

Financial Results for the Fiscal Year Ending October 31, 2023

Supplementary Materials

December 14, 2023

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01

Financial Results for the FY2023

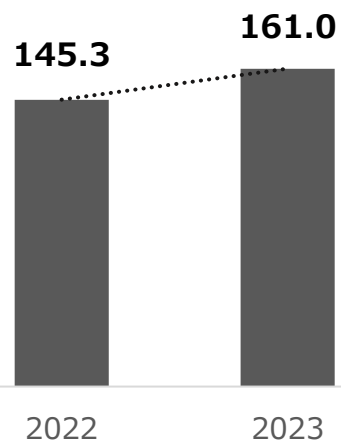
Financial Results for the FY2023

| Unit: Billions of Yen | 2022 results | 2023 results | YoY (Amount) | Rate | 2023 Revised Forecast (As of 6 Jun) | vs. Revised Forecast (Amount) | Rate |
|---|--------------|--------------|--------------|------|-------------------------------------|-------------------------------|------|
| Net Sales | 145.3 | 161.0 | +15.7 | +11% | 169.0 | △8.0 | △5% |
| Gross Profits | 34.2 | 36.7 | +2.5 | +7% | - | - | - |
| Operating Income | 12.7 | 14.1 | +1.4 | +11% | 17.1 | △3.0 | △18% |
| Ordinary Income | 23.6 | 24.1 | +0.5 | +2% | 21.5 | +2.6 | +12% |
| Net income attributable to owners of parent | 16.3 | 18.0 | +1.7 | +11% | 16.7 | +1.3 | +8% |

Ref.) Average of exchange rates ¥/US\$=129 ¥/US\$=140

¥/US\$=130

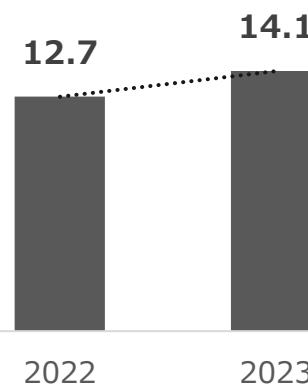
Sales



YoY + ¥15.7B

- (+) Large increase in AXEEV sales
- (+) Passing on some of cost increase to prices
- (+) Increase due to depreciation of Japanese yen
- (-) Decrease in sales of Fine Chemicals Business

Operating Income

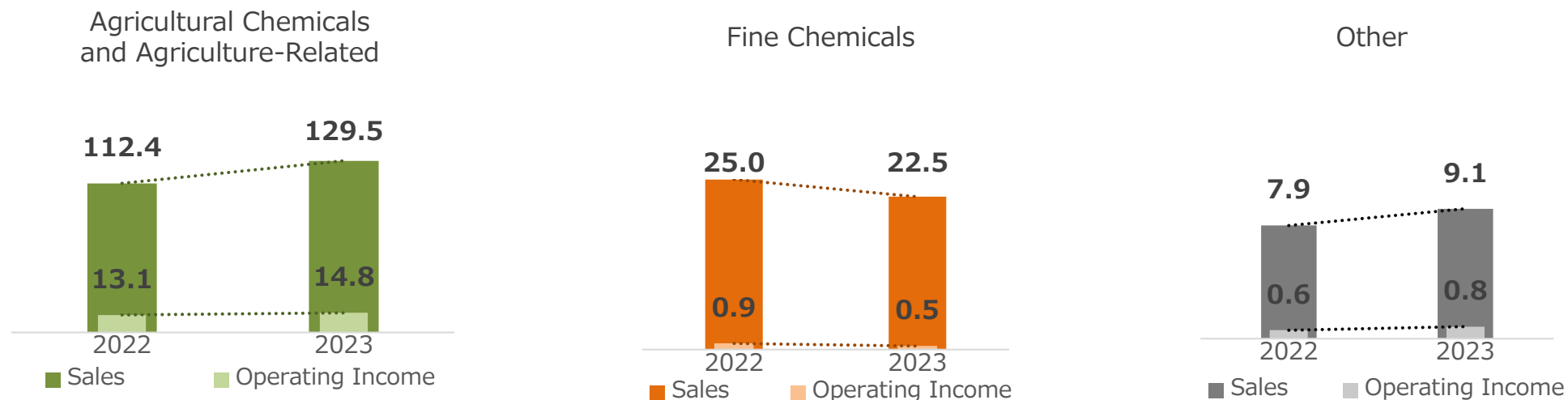


YoY + ¥1.4B

- (+) Increase in AXEEV sales volume
- (+) Increase due to depreciation of Japanese yen
- (-) Rising raw materials and fuel costs
- (-) Increase in SG&A expenses

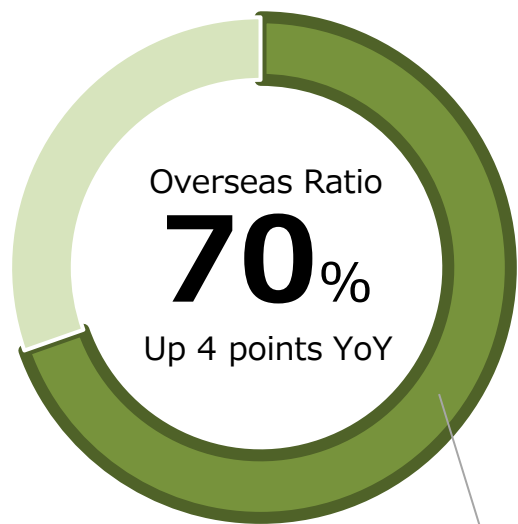
Financial Results by Business Segment

| Unit: Billions of Yen | 2022 Results | 2023 Results | YoY (Amount) | Rate |
|--|-----------------|-----------------|-----------------|------|
| Net Sales | 145.3 | 161.0 | +15.7 | +11% |
| Agricultural Chemicals and Agriculture-Related | 112.4 | 129.5 | +17.1 | +15% |
| Fine Chemicals | 25.0 | 22.5 | △2.5 | △10% |
| Other | 7.9 | 9.1 | +1.2 | +15% |
| Operating Income | 12.7 | 14.1 | +1.4 | +11% |
| Agricultural Chemicals and Agriculture-Related | 13.1 | 14.8 | +1.7 | +13% |
| Fine Chemicals | 0.9 | 0.5 | △0.4 | △41% |
| Other | 0.6 | 0.8 | +0.2 | +41% |
| (Adjustment) | △1.9 | △ 2.1 | △0.2 | - |



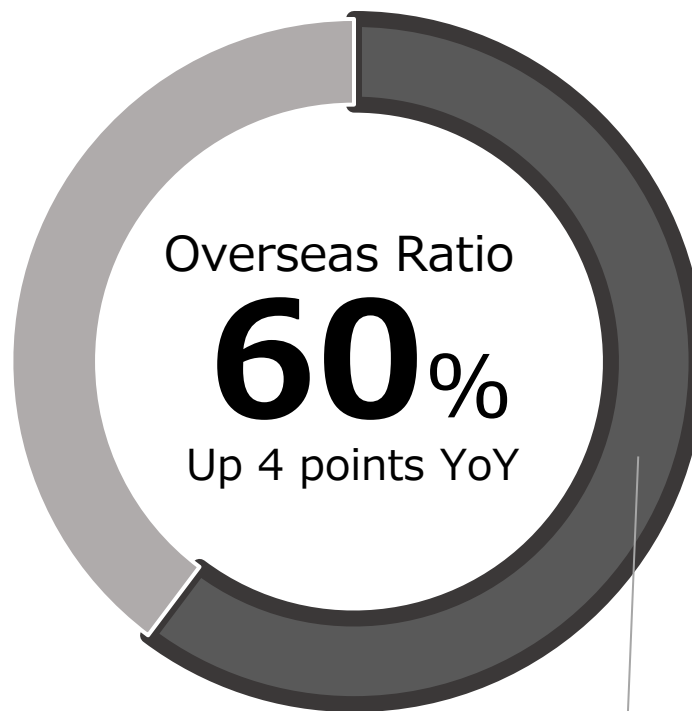
Overseas Sales and Ratio

Agricultural Chemicals
and Agriculture-Related



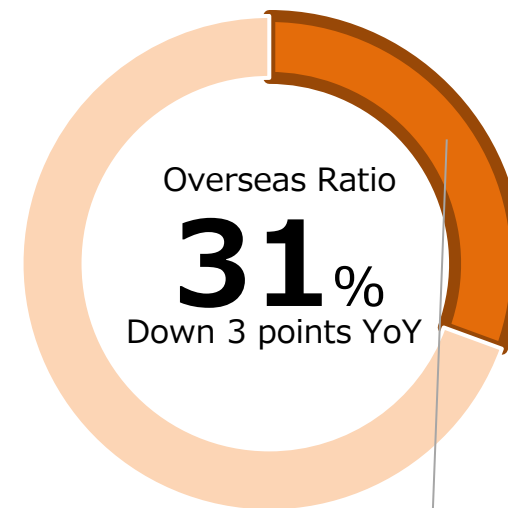
¥90.1billion

Overall



¥97.0billion

Fine Chemicals



¥6.9billion

Summary of the FY2023

Overall

| | | |
|------------------|-------------------------------------|---|
| Net Sales | ¥ 161.0 billion (YoY+¥15.7B) | <ul style="list-style-type: none"> • Increase in AXEEV sales volume. • Price increase was implemented in conjunction with rising raw material and fuel costs. |
| Operating Income | ¥ 14.1 billion (YoY+¥1.4B) | <ul style="list-style-type: none"> • Depreciation of Japanese yen pushed up sales and profit YoY. |
| Ordinary Income | ¥ 24.1 billion (YoY+¥0.5B) | <ul style="list-style-type: none"> • Foreign exchange gains were decreased YoY, but equity-method investment profits increased significantly. |

Agricultural Chemicals and Agriculture-Related

| | | |
|------------------|-------------------------------------|---|
| Net Sales | ¥ 129.5 billion (YoY+¥17.1B) | <ul style="list-style-type: none"> • Increase in AXEEV sales volume. |
| Operating Income | ¥ 14.8 billion (YoY+¥1.7B) | <ul style="list-style-type: none"> • While inventory adjustments by customers effected, domestic sales of agricultural chemicals were increased slightly YoY due to steady sales of Effeeda and DISARTA. |

Fine Chemicals

| | | |
|------------------|-----------------------------------|--|
| Net Sales | ¥ 22.5 billion (YoY△¥2.5B) | <ul style="list-style-type: none"> • Decrease in sales of bismaleimides and some of chloroxylene-based chemical products due to delayed recovery of demands for semiconductors. |
| Operating Income | ¥ 0.5 billion (YoY△¥0.4B) | <ul style="list-style-type: none"> • Rising raw material and fuel costs, and increase in depreciation and amortization. |

Other

| | | |
|------------------|----------------------------------|--|
| Net Sales | ¥ 9.1 billion (YoY+¥1.2B) | <ul style="list-style-type: none"> • Increase in sales of construction business due to progress in construction work carried forward from the previous fiscal year. |
| Operating Income | ¥ 0.8 billion (YoY+¥0.2B) | <ul style="list-style-type: none"> • Steady sales in logistics business. |

02

Earnings Forecast for the FY2024

Earnings Forecast for the FY2024 (YoY)

| Unit: Billions of Yen | 2023 Results | 2024 Forecast | YoY (Amount) | Rate |
|--|--------------|---------------|--------------|------|
| Net Sales | 161.0 | 167.0 | +6.0 | +4% |
| Agricultural Chemicals and Agriculture-Related | 129.5 | 133.0 | +3.5 | +3% |
| Fine Chemicals | 22.5 | 26.0 | +3.5 | +16% |
| Other | 9.1 | 8.0 | △1.1 | △12% |
| Operating Income | 14.1 | 12.0 | △2.1 | △15% |
| Ordinary Income | 24.1 | 15.0 | △9.1 | △38% |
| Net income attributable to owners of parent | 18.0 | 11.0 | △7.0 | △39% |

Ref.) Average of exchange rates ¥/US\$=140 ¥/US\$=140

Sales

YoY + ¥6.0B

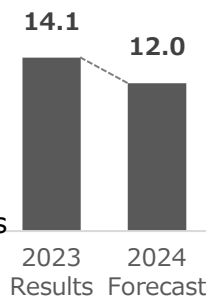


- (+) Increase in AXEEV sales volume
- (+) Increase in Fine Chemicals Business
- (-) Inventory adjustments of AXEEV in some of sales countries
- (-) Price adjustments of AXEEV as a countermeasure against generic products

■ Agricultural Chemicals
 ■ Fine Chemicals
 ■ Other

Operating Income

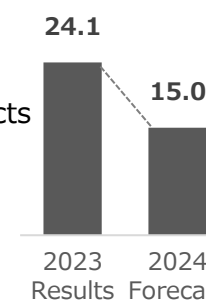
YoY △ ¥2.1B



- (-) Rising SG&A expenses
- (-) Price adjustments of AXEEV as a countermeasure against generic products

Ordinary Income

YoY △ ¥9.1B



- (-) Large decrease in equity-method investment profits

03

R&D expenses, Capital investment, Depreciation and amortization

R&D expenses, Capital investment, Depreciation and amortization

R&D expenses

FY2023 Results ¥ **6.2** billion → FY2024 Forecast ¥ **7.2** billion

(Factors) Strengthening initiatives for overseas development, Promotion of R&D activities utilizing cutting edge technology

Capital investment

FY2023 Results ¥ **8.7** billion → FY2024 Forecast ¥ **10.2** billion

(Factors) Renewal of deteriorated production facilities, Establish plant and facilities relating to Fine Chemicals Business

Depreciation and amortization

FY2023 Results ¥ **4.4** billion → FY2024 Forecast ¥ **5.1** billion

(Factors) Increase in depreciation and amortization due to capital investment of new chemical institute(ShIP) and production facilities

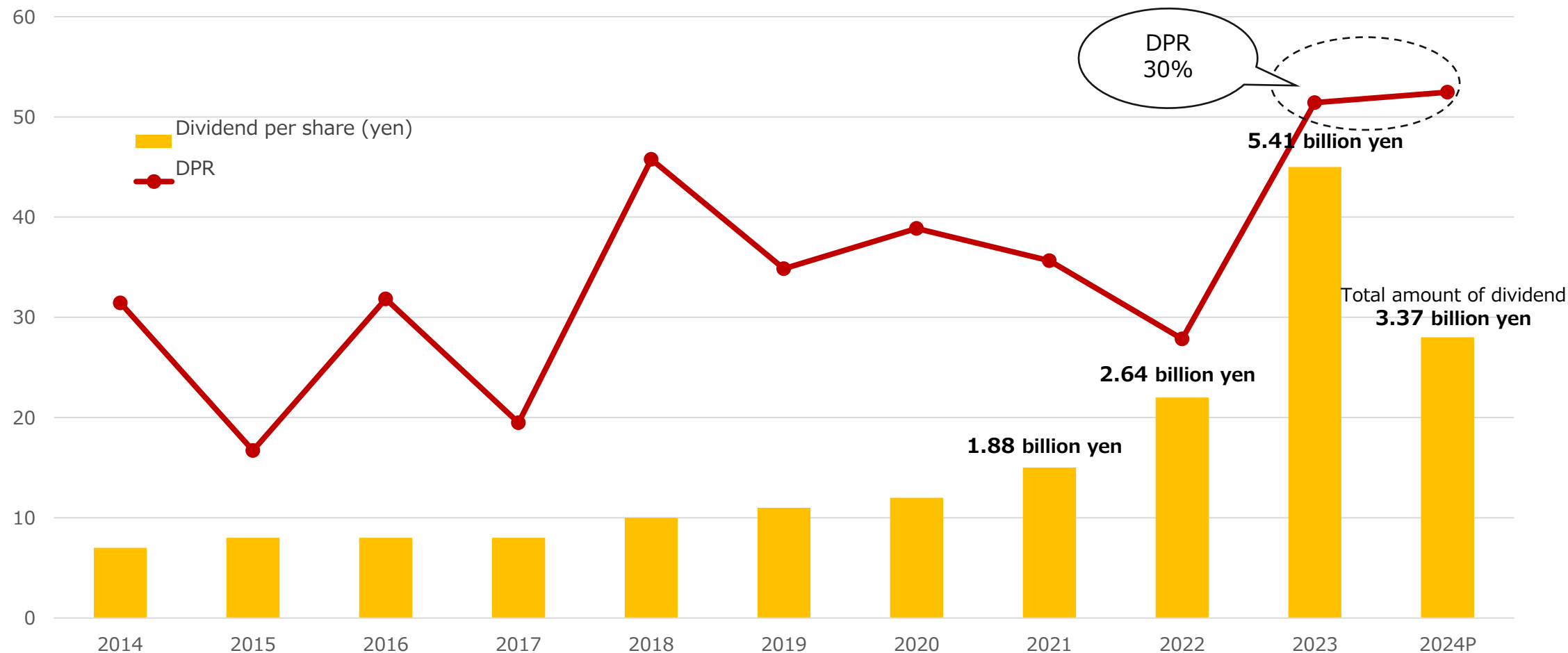
04

Measures for Shareholder Returns

Measures for Shareholder Returns

DPR Target is more than 30%

FY2024 Dividend Forecast : Interim dividend ¥10 + Year-end dividend ¥18 = **Annual Dividend ¥28 per share (DPR 30.6%)**



Statements in this document regarding earnings forecasts and other forward-looking statements are expectations based on information available at the time the material was prepared and include potential risks and uncertainties. Actual results may differ from these earnings forecasts due to a variety of factors.

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