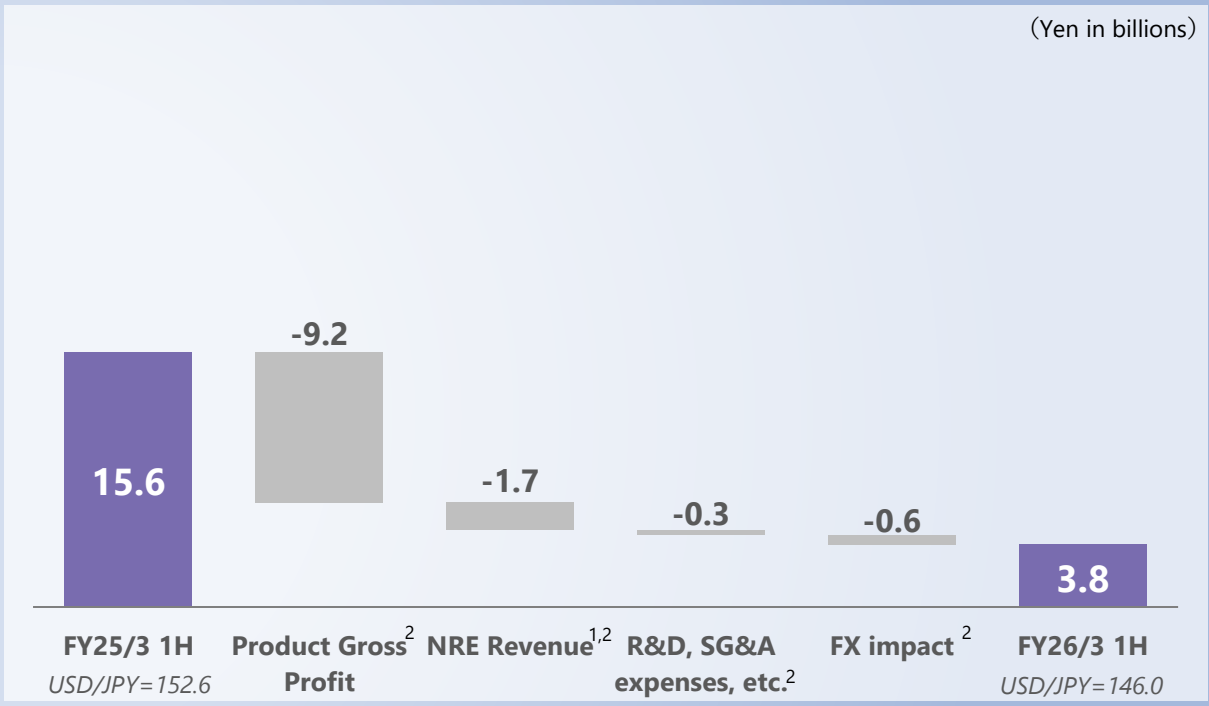
1H FY26/3 Financial Results – YoY

Net Sales and Operating Income YoY





Operating Income YoY Analysis



Net sales YoY - 12.0 bn yen (- 12.1%)

- Product revenue: - 9.6 bn yen (FX impact - 2.1 bn yen)
- NRE revenue: - 2.3 bn yen (FX impact - 0.6 bn yen)

(USD/JPY 152.6→146.0)

Operating income YoY - 11.8 bn yen (- 75.8%)

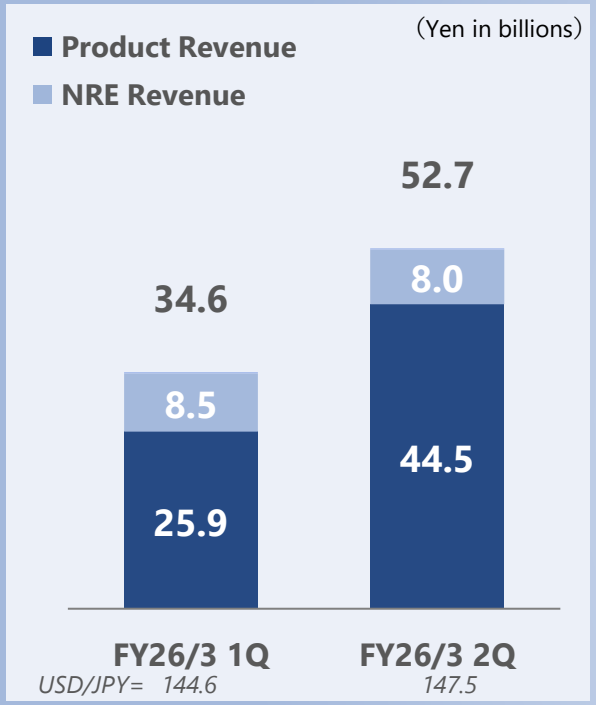
- Product gross profit: - 9.2 bn yen
- NRE revenue: - 1.7 bn yen
- R&D, SG&A, etc.: - 0.3 bn yen
- FX impact: - 0.6 bn yen

(USD/JPY 152.6→146.0)

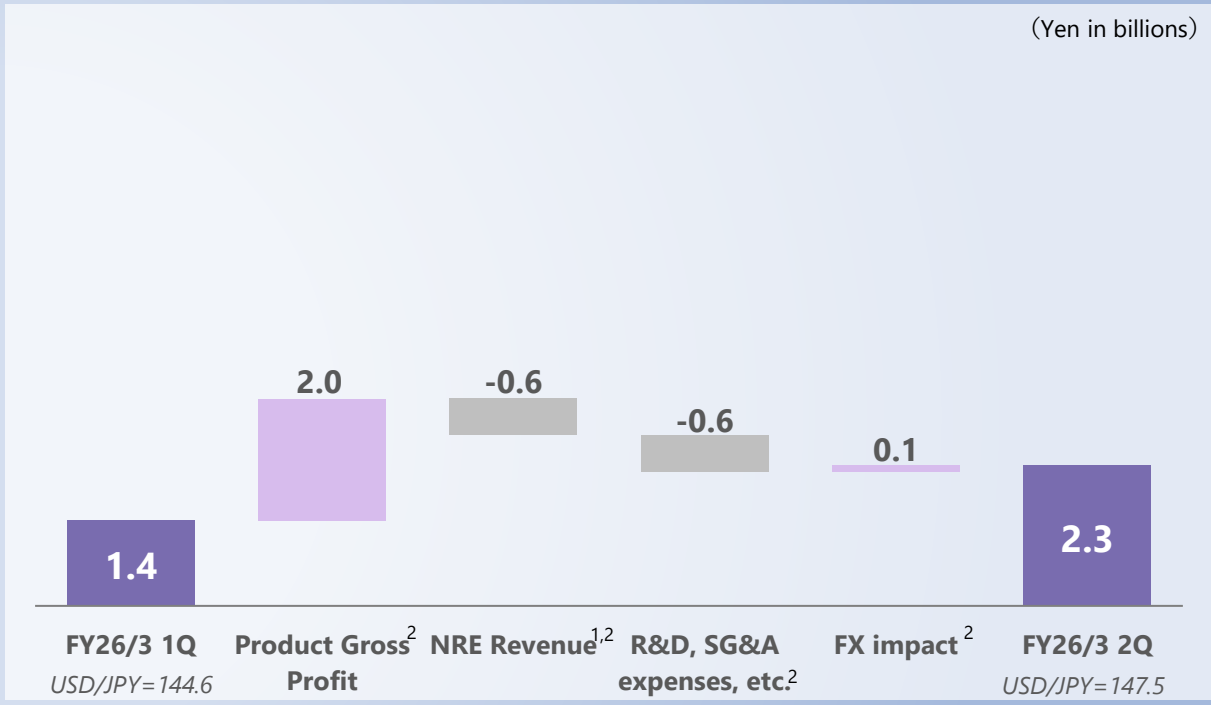
1. R&D cost connected to NRE revenue is recorded as an expense. Accordingly, NRE does not fully contribute to an increase in operating income for a particular period.
2. FX impact is an increase or decrease from the previous year or quarter caused by change in USD/JPY exchange rate. The FX impact is excluded from the other factors shown in the operating income analysis.

2Q FY26/3 Financial Results – QoQ

Net Sales and Operating Income QoQ



Operating Income QoQ Analysis



Net sales QoQ + 18.1 bn yen (+ 52.4%)

- Product revenue: + 18.6 bn yen (FX impact + 0.8 bn yen)
- NRE revenue: - 0.5 bn yen (FX impact + 0.1 bn yen)

(USD/JPY 144.6→147.5)

Operating income QoQ + 0.9 bn yen (+ 61.6%)

- Product gross profit: + 2.0 bn yen
- NRE revenue: - 0.6 bn yen
- R&D, SG&A, etc.: - 0.6 bn yen
- FX impact: + 0.1 bn yen

(USD/JPY 144.6→147.5)

1. R&D cost connected to NRE revenue is recorded as an expense. Accordingly, NRE does not fully contribute to an increase in operating income for a particular period.
2. FX impact is an increase or decrease from the previous year or quarter caused by change in USD/JPY exchange rate. The FX impact is excluded from the other factors shown in the operating income analysis.

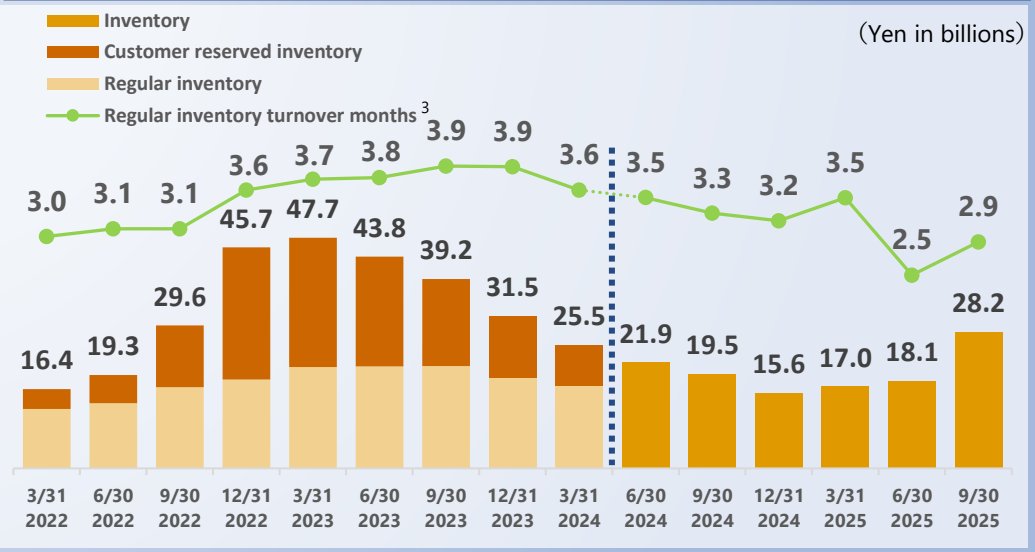
Consolidated Balance Sheet（As of September 30, 2025）

(Yen in billions)

	As of Mar. 31, 2025	As of Sep. 30, 2025	Change
Total Assets	170.3	**168.1**	-2.2
Total Current Assets	126.3	**121.3**	-5.0
Cash on-hand and in banks[1]	72.8	**45.7**	-27.2
Accounts receivable-trade	31.6	**40.4**	+8.8
Inventories[2]	17.0	**28.2**	+11.2
Accounts receivable-other	0.9	**2.0**	+1.2
Total non-Current Assets	44.0	**46.8**	+2.8
Total Liabilities	33.3	**38.2**	+4.9
Total Current Liabilities	31.3	**36.2**	+4.9
Accounts payable-trade	11.9	**17.6**	+5.6
Accounts payable-other	4.6	**7.2**	+2.6
Total Net Assets	137.0	**130.0**	-7.1
Shareholders' Equity Ratio	80.5%	**77.3%**	

Cash on Hand and in Banks[1]

Inventories[2]

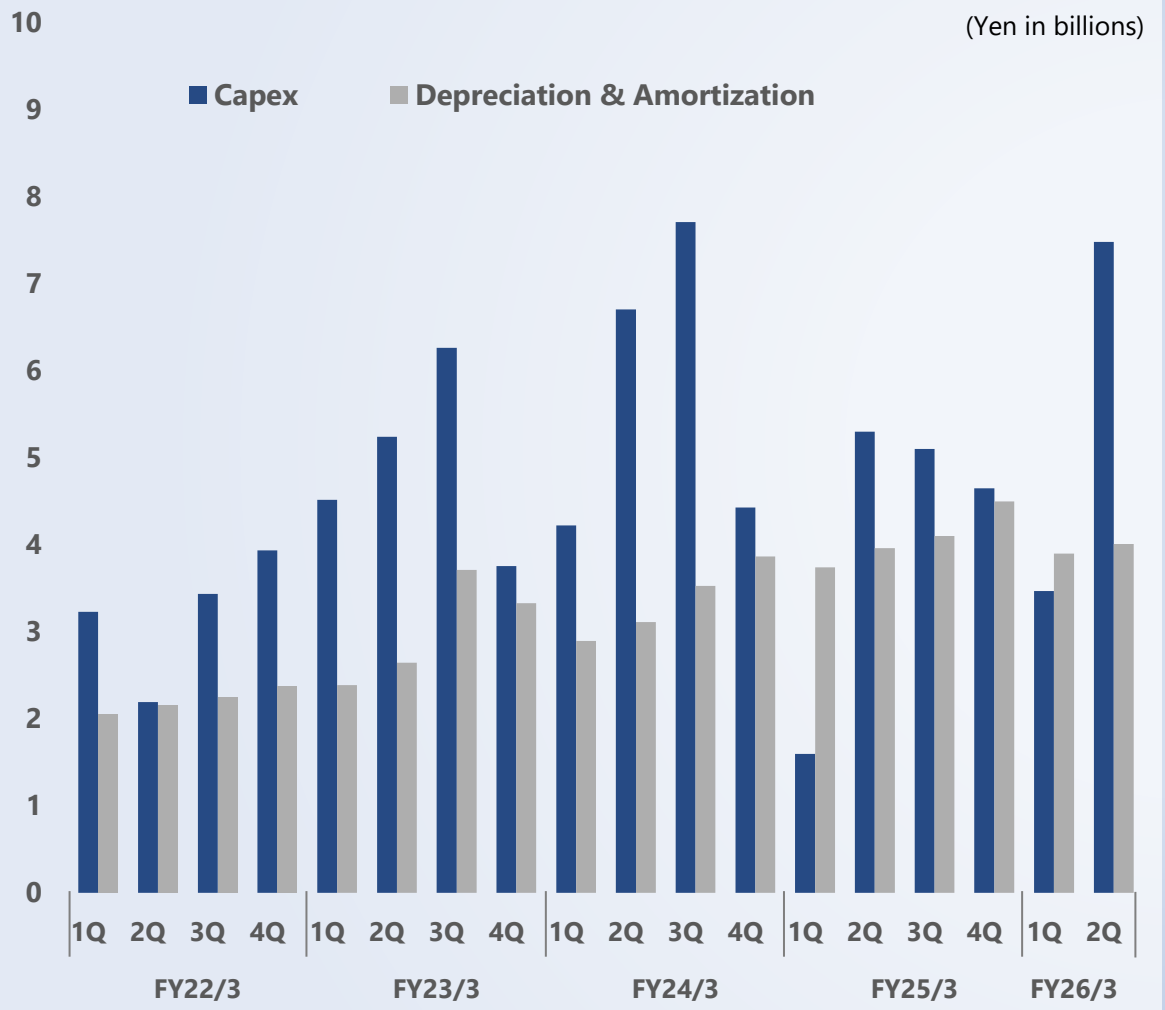


* From FY2025/3, sum of “Customer reserved inventory” and “Regular inventory” is disclosed as “Inventory”.

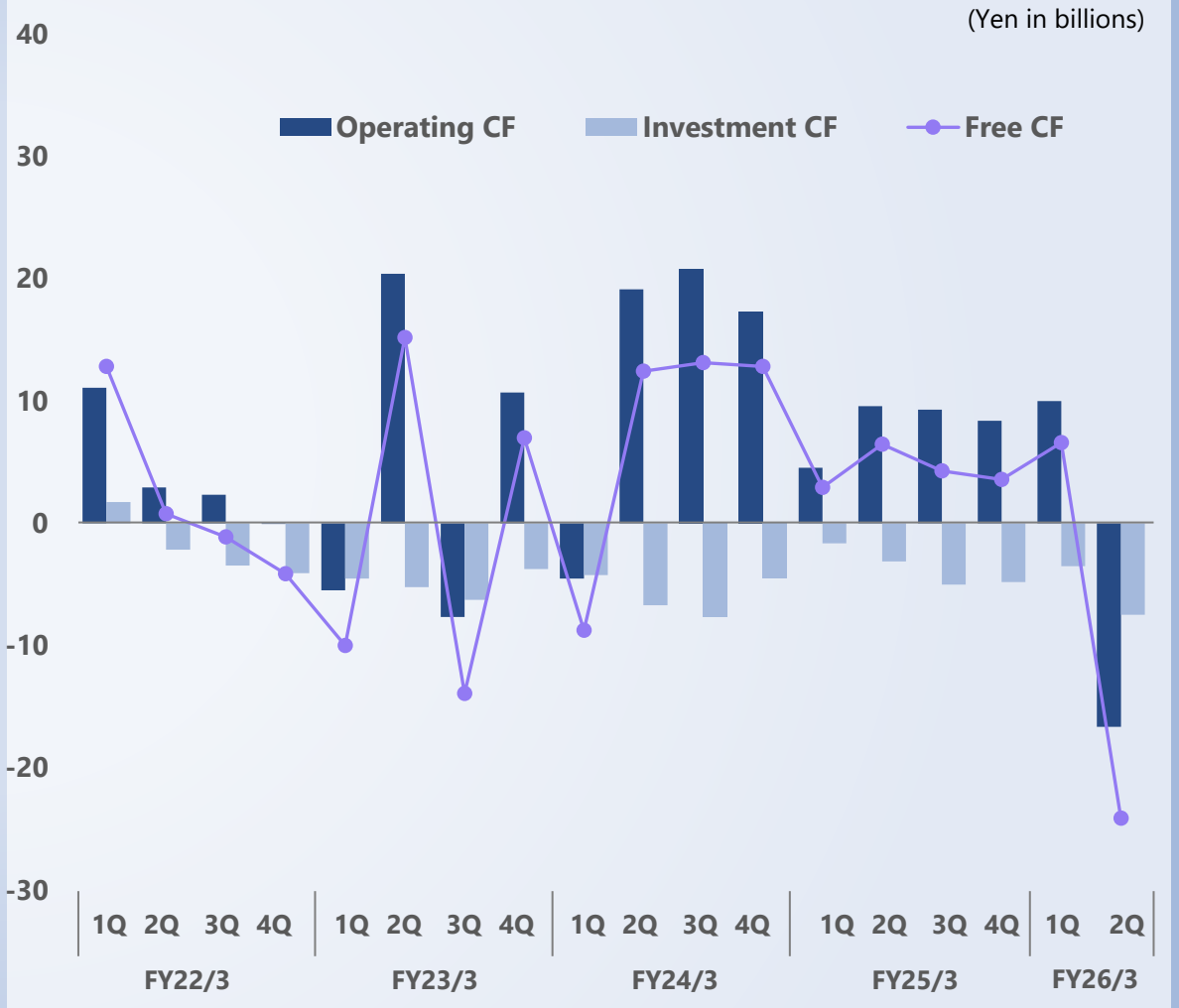
1. Cash on-hand and in banks include short term investment security.
2. Inventories is calculated as the sum of “finished goods” and “work in process”.
3. Regular inventory turnover months = Ratio of “ordinary inventories balance” and “Cost of Sales average of forecast for next 3 months”

Capex / Depreciation & Amortization Cash Flow

Capex[1]-Depreciation & Amortization[2]



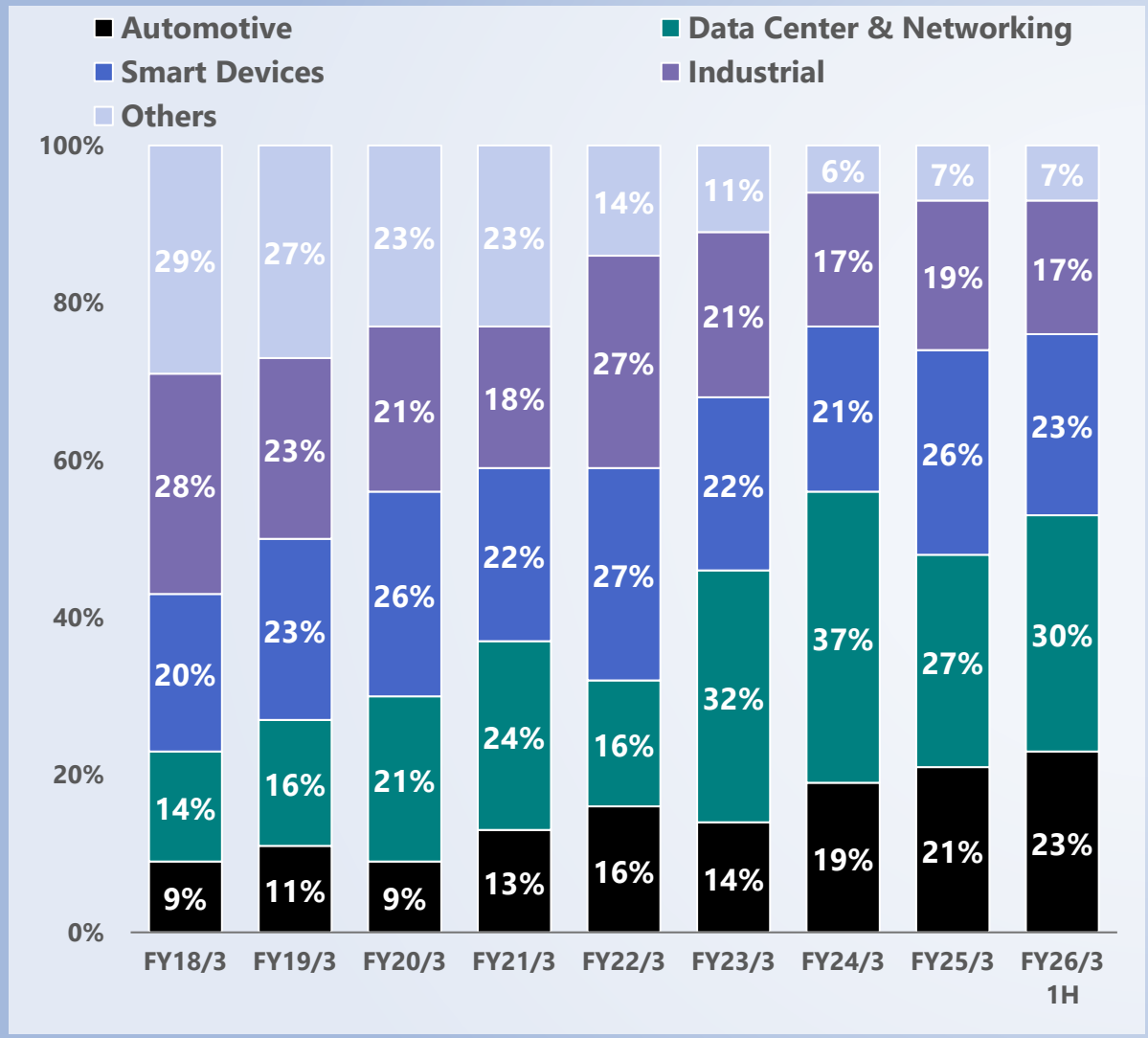
Cash Flow[2]



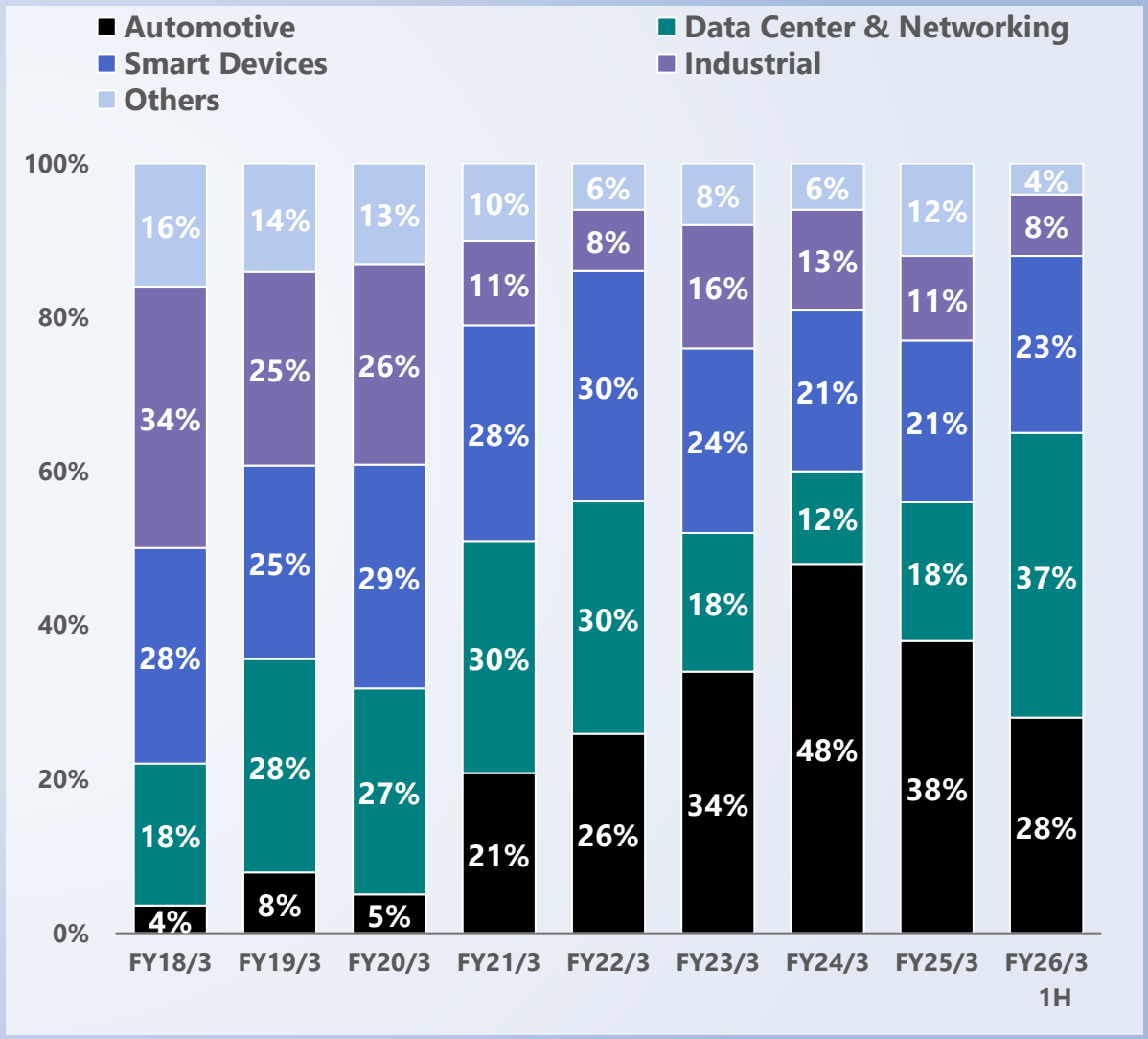
1. Capex: Payment of PP&E + payment of intangible assets
2. Quarterly financial results of FY22/3 are unaudited and unreviewed by external auditors.

Breakdown by Application Market

Net Sales

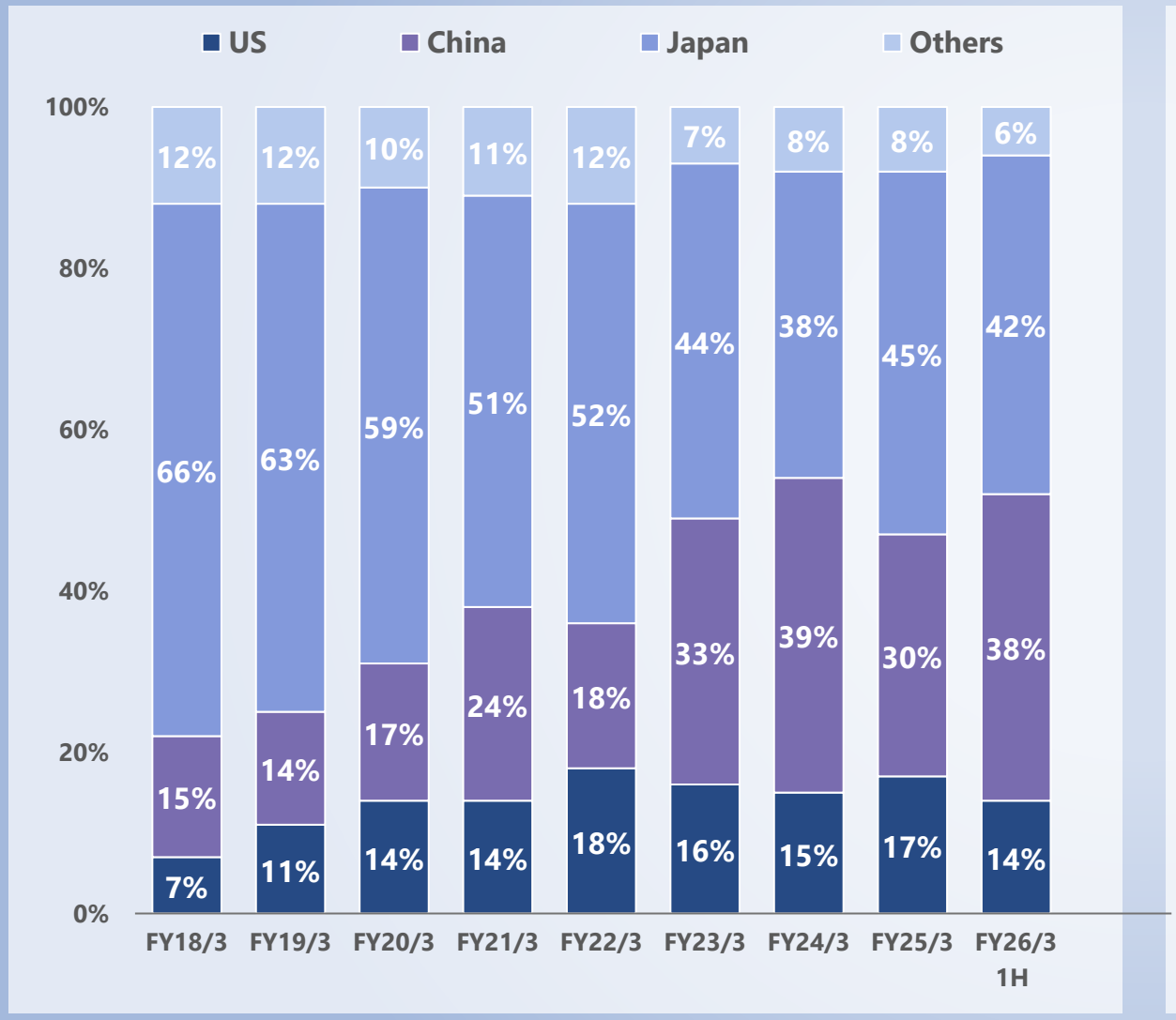


NRE Revenue

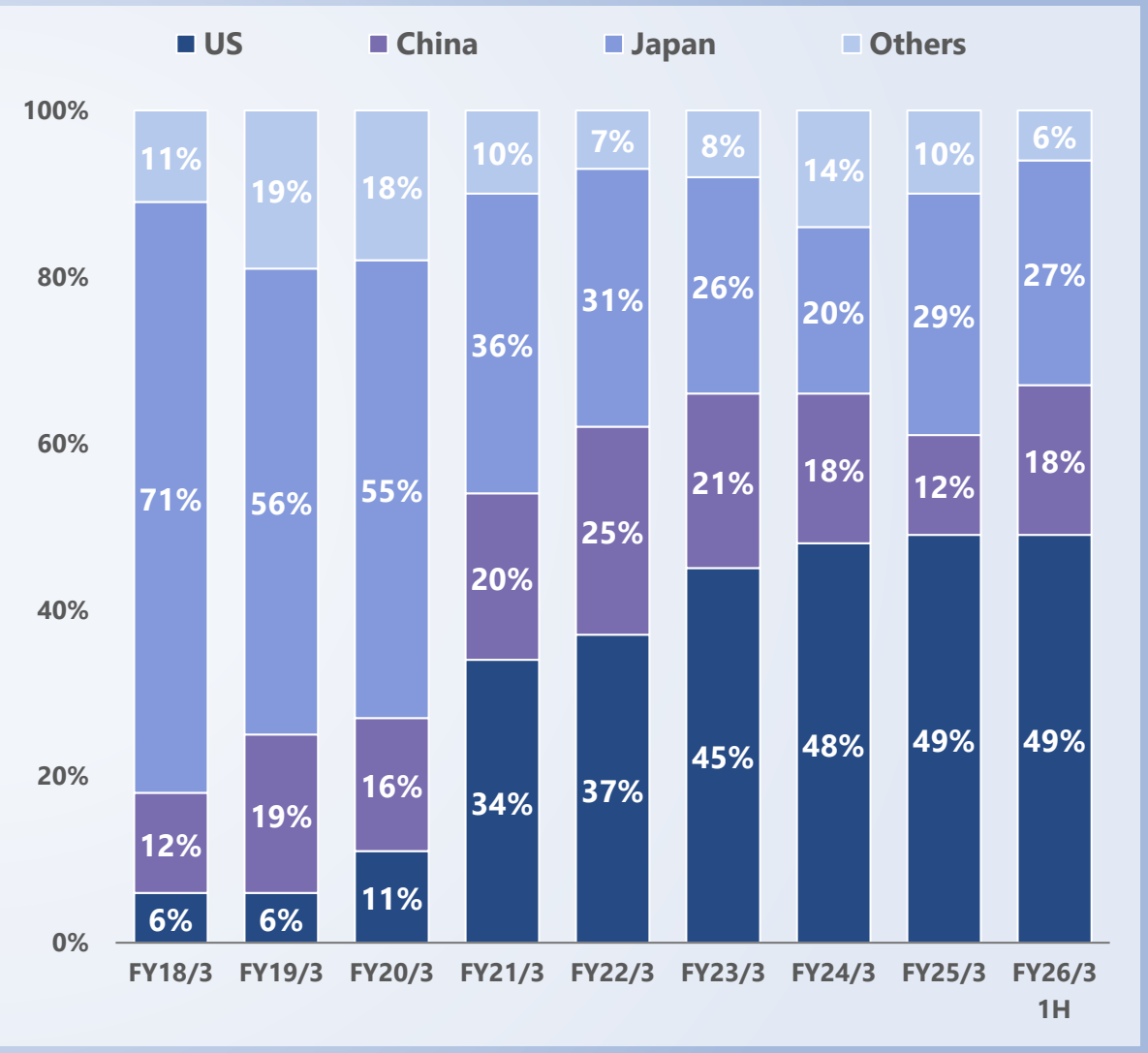


Breakdown by Geographic Region

Net Sales

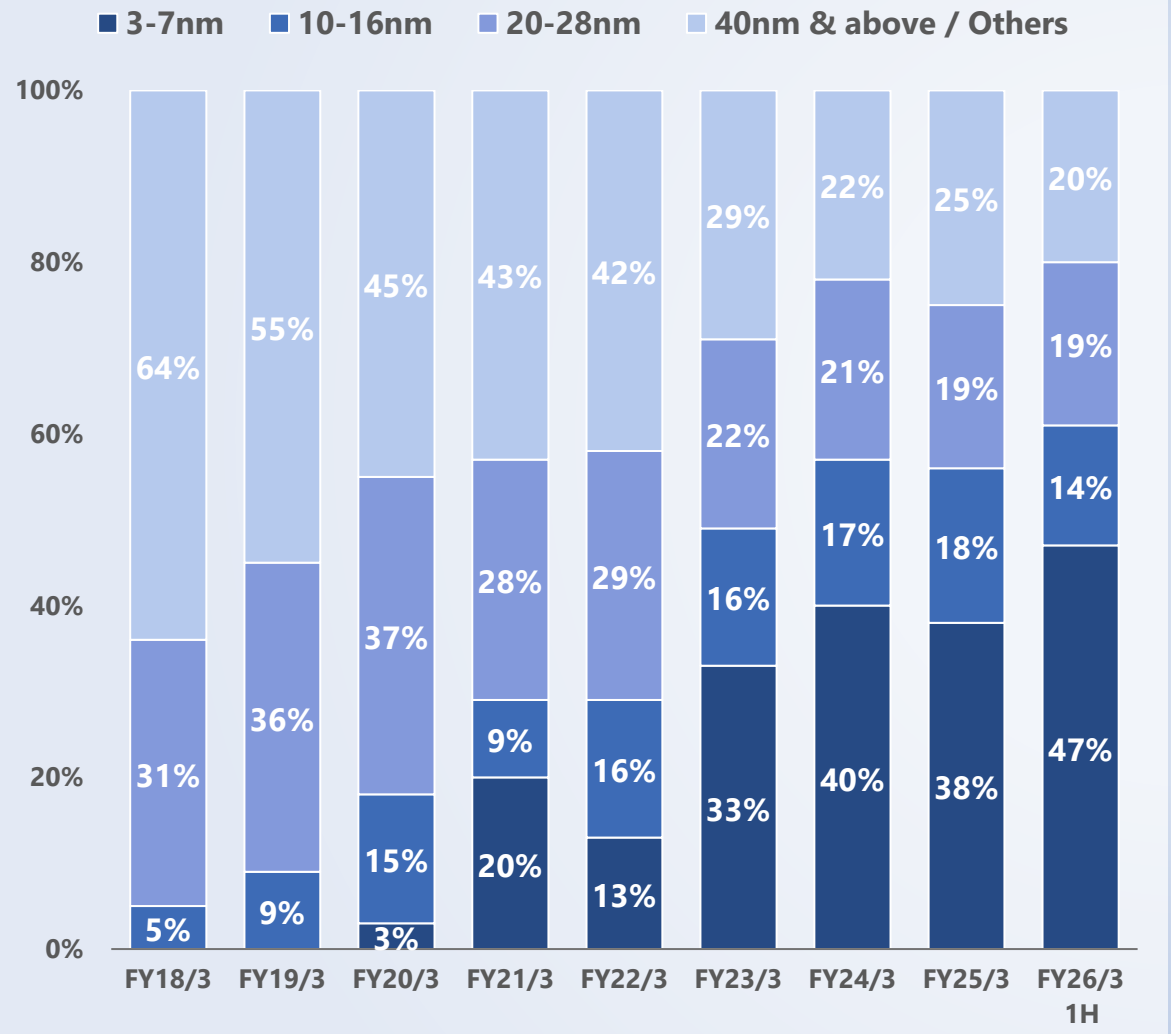


NRE Revenue

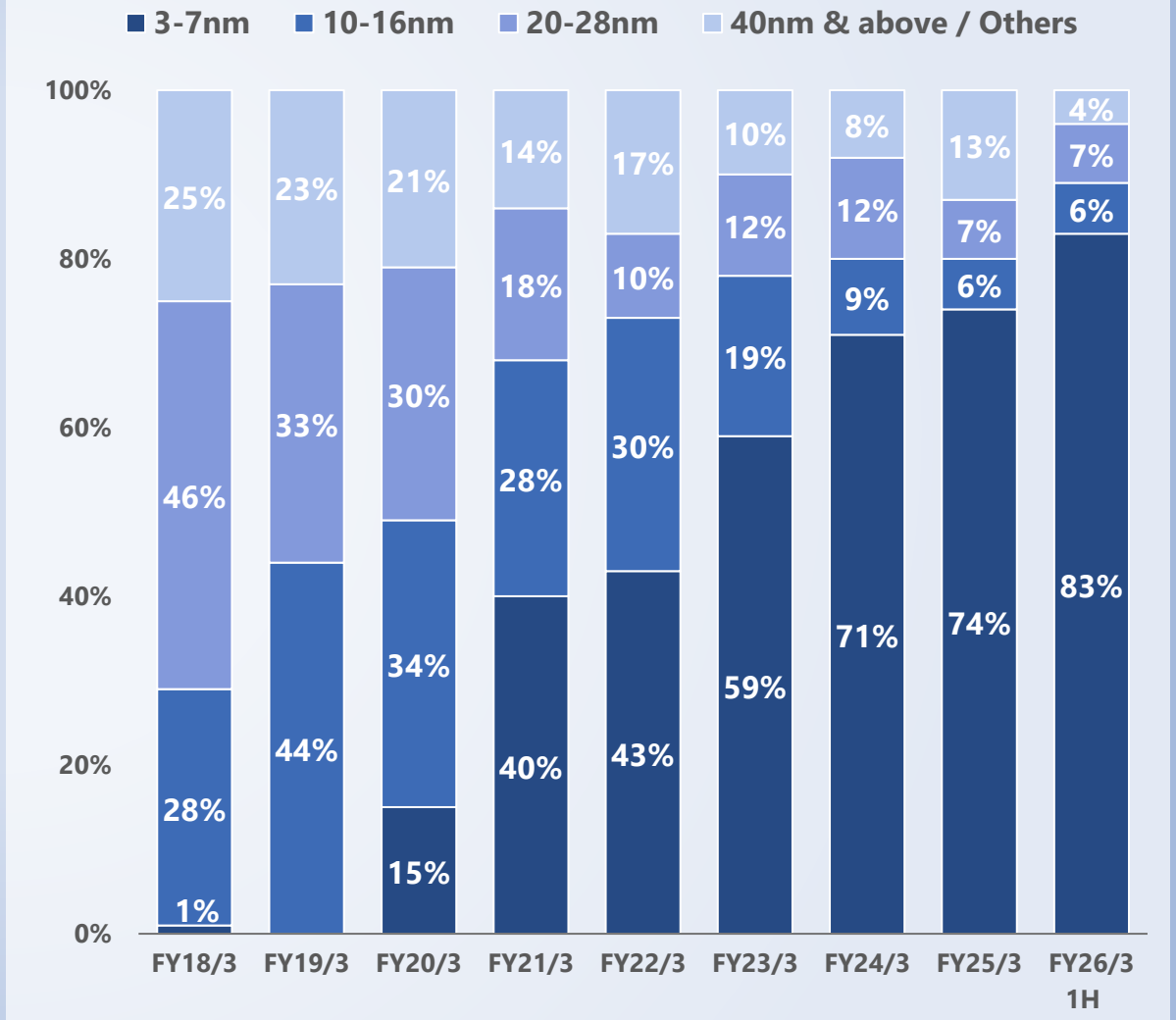


Breakdown by Process Node

Net Sales



NRE Revenue



Consolidated Earnings Forecast

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(Yen in billions)	FY2025/3 Full Year Results	FY2026/3 Full Year Forecast as of April 2025	FY2026/3 Full Year Forecast as of October 2025	Change from previous forecast	
Net Sales	**188.5**	**175.0**	**190.0**	+15.0	+8.6%
Operating Income	**25.0**	**14.0**	**10.0**	-4.0	-28.6%
Margin	**13.3%**	**8.0%**	**5.3%**	-2.7pt	
Net Income	**19.6**	**10.5**	**6.7**	-3.8	-36.2%
Margin	**10.4%**	**6.0%**	**3.5%**	-2.5pt	
Basic Earnings per Share[1]	**109.78 yen**	**59.83 yen**	**38.17 yen**		
Dividends per Share	**50.00 yen**	**50.00 yen**	**50.00 yen**		
FX Rate (USD/JPY)	**152.6 yen**	**130.0 yen**	**138.0 yen**		

- FX sensitivity for FY26/3 forecast is assumed to be approx.1.0 billion yen for net sales, and approx. 0.3 billion yen for operating income, for every 1-yen change against the US dollar. The impact of other currencies is assumed to be negligible.
- FX sensitivity for FY26/3 full year remains unchanged from the April Forecast. However, it fluctuates quarterly due to volatility in the volume of US dollar-denominated net sales, purchases, inventory, and timing of R&D costs. We expect the amount of FX impact to be low in 2Q and 3Q, while it is expected to be the largest in 4Q.

1. Actual basic earnings per share for FY2025/3 were calculated based on 178,543,635 shares and forecast of basic earnings per share for FY2026/3 as of April 2025 were calculated based on 175,482,641 shares, forecast of basic earnings per share for FY2026/3 as of October 2025 were calculated based on 175,548,560 shares. The changes are due to exercise of stock options and purchase of treasury stock.
2. Refer to page 2 for handling of forecast.

Net Sales and Operating Income FY2026/3 Full-Year Forecast (vs. April 2025 Forecast)

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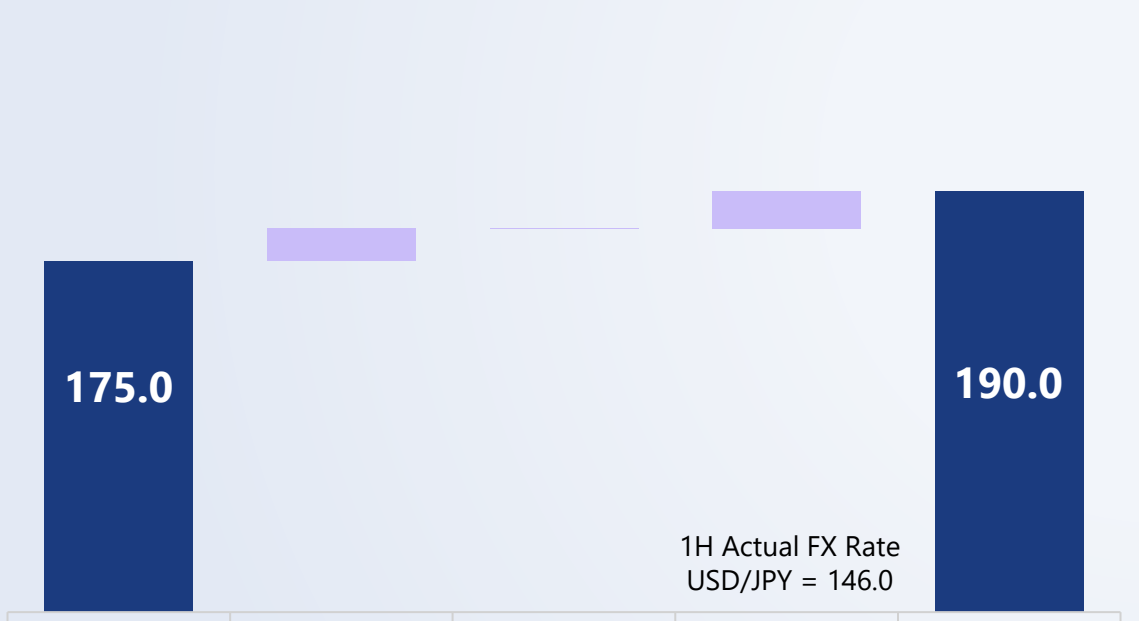
- **Net Sales**
  Revised to 190.0 billion yen (+15.0 billion), considering strong demand for new product entering mass production
- **Operating Income**
  Revised to 10.0 billion yen (- 4.0 billion), factors include:
  (1) lower product gross margin due to change in product mix, (2) increase in R&D for advance development investment

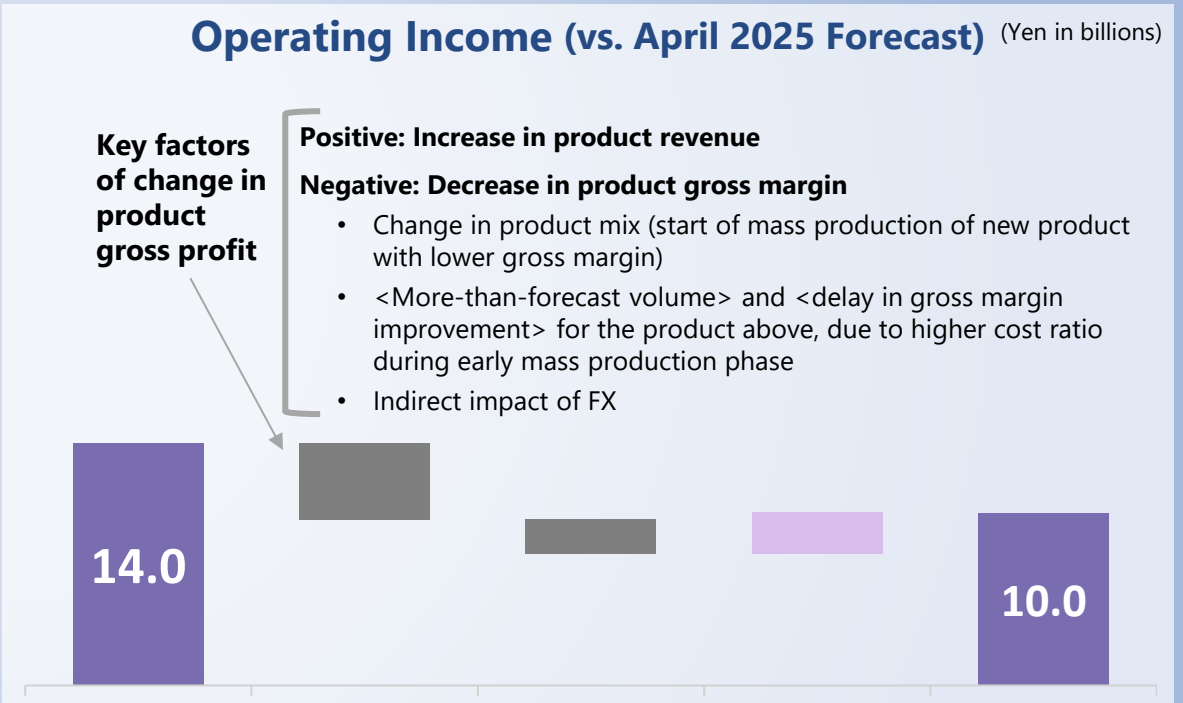
Net Sales (vs. April 2025 Forecast)

(Yen in billions)



Operating Income (vs. April 2025 Forecast)

(Yen in billions)

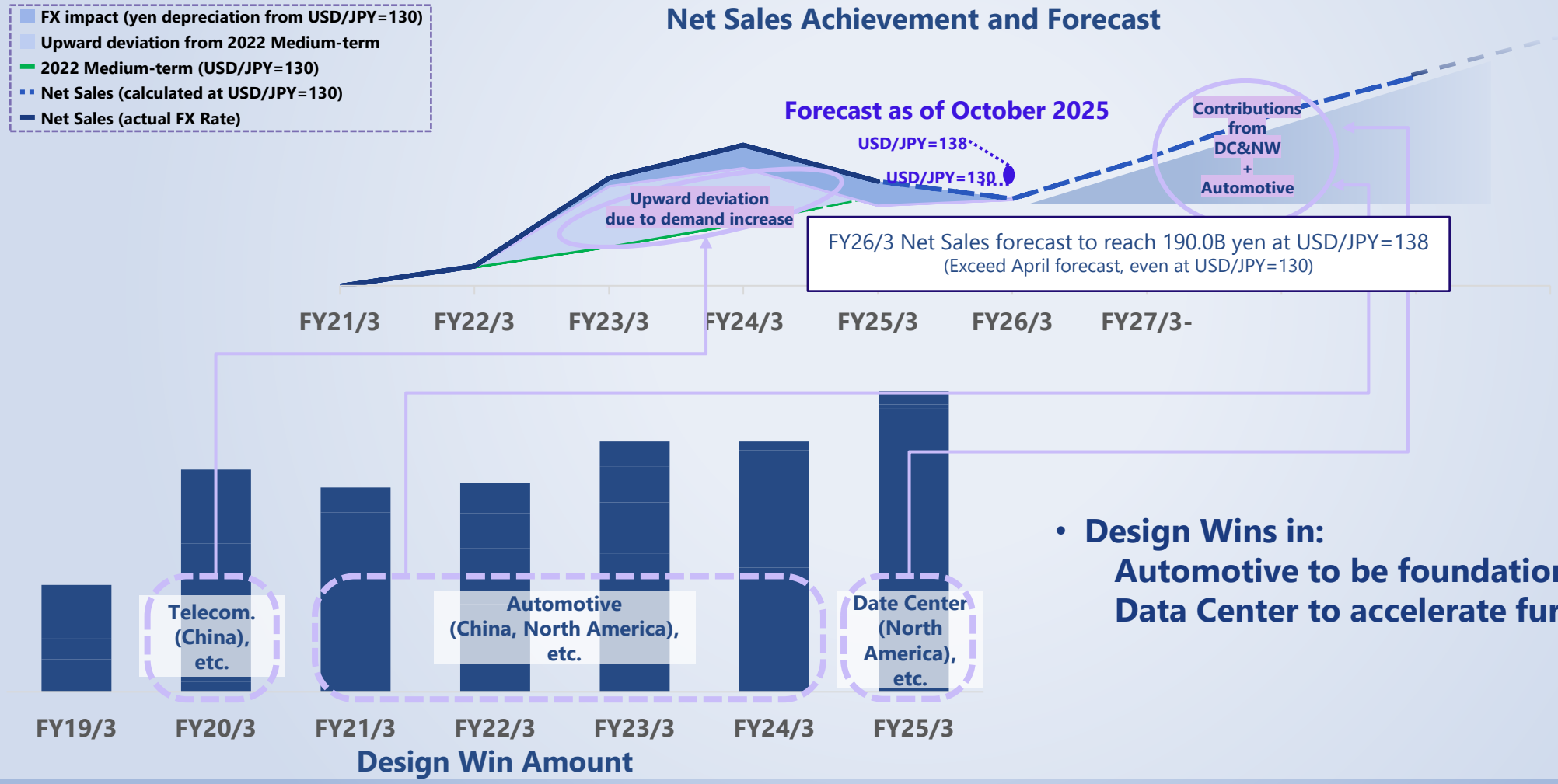


➢ FX rate for 2H FY2026/3 is assumed to be USD/JPY=130. (1H FY2026/3: USD/JPY=146.0)

Design Wins and Net Sales

From April 2025 presentation
Content added

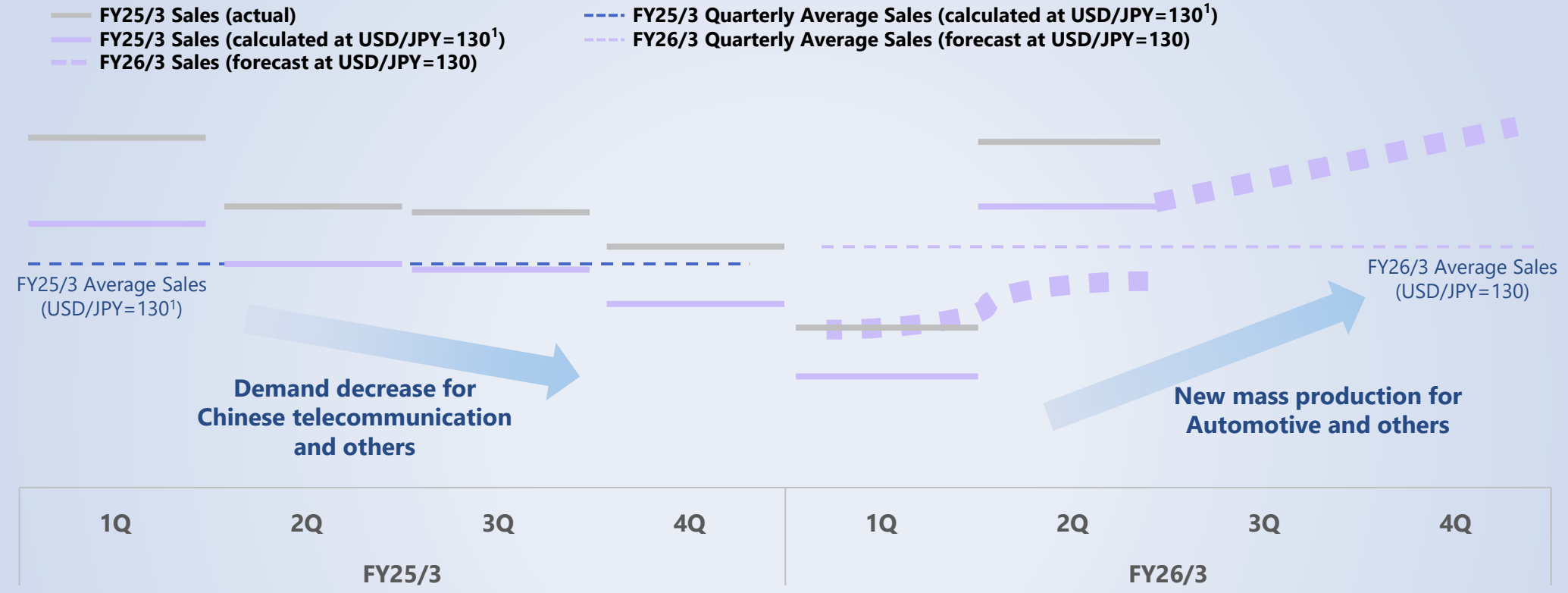
- **Expansion of Design Wins to lead Net Sales growth as projects go through development phase and enter production**
- **Upward deviation in FY23/3-FY24/3 due to upfront demand from Chinese telecommunication business**



- **Design Wins in:**
  Automotive to be foundation of growth
  Data Center to accelerate further growth

Quarterly Net Sales Trends

From April 2025 presentation
Content added



- FY26/3 1st Half : Although the impact of decrease in demand for telecommunication equipment business in China due to customer's inventory adjustment continues, Net sales exceeded forecast due to stronger demand for new Automotive product
- FY26/3 2nd Half : Demand for the new Automotive product likely to exceed the forecast
- Operating Income: We initially forecasted that operating income would start improving in 2H FY26/3 while full year result would fall below the level of previous fiscal year (FY25/3). However, the improvement in line with product revenue increase will be delayed due to (1) increase in product cost ratio (deterioration in product gross margin) and (2) increase in advance R&D expense. The increase in product cost ratio is caused by change in product mix due to the start of mass production of a new product with higher cost ratio (lower gross margin) and indirect impact of FX. Additionally, <more-than-forecast volume> and <delay in gross margin improvement> for the product during early mass production phase with higher cost ratio contribute to the delay of recovery. Nevertheless, improvement of product cost ratio is expected, leading to recovery in operating margin over the period from the end of FY26/3 to FY27/3.

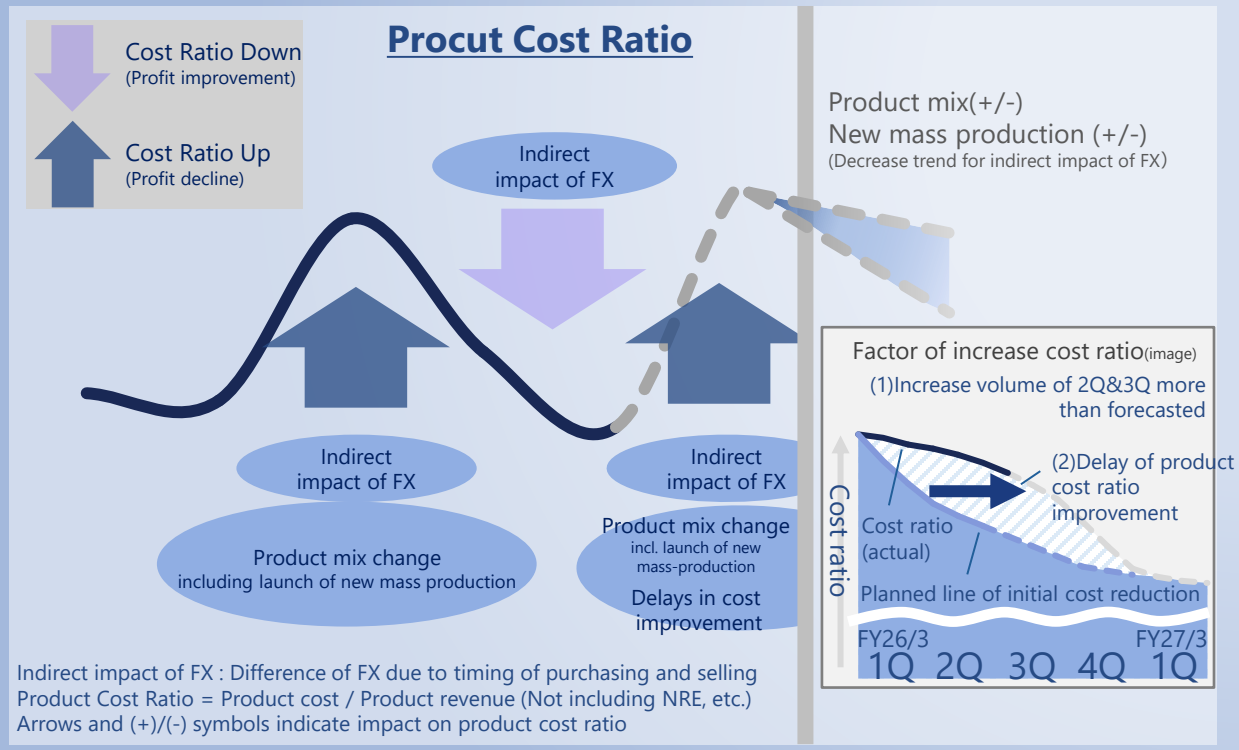
1. FY25/3 figures are calculated using USD/JPY=130, in order to compare figures across fiscal years.

Refer to page 2 for handling of forecasts.

Product Cost Ratio and R&D Ratio Trends and Future Outlook

Product Cost Raito Outlook

- FY26/3: cost ratio expected to be higher than level of FY23/3
  - Change in product mix due to start of mass production of new product with higher cost ratio
  - <More-than-forecast volume> and <delay in gross margin improvement> for the product during early mass production phase with higher cost ratio
  - Indirect impact of FX
- FY27/3 and beyond: expected to improve, although it depends on change in product mix and production ramp-up of new products

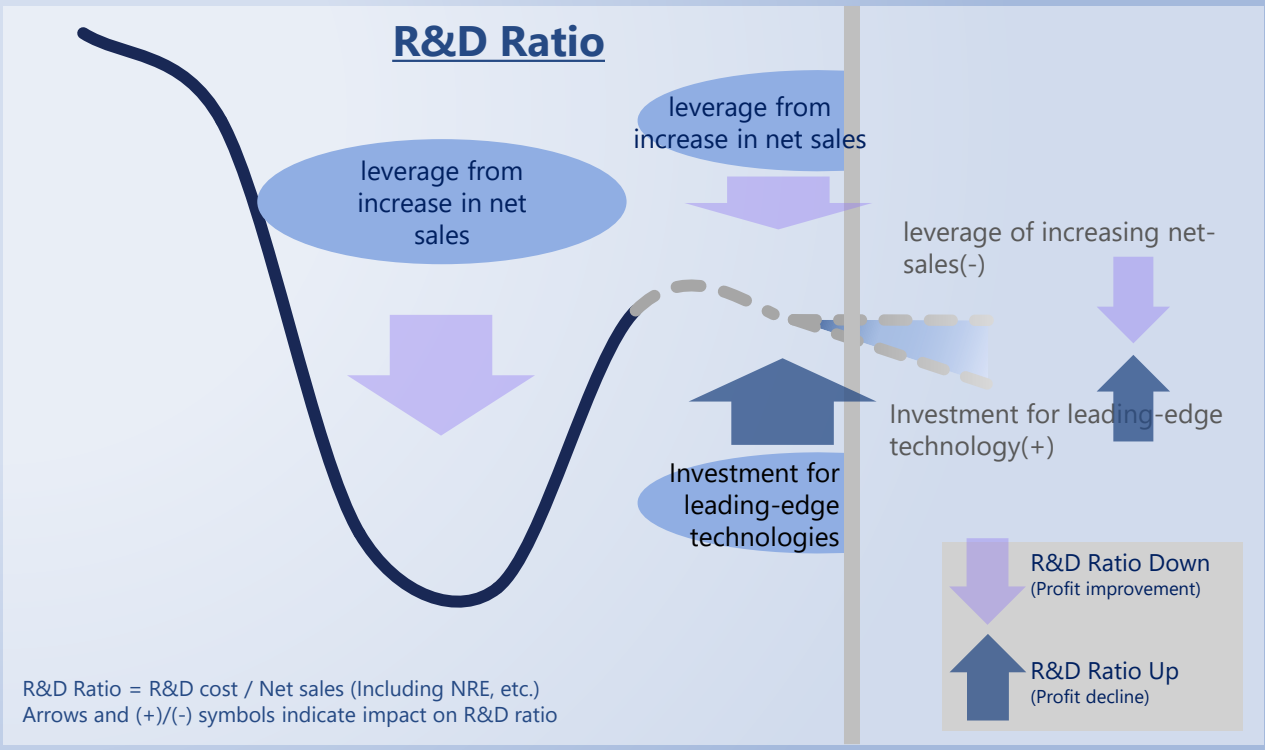


Indirect impact of FX : Difference of FX due to timing of purchasing and selling
Product Cost Ratio = Product cost / Product revenue (Not including NRE, etc.)
Arrows and (+)/(-) symbols indicate impact on product cost ratio

FY21/3 FY22/3 FY23/3 FY24/3 FY25/3 FY26/3 FY27/3-

R&D Ratio Outlook

- FY26/3: expected to be the same level as FY25/3 due to aggressive investment (exceeding the forecast) in leading-edge technologies, aimed at strengthening design and development capabilities to acquire more design wins in leading-edge area
- FY27/3 and beyond: expected to decrease gradually with leverage from increase in net sales



R&D Ratio = R&D cost / Net sales (Including NRE, etc.)
Arrows and (+)/(-) symbols indicate impact on R&D ratio

FY21/3 FY22/3 FY23/3 FY24/3 FY25/3 FY26/3 FY27/3-

Operating Margin Trends and Future Outlook

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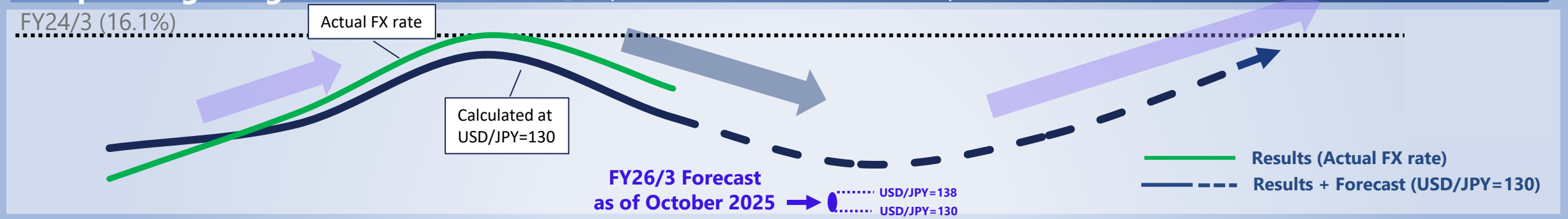
From April 2025 presentation
Content added

- **Operating margin expected to grow again in FY27/3 and beyond, as product revenue increases**

Operating margin trends after FY22/3 (Calculated at USD/JPN=130)



	~ FY23/3	FY24/3	FY25/3	FY26/3	FY27/3-
Product Gross Margin	■ (-) Changes in production mix	■ (+) Indirect impact of FX on procurement	■ (+) Changes in production mix ■ (+) Indirect impact of FX on procurement	■ (-) Changes in product mix ■ (-) More-than-forecast volume of a new product in early stage, delay in product cost ratio improvement ■ (-) Indirect impact of FX on procurement	■ (+/-) Changes in product mix ■ (+) Cost improvement with production ramp up (-) Mass production start of new products ■ (+) Indirect impact of FX on procurement becoming less
R&D ratio	■ (+) R&D ratio improved due to increase in product revenue		■ (-) R&D expense increased due to advance development and R&D team structure improvement	■ (-) R&D expense to increase due to advance investment for technology development ■ (+) R&D ratio to improve due to increase in product revenue	■ (-) R&D expense to increase due to advance investment for technology development ■ (+) R&D ratio to improve by increase in product revenue
SG&A ratio	■ (+) SG&A ratio improved due to increase in net sales		■ (-) SG&A ratio increased due to decrease in net sales, despite decrease in total expenses	■ SG&A ratio to remain flat	■ (+) SG&A ratio to improve due to increase in product revenue ■ (-) Proactive IT investment
FX rate (USD/JPY)	112.4	135.5	144.6	152.6	138.0	130.0

Profit improvement

Profit decline

Refer to page 2 for handling of forecast. *Arrows indicate direction of impact on operating margin*

Market Trend, Background of FY26/3 Forecast, Outlook for FY27/3 & Beyond

Market Trend & Design Win Status

Automotive

- Innovation continues for AD/ADAS technologies and services
- AI is accelerating innovation, expanding use of advanced SoCs in automotive market
- Competitions becoming more intense among service-oriented companies, new-school OEMs as well as mainstream OEMs, structural changes in automotive industry ongoing
- Mainstream OEMs showing signs of new moves

Data Center & Networking

- Significant expansion of data center processing capacity due to factors including emergence of generative AI
- Business opportunities increasing for custom SoCs, as demand for differentiation grow further in CPU, xPU (AI), switches, etc.
- Needs for larger-scale design, adoption of leading-edge technologies (2nm/14Å, 3D/ 5.5D, Co-Packaged Optics...)

Industrial / Smart Devices (Physical AI)

- Projects continuing with advanced customers; Demand remaining high for value-added products
- Demand expanding for Solution SoC business model that utilizes advanced technologies, due to expanded use of AI and networks in the industrial market
- Signs of adopting Physical AI

Design Wins Trend:

Demand for custom SoCs expanding as innovative products and services emerge, SoC design become more complex and SoC ecosystem evolves

- Aiming large-scale opportunities in above business sectors to achieve Design Win Amount at the same level as previous fiscal year

FY26/3 Forecast (updated as of October 2025)

Operating Income expected to decrease while Net Sales expected to increase

Product Revenue

- After bottoming out in 1Q, product revenue returns to growth trend in 2Q, due to launch of new mass production for automotive, etc.
- FY26/3 full year revenue will be higher than the April forecast.

NRE Revenue

- NRE sales to remain at the same level as FY25/3 or to slightly increase.

Operating Income

- Operating income in FY26/3 full year to be lower than the April forecast due to: (1) Increase in product cost ratio (deterioration in product gross margin) and (2) increase in advance R&D expense.
  - Factors of higher product cost ratio include change in product mix due to start of mass production of new product with higher cost ratio (lower gross margin) and indirect impact of FX. Additionally, <more-than-forecast volume> and <delay in gross margin improvement> for the product during early mass production phase with higher cost ratio contribute to higher product cost ratio.

<FX assumptions>

- FX rate : USD/JPY=130.0 in 2H FY26/3 (unchanged)
  (USD/JPY=138.0 in FY26/3 full year)
- FX sensitivity is assumed to be approx.1.0 billion yen for net sales, and approx. 0.3 billion yen for operating income, for every 1-yen change against the US dollar.
- FX sensitivity for FY26/3 full year remains unchanged from the April Forecast. However, it fluctuates quarterly due to volatility in the volume of US dollar-denominated net sales, purchases, inventory, and timing of R&D costs. We expect the amount of FX impact to be low in 2Q and 3Q, while it is expected to be the largest in 4Q.

FY27/3 & beyond Outlook

No change of outlook from April forecast trend

Product Revenue

- FY27/3 : Continued growth expected in AD/ADAS SoC projects; In addition to the project that enters production in FY26/3, new mass production of multiple products is expected to start, including US automotive and data center projects.
- FY28/3 and beyond: Further growth also expected driven by the start of mass production for projects acquired in FY23/3-FY25/3.

NRE Revenue

- Gradual increase expected to continue.

Operating Income

- Product gross margin expected to improve although it depends on change in product mix and production ramp-up of new products.
- R&D ratio expected to remain at similar level as FY26/3 or gradually decline, due to the leverage from net sales increase, while aggressive advance investment continues.
- SG&A ratio expected to gradually become lower due to the leverage from net sales increase.
- We expect to maintain the medium-term trend in operating income over the next few years as forecasted in April, despite a temporary drop in FY26/3, considering the leverage from net sales increase.

- **Aggressive investment in leading-edge technologies for further growth**
- **Accelerate "Growth-Oriented" management**

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Growth Strategy

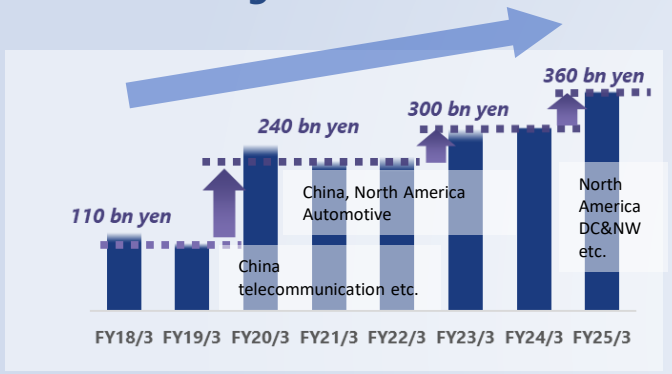
- *Growth Scenario to Date and Going Forward*
- *Semiconductor Market Trends / Socionext's Initiatives (Summary)*
- *Semiconductor Market Trends /*
  Background of the Growing Demand for Custom SoCs and Solution SoC Business Model
- *Aggressive Advance Investment*
- *Recent Activities in Leading-Edge Technologies*
- *Socionext's Initiatives for the Chiplet Era*
- *Expanding Business in Each Application Market*
- *Track Record : Design Wins Expanding in Each Application Market*
- *Advanced SoC Developments on Computer Architecture Basis in Diverse Fields*
- *Strengthening "Entire Design" Capability / Fundamental Reform of Global Structure*
- *Medium-Term Targets*

Growth Scenario to Date and Going Forward

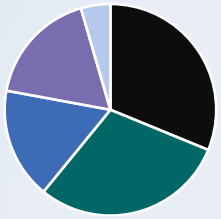
From April 2025 presentation

- Growth and expansion based on Design Win Balance gained through First Transformation
- Strengthening R&D capabilities through Second Transformation

Design Win Amount *USD/JPY=120*

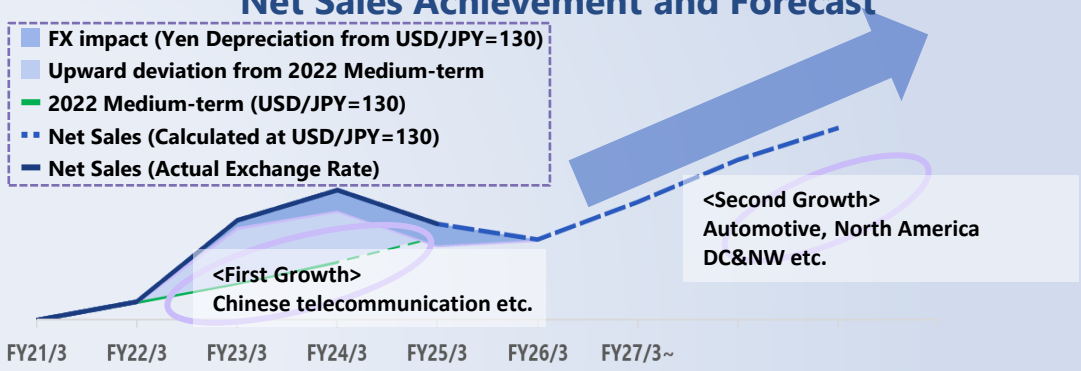


Design Win Balance



Approx.
JPY 1.34trillion
USD/JPY=120

Net Sales Achievement and Forecast



Strategy for Further Growth

- ✓ Reorganize and Strengthen R&D structure
- ✓ Investment in leading-edge technologies
- ✓ Strengthen and globalize corporate management

Engage in "Second Transformation" following "First Transformation" that led to "First growth"
(Business model and focus areas)

Drive Continuous Growth in Net Sales

and

Further Improve Operating Margin

Semiconductor Market Trends
Socionext's Initiatives (summary)

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Background of the Growing Demand for Custom SoCs and Solution SoC Model

- Emergence of new services and applications
- Evolution of SoC ecosystem
- Into era of 3D/5.5D and chiplets
- Design becoming more complex = "Entire Design"
- Bespoke vs ASSP
- New need for Solution SoC business model in various application market

Socionext's initiatives

Aggressive Advance Investment in R&D

Recent Activities in Leading-Edge Technologies

Socionext's Initiatives for the Chiplet Era

Expanding Business in Each Application Market

Strengthening "Entire Design" Capability / Fundamental Reform of Global Structure

Semiconductor Market Trends

Background of the Growing Demand for Custom SoCs and Solution SoC Business Model

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Advances in SoC and AI technologies accelerate market expansion (Spiral of evolution)

Emergence of new services and applications

- AI utilization is expanding alongside advancements in SoC technology
- New services and applications arise from technological evolution, driving demand for optimized SoCs tailored to these services and applications
- Growing number of customers are adopting Solution SoC development approaches to enable advanced functionalities with optimized power, requiring the integration of diverse IPs and processors across sectors such as data centers, networking, automotive and Physical AI

Evolution of SoC ecosystem

- While vertical integration advances, ecosystem openness is also progressing, with more functional IPs and chiplet options becoming available in the market
- SoC ecosystem evolution brings an increasing availability of competitive IP subsystems and open-source software (OSS)

Into era of 3D/5.5D and chiplets

- Rapid advancements in chiplets, packaging, and next-generation process nodes (2nm/14Å) are driving the industry forward
- Each of these innovations introduces significant new layers of design complexity

Design becoming more complex = “Entire Design”

- "Entire Design" approach—integrating architecture, thermal management, and testing—is essential, for advanced sectors like data centers and automotive
- The complexity of new technologies like chiplets makes a "Solution SoC" business model the most effective path forward

Bespoke vs ASSP

- In “More-than-Moore” era market leaders are demanding custom SoCs to meet specific PPA targets, moving away from standard ASSPs to avoid vendor lock-in
- The rapid evolution of AI is accelerating this industry-wide shift toward custom silicon solutions. We expect these requirements to become standard as AI and SoC capabilities mature

New need for Solution SoC business model in various application market

- Customers are adopting the "Solution SoC" model to integrate the complex IPs and processors needed for advanced, next-generation features
- The expansion of AI into new domains like automotive and robotics will accelerate the demand for fully bespoke silicon solutions

Aggressive Advance Investment

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Emergence of new services and applications utilizing AI / Evolution of SoC ecosystem across diverse fields

→ **Innovative companies are looking for SoC partner with "Entire Design" capability**
→ **Need for advance investment for "Entire Design" and "Complete Service"**

< Market Trends and Requirements >

New services and applications

New services and applications emerge through evolution of technologies; Demand expands for optimized SoCs due to expanding use of AIs for such services and applications

Design complexity / Entire Design

Architecture and system design through layers including functional, thermal, assembly and testing are becoming increasingly important as difficulties increase for "Entire Design"

"Entire Design" is becoming even more important in areas such as data center and automotive, where most advanced technologies are required

- **More than Moore**
  ASSPs not satisfactory as PPA no longer improves at conventional pace in the "More than Moore" era, and there are lock-in concerns
- **3D and Chiplet**
  Chiplet (Homogeneous to Heterogeneous), packaging technology and process node (2nm/14Å) continue to evolve
- **Evolution of SoC ecosystem**
  Chiplet makes SoC design and development more efficient, but also more complex

Design Process Efficiency

Efficiency improvement of design process by implementing AI

Evolution of verification and testing technologies for efficiency improvement

<Investment for "Entire Design" and "Complete Service">

Leading-edge technologies

Utilizing leading-edge technologies such as high-speed SerDes and CPO (Co-Packaged Optics) for new products and services in fields including optical data transmission, high-performance computing, etc.
(Strengthening relationship with partners and innovative customers)

Advanced nodes (2nm and beyond) / Chiplet (3D/5.5D)

Promoting development and testing for 2nm node and beyond, in combination with chiplet technologies

Implementing advanced packaging technologies: 3D and new die-to-die connection
- 3D/5.5D technologies: designed and developed test chip of logic-on-logic
- High-reliability analysis technology for new packaging and assembly, including testing, thermal analysis and on-die analysis

Utilizing AI for SoC design

Collaborate with EDA vendors to proactively incorporate AI into SoC design processes, improve design efficiency and PPA (Power, Performance and Area).

Partnership with ecosystem companies

Expand and accelerate collaboration with global SoC ecosystem partners

Recent Activities in Leading-Edge Technologies

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Publicly announced development activities with ecosystem partners for leading-edge technologies including 3D/5.5D, Chiplet, etc.

- **Socionext Expands 3DIC Support with Advanced 3D Die Stacking and 5.5D in Packaging Portfolio**
  (August 28, 2025)
- **Socionext and imec Update Core Partner Program Strengthening Collaboration in Research and Development of Chiplet and Advanced Logic Semiconductor Technologies**
  (September 11, 2025)
- **Socionext Unveils "Flexlets", a Configurable Chiplet Ecosystem to Accelerate Multi-die Silicon Innovation**
  (October 28, 2025)

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Press Release

Socionext Expands 3DIC Support with Advanced 3D Die Stacking and 5.5D in Packaging Portfolio

Production-Ready 3DIC Technology for Compact, Power-efficient Consumer Applications and High-performance AI and HPC Devices

[Yokohama, Japan, August 28, 2025] — Socionext, the Solution SoC company, today announced the availability of 3DIC support in its portfolio of well-proven capabilities for the delivery of complete solutions for consumer, AI, and HPC data center applications that include chiplets, 2.5D, 3D, and 5.5D packaging. Socionext empowers customers with a proven development process and unmatched expertise delivering high-performance, high-quality solutions that accelerate innovation and success.

As a key milestone, Socionext has successfully taped out a complete packaged device leveraging TSMC's SoIC-X 3D stacking. The design combines an N3 compute die and an N5 I/O die in a face-to-face (F2F) configuration. The F2F 3D stacking approach minimizes interconnect distance, significantly reduces signal latency and power consumption compared to traditional 2D and 2.5D designs.

Vertical Stacking, Limitless Potential with the 3DIC Design

Building on the company's experience in 2.5D designs, Socionext applies proven design experience and methodologies to 3DICs, which stack components vertically to unlock key advantage

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Press Release

Socionext and imec Update Core Partner Program Strengthening Collaboration in Research and Development of Chiplet and Advanced Logic Semiconductor Technologies

[Yokohama, Japan, September 11, 2025] — Socionext Inc. today announced the renewal of its cooperative research agreement for the Core Partner Program with imec, the world's largest independent research institute and innovation center in nanoelectronics and digital technologies. Through its participation in the Core Partner Program, Socionext has been promoting research activities in Design-Technology Co-Optimization and System-Technology Co-Optimization, for leading-edge logic semiconductor and 2.5D/3D leading-edge packaging. With the renewed agreement, Socionext will expand its activities in 3D advanced packaging technologies in order to obtain a wide range of knowledge on the reliability of chiplets, and further strengthen its research activities in chiplet demonstration design, for applications including automotive. Socionext will utilize these knowledge and technologies to deliver high-precision, high-quality leading-edge semiconductor products.

The advancements in various industries in recent years have been driven by the evolution of computing power capable of processing huge amounts of data instantaneously, and semiconductor technology at its core is also becoming increasingly advanced. Chiplets and 3D heterogeneous integration to flexibly respond to workload and application requirements, process technologies evolving to Angstrom nodes, as well as advanced logic semiconductor technologies to enable high-density mounting including backside wiring technologies by are all essential.

3DIC F2F and 5.5D Structure

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Press Release

Socionext Unveils "Flexlets™", a Configurable Chiplet Ecosystem to Accelerate Multi-die Silicon Innovation

[Yokohama, Japan, October 28, 2025] — Socionext Inc., a global leader in System-on-Chip (SoC) design and advanced semiconductor solutions, introduces "Flexlets", a new class of configurable chiplets designed to advance heterogenous integration.

Flexlets

As traditional monolithic SoC designs face physical and economic limits—reticle size constraints, yield challenges, and thermal bottlenecks- the industry is turning toward chiplet-based design, where designers can integrate their core features and interface functionalities, provided as chiplets, into a packaged device to improve performance, cost, and accelerate time-to-market.

While chiplet technology opens exciting possibilities for modular designs and scalability, many current solutions are derived from fixed-function ASSPs, limiting flexibility and customization. Socionext's Flexlets overcome this by offering a configurable library of chiplet designs at the RTL level. Unlike traditional approaches, Flexlets empower customers to tailor performance to their unique application needs – whether in high-performance computing, advanced networking, or next-generation automotive systems.

Unlike competitors who are limited to their own ecosystem, Flexlets from Socionext enable customers to co-design differentiated features by integrating best-in-class IP from any vendor. This flexibility is a game-changer for companies aiming to deliver state-of-the-art designs with optimized power, performance, and area (PPA) in a competitive market.

Expanding the Chiplet Ecosystem

Socionext will launch a portfolio of Flexlets, each integrating security, debug features, and optimized interfaces. Customers have the option to customize their designs at the RTL level to meet specific application requirements. Engineering samples of the initial Flexlet base designs, including Known Good Die (KGD), are currently in development. Socionext will initiate its first customer design this year and broaden design engagements beginning in Q2 calendar year 2026.

- **Memory Expansion Flexlets**
  Scalable memory solutions with support for the latest DDR/LPDDR standards connected to either UCIe-S or UALink
- **Ethernet Controller Flexlets**
  Robust and high-performance networking connectivity via 224G/UE bridged to UCIe 2.0
- **PCIe Controller Flexlets**
  Seamless integration to PCIe ecosystem by bridging PCIe Gen7 128G PHY to UCIe 2.0 with configurable lanes

Socionext's Initiatives for the Chiplet Era

- **The demand for Chiplet Solution is increasing to address:**
  - Reticle size limitation, Yield optimization, Risk mitigation for new IPs (in large monolithic SoC) and Flexibility of integration (for adaptable system integration)
- **Chiplet design require expertise across multiple advanced technologies**
  - DFT & testing, advanced packaging, thermal design & management, signal & power integrity, interconnect protocols, yield & reliability engineering
- **Optimizing performance and cost requires custom SoC design**
  - Off-the-shelf chips do not provide differentiation and cannot meet the PPA requirements of the application

"Flexlets" RTL-configurable chiplets

Integrated, yet flexible, chiplet platform built for end-to-end bespoke SoC design in line with Solution SoC business model

- Empower customers to tailor performance to their unique application needs – whether in high-performance computing, advanced networking, or next-generation automotive systems
- Enable customers to co-design differentiated features by integrating best-in-class IP from any vendor.
- "True architecture flexibility", "Seamless custom IP integration", "Incorporating customers' choice of best-in-class third-party IP", and "PPA optimization from design inception" enable "Creation of truly differentiated products"

Socionext will launch a portfolio of Flexlets, each integrating security, debug features, and optimized interfaces.

Customers have the option to customize their designs at the RTL level to meet specific application requirements.

Engineering samples of the initial Flexlet base designs, including Known Good Die (KGD), are currently in development. Socionext will initiate its first customer design this year and broaden design engagements beginning in Q2 calendar year 2026.

Our family of Flexlets delivers a scalable, modular foundation for next-generation silicon design- built for adaptability, performance, and innovation.

Excerpt from press release "Socionext unveils "Flexlets", a Configurable Chiplet Designed to Accelerate Multi-die Silicon Innovation" (October 28, 2025)

Expanding Business in Each Application Market

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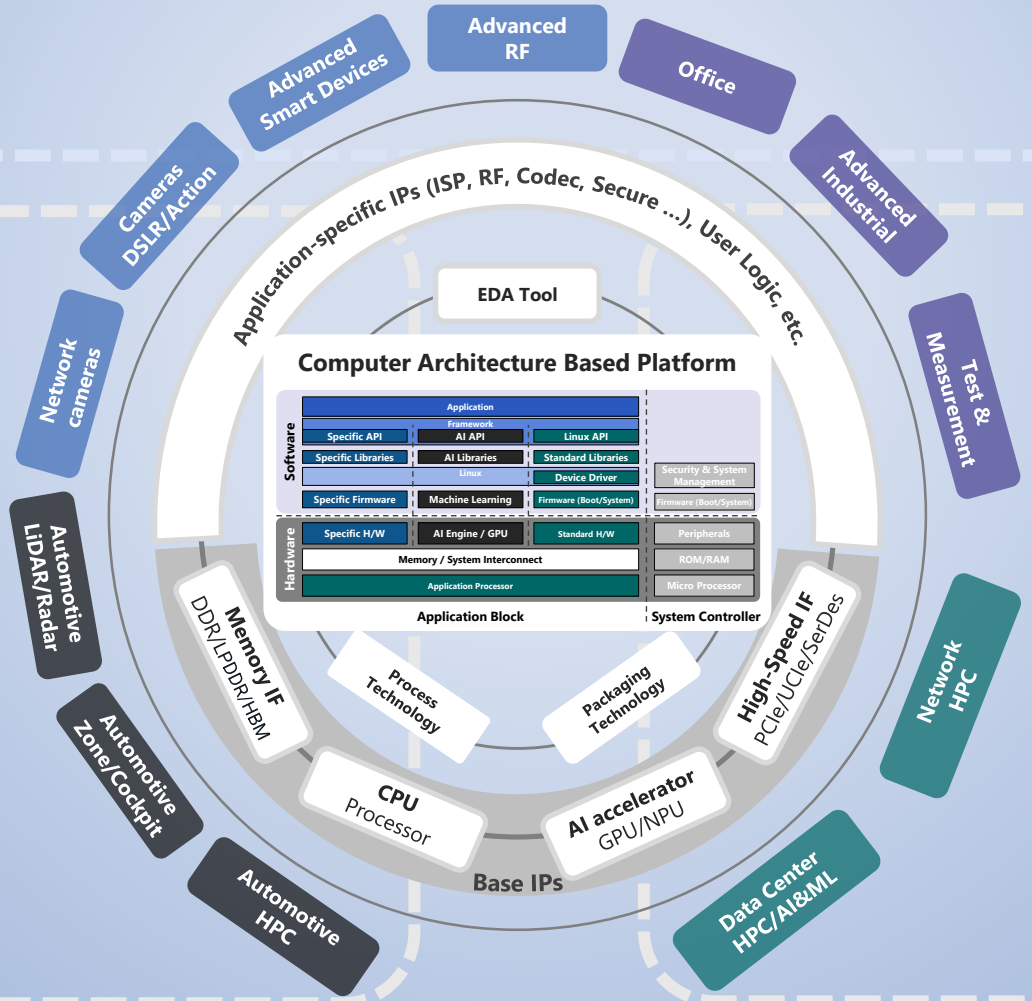
Smart Devices

- Demand for new technologies in smart devices area continues to be strong due to expanding use of AI
- Business opportunities active with advanced customers, in applications including computer vision, AR etc.

➢ Leverage Solution SoC business model and deliver bespoke SoCs required in most advanced applications

Industrial / Physical AI

The emerging field of Physical AI, which encompasses applications where humans and robots interact with their physical surroundings, represents a significant long-term growth opportunity.



Industrial

- Demand expanding for Solution SoC business model with advanced technologies, due to expanding use of AI and networking
- Business opportunities increasing, for FA and measurement equipment, as well as for custom SoCs using RF-CMOS technologies
- There are moves to strengthen AI and CPU, integrating with application IPs and customers' existing IPs to develop new SoCs.

➢ Leverage Solution SoC business model and deliver bespoke SoCs with advanced process nodes, RF-CMOS technology, etc.

Automotive

- This industry is undergoing a profound transformation, with AI playing a pivotal role
- Key requirements are low power consumption, low latency, and stringent safety standards (ASIL-C and ASIL-D).
- Innovation continues for ADAS and AD
- Demand continue to be strong for HPC, as well as for zone computing and sensing
- Growing number of customers are adopting Solution SoC business model to enable advanced functionalities with optimized power, requiring the integration of diverse IPs and processors across sectors
- Business opportunities remain active
- Involved in most advanced bespoke SoC projects in the world
- Mass production of 7nm and 5nm products will start in FY25/3 and FY26/3
- More opportunities for next-generation products expected
- Expanding business opportunities for service-oriented companies and new OEMs of next-generation products

➢ Leverage Solution SoC business model and establish certain presence in the industry
➢ Pursue most advanced 3nm process nodes
➢ Continue investing in leading-edge technologies (Chiplet, 3D/5.5D, High-speed SerDes, Co-Packaged Optics, 2nm/14Å)

Data Center & Networking

- The sheer scale of data processing and the relentless pursuit of performance and efficiency make this segment a prime target for custom SoC solutions
- Growing number of customers are adopting Solution SoC business model to enable advanced functionalities with optimized power, requiring the integration of diverse IPs and processors across sectors
- Demand expanding for Data Center & Networking, cloud service SoCs due to increasing demand for generative AI
- 2 distinct approaches : scale-up and scale out
- Hyperscalers CPU project ongoing; looking to use the project as a leverage to expand business in CPU, AI fields
- Require optical data transmission and reception using high-speed SerDes and CPO technology
- Acquired several design wins for AI SoCs in US and started development
- Expect business expansion through proactive initiatives in cutting-edge fields

➢ Aim for business expansion with unique and distinctive "Solution SoC" business model with CPU development experience and expertise
➢ Continue pursuing leading-edge technologies and process nodes; strengthen and utilize "Entire Design" capability
➢ Strengthen partnership with IP vendors in the advanced area
➢ Strengthen R&D structure and capability in US and globally
➢ Continue investing in leading-edge technologies (Chiplet, 3D/5.5D, High-speed SerDes, Co-Packaged Optics, 2nm/14Å)

Track Record : Design Wins Expanding in Each Application Market 1

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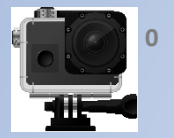
Smart Devices

5/7/12nm
DSLR/Action

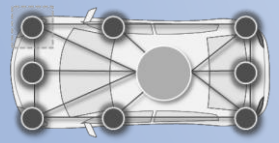



5/7nm
Network cameras
AR

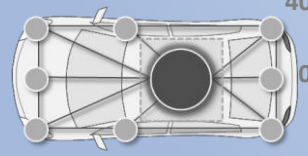

Automotive

16/22nm
LiDAR / Radar / Camera

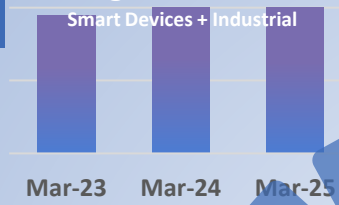
7/16/22nm
Zone Computing

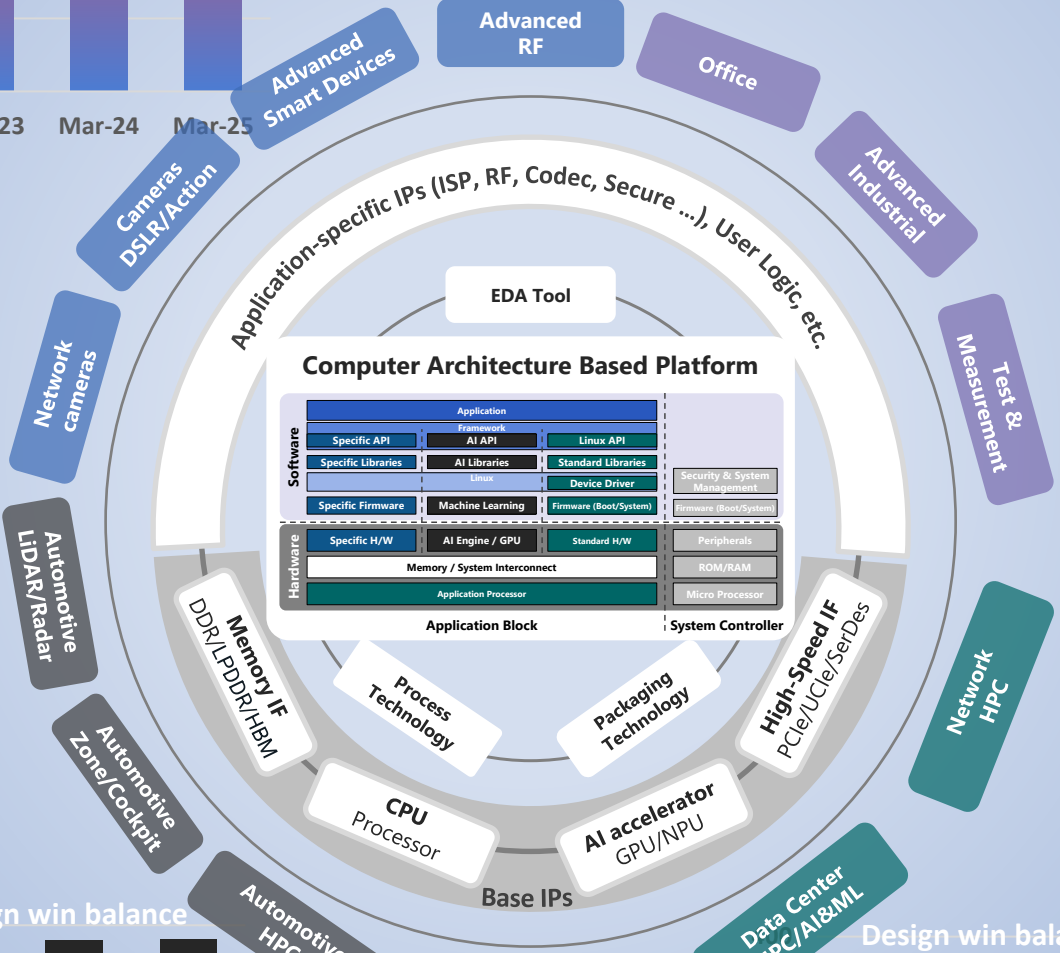


3/5nm
HP Computing

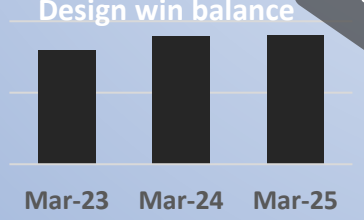


Design win balance
Smart Devices + Industrial



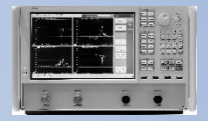


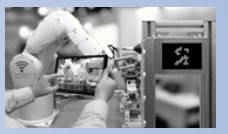
Design win balance



Industrial

5/7nm
Test & Measurement

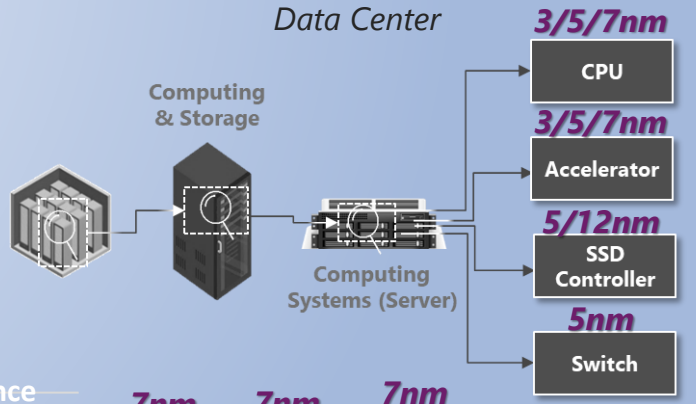




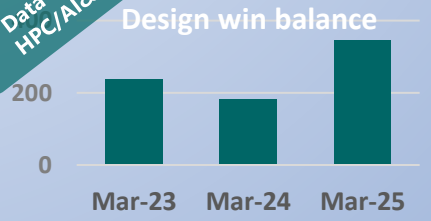
28nm
Printer

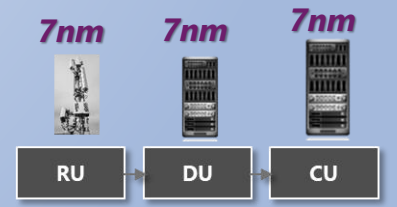
Data Center & Networking

Data Center



Design win balance





Base Station

Track Record : Design Wins Expanding in Each Application Market 2

Advanced SoC Developments on Computer Architecture Basis in Diverse Fields

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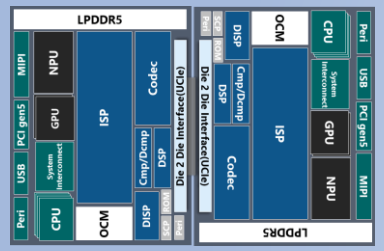
- Common development platform established as system configurations across major applications become similar towards computer architecture-based
- Address PPA optimization challenges due to design complexity such as chiplets, heterogeneous integration, thermal and reliability

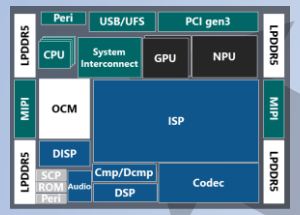
Smart Devices

Network Camera



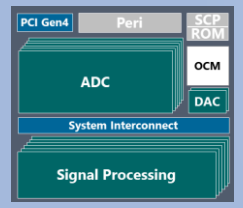
Chiplet / Homogeneous

Camera

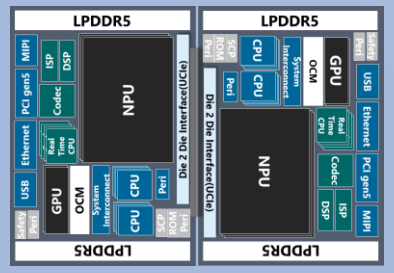


Automotive

LiDAR

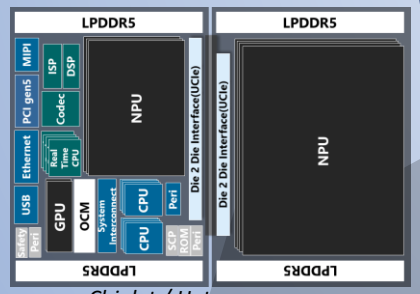


ADAS

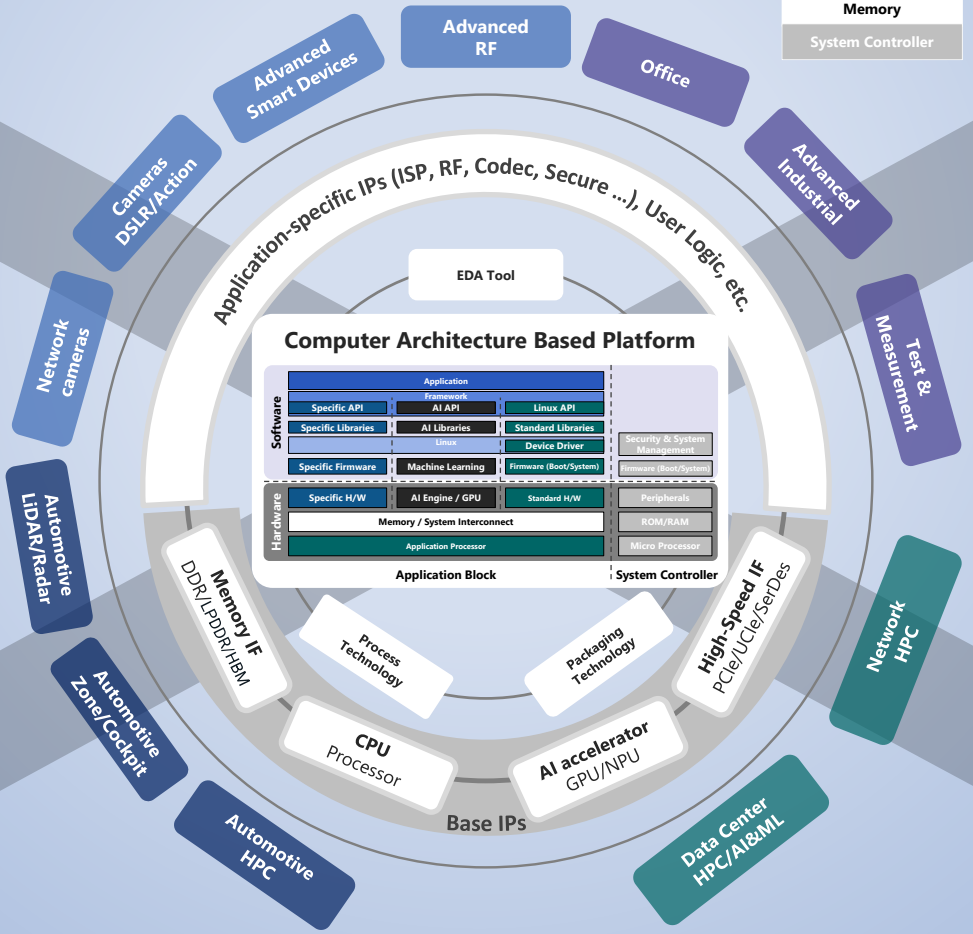


Chiplet / Homogeneous

ADAS

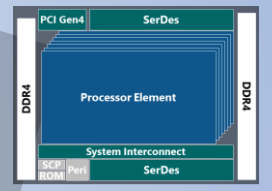


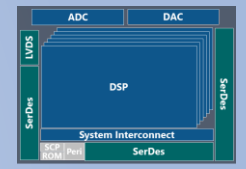
Chiplet / Heterogeneous



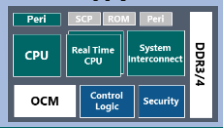
Industrial

Test & Measurement



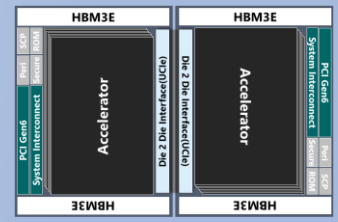


FA



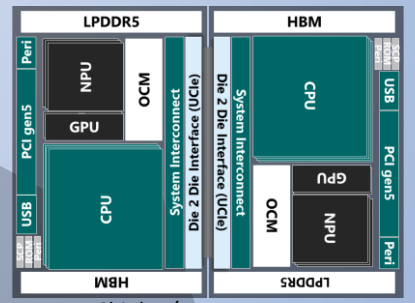
Data Center & Networking

AI Server Processor



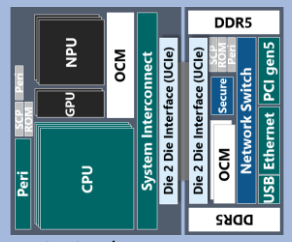
Chiplet / Homogeneous

Server Processor



Chiplet / Homogeneous

Server Processor



Chiplet / Heterogeneous

1.Development cases in this page are mainly those in mass production or under development, but some are still in business negotiation stage.

Strengthening “Entire Design” Capability / Fundamental Reform of Global Structure

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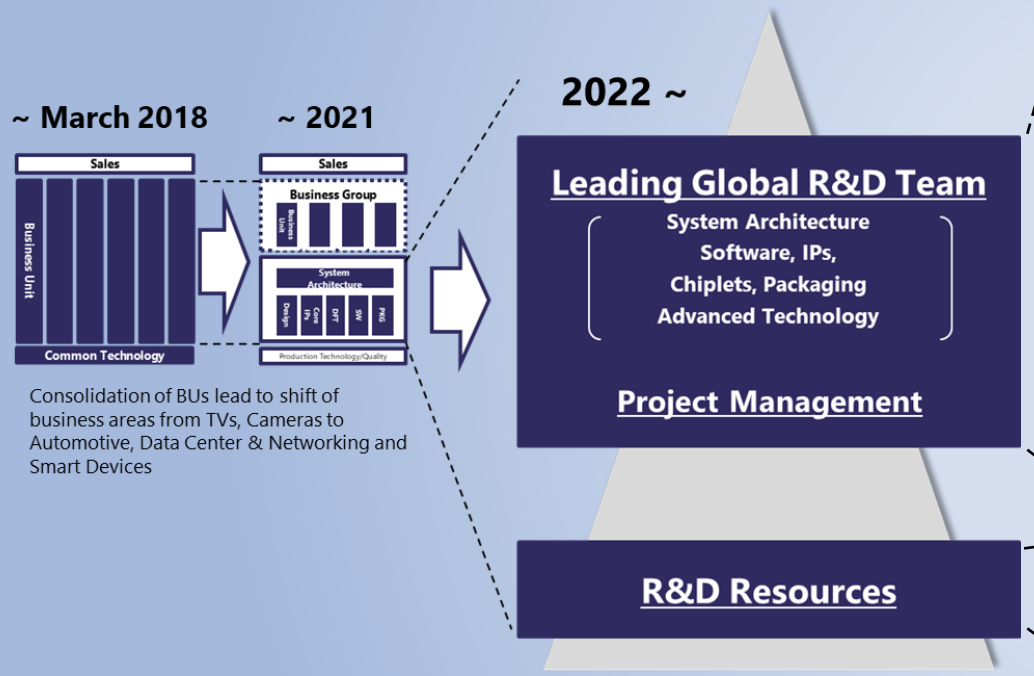
From April 2025 presentation Revised



Consolidation of BUs lead to shift of business areas from TVs, Cameras to Automotive, Data Center & Networking and Smart Devices

April 2025~: Further expansion as “Global Leading Group”

Fundamental reform of global organizational structure

Establish global co-lead structure **COO H.Yoshida (Japan) / CTO&EVP R.Cheema (US)**

- Make organization truly global

Strengthen “entire design” capability

- Strengthen capability to handle large-scale, leading-edge development projects in parallel
- Invest aggressively in leading-edge technologies
- Fully allocate high-skilled engineering teams that cover wide range of functions to leading-edge projects (SoC architecture, software, verification, test, packaging, thermal, etc.)

Building a global and competitive R&D structure

Build global R&D Structure

- Acquire high-skilled engineers globally
- Integrate engineer teams in Japan and other regions (mainly US)

Strengthen global project management structure

- Strengthening close cooperation between regional project managers and engineering teams in Japan

Building a global resource management structure

Resource management (including outsourcing)

- Opened office in India, expanding and strengthening engineer resources under management of U.S. subsidiary

New stock-base compensation system

To attract and secure talented engineering and management personnel, The company will acquire treasury stock, considering the possibility of using the shares to be granted

Establish and strengthen structure to enable development of multiple products in multiple areas, aligned with Solution SoC business model

Medium-Term Targets : Aiming for Future Growth

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From April 2025 presentation
Content added

- Net Sales: Back onto growth track in FY27/3; Aiming for mid-teen% CAGR (excluding FX)
- Operating Margin: Aiming for mid-to-high-teen%, along with sales expansion and strengthening R&D competitiveness

Medium-Term Targets

(Yen in billions)

	FY25/3 Result	FY26/3 Forecast (as of Oct.2025)	Medium-Term Targets
Net Sales	188.5(170.0) USD/JPY=152.6 (130)	190.0 USD/JPY=138	CAGR Mid-teen %
OP Margin (Operating income)	13.3% (25.0 bn yen)	5.3% (10.0 bn yen)	Mid-to-High-teen %

Medium-Term Targets by real basis, excluding FX impact. USD/JPY=130 is used as FX assumption

Reference

Medium-Term Financial Targets (Announced September 2022)

	FY21/3	FY22/3	Medium-Term Targets
Net Sales Growth	99.7 billion yen	117.0 billion yen	High-teen% CAGR
OP Margin	1.6%	7.2%	Low-to-Mid-teen %

Financial Results

	FY21/3	FY22/3	FY23/3	FY24/3	FY25/3
Net Sales (billion yen)	99.7	117.0	192.8	221.2	188.5
FX Rate (USD/JPY)	106.1	112.4	135.5	144.6	152.6
OP Margin	1.6%	7.2%	11.3%	16.1%	13.3%

Refer to page 2 for handling of forecast.

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Appendix:

Overview

- *Consolidated Financial Statements*
- *Breakdown of Net Sales (Quarterly)*

Consolidated Statements of Income

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(Yen in billions)	FY21/3	FY22/3	FY23/3	FY24/3	FY25/3	FY26/3 1H
Net Sales	99.7	117.0	192.8	221.2	188.5	87.2
% YoY	*-3.7%*	*+17.3%*	*+64.7%*	*+14.8%*	*-14.8%*	*-12.1%*
Product Revenue	*73.1*	84.6	156.8	182.9	146.6	70.4
NRE Revenue	*23.0*	28.1	34.9	37.6	41.0	16.4
Other Revenue	*3.6*	4.3	1.1	0.8	0.9	0.4
Cost of Sales	(43.2)	(49.8)	(103.9)	(111.2)	(84.6)	(45.3)
Gross Profit	56.5	67.3	88.8	110.0	103.9	41.9
% Margin	*56.7%*	*57.5%*	*46.1%*	*49.7%*	*55.1%*	*48.1%*
% Product Gross Margin	*40.9%*	*41.2%*	*33.7%*	*39.2%*	*42.3%*	*35.7%*
R&D	(39.2)	(43.2)	(49.3)	(53.3)	(59.8)	(29.0)
Selling, General and Administrative Expenses (excl. R&D)	(15.8)	(15.6)	(17.8)	(21.2)	(19.1)	(9.2)
Operating Income	1.6	8.5	21.7	35.5	25.0	3.8
% Margin	*1.6%*	*7.2%*	*11.3%*	*16.1%*	*13.3%*	*4.3%*
Non-Operating Income (Loss)	0.4	0.6	1.8	1.6	0.1	(1.0)
Ordinary Profit	2.0	9.1	23.4	37.1	25.1	2.8
Extraordinary Income	0.0	0.0	0.0	0.0	1.8	0.0
Extraordinary Losses	0.0	0.0	0.0	0.0	(1.5)	(0.0)
Income before Income Taxes	2.0	9.1	23.4	37.1	25.4	2.8
Income Taxes	(0.5)	(1.6)	(3.7)	(11.0)	(5.8)	(0.7)
Net Income	1.5	7.5	19.8	26.1	19.6	2.1
% Margin	*1.5%*	*6.4%*	*10.3%*	*11.8%*	*10.4%*	*2.4%*
FX Rate (USD/JPY)	106.1	112.4	135.5	144.6	152.6	146.0

Consolidated Balance Sheets

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(Yen in billion)	FY21/3	FY22/3	FY23/3	FY24/3	FY25/3	FY26/3 1H
Assets						
Cash on-hand and in banks[1]	42.7	46.3	45.1	69.7	72.8	45.7
Accounts receivable-trade, net	28.6	25.1	40.8	35.3	31.6	40.4
Inventories[2]	6.7	16.4	47.7	25.5	17.0	28.2
Others	2.6	2.9	22.4	8.4	4.8	6.9
Total Current Assets	80.6	90.6	156.1	138.9	126.3	121.3
Property, Plant and Equipment	8.9	11.6	17.2	21.8	22.3	25.2
Reticle	3.7	4.7	5.6	8.1	9.7	12.2
Others PP&E	5.2	6.9	11.6	13.7	12.6	13.0
Intangible Assets	11.6	12.2	13.0	18.5	14.4	14.7
Deferred Tax Assets	2.3	3.1	6.9	6.7	6.1	5.8
Others	0.9	0.8	0.8	0.9	1.2	1.2
Total Non-current Assets	23.7	27.8	37.9	47.9	44.0	46.8
Total Assets	104.2	118.4	193.9	186.8	170.3	168.1

	FY21/3	FY22/3	FY23/3	FY24/3	FY25/3	FY26/3 1H
Liabilities and Equity						
Accounts Payable-trade	12.0	16.6	23.4	15.8	11.9	17.6
Accrued Expenses	7.4	6.9	30.3	18.2	12.0	13.5
Others	1.9	3.9	28.6	19.1	7.3	5.1
Total Current Liabilities	21.3	27.4	82.3	53.1	31.3	36.2
Total Non-current Liabilities	1.3	1.4	1.7	2.7	2.0	2.0
Total Liabilities	22.6	28.8	84.1	55.8	33.3	38.2
Common Stock	30.2	30.2	30.2	32.7	33.0	33.0
Capital Surplus	30.2	30.2	30.2	32.7	33.0	33.9
Retained Earnings	21.4	28.9	48.6	63.6	74.3	71.9
Treasury Stock	0.0	0.0	0.0	0.0	(5.0)	(10.8)
Others	(0.1)	0.3	0.8	2.0	1.8	1.9
Total Equity	81.7	89.6	109.9	131.0	137.0	130.0
Total Liabilities and Equity	104.2	118.4	193.9	186.8	170.3	168.1

1. Cash on-hand and in banks include short term investment security.
2. Inventories is calculated as the sum of “finished goods” and “work in process”.

Breakdown by Application Market (Quarterly)

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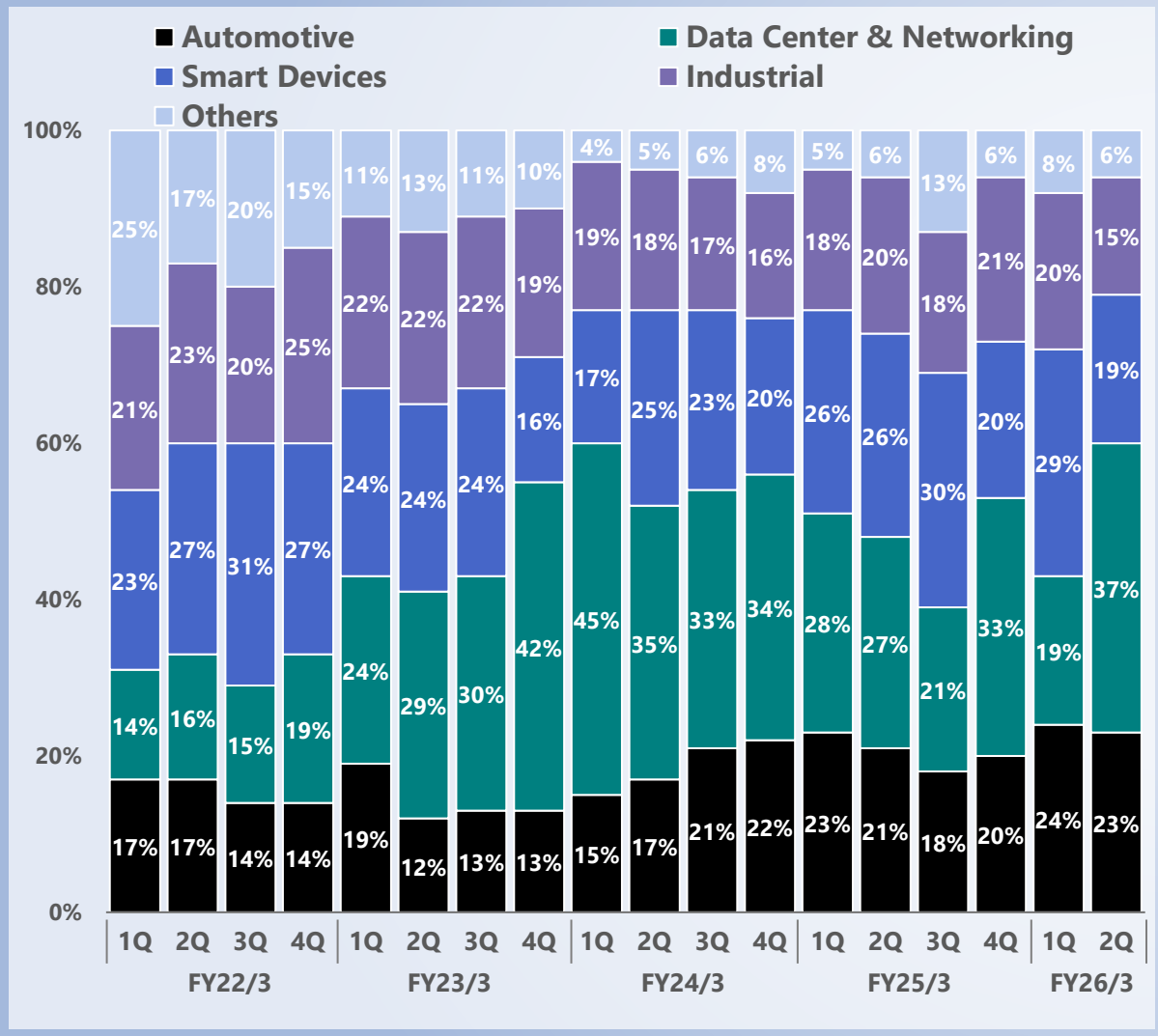
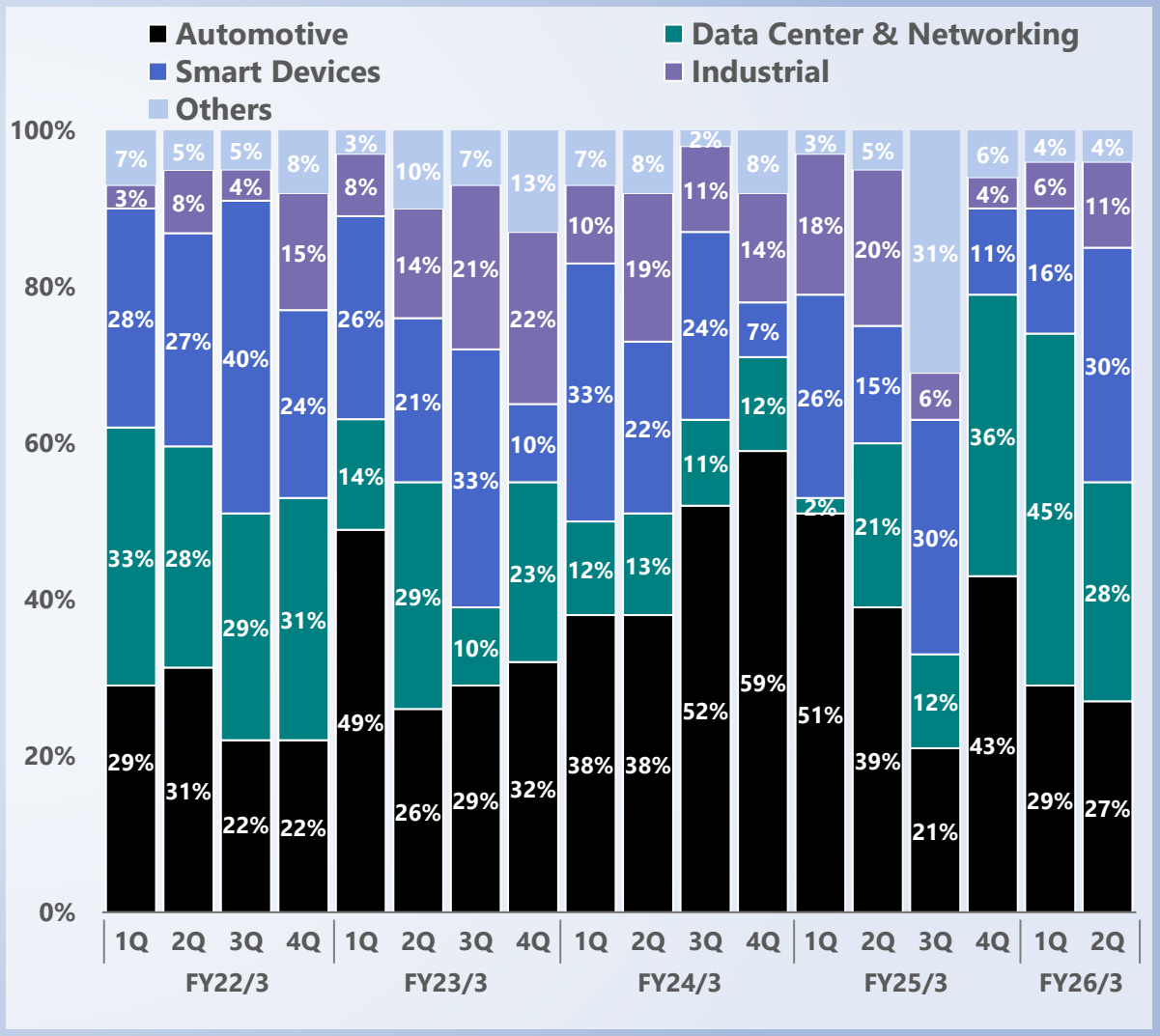
Net Sales[1]



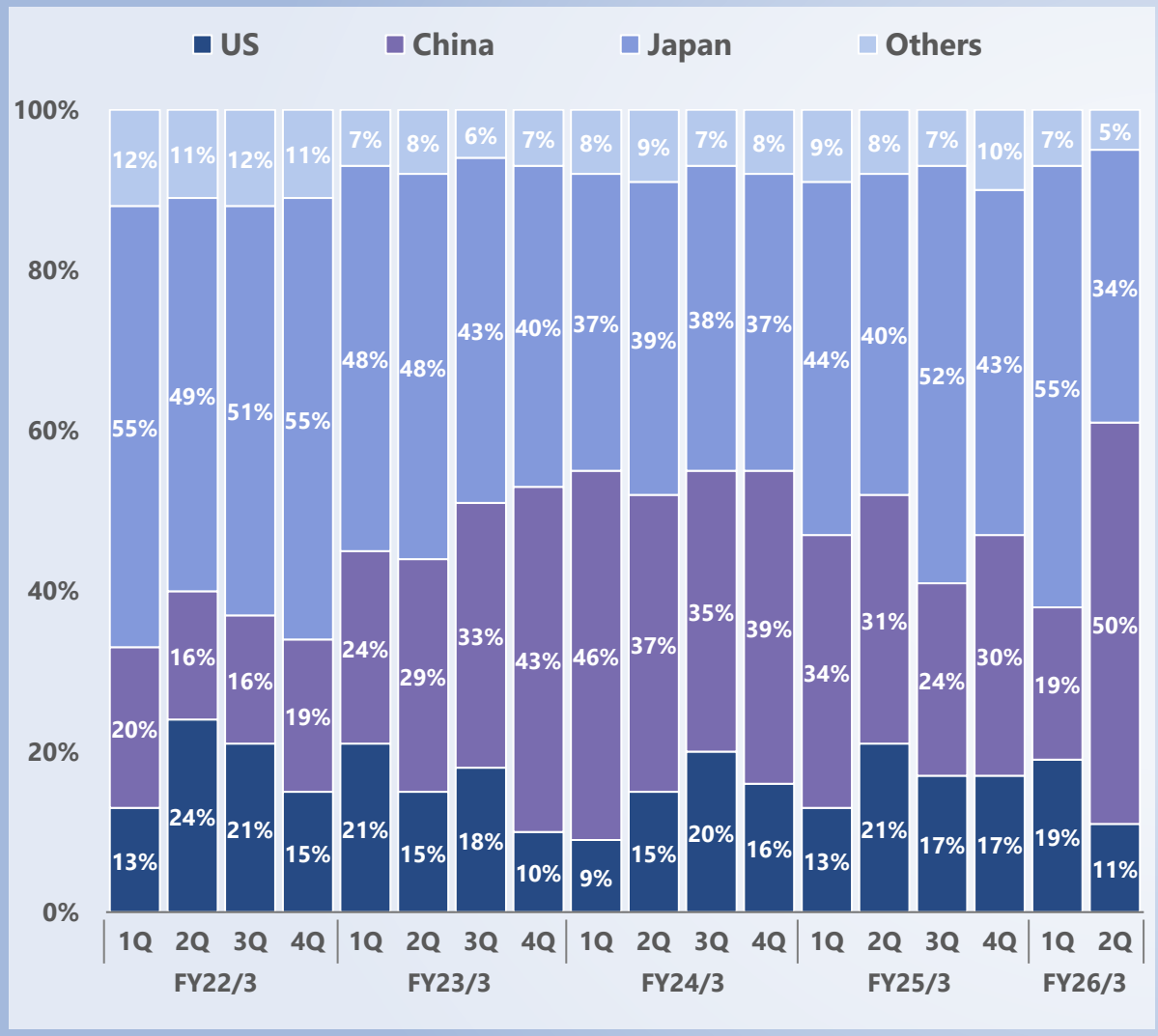
NRE Revenue[1]



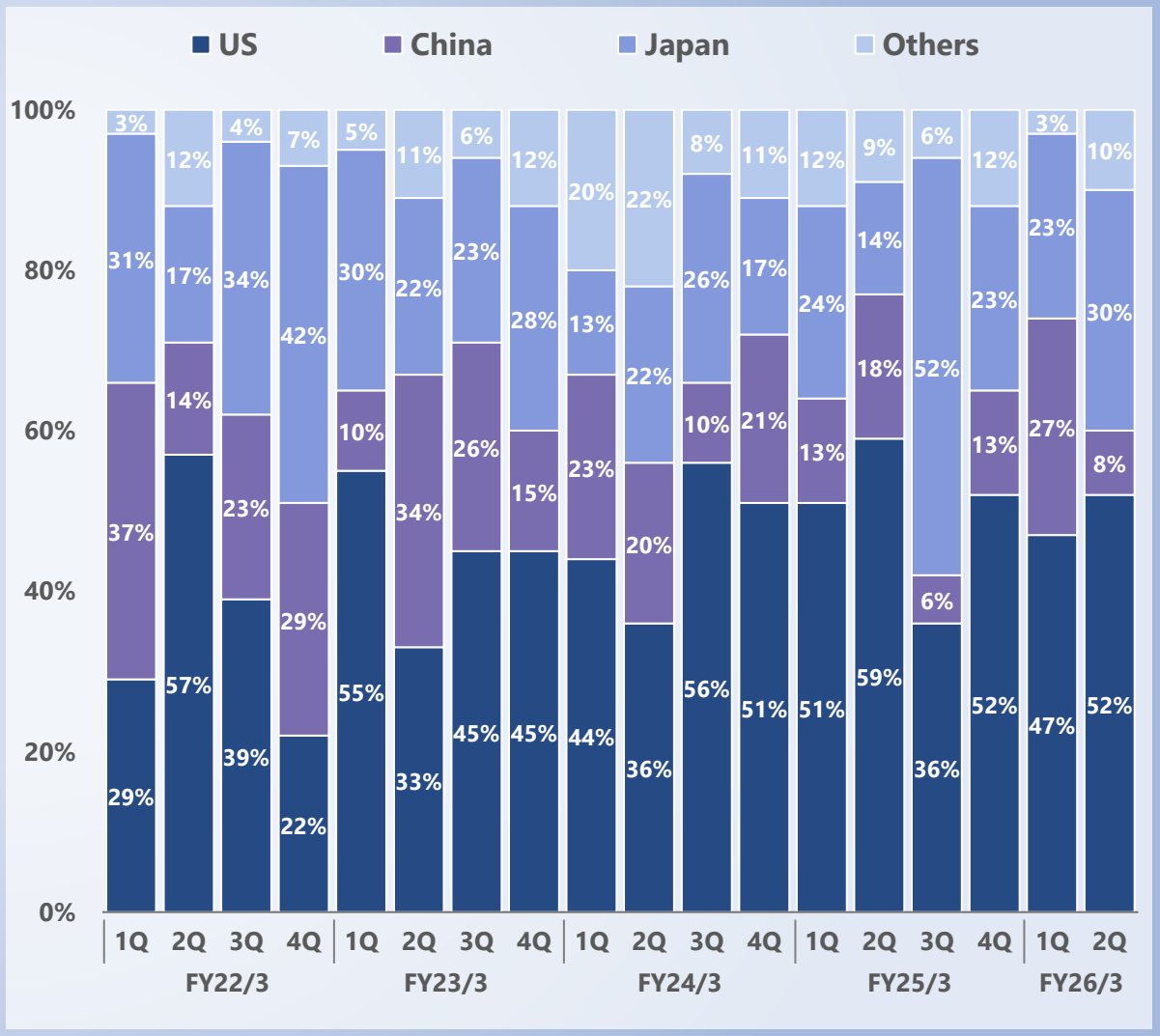
1. Quarterly compositions are highly volatile and may fluctuate significantly from quarter to quarter as they are greatly affected by the development status of individual projects.

Breakdown by Geographic Region (Quarterly)

Net Sales[1]



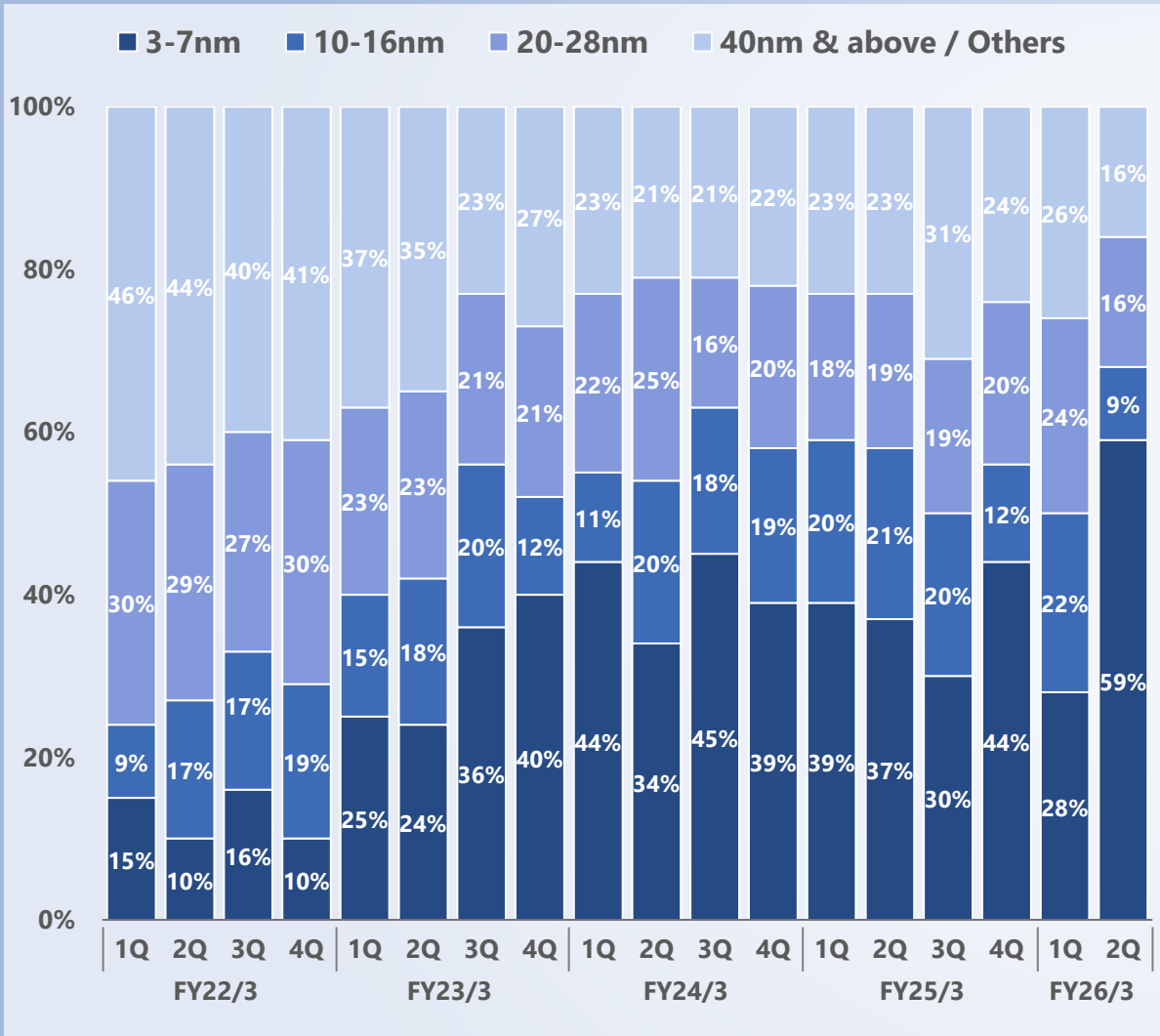
NRE Revenue[1]



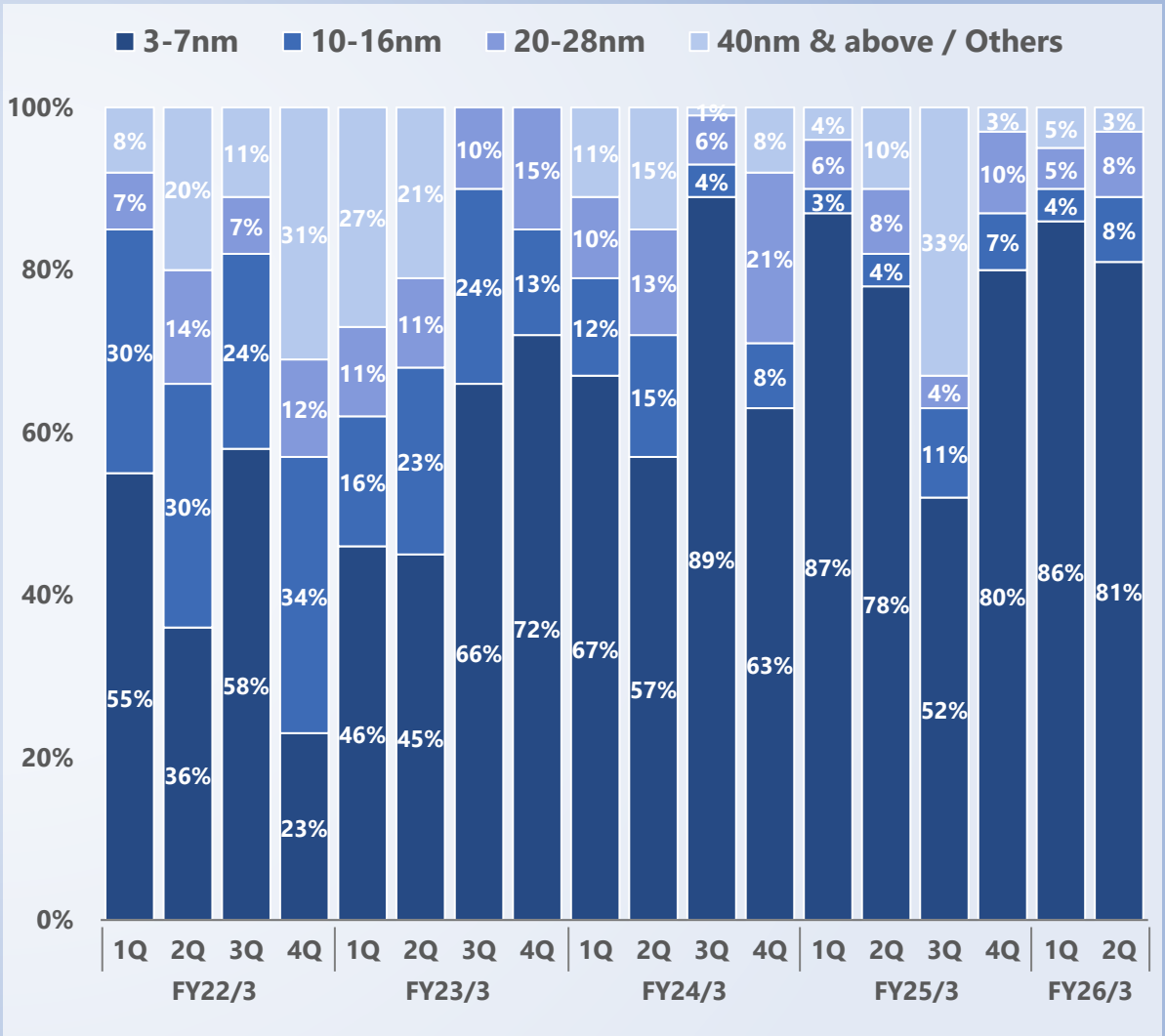
1. Quarterly compositions are highly volatile and may fluctuate significantly from quarter to quarter as they are greatly affected by the development status of individual projects.

Breakdown by Process Node (Quarterly)

Net Sales[1]



NRE Revenue[1]



1. Quarterly compositions are highly volatile and may fluctuate significantly from quarter to quarter as they are greatly affected by the development status of individual projects.

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Following slides are repeated materials from FY25/3 financial results presentation (April 2025)

Strong Design Wins

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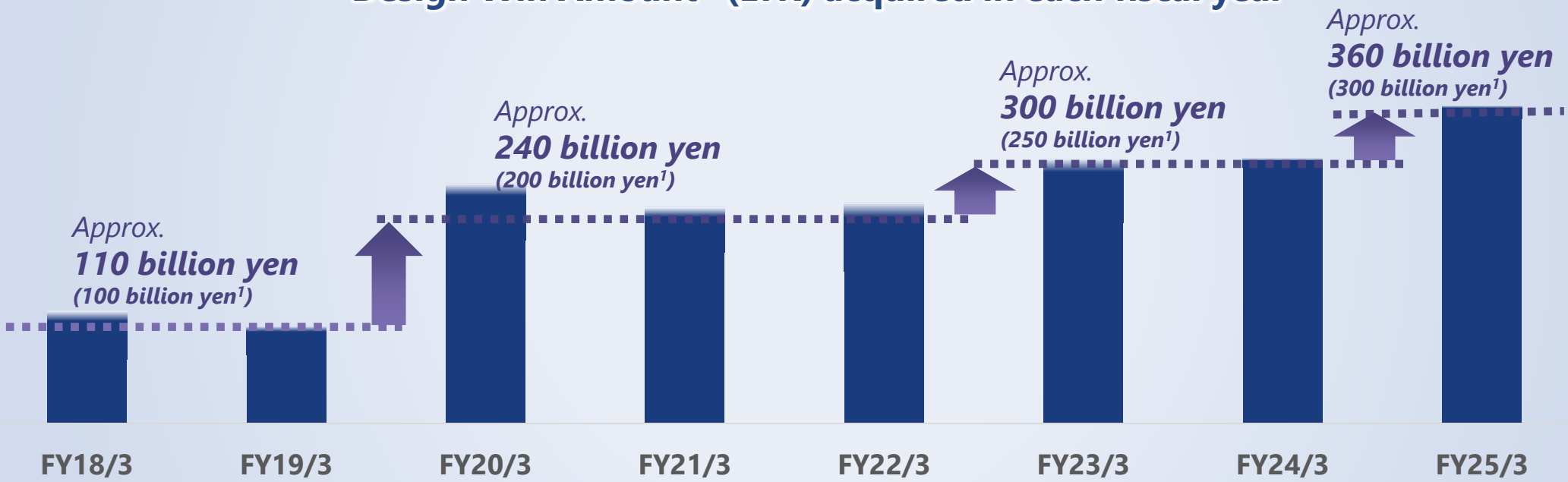
From April 2025 presentation
Revised

- **Design Win Amount has more than doubled through transformation since 2018**
- **Achieved level of 300 billion yen in FY23/3 and FY24/3**
- **FY25/3 amount expanded to approx. 360 billion yen**

"Design Win Amount" (LTR) acquired in each fiscal year



The figures of "Design Win Amount" will not be updated based on subsequent changes in circumstances after the acquisition of such business opportunities. Such subsequent changes include: (1) changes in factors such as actual sales, development plan, sales volume, unit price and production capacity, as well as (2) cancellation of a project after a design win. The possibility that projects that we have won may be cancelled cannot be ruled out. The impact of the subsequent changes after the design wins are acquired is reflected in Design Win Balance.

"Design Win Balance" represents the company's estimates of the accumulated remaining "Design Win Amount" associated with projects that are active as of a particular date. The impact of subsequent events, including the abovementioned (1) and (2), is reflected to "Design Win Balance". For example, projects corresponding to approximately 15% of the total of Design Win Amount from FY20/3 to FY25/3 were canceled after such projects started.

Up to recently, the impact of project cancellations has been offset by increases in the unit price and production volume of other active projects. However, as of the end of March 2025, **the sum of "Design Win Balance" and "revenues recorded from the projects that correspond to the current Design Win Balance" is becoming lower than the total of "Design Win Amount" of the relevant projects,** by several percent due in part of the cancellation of the automotive project in the US.

A foreign exchange rate of **USD/JPY=120** is used in above graphs and drawings. Refer to page 3.
1. The figures in parentheses are amounts calculated using an exchange rate of USD/JPY= 100

Large-Scale Design Wins Increasing

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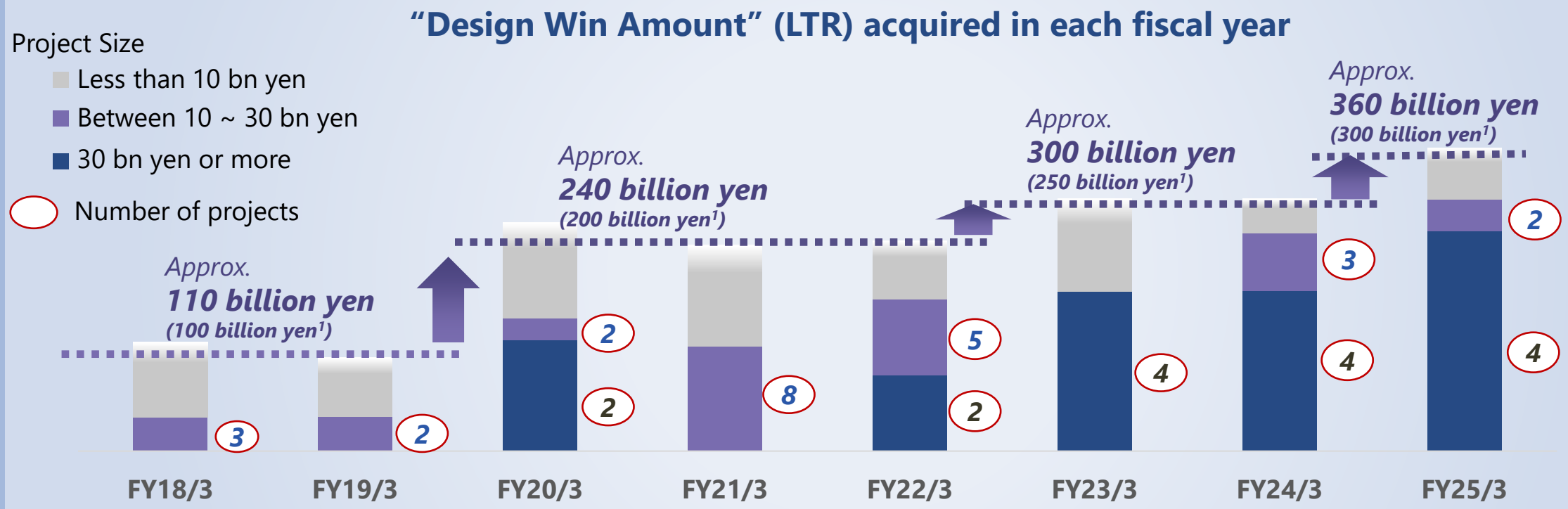
From April 2025 presentation
Revised

Proportion of large-scale Design Wins increasing



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1. The figures in parentheses are amounts calculated using an exchange rate of USD/JPY= 100

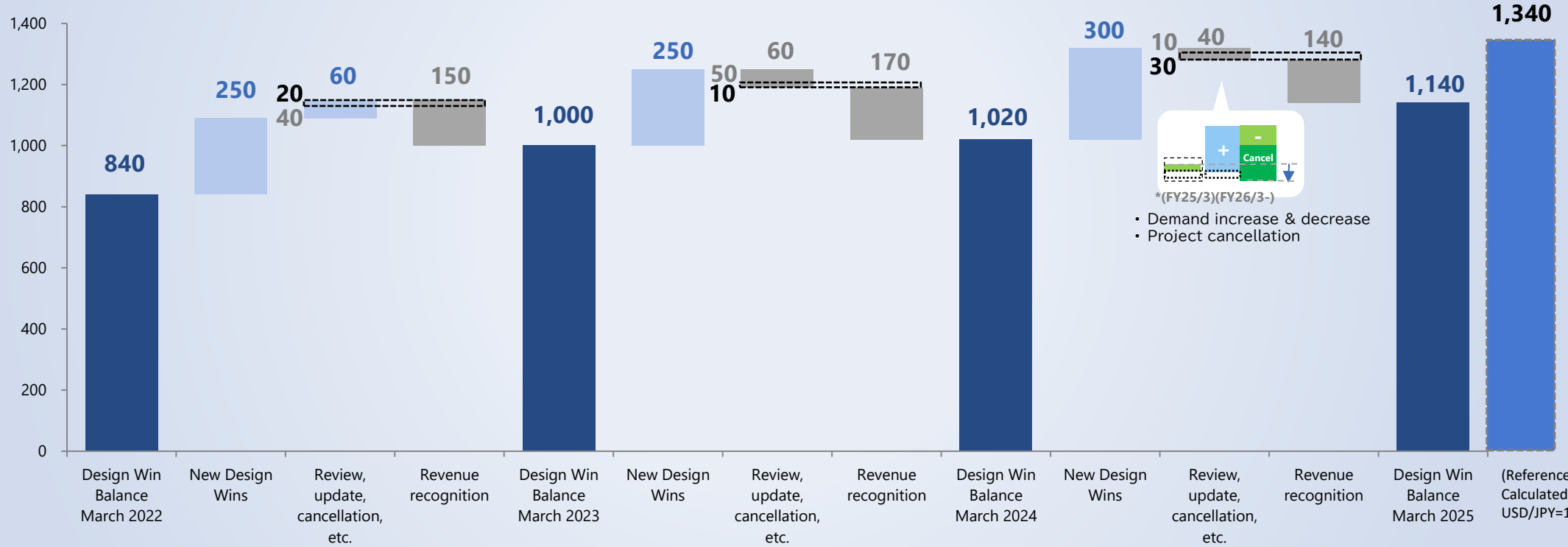
Design Win Balance: Breakdown of Changes

From April 2025 presentation
Revised

- **Design Win Balance increased by approx. 10%, or 100 billion yen, with strong Design Wins, despite cancellations**
- **60% of current Design Win Balance expected to be recognized as revenues in next four years**

(Yen in billions)

Design Win Balance (Approx.) FY22/3–FY25/3



The figures of "Design Win Amount" will not be updated based on subsequent changes in circumstances after the acquisition of such business opportunities. Such subsequent changes include: (1) changes in factors such as actual sales, development plan, sales volume, unit price and production capacity, as well as (2) cancellation of a project after a design win. The possibility that projects that we have won may be cancelled cannot be ruled out. The impact of the subsequent changes after the design wins are acquired is reflected in Design Win Balance.

"Design Win Balance" represents the company's estimates of the accumulated remaining "Design Win Amount" associated with projects that are active as of a particular date. The impact of subsequent events, including the abovementioned (1) and (2), is reflected to "Design Win Balance". For example, projects corresponding to approximately 15% of the total of Design Win Amount from FY20/3 to FY25/3 were canceled after such projects started.

Up to recently, the impact of project cancellations has been offset by increases in the unit price and production volume of other active projects. However, as of the end of March 2025, **the sum of "Design Win Balance" and "revenues recorded from the projects that correspond to the current Design Win Balance" is becoming lower than the total of "Design Win Amount" of the relevant projects,** by several percent due in part of the cancellation of the automotive project in the US.

A foreign exchange rate of **USD/JPY=100** is used in above graphs and drawings. Refer to page 3.

* ⬚ indicates sales increase and decrease in FY25/3, corresponding to demand increase and decrease. Decrease includes shift to FY26/3–.

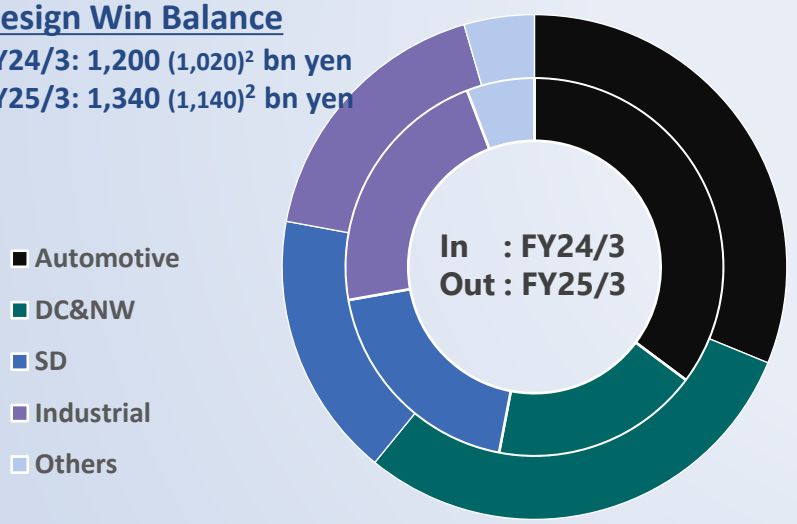
Design Win Balance: by Application Market and Region

From April 2025 presentation
Revised

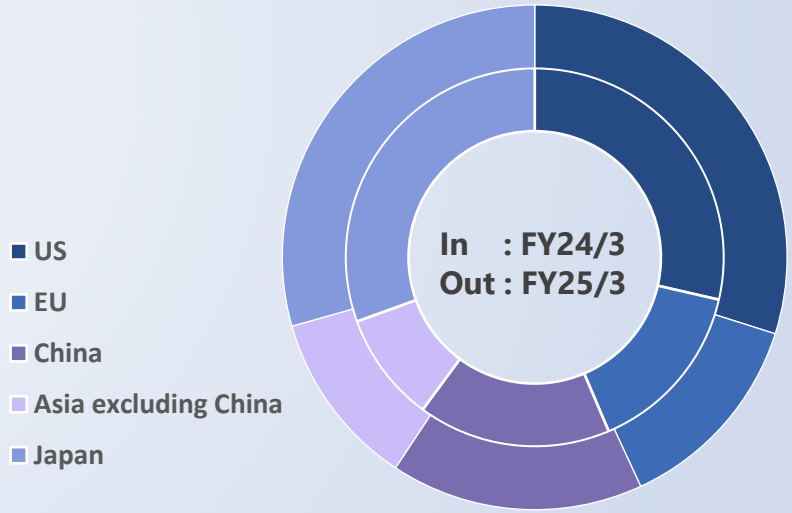
- **By application market:**
  - Proportion of "Data Center & Networking" increasing, reflecting recent strong design wins
  - Current breakdown of Design Win Balance by application market (approx.): 1/3 Automotive, 1/3 Data Center & Networking, and 1/3 the rest
- **By geographic region:**
  - "United States" increased slightly. Breakdown is well balanced, with "US", "Japan" and other regions including "China" each comprising approx. 1/3 of the total balance

By application

Design Win Balance
FY24/3: 1,200 (1,020)[2] bn yen
FY25/3: 1,340 (1,140)[2] bn yen



By region[1]



1. "Geographic region" in this page is based on the location of Socionext's regional company that is in charge of the business.
2. The figures in parentheses are amounts calculated using an exchange rate of USD/JPY= 100

New Executive Structure

From April 2025 presentation

Announced February 2025

April 2025~: Started new executive structure for sustainable growth

M. Koezuka, CEO

H. Yoshida, COO

Y. Yoneyama, EVP&CFO

Global Leading Group (GLG) Development Group (DG)

H. Yoshida
GLG Co-Lead

R. Cheema
EVP & CTO
GLG Co-Lead

S. Goto
EVP & Chief Architect
GLG Second Lead

H. Yoshida
DG Lead

Business Group (BG) / Sales Group (SG)

T. Kamada
EVP
BG Lead

S. Goto
EVP & Chief Architect
BG Second Lead

T. Kamada
EVP
SG Lead

M. Majid
EVP
SG Second Lead

Production Management Group

M. Naito
EVP
Production Control Group Lead
Production & Quality Management Group Lead

Corporate

CEO, COO, CTO and Chief Architect constitute the Global Technology Strategy Steering Members

EVPs not in this chart:
- T. Saito: Vice Head of Development Group
- M. Nakajima: Vice Head of Automotive BU in Business Group
- S. Ando: In charge of finance and accounting in the Corporate Group
- Y. Hayashi: Continue as president of Socionext America

“Design Win Amount” to Revenue / Illustrative Description of “Design Win Balance”

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From April 2025 presentation

“Design Win Balance[1]” ・・・

“Design win balance” (LTR; Life Time Revenue) represents our estimates of remaining accumulated “design win amount” that is associated with projects that are active as of a particular date. Design win balance thus reflects certain subsequent developments after the end of the period in which such design win was acquired “Design Win Balance” is regularly managed in accordance with prudent procedures to account for future risks.

“Design Win Amount” calculated from “Design Win Balance” [1]

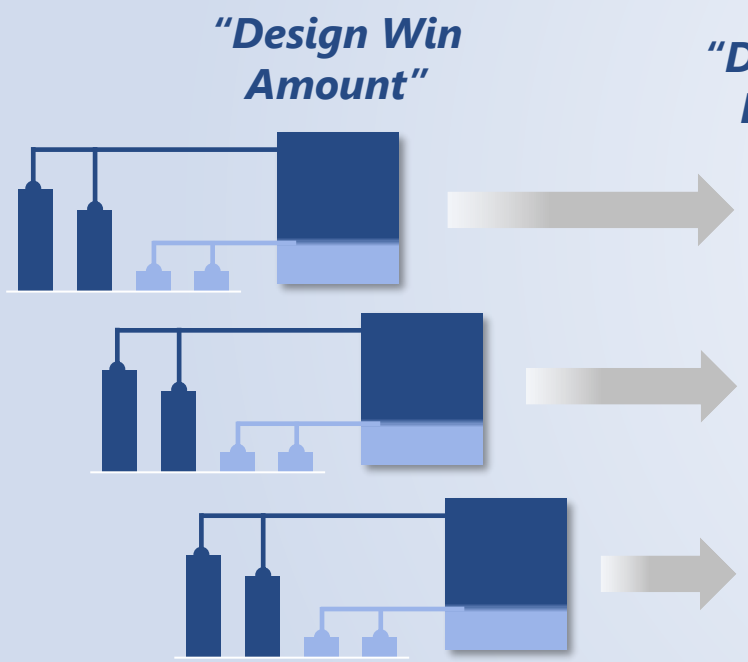
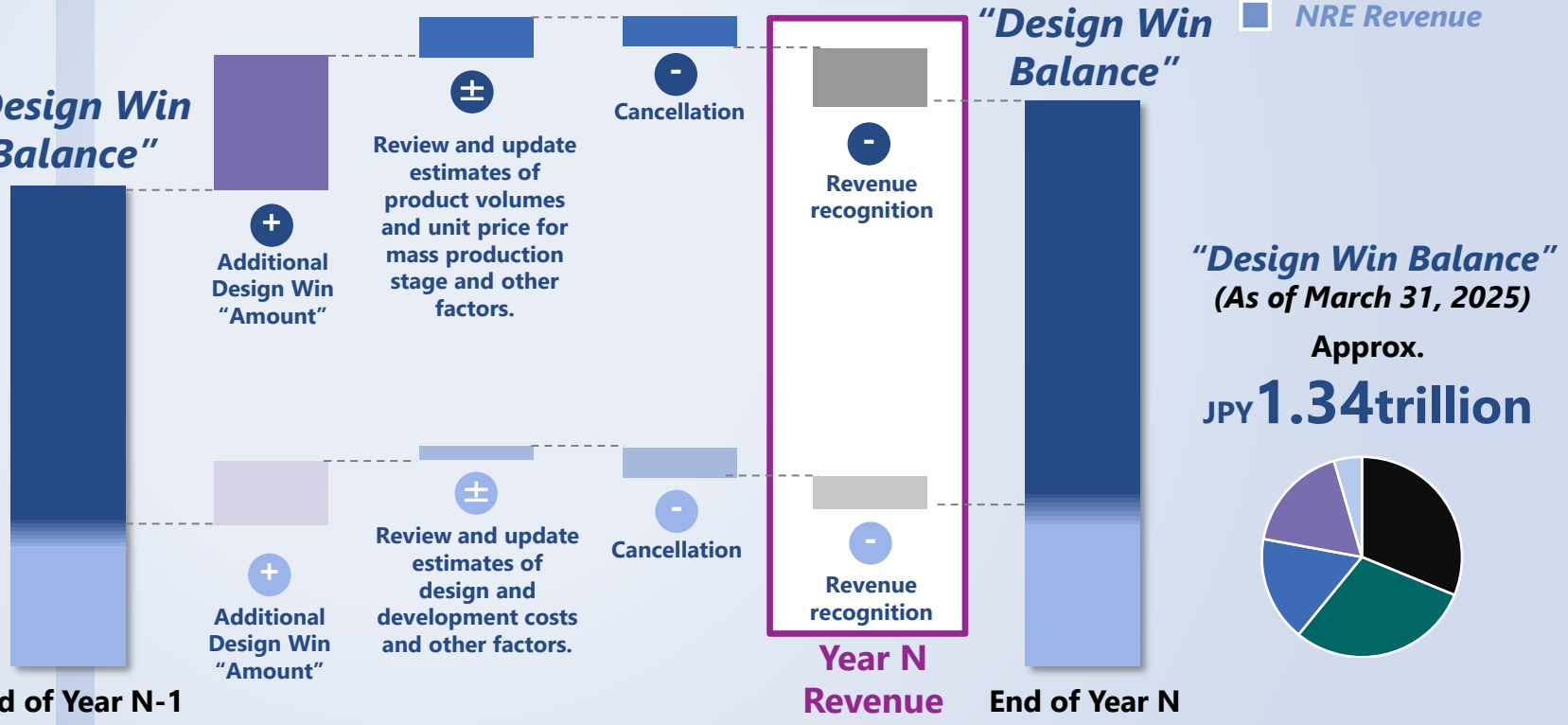


Image of Change in “Design Win Balance [2]”



“Design Win Balance”
(As of March 31, 2025)

Approx.

JPY 1.34trillion

1. The figures of "Design Win Amount" will not be updated based on subsequent changes in circumstances after the acquisition of such business opportunities. Such subsequent changes include: (1) changes in factors such as actual sales, development plan, sales volume, unit price and production capacity, as well as (2) cancellation of a project after a design win. The possibility that projects that we have won may be cancelled cannot be ruled out. The impact of the subsequent changes after the design wins are acquired is reflected in Design Win Balance.
“Design Win Balance” represents the company‘s estimates of the accumulated remaining “Design Win Amount” associated with projects that are active as of a particular date. The impact of subsequent events, including the abovementioned (1) and (2), is reflected to “Design Win Balance”. For example, projects corresponding to approximately 15% of the total of Design Win Amount from FY20/3 to FY25/3 were canceled after such projects started.
Up to recently, the impact of project cancellations has been offset by increases in the unit price and production volume of other active projects. However, as of the end of March 2025, **the sum of “Design Win Balance” and “revenues recorded from the projects that correspond to the current Design Win Balance” is becoming lower than the total of “Design Win Amount” of the relevant projects,** by several percent due in part of the cancellation of the automotive project in the US.
A foreign exchange rate of **USD/JPY=120** is used in above graphs and drawings. Refer to page 3.

Timeline from Design Win to Mass Production / Illustrative Description of "Design Win Amount"

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From April 2025 presentation

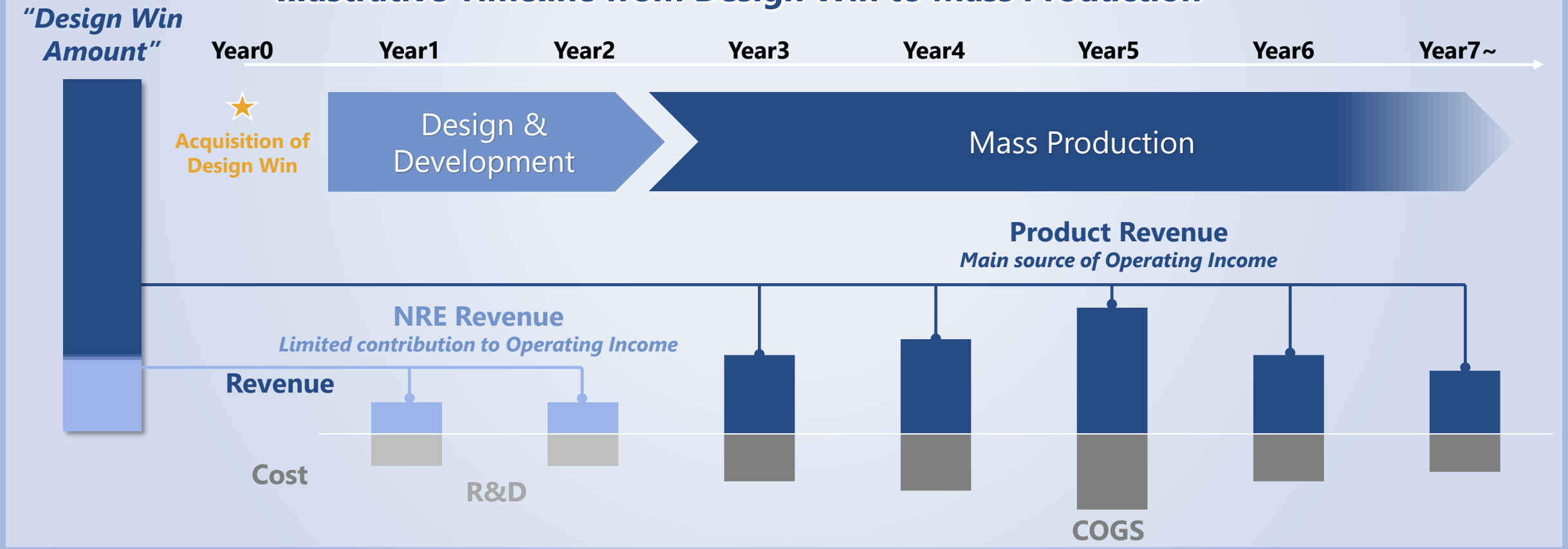
"Design Win Amount[1]" ・・・

"Design Win Amount" represents estimate of the lifetime demand from design projects. "Design Win Amount" is divided into NRE-based and product-based amounts. "Design Win Amounts" are expected to contribute to product revenue once projects progress to the mass production stage of the project lifecycle.

"Design Win Amount" is calculated in accordance with prudent procedures as below

- *Each "Design Win Amount" is estimated based on assumptions such as per-unit prices and estimated future product sales volumes, not on sales forecasts provided by customers[1]*
- *A foreign exchange assumption of 1USD=120JPY has been used*

Illustrative Timeline from Design Win to Mass Production[2]



1. Refer to slide 3
2. For illustrative purposes only. The actual timeline of product development to mass production may differ materially based on the product and actual customer demand

Transformation into Global Custom SoC Company in Advanced Technology Areas

socionext™ The Solution SoC Company

From April 2025 presentation

- **Through transformation of business and company culture, Socionext has turned into global leading custom SoC company with new and distinctive "Solution SoC" business model**

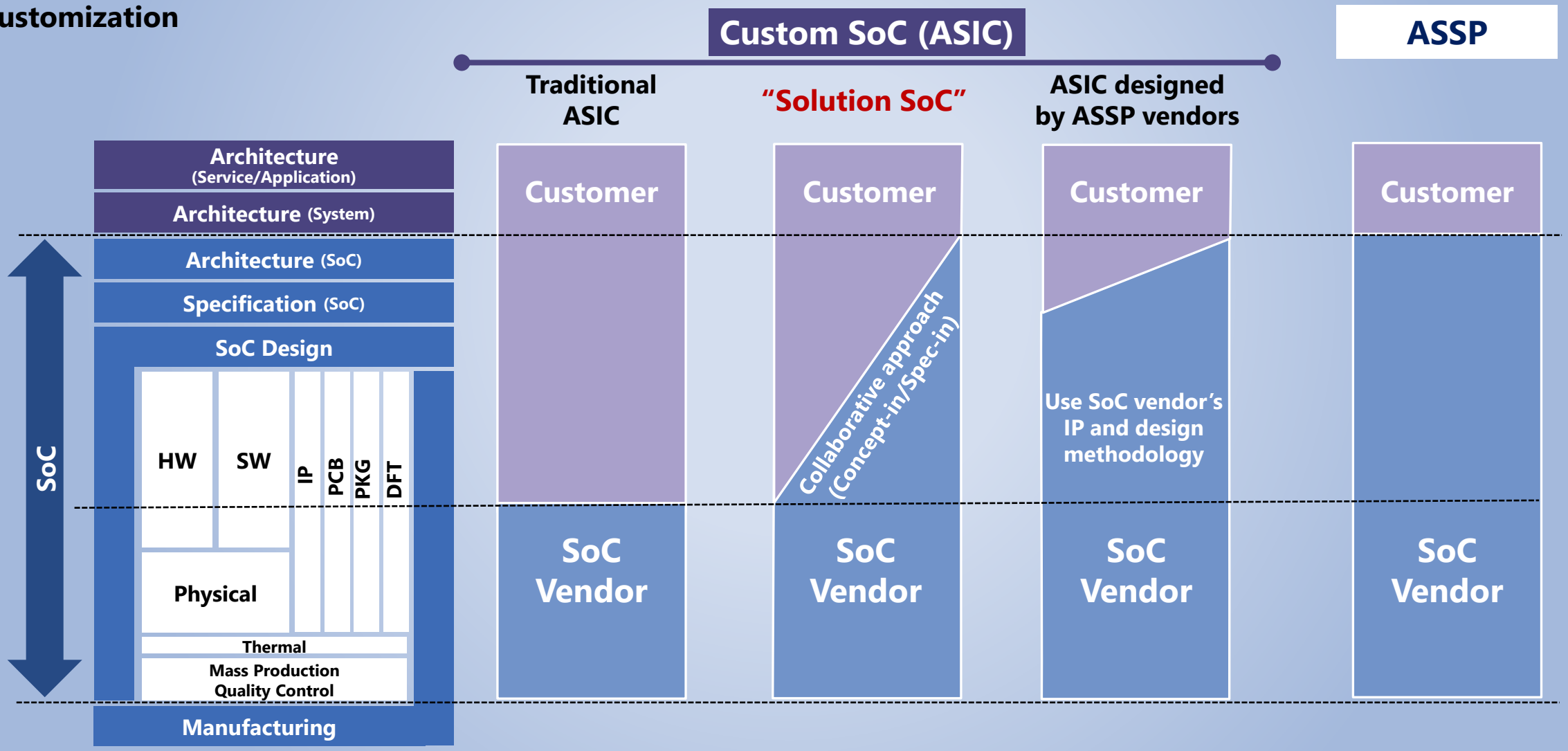
	Business Model	Primary Applications	Expansion of Overseas Business	Technology	Culture
Past	Focus on ASSP and ASIC	DTV, Blu-ray/DVD, DSC Mature Market	Mainly Domestic Focus	Follower	Hierarchical Organization
2018					
Present	Focus on Solution SoC in custom SoC mkt.	Automotive, Data Center & Networking, Smart Devices, Industrial Growth Market	Global Market	Leader *(2nm, 3nm, 5nm)*	Quick Decision-Making with a Flat Team Structure

Features of Solution SoC Business Model

socionext
The Solution SoC Company

From April 2025 presentation

- The primary difference between “traditional ASIC” and “Solution SoC“ is how to interface with customers
- The primary difference between “Solution SoC” and “ASIC designed by ASSP vendors“ is the breadth of optional customization



1. This slide is an image based on the company’s recognition.

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