

Financial Results for the Fiscal Year Ending 31 October 2025

31 December 2025

| Today's Agenda

I . Business Environment 4
II . FY2025 Financial Results 8
III . FY2026 Earnings Forecast 18
IV . AXEEV business Overview 24
V . Progress on the Medium-Term Business Plan (FY2024-2026) 31
VI . Q&A	

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Business Environment

Impact of U.S. Tariff Policy

- The direct impact of US tariff policy on our products remains minor to date

Crude Oil and Naphtha Prices

- Both crude oil and domestic naphtha prices continued on a downward trend

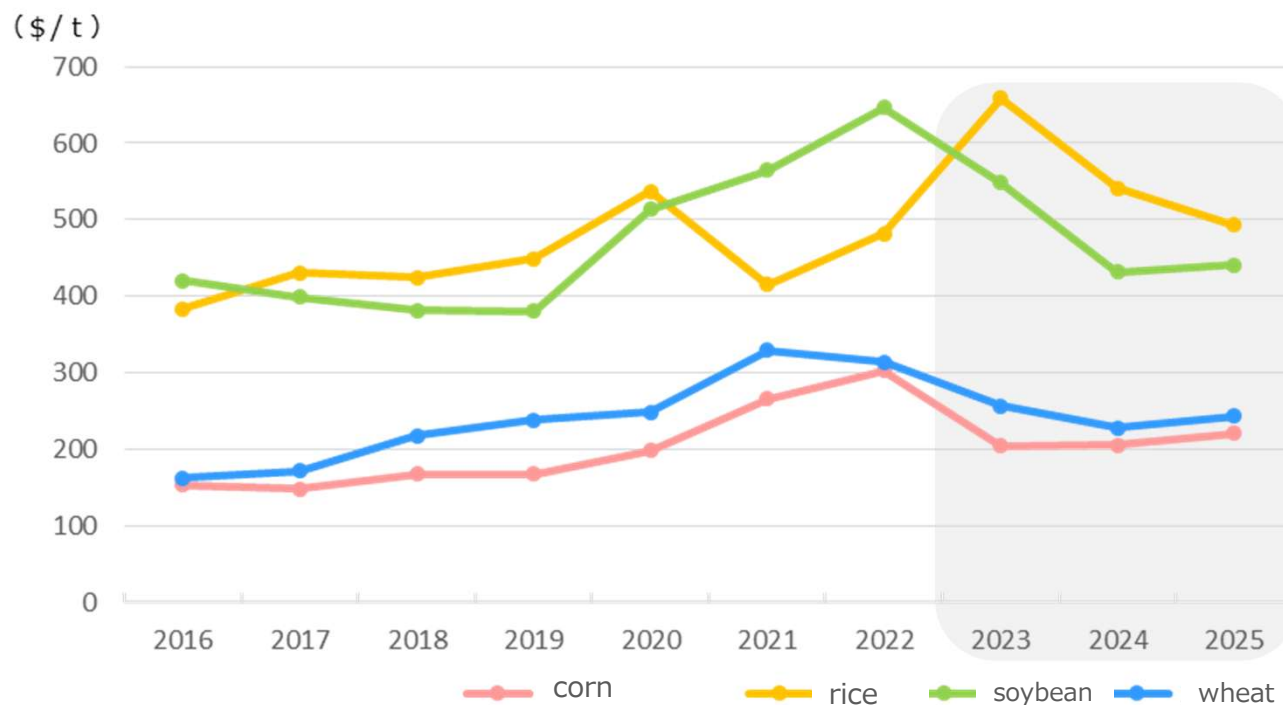
Exchange Rate

- Fiscal year average rate JPY 149 based on company calculation, prior year JPY 151;
Fiscal year-end rate JPY 154, same as the prior year

Business Environment

Grain market situations

- Major grains (rice, soybeans, wheat, corn) remained at low levels



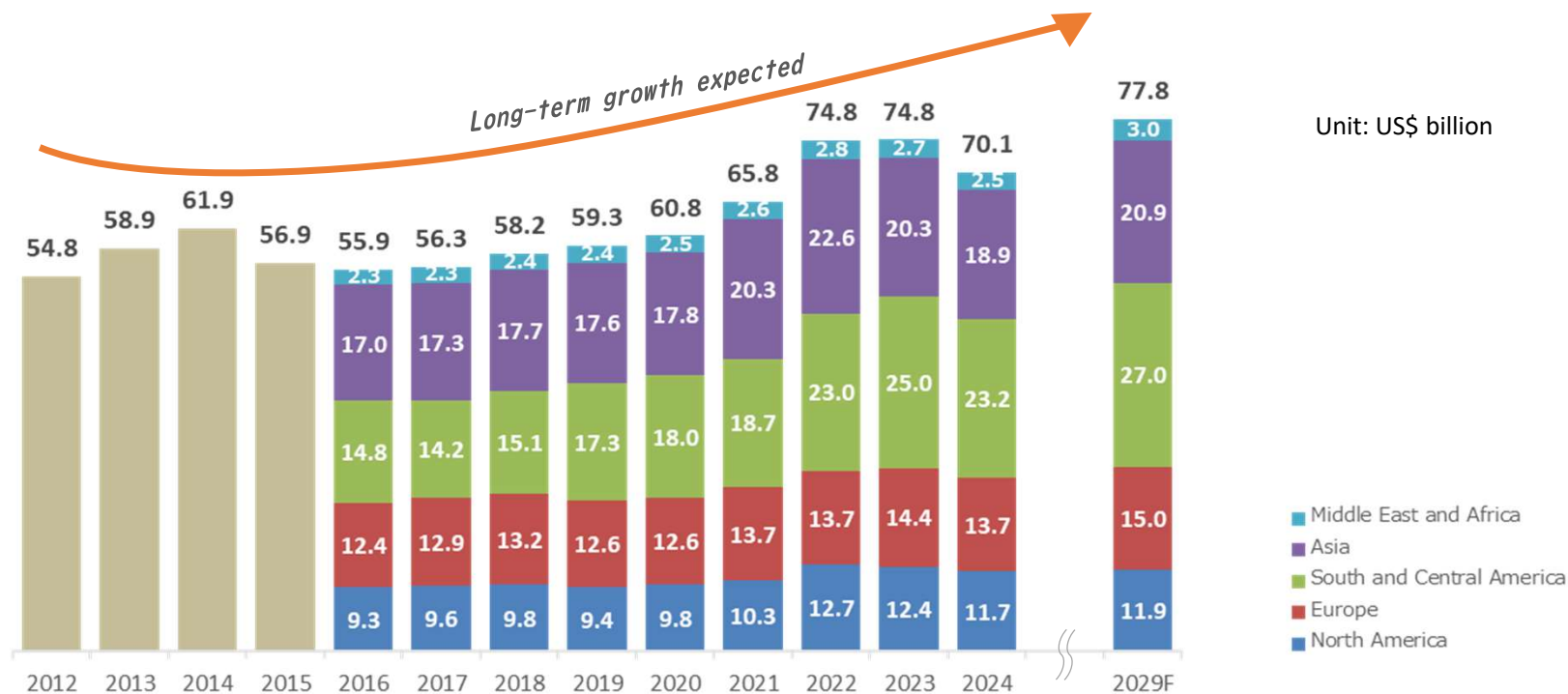
- Prices rose from late 2020 due to increased Chinese import demand and abnormal weather conditions
- Grain prices spiked in 2022 following Russia's invasion of Ukraine
- Elevated grain prices returned toward pre-invasion levels as Brazil and other producers delivered bumper harvests
- Despite domestic rice price increases in Japan, global rice prices continued on a downward trend

Source: AgbioInvestor

Business Environment

Market Trends for Agricultural Chemicals

- 2024: Temporary slowdown driven by price declines and distribution inventory destocking
- Inventory outlook: Growth expected to resume as distribution inventories normalize
- Japanese market: Approximately JPY 380 billion, gradually expanding



Source: AgbioInvestor (global market), Crop Life Japan (domestic market)

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FY2025 Financial Results

(unit: ¥ billion)

	2024 results	2025 results	Change (Amount)	Change (%)
Net Sales	161.0	170.5	+ 9.4	+ 6%
Gross Profit	35.4	34.4	-1.0	-3%
Operating Income	11.4	10.6	-0.8	-7%
Ordinary Income	18.3	13.4	-4.9	-27%
Net income attributable to owners of parent	13.6	4.4	-9.2	-68%
Ref.) Average of exchange rates ¥/US\$=151 ¥/US\$=149				

Sales

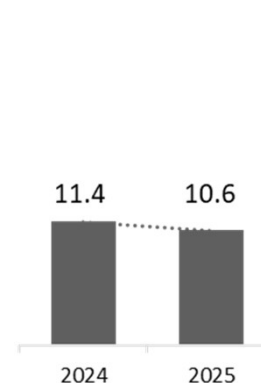


* PYTD **+¥9.4**billion

- (+) Increased net sales in all segments
- (+) AXEEV : +¥4.4billion

Operating Income

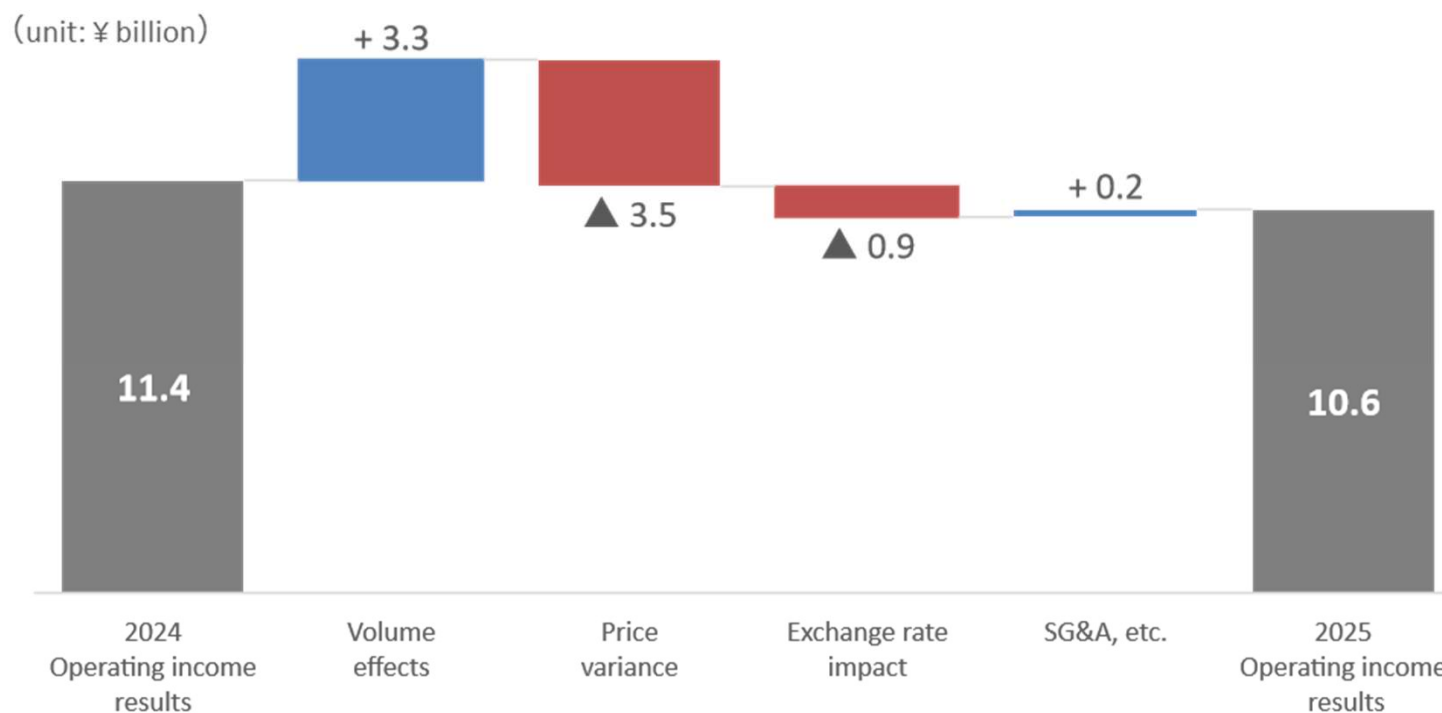
* PYTD : Prior Year-To-Date



* PYTD **-¥0.8**billion

- (-) Decreased profit in Agricultural Chemicals and Agriculture-Related business
- (+) Increased profit in Fine Chemicals business

FY2025 Financial Results - *Factors Affecting Changes in Operating Income*



FY2025 Financial Results - *Financial Results by Business Segment*

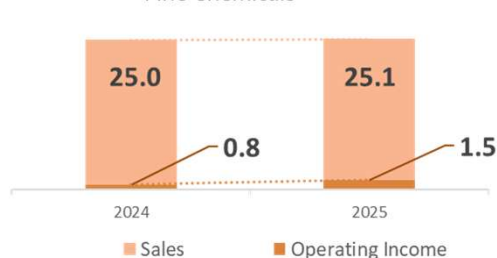
(unit: ¥ billion)

	2024 Results	2025 Results	Change (Amount)	Change (%)
Net Sales	161.0	170.5	+9.4	+6%
Agricultural Chemicals and Agriculture-Related	128.1	135.7	+7.6	+6%
Fine Chemicals	25.0	25.1	+0.1	+1%
Other	7.9	9.7	+1.7	+22%
Operating Income	11.4	10.6	-0.8	-7%
Agricultural Chemicals and Agriculture-Related	12.1	10.6	-1.6	-13%
Fine Chemicals	0.8	1.5	+0.8	+98%
Other	0.8	0.9	+0.0	+2%
(Adjustment)	-2.4	-2.4	+0.0	-

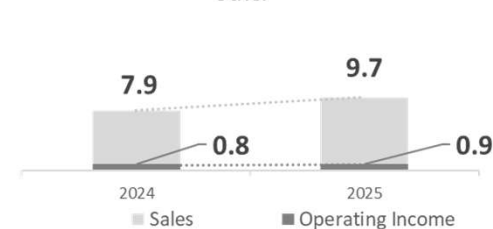
Agricultural Chemicals and Agriculture-Related



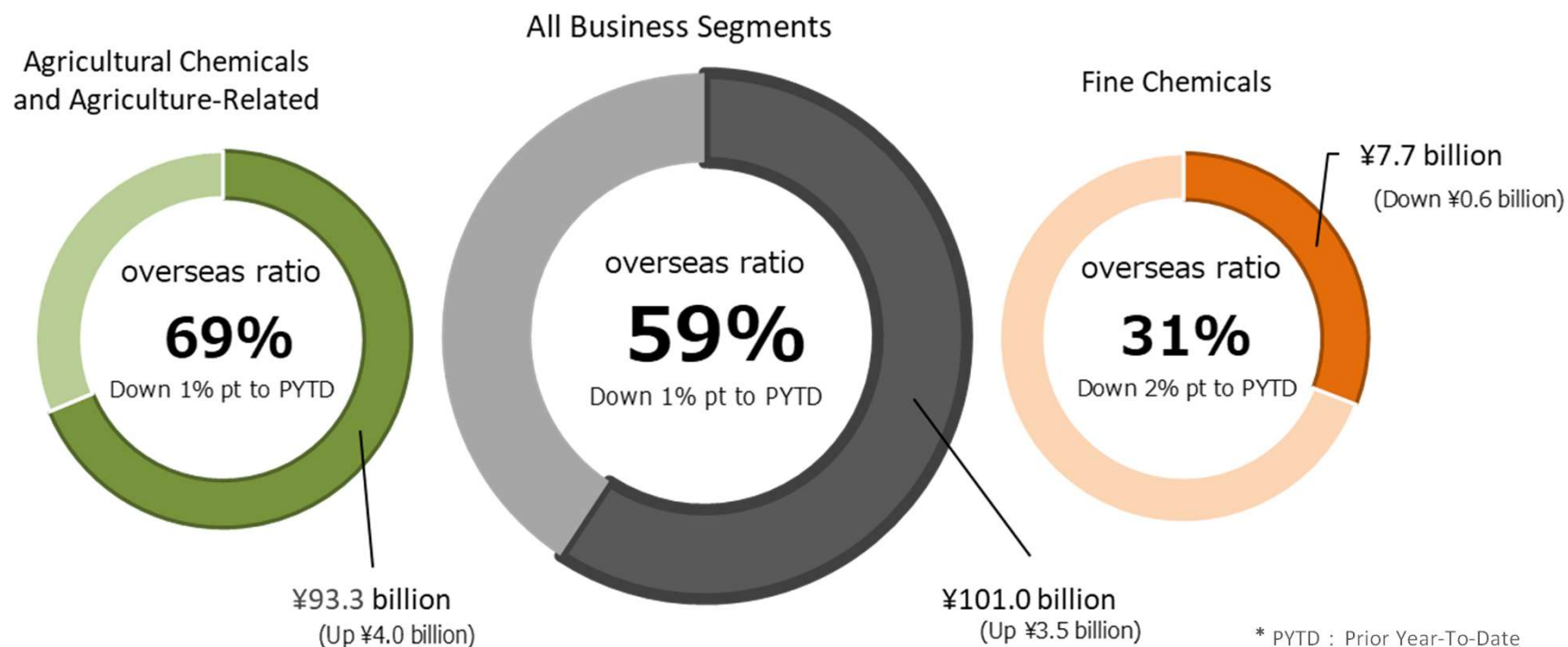
Fine Chemicals



Other



FY2025 Financial Results - Overseas Sales and Ratio



FY2025 Financial Results

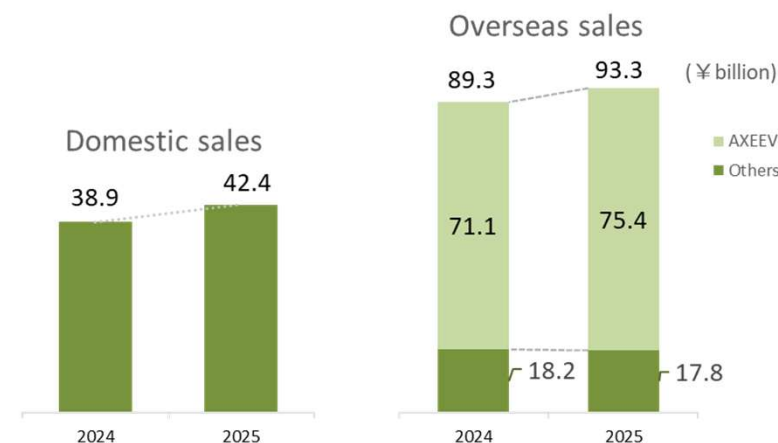
-Agricultural Chemicals and Agriculture-Related Businesses

Domestic highlights (In Japanese Markets)

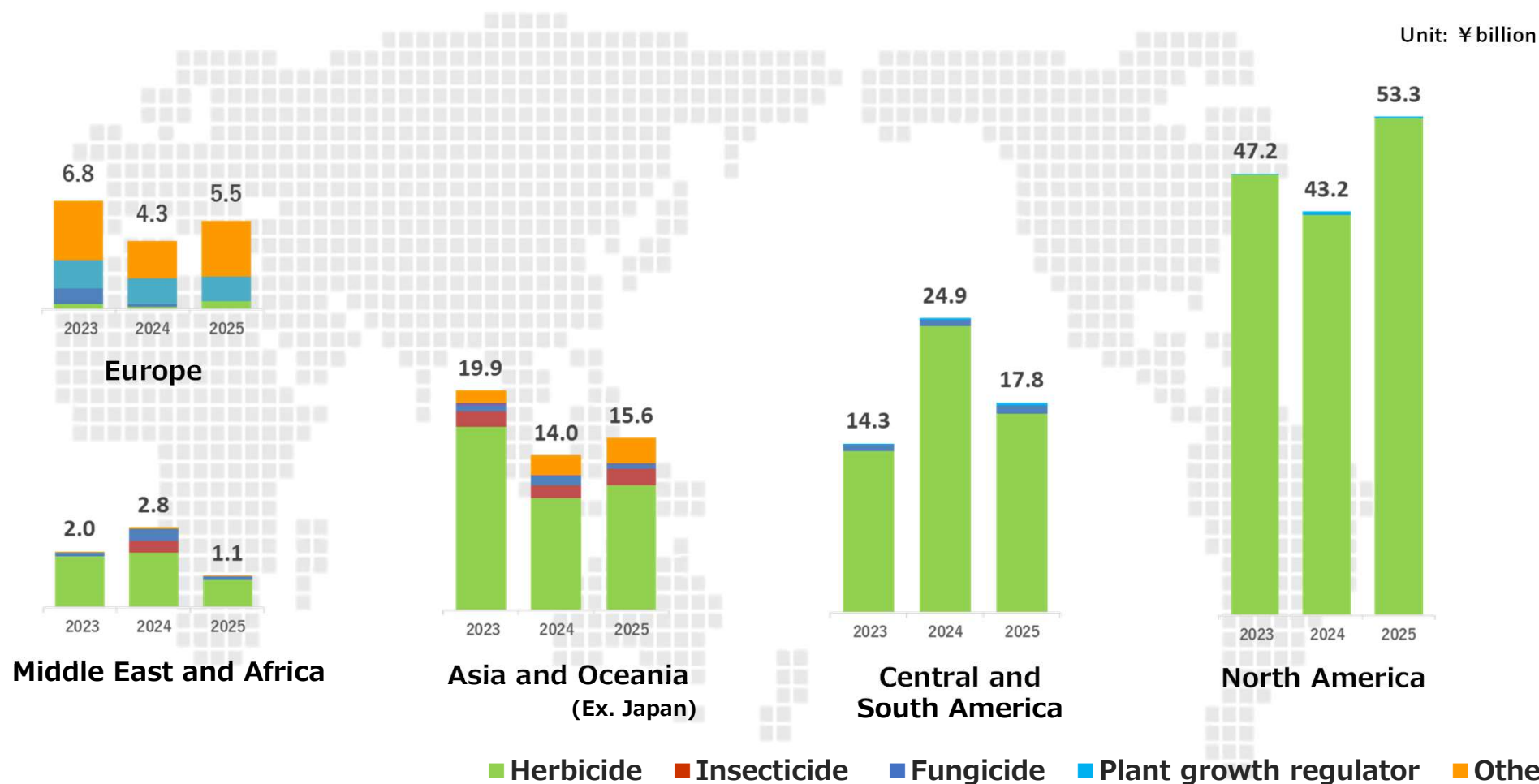
- Paddy rice herbicides — Strong performance including “EFFEEDA”; No.1 share for “One-shot herbicide for paddy rice” for five consecutive years
- Paddy rice nursery box application — Solid sales including the fungicide “DISARTA”
- Insecticides — Increased demand driven by expanded stink bug outbreaks

Overseas highlights (In Markets Outside Japan)

- Despite generic competition in Argentina, AXEEV shipments rose overall due to US inventory destocking and strengthened promotional support, and shipments to Australia increased after successful legal action against patent-infringing products



FY2025 Financial Results - Net Sales by Overseas Region and by Application



FY2025 Financial Results - *Fine Chemicals Business*

Chlorination

- Shipment decline of chloroxylene-based products due to deteriorating business conditions

Advanced Chemicals

- Sales volume of bismaleimides increased due to strong demand in the field of electronic materials for generative AI servers
- Shipments of amines also remained steady

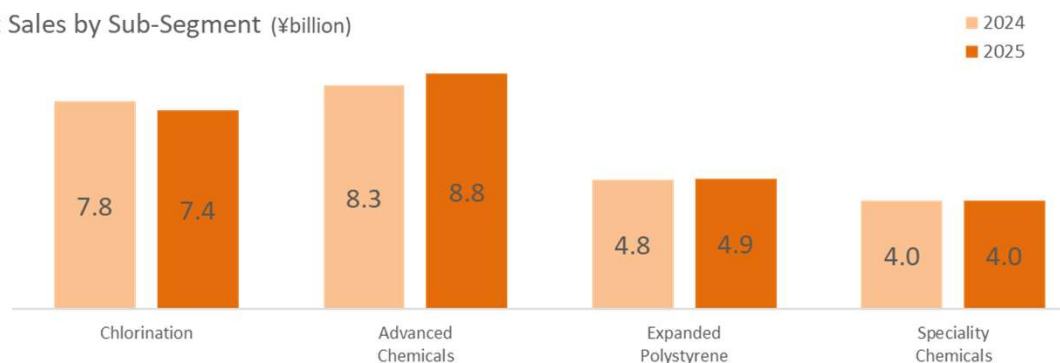
Expanded Polystyrene

- Sales remained flat

Speciality Chemicals

- Sales remained flat

Net Sales by Sub-Segment (¥billion)



FY2025 Financial Results *-Fine Chemicals Business* *- Impairment Loss*

Company Profile

- Company : Iharanikkei Chemical (Thailand) Co., Ltd.
- Location : Rayong Province, Thailand
- Business : Manufacture and sale of chloroxylene-based chemical products
(mainly **raw materials for aramid fibers**)

Purpose of Establishment

Secure cost competitiveness through local production of aramid fiber precursors and expand production capacity

Intensified competition from chemical manufacturers in China and India

Recorded a fixed-asset impairment losses of ¥ 3.7 billion due to a significant deviation from the original business plan

Summary of the FY2025

All Business Segments

Net Sales	¥170.5 billion (PYTD +¥9.4B)	- Revenue increased in all segments (PYTD: Prior Year-To-Date)
Operating Income	¥10.6 billion (PYTD -¥0.8B)	- Revenue increased by ¥9.4 billion, but operating income decreased by ¥0.8 billion due to a large profit decline in the Agricultural Chemicals and Agriculture-related business
Ordinary Income	¥13.4 billion (PYTD -¥4.9B)	- Ordinary income declined by ¥4.9 billion, reflecting lower equity in earnings of affiliates and recorded foreign exchange losses
Net income	¥4.4 billion (PYTD -¥9.2B)	- Net income decreased by ¥9.2 billion, mainly due to impairment losses related to fixed assets at the Thai subsidiary (Fine Chemicals business)

Agricultural Chemicals and Agriculture-Related

Net Sales	¥135.7 billion (PYTD +¥7.6B)	- In markets outside Japan: AXEEV — Argentina down (reduced shipments), US up (distributors drew down inventories + strengthened promotion), Australia up (successful legal action vs patent-infringing products)
Operating Income	¥10.6 billion (PYTD -¥1.6B)	- In the Japanese market: DISARTA and EFFEEEDA — both remained robust
		- Profit: Operating Income down due to AXEEV price countermeasures against generics

Fine Chemicals

Net Sales	¥25.1 billion (PYTD +¥0.1B)	- Demand for electronic materials for generative AI servers remained strong, driving increased shipments of bismaleimides
Operating Income	¥1.5 billion (PYTD +¥0.8B)	- Shipments of amines also remained steady

Other

Net Sales	¥9.7 billion (PYTD +¥1.7B)	- Higher new construction orders drove revenue growth, but rising material costs limited operating profit improvement
Operating Income	¥0.9 billion (PYTD +¥0.0B)	

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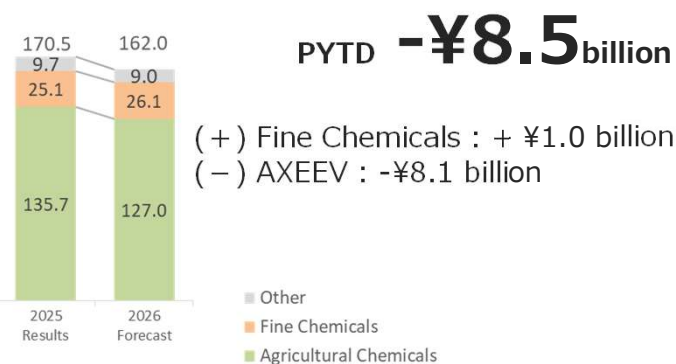
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FY2026 Earnings Forecast

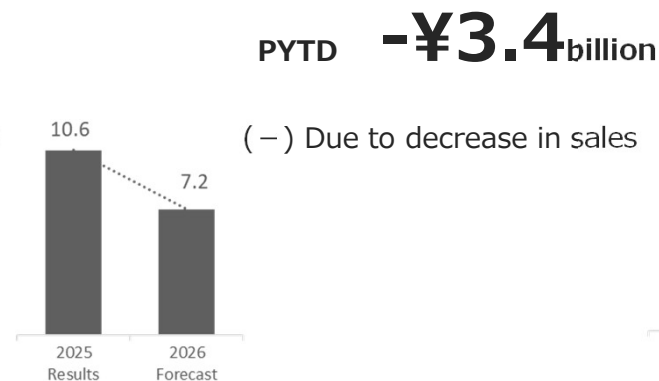
(unit: ¥ billion)

	2025 Results	2026 Forecast	Change (Amount)	Change (%)
Net Sales	170.5	162.0	-8.5	-5%
Agricultural Chemicals and Agriculture-Related	135.7	127.0	-8.7	-6%
Fine Chemicals	25.1	26.1	+1.0	+4%
Other	9.7	9.0	-0.7	-7%
Operating Income	10.6	7.2	-3.4	-32%
Ordinary Income	13.4	10.9	-2.5	-18%
Net income attributable to owners of parent	4.4	6.4	+2.0	+46%
Ref.) Average of exchange rates	¥/US\$=149	¥/US\$=150		

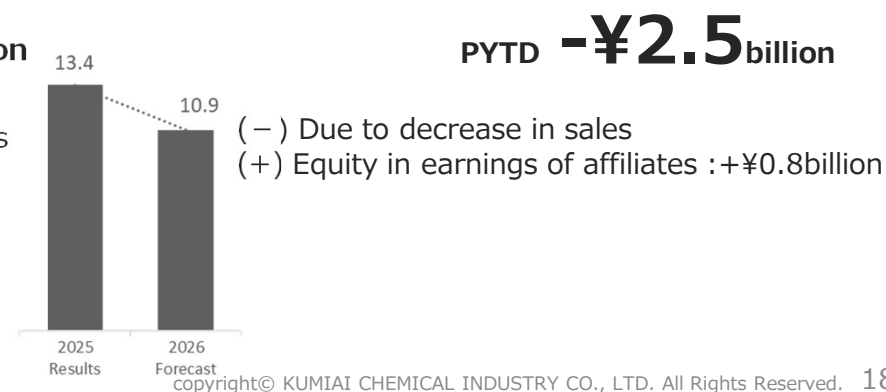
Sales



Operating Income



Ordinary Income



FY2026 Earnings Forecast -*Agricultural Chemicals and Agriculture-Related*

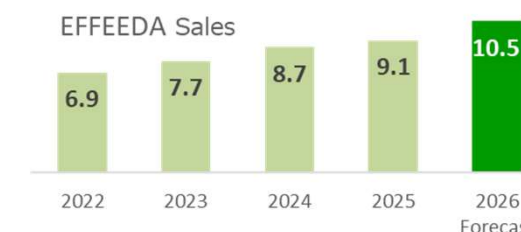
AXEEV (Herbicide) **Sales Forecast for ¥67.3billion in FY2026**

- Competition is expected to intensify in regions where generics have entered
- The market environment in Brazil is expected to remain challenging due to price reductions of competing products
- We will seek to maintain market share through the formulation and implementation of appropriate strategies



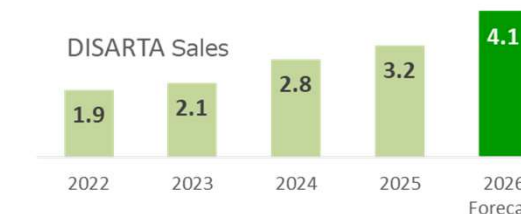
EFFEEDA (Herbicide) **Sales Forecast for ¥10.5billion in FY2026**

- Sales remained steady supported by increased domestic demand for agricultural chemicals
- One new pre-mixture was launched domestically, continuing from the previous fiscal year
- Development of a rice herbicide was initiated in the US in collaboration with Valent, in addition to South Korea where sales have already commenced



DISARTA (Fungicide) **Sales Forecast for ¥4.1billion in FY2026**

- Sales remained steady supported by increased domestic demand for agricultural chemicals
- Three new products were launched domestically, continuing from the previous fiscal year



FY2026 Earnings Forecast -Fine Chemicals

Chlorination

- Sales are expected to be at the previous fiscal year's level, but the business environment is expected to remain challenging

Advanced Chemicals

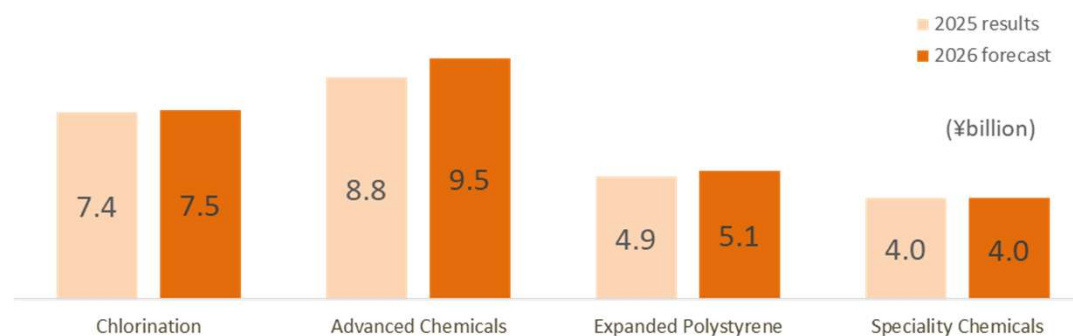
- Shipments of bismaleimide products are expected to increase with growing semiconductor demand, but increased depreciation expense is expected in the first year of the new plant's operation

Expanded Polystyrene

- A slight increase in sales is expected

Speciality Chemicals

- Sales expected flat vs prior year



FY2026 Earnings Forecast -*R&D expenses, Capital investment and Depreciation*

R&D expenses

FY2025 Results	¥ 7.1 billion	FY2026 Forecast	¥ 7.9 billion
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- (Factors)
- More focus on development of overseas markets
 - Promotion of R&D activities utilizing cutting edge technology

Capital investment

FY2025 Results	¥ 7.0 billion	FY2026 Forecast	¥ 5.9 billion
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- (Factors)
- Renewal of production and R&D equipment

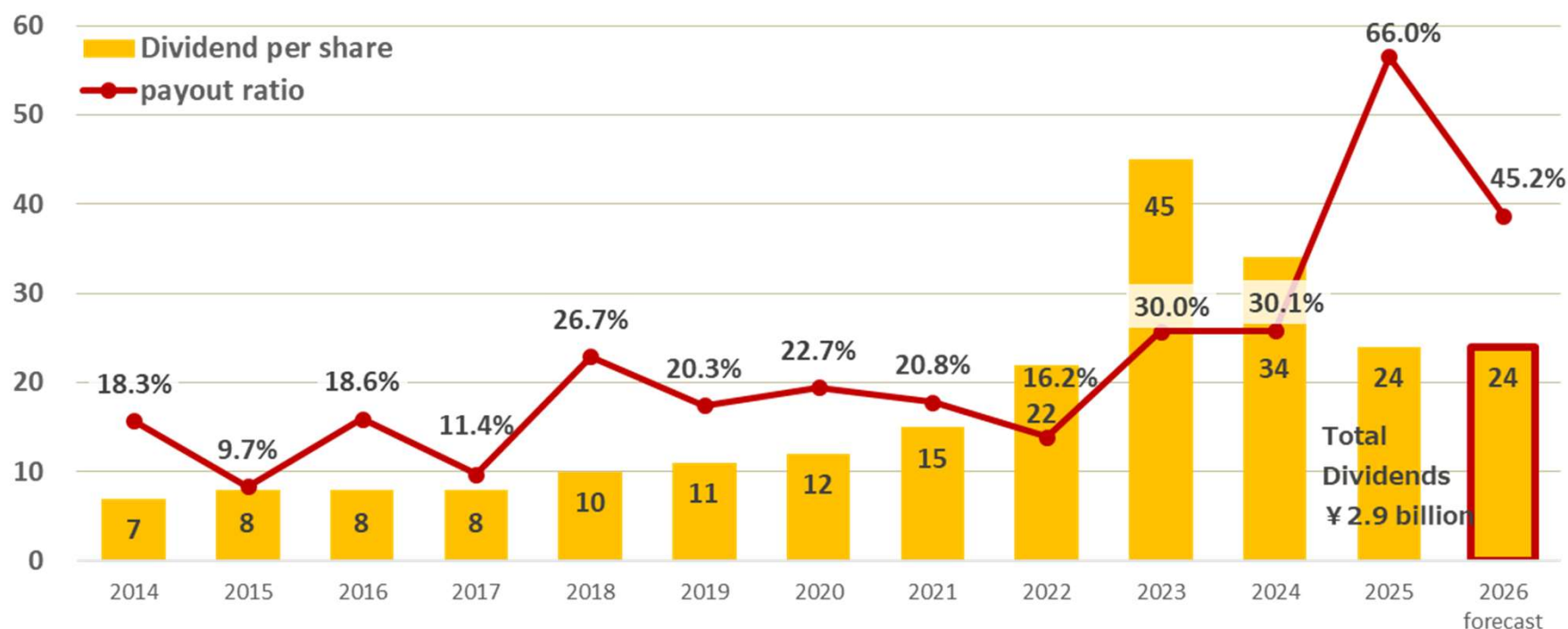
Depreciation

FY2025 Results	¥ 5.7 billion	FY2026 Forecast	¥ 5.9 billion
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FY2026 Earnings Forecast -Measures for Shareholder Returns

Target dividend payout ratio of 30% or more

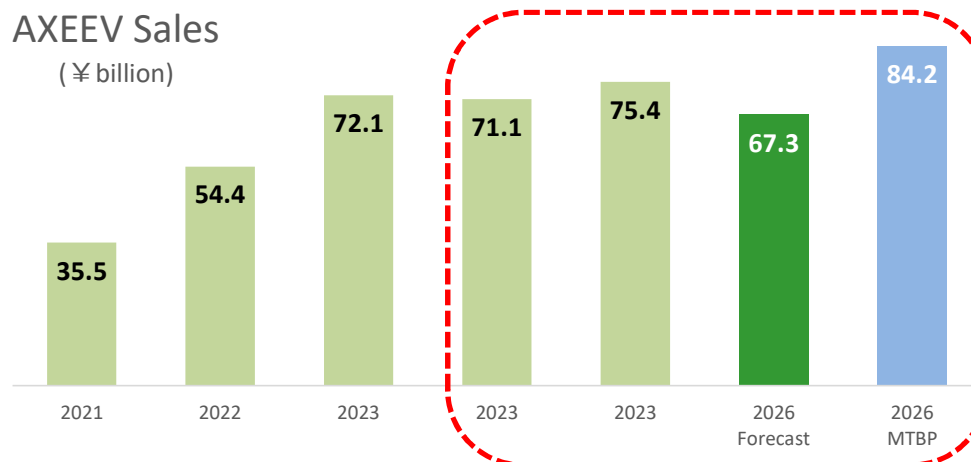
FY2026 dividend : Interim dividend ¥10 + Year-end dividend ¥14 = Annual dividend ¥24 per share (payout ratio: 45.2%)



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AXEEV Business Overview -Difference Between the MTBP and Next Year's Forecast



Changes in AXEEV business environment exceeding the assumptions in the medium-term business plan

- ① Prolonged global agricultural chemicals inventory adjustments stemming from the COVID-19 pandemic
- ② Decline in agricultural chemicals prices due to oversupply
- ③ Increased downward price pressure from entry of generics

“headwind”

AXEEV Business Overview -Regions Where Generics Have Entered

Although the substance patent for AXEEV has expired, we retain valid patents on intermediates and manufacturing methods.

We have taken legal action against products that infringe our intellectual property.

For non-infringing generic products, we seek to maintain and expand share through price countermeasures, promotional support, and differentiation using valid pre-mixture patents.



Australia &



Argentina

FY2025

Actual Sales – Australia : ¥5.6 billion

Actual Sales – Argentina: ¥6.9 billion

- Sales of generic products are expanding.
- Although legal action against patent-infringing products boosted shipments in FY2025, competition with generics is expected to intensify further in FY2026.
- We will continue legal actions against patent-infringing products.
- To maintain and grow market share, we are implementing price countermeasures, promotional support, and differentiation through premix strategies.

AXEEV Business Overview –Regions Where Generics Have Not Yet Entered



U.S.

FY2025	Actual Sales – U.S.:	¥52.2 billion
<ul style="list-style-type: none"> - Shipments expanded in FY2025 on inventory drawdown and enhanced promotional support - Generics expected to enter the market from FY2026 onward - Downward price pressure likely to strengthen in anticipation of price declines 		



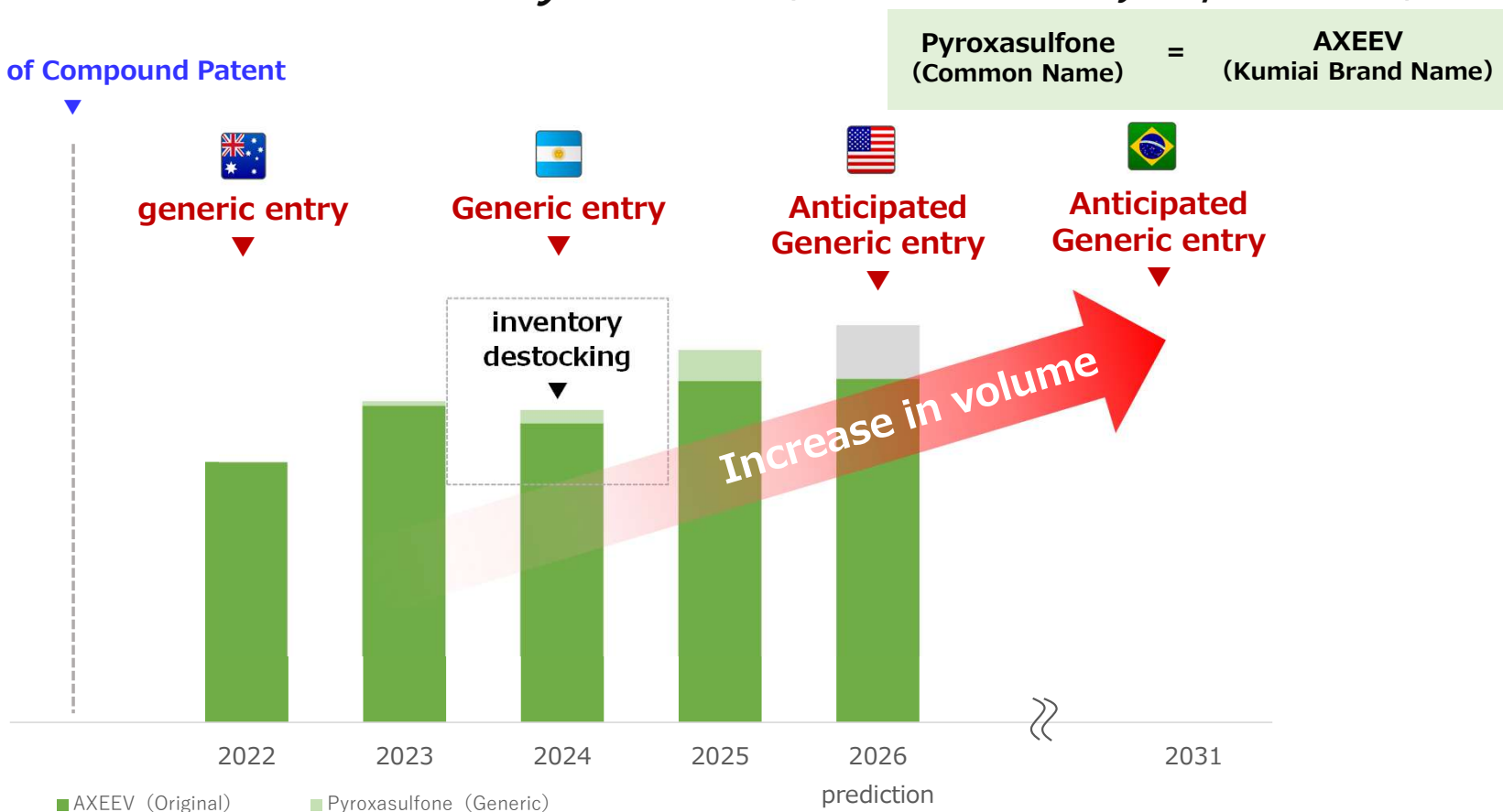
Brazil

FY2025	Actual Sales – Brazil:	¥8.4 billion
<ul style="list-style-type: none"> - Market remains weak overall due to intensified price competition from oversupply and credit risks due to rising interest rates - Generics are not expected to enter until 2030 or later, but market conditions are likely to remain challenging in FY2026 		

AXEEV Business Overview

-Predicted Distribution Volume of Pyroxasulfon (Based on each country's import statistics)

Expiration of Compound Patent



- The distribution volume of pyroxasulfone to increase going forward.
- It is important to maintain and expand AXEEV's share and to increase sales volume.

AXEEV Business Overview - *Strategies Against Generic Products*

Increase in sales volume



Production

- Increase production volume to achieve cost reductions through scale effects
- Further improve raw material manufacturing methods and production efficiency to lower costs
- Aim to achieve the lowest-cost production globally

Sales

- Formulate and implement a competitive pricing strategy
- Expand distribution channels

Development

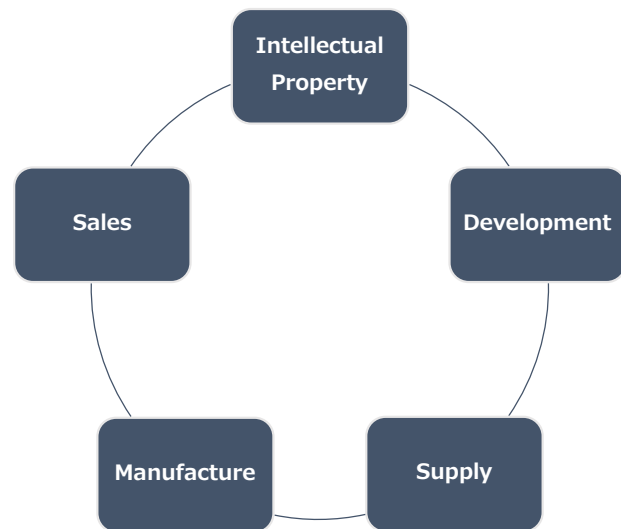
- Develop new pre-mixtures to enrich the product portfolio and promote higher added value

Profitability improvement

AXEEV Sales Overview -Legal Action Relating to AXEEV

■ 4 out of 13 cases (8 cases in China, country of manufacture / 5 cases in Australia, country of sales) filed settled

- Legal action was taken in parallel for both manufacturing and sales countries, and released on our website.
- Particularly large number of downloads from China and Australia
- Such measures has been effective in deterring the entry of infringing products.



- Intellectual property : Legal Action
- Development : Development of Pre-mix
- Supply : Low cost and stable supply
- Manufacture : Ensuring Quality , Manufacture of formulation technologies , ESG
- Sales : Price adjustment , Consideration of new business models

Today's Agenda

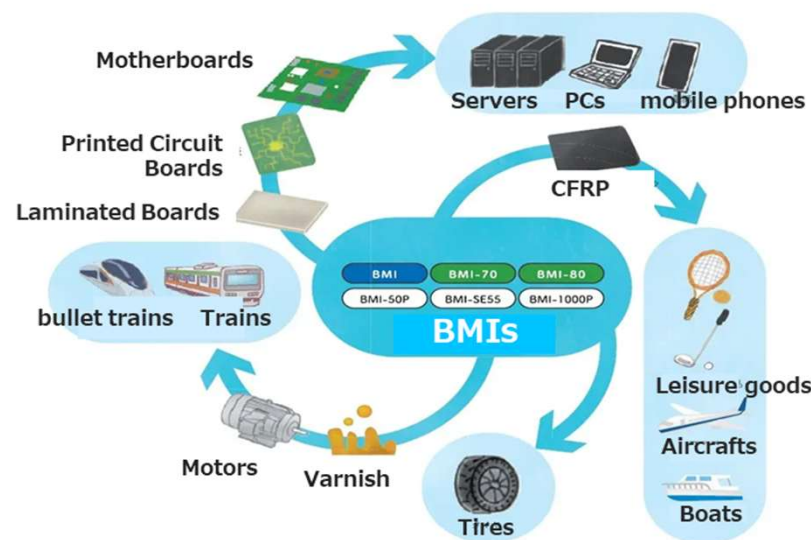
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Progress on the Medium-Term Business Plan -Year 2 Initiatives

Expand Business Domains and Promote New Businesses

- Full-scale sales of semiconductor-grade high-purity COS gas were launched
- The production framework for **bismaleimides (BMIs)** was strengthened and the new plant of consolidated subsidiary K-I CHEMICAL INDUSTRY CO., LTD. was brought into operation

New plant for BMIs



| Progress on the Medium-Term Business Plan -Year 2 Initiatives

Strengthen R&D Capabilities

- Chemical Research Institute (ShIP) operational since Oct 2023 and research infrastructure being expanded
- Life Science Research Institute for biological and safety evaluations — main building under construction, scheduled for completion in 2027
- Accelerate agrochemical discovery and product development by operating ShIP and the Life Science Research Institute in tandem, promoting external collaborations, and establishing proprietary AI-assisted discovery methods

Progress on the Medium-Term Business Plan -Year 2 Initiatives

Development of New Active Ingredients

- **Flupentiofenox (Insecticide)** — Novel mode-of-action acaricide effective against resistance-developed mites; registration submitted May 2023
- **ECO ARK® (Microbial pesticide)** — World-only microbial pesticide for grape crown gall; registered Mar 2025; launch planned 2026

Maximizing Value of Existing Active Ingredients

- **EFFEEDA (herbicide)** — Currently under development in the US for paddy rice weed control; strategic rollout planned to additional regions and target crops to scale market penetration and drive future revenue growth following

Development of New Technologies

- Developed biostimulants using microorganisms
- Developed new semiconductor materials leveraging our proprietary technologies

Progress on the Medium-Term Business Plan -Year 2 Initiatives

Mitigation of Climate Change and Environmental Impact

- Progressed toward a 30% reduction in GHG emissions (target base year: 2019)
- Implemented J-Credit (i.e., Japanese version of carbon credit) utilization through extended mid-season drainage of paddy fields
- Commenced third-party verification of GHG emissions
 - Committed to achieve carbon neutrality by FY2048 (100th anniversary)

- Kumika Refugia Kikugawa biotope: construction completed

- The Donguri Project®* (coastal forest restoration in Miyagi, active since 2013) received recognition at the 48th National Tree-Care Festival for greening efforts

* Donguri Project® is a registered trademark of Tokyo Gas.



| Progress on the Medium-Term Business Plan -Year 2 Initiatives

Human Resource Development

Human Resource Strategy Based on the Concept of Human Capital

- New personnel system implemented from November 2025: revised grading, compensation and evaluation systems

Improvement of Corporate Governance

- Established Legal & Compliance Department to reinforce risk management
- Promoted organization and sharing of risk information and the development of a risk culture
- Advanced D&I: deepened awareness, expanded diverse work styles, and improved support for women's active participation

Promotion of Digital Transformation/Implementation of Digitalization

- Promoted initiatives for generative AI utilization
- Advanced DX talent development
- Strengthened information security measures in parallel with DX and digitization efforts

Progress on the Medium-Term Business Plan

-Development of New Active Ingredients and Technologies

Name	Type	Evaluation stage	Development stage	Launched
Insecticide				
Flupentiofenox (VANENTA®)	Acaricide		●	
Insecticide A	Insecticide for paddy rice		●	
Insecticide B	Insecticide for paddy rice and horticulture	●		
Fungicide				
Regard®	Fungicide for paddy rice		●	●
Fungicide B	Fungicide for fruit trees and vegetables	●		
Fungicide C	Fungicide for field crops	●		
Herbicide				
EFFEEDA	Herbicide for wheat and rice			●
Herbicide A	Herbicide for field crops	●		
Herbicide B		●		
Microbial pesticide and biostimulants				
ECO ARK®	Crown gall control agent		●	●
Microbial pesticide A	Control agent for fruit trees and vegetables	●		
Microorganisms B	Biostimulants	●		
NATSU-TSUYOSHI®	Biostimulants	●		●

Progress on the Medium-Term Business Plan -Capital Allocation

[Total] MTBT* FY2026: approx. ¥90.0bn / FY2026 forecast: approx. ¥82.5bn

MTBP*: Medium-Term Business Plan

Cash flows from operating activities (before R&D expense)

MTBT FY2026: approx. ¥60.0bn / FY2026 forecast: approx. ¥52.0bn

Financing (Interest-bearing Debt etc.)

MTBT FY2026: approx. ¥30.0bn / FY2026 forecast: approx. ¥30.5bn

Total Dividend (payout ratio of 30% or more)

MTBT FY2026: approx. ¥12.0bn / FY2026 forecast: approx. ¥11.5bn

Total Borrowings Repayment

MTBT FY2026: approx. ¥15.0bn / FY2026 forecast: approx. ¥24.0bn

Growth investments

MTBT FY2026: approx. ¥63.0bn / FY2026 forecast: approx. ¥47.0bn

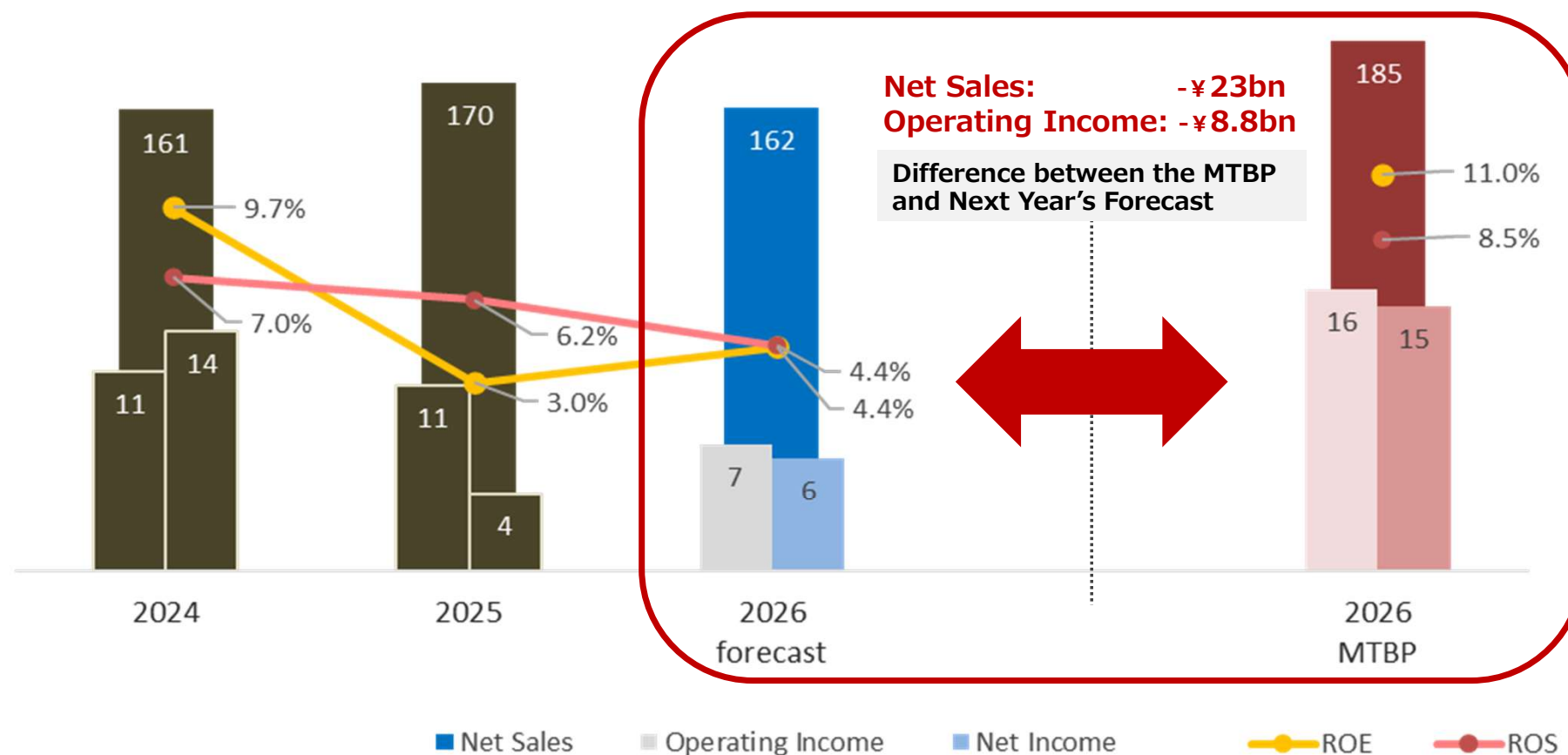
CAPEX: ¥28.0bn / ¥24.5bn

R&D expense: ¥22.0bn / ¥22.0bn

Strategic investments: ¥13.0bn / ¥0.5bn

Progress on the Medium-Term Business Plan

-Difference Between the MTBP and Next Year's Forecast



Medium-Term Business Plan -*MTBP targets*

“headwind”

Changes in AXEEV business environment exceeding the assumptions in the medium-term business plan

MTBP targets : Net Sales ¥ 185 billion / Operating Income ¥ 16 billion

“tailwind”

Launched semiconductor-grade, high-purity carbonyl sulfide (COS) gas
Strengthened the production system of bismaleimides (BMIs) for semiconductors

Thank you for your attention.



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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Information other than information on the Company and its affiliated companies is based on publicly available information and the accuracy of such information is not guaranteed.

<Inquiries>

KUMIAI CHEMICAL INDUSTRY CO., LTD.

Corporate Planning Section, Corporate Planning & Coordination Department, Corporate
Planning & Coordination Division

Please also see the corporate website. <https://ir.kumiai-chem.co.jp/en/index.html>