Nissan Chemical Corporation

1Q FY2026 Financial Results Briefing

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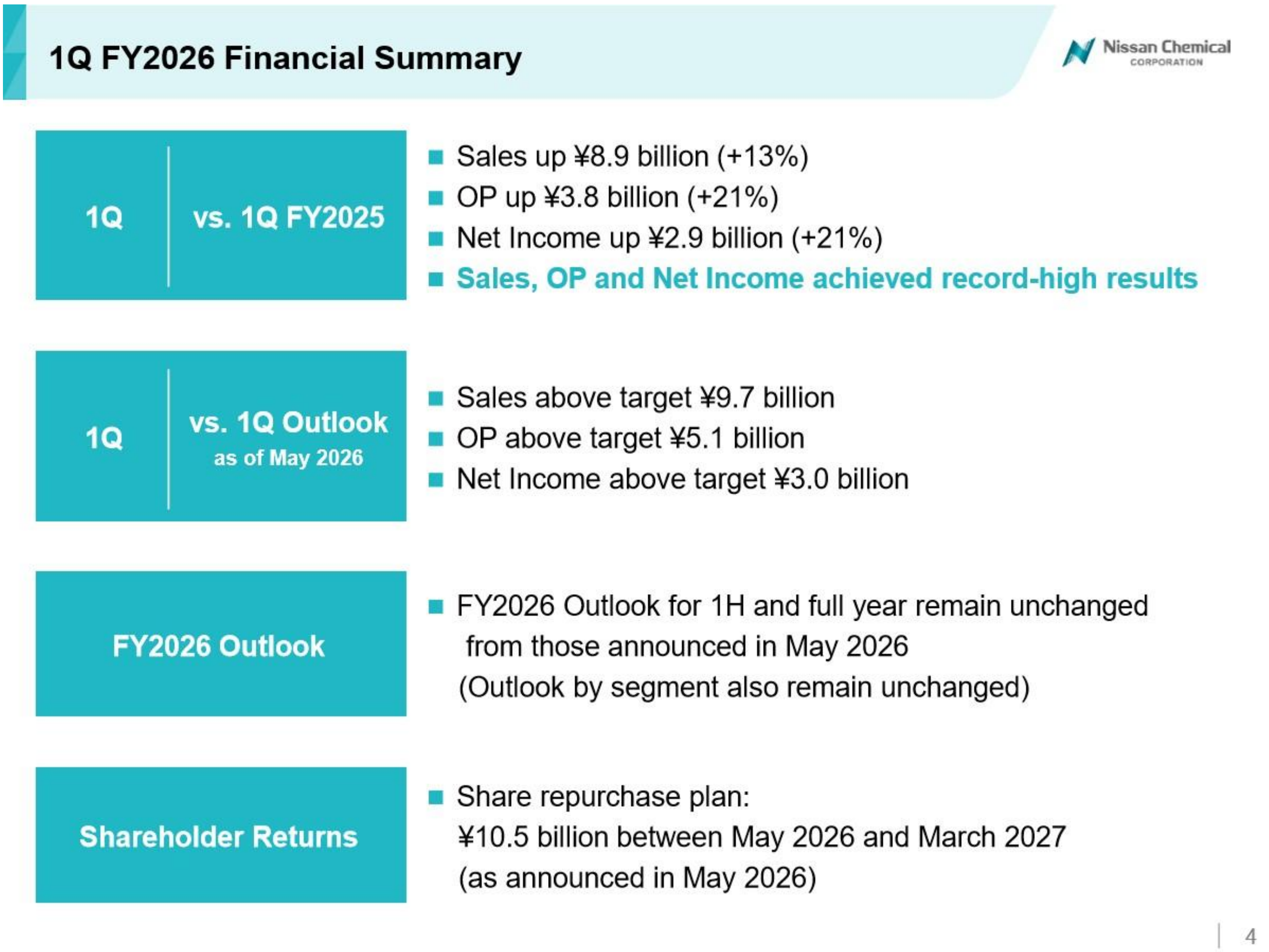
August 7, 2026

Daimon: This is Daimon from Nissan Chemical Corporation. Thank you very much for taking the time to join us today despite your busy schedule. I will now begin the explanation.



Please see page four of the material.

Here is the summary of our 1Q financial results. As shown on the top, compared to the same period last year, sales rose 13% (an increase of JPY8.9 billion), operating profit rose 21% (an increase of JPY3.8 billion), and net income rose 21% (an increase of JPY2.9 billion). For 1Q, net sales, operating profit, and net income all reached record-high.

Compared to the outlook we announced in May, net sales exceeded the outlook by JPY9.7 billion, operating profit by JPY5.1 billion, and net income by JPY3.0 billion.

We have not revised our outlook for 1H and full year of this fiscal year from the figures announced in May. There are no revisions to the outlook for each segment either. We usually do not revise our outlook at the time of our 1Q announcement; we will revise them, if necessary, when we announce our next interim financial results.

Finally, regarding shareholder returns, there are no changes to our plan, which was announced in May of FY2026, to repurchase JPY10.5 billion worth of treasury stock by March of next year.

1Q FY2026 Financial Summary YOY Change

Nissan Chemical CORPORATION

(¥billion)

	1Q FY2025 Actual	1Q FY2026 Actual	YOY Change
Sales	69.9	78.8	+8.9 (+13%)
Operating Profit	18.1	21.9	+3.8 (+21%)
Non-Operating Income/Expenses	0.0	1.7	+1.7
Foreign exchange Gains/Losses	-0.7	0.4	+1.1
Ordinary Income	18.1	23.6	+5.5 (+30%)
Extraordinary Income/Loss	0.0	0.0	0.0
Net Income[1]	13.9	16.8	+2.9 (+21%)
EBITDA[2]	21.4	25.5	+4.1
EPS (¥/share)	102.20	125.74	+23.54
OP Margin	25.9%	27.8%	+1.9pt
FX Rate (¥/$)	145	160	-

1. Net Income = Profit Attributable to Owners of Parent 2. EBITDA = Operating Profit + Depreciation and amortization

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The specific figures are on page five.

Please look at the middle column. In 1Q, net sales were JPY78.8 billion, operating profit was JPY21.9 billion, ordinary income was JPY23.6 billion, and net income was JPY16.8 billion. The exchange rate against the US dollar for 1Q of FY2026 was JPY160.

1Q FY2026 Financial Summary Compared to Outlook

Nissan Chemical CORPORATION

(¥billion)

	1Q FY2026 Outlook	1Q FY2026 Actual	vs. Outlook
Sales	69.1	78.8	+9.7 (+14%)
Operating Profit	16.8	21.9	+5.1 (+30%)
Non-Operating Income/Expenses	1.4	1.7	+0.3
Foreign exchange Gains/Losses	0.0	0.4	+0.4
Ordinary Income	18.2	23.6	+5.4 (+30%)
Extraordinary Income/Loss	0.0	0.0	0.0
Net Income[1]	13.8	16.8	+3.0 (+22%)
EBITDA[2]	-	25.5	-
EPS (¥/share)	-	125.74	-
OP Margin	24.3%	27.8%	+3.5pt
FX Rate (¥/$)	150	160	-

1. Net Income = Profit Attributable to Owners of Parent 2. EBITDA = Operating Profit + Depreciation and amortization

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Page six shows the actual results compared to the outlook.

The far-right column shows the comparison to the outlook I mentioned earlier. At the start of 1Q, we had assumed an exchange rate of JPY150 to the dollar, as shown in the bottom row; however, the dollar was about JPY10 stronger than our outlook.

Analysis of Changes in OP

Nissan Chemical CORPORATION

(¥)

	FY2026 Actual	FY2025 Actual	YOY Change	Outlook as of May 2026	vs. Outlook
1Q	21.9billion	18.1billion	+3.8billion(+21%)	16.8 billion	+5.1billion(+30%)

Segment			Comment
Performance Materials	YOY Change	+2.5 billion	OP increase due to sales increase in Semis Materials and Inorganic Materials
	vs. Outlook	+2.4 billion	OP increase due to sales increase in Semis Materials and Inorganic Materials
Agrochemicals	YOY Change	+0.2 billion	OP increase due to sales increase in ROUNDUP, VERDAD and GRACIA etc.
	vs. Outlook	+1.6 billion	OP increase due to sales increase in Fluralaner, ALTAIR and GRACIA etc.
Chemicals	YOY Change	+0.2 billion	OP increase due to sales increase in Basic Chemicals
	vs. Outlook	-0.1 billion	OP decrease due to fixed cost etc.[1] up
Healthcare	YOY Change	+0.2 billion	OP increase due to sales increase in LIVALO and Custom Chemicals
	vs. Outlook	in line	

1. Fixed cost etc.: including inventory adjustment cost

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Next, on page seven, I will explain operating profit by segment. The title is "Analysis of Changes in OP."

In the Performance Materials segment, operating profit increased by JPY2.5 billion compared to the same period last year. As noted on the right, net sales increased particularly in the semiconductor and inorganic materials, which directly led to higher profits. Operating profit also exceeded the outlook by JPY2.4 billion. There were some unusual factors in semiconductor-related fixed costs; I'll address this later. In any case, operating profit exceeded the outlook due to higher-than-expected sales.

Next, in the Agrochemicals segment, operating profit increased by JPY0.2 billion compared to the same period last year. As noted on the right, operating profit increased due to higher sales of ROUNDUP, VERDAD, and GRACIA, among other products. Compared to the outlook, the result was significantly higher by JPY1.6 billion. As noted on the right, this is primarily due to Fluralaner and the upward contribution from ALTAIR, GRACIA, and others.

In the Chemicals business, operating profit increased by JPY0.2 billion compared to the same period last year. Operating profit increased due to higher sales of basic chemicals. The result fell short of the outlook by JPY0.1 billion; this was due to fixed costs and other expenses exceeding the plan.

Finally, in the Healthcare segment, operating profit increased by JPY0.2 billion compared to the same period last year. This was in line with our outlook.

Breakdown of Non-Operating Income/Expenses and Extraordinary Income/Losses

Nissan Chemical CORPORATION

(¥billion)

	1Q FY2025 Actual	1Q FY2026 Actual	YOY Change	1Q FY2026 Outlook
Interest income, dividend income	0.64	1.00	+0.36	0.92
Equity in earnings of affiliates	0.23	0.40	+0.17	0.63
Foreign exchange gains/losses[1]	-0.67	0.43	+1.10	0.00
Interest expense	-0.14	-0.13	+0.01	-0.18
Loss on disposal of non-current assets, others	-0.02	0.04	+0.06	0.03
Non-Operating Income/Expenses	0.04	1.74	+1.70	1.40
Extraordinary Income	0.00	0.00	0.00	0.00
Extraordinary Losses	0.00	0.00	0.00	0.00
Extraordinary Income/Losses	0.00	0.00	0.00	0.00

1. FX Rate (¥/$): 2025/3 149.53, 2025/6 144.82, 2026/3 159.93, 2026/6 162.45

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Page eight shows the breakdown of non-operating income/expenses and extraordinary income/losses.

In particular, please look at foreign exchange gains/losses, the third line from the top under non-operating income/expenses. Foreign exchange gains/losses for 1Q of this year totaled JPY0.43 billion, representing a significant positive impact on profit of JPY1.10 billion compared to the same period last year. As a result, non-operating income/expenses increased by JPY1.70 billion.

The outlook we released in May of 1Q is shown in the far-right column. Non-operating income/expenses slightly exceeded our outlook as well, primarily due to foreign exchange gains/losses.

There were no extraordinary income/losses for the current fiscal year; all figures are zero. The exchange rate at the end of the period is as indicated in note one at the bottom. As of the end of June, the exchange rate against the dollar was JPY162.45; the dollar was stronger than at the end of June a year ago by JPY17 to JPY18.

Cash Flows

Nissan Chemical CORPORATION

Free cash flow in 1Q FY2026 was ¥15.1 billion, an increase of ¥2.1 billion from 1Q FY2025

(¥billion)

	1Q FY2025 Actual	1Q FY2026 Actual	YOY Change
CF from operating activities	16.3	21.2	+4.9
Income before income taxes & non-controlling interests	18.1	23.6	+5.5
Extraordinary losses (income)	0.0	0.0	0.0
Depreciation & amortization[1]	3.3	3.6	+0.3
Income taxes paid	-8.9	-7.4	+1.5
Working capital, others	3.8	1.4	-2.4
CF from investing activities	-3.3	-6.1	-2.8
Purchase of PPE[2]	-4.7	-4.4	+0.3
Purchase and sales of investment securities	0.0	-1.2	-1.2
Others	1.4	-0.5	-1.9
Free cash flow	13.0	15.1	+2.1
CF from financing activities	-7.7	-16.7	-9.0
Payout to shareholders (dividend)	-14.2	-17.7	-3.5
Payout to shareholders (share repurchase)	-2.9	-4.7	-1.8
Liabilities with Interest	9.5	-4.1	-13.6
Others	-0.1	9.8	+9.9
Effect of exchange rate change on cash & cash equivalents	0.7	0.2	-0.5
Change in cash & cash equivalents	6.1	-1.5	-7.6
Change in cash & cash equivalents resulting from change in scope of consolidation	0.0	0.9	+0.9
Cash & cash equivalents at end of period	33.5	35.2	+1.7

1. Including amortization of goodwill 2. Including intangible assets

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Please refer to the cash flow statement on page nine.

As the headline states, 1Q free cash flow came in at JPY15.1 billion, an increase of just over JPY2.0 billion from the same period last year.

Thanks to the increase in profits, cash flow from operating activities also exceeded JPY20.0 billion. Ultimately, the balance of cash and cash equivalents, shown on the bottom line, came to about JPY35.0 billion, slightly exceeding the figure for the same period last year.

Balance Sheets

Nissan Chemical CORPORATION

(¥billion)

	2025/6	2026/3	2026/6	vs. 2026/3
Current assets	211.5	222.0	223.4	+1.4
Cash	33.5	35.7	35.2	-0.5
Accounts receivable	90.5	97.2	100.2	+3.0
Inventories	78.4	76.6	78.3	+1.7
Others	9.1	12.5	9.7	-2.8
Fixed assets	123.0	133.1	136.5	+3.4
Total PPE	73.8	77.0	78.8	+1.8
Intangible assets	13.1	12.8	12.1	-0.7
Investment securities	26.0	32.5	35.4	+2.9
Others	10.1	10.8	10.2	-0.6
Total assets	334.5	355.1	359.9	+4.8

	2025/6	2026/3	2026/6	vs. 2026/3
Liabilities	98.9	96.0	104.8	+8.8
Accounts payable	19.5	22.6	23.8	+1.2
Borrowings, CP & Bonds	49.8	38.4	44.3	+5.9
Others	29.6	35.0	36.7	+1.7
Net assets	235.6	259.1	255.1	-4.0
Shareholders' equity[1]	219.8	238.8	233.6	-5.2
Valuation difference on available-for-sale securities	8.1	11.5	12.3	+0.8
Foreign currency translation adjustment	2.8	3.1	3.4	+0.3
Remeasurements of defined benefit plans	1.5	1.9	1.9	0.0
Non-controlling interests	3.4	3.8	3.9	+0.1
Total liabilities & net assets	334.5	355.1	359.9	+4.8
Equity Ratio	69.4%	71.9%	69.8%	
Net D/E Ratio[2]	0.07	0.01	0.04	

Breakdown of Investment Securities

	2025/6	2026/3	2026/6	vs. 2026/3	Reference 2018/3
Listed shares[3] (Number of stocks held, Non-consolidated basis)	17.2 (24)	22.0 (24)	23.2 (24)	+1.2 (0)	30.0 (55)
Unlisted shares	2.2	2.5	3.6	+1.1	1.7
Subsidiaries/Associate shares	6.6	8.0	8.6	+0.6	6.8
Total	26.0	32.5	35.4	+2.9	38.5
Strategic shareholdings on net assets[4]	7.4%	8.6%	9.6%		17.0%

1. Change in shareholders' equity -5.2 = Net Income 16.8 – Dividend and others 22.0 .
2. Net D/E Ratio = (Borrowings + CP + Bonds - Cash) / Shareholders' equity
3. 2026/3 22.0 + Acquisition 0.0 + Sales and valuation difference 1.2 = 2026/6 23.2
4. Strategic shareholdings on net assets = strategic shareholdings (Non-consolidated basis, Listed shares + Unlisted shares) / Net assets (Consolidated basis)

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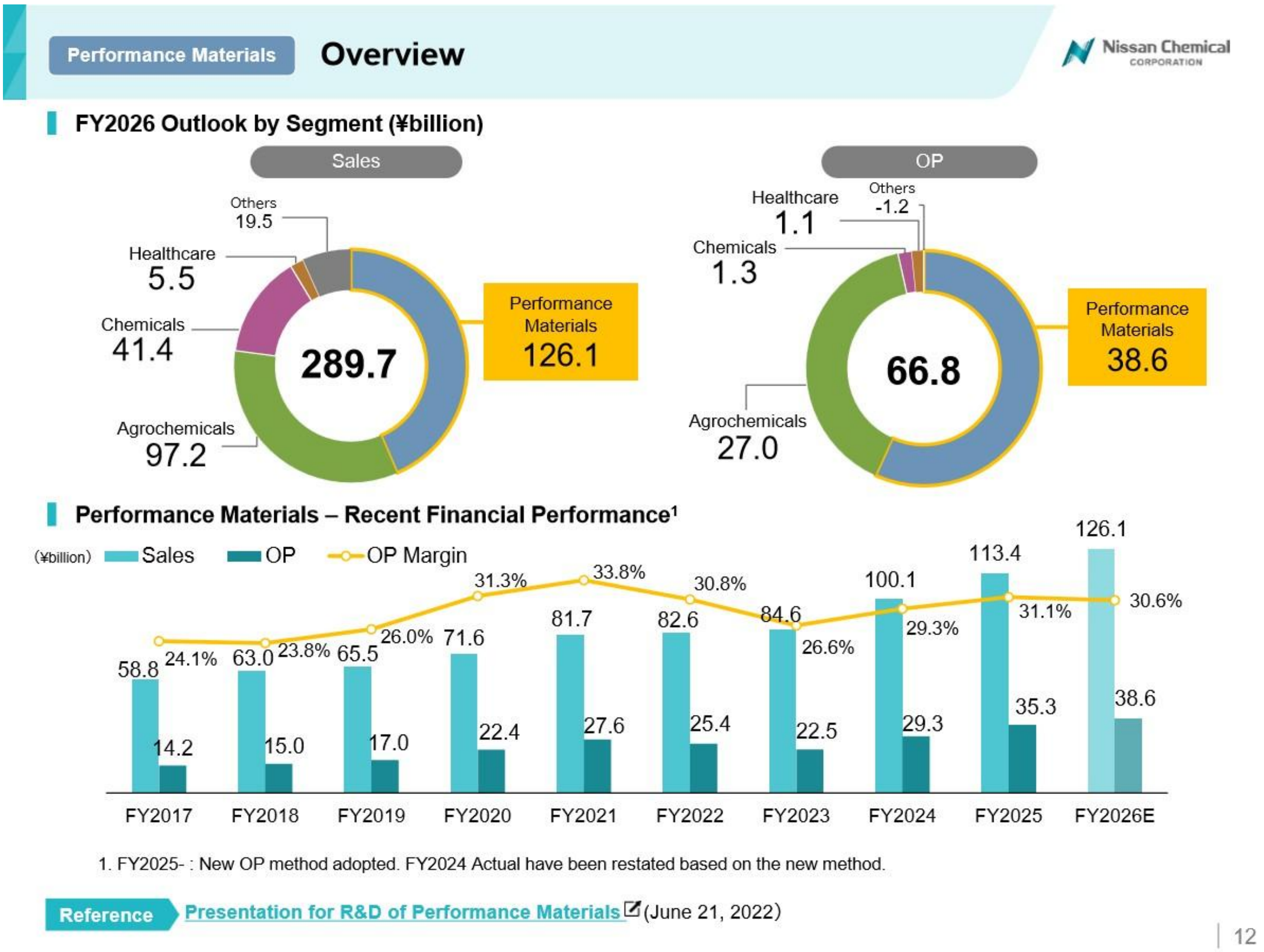
Page 10 is the balance sheet.

In the column labeled "vs. 2026/3" in the table in the upper-left corner, you can see a comparison between the end of March and the end of June 2026. Total assets increased by JPY4.8 billion. Of that amount, fixed assets increased by JPY3.4 billion. While total PPE have also increased slightly, investment securities rose by JPY2.9 billion.

However, as shown in the table below titled "Breakdown of Investment Securities," the number of shares held and the number of issues have not, of course, increased; therefore, almost all this increase reflects the rise in the market value of listed stocks, which is reflected as an increase in the balance sheet carrying amount.

The liabilities and equity section are shown on the table on the right. As shown in the lower right corner, the equity ratio was approximately 70%.



Next is the segment overview. Page 12 provides an overview of Performance Materials.

We have not made any changes from the figures announced in May.

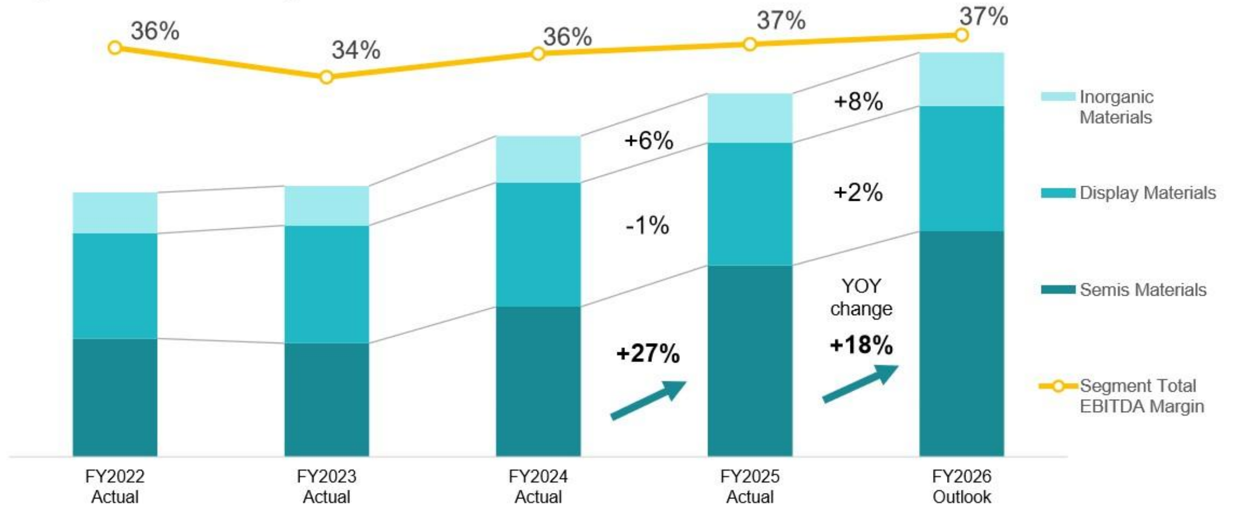
Performance Materials

Sales by Subsegment, EBITDA Margin Trend
(No change from the May 2026 announcement)

Nissan Chemical CORPORATION

- Semis Materials: High growth rates (YoY change) have been achieved from FY2024 onward, supported by the recovery of Semis market and our strong position in Asia following the temporary adjustment phase in FY2023
- DP Materials: Recovered after bottom-out in FY2022, have maintained stable sales as Cash Cow
- In terms of sales composition by subsegment, Semis Materials, a growth driver, significantly surpass DP Materials
- All of the subsegments' sales are increasing in FY2026, especially Semis Materials

Sales of Performance Materials by Subsegment, Segment Total EBITDA Margin[1] Trend



1. EBITDA Margin= (Operating Profit + Depreciation and amortization) / Sales

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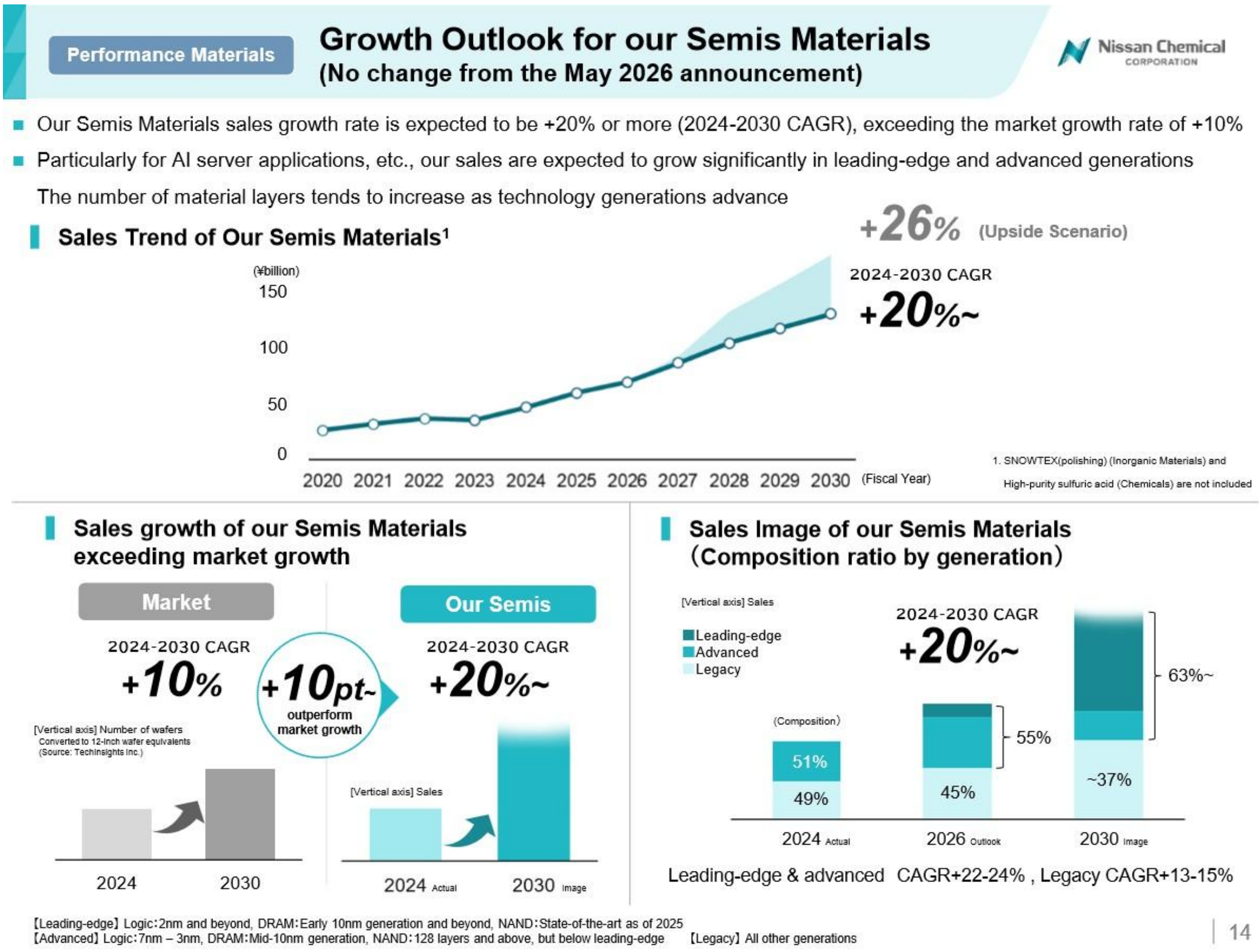
Page 13 shows sales by subsegment and EBITDA margins within the Performance Materials business.

There have been no changes since the announcement in May. With regard to semiconductors, as noted, we have been achieving high growth rates since FY2024, driven by market recovery and our strong position in Asia.



Page 14 shows the growth outlook for our semiconductor materials, which remains unchanged from the outlook we presented last May.

Looking ahead to 2030, growth of just over 20% annually is projected, and an increase in sales is expected.

Performance Materials — Sales Growth Rate of Main Products

Nissan Chemical CORPORATION

- Semis Materials: 【1Q】 Sales YOY +49%, Sales above target
- DP Materials: 【1Q】 Sales YOY -4%, Sales in line with target
- Inorganic Materials: 【1Q】 Sales YOY +27%, Sales above target

Main Products	1Q FY2026 Actual	
	YOY Change	vs. Outlook
Total Semis Materials	+49%	Above
ARC®	+35%	Above
Multi-layer process materials	+96%	Above
EUV materials	+23%	Slightly Below
Total Display Materials	-4%	In line
Total Inorganic Materials	+27%	Above
Total Segment	+26%	Above

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Page 15 shows the sales growth rates for the major products in the Performance Materials segment.

First, as shown in the table, 1Q semiconductor sales rose by 49% compared to the same period last year. In addition, it exceeded the outlook.

On the other hand, 1Q sales of display materials declined by 4% compared to the same period last year. However, this was largely in line with the outlook.

1Q sales of inorganic materials rose significantly by 27% compared to the same period last year and exceeded the outlook. As a result, net sales for the segment rose by 26% compared to the same period last year and exceeded the outlook.

Performance Materials

1Q FY2026 Actual YOY Change

Nissan Chemical CORPORATION

(¥billion)

	1Q FY2025 Actual	1Q FY2026 Actual	YOY Change
Sales	25.9	32.6	+6.7
OP	8.2	10.7	+2.5

Fixed cost & others【1Q】up ¥1.6 billion

Semis Materials **【1Q】Sales & OP up**

Semiconductor market growth across a wide range of technology nodes
Significant sales growth in Multi-layer process materials, ARC®, and EUV materials driven by higher customer fab utilization in Asia. Positive FX impact. 3D packaging process materials for back-end process sales solid
Fixed cost & others up ¥1.2 billion

Display Materials **【1Q】Sales & OP down**

Display demand down, particularly in IT applications, due to rising memory prices
Photo IPS sales up: Lower demand for monitor and tablet applications due to rising memory prices, offset by a rebound in smartphone from the weak level in 1Q FY2025
VA for TV sales down

Inorganic Materials **【1Q】Sales & OP up**

Sales up in SNOWTEX (non-polishing and polishing), Organo/Monomer Sol and Oilfield materials
SNOWTEX (polishing) sales up: Higher demand for CMP slurry raw materials driven by growing semiconductor demand
Organo/Monomer Sol sales up: Higher demand for ICT applications (data-center related) and enameled wire for EV

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On page 16, we'll take a closer look at each subsegment.

First, the semiconductor business posted higher revenue and profit in 1Q. As detailed here, the semiconductor market is growing across a wide range of technology nodes. Driven by the very strong performance of our customers in Asia, sales of Multi-layer process materials, ARC, and EUV materials increased significantly. In addition, sales of 3D packaging process materials have remained steady. I also believe that the weak yen has contributed to this to a certain extent. It should be noted that, in the semiconductor business, although expenses increased by JPY1.2 billion YOY due to higher fixed costs and other factors, profit still rose significantly.

The display materials business reported a decline in both sales and profit. Although the decline in profit isn't particularly large, demand—especially for IT applications—has fallen slightly due to the impact of soaring memory prices. However, as noted here, while sales of Photo IPS for monitors and tablets declined, sales for smartphones recovered, resulting in an overall Photo IPS sales growth.

The inorganic materials business also saw an increase in both revenue and profit. The slide provides a few more details. In particular, SNOWTEX (polishing) has seen growth, driven by rising demand for semiconductors, with sales of CMP slurry raw materials leading the way. In addition, sales of Organo/Monomer Sol performed well in 1Q, driven by increased demand for data center-related ICT applications and for enameled wire used in EV.

Performance Materials **1Q FY2026 Compared to Outlook**

Nissan Chemical CORPORATION

(¥billion)

	1Q FY2026 Outlook	1Q FY2026 Actual	vs. Outlook
Sales	29.6	32.6	+3.0
OP	8.3	10.7	+2.4

Fixed cost & others【1Q】less than outlook ¥1.0 billion (some Fixed cost & others in Semis shifted to 2Q or later)

Semis Materials **【1Q】Sales & OP above target**

Sales above target, driven by Multi-layer process materials and ARC®, supported by higher customer fab utilization in Asia and positive FX impact

3D packaging process materials for back-end process sales in line with target

Fixed cost & others less than outlook ¥1.0 billion

Details: fixed cost less than outlook ¥0.2 billion
inventory adjustment cost less than ¥0.8 billion (shifted to 2Q or later)

Display Materials **【1Q】Sales in line with target, OP slightly below target**

Photo IPS and VA sales in line with target

Inorganic Materials **【1Q】Sales & OP above target**

Sales above target in SNOWTEX (non-polishing and polishing) and Organo/Monomer Sol

SNOWTEX (polishing) sales above target: Higher demand for CMP slurry raw materials driven by growing semiconductor demand

Organo/Monomer Sol sales above target: Higher demand for ICT applications (data-center related) and enameled wire for EV

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Page 17 shows the actual results for the Performance Materials segment compared to the outlook.

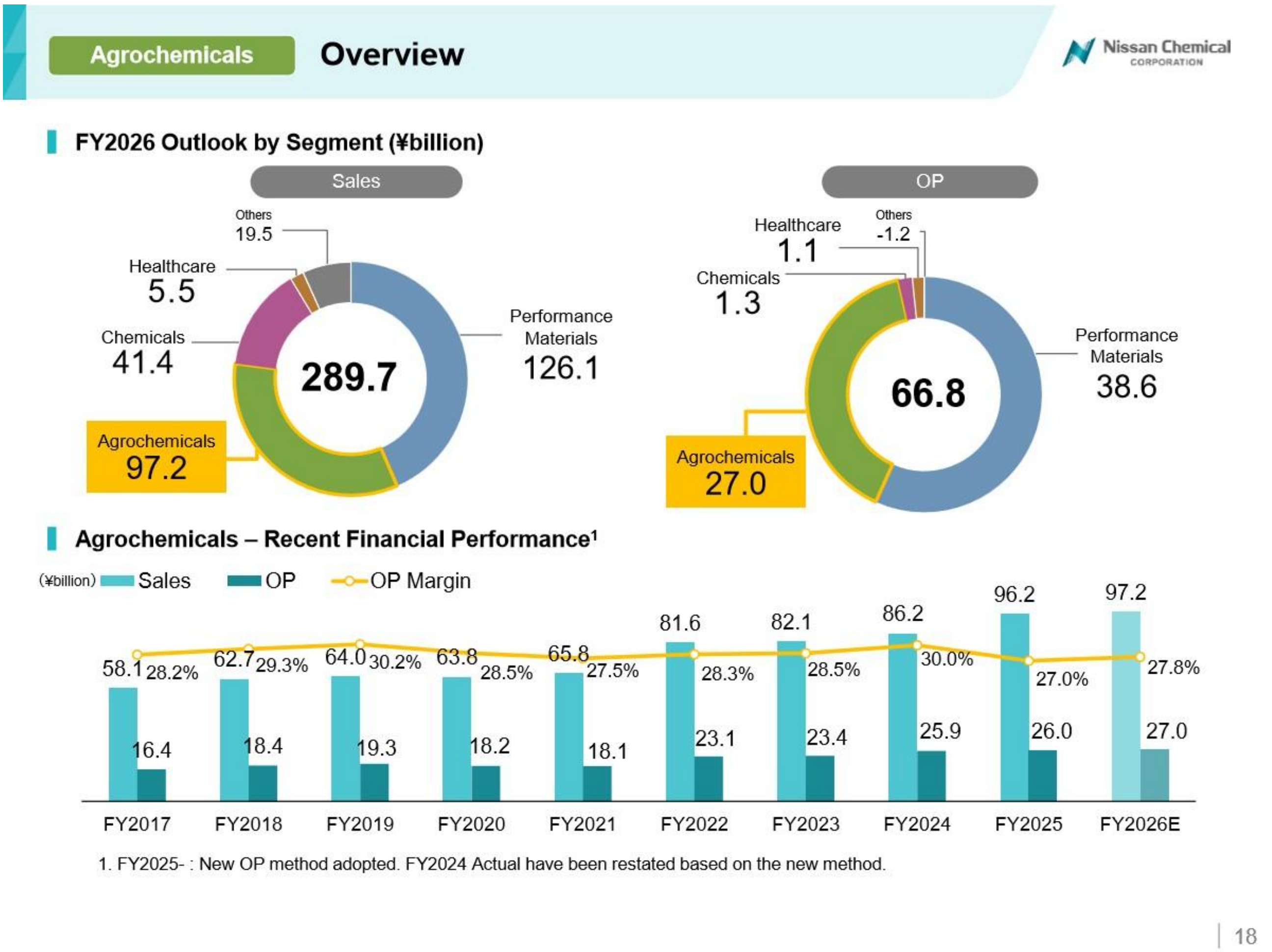
Just below the table, there is a mention of fixed costs & others. Fixed costs were JPY1.0 billion lower than our outlook, which contributed to the increase in profit. Fixed costs were lower than the original outlook; this was due to the deferral of certain fixed costs related to semiconductors to 2Q and beyond.

As noted in parentheses on the fourth line of the semiconductor section, the impact of inventory adjustment—which we had expected to occur in 1Q—actually occurred in 2Q and beyond, and the resulting JPY0.8 billion contributed to the higher-than-expected profit.

In any case, while this report focuses primarily on sales, sales volumes for M9-layer process materials, ARC, and other products have been exceeding expectations. Sales of 3D packaging process materials were in line with the outlook.

Sales of display materials were in line with the outlook, while operating profit fell slightly short of the target—though not by a significant margin. However, sales of products such as Photo IPS were in line with the outlook.

As I explained earlier, sales and operating profit for inorganic materials increased compared to the previous period and exceeded our targets.



The outlook for the Agrochemicals segment on page 18 remains unchanged from the announcement made in May.

Agrochemicals

Sales Growth Rate of Main Products (before discount)

Nissan Chemical CORPORATION

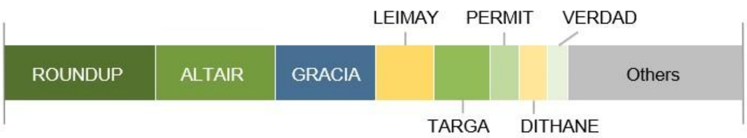
【1Q】Sales YOY flat, Sales above target

Main Products (Agro: in order of FY2025 Sales amount)		Types	1Q FY2026 Actual	
			YOY Change	vs. Outlook
Agro	ROUNDUP[1]	Herbicide	+18%	Above
	ALTAIR	Herbicide	+8%	Above
	GRACIA	Insecticide	+12%	Above
	LEIMAY	Fungicide	-44%	Slightly Below
	TARGA	Herbicide	-4%	In line
	PERMIT	Herbicide	-31%	Below
	DITHANE	Fungicide	-7%	In line
	VERDAD[2]	Herbicide	+569%	Above
Animal Health	Fluralaner	Animal Health products	-3%	Above
Total Segment[3]		-	0%	Above

1. ROUNDUP AL for general household account for 34% of total ROUNDUP sales (1Q FY2026 Actual)
2. VERDAD was launched in 4Q FY2024
3. Total segment sales include discount

1Q FY2026 Actual Sales Composition*

*Before discount, excluding Fluralaner



Reference

Agrochemicals Business Briefing (January 13, 2026)

ROUNDUP Business Briefing (January 22, 2020)

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I will explain the sales performance of our major products in detail on page 19.

This table lists our major products. The new bar chart below illustrates the percentage breakdown of each major product within 1Q sales. The bar chart below shows the composition excluding the Fluralaner, the animal health product.

Please refer to the table above, keeping this breakdown of sales in mind. Although total sales for the segment were roughly flat compared to the same period last year, they exceeded the outlook.

In particular, starting from the top, sales of ROUNDUP and GRACIA increased by double-digit percentages compared to the same period last year. On the other hand, sales of the fungicide LEIMAY declined due to factors such as weather conditions. I'll explain this in more detail later.

Sales of animal health products were down 3% YOY but exceeded the outlook.

Agrochemicals 1Q FY2026 YOY Change

(¥billion)

	1Q FY2025 Actual	1Q FY2026 Actual	YOY Change
Sales	26.6	26.6	0.0
OP	8.6	8.8	+0.2

【1Q】Sales flat, OP up

ROUNDUP	Sales up (ML and AL: volume down due to unfavorable weather in 1Q FY2025)
ALTAIR, VERDAD	Sales up (domestic: VERDAD sales expansion)
GRACIA	Sales up (domestic: sales up due to increased demand)
LEIMAY	Sales down (export: sales down due to decreased demand in Europe caused by weather conditions)
Fluralaner	Sales down (API: sales down, partial shipment shifted from FY2024 to 1Q FY2025, royalties: sales up, partly affected by positive FX impact)

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Page 20 shows the YOY comparisons for sales and profit.

Operating profit increased by JPY0.2 billion. As shown in the table by product, ROUNDUP, in particular, got off to a strong start in 1Q, in contrast to the volume down due to unfavorable weather conditions in 1Q of 2025. Domestic sales of the rice herbicides ALTAIR and VERDAD also got off to a very strong start in 1Q, with VERDAD in particular seeing a significant increase in sales.

GRACIA's sales increased, primarily due to very strong domestic demand.

On the other hand, regarding LEIMAY, as I mentioned briefly earlier, sales declined as a result of reduced demand in Europe, our major market, caused by hot and dry weather conditions.

Finally, Fluralaner's sales declined. The decline in sales from API shipments is attributable to the fact that sales in 1Q of FY2025 were slightly higher than the Company’s true performance level due to shipments that had been postponed from FY2024. Royalty revenue increased, partly due to the weak yen.

Agrochemicals

1Q FY2026 Compared to Outlook

Nissan Chemical CORPORATION

(¥billion)

	1Q FY2026 Outlook	1Q FY2026 Actual	vs. Outlook
Sales	23.3	26.6	+3.3
OP	7.2	8.8	+1.6

【1Q】Sales & OP above target

ROUNDUP	Sales above target (ML and AL: partial shipment shifted from 2Q)
ALTAIR, VERDAD	Sales above target (domestic: sales up due to increased demand)
GRACIA	Sales above target (domestic: sales up due to increased demand, export: sales up due to increased demand in Asia)
LEIMAY	Sales slightly below target (export: sales down due to decreased demand in Europe caused by weather conditions)
Fluralaner	Sales above target (API: sales up, royalties: sales up, partly affected by positive FX impact)

21

Page 21 shows the figures compared to the outlook. Net sales exceeded the outlook by JPY3.3 billion, and operating profit also significantly exceeded the outlook by JPY1.6 billion.

Comments on actual results compared to outlook are provided for each product in order. In particular, the results for ALTAIR and VERDAD in the second row significantly exceeded expectations. As a result, we were able to get off to a strong start nationwide, exceeding our outlook. Fluralaner, the animal health product listed in the final row, also saw both API shipments and royalty revenue exceed projections, contributing to some extent to the increase in sales and profit.

Agrochemicals

Main Products
(No change from the May 2026 announcement)

Nissan Chemical CORPORATION

	Launch	Products	Application	Product development type	Notes
Existing products	2002	ROUNDUP	Herbicide	Acquired	Acquired domestic business from Monsanto, continuing to grow
	2008	LEIMAY	Fungicide	In-house	
	2008	STARMITE	Insecticide	In-house	
	2009	PULSOR (THIFLUZAMIDE)	Fungicide	Acquired	Acquired world business from Dow
	2010	ROUNDUP AL	Herbicide	In-house	For general household shower-type herbicide market, launched ROUNDUP AL Ⅱ in FY2016 and AL Ⅲ in FY2017
	2011	ALTAIR	Herbicide	In-house	For paddy rice. Launched in Korea in FY2011 and in Japan in FY2012
	2013	Fluralaner	Animal health product	In-house	Started to be supplied to MAH[1] as the API of BRAVECTO®
	2014	BRAVECTO®[2]	Veterinary medical product for companion animals	-	Launched in several countries in EU in April 2014, in USA in June 2014 and in Japan in July 2015
	2017	TRANSFORM™ / EXCEED™ / VIRESCO™	Insecticide	Licensed-in	Licensed from Dow
New products・Pipeline	2018	GRACIA	Insecticide	In-house	Effective against a wide range of serious pests, having less negative impact on honeybees. Launched in Korea in FY2018, in Japan in FY2019, and In India and Indonesia in FY2021. Expanding sales countries (expected peak sales ¥12.5 billion)
	2019	QUINTEC (QUINOXYFEN)	Fungicide	Acquired	Acquired world business from Corteva. Protective fungicide highly effective in controlling powdery mildew in fruits and vegetables
	2020	DITHANE (MANCOZEB)	Fungicide	Acquired	Acquired Japan and Korea business from Corteva in December 2020. Protective fungicide with significant efficacy against various plant diseases in fruits and vegetables
	2024	VERDAD (DIMESULFAZET) (NC-653)	Herbicide	In-house	For paddy rice. Effective against resistant weeds, having excellent safety to rice (expected peak sales ¥6.0 billion)
	2027	RYZONIC (IPTRIAZOPYRID) (NC-656)	Herbicide	In-house	Our first foliar application rice herbicide with excellent efficacy against resistant grass weeds (expected peak sales ¥15.0 billion[3])
	2028	PREXIO (FENMEZODITIAZ) (NC-520)	Insecticide	Joint development	Insecticide for paddy rice co-developed with BASF. Highly effective against planthoppers (expected peak sales ¥2.5 billion including mixture products)

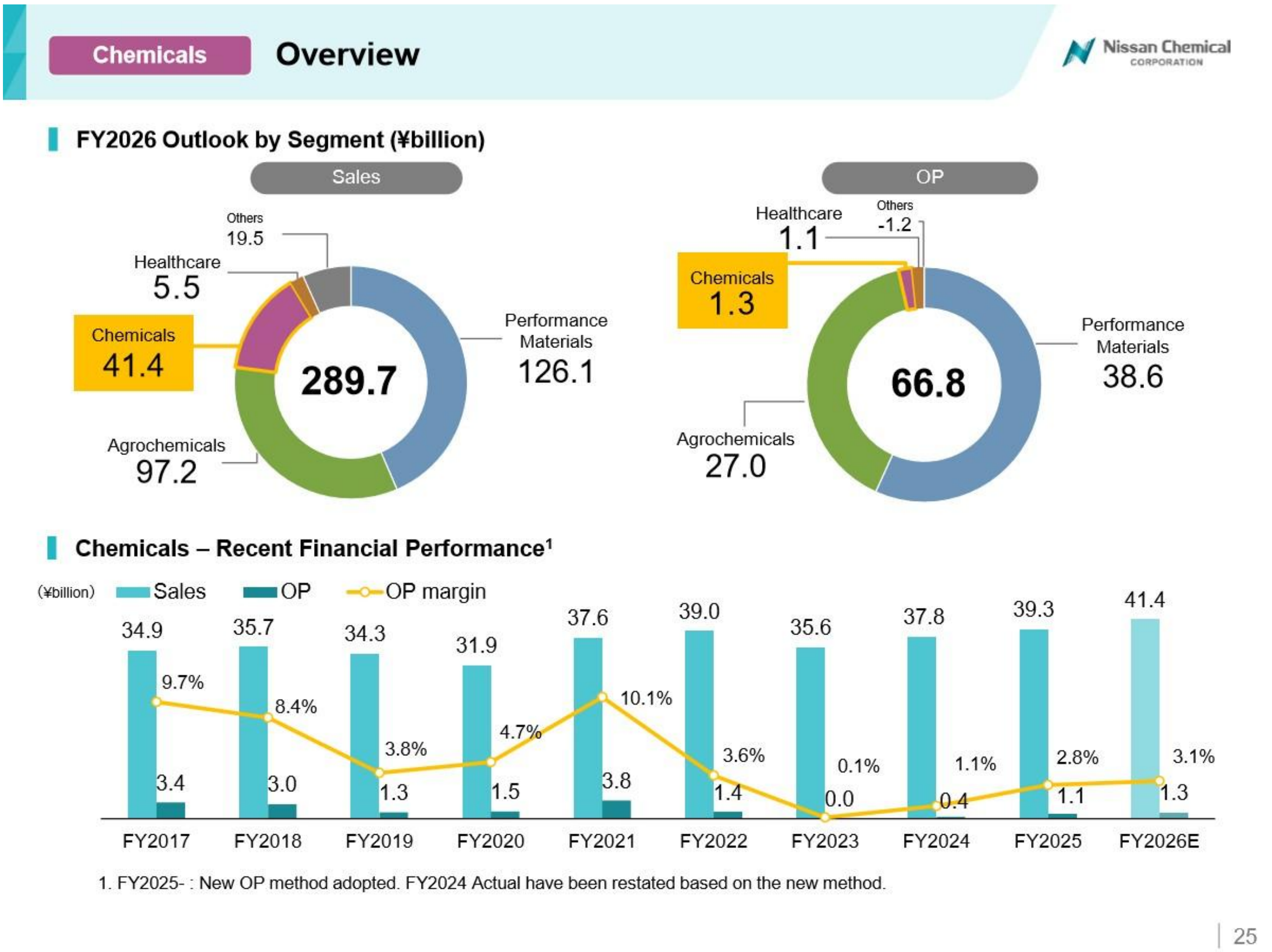
Expected peak sales of new products ¥41.0 billion[3]

1. MAH: MSD Animal Health, the global animal health business unit of Merck 2. BRAVECTO®: the product name developed by MAH, containing the active substance Fluralaner
3. Expected peak sales of RYZONIC were revised upward from ¥10.0 billion to ¥15.0 billion in January 2026

22

Pages 22 through 24 have not been changed since the announcement in May.

Regarding RYZONIC, mentioned in the second line from the bottom of page 22, development is currently proceeding on schedule toward its launch in FY2027.



Page 25 covers the Chemicals segment. This has also remained unchanged since the announcement in May. The details of each item are explained on page 26.

Chemicals

1Q FY2026 YOY Change, Compared to Outlook

Nissan Chemical CORPORATION

YOY Change

(¥billion)

	1Q FY2025 Actual	1Q FY2026 Actual	YOY Change
Sales	9.3	10.5	+1.2
Fine Chemicals	3.4	4.0	+0.6
Basic Chemicals	5.9	6.5	+0.6
OP	0.7	0.9	+0.2

【1Q】Sales & OP up

In Fine Chemicals, OP flat due to fixed costs & others up despite sales up in TEPIC and environmental related products
In Basic Chemicals, OP up due to sales up in nitric acid products (recovery from mechanical trouble in 1Q FY2025) and high purity sulfuric acid (demand increase for semiconductors)

Compared to Outlook

(¥billion)

	1Q FY2026 Outlook	1Q FY2026 Actual	vs. Outlook
Sales	9.9	10.5	+0.6
Fine Chemicals	3.5	4.0	+0.5
Basic Chemicals	6.4	6.5	+0.1
OP	1.0	0.9	-0.1

【1Q】Sales above target, OP below target

In Fine Chemicals, OP above target due to sales above target in environmental related products and TEPIC etc.
In Basic Chemicals, OP below target due to fixed costs & others more than outlook despite sales above target in nitric acid products and urea/AdBlue®

26

Page 26 presents a comparison with the same period of the previous year and with the outlook on a single page.

As I mentioned earlier, operating profit increased by JPY0.2 billion compared to the same period last year. As for the details, in the fine chemicals business, although sales of TEPIC and environmental chemicals increased, profit remained flat due to higher fixed costs and other factors.

On the other hand, in the basic chemicals business, sales increased compared to 1Q of FY2025, when there were plant issues with nitric acid and other factors. In addition, sales of high-purity sulfuric acid—which is in demand for semiconductor applications and other uses—also increased, resulting in higher profit.

On the other hand, as noted below, while sales slightly exceeded our outlook, profit ultimately fell slightly short of our target due in part to fixed costs and other expenses in the basic chemicals business exceeding the plan.

Healthcare 1Q FY2026 YOY Change, Compared to Outlook

Nissan Chemical CORPORATION

YOY Change

(¥billion)

	1Q FY2025 Actual	1Q FY2026 Actual	YOY Change
Sales	1.6	1.9	+0.3
OP	0.5	0.7	+0.2

【1Q】Sales & OP up — OP up due to sales up in Healthcare & Custom Chemicals

Compared to Outlook

(¥billion)

	1Q FY2026 Outlook	1Q FY2026 Actual	vs. Outlook
Sales	1.8	1.9	+0.1
OP	0.7	0.7	0.0

【1Q】Sales above target, OP in line with target

29

Finally, Healthcare. Please go to page 29.

As noted, due to increased revenue in the healthcare & custom chemicals business, this segment posted higher profit compared to the same period last year. Performance is progressing in line with our outlook.

1Q FY2026 Financial Results YOY Change by Segment

Nissan Chemical CORPORATION

(¥billion)

		1Q FY2025 Actual	1Q FY2026 Actual	YOY Change
Performance Materials	Sales	25.9	32.6	+6.7 (+26%)
	OP	8.2	10.7	+2.5 (+30%)
Agrochemicals	Sales	26.6	26.6	0.0 (0%)
	OP	8.6	8.8	+0.2 (+2%)
Chemicals	Sales	9.3	10.5	+1.2 (+13%)
	OP	0.7	0.9	+0.2 (+23%)
Healthcare	Sales	1.6	1.9	+0.3 (+18%)
	OP	0.5	0.7	+0.2 (+50%)
Trading, Others, Adjustment	Sales	6.5	7.2	+0.7
	OP	0.1	0.8	+0.7
Total	Sales	69.9	78.8	+8.9 (+13%)
	OP	18.1	21.9	+3.8 (+21%)

1. Including inter-segment sales/transfers
2. Trading: Nissei Corporation, Others: Nissan Butsuryu, Nissan Green & Landscape, Nissan Engineering, NC Tokyo Bay, Nippon Polytech, Nihon Hiryo, Adjustment: Planning & Development Division and others

30

On page 30, we present the YOY sales and profits by segment, with the figures mentioned above summarized in a single table.

In particular, operating profit for the Performance Materials segment rose 30% in 1Q.

1Q FY2026 Compared to Outlook by Segment

Nissan Chemical CORPORATION

(¥billion)

		1Q FY2026 Outlook	1Q FY2026 Actual	vs. Outlook
Performance Materials	Sales	29.6	32.6	+3.0 (+10%)
	OP	8.3	10.7	+2.4 (+29%)
Agrochemicals	Sales	23.3	26.6	+3.3 (+14%)
	OP	7.2	8.8	+1.6 (+23%)
Chemicals	Sales	9.9	10.5	+0.6 (+6%)
	OP	1.0	0.9	-0.1 (-13%)
Healthcare	Sales	1.8	1.9	+0.1 (+3%)
	OP	0.7	0.7	0.0 (+6%)
Trading, Others, Adjustment	Sales	4.5	7.2	+2.7
	OP	-0.4	0.8	+1.2
Total	Sales	69.1	78.8	+9.7 (+14%)
	OP	16.8	21.9	+5.1 (+30%)

1. Including inter-segment sales/transfers
2. Trading: Nissei Corporation, Others: Nissan Butsuryu, Nissan Green & Landscape, Nissan Engineering, NC Tokyo Bay, Nippon Polytech, Nihon Hiryo, Adjustment: Planning & Development Division and others

31

Page 31 shows the actual results compared to the outlook.

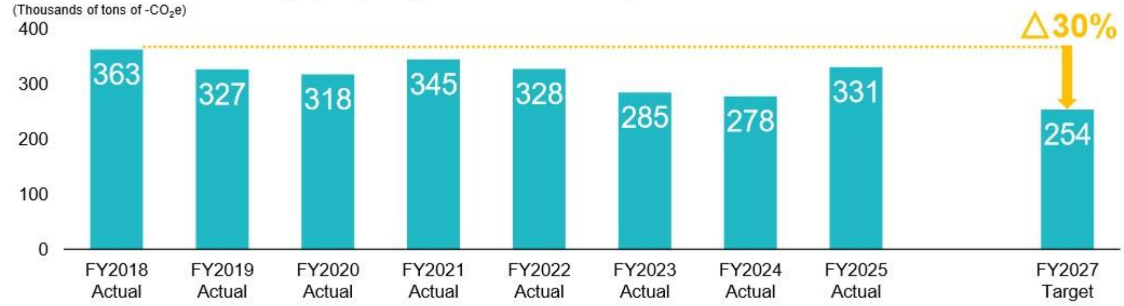
Please look at the column on the far right labeled "vs. Outlook." Operating profit for Performance Materials exceeded the target by 29%, and operating profit for Agrochemicals also exceeded the target by 23%. Company-wide, operating profit exceeded the outlook by 30%. In that sense, I think we got off to a very good start.

Reduction of GHG Emissions

Nissan Chemical CORPORATION

- To achieve carbon neutrality by 2050, focus on initiatives such as improving production technology and adopting renewable energy, in addition to conventional efforts
- FY2027 GHG emissions target is expected to achieve at least a 30% reduction compared to FY2018 (Scope 1+2, non-consolidated basis). In FY2025, GHG emissions temporarily increased, reflecting the impact of mechanical trouble at the nitric acid plant in 1Q.

Our GHG emissions reduction target (Scope 1+2, non-consolidated basis)



Comparison of GHG emissions with general chemical manufacturers (consolidated basis)

(Thousands of tons -CO_2e)

FY	2019	2020	2021	2022	2023	2024
Nissan Chemical	346	337	364	346	305	315
Average of 4 major general chemical manufacturers	9,275	8,928	9,226	8,390	7,803	7,691

Initiatives in Medium-Term Plan Vista2027 (FY2022-2027)

- **Zero N_2O emissions from nitric acid plants (Planned investment of ¥830 million, variable cost of ¥70 million/year)**
- **Melamine production shutdown**
- **Converting fuels at Onoda Plant**
- **Promoting reduction of GHG emissions through full-scale introduction of ICP**
- **Reduction of CFC equipment**
- **Upgrade to energy-efficient equipment**

36

Finally, page 36 covers the reduction of GHG emissions.

I’d like to briefly mention that our Scope 1 and 2 emissions for FY2025 were slightly higher than those for FY2024. However, this is only temporary; as noted in the fourth line, it is due to a temporary increase in emissions caused by a problem at the nitric acid plant that occurred in 1Q of FY2025.

With regard to the FY2027 target, we have already implemented the measures listed in the lower right corner, particularly the investment aimed at reducing N_2O emissions from the nitric plant to zero. Therefore, I believe it is entirely possible to achieve the FY2027 target.

That's all from me.

Question & Answer

<Questioner 1>

Q: My first question is regarding Performance Materials, particularly semiconductor materials. Regarding the reasons why top-line exceeded the outlook, I'd like you to explain, on a product-by-product basis, whether there was some sort of panic buying or if the semiconductor market was simply stronger than expected. Could you also explain the plans for 2Q?

A: The reason semiconductor materials sales exceeded the outlook is that the AI market—led by generative AI—is booming driving steady growth in lithography materials such as ARC, Multi-layer process materials, and EUV materials, which are primarily used in cutting-edge semiconductors. Customer activity is on the rise in all regions—Taiwan, China, and South Korea. We expect this situation to continue into 2Q.

Q: Second, sales of your flagship products in Agrochemicals also exceeded the outlook. Please tell us about the background. Also, please explain how you anticipate the impact of the global El Niño phenomenon.

A: First, in Japan, as was the case last year, the area planted with rice for human consumption did not decrease as much as expected; as a result, both the industry as a whole and our company have seen increased sales of paddy rice herbicides. This explains why sales increased compared to both the outlook and the previous year.

Also, in 1Q, the fact that the weather remained favorable through Golden Week and an increase in insect activity led to the strong sales of GRACIA. ROUNDUP's top-line performance was also sluggish this time last year due to heavy rainfall, so things are going well this season to make up for that.

Overseas, we have not yet observed any impact of the El Niño phenomenon. In Europe, shipment of our flagship product, LEIMAY, increased significantly last fiscal year, but sales have declined slightly due to reduced demand caused by high temperatures and dry conditions this fiscal year. However, since this was already factored into our outlook, the shortfall relative to our outlook is limited.

Q: In the graph showing the composition of agrochemical products at the bottom of page 19 of the presentation material, is it correct to understand that Fluralaner is not included in the graph, and that the "Other" category in the graph refers to other agrochemical products?

A: Yes, the "Other" category in the graph refers to other agrochemical products, not veterinary drugs Fluralaner.

<Questioner 2>

Q: The first point concerns semiconductor materials. Sales of Multi-layer process materials have increased by 96%, which is an exceptionally strong growth rate. Could you please explain a little more about why it has grown this much? Also, in connection with this, regarding trends in shipments of semiconductor materials to China, may I ask if there have been any changes in inventory management—such as bringing shipments forward or delaying them?

A: First, demand for Multi-layer process materials is strong and growing across all regions. I believe the main reason for this significant growth is the strong expansion in China.

At this point, we are not currently aware of any shipments being brought forward or delayed regarding shipping trends to China.

Q: Regarding the growth in demand for Multi-layer process materials in China, which is growing more—Spin-on carbon (SOC) or Silicon hard mask (Si-HM)?

A: In particular, SOC materials have seen significant growth.

Q: The second point concerns display materials. I believe that the shortage of memory is causing a serious decline in IT device production, and that Chinese smartphones are also being significantly affected by this shortage. Even under these circumstances, your company's sales are on track, and when looking at Photo IPS alone, sales have increased YOY.

Earlier, it was mentioned that smartphone has shown some signs of recovery. I think this is a bit different from general industry trends. Why has Photo IPS's performance remained so resilient, with sales increasing YOY? Could support from the repair market also be a contributing factor? Could you please tell us a little more about the status of Photo IPS?

A: As far as smartphones are concerned, your understanding is correct. According to the various market research reports I've reviewed, shipments of new smartphones have been declining, with LCD smartphones in particular showing a downward trend. On the other hand, we believe that the reason our sales of Photo IPS for smartphones have not declined significantly is due to the growth of the repair market.

As for IT devices, there has been some reduction in production by our customers due to rising memory prices, and we cannot entirely avoid the impact of this.

Q: 1Q results were in line with your plan. Do you expect performance to remain on track starting in 2Q?

A: I believe we will continue to see some impact from the rising memory prices in 2Q and beyond, but we are currently assessing the extent of that impact while carefully monitoring market trends and customer behavior.

<Questioner 3>

Q: As for Photo IPS on display materials, I believe the initial outlook for FY2026 factored in expansions of production capacity by Chinese customers in 2H. Could you please confirm whether this is still on track for 2H?

A: Regarding the expansion of our Chinese customer's Photo IPS in 2H of FY2026, based on what we've observed directly from the customer's activities, we've been told that the expansion work is proceeding largely as planned and that utilization rates are expected to increase. While the impact of the rising memory prices is affecting the industry as a whole, our Chinese customers have been able to maintain their operations relatively well, so we expect the situation to remain fairly stable heading into 2H of the year.

Q: Also, I believe you had originally outlook that sales for smartphones would increase this year in Photo IPS. We heard earlier that the repair market is growing. Can we expect this trend to continue into 2Q and beyond?

A: We've also heard that the smartphone repair market is experiencing steady growth, primarily in southern China, and targeting both the Chinese domestic market and emerging economies. Therefore, I believe this trend will continue for some time.

Q: If foldable smartphones were to be released, how would that affect your company?

A: Foldable smartphones already hold a certain market share, but they all use OLED displays, which means that our alignment materials for LCDs are not used. The basic idea is that as OLEDs become more widespread, LCDs will decline.

Q: As for Agrochemicals, you mentioned that domestic herbicides for rice such as ALTAIR and VERDAD increased. Since rice prices have been falling quite a bit recently, could you please tell us whether you need to be concerned about a decrease in the area planted with rice starting next fiscal year and beyond?

A: As you pointed out, rice prices have been falling. However, since VERDAD is a new product, there is strong demand for it. As for its impact on the next fiscal year, we intend to closely monitor and carefully assess the market.

Q: Even if the planted area decreases somewhat next fiscal year, since VERDAD is a new product, is it reasonable to assume that VERDAD has good potential for growth?

A: Our sales team is currently working to increase sales in VERDAD, including trials.

<Questioner 4>

Q: I'd like to ask about the Chemicals segment. Could you please explain the factors behind the YOY increase in sales of TEPIC and environmental related products?

A: As for TEPIC and HI-LITE, one of our environmental related products, exports to the United States and Asia were strong. In particular, HI-LITE has benefited from favorable market conditions, supported by anti-dumping measures targeting Chinese products.

Q: I believe the Company plans to continue implementing structural reforms in the Chemicals segment. Please let us know whether these results will have any impact on that policy.

A: Regarding structural reforms, our Mid-Term Management Plan calls for us to move forward with these reforms with a view to FY2027, and we are currently working on them. The policy won't change.

<Questioner 5>

Q: First, I'd like to ask about the animal health product Fluralaner. I think the bar was set quite high for the API in 1Q of this year compared to the previous year. Could you please elaborate a bit on the reasons behind the slight decline of 3% YOY? Could you also explain shipment plans for Fluralaner for 2Q?

A: As noted on page 20, sales of API were unusually high in 1Q of FY2025 due to one-time factors. Since the year-on-year comparison base was exceptionally high, it wasn't at all that it underperformed this quarter; the sales decline was simply relative to that baseline.

On the other hand, as noted here, royalty revenue was also affected by the weak yen. However, sales of Merck's BRAVECTO series have been strong recently, and this has directly contributed to the increase in revenue. Combined with shipments of API, this resulted in a YOY sales decline of just 3%.

We will continue to closely monitor Merck's sales trends in 2Q and beyond. My general impression is that Merck's sales will likely continue to grow steadily. Therefore, I believe our royalty revenue will also benefit from this. I believe our shipments of API will also show a corresponding increase.

Q: The second point concerns the impact of the situation in the Middle East. I believe the assumption at the beginning of the period was that the direct impact would be limited. Did this actually have any negative effects? What is the current status of passing on the rising costs of raw materials to retail prices?

A: As you mentioned, while there has certainly been some increase in the input costs of various raw materials for our company—including natural gas and certain other materials—the overall amount is not particularly large. Even if there were an impact, although there may be a time lag, our basic policy is to pass the cost on to our customers through our selling prices. In that sense, our current expectation is that the impact will be quite limited.

<Questioner 6>

Q: The first point is semiconductor materials. In your response to the previous question, you explained that growth in the Multi-layer process materials was particularly strong in China. In that context, could you please provide an overview of sales trends by region for ARC for KrF and ArF, as well as Multi-layer process materials?

A: In 1Q YOY, as I mentioned earlier, sales of Multi-layer process materials rose significantly. While sales to China accounted for the bulk of this growth, it wasn't limited to China alone—sales to Taiwan and South Korea also saw significant growth.

ARC for both KrF and ArF delivered solid growth, with sales increasing broadly across various regions. While there may be some differences on a value basis due to variations in their sales volumes, both products achieved double-digit YOY growth, particularly in China and Taiwan.

We sell EUV materials to customers in South Korea and Taiwan, and sales to Taiwan, in particular, showed significant growth in 1Q.

Please understand that there aren't significant differences between regions and products; while sales in certain regions stand out, overall sales are growing.

Q: Are there no significant regional differences in 2Q and beyond, and is growth expected across the board?

A: Yes, that's right.

Q: You explained that, regarding display materials, sales for smartphones showed a slight recovery, resulting in a YOY increase in sales. Could you tell us what other products, aside from those designed for smartphones, have performed well?

A: Apart from smartphones, Photo IPS sales for automobiles and notebook PCs are strong. As for automobiles, given that both unit volume and display size are steadily increasing, and that the proportion of Photo IPS remains relatively high, we believe this growth reflects market trends.

[END]