

# Consolidated Financial Results for the Year Ended March 31, 2026 (JPGAAP)



May 15, 2026

Stock Exchange: Tokyo

URL: <https://www.nissanchem.co.jp/>

Name of listed company: Nissan Chemical Corporation

Code Number: 4021

Representative: YAGI Shinsuke, President

Inquiry to: NOMURA Hiroshi, Head of Finance and Accounting Department

Scheduled date of annual shareholders' meeting

: June 25, 2026

Scheduled dividend payment date

: June 26, 2026

Scheduled date of submitting the Annual Securities Report

: June 24, 2026

Supplemental information

: Yes

Financial results meeting

: Yes (for institutional investors and analysts)

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(Amounts rounded down to the nearest million yen)

## 1. Consolidated Financial Results for the Year Ended March 31, 2026 (From April 01, 2025 to March 31, 2026)

(1) Consolidated Operating Results (% indicates the rate of increase/decrease year on year)

|                           | Net sales   |      | Operating income |      | Ordinary income |      | Net income attributable to owners of parent |      |
|---------------------------|-------------|------|------------------|------|-----------------|------|---------------------------------------------|------|
|                           | Million yen | %    | Million yen      | %    | Million yen     | %    | Million yen                                 | %    |
| Year ended March 31, 2026 | 279,586     | 11.2 | 63,552           | 11.8 | 65,897          | 13.6 | 49,707                                      | 15.5 |
| Year ended March 31, 2025 | 251,365     | 10.9 | 56,833           | 17.9 | 58,018          | 12.4 | 43,043                                      | 13.2 |

(Note) Comprehensive income: Year ended March 31, 2026 : 56,804 million yen, 44.3%

Year ended March 31, 2025 : 39,366 million yen, (7.3)%

|                           | Basic earnings per share | Diluted net income per share | Ratio of net income to shareholders' equity | Ratio of ordinary income to total assets | Ratio of operating income to net sales |
|---------------------------|--------------------------|------------------------------|---------------------------------------------|------------------------------------------|----------------------------------------|
|                           | Yen                      | Yen                          | %                                           | %                                        | %                                      |
| Year ended March 31, 2026 | 368.26                   | —                            | 20.3                                        | 19.2                                     | 22.7                                   |
| Year ended March 31, 2025 | 313.26                   | —                            | 18.7                                        | 17.7                                     | 22.6                                   |

(Reference) Equity in earnings of affiliates : Year ended March 31, 2026 : 1,507 million yen

: Year ended March 31, 2025 : 1,061 million yen

## (2) Consolidated Financial Position

|                      | Total assets | Net assets  | Equity ratio | Net assets per share |
|----------------------|--------------|-------------|--------------|----------------------|
|                      | Million yen  | Million yen | %            | Yen                  |
| As of March 31, 2026 | 355,078      | 259,051     | 71.9         | 1,903.42             |
| As of March 31, 2025 | 330,763      | 236,180     | 70.5         | 1,711.83             |

(Reference) Shareholders' equity: As of March 31, 2026 : 255,264 million yen

As of March 31, 2025 : 233,291 million yen

## (3) Consolidated Cash Flows

|                           | Cash flows from operating activities | Cash flows from investing activities | Cash flows from financing activities | Cash and cash equivalents at end of period |
|---------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------------|
|                           | Million yen                          | Million yen                          | Million yen                          | Million yen                                |
| Year ended March 31, 2026 | 64,164                               | (21,178)                             | (36,162)                             | 35,729                                     |
| Year ended March 31, 2025 | 59,178                               | (17,612)                             | (35,650)                             | 27,454                                     |

## 2. Cash Dividends

|                                      | Cash dividends per share |                |               |          |        | Total cash dividends (annual) | Dividend payout ratio (consolidated) | Ratio of dividend to net assets (consolidated) |
|--------------------------------------|--------------------------|----------------|---------------|----------|--------|-------------------------------|--------------------------------------|------------------------------------------------|
|                                      | First quarter            | Second quarter | Third quarter | Year-end | Annual |                               |                                      |                                                |
|                                      | Yen                      | Yen            | Yen           | Yen      | Yen    | Million yen                   | %                                    | %                                              |
| Year ended March 31, 2025            | —                        | 70.00          | —             | 104.00   | 174.00 | 23,826                        | 55.5                                 | 10.4                                           |
| Year ended March 31, 2026            | —                        | 70.00          | —             | 132.00   | 202.00 | 27,168                        | 54.9                                 | 11.2                                           |
| Year ending March 31, 2027 (Outlook) | —                        | 70.00          | —             | 142.00   | 212.00 |                               | 54.8                                 |                                                |

## 3. Outlook of Consolidated Financial Results for the Fiscal Year Ending March 31, 2027 (From April 1, 2026 to March 31, 2027)

(% indicates the rate of increase/decrease against the same period of the previous year)

|                                      | Net sales   |     | Operating income |       | Ordinary income |       | Net income attributable to owners of parent |       | Basic earnings per share |
|--------------------------------------|-------------|-----|------------------|-------|-----------------|-------|---------------------------------------------|-------|--------------------------|
|                                      | Million yen | %   | Million yen      | %     | Million yen     | %     | Million yen                                 | %     | Yen                      |
| Six months ending September 30, 2026 | 131,500     | 1.1 | 28,700           | (3.0) | 29,600          | (0.6) | 22,400                                      | (1.9) | 168.52                   |
| Year ending March 31, 2027           | 289,700     | 3.6 | 66,800           | 5.1   | 68,800          | 4.4   | 51,500                                      | 3.6   | 387.11                   |

#### 4. Notes

(1) Changes in significant consolidated subsidiaries  
(Changes in specified subsidiaries involving changes in scope of consolidation) : Yes  
Newly Included: 1 company (Company name:Nissan Chemical Semiconductor materials (Taiwan) Co., Ltd.)

(2) Changes of accounting policies and accounting estimates, and restatement  
1. Changes of accounting policies due to revisions of accounting standards : None  
2. Changes of accounting policies other than the above : None  
3. Changes in accounting estimates : None  
4. Restatements : None

(3) Number of shares outstanding (common shares)  
1. Number of shares outstanding (including treasury shares)  
As of March 31, 2026 : 134,800,000 shares  
As of March 31, 2025 : 136,800,000 shares

2. Number of treasury shares  
As of March 31, 2026 : 691,415 shares  
As of March 31, 2025 : 517,787 shares

3. Average number of shares outstanding over the year  
As of March 31, 2026 : 134,977,946 shares  
As of March 31, 2025 : 137,404,538 shares

(Note) The Company has introduced "Board Benefit Trust (BBT)" based on the resolution of Board of Directors' meeting held on July 30,2019. The shares held by the Trust are included in the number of treasury shares at the end of the period, and they are included in the number of treasury shares deducted in calculating the average number of shares outstanding over the period.

The number of shares held by the Trust (included in treasury shares) at the end of the period was 132,200 shares.

In addition, the average number of shares held by the Trust during the period was 133,275 shares.

This is not included in the average number of shares outstanding.

\* Presentation regarding implementation status of audit procedures

This financial release is not subject to audit procedures based on Financial Instruments and Exchange Law in Japan.

Audit procedures of financial statements based on Financial Instruments and Exchange have not been completed at the time of disclosure.

\* Explanations regarding appropriate use of business outlook and other special notes

The business outlook contained in this report is based on information available at the time of disclosure.

Actual operating results may differ materially from the outlook due to various factors.

The prerequisite information of outlook and other items are on page 6 to page 7.

\* For supplemental information, please refer to our website.

The transcript of financial results briefing will be released on our website as well.

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## 1. Analysis of Business Performance and Financial Position

### (1) Analysis of Business Performance

(Operating results for the fiscal year)

During the current fiscal year (April 01, 2025 to March 31, 2026), the global economy showed a recovery trend because of increased investment in technology fields including artificial intelligence, and fiscal and monetary policies in various countries. However, due to soaring raw material and fuel prices and supply chain disruptions following the military conflict in the Middle East in February 2026, uncertainty increased. Under these circumstances, in the Chemicals Segment, sales of both Basic Chemicals and Fine Chemicals increased. In the Performance Materials Segment, sales increased significantly, mainly due to strong sales of Semiconductor Materials. In the Agricultural Chemicals Segment, sales of both domestic and overseas products increased. In the Healthcare Segment, sales decreased.

As a result, sales and each income during the period were as follows, and both net sales and each income exceeded the same period of the previous fiscal year and the outlook.

(Million yen, amounts rounded down to the nearest million yen)

|                                                | FY2024<br>(Actual) | FY2025<br>(Actual) | Year on year<br>change | FY2025<br>(Outlook) | Change from<br>Outlook |
|------------------------------------------------|--------------------|--------------------|------------------------|---------------------|------------------------|
| Sales                                          | 251,365            | 279,586            | +28,221                | 272,200             | +7,386                 |
| Operating income                               | 56,833             | 63,552             | +6,719                 | 59,000              | +4,552                 |
| Ordinary income                                | 58,018             | 65,897             | +7,878                 | 59,000              | +6,897                 |
| Net income attributable<br>to owners of parent | 43,043             | 49,707             | +6,664                 | 44,000              | +5,707                 |

Explanations by segments are as below.

#### The Chemicals Segment

In Basic Chemicals, sales of high purity sulfuric acid (agent used for cleaning semiconductor), urea, and AdBlue®\* (high-grade urea solution) increased. In Fine Chemicals, sales of "FINEOXOCOL" (cosmetics, etc.) increased.

As a result, sales of this segment were 39,313 million yen (an increase of 1,478 million yen) and operating income was 1,107 million yen (an increase of 737 million yen). Compared to the outlook, sales were below 0.3 billion yen and operating income was above 0.3 billion yen.

\* AdBlue® is a registered trademark of the Verband der Automobilindustrie (VDA).

#### The Performance Materials Segment

In Display Materials, sales of "SUNEVER" (LCD alignment coating) decreased. In Semiconductor Materials, sales of anti-reflective coating for semiconductors (ARC®\*) and multi-layer process materials (OptiStack®\*) increased significantly due to high customer utilization. In Inorganic Materials, sales of "SNOWTEX" (for polishing electronic materials and hard coating) and Oilfield materials (for enhancing oil recovery) increased.

As a result, sales of this segment were 113,377 million yen (an increase of 13,279 million yen) and operating income was 35,331 million yen (an increase of 6,009 million yen). Compared to the outlook, sales were above 3.7 billion yen and operating income was above 3.2 billion yen.

\* ARC® and OptiStack® are registered trademarks of Brewer Science, Inc.

### **The Agricultural Chemicals Segment**

Sales of Fluralaner (active ingredients for veterinary pharmaceuticals) increased. In the Japanese domestic market, sales of "ALTAIR" (paddy rice herbicide) and "VERDAD" (paddy rice herbicide) grew, supported by stronger demand driven by rising rice prices. In the overseas market, sales of "LEIMAY" (fungicide) were firm.

As a result, sales of this segment were 96,243 million yen (an increase of 10,017 million yen) and operating income was 26,043 million yen (an increase of 118 million yen). Compared to the outlook, sales were above 0.3 billion yen and operating income was in line with the target.

### **The Healthcare Segment**

Sales of "LIVALO" (anti-cholesterol drug) active ingredient remained flat compared to the previous fiscal year. Sales of "Custom Chemicals" (solution proposal business and joint development business) decreased.

As a result, sales of this segment were 5,224 million yen (a decrease of 769 million yen) and operating income was 1,352 million yen (a decrease of 591 million yen). Compared to the outlook, sales were below 0.1 billion yen and operating income was below 0.1 billion yen.

### **Trading**

Sales of this segment were 128,899 million yen (an increase of 11,743 million yen) and operating income was 3,813 million yen (a decrease of 276 million yen). Compared to the outlook, sales were above 7.3 billion yen and operating income was above 0.2 billion yen.

### **Others**

Sales of this segment were 31,755 million yen (an increase of 2,580 million yen) and operating income was 2,038 million yen (an increase of 1,443 million yen).

### **(Medium-and Long-term Management Strategies and Issues to be addressed)**

In FY2022, we, Nissan Chemical Corporation and our group companies launched the six-year medium-term management plan, "Vista 2027".

During Stage II, the latter three years (FY2025–FY2027), in FY2025 the Semiconductor Materials business within the Performance Materials Segment led overall performance, and we achieved a record operating profit of 63.6 billion yen (up 12% year on year) and ordinary profit of 65.9 billion yen. However, for the combined total of segments other than Performance Materials Segment, operating profit increased by only about 2% year on year. Based on these factors, we identified the main challenges to be addressed as accelerating the creation of new products and businesses, improving the profitability of existing businesses, and transforming operations through DX and other initiatives.

To address these issues, by strengthening the business foundation through the introduction of new technologies and cost reductions, and by making active strategic investments in growth areas, including M&A (mergers and acquisitions), as well as carefully assessing unprofitable businesses, we will aim to enhance the business portfolio and maintain a seamless growth trajectory.

In Stage II of "Vista 2027", the latter three years (FY2025–FY2027), we set numerical targets for the final year (FY2027) of net sales of 293 billion yen and operating profit of 65 billion yen, and established the creation of new products as the most critical issue. With this as our foundation, we have established the following three basic strategies.

1. Expanding Profits of Existing Businesses
2. Developing New Products Looking Toward 2030
3. Strengthening the Business Foundation

Regarding the first strategy, "Expanding Profits of Existing Businesses", we will focus management resources, including M&A, on the Performance Materials Segment and the Agricultural Chemicals Segment, where growth is expected, and advance the sales and development of both existing and new products in order to maximize profits.

In the Performance Materials Segment, we are planning a sales growth rate of semiconductor materials of 12% (compound annual growth rate for the period from 2023 to 2030), driven by increasing usage in cutting-edge and advanced-generation applications such as AI servers. To secure sufficient supply capacity to respond to this strong demand, we will implement phased investments aimed at strengthening and expanding the entire value chain from research and development through manufacturing and sales. In FY2025, at the Toyama Plant, we constructed and launched operations of the "Analytical Laboratory Building 2" to strengthen technological development as well as analytical and inspection capabilities for semiconductor materials.

In the Agricultural Chemicals Segment, in addition to maintaining the top domestic market share based on shipment value, we will further expand overseas sales of existing products by expanding applications of existing formulations, increasing the number of launches in new countries, and strengthening collaboration with partners, including the development and out-licensing of mixed formulations. For the veterinary pharmaceutical Fluralaner, responding to expected market expansion driven by new products from MSD Animal Health in the United States, we will enhance business competitiveness by reducing active pharmaceutical ingredient manufacturing costs.

In the Chemicals Segment, while fixed assets of Fine Chemicals were impaired in FY2024, we will continue to rigorously pursue cost reductions through the utilization of outsourced manufacturing and reviews of manufacturing processes, and we aim to expand continuing businesses and improve profitability. In the Healthcare Segment, we will focus on increasing sales of active pharmaceutical ingredients and on contract manufacturing and sales of new active pharmaceutical ingredients in the Custom Chemicals business.

Regarding the second strategy, "Developing New Products Looking Toward 2030", from FY2028 onwards, we aim to create products that will become new growth pillars.

In the Information & Communications Domain, we will clarify target materials and accelerate the development of materials for EUV lithography and packaging for semiconductors; alignment materials for retardation films for displays; materials for CMOS image sensors (high - refractive - index lenses); metamaterials; and new inorganic materials for imparting optical functionality and for polishing applications.

In the drug discovery field of the Life Sciences Domain, we recognize that demand for high - potency and mid - molecule modalities will continue to expand, and we will differentiate the Custom Chemicals business by leveraging our proprietary peptide synthesis capabilities. In addition, we will create novel nucleic acid drug candidate compounds through strategic alliances with pharmaceutical companies, and further build new revenue foundations by out - licensing our proprietary drug discovery support technologies.

In the agrochemical field within the same domain, we plan to launch the next - generation foliar application rice herbicide "RYZONIC", which is also applicable to direct - seeded cultivation, in 2027, with a target peak sales level of 15 billion yen. Furthermore, we plan to launch one new insecticide jointly under development in Japan with a foreign - affiliated partner in 2028. During Stage II, we will transition subsequent new insecticides and fungicides from early - stage development to full - scale development. In the biotechnology field, we aim to develop biological materials with efficacy comparable to or exceeding that of chemical protective fungicides. Building on our 2025 equity investment in Brazil-based INNOVA, as a foothold, we will promote the commercialization of multiple product lineups and the acquisition of sales channels in South America.

In the Environmental & Energy Domain, in addition to expanding sales of secondary battery materials expected to grow for EV applications, we will focus on creating materials for CCUS (carbon capture, utilization, and storage), hydrogen energy materials, and perovskite solar cells materials.

Regarding the third strategy, "Strengthening the Business Foundation", we will promote human resource development and risk management to realize our group's corporate philosophy and its vision for 2050.

In human resource development, we have established the organization's ideal state as "A group of co-creators that faces challenges for change with a strong passion". We regard the development of leading personnel who continue to challenge value enhancement, talent who promote co - creation across domains, and individuals equipped with strong evaluative capabilities as key priorities, and we have introduced hypothesis - testing and proposal - based training programs as well

as the 10% Challenge program. In research and development, through the selection of research themes and intellectual property strategies using IP landscapes, we are strengthening a technological foundation with high competitive advantage from the perspective of intellectual property. In manufacturing and supply, based on Responsible Care activities, we are promoting zero accidents and zero disasters and continuous improvement in production quality, while strengthening supply chain resilience by dispersifying risk through multiple production sites.

In Stage II, in addition to executing the basic strategies described above, we have placed a strong emphasis on sustainability management and set targets for FY2027 (sales growth rates compared to FY2021) by materiality themes such as Contributing to a Smart Society, Contributing to Food Issues, and Contributing to Health Issues. In addition, with regard to reductions in greenhouse gas emissions contributing to climate change mitigation, we have completed facilities to reduce nitrous oxide emissions from nitric acid plants and will reduce GHG emissions by at least 30% from the FY2018 level by FY2027.

We recognize that we have received a certain level of evaluation from the capital markets through ensuring stable performance and implementing proactive shareholder returns to date. Going forward, we will concentrate management resources on areas where growth is expected to build a solid business portfolio, and further improve management soundness and transparency. In addition, through accelerating decision-making, strengthening risk management and internal controls, and thoroughly enforcing compliance, and through business activities that consider society and the environment, we aim to become a corporate group trusted by all stakeholders and to achieve sustainable growth.

## (2) Analysis of Financial Position

Total assets as of March 31, 2026 were 355,078 million yen (an increase of 24,314 million yen from the previous year). It is mainly due to the increase of cash and deposits, notes and accounts receivable – trade, and investment securities.

Total liabilities as of March 31, 2026 were 96,026 million yen (an increase of 1,444 million yen). It is mainly due to the increase of accounts payable – trade and deferred tax liabilities.

Net assets as of March 31, 2026 were 259,051 million yen (an increase of 22,870 million yen).

As a result of these factors, equity ratio was 71.9% (an increase of 1.4% from March 31, 2025).

## (3) Position of Cash Flow

Deducting income taxes paid from income before income taxes and non-controlling interests, depreciation and gain and loss in working capital, net cash provided by operating activities for the consolidated fiscal year ended March 31, 2026 was 64,164 million yen (59,178 million yen for the previous year).

Due to investment on plant and equipment, net cash used in investing activities for the consolidated fiscal year ended March 31, 2026 was 21,178 million yen (17,612 million yen for the previous year).

Due to payment for dividends and share repurchase, net cash used in financing activities for the consolidated fiscal year ended March 31, 2026 was 36,162 million yen (35,650 million yen for the previous year).

Cash and cash equivalents for the consolidated fiscal year ended March 31, 2026 increased 8,274 million yen from March 31, 2025 after adjusting for 1,451 million yen effect of exchange rate. The balance stood at 35,729 million yen (27,454 million yen for the previous year).

<Reference> The transit of Cash Flow indices

|                                                      | For the year ended |                |                |                |                |
|------------------------------------------------------|--------------------|----------------|----------------|----------------|----------------|
|                                                      | March 31, 2022     | March 31, 2023 | March 31, 2024 | March 31, 2025 | March 31, 2026 |
| Shareholders' equity ratio (%)                       | 73.6               | 73.1           | 70.3           | 70.5           | 71.9           |
| Shareholders' equity ratio based on market value (%) | 366.1              | 282.0          | 245.3          | 183.1          | 226.4          |
| Debt repayment ratio (year)                          | 0.5                | 0.8            | 1.2            | 0.7            | 0.6            |
| Interest coverage ratio (times)                      | 571.5              | 139.6          | 64.0           | 90.3           | 161.7          |

Shareholders' equity ratio : shareholders' equity/total assets

Shareholders' equity ratio based on market value : market capitalization/total assets

Debt repayment ratio : interest-bearing liabilities/cash flows from operating activities

Interest coverage ratio : cash flows from operating activities/interest payments

Notes: (1) All indicators are calculated based on consolidated financial figures.

(2) Market capitalization is calculated based on the number of shares outstanding, excluding treasury shares.

(3) Cash flows represents operating cash flow.

(4) Interest-bearing liabilities refer to all liabilities recorded in the consolidated balance sheets that incur interest.

#### (4) Future Outlook

(Outlook of business result for the next term)

Outlook of Financial Results

(Billion yen)

|                                                | FY2025<br>Actual<br>(A) | FY2026<br>Outlook<br>(B) | Increase or<br>decrease<br>(B-A) | Rate of change<br>(%) |
|------------------------------------------------|-------------------------|--------------------------|----------------------------------|-----------------------|
| Sales                                          | 279.6                   | 289.7                    | +10.1                            | +3.6%                 |
| Operating income                               | 63.6                    | 66.8                     | +3.2                             | +5.1%                 |
| Ordinary income                                | 65.9                    | 68.8                     | +2.9                             | +4.4%                 |
| Net income attributable to owners of<br>parent | 49.7                    | 51.5                     | +1.8                             | +3.6%                 |
| Basic earnings per share                       | 368.26 yen              | 387.11 yen               | +18.85 yen                       | +5.1%                 |
| Average U.S. dollar exchange rate              | 151 yen                 | 150 yen                  | -                                | -                     |

Segment Sales and Operating Income

(Billion yen)

|                        | Sales            |                   | Operating income |                   |
|------------------------|------------------|-------------------|------------------|-------------------|
|                        | FY2025<br>Actual | FY2026<br>Outlook | FY2025<br>Actual | FY2026<br>Outlook |
| Chemicals              | 39.3             | 41.4              | 1.1              | 1.3               |
| Performance Materials  | 113.4            | 126.1             | 35.3             | 38.6              |
| Agricultural Chemicals | 96.2             | 97.2              | 26.0             | 27.0              |
| Healthcare             | 5.2              | 5.5               | 1.4              | 1.1               |
| Trading                | 128.9            | 137.8             | 3.8              | 3.5               |
| Other                  | 31.8             | 37.5              | 2.0              | 1.7               |
| Adjustment             | (135.2)          | (155.8)           | (6.0)            | (6.4)             |
| Total                  | 279.6            | 289.7             | 63.6             | 66.8              |

We estimate that sales will be 289.7 billion yen, operating income will be 66.8 billion yen, ordinary income will be 68.8 billion yen and net income attributable to owners of parent will be 51.5 billion yen. The outlook is calculated based on the assumption that the exchange rate will be 150 yen per U.S. dollar. At present, the direct impact of the current situation in the Middle East is considered to be limited. We will continue to closely monitor potential effects on the overall market, including impacts on supply chains.

### (Basic Policy on Distribution of Earnings and Dividends for current and next term)

The Company's basic policy of profit allocation is returning to shareholders by improving company value through increasing revenue in the medium and long terms.

In medium-term business plan "Vista2027 Stage II" launched from April 2025, the company aimed to realize dividend payout ratio to be 55% or more and total payout ratio to be 75% or more from FY2025 onward, and they were 54.9% and 75.7% in FY2025.

The year-end dividend is scheduled to be 132 yen per share. The total annual dividend per share for the current year ended March 31, 2026 will be as follows:

|                            |        |
|----------------------------|--------|
| Annual dividend for FY2025 | 202yen |
| Annual dividend for FY2024 | 174yen |

Total annual dividends per share for the year ending March 31, 2027 is planned to be 212 yen (second quarter: 70 yen, year-end: 142 yen).

### (Target Management Indicator)

Our most important objectives are "Return on Equity (ROE)" which represents the efficiency of managing shareholders' equity and "Operating Profit Margin" which leads to a high-value added company. We will expand our business to increase our revenue.

In addition, the medium-term management plan "Vista2027 Stage II", which started in April 2025, defines indicators as follows.

#### Non-financial indicators

|                                                            |                                                                                                           |
|------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------|
| Climate change mitigation                                  | Reduction of greenhouse gas (GHG) emissions by 30% or more compared to FY2018                             |
| Promotion of diversity                                     | 18% or more of female career-track employee proportion                                                    |
| Provision of new value for helping to enrich people's life | 60% or more of consolidated net sales from products and services that contribute to solving social issues |
| Human resource development                                 | 65% or more of positive response rate in survey of employee attitude on human resource development        |

#### Financial indicators

| OP margin   | ROE         | Dividend payout ratio | Total payout ratio |
|-------------|-------------|-----------------------|--------------------|
| 20% or more | 18% or more | 55% or more           | 75% or more        |

## 2. Basic Approach to the Selection of Accounting Standards

The Company will research on trend of IFRS in the country and overseas and correspond properly when applying IFRS.

### 3. Consolidated Financial Statements

#### (1) Consolidated Balance Sheets

(Million yen)

|                                              | As of<br>March 31, 2025 | As of<br>March 31, 2026 |
|----------------------------------------------|-------------------------|-------------------------|
| <b>Assets</b>                                |                         |                         |
| Current assets                               |                         |                         |
| Cash and deposits                            | 27,454                  | 35,729                  |
| Notes and accounts receivable - trade        | 89,131                  | 97,167                  |
| Merchandise and finished goods               | 57,505                  | 56,991                  |
| Work in process                              | 19                      | 14                      |
| Raw materials and supplies                   | 22,624                  | 19,634                  |
| Accounts receivable - other                  | 2,146                   | 2,643                   |
| Short-term loans receivable                  | 2,257                   | 445                     |
| Other                                        | 9,277                   | 9,399                   |
| Allowance for doubtful accounts              | (64)                    | (73)                    |
| Total current assets                         | 210,352                 | 221,951                 |
| Non-current assets                           |                         |                         |
| Property, plant and equipment                |                         |                         |
| Buildings and structures                     | 89,171                  | 92,180                  |
| Accumulated depreciation and impairment loss | (55,383)                | (57,502)                |
| Buildings and structures, net                | 33,788                  | 34,677                  |
| Machinery, equipment and vehicles            | 176,436                 | 182,744                 |
| Accumulated depreciation and impairment loss | (155,323)               | (161,658)               |
| Machinery, equipment and vehicles, net       | 21,113                  | 21,086                  |
| Tools, furniture and fixtures                | 45,732                  | 49,801                  |
| Accumulated depreciation and impairment loss | (41,561)                | (43,510)                |
| Tools, furniture and fixtures, net           | 4,170                   | 6,290                   |
| Land                                         | 8,867                   | 8,827                   |
| Leased assets                                | 123                     | 149                     |
| Accumulated depreciation                     | (10)                    | (25)                    |
| Leased assets, net                           | 113                     | 124                     |
| Construction in progress                     | 4,370                   | 5,961                   |
| Total property, plant and equipment          | 72,424                  | 76,968                  |
| Intangible assets                            |                         |                         |
| Software                                     | 3,511                   | 3,544                   |
| Other                                        | 9,951                   | 9,225                   |
| Total intangible assets                      | 13,463                  | 12,770                  |
| Investments and other assets                 |                         |                         |
| Investment securities                        | 24,353                  | 32,477                  |
| Long-term loans receivable                   | 133                     | 117                     |
| Deferred tax assets                          | 567                     | 554                     |
| Net defined benefit asset                    | 4,782                   | 5,750                   |
| Other                                        | 4,742                   | 4,540                   |
| Allowance for doubtful accounts              | (56)                    | (52)                    |
| Total investments and other assets           | 34,523                  | 43,387                  |
| Total non-current assets                     | 120,411                 | 133,126                 |
| Total assets                                 | 330,763                 | 355,078                 |

(Million yen)

|                                                                              | As of<br>March 31, 2025 | As of<br>March 31, 2026 |
|------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>Liabilities</b>                                                           |                         |                         |
| Current liabilities                                                          |                         |                         |
| Notes and accounts payable - trade                                           | 19,877                  | 22,555                  |
| Short-term loans payable                                                     | 19,987                  | 19,682                  |
| Commercial papers                                                            | 8,996                   | 7,993                   |
| Current portion of long-term loans payable                                   | 514                     | 382                     |
| Income taxes payable                                                         | 9,957                   | 7,899                   |
| Provision for bonuses                                                        | 2,576                   | 2,785                   |
| Provision for loss on business of subsidiaries and affiliates                | 213                     | —                       |
| Other                                                                        | 17,096                  | 16,980                  |
| Total current liabilities                                                    | 79,218                  | 78,279                  |
| Non-current liabilities                                                      |                         |                         |
| Bonds payable                                                                | 10,000                  | 10,000                  |
| Long-term loans payable                                                      | 977                     | 388                     |
| Deferred tax liabilities                                                     | 1,063                   | 3,712                   |
| Provision for share-based remuneration for directors<br>(and other officers) | 264                     | 276                     |
| Net defined benefit liability                                                | 542                     | 642                     |
| Other                                                                        | 2,515                   | 2,727                   |
| Total non-current liabilities                                                | 15,363                  | 17,747                  |
| Total liabilities                                                            | 94,582                  | 96,026                  |
| <b>Net assets</b>                                                            |                         |                         |
| Shareholders' equity                                                         |                         |                         |
| Capital stock                                                                | 18,942                  | 18,942                  |
| Capital surplus                                                              | 13,613                  | 13,613                  |
| Retained earnings                                                            | 192,928                 | 209,641                 |
| Treasury shares                                                              | (2,590)                 | (3,424)                 |
| Total shareholders' equity                                                   | 222,893                 | 238,772                 |
| Accumulated other comprehensive income                                       |                         |                         |
| Valuation difference on available-for-sale securities                        | 7,035                   | 11,451                  |
| Foreign currency translation adjustment                                      | 1,788                   | 3,097                   |
| Remeasurements of defined benefit plans                                      | 1,573                   | 1,943                   |
| Total accumulated other comprehensive income                                 | 10,397                  | 16,492                  |
| Non-controlling interests                                                    | 2,889                   | 3,786                   |
| Total net assets                                                             | 236,180                 | 259,051                 |
| Total liabilities and net assets                                             | 330,763                 | 355,078                 |

## (2) Consolidated Statements of Income / Consolidated Statements of Comprehensive Income

## - Consolidated Statements of Income

(Million yen)

|                                                             | Year Ended<br>March 31, 2025 | Year Ended<br>March 31, 2026 |
|-------------------------------------------------------------|------------------------------|------------------------------|
| Net sales                                                   | 251,365                      | 279,586                      |
| Cost of sales                                               | 134,823                      | 148,647                      |
| Gross profit                                                | 116,541                      | 130,939                      |
| Selling, general and administrative expenses                | 59,708                       | 67,387                       |
| Operating income                                            | 56,833                       | 63,552                       |
| Non-operating income                                        |                              |                              |
| Interest income                                             | 217                          | 178                          |
| Dividend income                                             | 1,724                        | 1,578                        |
| Equity in earnings of affiliates                            | 1,061                        | 1,507                        |
| Foreign exchange gains                                      | —                            | 613                          |
| Other                                                       | 1,301                        | 914                          |
| Total non-operating income                                  | 4,304                        | 4,792                        |
| Non-operating expenses                                      |                              |                              |
| Interest expenses                                           | 654                          | 396                          |
| Loss on disposal of non-current assets                      | 836                          | 1,158                        |
| Loss on sales of non-current assets                         | 37                           | 2                            |
| Bond issuance costs                                         | 55                           | —                            |
| Plant stop losses                                           | 583                          | 209                          |
| Foreign exchange losses                                     | 153                          | —                            |
| Other                                                       | 797                          | 679                          |
| Total non-operating expenses                                | 3,118                        | 2,447                        |
| Ordinary income                                             | 58,018                       | 65,897                       |
| Extraordinary income                                        |                              |                              |
| Gain on receipt of donated beneficial interests in trust    | 3,258                        | —                            |
| Gain on receipt from contingent consideration               | 821                          | —                            |
| Gain on sales of investment securities                      | 1,247                        | —                            |
| Total extraordinary income                                  | 5,328                        | —                            |
| Extraordinary losses                                        |                              |                              |
| Impairment losses                                           | 3,876                        | —                            |
| Total extraordinary losses                                  | 3,876                        | —                            |
| Income before income taxes and non-controlling interests    | 59,470                       | 65,897                       |
| Income taxes - current                                      | 17,348                       | 14,894                       |
| Income taxes - deferred                                     | (828)                        | 504                          |
| Total income taxes                                          | 16,520                       | 15,398                       |
| Net income                                                  | 42,950                       | 50,499                       |
| Net income (loss) attributable to non-controlling interests | (92)                         | 791                          |
| Net income attributable to owners of parent                 | 43,043                       | 49,707                       |

- Consolidated Statements of Comprehensive Income

(Million yen)

|                                                                                   | Year Ended<br>March 31, 2025 | Year Ended<br>March 31, 2026 |
|-----------------------------------------------------------------------------------|------------------------------|------------------------------|
| Net income                                                                        | 42,950                       | 50,499                       |
| Other comprehensive income                                                        |                              |                              |
| Valuation difference on available-for-sale securities                             | (1,201)                      | 4,414                        |
| Foreign currency translation adjustment                                           | (2,888)                      | 1,484                        |
| Remeasurements of defined benefit plans, net of tax                               | 506                          | 369                          |
| Share of other comprehensive income of entities accounted for using equity method | (0)                          | 35                           |
| Total other comprehensive income                                                  | (3,583)                      | 6,304                        |
| Comprehensive income                                                              | 39,366                       | 56,804                       |
| (Comprehensive income attributable to)                                            |                              |                              |
| Owners of parent                                                                  | 39,909                       | 55,801                       |
| Non-controlling interests                                                         | (543)                        | 1,002                        |

### (3) Consolidated Statements of Changes in Net Assets

For the Year Ended March 31, 2025(From April 01, 2024 to March 31, 2025)

(Million yen)

|                                                      | Total shareholders' equity |                 |                   |                 |                            |
|------------------------------------------------------|----------------------------|-----------------|-------------------|-----------------|----------------------------|
|                                                      | Capital stock              | Capital surplus | Retained earnings | Treasury shares | Total shareholders' equity |
| Balance at beginning of current period               | 18,942                     | 13,613          | 182,376           | (943)           | 213,989                    |
| Changes of items during period                       |                            |                 |                   |                 |                            |
| Dividends of surplus                                 |                            |                 | (22,681)          |                 | (22,681)                   |
| Net income attributable to owners of parent          |                            |                 | 43,043            |                 | 43,043                     |
| Change in scope of consolidation                     |                            |                 | 23                |                 | 23                         |
| Change in scope of equity method                     |                            |                 |                   |                 | —                          |
| Share repurchase                                     |                            |                 |                   | (11,502)        | (11,502)                   |
| Disposal of treasury shares                          |                            |                 |                   | 22              | 22                         |
| Cancellation of treasury shares                      |                            |                 | (9,832)           | 9,832           | —                          |
| Net changes of items other than shareholders' equity |                            |                 |                   |                 |                            |
| Total changes of items during period                 | —                          | —               | 10,551            | (1,647)         | 8,904                      |
| Balance at end of current period                     | 18,942                     | 13,613          | 192,928           | (2,590)         | 222,893                    |

|                                                      | Accumulated other comprehensive income                |                                         |                                         |                                              | Non-controlling interests | Total net assets |
|------------------------------------------------------|-------------------------------------------------------|-----------------------------------------|-----------------------------------------|----------------------------------------------|---------------------------|------------------|
|                                                      | Valuation difference on available-for-sale securities | Foreign currency translation adjustment | Remeasurements of defined benefit plans | Total accumulated other comprehensive income |                           |                  |
| Balance at beginning of current period               | 8,238                                                 | 4,226                                   | 1,066                                   | 13,531                                       | 3,432                     | 230,952          |
| Changes of items during period                       |                                                       |                                         |                                         |                                              |                           |                  |
| Dividends of surplus                                 |                                                       |                                         |                                         |                                              |                           | (22,681)         |
| Net income attributable to owners of parent          |                                                       |                                         |                                         |                                              |                           | 43,043           |
| Change in scope of consolidation                     |                                                       |                                         |                                         |                                              |                           | 23               |
| Change in scope of equity method                     |                                                       |                                         |                                         |                                              |                           | —                |
| Share repurchase                                     |                                                       |                                         |                                         |                                              |                           | (11,502)         |
| Disposal of treasury shares                          |                                                       |                                         |                                         |                                              |                           | 22               |
| Cancellation of treasury shares                      |                                                       |                                         |                                         |                                              |                           | —                |
| Net changes of items other than shareholders' equity | (1,202)                                               | (2,437)                                 | 506                                     | (3,133)                                      | (543)                     | (3,676)          |
| Total changes of items during period                 | (1,202)                                               | (2,437)                                 | 506                                     | (3,133)                                      | (543)                     | 5,227            |
| Balance at end of current period                     | 7,035                                                 | 1,788                                   | 1,573                                   | 10,397                                       | 2,889                     | 236,180          |

For the Year Ended March 31, 2026 (From April 01, 2025 to March 31, 2026)

(Million yen)

|                                                      | Total shareholders' equity |                 |                   |                 |                            |
|------------------------------------------------------|----------------------------|-----------------|-------------------|-----------------|----------------------------|
|                                                      | Capital stock              | Capital surplus | Retained earnings | Treasury shares | Total shareholders' equity |
| Balance at beginning of current period               | 18,942                     | 13,613          | 192,928           | (2,590)         | 222,893                    |
| Changes of items during period                       |                            |                 |                   |                 |                            |
| Dividends of surplus                                 |                            |                 | (23,636)          |                 | (23,636)                   |
| Net income attributable to owners of parent          |                            |                 | 49,707            |                 | 49,707                     |
| Change in scope of consolidation                     |                            |                 |                   |                 | —                          |
| Change in scope of equity method                     |                            |                 | 274               |                 | 274                        |
| Share repurchase                                     |                            |                 |                   | (10,500)        | (10,500)                   |
| Disposal of treasury shares                          |                            |                 |                   | 34              | 34                         |
| Cancellation of treasury shares                      |                            |                 | (9,632)           | 9,632           | —                          |
| Net changes of items other than shareholders' equity |                            |                 |                   |                 |                            |
| Total changes of items during period                 | —                          | —               | 16,712            | (833)           | 15,879                     |
| Balance at end of current period                     | 18,942                     | 13,613          | 209,641           | (3,424)         | 238,772                    |

|                                                      | Accumulated other comprehensive income                |                                         |                                         |                                              | Non-controlling interests | Total net assets |
|------------------------------------------------------|-------------------------------------------------------|-----------------------------------------|-----------------------------------------|----------------------------------------------|---------------------------|------------------|
|                                                      | Valuation difference on available-for-sale securities | Foreign currency translation adjustment | Remeasurements of defined benefit plans | Total accumulated other comprehensive income |                           |                  |
| Balance at beginning of current period               | 7,035                                                 | 1,788                                   | 1,573                                   | 10,397                                       | 2,889                     | 236,180          |
| Changes of items during period                       |                                                       |                                         |                                         |                                              |                           |                  |
| Dividends of surplus                                 |                                                       |                                         |                                         |                                              |                           | (23,636)         |
| Net income attributable to owners of parent          |                                                       |                                         |                                         |                                              |                           | 49,707           |
| Change in scope of consolidation                     |                                                       |                                         |                                         |                                              |                           | —                |
| Change in scope of equity method                     |                                                       | 51                                      |                                         | 51                                           |                           | 326              |
| Share repurchase                                     |                                                       |                                         |                                         |                                              |                           | (10,500)         |
| Disposal of treasury shares                          |                                                       |                                         |                                         |                                              |                           | 34               |
| Cancellation of treasury shares                      |                                                       |                                         |                                         |                                              |                           | —                |
| Net changes of items other than shareholders' equity | 4,415                                                 | 1,257                                   | 369                                     | 6,042                                        | 897                       | 6,939            |
| Total changes of items during period                 | 4,415                                                 | 1,308                                   | 369                                     | 6,094                                        | 897                       | 22,870           |
| Balance at end of current period                     | 11,451                                                | 3,097                                   | 1,943                                   | 16,492                                       | 3,786                     | 259,051          |

#### (4) Consolidated Statements of Cash Flows

(Million yen)

|                                                                                  | Year Ended<br>March 31, 2025 | Year Ended<br>March 31, 2026 |
|----------------------------------------------------------------------------------|------------------------------|------------------------------|
| Cash flows from operating activities                                             |                              |                              |
| Income before income taxes and non-controlling interests                         | 59,470                       | 65,897                       |
| Depreciation and amortization                                                    | 14,319                       | 15,405                       |
| Gain on receipt of donated beneficial interests in trust                         | (3,258)                      | —                            |
| Gain on receipt of contingent consideration                                      | (821)                        | —                            |
| Impairment losses                                                                | 3,876                        | —                            |
| Amortization of goodwill                                                         | 53                           | 108                          |
| Interest and dividend income                                                     | (1,942)                      | (1,756)                      |
| Loss (gain) on sales of investment securities                                    | (1,247)                      | —                            |
| Interest expenses                                                                | 654                          | 396                          |
| Loss (gain) on disposal of non-current assets                                    | 836                          | 1,158                        |
| Decrease (increase) in notes and accounts receivable - trade                     | (217)                        | (7,420)                      |
| Decrease (increase) in inventories                                               | (2,195)                      | 3,916                        |
| Increase (decrease) in notes and accounts payable - trade                        | (1,181)                      | 2,008                        |
| Other                                                                            | (691)                        | (2,136)                      |
| Subtotal                                                                         | 67,655                       | 77,578                       |
| Proceeds from delivery of trust property                                         | 1,629                        | 407                          |
| Interest and dividend income received                                            | 3,161                        | 3,553                        |
| Interest expenses paid                                                           | (635)                        | (388)                        |
| Income taxes paid                                                                | (12,632)                     | (16,985)                     |
| Net cash provided by (used in) operating activities                              | 59,178                       | 64,164                       |
| Cash flows from investing activities                                             |                              |                              |
| Purchase of investment securities                                                | (216)                        | (283)                        |
| Proceeds from sales of investment securities                                     | 1                            | 54                           |
| Proceeds from sale of shares of subsidiaries                                     | 276                          | —                            |
| Purchase of shares of subsidiaries and associates                                | —                            | (1,582)                      |
| Proceeds from sale of shares of subsidiaries and associates                      | 1,533                        | 0                            |
| Purchase of property, plant and equipment                                        | (15,411)                     | (18,015)                     |
| Payments for retirement of property, plant and equipment                         | (762)                        | (878)                        |
| Purchase of intangible assets                                                    | (2,195)                      | (1,674)                      |
| Proceeds from contingent consideration                                           | 2,633                        | —                            |
| Net decrease (increase) in short-term loans receivable                           | (55)                         | 1,816                        |
| Purchase of long-term prepaid expenses                                           | (771)                        | (569)                        |
| Purchase of shares of subsidiaries resulting in change in scope of consolidation | (2,921)                      | —                            |
| Other                                                                            | 277                          | (44)                         |
| Net cash provided by (used in) investing activities                              | (17,612)                     | (21,178)                     |
| Cash flows from financing activities                                             |                              |                              |
| Net increase (decrease) in short-term loans payable                              | (19,799)                     | (167)                        |
| Net increase (decrease) in commercial papers                                     | 8,996                        | (1,002)                      |
| Repayments of long-term loans payable                                            | (652)                        | (721)                        |
| Proceeds from issuance of bonds                                                  | 10,000                       | —                            |
| Cash dividends paid                                                              | (22,681)                     | (23,636)                     |
| Dividends paid to non-controlling interests                                      | —                            | (105)                        |
| Share repurchase                                                                 | (11,502)                     | (10,500)                     |
| Other                                                                            | (10)                         | (27)                         |
| Net cash provided by (used in) financing activities                              | (35,650)                     | (36,162)                     |
| Effect of exchange rate change on cash and cash equivalents                      | (1,215)                      | 1,451                        |
| Net increase (decrease) in cash and cash equivalents                             | 4,699                        | 8,274                        |
| Cash and cash equivalents at beginning of period                                 | 22,738                       | 27,454                       |
| Increase in cash and cash equivalents from newly consolidated subsidiary         | 17                           | —                            |
| Cash and cash equivalents at end of period                                       | 27,454                       | 35,729                       |

(5) Notes to Consolidated Financial Statements

**(Notes on Assumption of Going Concern)**

Not applicable.

**(Additional information)**

(Change of fiscal year-end of consolidated subsidiaries)

With respect to our consolidated subsidiary Nippon Polytech Corp. having a fiscal year-end of December 31, we previously used their financial statements as of December 31 to prepare the consolidated financial statements and made necessary consolidation adjustments for significant transactions among consolidated companies that occurred between December 31 and the consolidated fiscal year-end. Effective April 1, 2025, the fiscal year-end of these consolidated subsidiary was changed to March 31 to align with the consolidated fiscal year-end, and we have adopted the method to adjust earnings for the period between January 1, 2025 to March 31, 2025 through the consolidated statements of income, and accordingly the period subject to consolidation for the fiscal year ended March 31, 2026 is 15 months from January 1, 2025 to March 31, 2026.

The impact of this change is minor.

## (Segment and Related Information)

### Segment Information

#### 1. General Information about reportable segments

The Company's reportable segments are components of the Group that engage in business activities, whose operating results are regularly reviewed by the Board of Directors when making resource allocation and performance assessment decisions, and for which discrete financial information is available.

Divisions by products and services are located in the headquarters, and each division works out a comprehensive strategy applicable to their products and services and carries out their business activities.

The Company consists of segments based on divisions as follows:

| Segment                | Main Products                                                                                                                                                                                                                                     |
|------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Chemicals              | Basic chemicals (sulfuric acid, nitric acid, ammonia, etc.)<br>Fine chemicals (epoxy compound for LED sealants, solder resist and painting, flame retardants, chlorinated cyanuric acid for sterilizing, etc.)                                    |
| Performance Materials  | Display materials (LCD alignment coating, etc.)<br>Semiconductor materials (bottom anti-reflective coating for semiconductors, etc.)<br>Inorganic materials (hard coating materials, electronic information materials, polishing materials, etc.) |
| Agricultural Chemicals | Agrochemicals (herbicides, insecticides, fungicides, combination fungicide and insecticide, and plant growth regulators)<br>Animal health products                                                                                                |
| Healthcare             | LIVALO (anti-cholesterol drug), etc.<br>Custom Chemicals (custom manufacturing and solution proposal business for pharmaceutical companies)                                                                                                       |
| Trading                | Trading, etc.                                                                                                                                                                                                                                     |
| Others                 | Fertilizer, landscaping, Transportation, Engineering, Production of sulfuric acid, Manufacturing and Sales of Electronic Materials, etc.                                                                                                          |

#### 2. Basis of measurement of reported segment income or loss, segment assets and other material items

The accounting policies for the reportable segments are consistent with the Company's accounting policies used in the preparation of its consolidated financial statements. Intersegment sales and income (loss) are recognized based on current market prices.

### 3. Information Regarding Sales, Income (Loss), and Segment Assets of Reportable Segments

1) For the Year Ended March 31, 2025 (From April 01, 2024 to March 31, 2025)

(Million yen)

|                                                                 | Chemicals | Performance Materials | Agricultural Chemicals | Healthcare | Trading | Others | Total   | Adjustment (Note 2) | Consolidated Total |
|-----------------------------------------------------------------|-----------|-----------------------|------------------------|------------|---------|--------|---------|---------------------|--------------------|
| Net Sales                                                       |           |                       |                        |            |         |        |         |                     |                    |
| Sales to outside customers (Note 1)                             | 25,158    | 73,614                | 70,711                 | 5,901      | 90,428  | 11,450 | 277,265 | (25,900)            | 251,365            |
| Intersegment Sales                                              | 12,676    | 26,483                | 15,514                 | 92         | 26,726  | 17,724 | 99,218  | (99,218)            | —                  |
| Total Sales                                                     | 37,835    | 100,098               | 86,226                 | 5,993      | 117,155 | 29,175 | 376,483 | (125,118)           | 251,365            |
| Segment Income or Loss (Operating Income or Loss)               | 369       | 29,322                | 25,925                 | 1,944      | 4,089   | 594    | 62,246  | (5,413)             | 56,833             |
| Segment assets                                                  | 33,510    | 65,882                | 115,218                | 8,511      | 44,729  | 20,544 | 288,395 | 42,367              | 330,763            |
| Other items                                                     |           |                       |                        |            |         |        |         |                     |                    |
| Depreciation and amortization                                   | 2,923     | 6,515                 | 2,838                  | 404        | 86      | 976    | 13,744  | 574                 | 14,319             |
| Amortization of goodwill                                        | —         | —                     | 36                     | —          | —       | 16     | 53      | —                   | 53                 |
| Increase of property, plant and equipment and intangible assets | 5,581     | 3,756                 | 1,683                  | 407        | 292     | 1,875  | 13,597  | 1,091               | 14,688             |

#### Notes:

- Sales to outside customers in reportable segments are calculated on a gross basis, including sales that are agent transactions. A reconciliation of gross sales to net sales as agent transactions is made in the Adjustment section.
- The adjustments are as follows.
  - (25,900) million yen adjustments in sales to outside customers includes (26,240) million yen elimination of agent transactions, and 340 million yen sales not allocated to any reporting segments.
  - (5,413) million yen adjustment in segment income includes 212 million yen in intersegment eliminations, 341 million yen sales not attributable to any reporting segment, and (5,967) million yen corporate expenses not attributable to any reportable segment. The corporate expenses are mainly group administrative expenses which do not belong to segments.
  - 42,367 million yen adjustment in segment assets includes (29,918) million yen in intersegment eliminations and 72,285 million yen in corporate assets not attributable to any reportable segment. The corporate assets are mainly group administrative assets which do not belong to segments.
  - 574 million yen adjustment in depreciation and amortization is corporate expenses not attributable to any reportable segment.
  - 1,091 million yen adjustment in increase of property, plant and equipment and intangible assets is corporate assets. The corporate assets are mainly group administrative assets which do not belong to segments.

## 2) For the Year Ended March 31, 2026 (From April 01, 2025 to March 31, 2026)

(Million yen)

|                                                                 | Chemicals | Performance Materials | Agricultural Chemicals | Healthcare | Trading | Others | Total   | Adjustment (Note 2) | Consolidated Total |
|-----------------------------------------------------------------|-----------|-----------------------|------------------------|------------|---------|--------|---------|---------------------|--------------------|
| Net Sales                                                       |           |                       |                        |            |         |        |         |                     |                    |
| Sales to outside customers (Note 1)                             | 26,198    | 78,310                | 82,109                 | 5,133      | 98,050  | 15,542 | 305,344 | (25,757)            | 279,586            |
| Intersegment Sales                                              | 13,115    | 35,066                | 14,134                 | 91         | 30,849  | 16,213 | 109,470 | (109,470)           | —                  |
| Total Sales                                                     | 39,313    | 113,377               | 96,243                 | 5,224      | 128,899 | 31,755 | 414,814 | (135,227)           | 279,586            |
| Segment Income or Loss (Operating Income or Loss)               | 1,107     | 35,331                | 26,043                 | 1,352      | 3,813   | 2,038  | 69,687  | (6,134)             | 63,552             |
| Segment assets                                                  | 33,751    | 77,237                | 111,518                | 8,385      | 53,398  | 25,279 | 309,569 | 45,508              | 355,078            |
| Other items                                                     |           |                       |                        |            |         |        |         |                     |                    |
| Depreciation and amortization                                   | 2,803     | 6,216                 | 3,931                  | 472        | 90      | 1,293  | 14,808  | 597                 | 15,405             |
| Amortization of goodwill                                        | —         | —                     | 24                     | —          | —       | 84     | 108     | —                   | 108                |
| Increase of property, plant and equipment and intangible assets | 3,012     | 9,787                 | 1,962                  | 661        | 44      | 2,050  | 17,518  | 1,048               | 18,566             |

## Notes:

- Sales to outside customers in reportable segments are calculated on a gross basis, including sales that are agent transactions. A reconciliation of gross sales to net sales as agent transactions is made in the Adjustment section.
- The adjustments are as follows.
  - (25,757) million yen adjustments in sales to outside customers includes (25,829) million yen elimination of agent transactions, and 72 million yen sales not allocated to any reporting segments.
  - (6,134) million yen adjustment in segment income includes (193) million yen in intersegment eliminations, 72 million yen sales not attributable to any reporting segment, and (6,013) million yen corporate expenses not attributable to any reportable segment. The corporate expenses are mainly group administrative expenses which do not belong to any segment.
  - 45,508 million yen adjustment in segment assets includes (39,480) million yen in intersegment eliminations and 84,988 million yen in corporate assets not attributable to any reportable segment. The corporate assets are mainly group administrative assets which do not belong to segments.
  - 597 million yen adjustment in depreciation and amortization is corporate expenses not attributable to any reportable segment.
  - 1,048 million yen adjustment in increase of property, plant and equipment and intangible assets is corporate assets. The corporate assets are mainly group administrative assets which do not belong to segments.

## 4. Matters related to changes in reporting segments

## (Changes in Method for Calculating income or loss, segment assets and other material items for Reporting Segments)

From the beginning of the current consolidated fiscal year, the Company has changed the allocation method for certain corporate expenses and corporate assets in order to more accurately reflect the performance and assets of each reportable segment. Furthermore, the segment information for the previous consolidated fiscal year has been restated based on the changed allocation method for comparative purposes.

## Related Information

For the Year Ended March 31, 2025(From April 01, 2024 to March 31, 2025)

### (1) Sales by region

(Million yen)

| Japan   | China  | Korea  | Other Asia | Europe and the United States | Consolidated Total |
|---------|--------|--------|------------|------------------------------|--------------------|
| 105,907 | 47,641 | 24,424 | 33,503     | 39,887                       | 251,365            |

Note: Sales are classified to either countries or regions based on customers are located.

### (2) Property, plant and equipment by region

(Million yen)

| Japan  | Korea | India | Other Asia | Europe and the United States | Consolidated Total |
|--------|-------|-------|------------|------------------------------|--------------------|
| 56,938 | 8,245 | 6,733 | —          | 507                          | 72,424             |

For the Year Ended March 31, 2026 (From April 01, 2025 to March 31, 2026)

### (1) Sales by region

(Million yen)

| Japan   | China  | Korea  | Other Asia | Europe and the United States | Consolidated Total |
|---------|--------|--------|------------|------------------------------|--------------------|
| 111,839 | 57,954 | 27,395 | 36,420     | 45,975                       | 279,586            |

Note: Sales are classified to either countries or regions based on customers are located.

### (2) Property, plant and equipment by region

(Million yen)

| Japan  | Korea | India | Other Asia | Europe and the United States | Consolidated Total |
|--------|-------|-------|------------|------------------------------|--------------------|
| 63,146 | 7,043 | 6,238 | 15         | 525                          | 76,968             |

**Information regarding impairment loss on non-current assets by reportable segments**

For the Year Ended March 31, 2025 (From April 01, 2024 to March 31, 2025)

(Million yen)

|                 | Chemicals | Performance Materials | Agricultural Chemicals | Healthcare | Trading | Others | Total | Adjustment | Consolidated Total |
|-----------------|-----------|-----------------------|------------------------|------------|---------|--------|-------|------------|--------------------|
| Impairment loss | 2,761     | —                     | —                      | —          | —       | 1,114  | 3,876 | —          | 3,876              |

For the Year Ended March 31, 2026 (From April 01, 2025 to March 31, 2026)

(Million yen)

|                 | Chemicals | Performance Materials | Agricultural Chemicals | Healthcare | Trading | Others | Total | Adjustment | Consolidated Total |
|-----------------|-----------|-----------------------|------------------------|------------|---------|--------|-------|------------|--------------------|
| Impairment loss | 35        | —                     | 5                      | —          | —       | 47     | 88    | 0          | 88                 |

**Information regarding amortization and unamortized balance on goodwill by reportable segments**

For the Year Ended March 31, 2025 (From April 01, 2024 to March 31, 2025)

(Million yen)

|                              | Chemicals | Performance Materials | Agricultural Chemicals | Healthcare | Trading | Others | Total | Adjustment | Consolidated Total |
|------------------------------|-----------|-----------------------|------------------------|------------|---------|--------|-------|------------|--------------------|
| Balance as of March 31, 2025 | —         | —                     | 24                     | —          | —       | 925    | 949   | —          | 949                |

For the Year Ended March 31, 2026 (From April 01, 2025 to March 31, 2026)

(Million yen)

|                              | Chemicals | Performance Materials | Agricultural Chemicals | Healthcare | Trading | Others | Total | Adjustment | Consolidated Total |
|------------------------------|-----------|-----------------------|------------------------|------------|---------|--------|-------|------------|--------------------|
| Balance as of March 31, 2026 | —         | —                     | —                      | —          | —       | 841    | 841   | —          | 841                |

**(Per Share Information)**

(Yen)

|                      | Year Ended March 31, 2025 | Year Ended March 31, 2026 |
|----------------------|---------------------------|---------------------------|
| Net assets per share | 1,711.83                  | 1,903.42                  |
| Net income per share | 313.26                    | 368.26                    |

Notes:

1. Since residual securities do not exist, diluted net income per share is not presented.
2. The Company has introduced “Board Benefit Trust (BBT)” from the second quarter of 2019, and has recorded the shares held by the Trust as treasury shares in the consolidated financial statements. Accordingly, for the purpose of calculating net assets per share, the shares held by the Trust (included in treasury shares) are deducted from the number of shares outstanding at the end of the period. In addition, for the purpose of calculating net income per share, the shares held by the Trust are deducted in calculating the average number of shares outstanding during the period.

The number of shares held by the Trust at the end of the current fiscal year was 132,200 shares, and the average number of shares held by the Trust during the current fiscal year was 133,275 shares. (Trust at the end of the previous fiscal year was 139,400 shares, and the average number of shares held by the Trust during the previous fiscal year was 139,592 shares.)

3. Net income per share is calculated on the following basis.

|                                                                         | Year Ended March 31, 2025 | Year Ended March 31, 2026 |
|-------------------------------------------------------------------------|---------------------------|---------------------------|
| Net income per share                                                    |                           |                           |
| Net income attributable to owners of parent (Million yen)               | 43,043                    | 49,707                    |
| Amounts not allocated to ordinary shares (Million yen)                  | —                         | —                         |
| Net income allocated to ordinary shares (Million yen)                   | 43,043                    | 49,707                    |
| Average number of ordinary shares outstanding during each year (shares) | 137,404,538               | 134,977,946               |

4. Net assets per share is calculated on the following basis.

|                                                                                | Year Ended March 31, 2025 | Year Ended March 31, 2026 |
|--------------------------------------------------------------------------------|---------------------------|---------------------------|
| Net asset (Million yen)                                                        | 236,180                   | 259,051                   |
| Amount deducted from net asset (Million yen)                                   | 2,889                     | 3,786                     |
| (Non-controlling interest) (Million yen)                                       | 2,889                     | 3,786                     |
| Net asset as of year end allocated to ordinary shares (Million yen)            | 233,291                   | 255,264                   |
| Number of ordinary shares as of year end used to calculate net asset per share | 136,282,213               | 134,108,585               |

### **(Significant Subsequent Events)**

1. This is to notify that the company, at the Board of Directors' meeting, has decided to repurchase its shares in the market under Article 156 of the Companies Act, as applied pursuant to Article 165, Paragraph 3 of the same Act, on May 15, 2026.

(1) Purpose of repurchase

To facilitate flexible implementation of capital policy in response to changes in the business environment.

(2) Details of repurchase

- |                            |                                                                                                           |
|----------------------------|-----------------------------------------------------------------------------------------------------------|
| 1) Class of shares:        | Common shares of the company                                                                              |
| 2) Total number of shares: | Up to 2,100,000 shares (Rate of the maximum shares to be acquired to the total outstanding shares: 1.56%) |
| 3) Total amount            | Up to 10,500,000,000 yen                                                                                  |
| 4) Period of repurchase    | From May 18, 2026 to March 31, 2027                                                                       |

Reference

Number of treasury shares as of May 15, 2026

Total number of shares issued (excluding treasury shares) : 134,240,748 shares

Number of treasury shares : 559,252 shares

\* Not including 127,000 shares of treasury shares which the Board Benefit Trust (BBT) has hold.