Micware Co., Ltd.

Emerging Growth Virtual Conference

August 19, 2026 | 9:05 a.m. U.S Eastern Time (10:05 p.m. Japan Standard Time)

Company Speakers

Mr. Kenji Narushima	Micware Co., Ltd. *Representative Director, President, Chairman, Founder, and Chief Executive Officer*
Mr. Takashi Harishima	Micware North America, Inc. *President*

【Moderator】

Good afternoon, wherever this finds you. Welcome to the 95th Emerging Growth Conference and day 1 of our virtual conference. I'm Ana Berry. Just a few notes – today, we are running until 5:00 p.m. Eastern time. When we switch to the next company you might see a black screen for a moment. Don't go anywhere; that's just us moving to the next presenter. Our platform does work best on Google Chrome, so if you are watching from an Apple device, you have to hit the play button to start the session.

Now, during each company's presentation today, you can submit questions through our webcast module, and we will attempt to address as many of these questions at the end of the presentation. Now, for all of our conferences, they're uploaded to the Emerging Growth Conference YouTube channel, so please subscribe at youtube.com/emerginggrowthconference.

Now I'd like to introduce our first company. We have Micware Co., Ltd., trades on the Nasdaq under the ticker "MWC". It's a Japan-based provider of software development services and innovative IT solutions, mainly focused on the automotive and mobility sectors. It is primarily engaged in the development and sale of in-vehicle infotainment systems covering multimedia, navigation, human-machine interface, telematics, and driver assistance, as well as navigation software, and location-information-based smartphone applications.

So happy to welcome Founder and CEO, Mr. Kenji Narushima, as well as the President of Micware North America, Mr. Takashi Harishima. Welcome, gentlemen. Happy to have you at the conference today.

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【CEO Narushima】

Good morning and thank you for joining us today.

My name is Kenji Narushima — and yes, this is my English. Like our software, it's always 'in development' — but I promise, it works when it matters most.

I'm the Founder and CEO of Micware Co., Ltd.

Today, I'm also joined by Takashi Harishima, President of Micware North America, based in Columbus, Ohio. Harhisima-san will be your direct point of contact here in the US going forward — working closely with our IR team in Japan to make sure your questions get answered quickly and clearly.

【MNA President Harishima】

Thank you, Narushima-san. It's a pleasure to be here today.　I look forward to serving as a direct line between our investors here and our team in Japan.

【CEO Narushima】

We appreciate your time and interest in Micware.

Micware is a Japan-based automotive software developer, offering in-vehicle infotainment, navigation software, and mobility solutions.

Today, I'll provide an overview of our business, discuss our financial performance, and share our future strategic priorities.

【CEO Narushima】

(Slide 3: Investment Highlights)
Let me begin with five key reasons to invest in Micware.

First, Toyota and Honda, two of the world's largest automakers, are both our major customers and strategic shareholders.

Second, we're a leading automotive software company in Japan with more than 20 years of industry experience.

Third, we're well positioned for the growth of Software Defined Vehicles as we work to expand into next-generation vehicle software.

Fourth, DynaPlanet, our intelligent 3D platform designed for the AI era, is expected to create new recurring revenue opportunities.

And finally, our strong profitability and cash generation provide a solid base for future growth.

Now, I'd like to hand it over to Takashi Harishima, President of Micware North America, who will walk you through our company overview and financial highlights.

【MNA President Harishima】

(Slide 4: Company Overview)
Thank you, Narushima-san.
It's a pleasure to speak with you today. Let me begin by introducing Micware and providing an overview of our business and financial performance.

Since our founding in 2003, we've grown into a leading automotive software company. Today, we have about 600 employees and more than 300 patents.

We develop IVI systems, navigation software, and other mobility solutions for major automotive companies such as Toyota, Honda, Daihatsu, and Denso. We believe that our long-term relationships with these companies reflect both our deep industry experience and strong technical capabilities.

Today, we operate through six operating entities and thirteen branch offices in Japan, with overseas subsidiaries in the United States, Thailand, and Germany.

From our North American office, we also work closely with OEMs and partners to support our global business development.

(Slide 5: Business Segment)
We currently operate through three business segments.

The first is Software Defined Vehicles or SDV, where we develop and provide next-generation mobility software, centered on IVI system software.

The second is Location-Based Services or LBS, which includes navigation software and location-based services. DynaPlanet, which Narushima-san introduced earlier, is part of this segment.

The third is Other, which includes software development services provided by our overseas subsidiaries and B2C mobile app services.

(Slide 6: Revenue Model)
Most of our revenue comes from developing custom automotive software based on our IVI platform.

We also generate revenue through licensing our software modules to customers, typically on a per-unit basis.

Other revenue comes from maintenance, support, and B2C mobile app services.

(Slide 7: Financial Highlights)
Now, I’d like to touch on our financial highlights.

Revenue increased by 19.9%, from $116.9 million in fiscal year 2024 to 140.2 million dollars in fiscal year 2025.

In fiscal year 2026, revenue remained stable at $140.3 million.

Software development services represented majority of our revenue, accounting for about 80% of total revenue in each of the past three years.

(Slide 8: Financial Highlights)
Gross profit grew by over 38% from $35.5 million in fiscal year 2024 to $49.1 million in

fiscal year 2025, and further to $51.6 million in fiscal year 2026.

As a result, gross margin also increased by over six percentage points over the past two fiscal years.

Adjusted operating profit increased from $13.5 million in fiscal year 2024 to $15.6 million in fiscal year 2026, while net income attributable to our ordinary shareholders increased from $9.1 million to $10.3 million over the same period.

(Slide 9: Financial Highlights)
Beyond profitability, we further strengthened our financial position.

Cash and cash equivalents nearly doubled since fiscal year 2024, showing strong cash generation from our core business.

At the same time, total debt decreased from $40.3 million as of February 2025 to $34.5 million as of February 2026.

(Slide 10: Key FY2026 Financial Takeaways)
Overall, there are three key takeaways.

First, our gross margin reached a record 36.8%, reflecting sustainable profitability, rather than just one-off gains.

Second, operating profit continued to increase even as R&D spending rose by 40%. This shows our ability to invest in innovation while maintaining profitability.

Third, our long-term OEM relationships support repeat business and position us well as the SDV market expands.

With that overview of our business and financial performance, I'd now like to hand it back to Narushima-san to discuss our long-term strategy and future growth initiatives.

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【CEO Narushima】

(Slide 11: Strategic Direction)

With this strong financial foundation, I'd now like to share our strategic direction.

Micware started as a developer of car audio and navigation systems.

Over the years, we strengthened our technology and built long-term relationships with major OEMs. These strengths helped us become a leading IVI software supplier in Japan.

Today, we're entering the next stage of our growth.

Our goal is to evolve from an automotive software company into a platform provider for next-generation mobility.

(Slide 12: Our Mission for Growth)

To achieve this goal, our growth strategy is built around two main pillars.

The first is micAuto-PF, which will further strengthen and expand our automotive software platform.

The second is DynaPlanet-PF, which will drive the growth of our spatial intelligence business.

To execute this strategy, we plan to introduce a new organizational structure in September 2026, including the establishment of a new company focused on next-generation spatial intelligence.

(Slide 13: Future Growth Investment Priorities)

Our investment priorities reflect this two-pillar strategy.

We plan to allocate 30% of our capital to the SDV business to strengthen our existing operations and support micAuto-PF.

The remaining 70% will be invested in the LBS business to support DynaPlanet, create new growth opportunities, and generate recurring revenue.

The next two slides will provide a closer look at each of these platforms.

(Slide 14: micAuto-PF, a Proprietary IVI software Platform)
Let’s begin with micAuto-PF, our proprietary IVI software platform.

Its modular design allows us to reuse software across different vehicle projects, while supporting different operating systems, devices, and cloud functions.

As a result, we can reduce development work, improve efficiency, and make project timelines more predictable.

Over the years, we’ve improved the platform through close collaboration with OEM customers. It enables us to deliver customized IVI solutions while deepening long-term customer relationships.

We expect micAuto-PF to begin contributing revenue in fiscal year 2027.

(Slide 15: DynaPlanet, an Intelligent 3D Platform)
Our second pillar, DynaPlanet, formerly known as “Dynamic Street Map and Market Place” or “DSMM”, opens a new area of growth for Micware.

DynaPlanet is a next-generation 3D platform that uses AI to combine location data with different types of digital content.

Its first product, Dynamic Share Map, combines location-based text, images, audio, video, and 3D content to create new value and support monetization.

Another product is PreSpot, a DynaPlanet application that allows users to see the view from a selected stadium seat before making a reservation.

We view DynaPlanet as a long-term growth platform. As adoption expands, we expect it to generate recurring revenue through broader commercial use and new monetization opportunities.

(Slide 16: Growth Strategies)

We have clear strategies to grow both platforms.

For micAuto-PF, we'll continue to deepen our relationships with OEMs and Tier 1 suppliers, while pursuing new customer opportunities in Japan and overseas.

We also plan to expand into ADAS and autonomous driving software. To support this expansion, we'll strengthen our technical talent and quality capabilities.

For DynaPlanet, our focus is on expanding the platform and building recurring revenue.

We'll pursue B2B and government opportunities in Japan and overseas. In addition, we plan to generate revenue through transaction commissions, third-party licensing, and broader use of PreSpot.

Today, we have outlined the strategic direction for an overview of our two platform strategies, micAuto-PF and DynaPlanet-PF.

We plan to provide more details on our growth strategies, including our future roadmap, in the first week of September, in conjunction with the launch of Micware Spacia.

So, please stay tuned.

(Slide 17: Why Invest Now?)

Micware is now entering an important stage of growth.

As a Nasdaq-listed company, we're increasing our visibility in the global capital markets, while also moving DynaPlanet from the development stage toward revenue generation.

At the same time, the growing SDV market is creating new opportunities for our core automotive software business.

Our strong profitability allows us to continue investing in innovation, and our IPO proceeds will support our long-term expansion plans.

With a clear strategy, strong capabilities, and strong execution, we believe Micware is well positioned to deliver sustainable long-term growth.

This concludes my presentation, and I'd now like to open the floor for any questions.

(Q&A Session)

【Moderator】

Wonderful, thank you so much. Let's jump into some questions.

Toyota and Honda are both major customers and shareholders. How should investors think about your customer concentration?

【CEO Narushima】

Our relationships with Toyota and Honda are a foundation of our business, and we recognize that customer concentration is something we manage carefully. In fiscal year 2026, Honda Group represented 50.6% of our revenue, Toyota Group 16.3%, and Uni Electronics 11.4%.

That said, these are relationships built over more than 20 years of automotive software development, and we view them as a meaningful competitive advantage — deep insight into OEM software requirements, and the ability to develop at the pace and quality vehicle programs demand.

Alongside Toyota and Honda, we also work with other OEMs, including Daihatsu and Mazda, and we are gradually expanding our customer base.

Over time, we expect two new revenue drivers to broaden the base beyond our traditional customer relationships. First, micAuto-PF is designed to increase software reuse across different vehicle projects and support a broader range of OEM customers. Second, DynaPlanet, our intelligent 3D platform for the AI era, opens up B2B, government, and consumer-facing use cases that do not require a deep OEM relationship.

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【Moderator】

So, why did you go public now? Why did you choose Nasdaq rather than the Tokyo Stock Exchange?

【CEO Narushima】

Thank you. Over the past 20 years, we have built strong relationships with most of the major Japanese automakers. So, for us, the next stage of growth is not just about expanding further in Japan. It is about taking Micware global.

We have already started building the foundation for that expansion, with operations in the United States, Germany, and Thailand. The next step is to increase our global visibility, build relationships with international investors and partners, and ultimately expand our business with customers around the world.

That is why we chose Nasdaq.

The U.S. capital markets offer access to a broad and diverse global investor base, and we believe Nasdaq is a strong platform for increasing our international visibility. We believe it provides greater opportunities for growth companies like Micware to be recognized by global investors.

We also believe a Nasdaq listing can help us attract global talent as we expand internationally.

So, for us, the IPO was not simply about raising capital. It was an important step in transforming Micware from a successful Japanese automotive software company into a global technology company.

【Moderator】

That makes a lot of sense. Now, international revenue currently represents a relatively small portion of your business. What is your strategy for expanding overseas?

【MNA President Harishima】

I will take this question.

Today, approximately 98.5% of our revenue comes from Japan, while the U.S. currently accounts for approximately 1.4% of our total revenue. So, our international business is still relatively small.

However, we already have operating bases in the United States, Thailand, and Germany, and we are actively building the foundation for future international growth.

Here in the U.S., Micware North America serves as our base for expanding our automotive software business and developing relationships with OEMs and partners in the North American market. One of my key responsibilities as President of Micware North America is to strengthen these relationships and identify new business opportunities in the U.S. market.

Going forward, our strategy is to leverage these existing overseas bases to deepen relationships with global OEMs and partners, while pursuing new opportunities for both our automotive software business and DynaPlanet.

【Moderator】

Talk a little bit more about DynaPlanet. What makes DynaPlanet different from traditional digital mapping platforms?

【CEO Narushima】

Traditional digital maps are generally designed to provide relatively static location information. DynaPlanet is intended to create and continuously update richer 3D spatial information using data such as images and video from everyday devices.

Our goal is to combine location data with text, images, audio, video, and 3D content in a single platform and create new services around that information.

One advantage for Micware is our background in automotive software and connected vehicles. We understand both the vehicle side and the location-data side, which we believe gives us a differentiated perspective on how spatial data can be collected, processed, and commercialized.
We believe this creates opportunities across multiple markets, including navigation, tourism, advertising, and other location-based services.

【Moderator】

How are you progressing from an IVI Tier 1 software supplier to an SDV Tier 1 software supplier.

【MNA President Harishima】

I will take this question.

We see this as an evolution of our existing business rather than a move into an entirely new market.
Our foundation is more than 20 years of IVI software development and long-term relationships with major OEMs. The next step is to expand both the scope of our software and our role within the vehicle development process.

We are strengthening micAuto-PF as a reusable and scalable software platform, increasing our upstream participation with existing OEM customers, and pursuing new OEM engagements.

We are also working to integrate ADAS and autonomous driving capabilities into micAuto-PF, with the goal of expanding from cockpit and infotainment software into broader SDV software domains.

So, our strategy is to build on capabilities and customer relationships we already have, while gradually expanding the software domains in which Micware can create value.

Thank you.

【Moderator】

Last question, how do you see Micware's revenue mix evolving over the next several years?

【CEO Narushima】

Thank you.

Today, most of our revenue comes from customized software development for automotive OEMs. This remains a strong and important foundation of our business.

Going forward, however, we want to build a more scalable and diversified revenue model. In our automotive business, micAuto-PF is designed to increase software reuse across multiple projects, which can improve development efficiency and help us serve a broader range of OEM customers. We are also expanding into new software domains such as ADAS and autonomous driving.

At the same time, in our LBS business, we are working to expand recurring revenue opportunities through DynaPlanet and other location-based services.

So over time, our goal is to combine the strength of our existing customized software development business with more scalable platform-based and recurring revenue streams.

Thank you.

【Moderator】

Wonderful. Thank you so much for your time today. It was very interesting to learn about Micware, and we would love to have you back at the conference to continue this conversation. Thank you both.