socionext™
The Solution SoC Company

Fiscal Year Ended March 31, 2026

Consolidated Financial Results and Growth Strategy

April 28, 2026
Socionext Inc.

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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 significant degree of future estimation and subjective judgment. Such calculations are based on 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 individual products.

Product sales volumes are estimated based on preliminary customer volume indications and our own projections, which incorporate historical customer transaction data, third-party market data and other factors. These estimations do not fully consider potential constraints on the available manufacturing capacity for our products.

In analyzing our net sales and determining our design win balance, we assess whether customer demand constitutes “special demand,” which refers to short-term customer demand arising from stockpiling or other activities that do not reflect the underlying market demand.

We determine whether any given demand constitutes “special demand” on a case-by-case basis at our discretion based on our assessment of various factors relevant to the demand in question. As a result, amounts identified as “special demand” may not be objectively accurate under this definition.

We believe it is appropriate to exclude such short-term “special demand” from our design win balance, as the design win balance is intended to serve as an index for evaluating and analyzing long-term revenue trends. Net sales attributable to “special demand” should be viewed as short-term inflated demand that may reflect front-loading of longer-term demand and therefore 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 may fluctuate due to changes in forecast assumptions for demand other than “special demand.” We may revise our calculation methods for “Design Win Amount” and “Design Win Balance,” as we have done in the past. Thus, period-to-period comparisons may not be meaningful except for assessing general trends over longer periods.

Design win information is calculated on a management accounting basis and is formulated and used internally for management in assessing business performance and planning strategic initiatives. Design win information is presented for reference purposes only and should not be relied upon. Please refer to page 2 of this presentation regarding certain risks associated with forward-looking statements.

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Consolidated Financial Results for the Fiscal Year Ended March 31, 2026

- **Consolidated Financial Results FY2026/3**
- **Consolidated Earnings Forecast FY2027/3**

Toward Further Growth

FY2026/3 Consolidated Statements of Income

(JPY in billions)

	FY2025/3	FY2026/3	YoY	YoY%	(Reference) FY2026/3 Forecast as of Oct. 2025	
Net Sales	**188.5**	**200.8**	**+12.3**	**+6.5%**	190.0	+10.8
Product revenue	146.6	161.8	+15.2	+10.4%	-	
NRE revenue	41.0	38.3	-2.7	-6.6%	-	
Other revenue	0.9	0.7	-0.2	-23.6%	-	
Cost of Sales	**84.6**	**111.1**	**+26.4**	**+31.2%**	-	
Product cost ratio	57.7%	68.6%	+10.9pt			
Selling, General and Administrative Expenses	**78.9**	**77.4**	**-1.5**	**-1.9%**		
R&D	59.8	58.5	-1.3	-2.2%		
SG&A (excluding R&D)	19.1	18.9	-0.2	-1.0%		
Operating Income	**25.0**	**12.4**	**-12.6**	**-50.6%**	10.0	+2.4
Margin	13.3%	6.2%	-7.1pt		5.3%	+0.9pt
Net Income	**19.6**	**8.7**	**-10.9**	**-55.4%**	6.7	+2.0
Margin	10.4%	4.3%	-6.0pt		3.5%	+0.8pt
FX Rate（USD/JPY）	**152.6**	**150.8**	**-1.8**		138.0	

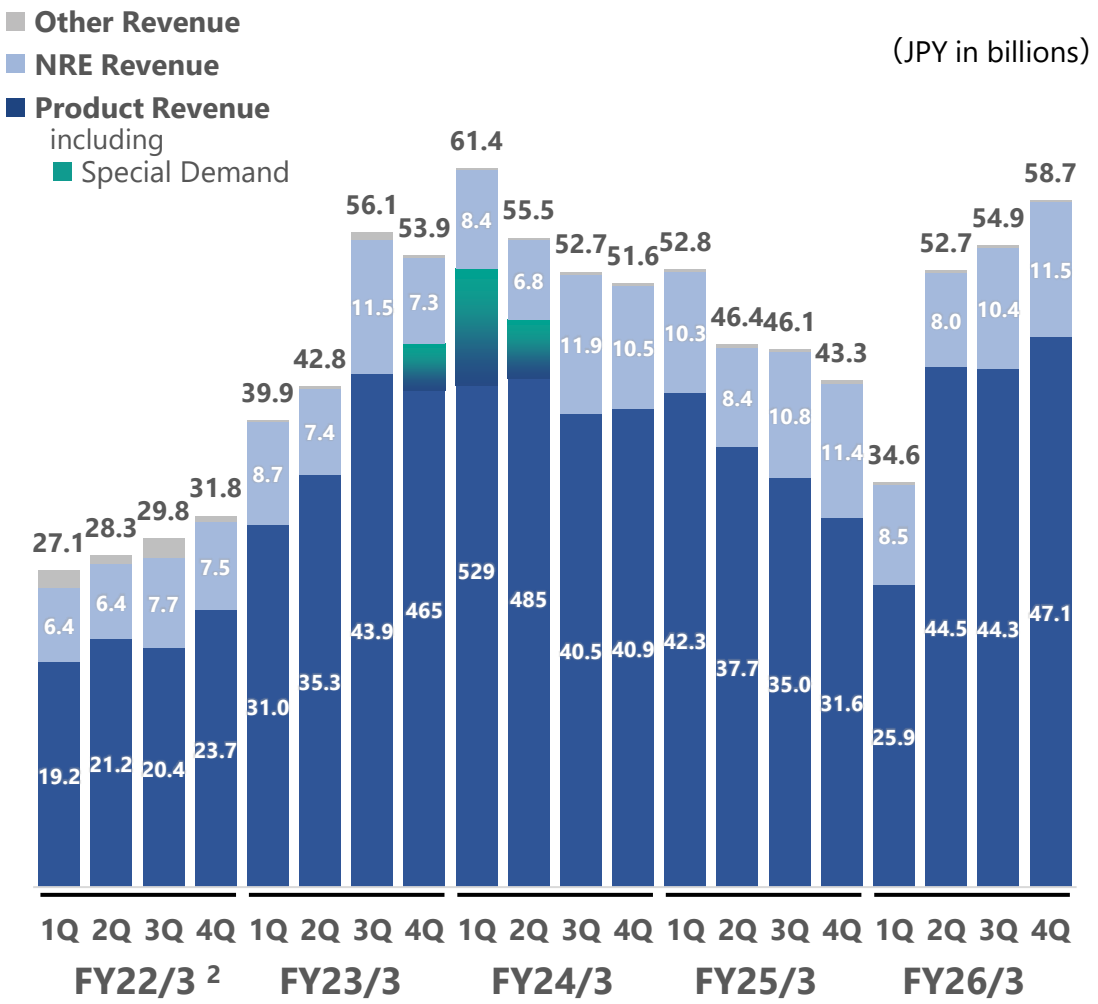
FY2026/3 Consolidated Statements of Income (by Quarter)

(JPY in billions)

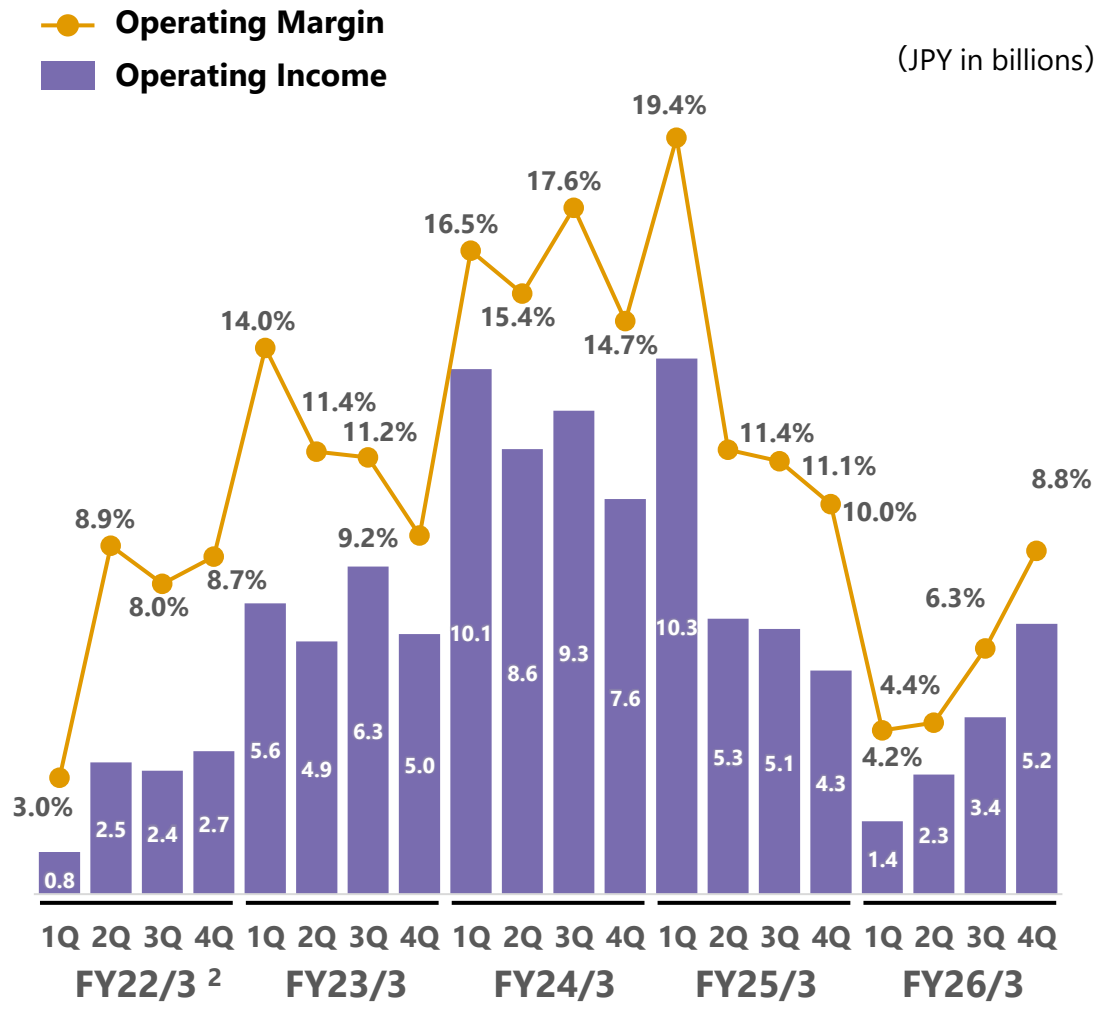
	FY2025/3				FY2026/3				YoY		QoQ	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		YoY%		QoQ%
Net Sales	**52.8**	**46.4**	**46.1**	**43.3**	**34.6**	**52.7**	**54.9**	**58.7**	**+15.4**	**+35.6%**	**+3.8**	**+6.9%**
Product revenue	42.3	37.7	35.0	31.6	25.9	44.5	44.3	47.1	+15.5	+49.2%	+2.8	+6.3%
NRE revenue	10.3	8.4	10.8	11.4	8.5	8.0	10.4	11.5	+0.0	+0.3%	+1.0	+9.9%
Other revenue	0.2	0.3	0.2	0.3	0.2	0.2	0.2	0.1	-0.2	-59.9%	-0.1	-42.5%
Cost of Sales	**22.9**	**22.2**	**20.6**	**18.8**	**14.4**	**30.9**	**31.1**	**34.7**	**+15.9**	**+84.3%**	**+3.6**	**+11.5%**
Product cost ratio	54.3%	59.1%	58.8%	59.6%	55.6%	69.4%	70.2%	73.6%	+14.0pt		+3.4pt	
Selling, General and Administrative Expenses	**19.6**	**18.9**	**20.4**	**20.1**	**18.7**	**19.5**	**20.4**	**18.9**	**-1.2**	**-6.2%**	**-1.5**	**-7.5%**
R&D	15.0	13.8	15.6	15.4	14.2	14.7	15.3	14.3	-1.1	-7.3%	-1.0	-6.2%
SG&A (excluding R&D)	4.6	5.1	4.7	4.7	4.5	4.7	5.1	4.6	-0.1	-2.7%	-0.6	-11.1%
Operating Income	**10.3**	**5.3**	**5.1**	**4.3**	**1.4**	**2.3**	**3.4**	**5.2**	**+0.8**	**+18.7%**	**+1.7**	**+49.8%**
Margin	19.4%	11.4%	11.1%	10.0%	4.2%	4.4%	6.3%	8.8%	-1.3pt		+2.5pt	
Net Income	**7.6**	**4.0**	**4.9**	**3.1**	**0.5**	**1.6**	**2.7**	**4.0**	**+0.8**	**+26.4%**	**+1.2**	**+45.0%**
Margin	14.3%	8.6%	10.6%	7.2%	1.3%	3.0%	5.0%	6.7%	-0.5pt		+1.8pt	
FX Rate（USD/JPY）	**155.9**	**149.4**	**152.4**	**152.6**	**144.6**	**147.5**	**154.2**	**156.9**	**+4.3**		**+2.7**	

Quarterly Net Sales and Operating Income

Net Sales[1]



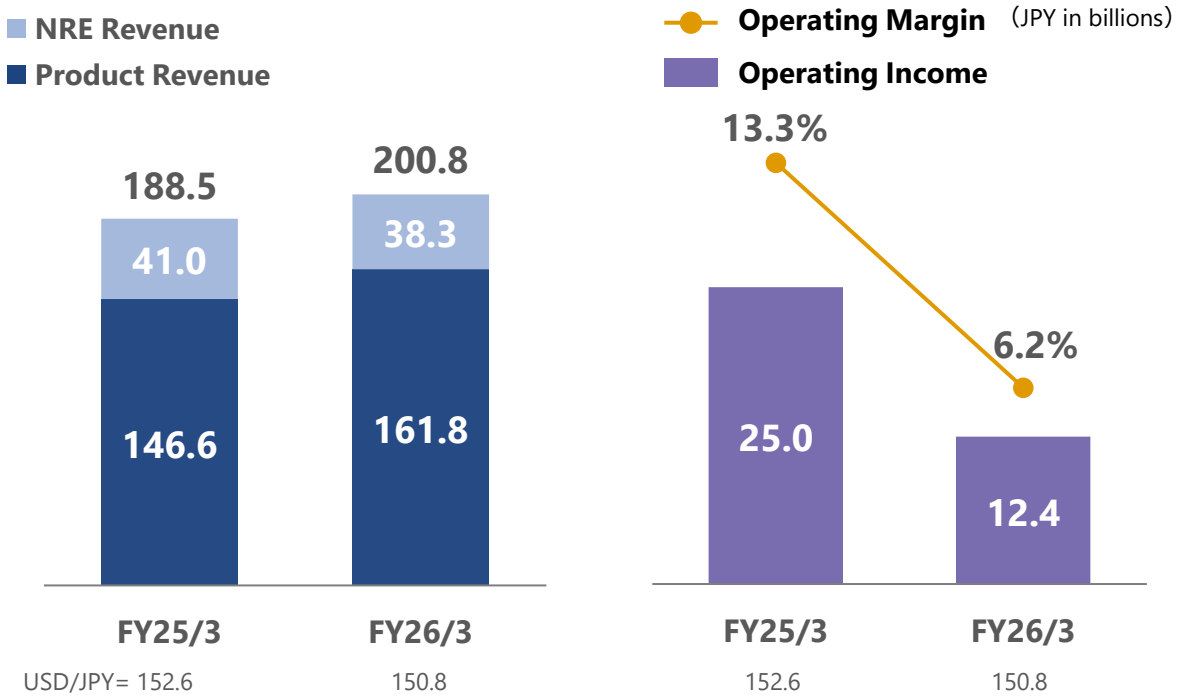
Operating Income[1]



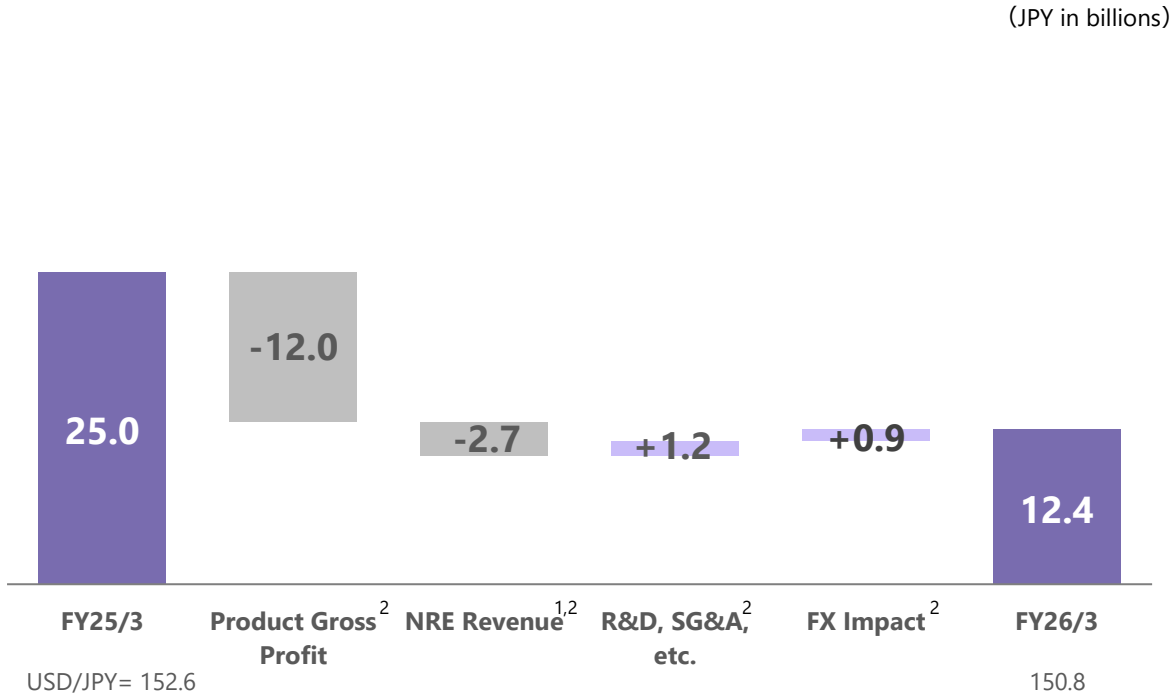
1. The quarterly figures are highly volatile and may fluctuate significantly from quarter to quarter as they are greatly affected by the development status of individual projects.
2. Quarterly financial results of FY2022/3 are unaudited and unreviewed by external auditors.

FY2026/3 Financial Results YoY

Net Sales and Operating Income YoY



Operating Income YoY Analysis



Net Sales: YoY +12.3 bn yen (+6.5%)

- Product revenue: +15.2 bn yen (FX impact +0.3 bn yen)
- NRE revenue: -2.7 bn yen (FX impact +0.0 bn yen)

Breakdown of FX impact: + 0.3 bn yen
- 1H -2.8 bn yen (FY25/3 152.6 → FY26/3 146.0)
- 2H +3.1 bn yen (FY25/3 152.5 → FY26/3 155.5)

Operating Income: YoY -12.6 bn yen (-50.6%)

- Product gross profit: -12.0 bn yen
- NRE revenue: -2.7 bn yen
- R&D, SG&A, etc.: +1.2 bn yen
- FX impact: +0.9 bn yen

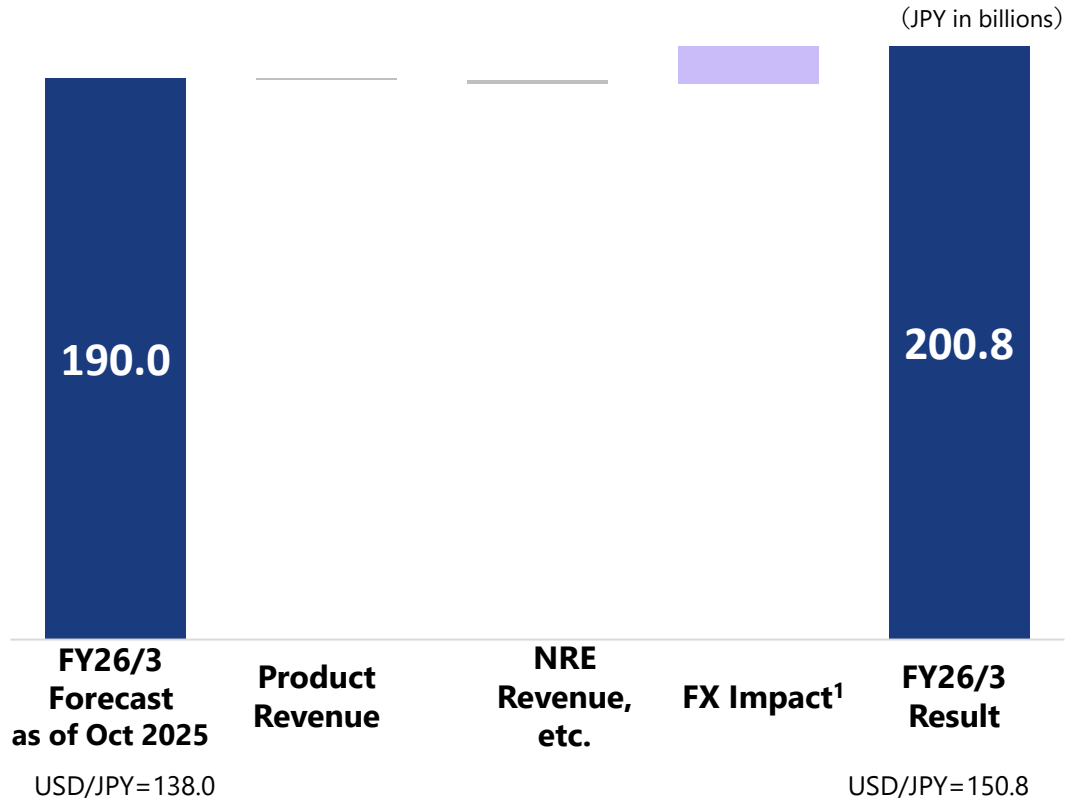
Breakdown of FX impact:+ 0.9 bn yen
- 1H -0.7 bn yen (FY25/3 152.6 → FY26/3 146.0)
- 2H +1.6 bn yen (FY25/3 152.5 → FY26/3 155.5)

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.

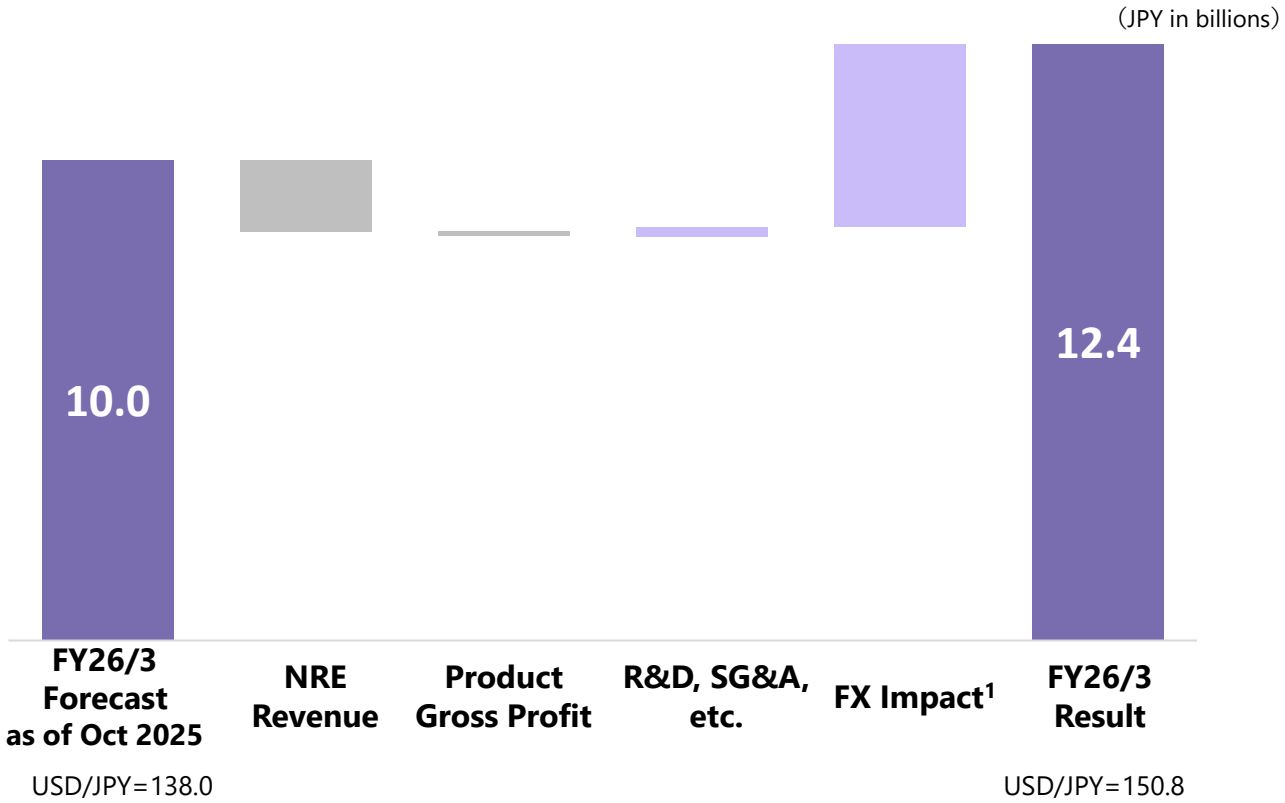
Net Sales and Operating Income FY2026/3 Full-Year Results (vs. October 2025 Forecast)

- Net Sales: +10.8 billion yen vs. Oct. 2025 forecast, despite a shift in NRE and product revenues to FY2027/3
- Operating Income: +2.4 billion yen vs. Oct. 2025 forecast, as FX contributed to increase despite a shift in NRE revenue to FY2027/3

Net Sales (vs. October 2025 Forecast)



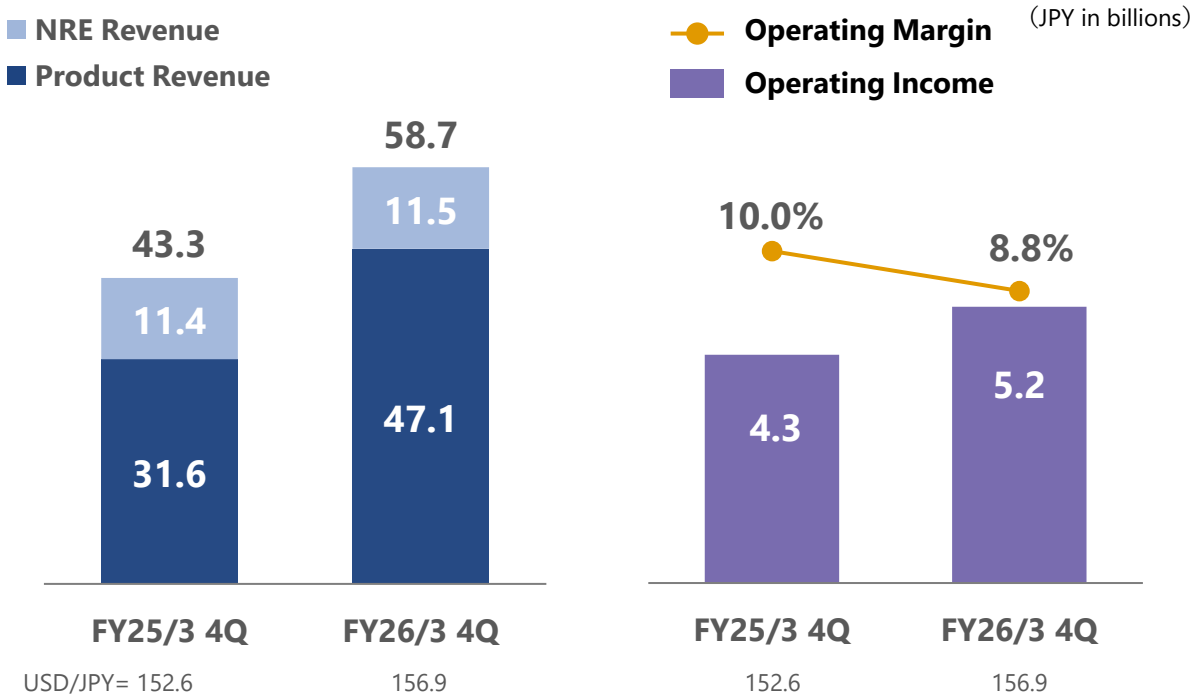
Operating Income (vs. October 2025 Forecast)



1. FX impact shown on this slide are approximate figures.

4Q FY2026/3 Financial Results YoY

Net Sales and Operating Income YoY

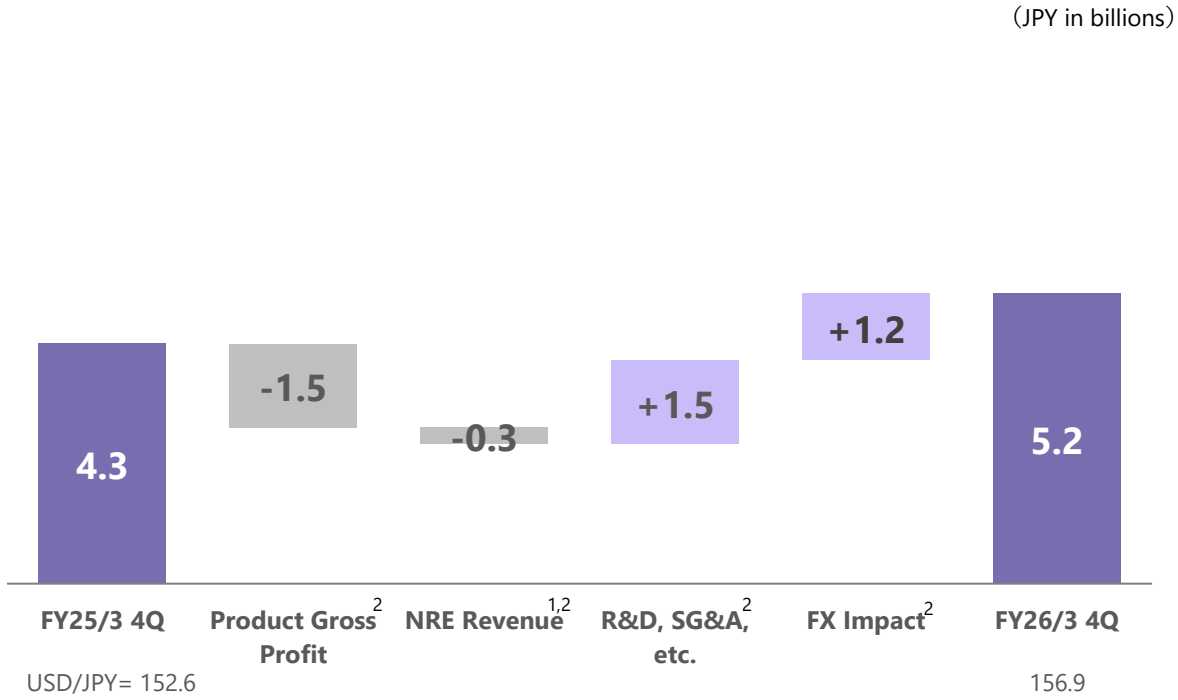


Net Sales: YoY +15.4 bn yen (+35.6%)

- Product revenue: +15.5 bn yen (FX impact +1.9 bn yen)
- NRE revenue: +0.0 bn yen (FX impact +0.3 bn yen)

(USD/JPY 152.6 → 156.9)

Operating Income YoY Analysis



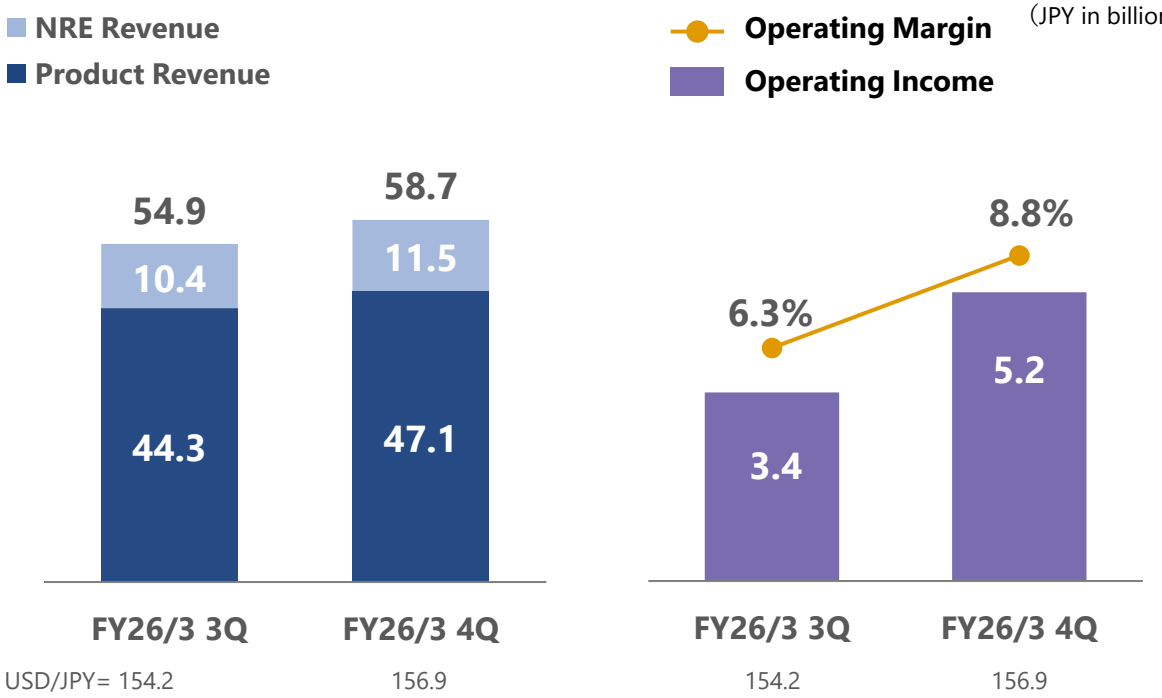
Operating Income: YoY +0.8 bn yen (+18.7%)

- Product gross profit: -1.5 bn yen
- NRE revenue: -0.3 bn yen
- R&D, SG&A, etc.: +1.5 bn yen
- FX impact: +1.2 bn yen (USD/JPY 152.6 → 156.9)

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.

4Q FY2026/3 Financial Results QoQ

Net Sales and Operating Income QoQ

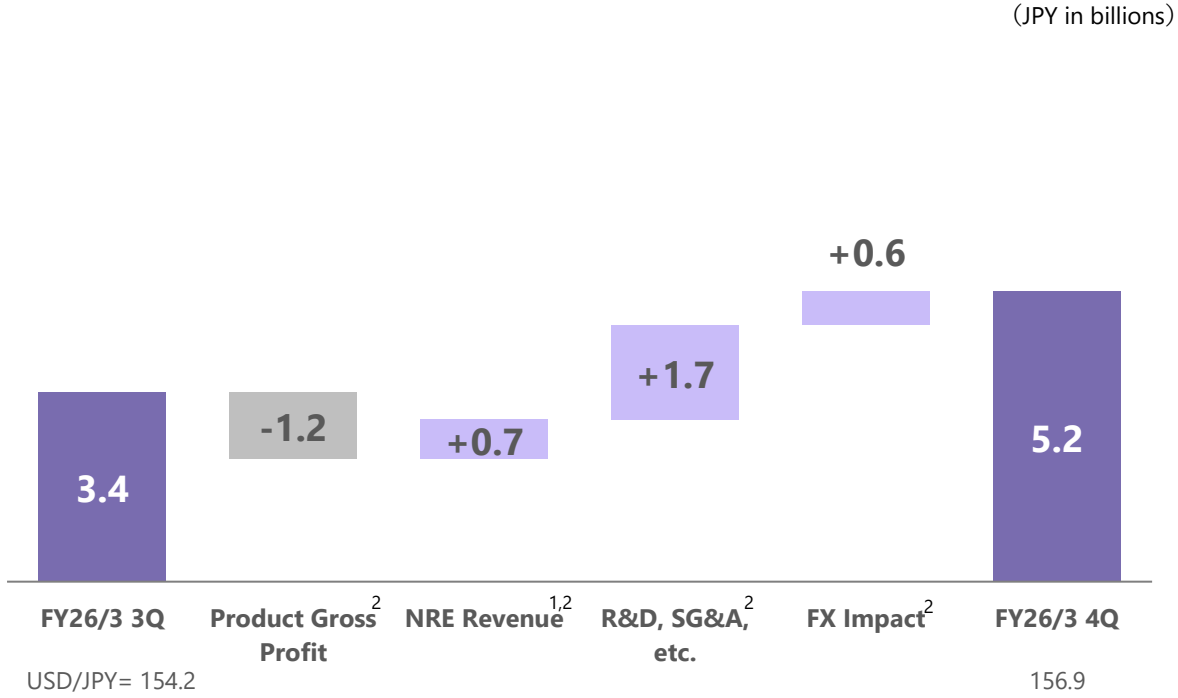


Net Sales: QoQ +3.8 bn yen (+6.9%)

- Product revenue: +2.8 bn yen (FX impact +1.0 bn yen)
- NRE revenue: +1.0 bn yen (FX impact +0.3 bn yen)

(USD/JPY 154.2 → 156.9)

Operating Income QoQ Analysis



Operating Income: QoQ +1.7 bn yen (+49.8%)

- Product gross profit: -1.2 bn yen
- NRE revenue: +0.7 bn yen
- R&D, SG&A, etc.: +1.7 bn yen
- FX impact: +0.6 bn yen (USD/JPY 154.2 → 156.9)

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.

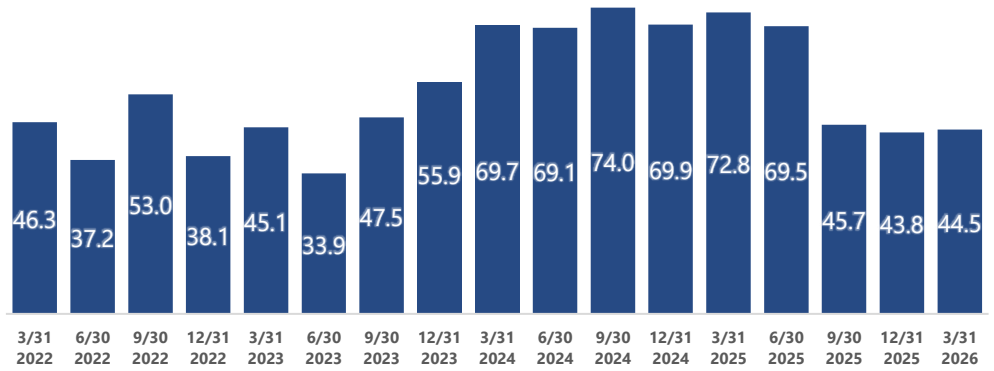
Consolidated Balance Sheet (As of March 31, 2026)

(JPY in billions)

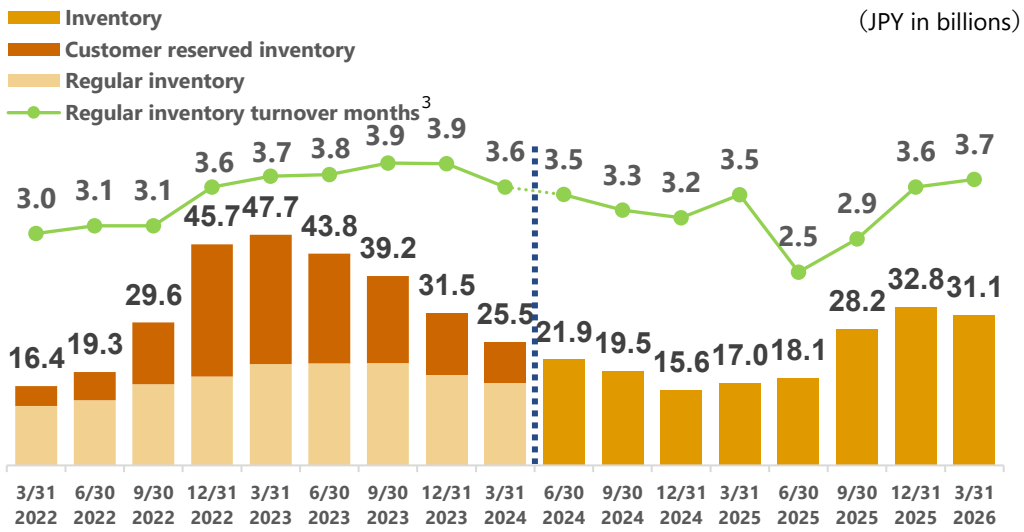
	As of Mar.31, 2025	As of Mar.31, 2026	Change
Total Assets	170.3	**167.6**	-2.7
Total Current Assets	126.3	**122.8**	-3.5
Cash on-hand and in banks[1]	72.8	**44.5**	-28.3
Accounts receivable-trade	31.6	**36.9**	+5.3
Inventories[2]	17.0	**31.1**	+14.0
Accounts receivable-other	0.9	**4.4**	+3.6
Total non-Current Assets	44.0	**44.8**	+0.8
Total Liabilities	33.3	**34.6**	+1.3
Total Current Liabilities	31.3	**32.5**	+1.2
Accounts payable-trade	11.9	**15.8**	+3.9
Accounts payable-other	4.6	**4.0**	-0.6
Total Net Assets	137.0	**133.1**	-4.0
Shareholders' Equity Ratio	80.5%	**79.4%**	

Cash on-hand and in banks[1]

(JPY in billions)



Inventories[2]

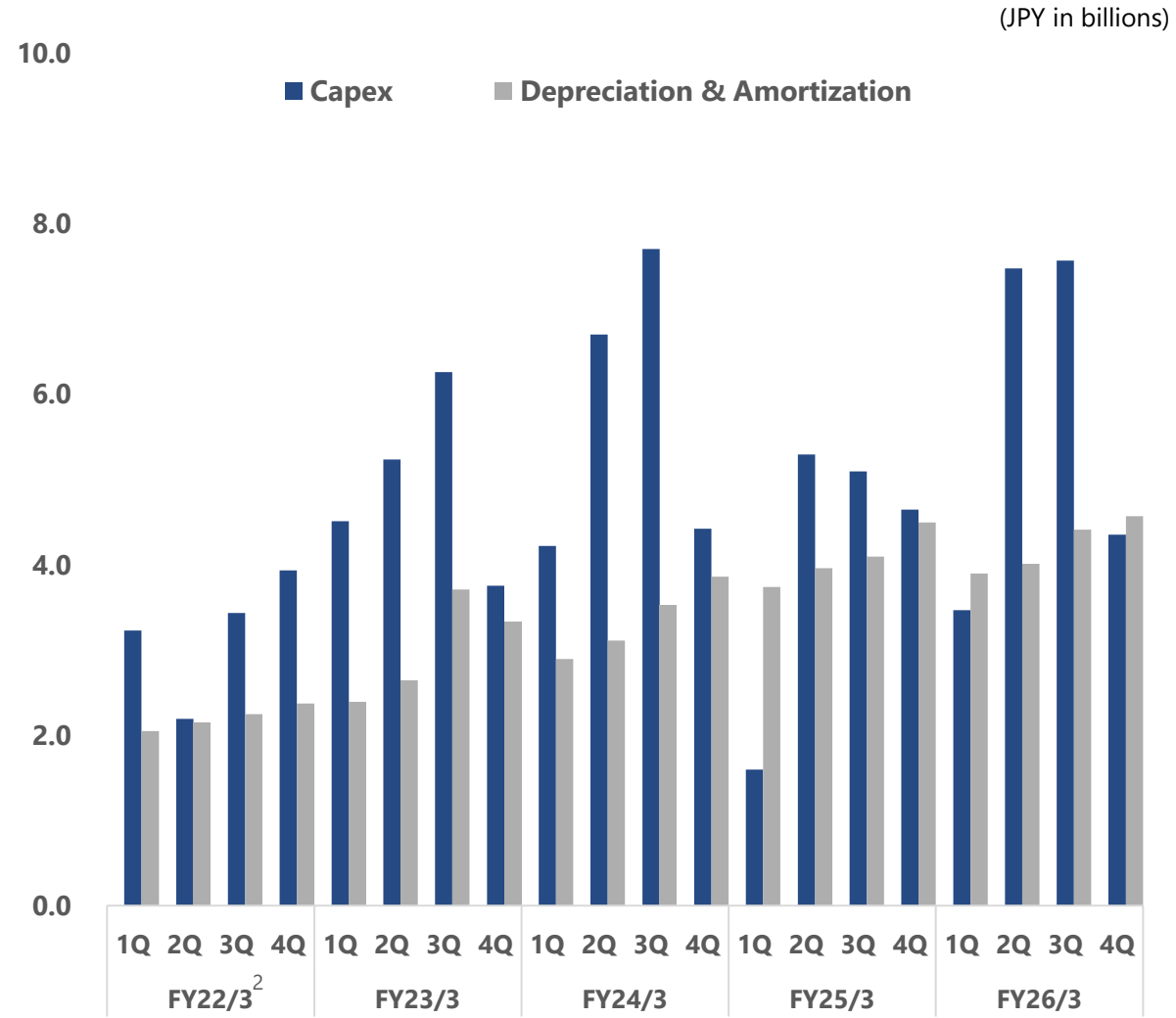


1. Cash on-hand and in banks includes short term investment security.
2. Inventories are calculated as the sum of "Finished goods" and "Work in process."
3. Regular inventory turnover months = Ratio of "Ordinary inventories balance" and "Cost of Sales average of forecast for next 3 months"

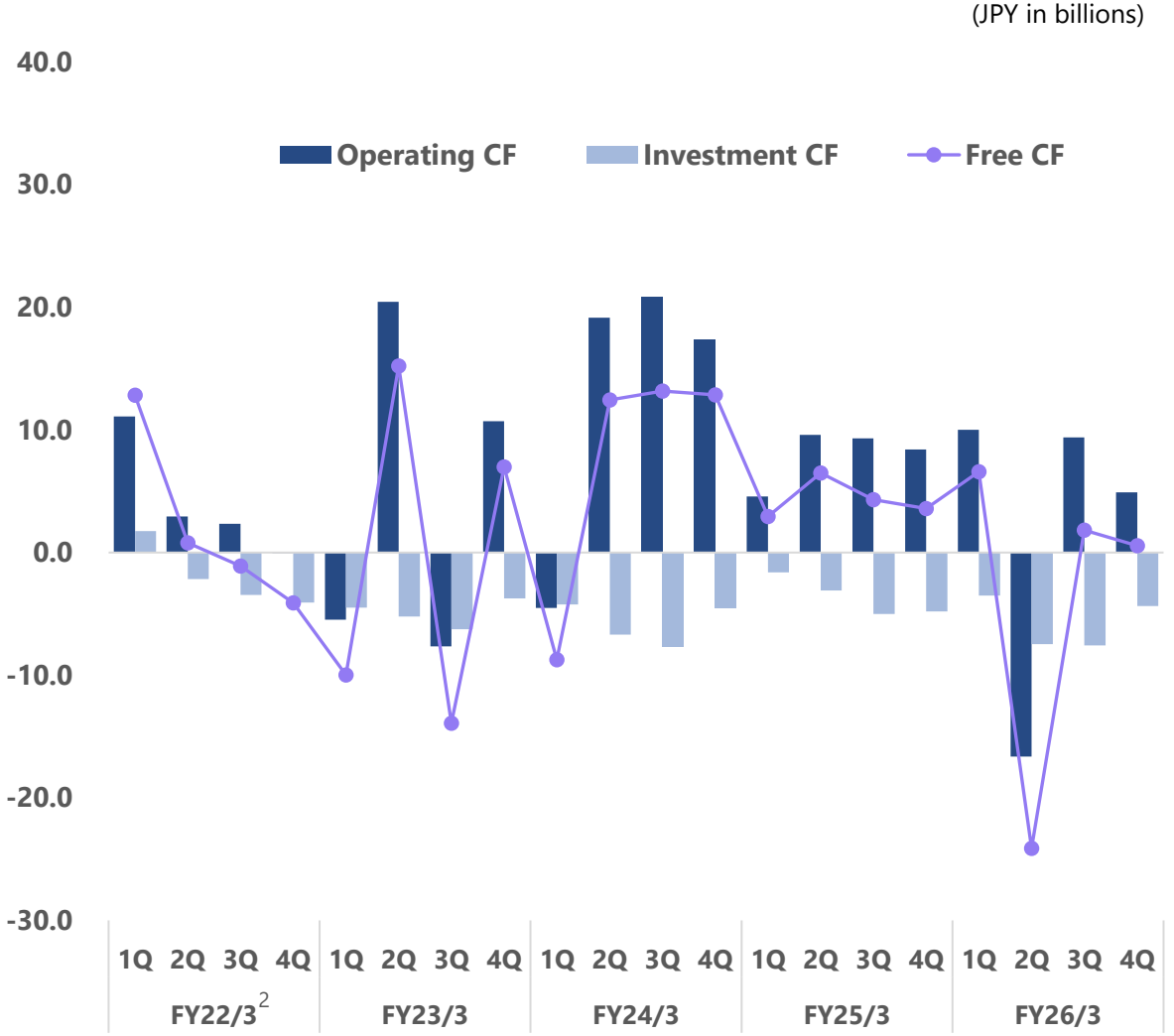
* From FY2025/3, the sum of "Customer reserved inventory" and "Regular inventory" is disclosed as "Inventories."

Capex, Depreciation & Amortization, Cash Flow

Capex[1], Depreciation & Amortization



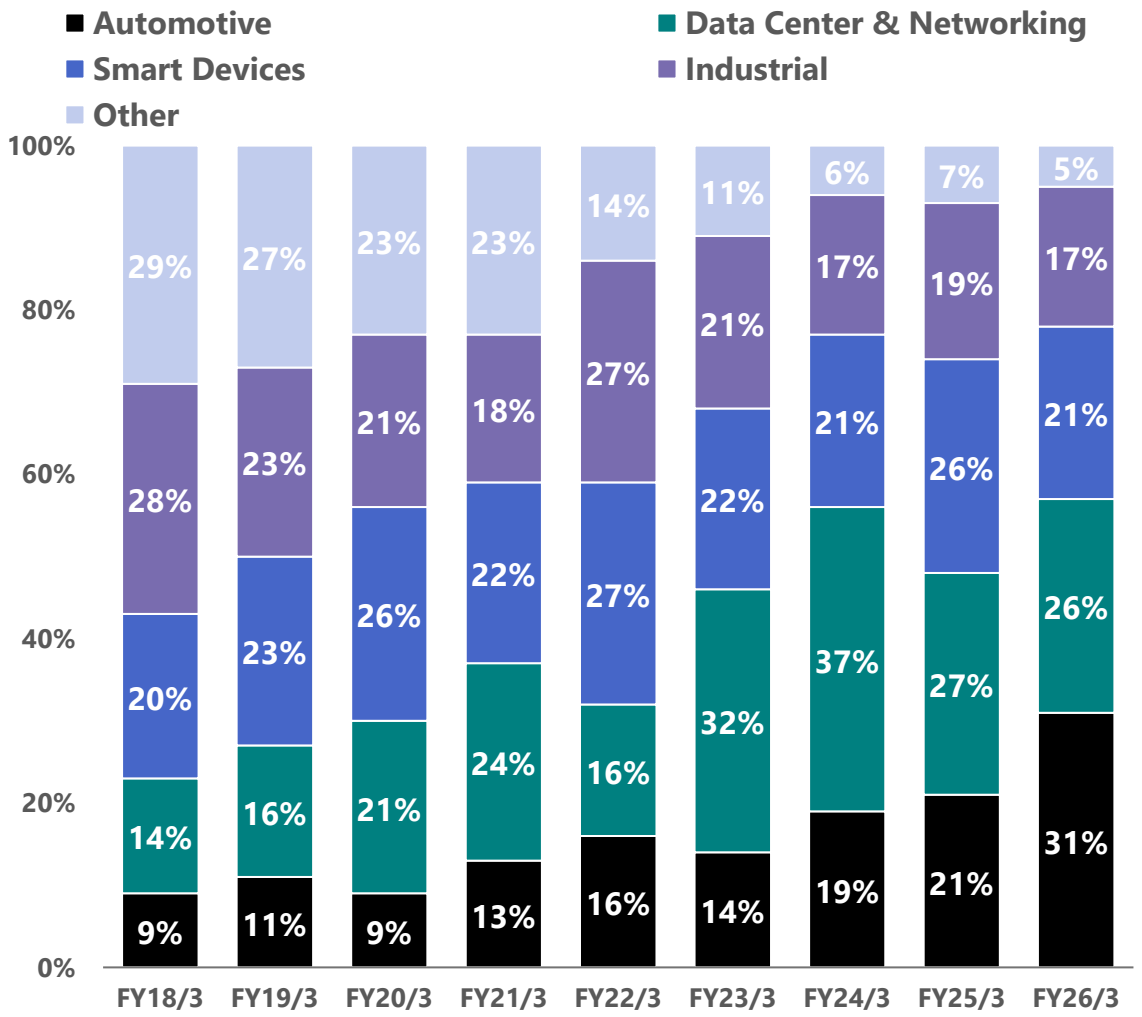
Cash Flow



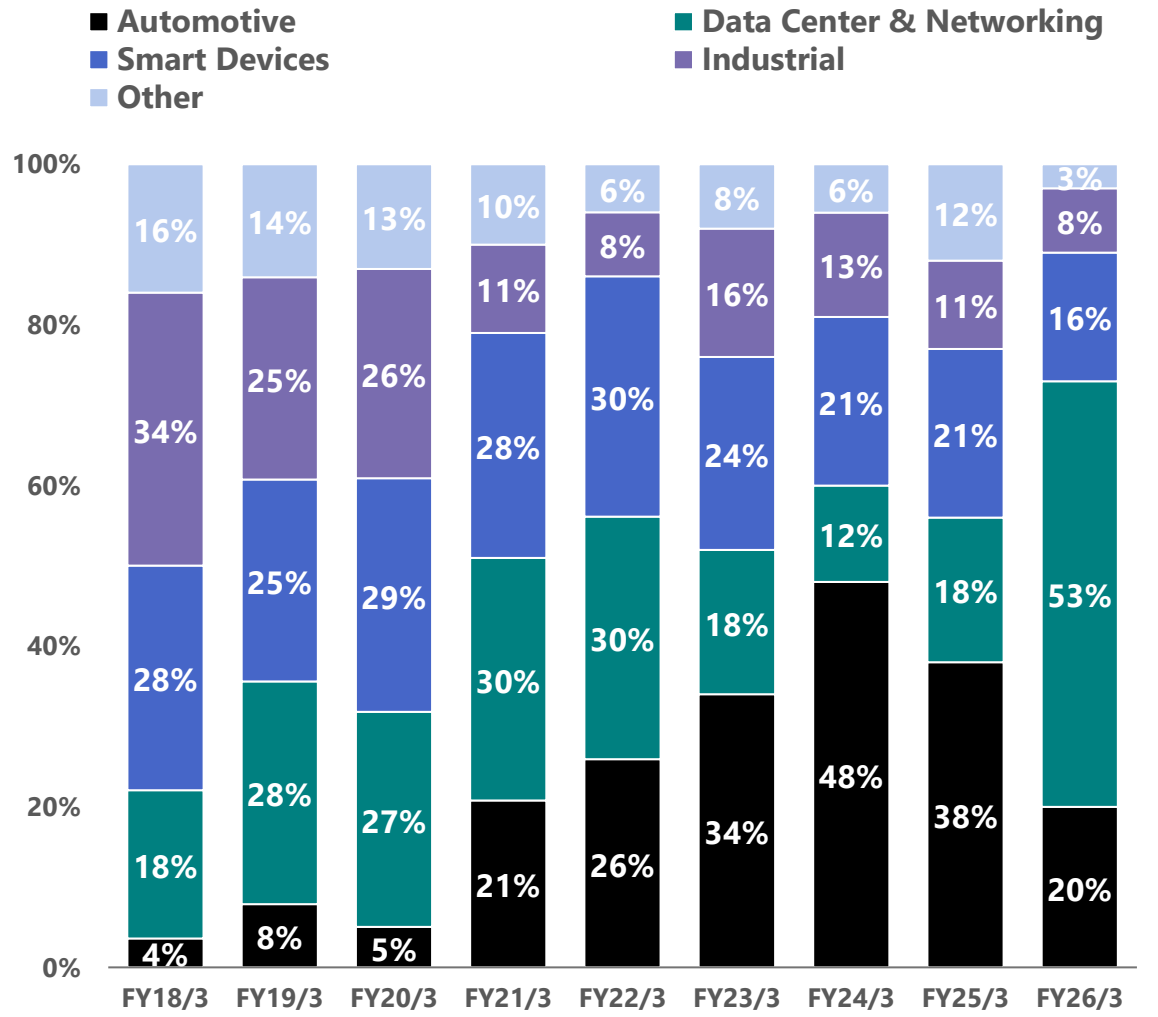
1. Capex = Payment for PP&E + Payment for intangible assets
2. Quarterly financial results of FY2022/3 are unaudited and unreviewed by external auditors.

Breakdown by Application Market

Net Sales

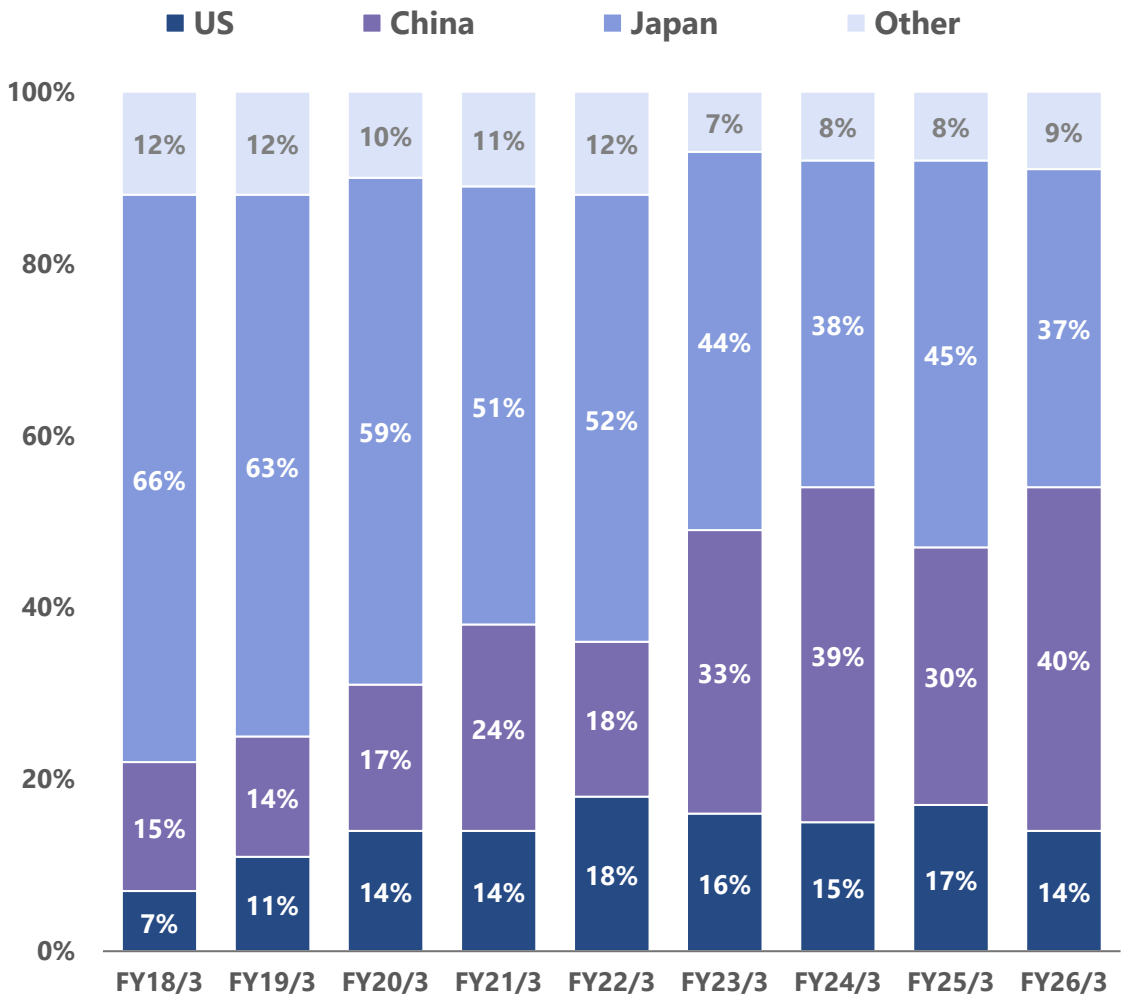


NRE Revenue

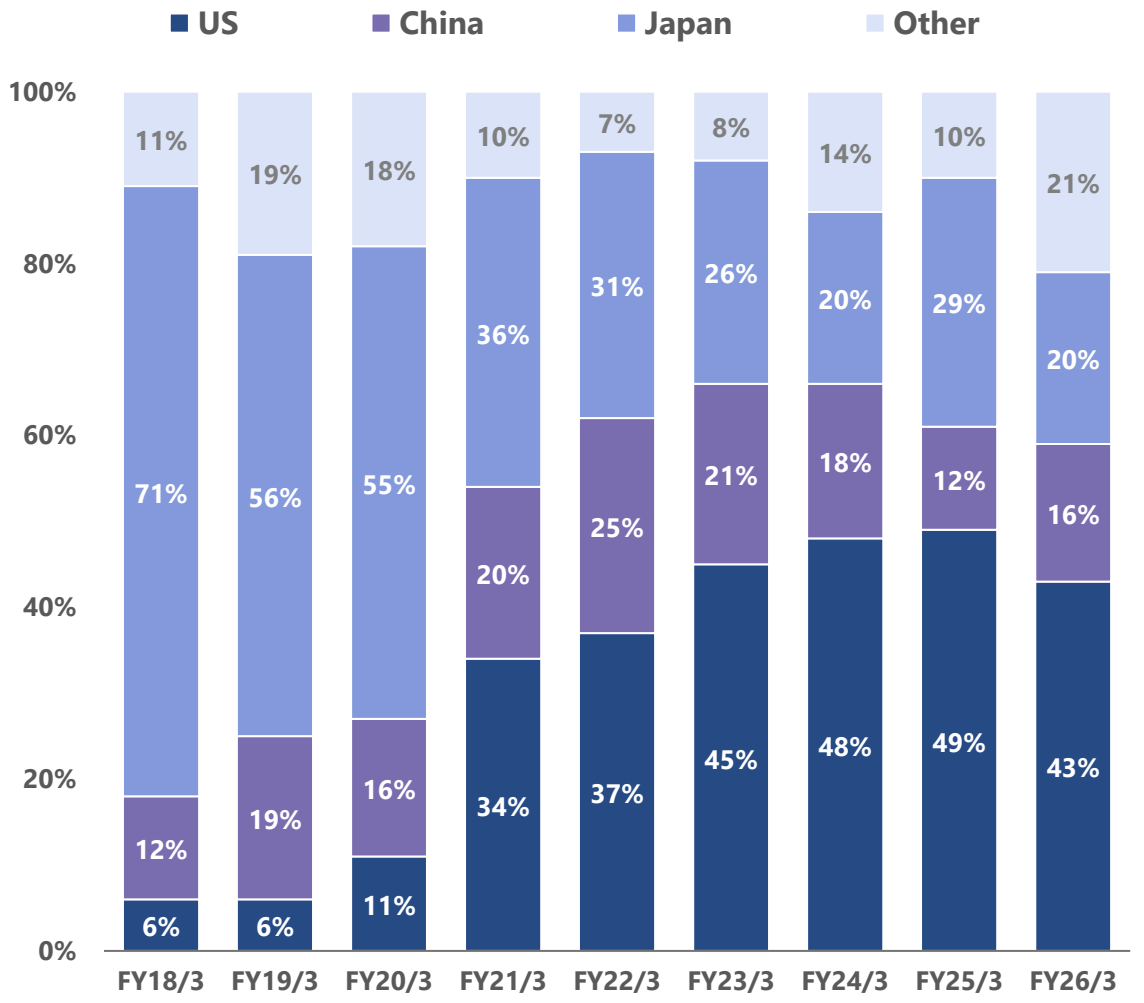


Breakdown by Geographic Region

Net Sales



NRE Revenue



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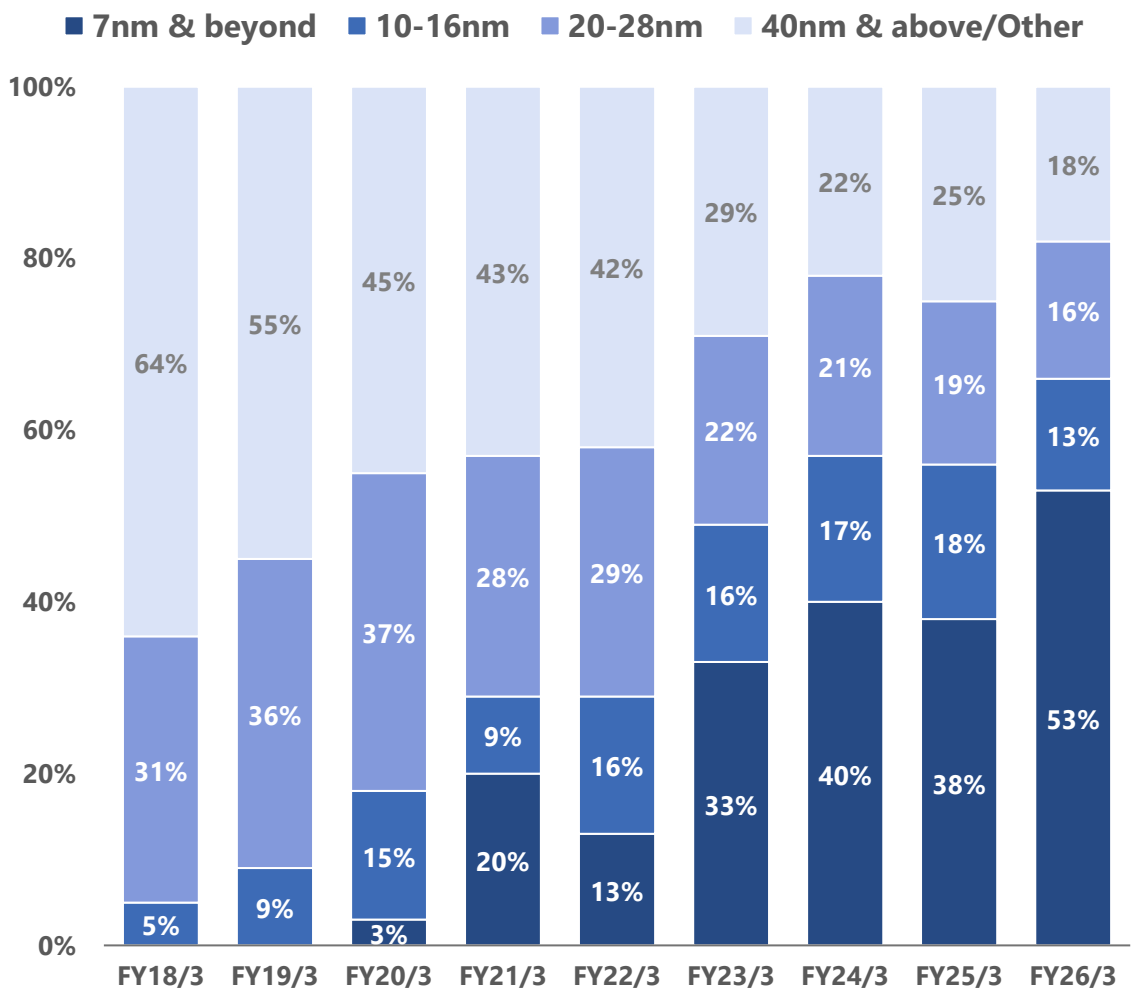
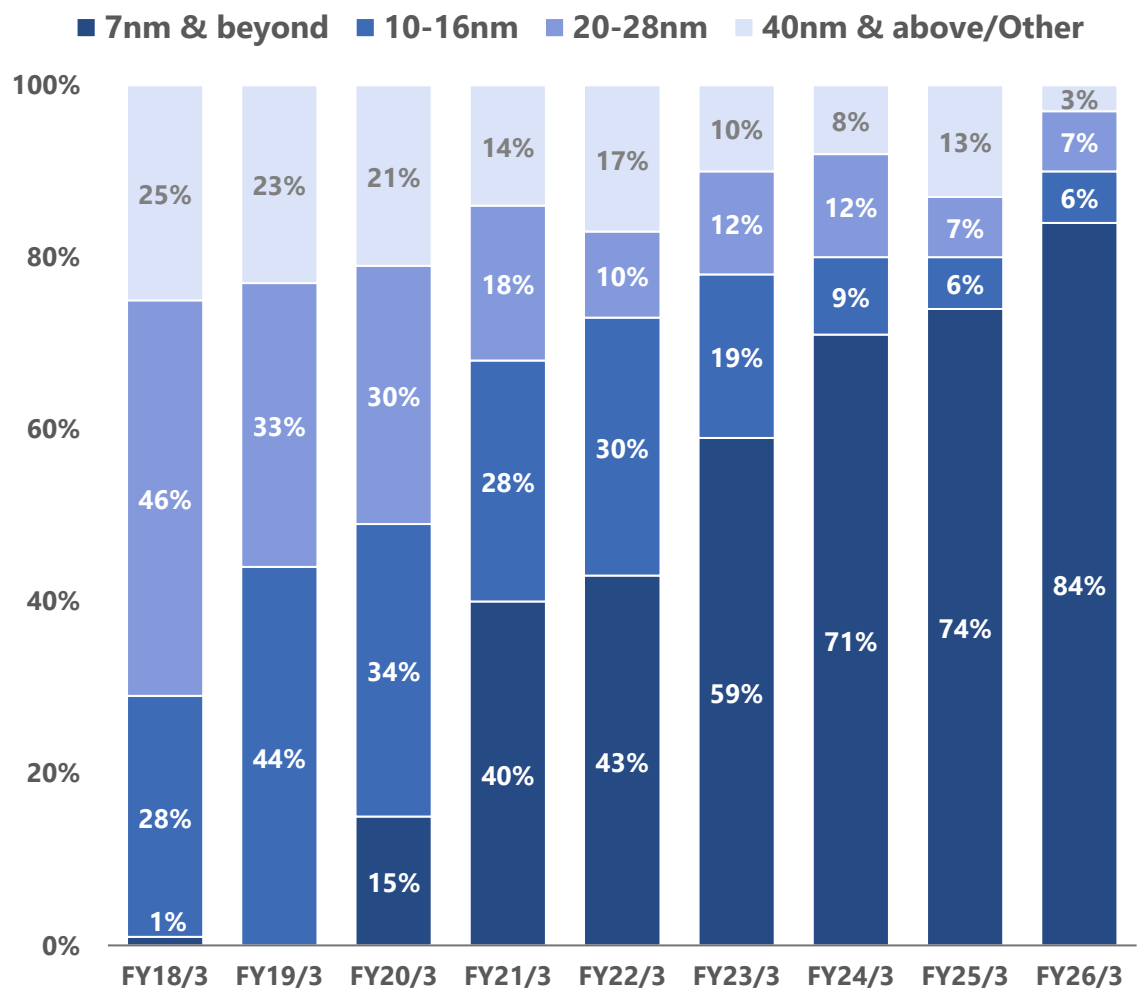
Breakdown by Process Node

Net Sales

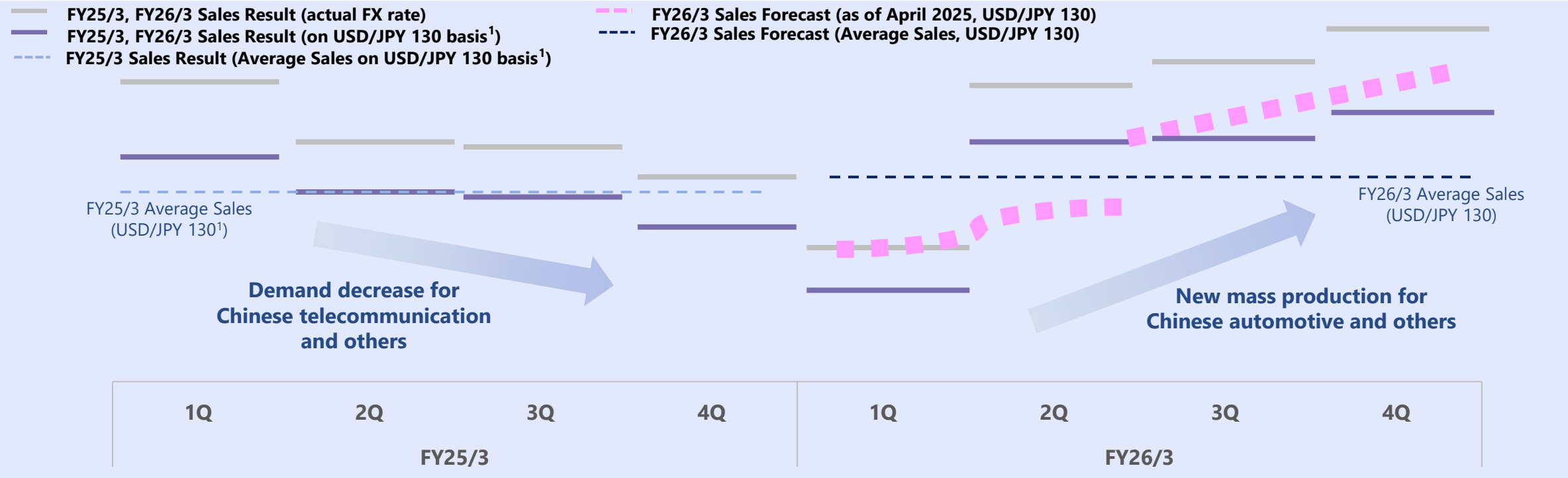


NRE Revenue



Quarterly Net Sales Trends

From October 2025 presentation (revised)

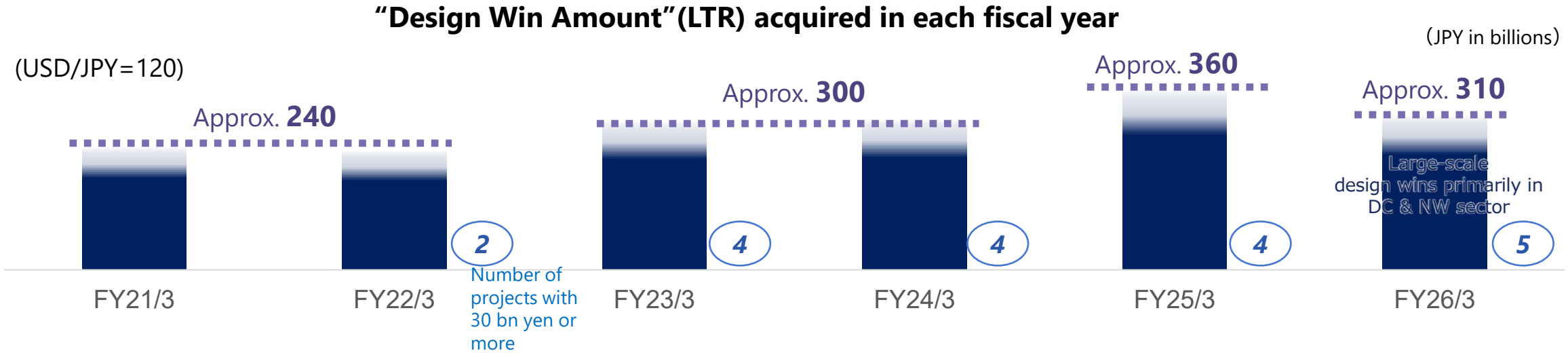


- FY2026/3 1st Half: Although demand for Chinese telecommunication equipment business decreased due to ongoing customer inventory adjustment, net sales exceeded forecast driven by stronger demand for new automotive product, among others
- FY2026/3 2nd Half: Demand for new Chinese automotive product, among other factors, exceeded forecast

1. FY2025/3 figures are based on USD/JPY=130 and are approximate figures provided for comparison across fiscal years.

Design Wins Trends

- FY2026/3 Design Win Amount totaled 310 billion yen with large-scale projects secured primarily in the DC & NW sector, though the amount was lower than in FY2025/3, mainly due to the factors including: high level of design wins in 4Q FY2025/3, FY2026/3 being transitional period between major design wins, and closing of several design wins shifted to 1st half of FY2027/3.



The figures for "Design Win Amount" are not updated to reflect subsequent changes in circumstances after the acquisition of the relevant business opportunities. Such subsequent changes may include: (1) changes in factors such as actual sales, development plan, sales volume, unit price and production capacity, as well as (2) cancellation of project after a design win has been obtained. Projects may be cancelled after design wins have been obtained. The impact of such subsequent changes after the design wins are obtained is reflected in the 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 changes, including those described in (1) and (2) above, is reflected in the "Design Win Balance."
Projects representing approximately 15% of the total Design Win Amount from FY20/3 to FY26/3 were canceled after such projects started.
To date, the impact of these project cancellations has been partially offset by factors such as increases in the higher unit price and increased production volumes for other ongoing projects. As a result, the net impact of these cancellations amounts to a reduction of a few percent relative to the total Design Win Amount.
Please refer to page 3 of this presentation.

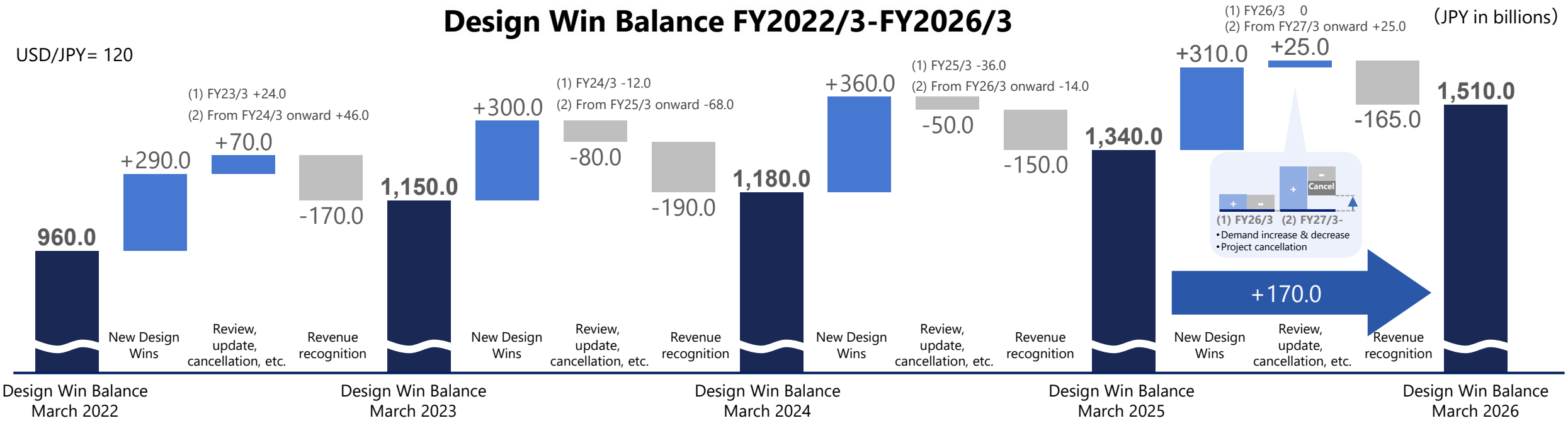
Design Win Balance: Breakdown of Changes

- Design Win Balance totaled 1.51 trillion yen in FY2026/3, up 170 billion yen from FY2025/3, due to an increase in the balance of existing projects, offsetting decrease in Design Win Amounts and cancellations
- Approx. 60% of Design Win Balance at the end of FY2026/3 is expected to be recognized as revenue over the next 4 years, contributing to net sales growth in the coming years

Design Win Balance FY2022/3-FY2026/3

(JPY in billions)

USD/JPY= 120



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Please refer to page 3 of this presentation.

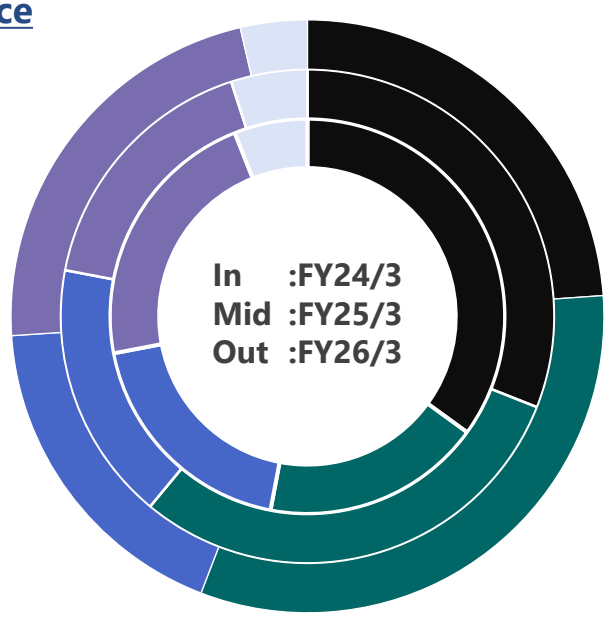
Design Win Balance: by Application Market and Region

- By application market:
  - Share of Data Center & Networking and Industrial increased in FY2026/3, while Automotive and Other declined.
  - Aiming well-balanced portfolio over medium- to long-term, across Automotive, Data Center & Networking, and the rest including industrial.
- By geographic region:
  - Shares of the US and Japan increased slightly in FY2026/3, but maintained well-balanced regional mix across the US, Japan, and other regions including China.

By application

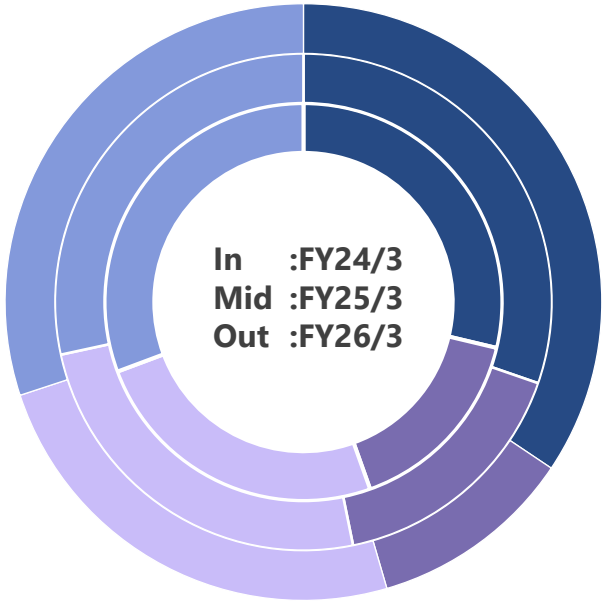
Design Win Balance
FY24/3: 1,180 bn yen
FY25/3: 1,340 bn yen
FY26/3: 1,510 bn yen

- Automotive
- Data Center & Networking
- Smart Devices
- Industrial
- Other



By geographic region [1]

- US
- China
- EU and Asia (excluding China and Japan)
- Japan



1. "Geographic region" on this page is based on the location of Socionext's regional company in charge of the business.

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Consolidated Financial Results for the Fiscal Year Ended March 31, 2026

- Consolidated Financial Results FY2026/3
- Consolidated Earnings Forecast FY2027/3

Toward Further Growth

Consolidated Earnings Forecast FY2027/3

(JPY in billions)	FY2026/3 Full Year Results	FY2027/3 Full Year Forecast as of April 2026	YoY	YoY %	(Reference) FY2027/3 forecast figures calculated using actual FX rate in FY2026/3 and FX sensitivity indicated in the footnote
Net Sales	**200.8**	**215.0**	+14.2	+7.1%	235.8
Operating Income	**12.4**	**14.0**	+1.6	13.3%	19.2
Margin	**6.2%**	**6.5%**	+0.4pt		8.1%
Net Income	**8.7**	**10.0**	+1.3	+14.5%	
Margin	**4.3%**	**4.7%**	+0.3pt		
Basic Earnings per Share[1]	**49.74 yen**	**57.05 yen**			
Dividend per Share	**50.00 yen**	**50.00 yen**			
FX Rate (USD/JPY)	**150.8 yen**	**130.0 yen**			150.8 yen

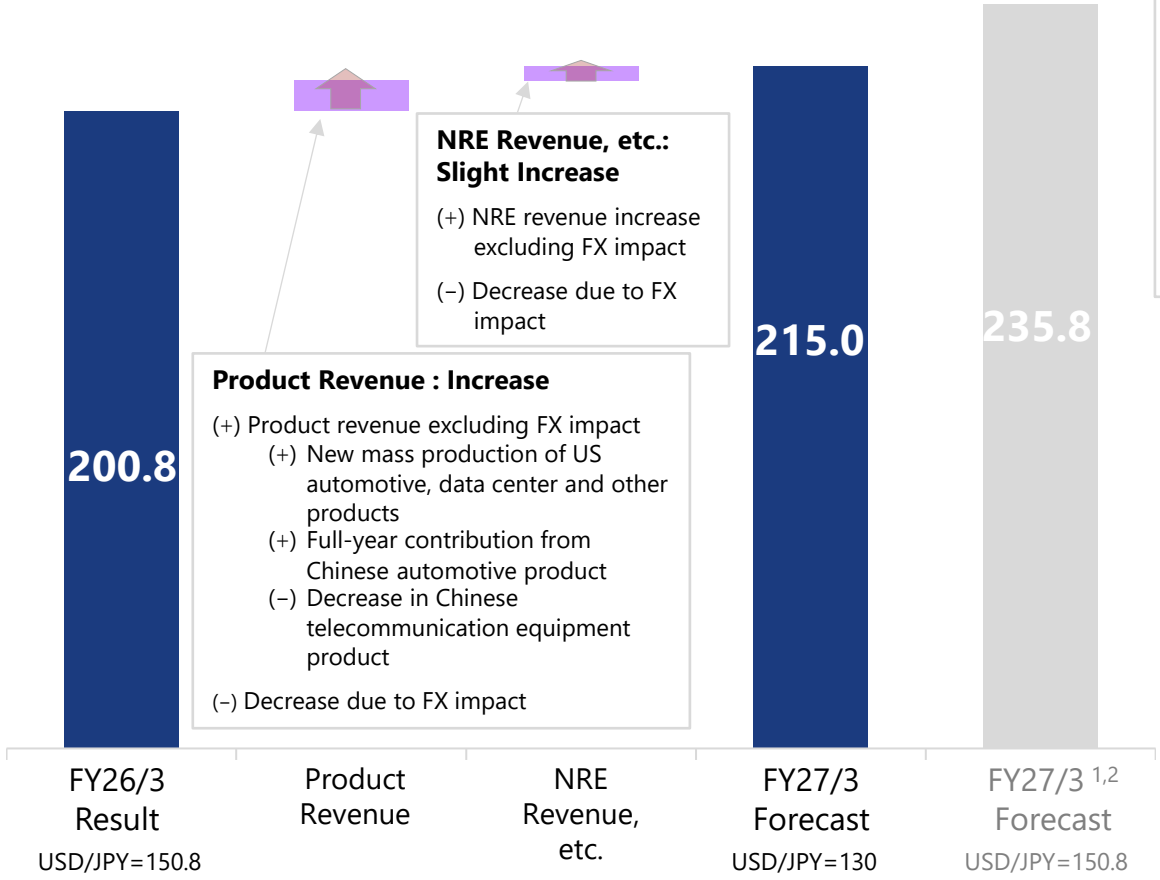
- The FX sensitivity for the forecast for FY2027/3 as of April 2026 is assumed to be approximately 1 billion yen for net sales, and approximately 250 million yen for operating income, for every 1-yen change against the US dollar. The impact of other currencies is assumed to be negligible. However, the sensitivity fluctuates quarterly due to volatility in the volume of US dollar-denominated net sales, purchases, inventory, and the timing of R&D expenses.

1. Actual net income per share for FY2026/3 was calculated based on 175,560,577 shares and the forecast of net income per share for FY2027/3 as of April 2026 was calculated based on 175,279,761 shares.

Consolidated Earnings Forecast FY2027/3 (vs. FY2026/3 Results)

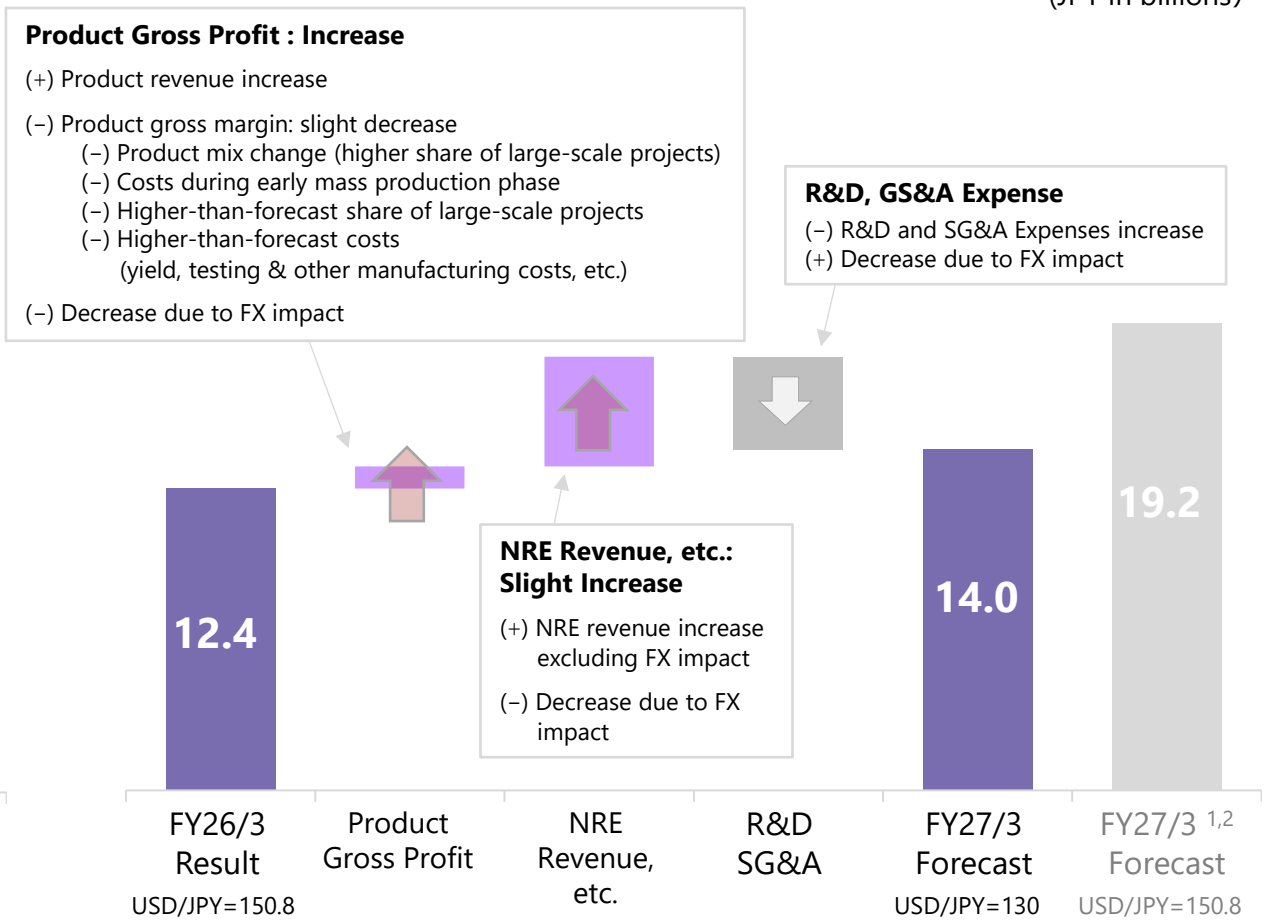
Net Sales

(JPY in billions)



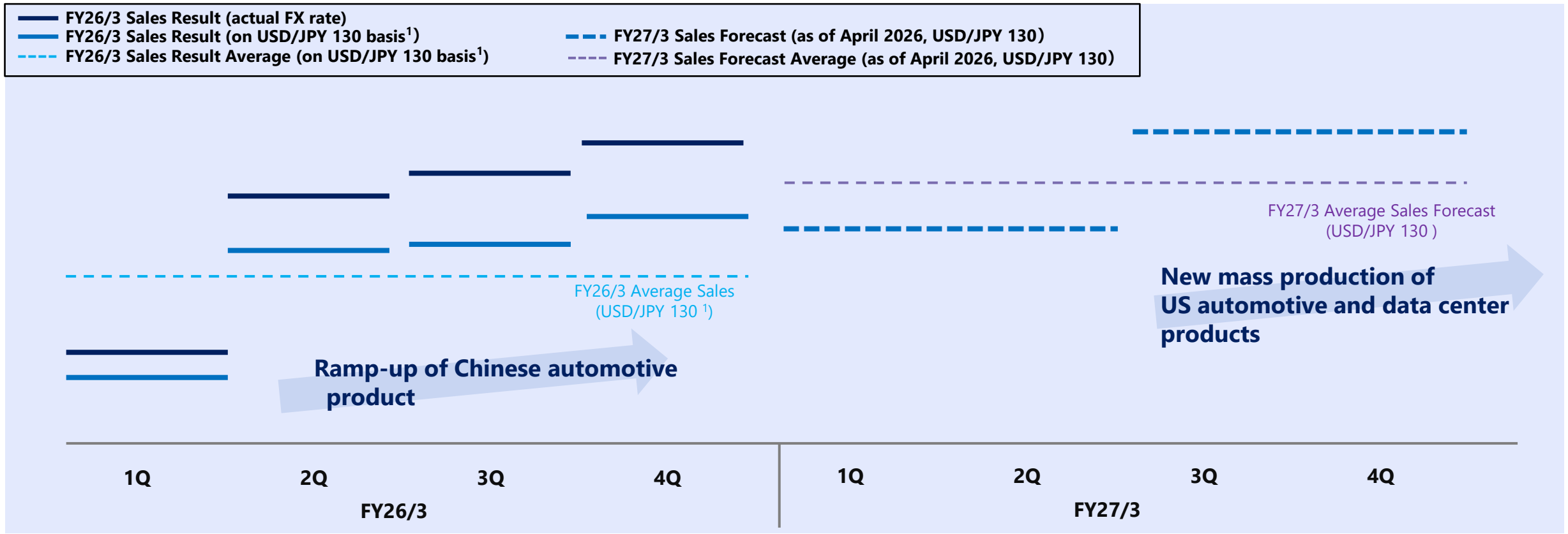
Operating Income

(JPY in billions)



1. Calculated using FX rate of previous year (FY2026/3) and FX rate sensitivity below.
2. The FX sensitivity for the FY2027/3 forecast as of April 2026 is assumed to be approximately 1 billion yen for net sales, and approximately 250 million yen for operating income, for every 1-yen change against the US dollar. The impact of other currencies is assumed to be negligible.

Net Sales Trends

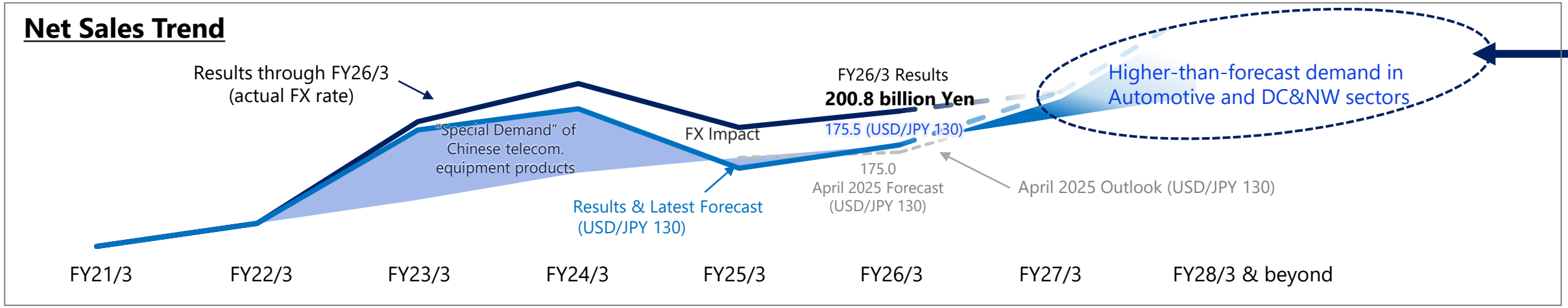


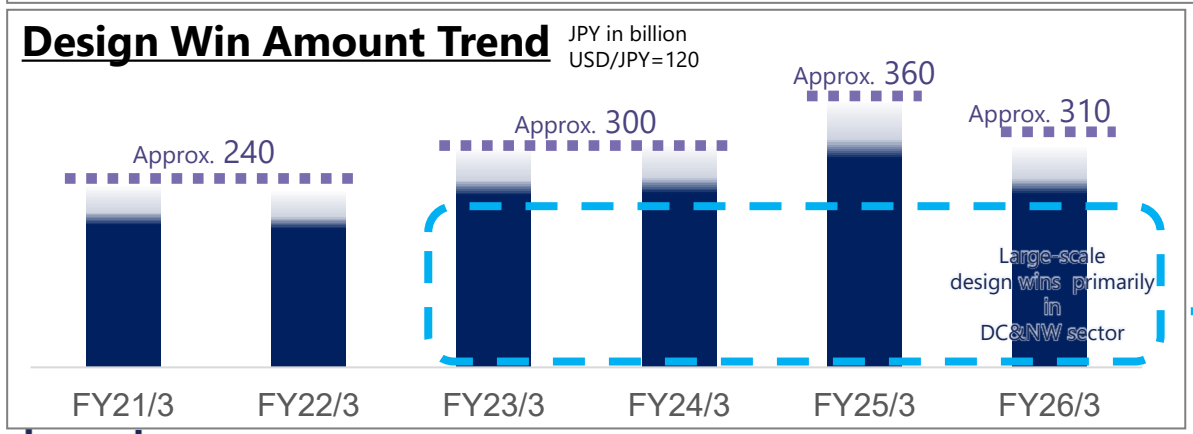
- FY2027/3 1st Half: Strong demand for Chinese automotive products (mass production started in FY2026/3) to continue
- FY2027/3 2nd Half: Revenue growth expected driven by the start of new mass production for US automotive and data center products
- Operating margin: Expected to be low in the first half and start improving in the second half

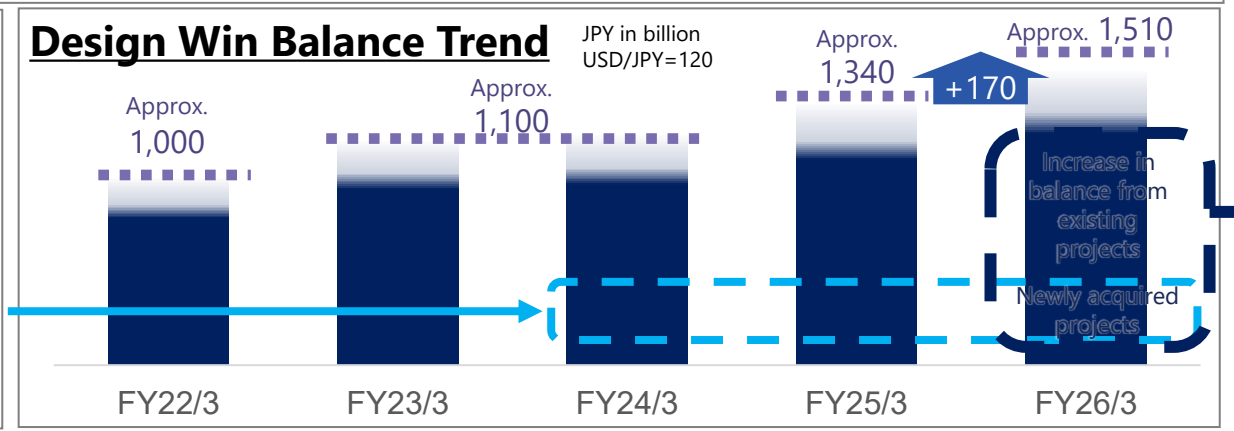
1. FY2026/3 figures are based on USD/JPY=130 and are approximate figures provided for comparison across fiscal years.

Net Sales Trends: Past and Future

- Net sales are expected to return to growth track in 2nd half FY2026/3 and exceed the assumptions made when the Medium-Term Targets were set
- FY2027/3 net sales are also to slightly exceed the Medium-Term Targets assumptions (based on the same FX rate)
- Design Win Balance totaled 1.51 trillion yen in FY2026/3, up 170 billion yen from FY2025/3, due to an increase in the balance of existing projects, offsetting decrease in Design Win Amounts and cancellations







Product Gross Profit and R&D Ratio: Trends and Future Outlook

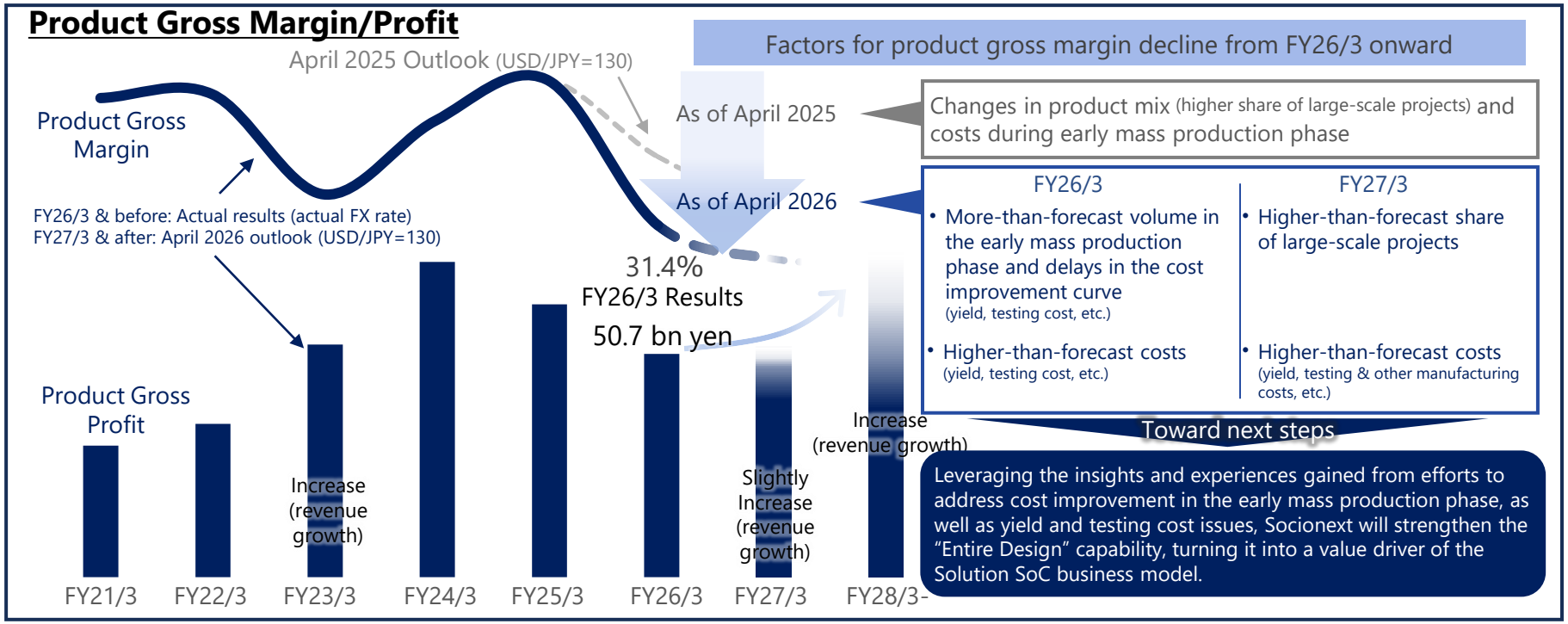
Product Gross Profit Trends and Future Outlook

- FY2026/3 product gross margin decreased by several percentage points compared to April 2025 forecast, due to more-than-forecast volume in the early mass production phase of large-scale project, delays in the cost improvement curve, and higher-than-forecast costs. Although a certain level of decrease in product gross margin was expected at the beginning of the fiscal year due to changes in product mix (higher share of large-scale projects) and costs during early mass production phase, the product gross margin decreased by additional percentage points beyond the initially expected level.
- For FY2027/3, product gross margin is expected to slightly decrease compared to FY2026/3, due to the start of new large-scale advanced product, higher-than-forecast share of large-scale projects and higher-than-forecast costs (yield, testing & other manufacturing costs, etc.)
- While this margin level may continue from FY2028/3 onward, the impact is expected to be offset by revenue growth, with product gross profit reaching the level of the previous outlook.

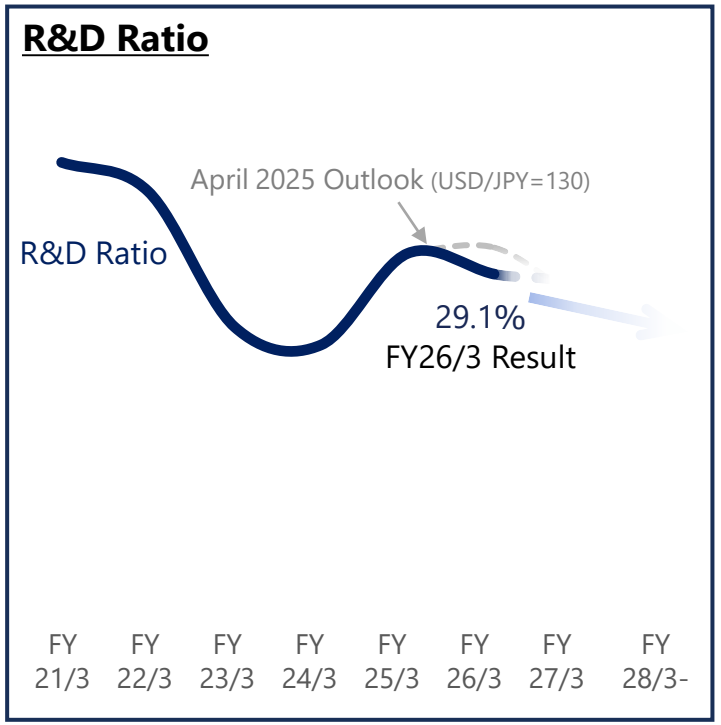
R&D Ratio Trends and Future Outlook

- R&D ratio is expected to continue decreasing due to leverage from net sales increase while the aggressive investment in leading-edge technologies will continue.

Product Gross Margin/Profit

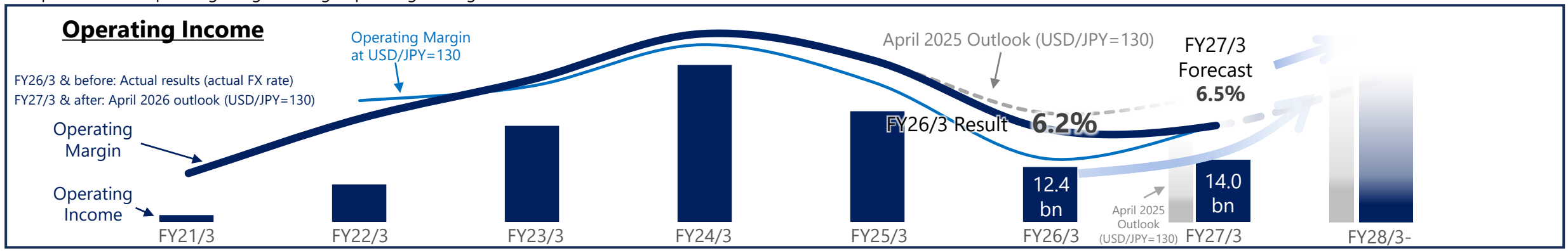


R&D Ratio



Operating Income Trends and Future Outlook

- FY26/3: Due to decline in product gross margin, both operating income and operating margin fell below the assumption as of April 2025.
- FY27/3: Although product gross margin is expected to remain slightly lower than in FY26/3 and aggressive investments in leading-edge technology development will continue, an increase in product gross profit, driven by revenue growth, is expected to offset these factors in part and contribute to higher operating income year on year. However, operating income and operating margin are expected to fall short of the assumption as of April 2025.
- FY28/3 and beyond: Although product gross margin remains lower than the assumptions in Medium-Term Targets, revenue growth is expected to offset this, leading to higher operating income and improvement in operating margin through operating leverage.



	-FY23/3	FY24/3	FY25/3	FY26/3	FY27/3	FY28/3-
Product Gross Margin	■ (-) Changes in product mix	■ (+) Indirect FX impact on procurement	■ (+) Changes in product mix ■ (+) Indirect FX impact on procurement	■ (-) Changes in product mix and (-) costs during early mass production phase ■ (-) More-than-forecast volume in the early mass production phase and (-)delays in the cost improvement curve ■ (-) Higher-than-forecast costs	■ (+/-) Changes in product mix and (-) costs during early mass production phase ■ (-) Higher-than-forecast share of large-scale projects ■ (-) Higher-than-forecast costs	■ (+/-) Changes in product mix ■ (+) Cost improvement with production ramp up (-) Mass production start of new products
(Amount)	Gross profit increased due to revenue growth			Gross profit decreased due to lower product gross margin	Gross profit to increase slightly Limited offset by revenue growth	Gross profit to Increase Revenue growth to mostly offset margin decline
R&D Ratio	■ (+) R&D ratio improved due to increase in net sales		■ (-) R&D expense increased due to advance development and R&D team structure improvement	■ (-) R&D expense to increase due to advance investment in technology development ■ (+) R&D ratio to improve due to increase in net sales	■ (-) R&D expense to increase due to advance investment in technology development ■ (+) R&D ratio to improve due to increase in net sales	■ (-) R&D expense to increase due to advance investment in technology development ■ (+) R&D ratio to improve due to increase in net sales
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 improve due to increase in net sales	■ (+) SG&A ratio to improve due to increase in net sales ■ (-) Proactive IT investment	■ (+) SG&A ratio to improve due to increase in net sales ■ (-) Proactive IT investment
FX rate (USD/JPY)	**135.5**	**144.6**	**152.6**	**150.8**	**130.0**	**130.0**

Profit decrease
Profit increase

Medium-Term Targets: Progress Update

Progress update added to April 2025 presentation

Medium-Term Targets (as of April 2025)

	FY25/3 Results	FY26/3 Results (Updated)	Medium-Term Targets[2]
Net Sales (JPY in billions)	188.5(170.0[1]) USD/JPY=152.6 (130)	200.8 (175.5[1]) USD/JPY=150.8 (130)	CAGR Mid-teen %
Operating Margin (Operating Income)	13.3% (25.0 billion yen) USD/JPY=152.6	6.2% (12.4 billion yen) USD/JPY=150.8	Mid-to-high-teen%

Progress Update

Growth expected to exceed the assumptions made when the targets were set

Although product gross margin remains below the assumptions, revenue growth is expected to offset this, leading to higher operating income and improvement in operating margin through operating leverage.

1. Based on USD/JPY=130 and are approximate figures provided for comparison to Medium-Term Targets
2. Growth targets on a real basis, excluding FX impact (Based on USD/JPY=130)

Reference

Medium-Term Financial Targets (Announced September 2022)

	FY21/3	FY22/3	Medium-Term Targets
Net Sales (JPY in billions)	99.7	117.0	CAGR High-teen%
Operating Margin	1.6%	7.2%	Low-to-Mid-teen%

Results

	FY21/3	FY22/3	FY23/3	FY24/3	FY25/3	FY26/3 (Added)
Net Sales (JPY in billions)	99.7	117.0	192.8	221.2	188.5	200.8
FX rate (USD/JPY)	106.1	112.4	135.5	144.6	152.6	150.8
Operating Margin	1.6%	7.2%	11.3%	16.1%	13.3%	6.2%

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Market Trend, Background of FY27/3 Forecast, Outlook for FY28/3 and Beyond

Market Trend & Design Win Status

Automotive

- Innovation in AD/ADAS technologies and services is ongoing, with AI adoption driving structural transformation.
- Demand for Solution SoC business model is growing to optimize power consumption to achieve high functionality.
- Opportunities are expanding across service-oriented companies, new-school OEMs, and mainstream OEMs.

Data Center & Networking

- Demand for SoCs from Data Center & Networking sector continues to expand, driven by generative AI and the rising needs for agentic AI.
- There are increasing needs to integrate diverse IPs and processors (CPU/xPU) across domains.
- Demand for Solution SoC business model is growing to optimize power consumption to achieve high functionality.
- There are increasing needs for leading-edge technologies such as 2nm/1.4nm, chiplets, 3D/5.5D packaging, and co-packaged optics.

Industrial/Smart Devices (Physical AI)

- Expanding use of AI and networking is driving demand for Solution SoC business model and the use of leading-edge technologies in industrial applications.
- Physical AI requires integration of various IP and xPU and represents long-term growth opportunities.

Design Wins Trend:

Demand for custom SoCs is expanding with the emergence of new services and applications including AI, the increasing complexity of SoC designs, and the evolution of the SoC ecosystem.

- Socionext aims to secure large-scale projects in these focus areas and achieve a level of design wins that will support sustainable, medium- to long-term growth.

FY27/3 Forecast

Net sales are to be slightly higher than the assumptions in the Medium-Term Targets. Although product gross margin remains slightly lower than in FY26/3 and aggressive investments in leading-edge technology development will continue, an increase in product gross profit, driven by revenue growth, is expected to offset these factors in part and contribute to higher operating income year on year.

Product Revenue

- Chinese automotive product, for which mass production started in 2Q FY26/3, contributes to full-year revenue.
- New mass production of US automotive, data center and other products is expected to start.

NRE Revenue

- NRE revenue is expected to increase due to revenue recognition aligned with the development progress of existing projects and efforts to secure new design wins in focus areas.

Operating Income

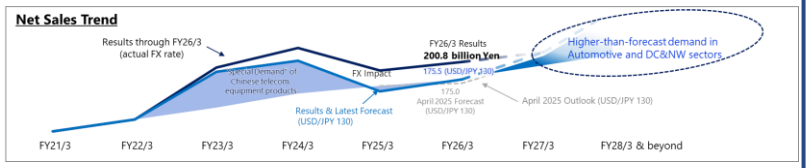
- Product gross margin expected to slightly decline compared with FY26/3 due to:
  - Changes in product mix (higher share of large-scale projects) and costs during early mass production phase
  - Higher-than-forecast share of large-scale projects
  - Higher than-forecast costs (yield, testing & other manufacturing costs, etc.)
- R&D ratio is expected to decrease due to leverage from net sales increase while the aggressive investment will continue.
- SG&A ratio expected to decrease due to leverage from net sales increase.
- Operating margin expected to increase year on year, with product revenue growth offsetting impacts from lower product gross margin in part.

FX assumptions

- FX rate: USD/JPY=130.0
- FX sensitivity: approximately 1 billion yen for net sales and approximately 250 million yen for operating income, for every 1-yen change against the US dollar

Outlook for FY28/3 and beyond

Net sales are expected to exceed the assumptions in the Medium-Term Targets.
Although product gross margin remains lower than the assumptions, revenue growth is expected to offset this, leading to higher operating income and improvement in operating margin through operating leverage.



Product Revenue

- Growth is expected to continue, supported by contributions from multiple large-scale projects, including those for automotive and data center.

NRE Revenue

- Gradual increase is expected to continue.

Operating Income

- Although product gross margin remains lower than the assumptions, revenue growth is expected to offset this, leading to higher operating income, and improvement in operating margin through operating leverage.

- **Continue aggressive investments in leading-edge technologies for further growth**
- **Accelerate growth-oriented management**

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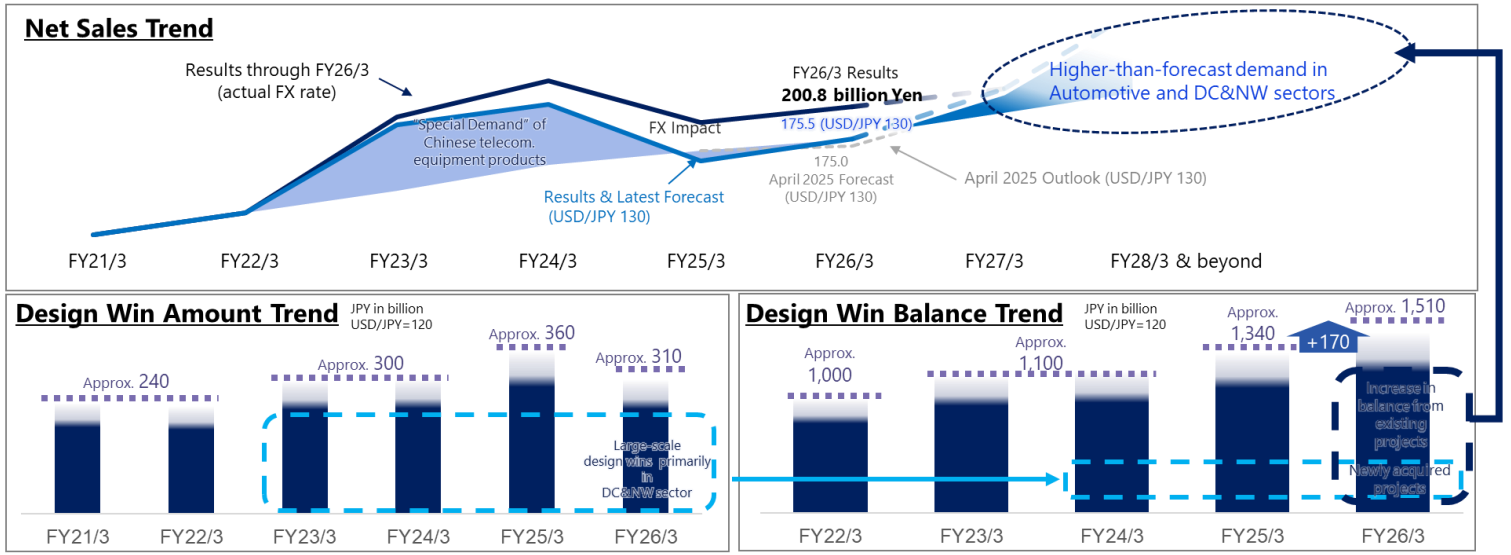
Consolidated Financial Results for the Fiscal Year Ended March 31, 2026

- Consolidated Financial Results FY2026/3
- Consolidated Earnings Forecast FY2027/3

Toward Further Growth

Growth Scenario to Date and Going Forward

- Building on Design Win Balance, acquired through the "First Transformation (shift in business model and focus areas)," we aim to achieve continued revenue growth (expecting to exceed the previous assumptions) and expansion of both product gross margin and operating margin.
- Through the track records in large-scale, leading-edge development projects, our development structure and technological capabilities continue to be further strengthened. Going forward, we will further promote the "Second Transformation" to reinforce the development structure, invest in advanced technologies, strengthen and globalize the management, expand design wins — all leading to the further growth and development of the company.



Strategy for further growth (Second Transformation)

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

Engage in "Second Transformation," following "First Transformation" (business model and focus area) that led to "First Growth"

Continued net sales growth

and

Expansion of gross profit and operating income
Improvement of operating margin

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

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.

Evolution of SoC ecosystem

- While vertical integration advances, ecosystem openness is also progressing, with more functional IPs and chiplet options becoming available.
- Processor diversity (xPU) — not just CPU cores, but GPUs, NPUs, and specialized processors for AI processing.
- In addition, the availability of IP subsystems and open-source software (OSS) increases with processor diversity.

Into era of 3D/5.5D and chiplets

- Rapid progress from full-custom SoCs to “de-integration” toward chiplets (processor chiplet, memory chiplet, IO chiplet etc.), high-density packaging, and next-generation process nodes (2nm/1.4nm).
- As design complexity increases, new challenges emerge, not only in yield, verification, evaluation, analysis, and DFT, but also in physical limitations such as reticle size, power/thermal density, and electrical signal speed.

Design becoming more complex = Entire Design

- "Entire Design" approach—integrating architecture, thermal management, and testing—is essential to maximize system-wide PPA efficiency, for advanced sectors like data centers and automotive.
- The complexity of new technologies like chiplets and CPO (Co-packaged optics) makes the 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 to new technologies and increasingly complex custom silicon solutions.

New need for Solution SoC business model in various application markets (Expand from cloud to physical AI)

- Customers are adopting the optimized and advanced Solution SoC model to integrate the complex IPs and processors needed for advanced, next-generation features
- Demand for custom (bespoke) SoCs will grow as AI advances expand from the Cloud to new areas (Physical AI) such as automotive and robotics

For Future Growth : Aggressive Advance Investment

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/1.8nm/1.4nm) continue to evolve
- **Evolution of SoC ecosystem**
  Chiplet makes SoC design and development more efficient, but also more complex

Design process efficiency and design quality

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 for new products and services in fields including optical data transmission, high-performance computing, etc.
(Strengthening relationship with partners and innovative customers)

- Leading-edge high-speed interface (SerDes, PCIe, UCIe, etc.)
- CPO(Co-Packaged Optics)

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

Based on our experience with advanced process nodes, promoting development and testing for 2nm, 1.8nm and 1.4nm node, in combination with chiplet technologies.

Implementing advanced packaging technologies: New die-to-die connection

- Advanced wafer-scale packaging technology for next generation
- 3D/5.5D technologies
- 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

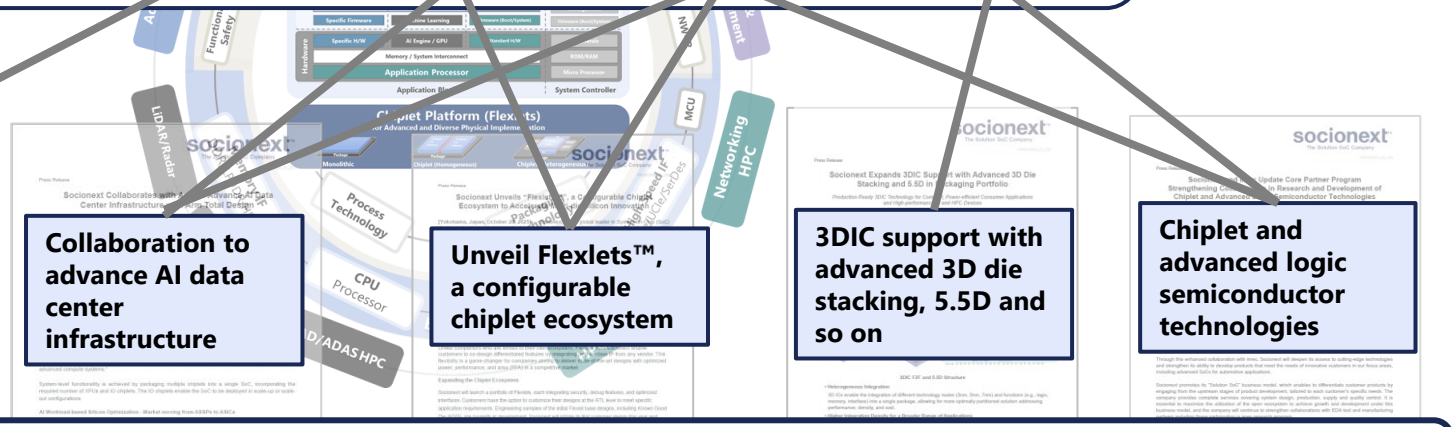
For Future Growth :
Strengthening design and development capabilities through development track-record

Smart Devices (Edge Devices) | Physical AI | Industrial

Track record in large scale & advanced technology development
(Strengthening design and development capabilities through development track record in multiple fields and products)

Entire Design capability

- Design capability with automotive quality grade
- Advanced process technology
- CPU/CPU subsystem xPU
- Flexlets (Chiplet)
- Advanced packaging and thermal design



Continue to invest aggressively for advanced process node (2nm and beyond)

Collaboration to advance AI data center infrastructure

Unveil Flexlets™, a configurable chiplet ecosystem

3DIC support with advanced 3D die stacking, 5.5D and so on

Chiplet and advanced logic semiconductor technologies

Further strengthen collaboration with global ecosystem players

Continuous reorganizing and strengthening R&D structure

Investment in leading-edge technologies

Strengthen and globalize corporate management

Expanding Business in Each Application Market with Computer Architecture Based Platform

Smart Devices (Edge Devices)

- Demand for new technologies in smart devices area continues to be strong due to expanding use of AI

- We leverage Solution SoC business model and deliver bespoke SoCs required in most innovative markets including DSC
- Business opportunities remain active with advanced customers, in applications including computer vision and AR, taking advantage of our expertise in ISP development and design quality

Automotive

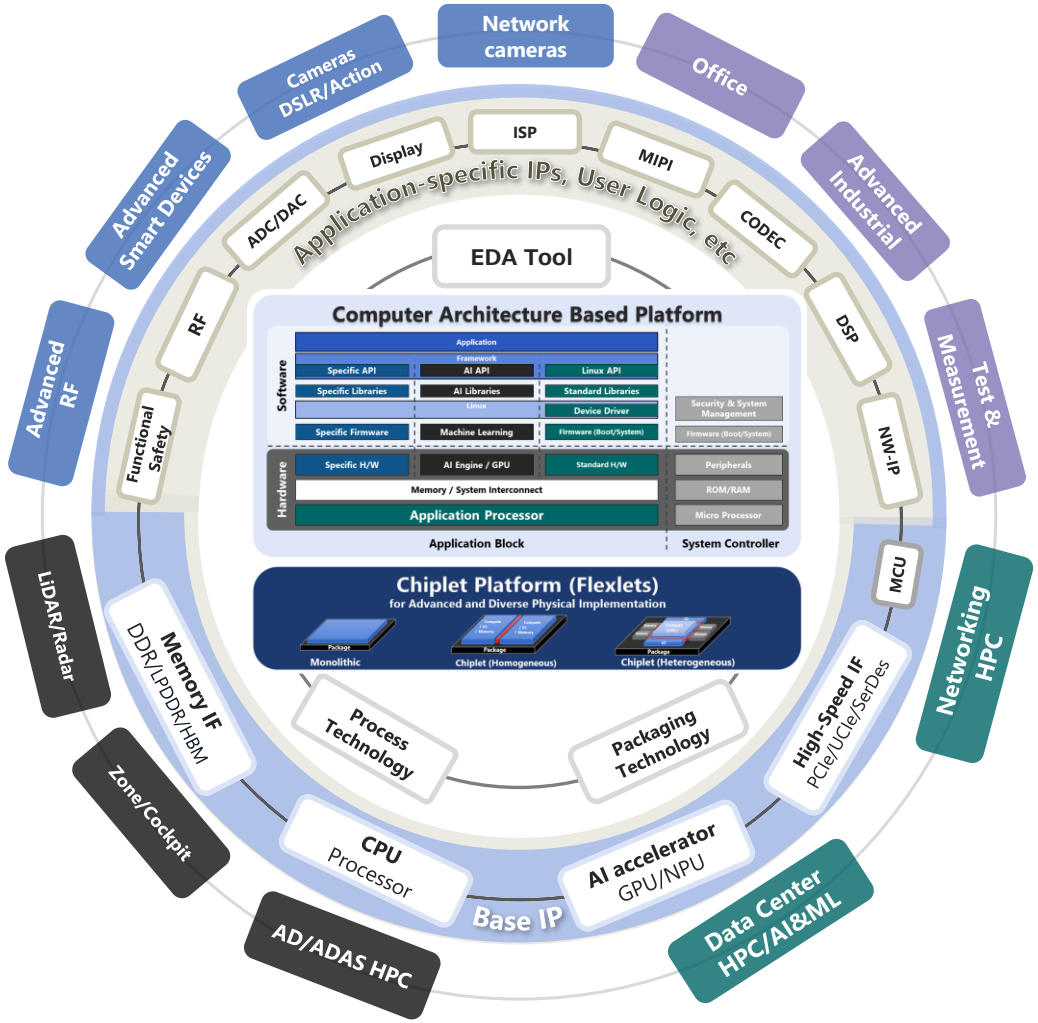
- Innovation continues for ADAS and AD
- This industry is undergoing a profound transformation, with AI playing a pivotal role
- Demand is strong for HPC, as well as for zone computing and sensing
- More business opportunities for next-generation products are expected with service-oriented companies and new OEMs
- Integration of diverse IPs and processors (CPU/xPU) is required

- Solution SoC business model enables low power, low latency, and compliance with stringent safety standards (ASIL-C/ASIL-D)
  = Socionext has established certain presence in the industry leveraging the business model
- Business opportunities remain active with customers for next-generation products, leveraging capabilities such as proposal of architecture, experience in FuSa development, design with automotive grade quality and so on.
- 7nm mass production is currently underway. 5nm mass production is scheduled to start in FY27/3. There are opportunities for new projects of 3nm and beyond
- Investment in leading-edge technologies (chiplet, 3D/5.5D, high-speed SerDes, CPO, 2nm/1.8nm/1.4nm) will continue

Physical AI

Physical AI represents long-term growth opportunities

Aim to expand business by leveraging experience and track record in ADAS development in Automotive field



Industrial

- Demand is expanding for Solution SoC business model with advanced technologies, due to expanding use of AI and networking
- There are moves to strengthen AI and CPU, integrating with application IPs and customers' existing IPs to develop new SoCs
- Business opportunities for large-scale and leading-edge custom SoC are increasing, for applications including FA and measurement equipment

- We deliver bespoke SoCs utilizing various process technologies, with Solution SoC business model, which allows us to take advantage of our Entire Design capabilities, including strong design quality and handling of various IPs (including customer-owned)

Data Center & Networking

- Demand is further expanding for Data Center & Networking and cloud service SoCs, as needs for agentic AI as well as generative AI are growing
- There are two distinct approaches: scale-up and scale-out
- Optical data transmission and reception using high-speed SerDes and CPO technology are required
- Growing number of customers are adopting Solution SoC business model
- Integration of diverse IPs and processors (CPU/xPU) is required

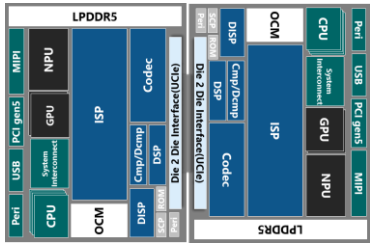
- The sheer scale of data processing and the relentless pursuit of performance and efficiency make this segment a prime target for custom SoC solutions
- As a rare custom SoC vendor with strong CPU/xPU development experience and expertise, we pursue business expansion leveraging Solution SoC business model
- We strengthen our Entire Design capability based on the track record of developing with NAND interface and expertise on leading-edge technologies/process nodes, among others, and capitalize on our strengths in architecture proposal and performance analysis
- Flexible chiplet platform Flexlets was launched; I/O Chiplet development capabilities are further enhanced
- Hyperscaler CPU project is ongoing and we have also acquired design wins for several AI custom SoCs; To expand business in CPU and AI fields by leveraging these business opportunities, we will strengthen our R&D structure and development capabilities in U.S. and globally.
- We are strengthening collaborations with IP providers in leading-edge fields
- We will continue investing in leading-edge technologies (Chiplet, 3D/5.5D, High-speed SerDes, CPO, 2nm/1.8nm/1.4nm)

Advanced SoC Developments on Computer Architecture Basis in Diverse Fields

- 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

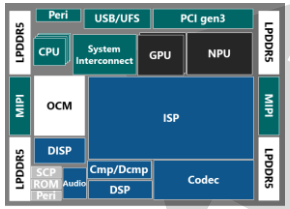
Smart Devices (Edge Devices)

Network Camera



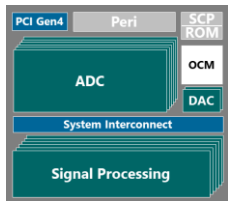
Chiplet / Homogeneous

Camera

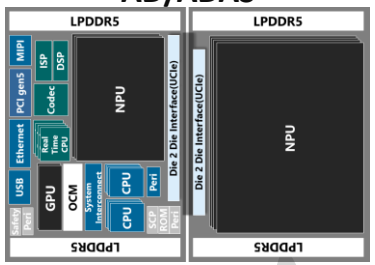


Automotive

LiDAR

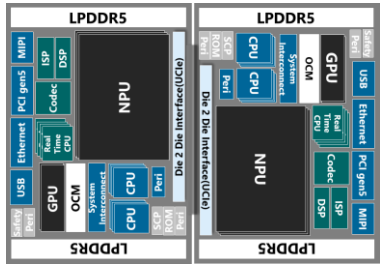


AD/ADAS

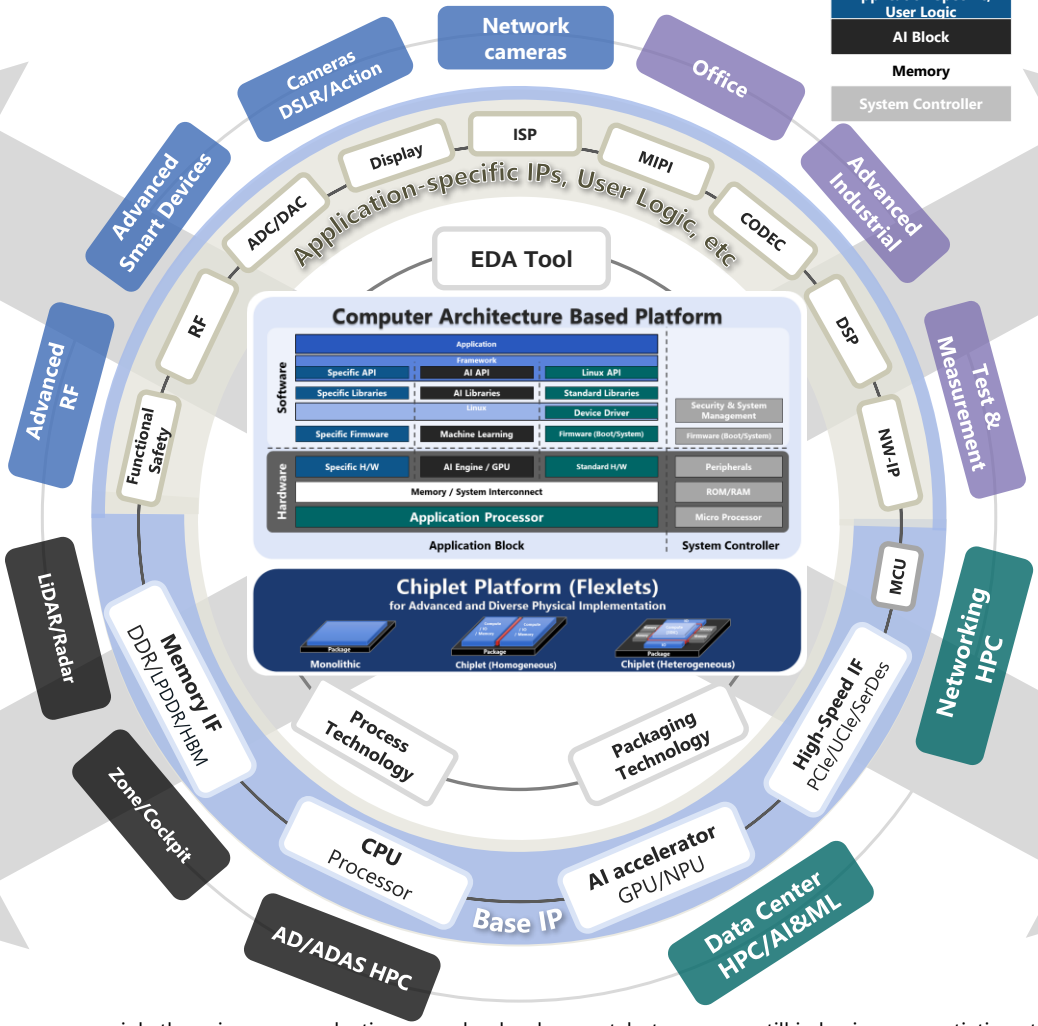


Chiplet / Heterogeneous

AD/ADAS

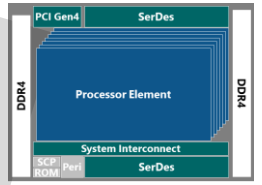


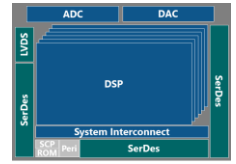
Chiplet / Homogeneous



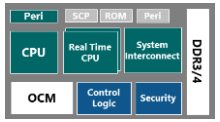
Industrial

Test & Measurement



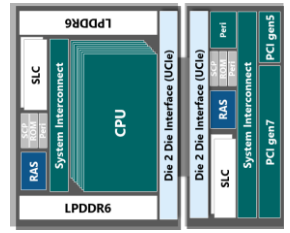


FA



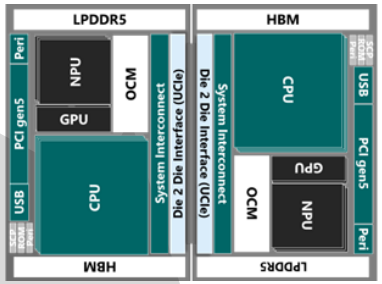
Data Center & Networking

Server Processor



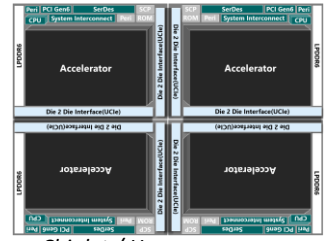
Chiplet / Heterogeneous

Server Processor



Chiplet / Homogeneous

AI Server Processor



Chiplet / Homogeneous

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

Design Wins Expanding in Each Application Market

Smart Devices (Edge Devices)

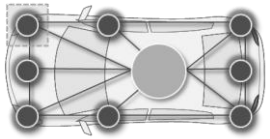
5/7/12nm
DSLR/Action Camera


5/7nm
Network camera
AR

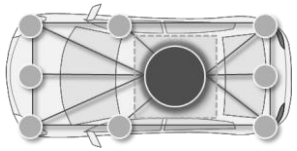

Automotive

16/22nm
LiDAR / Radar / Camera

7/16/22nm
Zone Computing

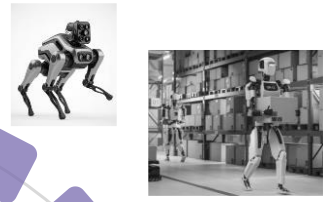


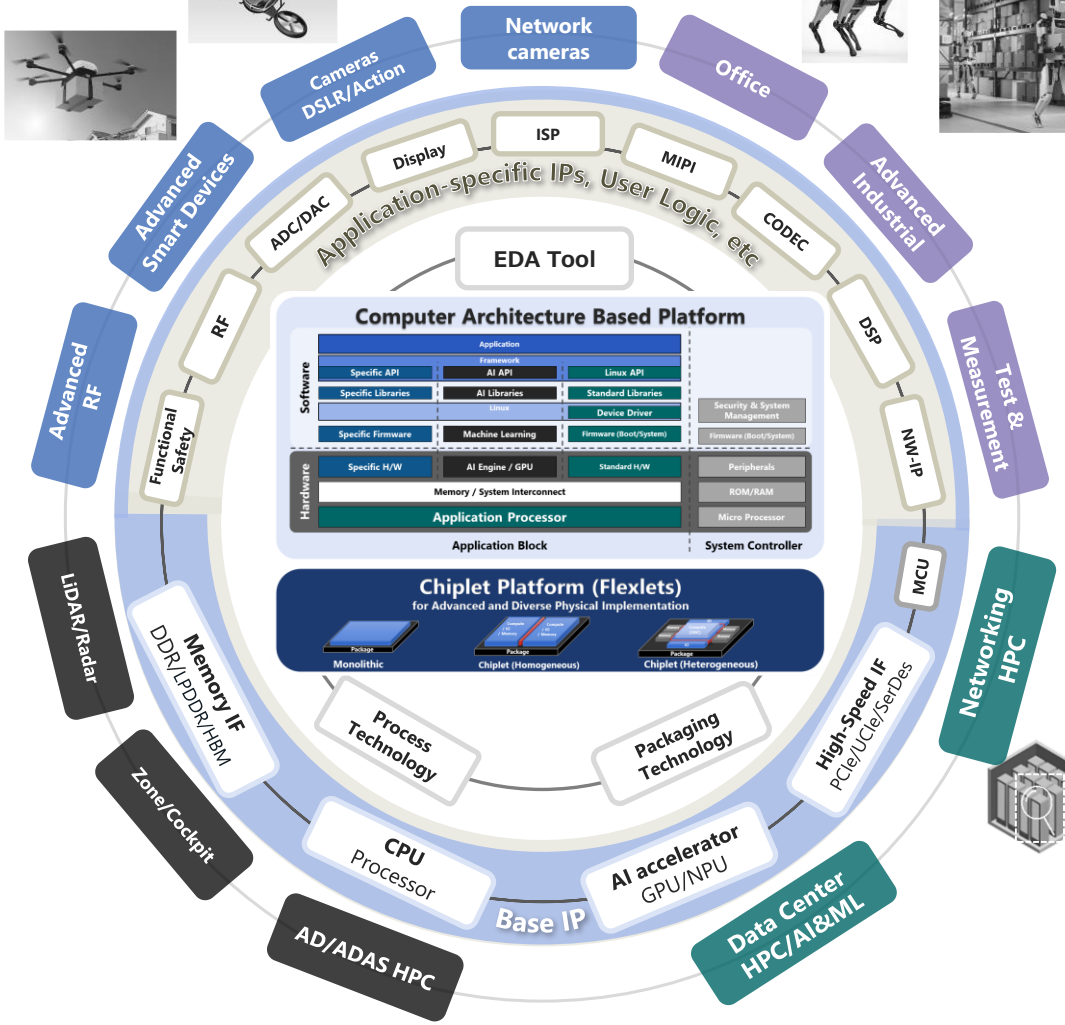
3/5/7nm
HP Computing



AD/ADAS HPC

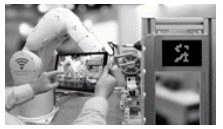
Physical AI



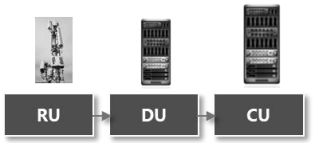
Industrial

3/5/7nm
Test & Measurement

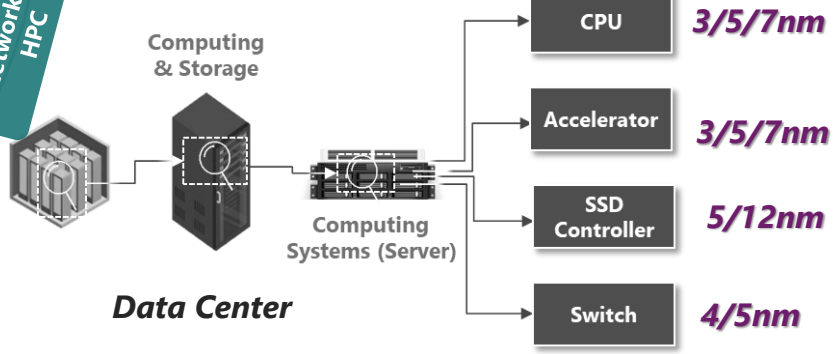



28nm
Printer

Data Center & Networking



7nm
Base Station



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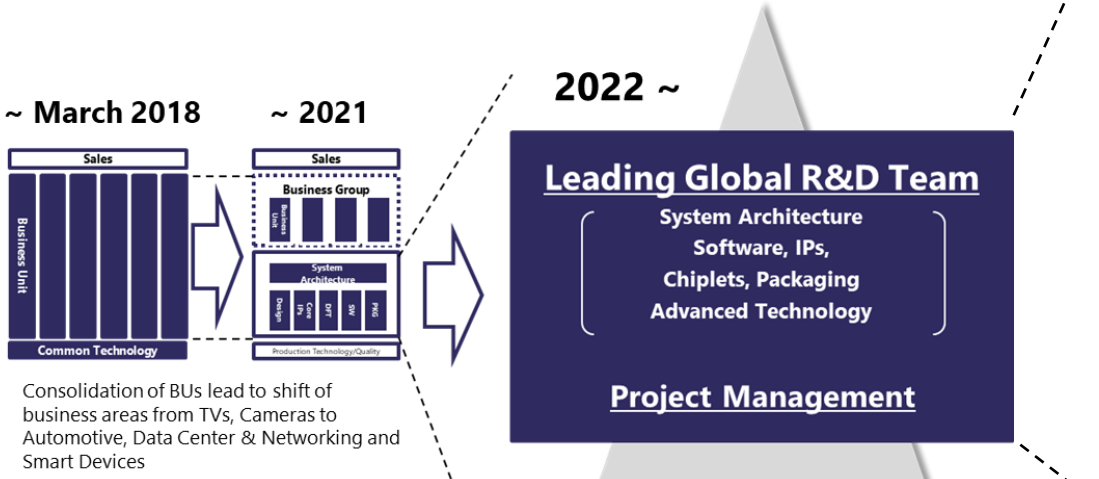
Strengthening Entire Design Capability / Fundamental Reform of Global Structure



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

- Transitioned from isolated development units to a unified "Leading Global R&D Team" structure (FY2022 onwards)
- Leveraging Japanese engineering excellence combined with global innovation (Silicon Valley, etc.) and architectural design capability

April 2025～
Continuously strengthen Global Leading Group at the core of Entire Design

Fundamental reform of global organizational structure

Establish global co-lead structure

- Make organization truly global co-lead structure for the development division

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, CPU architecture, chiplet, RF, mixed signal, software, verification, test, packaging, thermal management, 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

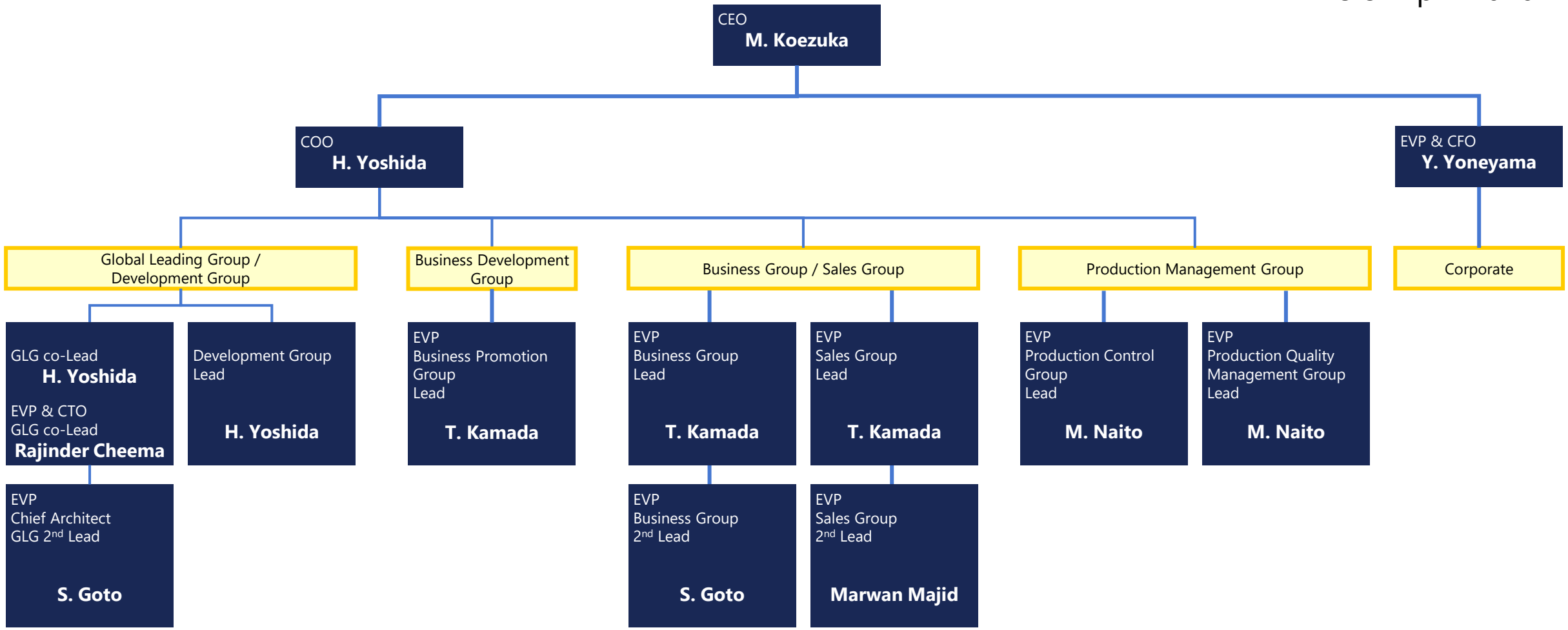
Resource management (including outsourcing)

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

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

Strengthen Executive Structure

As of April 2026



- EVPs not in this chart:
  Tadashi Saito: second lead of the Development Group, Shin-ichi Ando: Finance and Accounting Officer in the Corporate Group, Hiromasa Nakajima: Corporate Planning Officer in the Corporate Group, and Yutaka Hayashi: President of Socionext America
- CEO, COO, CTO and Chief Architect constitute the Global Technology Strategy Steering Members.

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The Solution SoC Company

Appendix:

Overview

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

Consolidated Statements of Income

(JPY in billions)	FY21/3	FY22/3	FY23/3	FY24/3	FY25/3	FY26/3
Net Sales	99.7	117.0	192.8	221.2	188.5	200.8
% YoY	*-3.7%*	*+17.3%*	*+64.7%*	*+14.8%*	*-14.8%*	*+6.5%*
Product revenue	*73.1*	84.6	156.8	182.9	146.6	161.8
NRE revenue	*23.0*	28.1	34.9	37.6	41.0	38.3
Other revenue	*3.6*	4.3	1.1	0.8	0.9	0.7
Cost of Sales	(43.2)	(49.8)	(103.9)	(111.2)	(84.6)	(111.1)
Gross Profit	56.5	67.3	88.8	110.0	103.9	89.8
% Margin	*56.7%*	*57.5%*	*46.1%*	*49.7%*	*55.1%*	*44.7%*
% Product gross margin	*40.9%*	*41.2%*	*33.7%*	*39.2%*	*42.3%*	*31.4%*
R&D	(39.2)	(43.2)	(49.3)	(53.3)	(59.8)	(58.5)
Selling, General and Administrative Expenses (excl. R&D)	(15.8)	(15.6)	(17.8)	(21.2)	(19.1)	(18.9)
Operating Income	1.6	8.5	21.7	35.5	25.0	12.4
% Margin	*1.6%*	*7.2%*	*11.3%*	*16.1%*	*13.3%*	*6.2%*
Non-Operating Income (Loss)	0.4	0.6	1.7	1.6	0.1	(0.6)
Ordinary Income	2.0	9.1	23.4	37.1	25.1	11.8
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	11.8
Income Taxes	(0.5)	(1.6)	(3.7)	(11.0)	(5.8)	(0.3)
Net Income	1.5	7.5	19.8	26.1	19.6	8.7
% Margin	*1.5%*	*6.4%*	*10.3%*	*11.8%*	*10.4%*	*4.3%*
FX Rate (USD/JPY)	106.1	112.4	135.5	144.6	152.6	150.8

Consolidated Balance Sheets

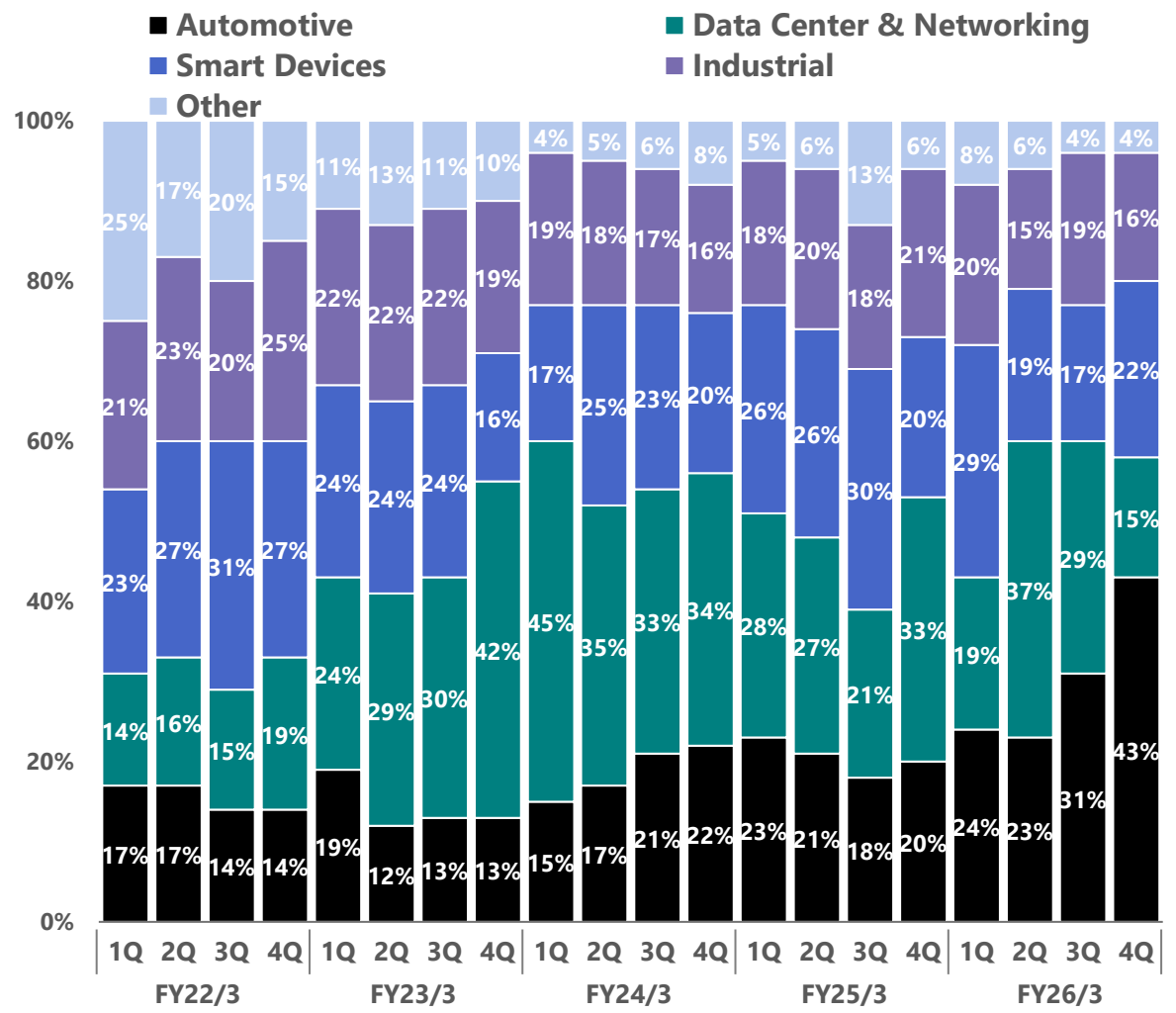
(JPY in billions)	FY21/3	FY22/3	FY23/3	FY24/3	FY25/3	FY26/3
Assets						
Cash on-hand and in banks[1]	42.7	46.3	45.1	69.7	72.8	44.5
Accounts receivable-trade, net	28.6	25.1	40.8	35.3	31.6	36.9
Inventories[2]	6.7	16.4	47.7	25.5	17.0	31.1
Other	2.6	2.9	22.4	8.4	4.8	10.3
Total Current Assets	80.6	90.6	156.1	138.9	126.3	122.8
Property, plant and equipment	8.9	11.6	17.2	21.8	22.3	23.9
Reticle	3.7	4.7	5.6	8.1	9.7	10.9
Other 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	15.1
Deferred tax assets	2.3	3.1	6.9	6.7	6.1	4.6
Other	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	44.8
Total Assets	104.2	118.4	193.9	186.8	170.3	167.6

	FY21/3	FY22/3	FY23/3	FY24/3	FY25/3	FY26/3
Liabilities and Equity						
Accounts payable-trade	12.0	16.6	23.4	15.8	11.9	15.8
Accrued expenses	7.4	6.9	30.3	18.2	12.0	9.6
Other	1.9	3.9	28.6	19.1	7.3	7.1
Total Current Liabilities	21.3	27.4	82.3	53.1	31.3	32.5
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	34.6
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	74.1
Treasury stock	0.0	0.0	0.0	0.0	(5.0)	(10.8)
Other	(0.1)	0.3	0.8	2.0	1.8	2.7
Total Equity	81.7	89.6	109.9	131.0	137.0	133.1
Total Liabilities and Equity	104.2	118.4	193.9	186.8	170.3	167.6

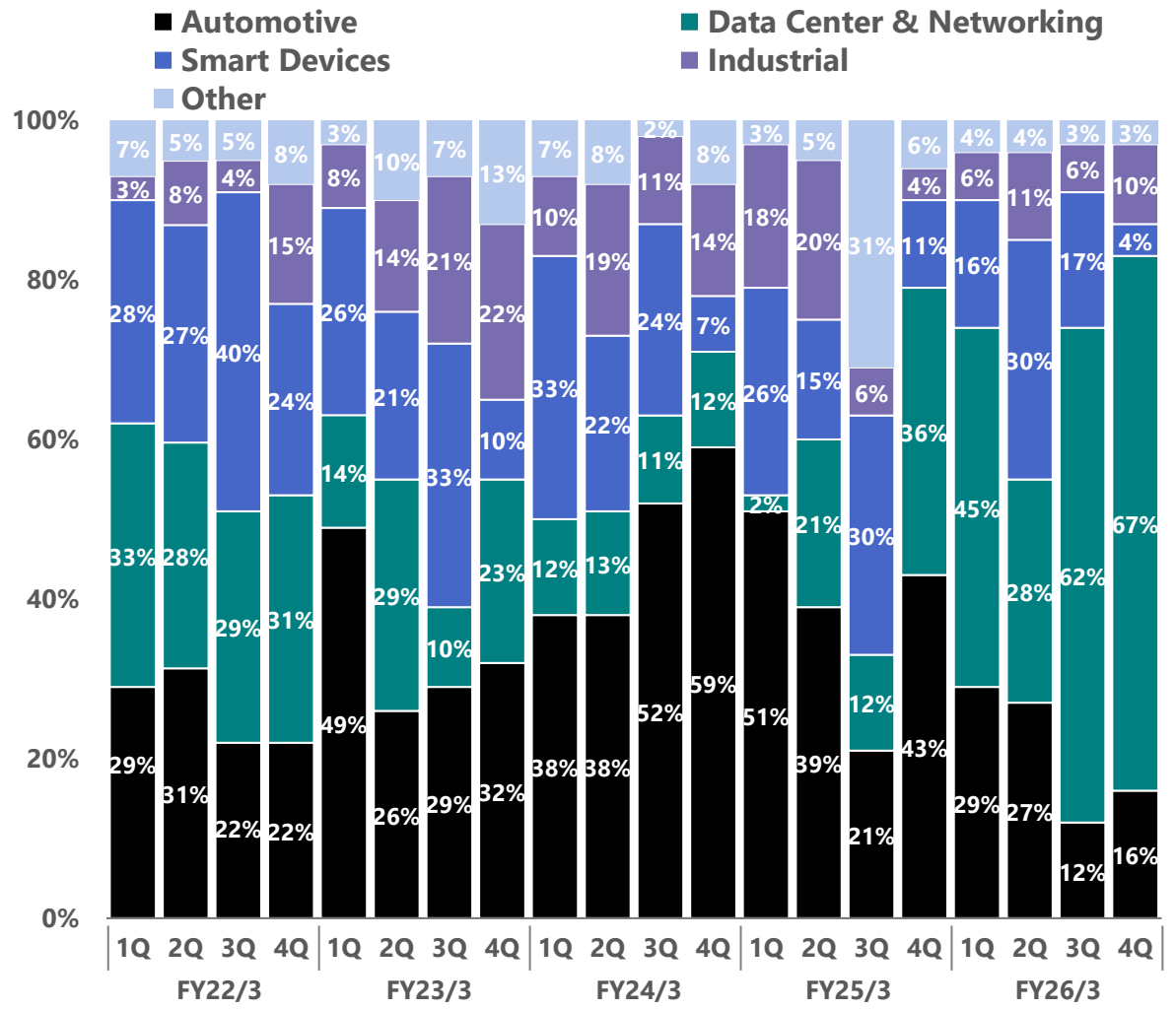
1. Cash on-hand and in banks includes short term investment security.
2. Inventories are calculated as the sum of “finished goods” and “work in process.”

Breakdown by Application Market (Quarterly)

Net Sales[1]



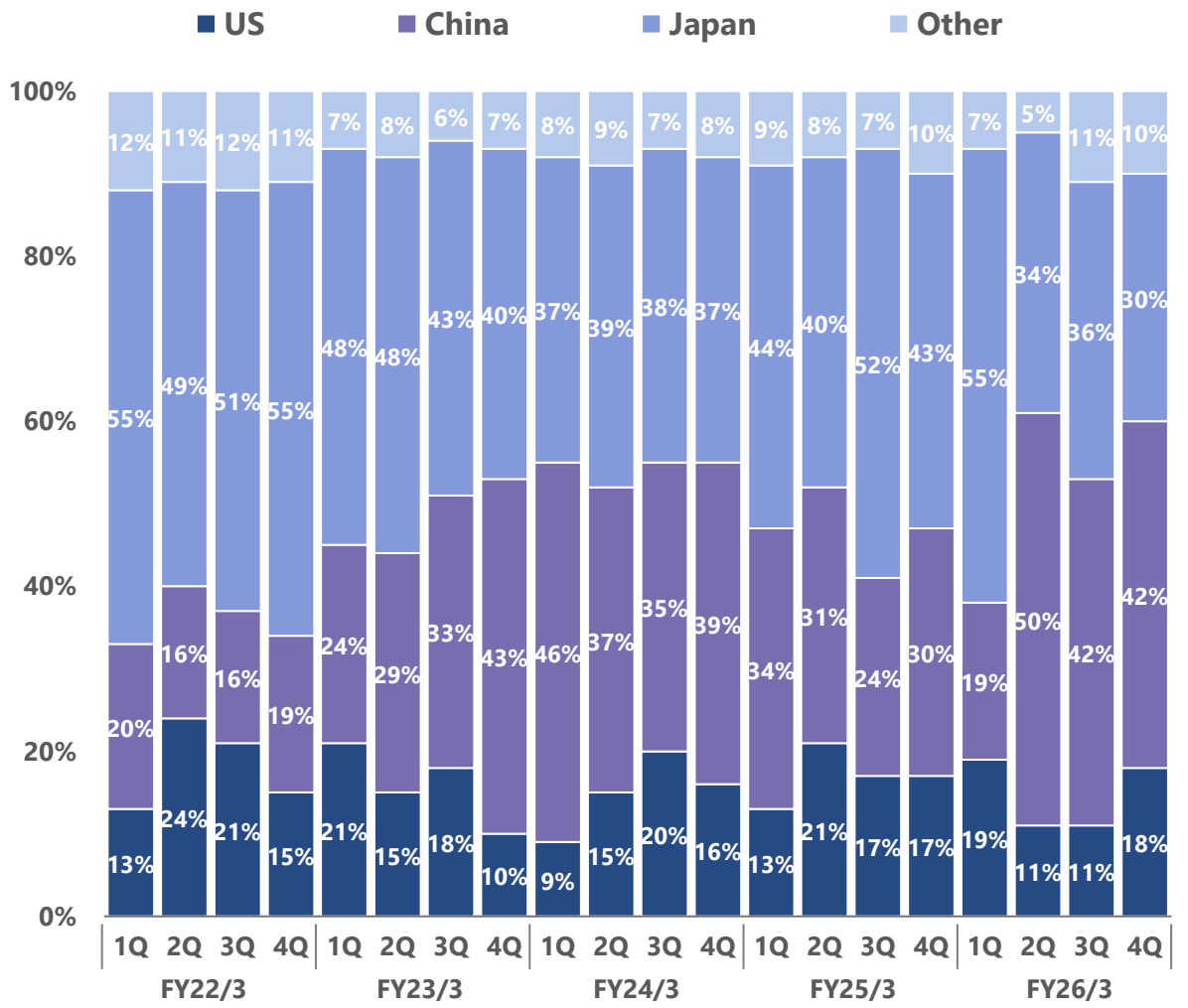
NRE Revenue[1]



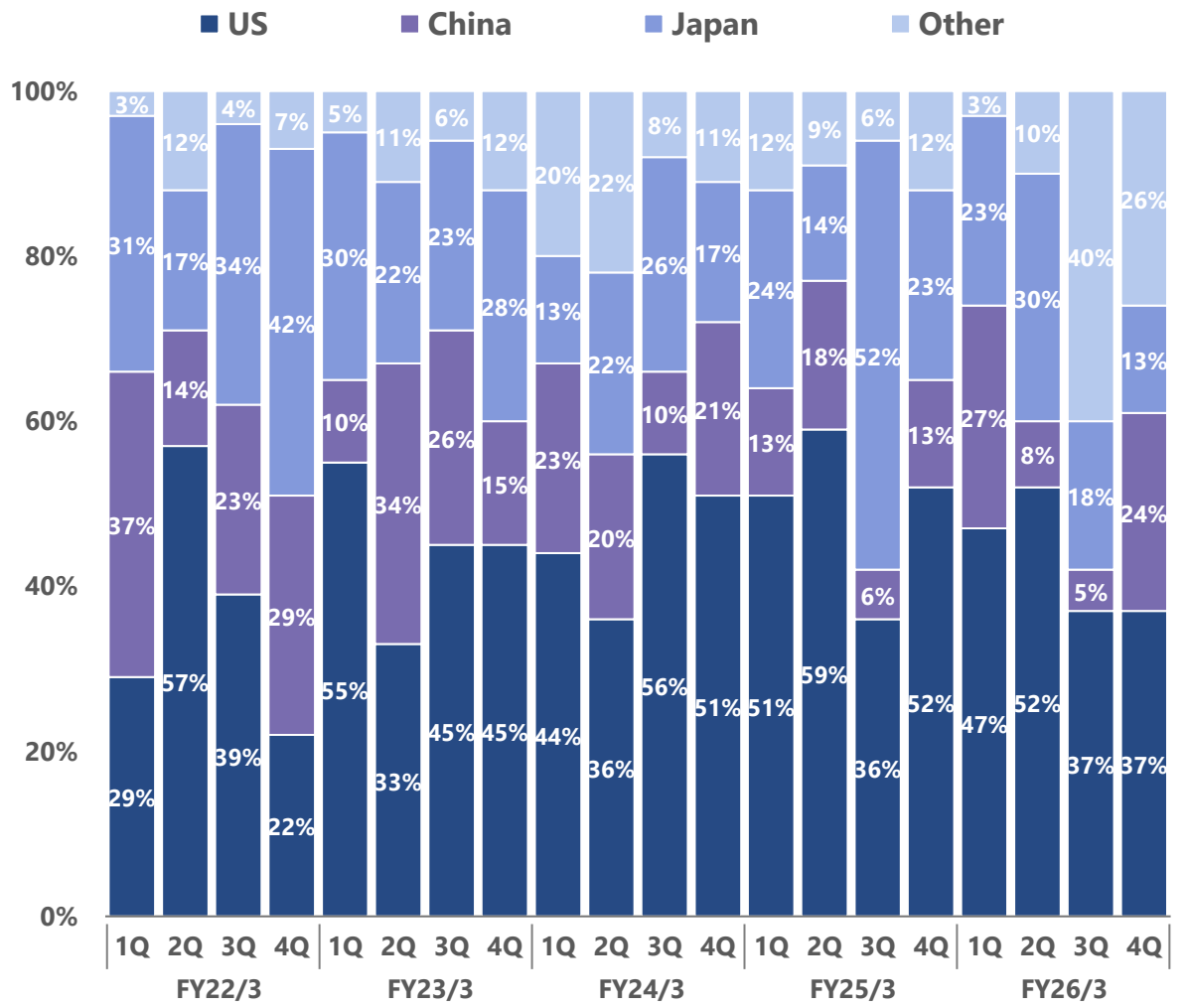
1. Quarterly percentage breakdowns are highly volatile and may fluctuate significantly from quarter to quarter as they are greatly affected by the development status of individual projects.

Breakdown by Geographic Region (Quarterly)

Net Sales[1]



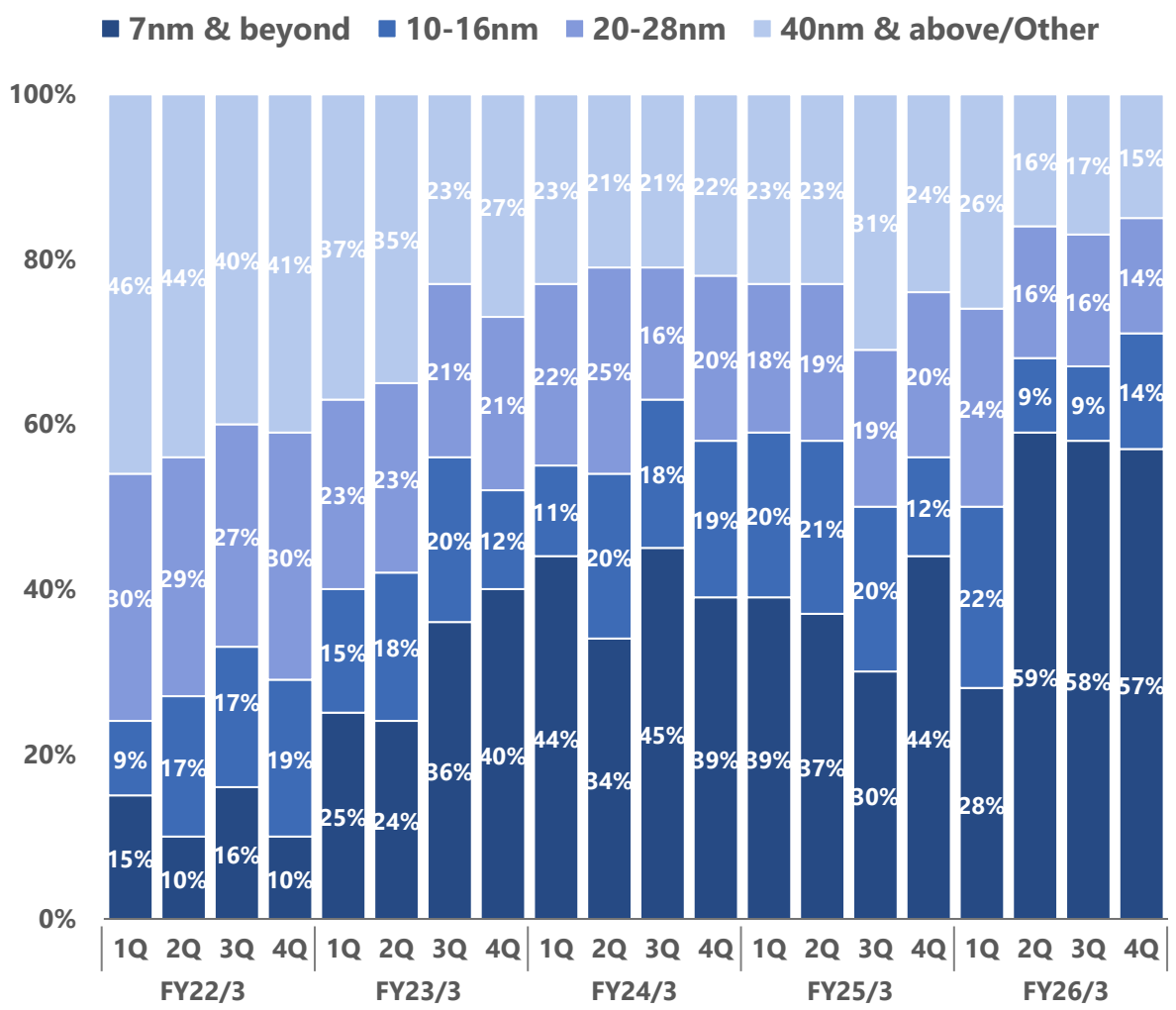
NRE Revenue[1]



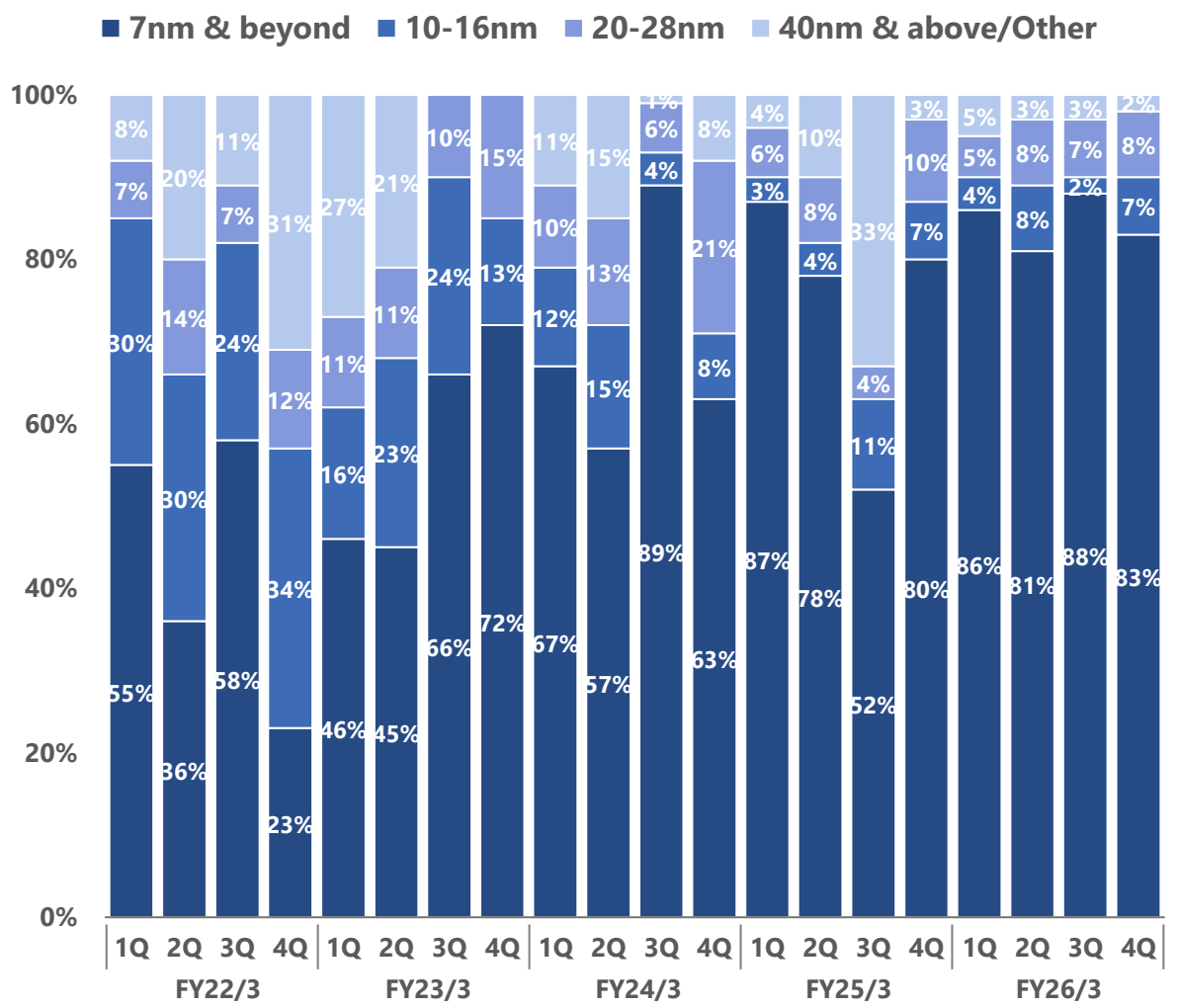
1. Quarterly percentage breakdowns are highly volatile and may fluctuate significantly from quarter to quarter as they are greatly affected by the development status of individual projects.

Breakdown by Process Node (Quarterly)

Net Sales[1]



NRE Revenue[1]



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

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

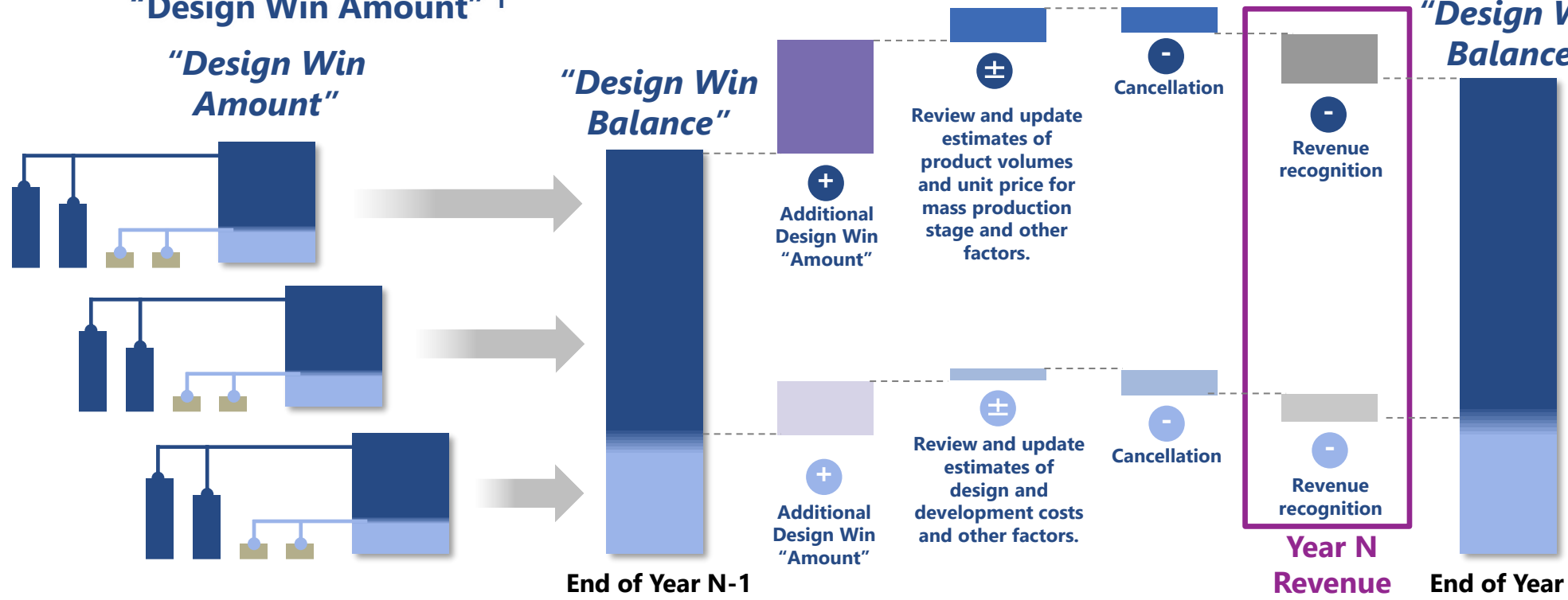
From April 2025 presentation (revised)

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

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

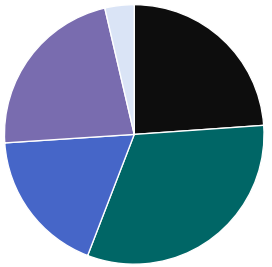


“Design Win Balance”

(As of March 31, 2026)

Approx.

JPY 1.51 trillion



1. The figures for "Design Win Amount" are not updated to reflect subsequent changes in circumstances after the acquisition of the relevant business opportunities. Such subsequent changes may include: (1) changes in factors such as actual sales, development plan, sales volume, unit price and production capacity, as well as (2) cancellation of project after a design win has been obtained. Projects may be cancelled after design wins have been obtained. The impact of such subsequent changes after the design wins are obtained is reflected in the 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 changes, including those described in (1) and (2) above, is reflected in the “Design Win Balance”.Projects representing approximately 15% of the total Design Win Amount from FY20/3 to FY26/3 were canceled after such projects started.
   To date, the impact of these project cancellations has been partially offset by factors such as increases in the higher unit price and increased production volumes for other ongoing projects. As a result, the net impact of these cancellations amounts to a reduction of a few percent relative to the total Design Win Amount. Please refer to page 3 of this presentation.
2. For illustrative purpose only.

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

From April 2025 presentation

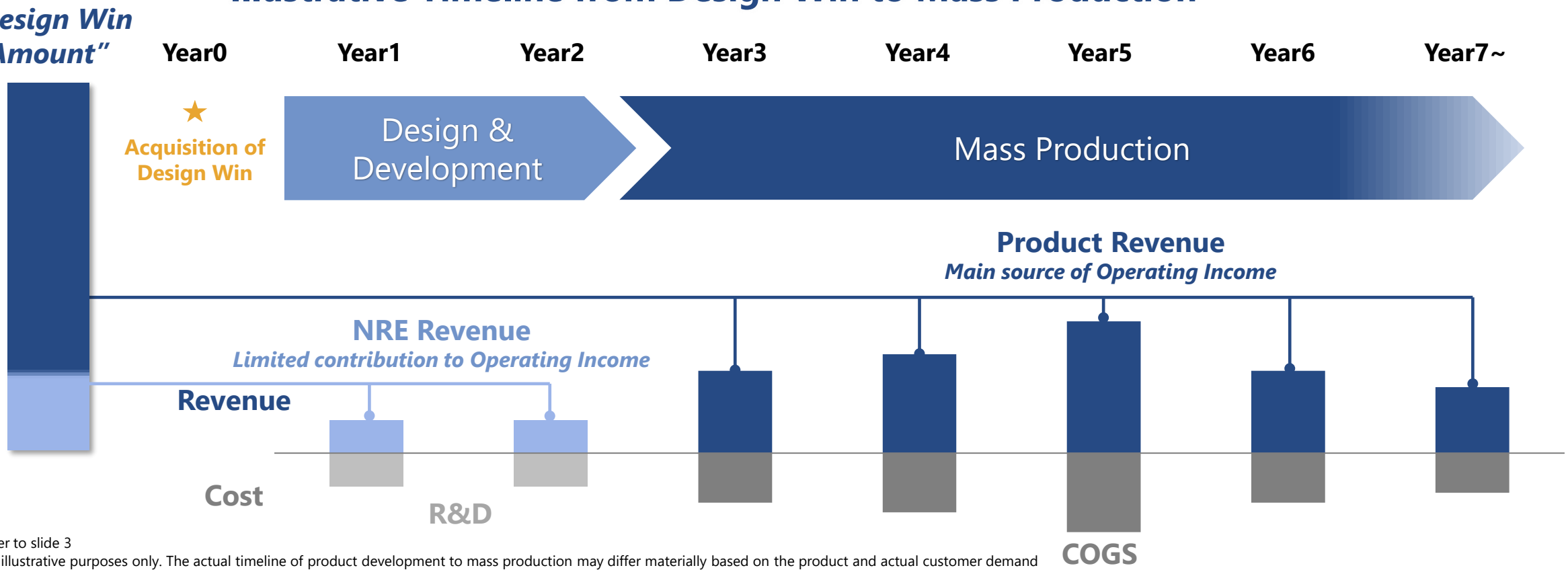
"Design Win Amount[1]" ・・・

"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

From April 2025 presentation (revised)

- **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, Chiplet)*	Quick Decision-Making with a Flat Team Structure

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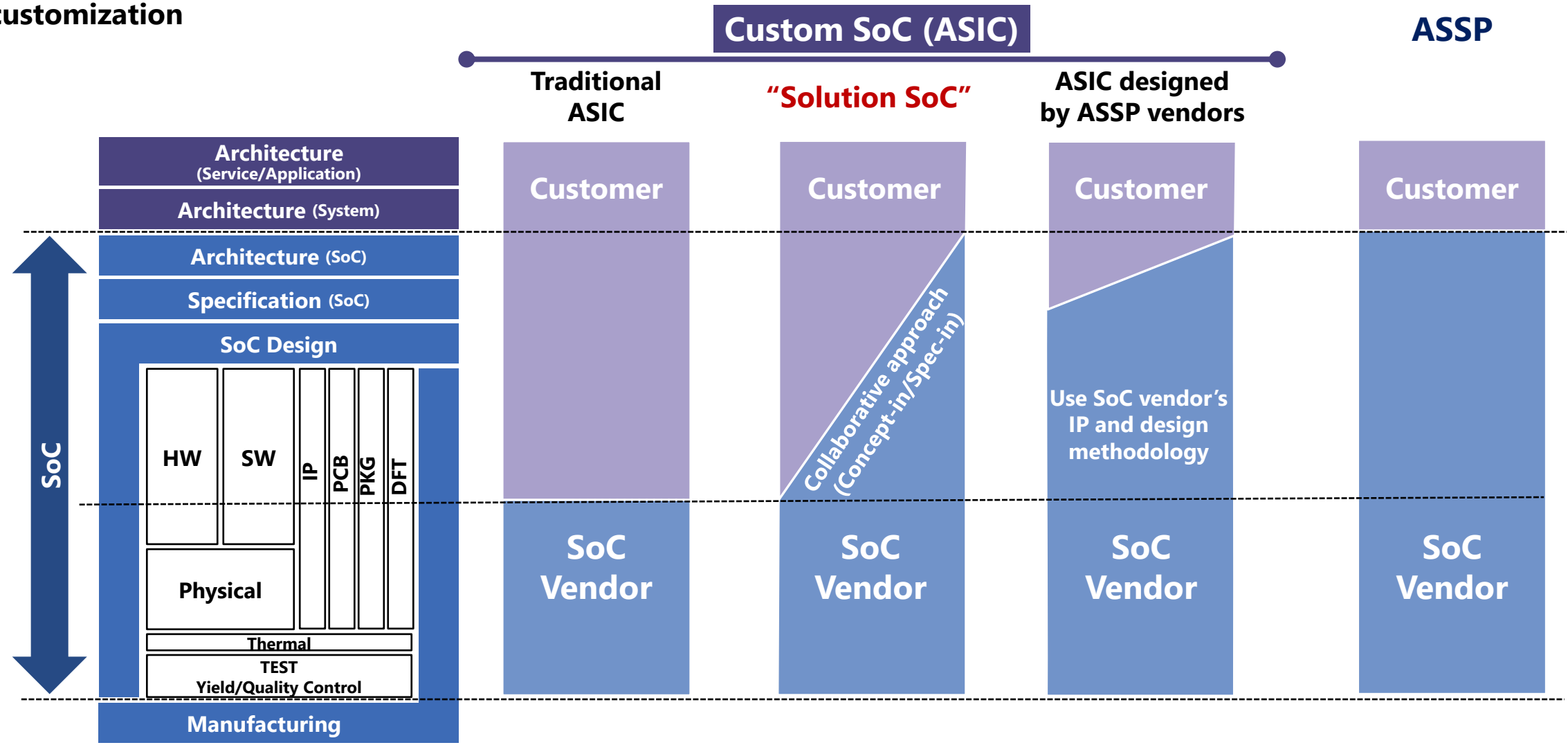
Features of Solution SoC Business Model

From April 2025 presentation

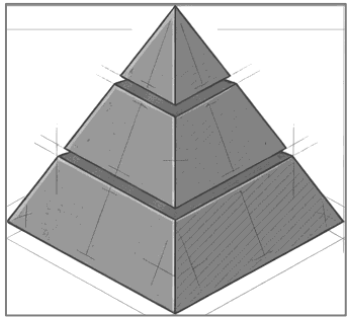
- The primary difference between “traditional ASIC” and “Solution SoC “ is how to interface with customers
- The primary difference between “Solution SoC” and “ASIC designed by ASSP vendors“ is the breadth of optional customization

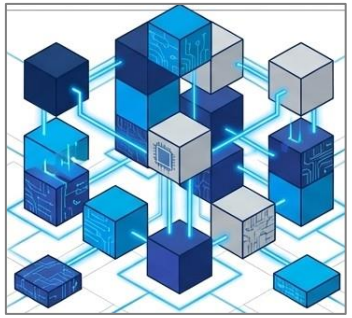


Conceptual diagram based on the company’s recognition.

(Reference) Architecting the AI Silicon Era

The Collapse of the General-Purpose Pyramid





Standard ASSP (Legacy Approach)

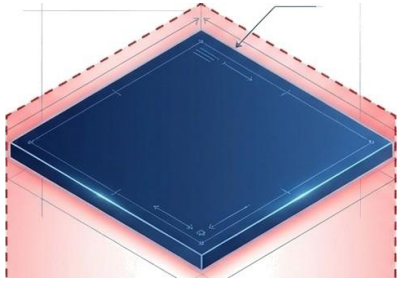
- ✗ Vendor lock-in restricts innovation
- ✗ Bloated logic limits PPA* optimization
- ✗ Cannot meet specific AI enterprise workloads requirements

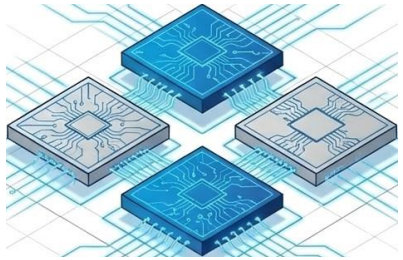
*power, performance, and area

Custom SoC (The AI Mandate)

- ✓ Domain specific arch optimized for TCO & PPW
- ✓ True arch flexibility combining advanced chiplets
- ✓ Essential for real-time edge inference and massive data center models

Surmounting the Reticle Limit





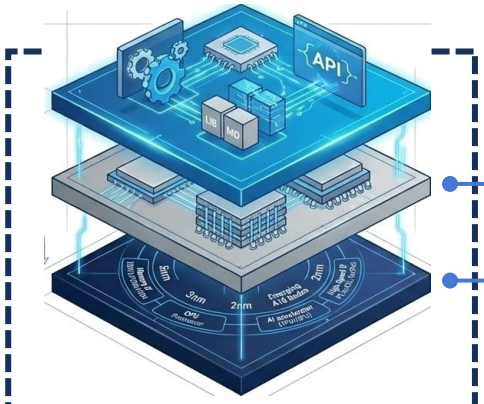
The Physical Wall:
Moore's Law–based scaling is over; data center AI chips exceed reticle size limits.

The Chiplet Imperative:
The industry must shift from monolithic dies to chiplets.

Economic Advantage:
Mixing process nodes boosts yields and cuts costs versus monolithic designs.

The "Entire Design" Moat

Beyond Silicon: The Hardware race is ultimately decided in software. AI custom accelerators fail without software compatibility.



Advanced Packaging:
3D and 5.5D thermal management and signal integrity

Hardware Architecture:
Spec-to-silicon custom ASIC design across 5/3/2nm and emerging 1.8nm node and beyond

Verification & Quality

Global ecosystem partnership flexible supply chain

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(Reference)
For future growth : Recent activities in the advanced technology field - “Flexlets”

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

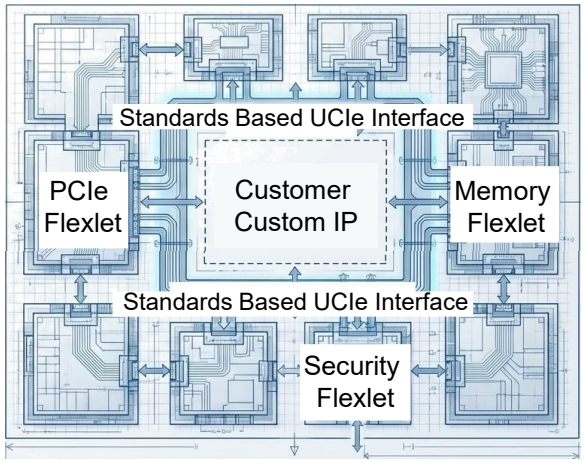
Flexlets: The Composable Silicon Platform

RTL-Configurable Base:
Socionext’s Flexlets are a highly flexible chiplet platform for custom SoC design.

Seamless Integration:
Best-in-class IP and custom AI accelerators integrate seamlessly via Socionext interfaces.

UCIe Standardization:
Utilizing Universal Chiplet Interconnect to create plug-and-play ecosystem

PPA Optimization:
Engineered to deliver state-of-the-art designs with optimized PPA from design inception

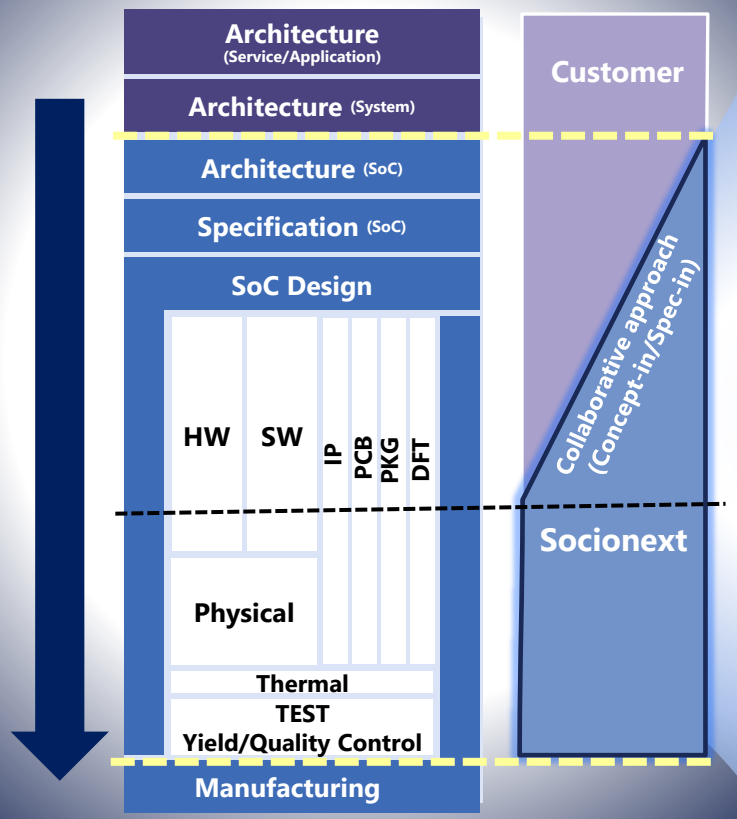


- Empower customers to tailor performance to their unique application needs – whether in high-performance computing, advanced networking, or next-generation automotive systems
- Enable customers to co-design differentiated features by integrating best-in-class IP from any vendor.
- “True architecture 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.
- Flexlets family delivers a scalable, modular foundation for next-generation silicon design- built for adaptability, performance, and innovation.

- Socionext have already acquired multiple design wins for Flexlets (IO Chiplet) and started development in some of business since its launch last October.

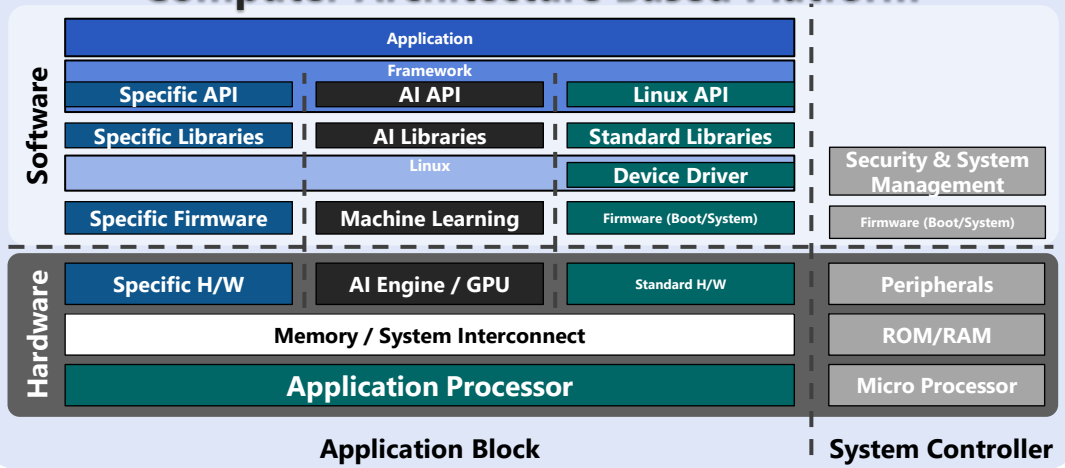
(Reference) Socionext's Solution SoC design & development platform

SoC Design Process



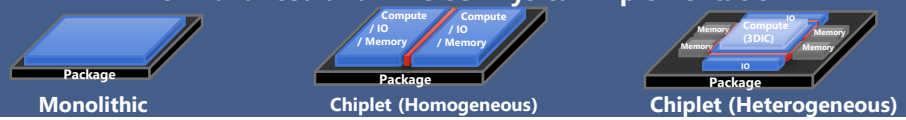
Entire Design

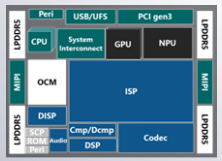
Computer Architecture Based Platform



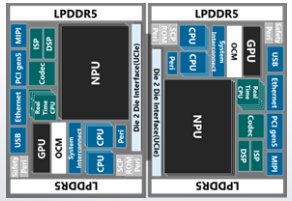
Chiplet Platform (Flexlets)

for Advanced and Diverse Physical Implementation

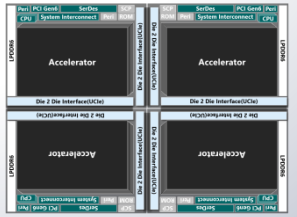




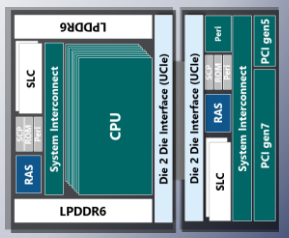
Camera



AD/ADAS HPC



AI Server Processor



Server Processor

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The Solution SoC Company