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December 12, 2025

## Consolidated Financial Results for the Fiscal Year Ended October 31, 2025 (Under Japanese GAAP)



Company name: KUMIAI CHEMICAL INDUSTRY CO., LTD.  
 Listing: Tokyo Stock Exchange  
 Securities code: 4996  
 URL: <https://www.kumiai-chem.co.jp>  
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 Scheduled date of Annual General Meeting of Shareholders: January 28, 2026  
 Scheduled date to commence dividend payments: January 29, 2026  
 Scheduled date to file annual securities report: January 27, 2026  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results briefing: Yes (for institutional investors and analysts)

(Yen amounts are rounded off to millions, unless otherwise noted.)

### 1. Consolidated financial results for the fiscal year ended October 31, 2025 (from November 1, 2024 to October 31, 2025)

#### (1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
October 31, 2025	170,462	5.8	10,567	(6.9)	(13,363)	(27.0)	4,381	(67.8)
October 31, 2024	161,049	0.0	11,350	(19.4)	18,300	(24.1)	13,590	(24.6)

Note: Comprehensive income For the fiscal year ended October 31, 2025: ¥2,480 million [(86.0)%]  
 For the fiscal year ended October 31, 2024: ¥17,687 million [(17.9)%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Return on assets	Operating profit margin
Fiscal year ended	Yen	Yen	%	%	%
October 31, 2025	36.38	—	3.0	5.1	6.2
October 31, 2024	112.91	—	9.7	7.3	7.0

Reference: Equity in earnings of affiliates For the fiscal year ended October 31, 2025: ¥3,247 million  
 For the fiscal year ended October 31, 2024: ¥6,697 million

#### (2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
October 31, 2025	248,205	151,107	58.2	1,199.81
October 31, 2024	275,474	152,941	53.0	1,212.20

Reference: Equity  
 As of October 31, 2025: ¥144,485 million  
 As of October 31, 2024: ¥145,917 million

**(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
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
October 31, 2025	33,803	(8,929)	(27,850)	21,845
October 31, 2024	(16,725)	(8,756)	23,608	27,088

**2. Cash dividends**

	Annual dividends per share					Total dividends (Annual)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended October 31, 2024	—	10.00	—	24.00	34.00	4,093	30.1	2.9
Fiscal year ended October 31, 2025		10.00		14.00	24.00	2,890	66.0	2.0
Fiscal year ending October 31, 2026 (Forecast)		10.00		14.00	24.00		45.2	

\* The Company revised the year-end dividend per share for the fiscal year ended October 31, 2025 from 12 yen to 14 yen. Please see “Announcement of Dividends of Surplus” published on December 12, 2025 for details.

**3. Consolidated financial result forecasts for the fiscal year ending October 31, 2026 (from November 1, 2025 to October 31, 2026)**

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending April 30, 2026	92,800	(3.5)	6,100	(35.4)	8,200	(1.1)	4,400	(29.9)	36.54
Full year	162,000	(5.0)	7,200	(31.9)	10,900	(18.4)	6,400	46.1	53.15

**\* Notes**

(1) Significant changes in the scope of consolidation during the period: None

(2) Changes in accounting policies, changes in accounting estimates, and restatement

- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None
- (iv) Restatement: None

(3) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of October 31, 2025	133,184,612 shares
As of October 31, 2024	133,184,612 shares

(ii) Number of treasury shares at the end of the period

As of October 31, 2025	12,761,542 shares
As of October 31, 2024	12,810,323 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended October 31, 2025	120,407,085 shares
Fiscal year ended October 31, 2024	120,358,485 shares

\* Financial results reports are exempt from audits conducted by certified public accountants or an audit firm.

\* Proper use of earnings forecasts and other special matters

(Note on forward-looking statements, etc.)

Earnings forecasts contained in this document are based on information available to management as of the date of publication and provisional assumptions made as of such date regarding uncertain factors that may impact future earnings. Readers are advised that actual results may differ materially from the forecasts due to a variety of factors.

(How to obtain the financial results supplementary materials and the details of the financial results briefing)

The supplementary materials for the financial results will be posted on Kumiai's official website on Friday, December 12, 2025. Kumiai also plans to hold a financial results briefing for institutional investors and securities analysts on Thursday, December 25, 2025. The financial results briefing materials for the briefing will be posted on Kumiai's official website after the briefing has been held.

## 1. Overview of Operating Results

### (1) Overview of Operating Results for the Fiscal Year Ended October 31, 2025

During the fiscal year ended October 31, 2025, although personal consumption was not robust due to rising commodity prices, the Japanese economy remained on a moderate recovery track due to solid corporate capital investment.

On the other hand, the outlook is expected to remain uncertain due to the possibility of a slowdown in the U.S. and the global economy, as well as geopolitical risks, including the prolonged friction between the United States and China and the situations in Ukraine.

Against this backdrop, the Kumiai Group formulated the Medium-Term Business Plan, “KUMI STORY 2026,” which started in the fiscal year ended October 31, 2024, and is making every effort to implement priority measures designed to increase corporate value.

In the period under review, net sales increased by ¥9,413 million (5.8%) year on year to ¥170,462 million, as sales in all segments came in higher than in the previous year. Operating profit was ¥10,567 million, down ¥783 million (6.9%) year on year due to its large decrease in the Agricultural Chemicals and Agriculture-Related Business, despite its increase in the Fine Chemicals Business. Due to a decrease in share of profit of entities accounted for using equity method as well as the posting of foreign exchange losses, ordinary profit was ¥13,363 million, down ¥4,936 million (27.0%) year on year. Profit attributable to owners of parent amounted to ¥4,381 million, down ¥9,209 million (67.8%) year on year, due in part to the posting of impairment losses on non-current assets.

The percentage of overseas net sales in the fiscal year under review was 59.3%.

Business results by segment were as follows.

(Millions of yen, except percentages)

Segment	Fiscal year ended October 31, 2024			Fiscal year ended October 31, 2025			YoY	
	Net sales	Composition ratio	Operating profit	Net sales	Composition ratio	Operating profit	Net sales [% change]	Operating profit [% change]
Agricultural Chemicals and Agriculture-Related Business	¥128,134	79.6%	¥12,147	¥135,697	79.6%	¥10,581	¥7,563 [5.9]	¥(1,566) [(12.9)]
Fine Chemicals Business	24,965	15.5	772	25,100	14.7	1,528	135 [0.5]	756 [97.9]
Other Business	7,949	4.9	849	9,664	5.7	865	1,715 [21.6]	17 [2.0]
Total	161,049	100.0	11,350	170,462	100.0	10,567	9,413 [5.8]	(783) [(6.9)]

- Notes:
1. Consolidated segment operating profit for the previous fiscal year includes ¥(2,417) million in adjustments, mainly corporate expenses that are not allocated to any reportable segment (general and administrative expenses not attributable to any reportable segment).
  2. Consolidated segment operating profit for the current fiscal year includes ¥(2,408) million in adjustments, mainly corporate expenses that are not allocated to any reportable segment (general and administrative expenses not attributable to any reportable segment).

### 1) Agricultural Chemicals and Agriculture-Related Business segment

In the Japanese market, sales of products for nursery boxes of rice containing fungicide DISARTA and products for paddy rice containing herbicide EFEEEDA remained strong, and total sales in this segment exceeded those in the previous fiscal year.

In markets outside Japan, while sales of herbicide AXEEV to Argentina declined, sales to the U.S. increased as a result of a reduction in distribution inventories, as well as enhanced support for sales promotion. Sales to Australia increased thanks to legal actions against patent infringing products.

As a result of the factors above, net sales in the Agricultural Chemicals and Agriculture-Related Business segment came to ¥135,697 million, up by ¥7,563 million (5.9%) compared with the previous fiscal year. Operating profit decreased by ¥1,566 million (12.9%) year on year to ¥10,581 million due in part to price adjustments of AXEEV as a countermeasure against its generic products.

### 2) Fine Chemicals Business segment

Sales volume of bismaleimides increased due to strong demand in the field of electronic materials for generative AI servers, and sales volume of amines were strong.

As a result, net sales in the Fine Chemicals Business segment came to ¥25,100 million, up by ¥135 million (0.5%) compared with the previous fiscal year. Operating profit increased by ¥756 million (97.9%) year on year to ¥1,528 million, reflecting an improved product mix.

### 3) Other Business segment

Driven mainly by steady orders for new construction in the construction business, net sales in the Other Business segment amounted to ¥9,664 million, up ¥1,715 million (21.6%) compared with the previous fiscal year. Operating profit increased by ¥17 million (2.0%) year on year to ¥865 million.

## (2) Overview of Financial Position in the Fiscal Year Ended October 31, 2025

As of October 31, 2025, total assets amounted to ¥248,205 million, a decrease of ¥27,269 million compared with the end of the previous fiscal year. Current assets decreased by ¥24,178 million, and non-current assets decreased by ¥3,091 million. The decrease in current assets was mainly due to decreases in merchandise and finished goods and notes and accounts receivable - trade, and contract assets. The decrease in non-current assets was mainly due to a decrease in construction in progress.

Liabilities decreased by ¥25,434 million compared with the end of the previous fiscal year to ¥97,098 million. Current liabilities decreased by ¥22,005 million, and non-current liabilities decreased by ¥3,430 million. The decrease in current liabilities was mainly because of decreases in short-term borrowings and notes and accounts payable - trade. The decrease in non-current liabilities was mainly due to the decrease in long-term borrowings.

Total net assets amounted to ¥151,107 million, a decrease of ¥1,834 million compared with the end of the previous fiscal year.

As a result, the equity ratio stood at 58.2%, and net assets per share were ¥1,199.81.

## (3) Overview of Cash Flows for the Year Ended October 31, 2025

With regard to cash flows from operating activities, net cash provided by operating activities amounted to ¥33,803 million, compared with net cash used of ¥16,725 million in the previous fiscal year. Major factors in the cash increase included inflows of ¥11,642 million in decrease in inventories, ¥9,087 million in profit before income taxes, and ¥7,031 million in decrease in trade receivables

Cash flows used in investing activities amounted to ¥8,929 million, compared with net cash used of ¥8,756 million in the previous fiscal year. The major factor was an outflow of ¥8,277 million in purchase of property, plant and equipment.

Cash flows used in financing activities amounted to ¥27,850 million, compared with net cash provided of ¥23,608 million in the previous fiscal year. This figure includes outflows due to a decrease in short-term

borrowings of ¥17,017 million, an ¥8,302 million repayment of long-term borrowings, and ¥4,079 million in dividends paid.

As a result, cash and cash equivalents at the end of the fiscal year stood at ¥21,845 million, a decrease of ¥5,243 million from the previous fiscal year end.

#### (Reference) Changes in Cash Flow-Related Indicators

	Fiscal year ended October 31, 2023	Fiscal year ended October 31, 2024	Fiscal year ended October 31, 2025
Equity ratio (%)	58.6	53.0	58.2
Equity ratio based on market value (%)	57.9	35.6	33.1
Ratio of interest-bearing liabilities to cash flows (%)	863.7	—	187.9
Interest coverage ratio (times)	21.3	—	54.4

(Notes) Equity ratio: equity capital / total assets

Equity ratio based on market value: gross market capitalization / total assets

Ratio of interest-bearing liabilities to cash flows: interest-bearing liabilities / cash flows

Interest coverage ratio: cash flows / interest payment

\* Indicators are all calculated based on consolidated financial data.

\* Gross market capitalization calculated using fiscal year-end closing price multiplied by total number of shares issued at fiscal year-end (excluding treasury shares)

\* Cash flows used are those from operating activities shown in the Consolidated Statements of Cash Flows. Interest-bearing liabilities covers all liabilities recorded on the Consolidated Balance Sheets on which interest is paid. The amount of interest paid is that shown in the Consolidated Statements of Cash Flows.

\* As operating cash flow was negative in the fiscal year ended October 31, 2024, the ratio of interest-bearing liabilities to cash flows and the interest coverage ratio are omitted.

#### (4) Future Outlook

The future outlook is expected to remain uncertain due to the possibility of economic downturn overseas, primarily in China, rising commodity prices due to the soaring cost of fuel and raw materials, intensifying geopolitical risks, including the situations in Ukraine and the Middle East, and the prolonged tensions between Japan and China.

The Agricultural Chemicals and Agriculture-Related Business segment, which is the Group's core business, is expected to continue expanding in the future, driven by higher food and feed demand due to the growing global population. However, the market environment has become more challenging against the backdrop of the uncertainties described above and heightened competition from generic products in the market.

Against this backdrop, the Kumiai Group formulated the Medium-Term Business Plan, "KUMI STORY 2026," which started in the fiscal year ended October 31, 2024, and is making every effort to implement priority measures designed to increase corporate value.

In the Japanese market, the Group will further expand its base by promoting sales of the herbicides for rice paddy fields, containing EFFEDA and Bensulfuron-Methyl to maintain its top market share in one-shot herbicides for rice paddy fields. The Group will also focus on developing and expanding sales of products for nursery boxes of rice containing DISARTA and continue taking initiatives to promote smart agriculture.

In the area of products for fruits and vegetables, the Group will work to maximize sales of newly introduced products as quickly as possible based on the marketing strategy as well as strengthening promotion activities for proprietary products such as fungicide Pyribencarb.

The Group will also contribute to reducing environmental impact by promoting the Eco Series brand of microbial pesticides and with MAMETSUBU products, which are included in the Technology Catalogue for

Japan's Strategy for Sustainable Food Systems (Strategy MIDORI).

In the overseas market, the Group will continuously expand and maintain sales of AXEEV, a core product in its business, by promoting the development of new pre-mixture formulations and engaging in providing appropriate support for sales promotions and other activities in leading markets such as the U.S. As a countermeasure against generic products, the Group will continue to take actions, including filing lawsuits, to protect its intellectual property rights if patent infringement is identified. In addition, the Group will enhance its price competitiveness by reducing production costs. The Group will also expand sales of EFFEEDA in South Korea as well as promoting its development in the Americas, other Asian countries, and other regions. The Group will also expand sales of DISARTA in South Korea, and advance its development in various countries, primarily in Asia.

Going forward, the Group will continue striving to improve global agricultural productivity and increase producer incomes by promoting its proprietary products and providing technical guidance.

In the area of specialty sales, the Group will maximize sales and profit by making effective use of proprietary agricultural chemical formulation technologies and proprietary active ingredient production technology to acquire contract manufacturing for new products, and expand proprietary products in agricultural and non-agricultural fields, containing EFFEEDA and Bensulfuron-Methyl. The Group will also work to diversify sales channels in order to deliver more proprietary active ingredient products to agricultural production sites.

In the Fine Chemicals Business segment, the Group will work to maximize sales and profit by expanding sales of chloroxylene derivatives, bismaleimide, amine curing agents, industrial chemicals, and expanded polystyrene products, as well as by growing the contract manufacturing business in step with market trends. The Group will also promote our expansion into the field of electronic materials, including semiconductor materials, and work to cultivate new demand and strengthen its business foundation. Additionally, the Group will seek to expand the domain of the Fine Chemicals Business by strengthening collaboration between research and development departments and the Fine Chemicals Business departments across the entire Group to create new high value-added businesses.

In the Other Business segment, the Group will address the following issues in each business. In the construction business, the Group will strive to improve productivity by promoting digital transformation and work to enhance profitability by improving operational efficiency. The Group will also aim to further expand the volume of construction orders by increasing recognition among general customers. In the printing business, the Group will focus on cost reductions by improving production efficiency and reducing loss and waste, and aim to secure and grow profits by implementing sales measures that emphasize profit management. In the logistics business, the Group will continue to participate in the government-supported "White Logistics" movement and work to further improve the quality of logistics. The Group will also work on attracting new customers, in addition to expanding business with existing customers, aiming to secure earnings by making effective use of our own warehouses. Furthermore, the Group will work to enhance its profitability by improving operations and reducing costs through digitalization such as visualization of logistics data.

In the area of production, based on the premise of safe operations, the Group will work to reduce costs through efficient production of active ingredients and formulations, to reduce costs by the improvement of manufacturing conditions, and to strengthen capital investment and enhance plant functions for efficient production. The Group will also accelerate reductions in greenhouse gas emissions and waste as it strives to make its plants even cleaner. In procurement, the Group will focus on optimizing AXEEV inventory in collaboration with the overseas sales departments and will negotiate with suppliers to reduce the costs of various ingredients and raw materials.

In the area of research and development, in the Group's core Agricultural Chemicals and Agriculture-Related Business, the Group has been developing microbial pesticides, bio-stimulants, and other products, as well as

agricultural chemicals, and working to create new environmentally friendly products that are in harmony with nature to address Japan's Strategy for Sustainable Food Systems (Strategy MIDORI). The Group applied for an agricultural chemical registration in Japan for an agricultural chemical of VANENTA, a new acaricide, which is being reviewed. Additionally, the Group has multiple candidate compounds in our agricultural chemical pipeline targeting the global market, and has been accelerating our discovery research. As for the microbial pesticide ECOARK, whose agricultural chemical registration was completed in March 2025, it is being prepared for market launch as a control product for crown gall, a disease affecting fruit trees and roses. The Group is also conducting evaluation processes overseas. With regard to AXEEV, the core of its agricultural chemicals business, the Group will promote intellectual property strategies and it will advance differentiation by developing new pre-mixtures and new formulations. For EFFEEDA and DISARTA, the Group will pursue global expansion, including in the U.S., while simultaneously improving profitability through optimization of active ingredient production, aiming to maximize business.

In the Fine Chemicals Business segment, the Group will advance the development of semiconductor-related products utilizing our proprietary technologies, such as bismaleimides used in electronic materials and high-heat-resistant resins, with the aim of creating competitive products. Additionally, the Group will further promote research and development of new technologies and products with a view to solving social issues, taking into account global warming, population increase, and regulations on substances such as PFAS.

In the area of sustainability management, the Group has set a target to reduce its greenhouse gas emissions by 30% from FY2019 by FY2030 as an initiative to address climate change and reduce environmental impact, issues which are deeply connected to the Group's core Agricultural Chemicals and Agriculture-Related Business. The Group is introducing CO<sub>2</sub>-free electricity and switching to low-CO<sub>2</sub> fuels and is steadily promoting further reductions. Furthermore, the Group will continue to explore effective reduction measures toward the realization of carbon neutrality by FY2048, when the Company becomes a 100-year-old company. The Group expressed its endorsement of the Task Force on Climate-related Financial Disclosures (TCFD) recommendations in November 2022 and has been working on information disclosures based on the TCFD recommendations.

As activities to maintain regional biodiversity and abundant scenery, the Group has been properly maintaining and managing 640 hectares of company-owned forest (Kumika Refugia Fukushima Town) in Fukushima Town, Hokkaido, and has created a 3,030 m<sup>2</sup> biotope (Kumika Refugia Kikugawa) in Kikugawa City, Shizuoka, conducting conservation activities for rare plants and animals living in the region. The Group has also joined the 30by30 Alliance, led by the Ministry of the Environment, and will actively engage in activities to maintain and restore the ecosystem.

In addition, the Group considers human resources to be the most critical factor for the sustainable growth of a company and has positioned "Human capital development / Human capital strategy based on the idea of human capital" as one of its key policies, advancing various initiatives. As one of these initiatives, the Group decided to introduce a new personnel system in November 2025. Through the introduction of this system, the Group aims to create an environment that supports each employee's challenges and to appropriately evaluate their efforts and achievements, thereby enhancing employees' sense of accomplishment and engagement.

The Group started the Medium-Term Business Plan, "KUMI STORY 2026" in the fiscal year ended October 31, 2024. The Group has positioned the following seven items as material issues to achieve its ultimate goals as a 100-year-old company and has been working on them: 1) Contributing to sustainable agricultural industry / Providing a stable supply of high-quality products and services; 2) Mitigating climate change and environmental impact; 3) Strengthening R&D capabilities; 4) Expanding business domains and promoting new business; 5) Human capital development / Human capital strategy based on the idea of human capital; 6) Improving corporate governance; and 7) Promoting digital transformation / Implementing digitalization. In today's rapidly changing environment, remaining unchanged has become a risk in itself. For the Group to continue achieving sustainable growth, we believe that it is essential to continuously adapt to change. By promoting mindset and organizational reforms, the Group aims to heighten our focus on and strengthen our earning power, while creating new value



through innovative technological development. In addition, the Group will advance human resource development based on our vision for the human resources strategy and promote operational efficiency through digital transformation, as we work toward changing ourselves into a strong corporate structure.

Kumiai Chemical Industry forecasts net sales of ¥162,000 million, operating profit of ¥7,200 million, ordinary profit of ¥10,900 million, and profit attributable to owners of parent of ¥6,400 million in the earnings forecast for the next fiscal year ending October 31, 2026.

## 2. Basic Policy Regarding Selection of Accounting Standards

The Kumiai Chemical Group will prepare its consolidated financial statements based on Japanese standards for the foreseeable future, as this enables a comparison of fiscal years in the consolidated financial statements as well as a comparison of companies.

The Group will take the appropriate response to the application of IFRS, taking into consideration circumstances in Japan and overseas.

### 3. Consolidated Financial Statements and Principal Notes

#### (1) Consolidated Balance Sheets

(Millions of yen)

	As of October 31, 2024	As of October 31, 2025
<b>Assets</b>		
Current assets		
Cash and deposits	27,404	21,982
Notes and accounts receivable - trade, and contract assets	45,730	38,965
Merchandise and finished goods	75,076	59,769
Work in process	15,451	18,803
Raw materials and supplies	9,648	10,294
Other	5,276	4,374
Allowance for doubtful accounts	(232)	(11)
Total current assets	178,355	154,176
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	23,005	23,358
Machinery, equipment and vehicles, net	10,744	10,498
Land	12,416	12,342
Construction in progress	3,571	1,804
Other, net	2,470	1,901
Total property, plant and equipment	52,205	49,903
Intangible assets		
Goodwill	2,095	1,432
Other	1,146	1,070
Total intangible assets	3,241	2,502
Investments and other assets		
Investment securities	38,691	38,640
Long-term loans receivable	512	588
Deferred tax assets	1,164	1,083
Retirement benefit asset	61	12
Other	1,593	1,702
Allowance for doubtful accounts	(348)	(402)
Total investments and other assets	41,673	41,623
Total non-current assets	97,119	94,028
Total assets	275,474	248,205

(Millions of yen)

	As of October 31, 2024	As of October 31, 2025
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	25,610	23,039
Short-term borrowings	55,010	36,782
Accounts payable - other	10,243	8,651
Income taxes payable	886	2,012
Provision for bonuses	1,798	1,865
Provision for environmental measures	113	—
Other	2,360	1,669
Total current liabilities	96,021	74,017
Non-current liabilities		
Long-term borrowings	19,252	14,324
Deferred tax liabilities	1,685	3,940
Provision for retirement benefits for directors (and other officers)	442	464
Retirement benefit liability	4,107	3,469
Asset retirement obligations	44	44
Other	982	840
Total non-current liabilities	26,511	23,081
Total liabilities	122,532	97,098
<b>Net assets</b>		
Shareholders' equity		
Share capital	4,534	4,534
Capital surplus	37,491	37,502
Retained earnings	110,107	110,394
Treasury shares	(9,221)	(9,184)
Total shareholders' equity	142,912	143,247
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,629	2,243
Foreign currency translation adjustment	1,317	(1,651)
Remeasurements of defined benefit plans	60	645
Total accumulated other comprehensive income	3,006	1,238
Non-controlling interests	7,024	6,622
Total net assets	152,941	151,107
Total liabilities and net assets	275,474	248,205

(2) Consolidated Statements of Income and Comprehensive Income  
Consolidated Statements of Income

(Millions of yen)

	For the fiscal year ended October 31, 2024	For the fiscal year ended October 31, 2025
Net sales	161,049	170,462
Cost of sales	125,669	136,096
Gross profit	35,379	34,366
Selling, general and administrative expenses	24,029	23,799
Operating profit	11,350	10,567
Non-operating income		
Interest income	160	134
Dividend income	248	230
Reversal of allowance for doubtful accounts	10	216
Share of profit of entities accounted for using equity method	6,697	3,247
Foreign exchange gains	127	—
Other	358	288
Total non-operating income	7,600	4,114
Non-operating expenses		
Interest expenses	417	621
Foreign exchange losses	—	555
Provision of allowance for doubtful accounts	78	57
Other	156	86
Total non-operating expenses	650	1,318
Ordinary profit	18,300	13,363
Extraordinary income		
Gain on disposal of non-current assets	9	13
Gain on sale of investment securities	—	155
Subsidy income	369	1
Insurance claim income	13	252
Total extraordinary income	390	420
Extraordinary losses		
Loss on disposal of non-current assets	249	167
Loss on tax purpose reduction entry of non-current assets	88	—
Impairment losses	148	3,978
Loss on sale of investment securities	—	0
Loss on valuation of investment securities	1,024	142
Loss on sale of golf club membership	1	—
Environmental expenses	199	38
Payment compensation cost	—	142
Retirement benefit expenses	—	229
Total extraordinary losses	1,709	4,697
Profit before income taxes	16,981	9,087
Income taxes - current	2,836	3,130
Income taxes - deferred	284	1,740
Total income taxes	3,120	4,870
Profit	13,861	4,216
Profit (loss) attributable to non-controlling interests	271	(165)
Profit attributable to owners of parent	13,590	4,381

# Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the fiscal year ended October 31, 2024	For the fiscal year ended October 31, 2025
Profit	13,861	4,216
Other comprehensive income		
Valuation difference on available-for-sale securities	24	638
Foreign currency translation adjustment	323	70
Remeasurements of defined benefit plans, net of tax	180	586
Share of other comprehensive income of entities accounted for using equity method	3,299	(3,031)
Total other comprehensive income	3,826	(1,736)
Comprehensive income	17,687	2,480
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	17,302	2,613
Comprehensive income attributable to non-controlling interests	385	(133)

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

Fiscal year ended October 31, 2024 (From November 1, 2023 to October 31, 2024)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	4,534	37,467	100,969	(9,240)	133,731
Changes during period					
Dividends of surplus			(4,453)		(4,453)
Profit attributable to owners of parent			13,590		13,590
Purchase of treasury shares				(2)	(2)
Disposal of treasury shares		24		21	45
Decrease (increase) of capital surplus by change of share to consolidated subsidiary					—
Net changes in items other than shareholders' equity					
Total changes during period	—	24	9,138	19	9,181
Balance at end of period	4,534	37,491	110,107	(9,221)	142,912

	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 period	1,629	(2,214)	(120)	(706)	6,819	139,845
Changes during period						
Dividends of surplus						(4,453)
Profit attributable to owners of parent						13,590
Purchase of treasury shares						(2)
Disposal of treasury shares						45
Decrease (increase) of capital surplus by change of share to consolidated subsidiary						—
Net changes in items other than shareholders' equity	0	3,531	180	3,711	205	3,916
Total changes during period	0	3,531	180	3,711	205	13,097
Balance at end of period	1,629	1,317	60	3,006	7,024	152,941

Fiscal year ended October 31, 2025 (From November 1, 2024 to October 31, 2025)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	4,534	37,491	110,107	(9,221)	142,912
Changes during period					
Dividends of surplus			(4,093)		(4,093)
Profit attributable to owners of parent			4,381		4,381
Purchase of treasury shares				(1)	(1)
Disposal of treasury shares		3		38	41
Decrease (increase) of capital surplus by change of share to consolidated subsidiary		8			8
Net changes in items other than shareholders' equity					
Total changes during period	—	11	288	37	335
Balance at end of period	4,534	37,502	110,394	(9,184)	143,247

	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 period	1,629	1,317	60	3,006	7,024	152,941
Changes during period						
Dividends of surplus						(4,093)
Profit attributable to owners of parent						4,381
Purchase of treasury shares						(1)
Disposal of treasury shares						41
Decrease (increase) of capital surplus by change of share to consolidated subsidiary						8
Net changes in items other than shareholders' equity	613	(2,967)	586	(1,768)	(402)	(2,170)
Total changes during period	613	(2,967)	586	(1,768)	(402)	(1,834)
Balance at end of period	2,243	(1,651)	645	1,238	6,622	151,107

## (4) Consolidated Statements of Cash Flows

(Millions of yen)

	For the fiscal year ended October 31, 2024	For the fiscal year ended October 31, 2025
Cash flows from operating activities		
Profit before income taxes	16,981	9,087
Depreciation	5,254	5,693
Amortization of goodwill	662	662
Increase (decrease) in allowance for doubtful accounts	285	(166)
Increase (decrease) in provision for bonuses	(111)	66
Increase (decrease) in provision for environmental measures	(88)	(113)
Increase (decrease) in net defined benefit asset and liability	(40)	264
Increase (decrease) in provision for retirement benefits for directors (and other officers)	56	22
Interest and dividend income	(408)	(363)
Share of loss (profit) of entities accounted for using equity method	(6,697)	(3,247)
Interest expenses	417	621
Foreign exchange losses (gains)	(2,219)	2,137
Subsidy income	(369)	(1)
Loss (gain) on disposal of non-current assets	240	154
Loss on tax purpose reduction entry of non-current assets	88	—
Impairment losses	148	3,978
Loss (gain) on sale of investment securities	—	(155)
Loss (gain) on valuation of investment securities	1,024	142
Compensation expenses	—	142
Decrease (increase) in trade receivables	(9,837)	7,031
Decrease (increase) in inventories	(26,355)	11,642
Increase (decrease) in trade payables	6,254	(1,832)
Decrease (increase) in other current assets	743	1,100
Increase (decrease) in other current liabilities	251	(1,842)
Other, net	(71)	(191)
Subtotal	(13,793)	34,832
Interest and dividends received	1,352	1,284
Interest paid	(411)	(621)
Income taxes paid	(3,979)	(2,237)
Income taxes refund	107	544
Net cash provided by (used in) operating activities	(16,725)	33,803
Cash flows from investing activities		
Decrease (increase) in time deposits	197	179
Purchase of property, plant and equipment	(9,016)	(8,277)
Proceeds from sale of property, plant and equipment	216	23
Purchase of intangible assets	(173)	(383)
Purchase of investment securities	(6)	(270)
Proceeds from sale of investment securities	—	344
Loan advances	(185)	(312)
Proceeds from collection of loans receivable	52	2
Purchase of insurance funds	(72)	(74)
Proceeds from maturity of insurance funds	18	31
Subsidies received	369	1
Other, net	(157)	(193)
Net cash provided by (used in) investing activities	(8,756)	(8,929)



(Millions of yen)

	For the fiscal year ended October 31, 2024	For the fiscal year ended October 31, 2025
Cash flows from financing activities		
Increase (decrease) in short-term borrowings	13,528	(17,017)
Proceeds from long-term borrowings	21,200	2,000
Repayments of long-term borrowings	(6,306)	(8,302)
Decrease (increase) in treasury shares	(2)	(1)
Dividends paid	(4,439)	(4,079)
Dividends paid to non-controlling interests	(181)	(262)
Other, net	(192)	(190)
Net cash provided by (used in) financing activities	23,608	(27,850)
Effect of exchange rate change on cash and cash equivalents	2,389	(2,267)
Net increase (decrease) in cash and cash equivalents	516	(5,243)
Cash and cash equivalents at beginning of period	26,572	27,088
Cash and cash equivalents at end of period	27,088	21,845

(5) Notes to Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Significant matters that serve as the basis for preparation of Consolidated Financial Statements)

1. Matters regarding the scope of consolidation

(1) Number of consolidated subsidiaries

16

Names of consolidated subsidiaries

RIKENGREEN CO., LTD., IHARANIKKEI CHEMICAL INDUSTRY CO., LTD., K-I CHEMICAL INDUSTRY CO., LTD. Ihara Construction Industry, Co., Ltd., ONOMICHI KUMIKA INDUSTRY CO., LTD., RYOCHI SANGYO CO., LTD., NIHON PRINTING INDUSTRY CO., LTD., KUMIKA LOGISTICS CO., LTD., ASADA SHOJI CO., LTD., NEP CO., LTD., K-I CHEMICAL U.S.A. INC., K-I CHEMICAL EUROPE SA/NV, K-I CHEMICAL DO BRASIL LTDA., Iharanikkei Chemical (Thailand) Co., Ltd., PI Kumiai Private Ltd., Asiatic Agricultural Industries Pte. Ltd.

(2) Names of major non-consolidated subsidiaries

Ihara Daiben Co., Ltd., KUMIAI CHEMICAL SHANGHAI CO., LTD.

Reason for the exclusion from the scope of consolidation

The aforementioned non-consolidated subsidiaries have been excluded from the scope of consolidation as their scale of operation is small and their total assets, net sales, net profit or loss (amount corresponding to the equity interest), and retained earnings (amount corresponding to the equity interest) have no significant impact on the consolidated financial statements.

2. Matters regarding the application of equity method

(1) Number of non-consolidated subsidiaries accounted for by the equity method

Not applicable.

(2) Number of affiliates accounted for by the equity method

3

Names of affiliates accounted for by the equity method

IHARABRAS S.A. INDUSTRIAS QUIMICAS, T.J.C. CHEMICAL CO., LTD., Shanghai Qunli Chemical Co., Ltd.

(3) Names of major non-consolidated subsidiaries and affiliates not accounted for by the equity method

Ihara Daiben Co., Ltd., KUMIAI CHEMICAL SHANGHAI CO., LTD.

Reason for not applying the equity method

The aforementioned non-consolidated subsidiaries and affiliates not accounted for by the equity method have been excluded from the scope of application of the equity method, as they have an immaterial impact on the consolidated financial statements and do not have significance as a whole in terms of factors such as their net profit or loss (amount corresponding to the equity interest) as well as retained earnings (amount corresponding to the equity interest), if they are excluded from the object of the equity method.

(4) Special matters regarding the procedure for application of equity method

For companies with an account closing date different from the consolidated account closing date, the financial statements for their respective fiscal year are used.

3. Matters regarding fiscal years, etc., of consolidated subsidiaries

Among the consolidated subsidiaries, the account closing date of K-I CHEMICAL DO BRASIL LTDA. is December 31, while the account closing dates of PI Kumiai Private Ltd. and Asiatic Agricultural Industries Pte. Ltd. are March 31. However, for the preparation of consolidated financial statements, financial statements based on a provisional settlement as of the consolidated account closing date have

been used.

Additionally, among the consolidated subsidiaries, the account closing date of Iharanikkei Chemical (Thailand) Co., Ltd. is July 31. Since the difference in account closing dates does not exceed three months, the consolidated financial statements have been prepared based on the subsidiary's financial statements. However, adjustments necessary for consolidation have been made for significant transactions occurring between the subsidiary's account closing date and the consolidated account closing date.

#### 4. Matters regarding accounting policies

##### (1) Valuation standards and methods for significant assets

###### (i) Securities

Available-for-sale securities

Securities other than shares, etc., without market price

Stated at fair value (unrealized gains and losses are recognized directly in net assets, and cost of sales is calculated using the moving-average method).

Shares, etc., without market price

Stated at cost using the moving-average method.

###### (ii) Inventories

Stated primarily at cost using the weighted average method (using the inventory write-down method based on decreased profitability).

##### (2) Depreciation and amortization methods for significant depreciable assets

###### (i) Property, plant and equipment (excluding leased assets)

Primarily, the declining-balance method

However, straight-line method is used for buildings (excluding facilities attached thereto) acquired on or after April 1, 1998 as well as for facilities attached thereto and structures acquired on or after April 1, 2016.

The useful lives are determined by the same standard as stipulated in the Corporation Tax Act.

###### (ii) Intangible assets (excluding leased assets)

Straight-line method

The useful lives are determined by the same standard as stipulated in the Corporation Tax Act.

However, straight-line method is used for software for internal use based on the internally usable period (five years).

###### (iii) Leased assets

Leased assets related to finance lease transactions not involving the transfer of ownership

The straight-line method is adopted, using the lease term as useful life of the asset while assuming its residual value at zero.

##### (3) Accounting standards for significant allowances

###### (i) Allowance for doubtful accounts

To prepare for losses arising from uncollectible receivables, the Group records an allowance for doubtful accounts at an estimated uncollectible amount based on the historical rate of credit losses with respect to general receivables, and in consideration of individual collectability with respect to doubtful accounts and other receivables.

###### (ii) Provision for bonuses

To provide for the future payments of employee bonuses, the Group has provided an allowance for the portion of the estimated payment amount attributable to the current fiscal year.

###### (iii) Provision for retirement benefits for directors (and other officers)

To provide for the future payments of provision for retirement benefits for directors (and other officers), the domestic consolidated companies have provided an allowance for the payment amount at the end of the current fiscal year based on internal regulations.

(4) Accounting standards for significant revenue and expenses

Businesses related to revenues arising from contracts with customers with the Company and its consolidated subsidiaries are “Agricultural Chemicals and Agriculture-Related Business,” which mainly manufactures and sells insecticides, fungicides, herbicides, plant growth regulators for agricultural and non-agricultural use, and agrochemical ingredients, “Fine Chemicals Business,” which mainly manufactures and sells chlorotoluene and chloroxylene derivatives, advanced chemicals, speciality chemicals, and expanded polystyrene, and “Other Business,” which mainly engage in leasing business, power generation and electricity sales business, construction business, printing business, logistics business, and staffing business.

For product sales, the Group considers control of the product to be transferred to the customer, and the performance obligation to be fulfilled, upon delivery of the product to the customer. For domestic sales, revenue is recognized at the time of shipment, as the period between shipment and the transfer of control of the product to the customer is typical. For overseas sales, revenue is recognized based on the specific terms and conditions of trade. These revenues are calculated based on the price specified in the contract, minus estimated rebates, discounts, and returns, and are recognized only when it is highly probable that a material reversal will not occur. For paid supply transactions corresponding to repurchase agreements related to product manufacturing, the Group does not recognize the consideration received from suppliers as revenue. For paid receipt transactions, only the net amount of processing fees are recognized as revenue when the items are sold back to the source of the paid supply.

In Other Business, revenue is recognized at the amount expected to be received in exchange for promised goods or services when control of those goods or services is transferred to the customer. In service contracts, when goods or services are transferred over a certain period of time, the Group recognizes revenue over a certain period of time as it satisfies its performance obligation to transfer the goods or services to the customer.

In these businesses, for transactions where the Company or its consolidated subsidiaries are deemed to be an agent, the net amount of the total consideration received from customers, minus the amounts paid to suppliers, is recognized as revenue.

(5) Accounting methods for retirement benefits

(i) Method of attributing expected retirement benefits to periods

In calculating retirement benefit obligations, expected retirement benefits are attributed to the period up to the end of the current fiscal year based on the benefit formula basis.

(ii) Method of amortizing actuarial differences and past service costs

Actuarial differences are amortized using the straight-line method over a certain number of years (10 years) within the average remaining years of service of the eligible employees at the time of occurrence, starting from the fiscal year following the occurrence. Past service costs are recorded as expenses in the consolidated fiscal year in which they incur.

(iii) Adoption of a simplified method in consolidated subsidiaries

Consolidated subsidiaries apply a simplified method to calculate retirement benefit liability and retirement benefit expenses.

(6) Translation standards of significant assets and liabilities denominated in foreign currencies into Japanese yen

Foreign currency denominated monetary receivables and payables are translated into Japanese yen at the spot exchange rate on the consolidated closing date, and foreign exchange gains and losses from translation are recognized as profit or loss. Assets and liabilities of overseas subsidiaries are converted into yen at the spot exchange rate on the consolidated closing date, while revenue and expenses at the average exchange rate for the year, where exchange difference is included in foreign currency translation adjustment and non-controlling interests under net assets.

(7) Significant hedge accounting method

(i) Hedge accounting method

The appropriation procedure is adopted to foreign exchange fluctuation risk hedging.

(ii) Hedging instruments and hedged items

Hedging instruments: Forward exchange contracts

Hedged items: Foreign currency denominated monetary receivables and payables

(iii) Hedging policy

Foreign exchange fluctuation risks are hedged in accordance with internal rules. (Foreign exchange fluctuation risks associated with foreign currency denominated monetary receivables and payables from import and export transactions, which represent a major risk, are hedged as a general principle.)

(iv) Assessment of hedge effectiveness

Hedge effectiveness are ensured as only hedging instruments that meet the hedging requirements are contracted.

(8) Scope of funds in the consolidated statements of cash flows

Funds in the consolidated statements of cash flows comprise cash on hand, deposits available for withdrawal as needed, and short-term investments due for redemption within three months from the date of acquisition, which are easily cashable and are subject to minimal risk of fluctuations in value.

(9) Method and period of amortization of goodwill

Goodwill is amortized by the straight-line method over 8 years.

(Segment information, etc.)

[ Segment Information ]

## 1. Overview of the Reporting Segments

### (1) The method to categorize reported segments

The reportable segments of the Group are those for which separate financial information is available and are subject to periodic review in order for the Company's Board of Directors to determine the allocation of management resources and evaluate performance.

### (2) Products and services categorized for each reported segments

The principal products and services in each reportable segment are as in the table below.

Agricultural Chemicals and Agriculture-Related	Manufacture, sale, import and export of agricultural chemicals (insecticide, fungicide, herbicide, etc.), sale of greening materials, comprehensive golf course maintenance
Fine Chemicals	Manufacture, sale, import and export of chlorotoluene and chloroxylene derivatives, advanced chemicals, speciality chemicals, and expanded polystyrene

## 2. Method of Calculation of Amounts of Net Sales and Profit for Each Reportable Segment

The accounting methods for each of the reportable business segments are the same as those described in "Significant matters that serve as the basis for preparation of Consolidated Financial Statements."

Profit for each reportable segment is the figure based on operating profit. Internal revenues and inter-segment transfers are based on prevailing market prices.

### 3. Information on net sales and income (loss) by reportable segment

For the fiscal year ended October 31, 2024 (From November 1, 2023 to October 31, 2024)

(Millions of yen)

	Reportable segment			Other (Note 1)	Total	Adjustment (Note 2)	Amount recorded in Consolidated Statements of Income (Note 3)
	Agricultural Chemicals and Agriculture- Related Business	Fine Chemicals Business	Total				
Net sales							
Net sales to outside customers	128,134	24,965	153,100	7,949	161,049	—	161,049
Inter-segment net sales or transfers	5	55	60	4,156	4,216	(4,216)	—
Total	128,139	25,020	153,159	12,105	165,264	(4,216)	161,049
Segment income	12,147	772	12,919	849	13,768	(2,417)	11,350

- (Notes) 1. The Other Business segment was not included under reportable segments. It is comprised of the leasing business, power generation and electricity sales business, construction business, printing business, logistics business, information services business, and staffing business.
2. The segment income adjustment of ¥(2,417) million primarily consists of corporate expenses not allocated to each reportable segment. Corporate expenses consist of general administrative expenses that are not attributable to reportable segments.
3. Segment income was reconciled to operating profit in the consolidated statements of income.

For the fiscal year ended October 31, 2025 (From November 1, 2024 to October 31, 2025)

(Millions of yen)

	Reportable segment			Other (Note 1)	Total	Adjustment (Note 2)	Amount recorded in Consolidated Statements of Income (Note 3)
	Agricultural Chemicals and Agriculture- Related Business	Fine Chemicals Business	Total				
Net sales							
Net sales to outside customers	135,697	25,100	160,798	9,664	170,462	—	170,462
Inter-segment net sales or transfers	3	51	54	3,907	3,960	(3,960)	—
Total	135,700	25,151	160,851	13,571	174,422	(3,960)	170,462
Segment income	10,581	1,528	12,109	865	12,975	(2,408)	10,567

- (Notes) 1. The Other Business segment was not included under reportable segments. It is comprised of the leasing business, power generation and electricity sales business, construction business, printing business, logistics business, and staffing business.
2. The segment income adjustment of ¥(2,408) million primarily consists of corporate expenses not allocated to each reportable segment. Corporate expenses consist of general administrative expenses that are not attributable to reportable segments.
3. Segment income was reconciled to operating profit in the consolidated statements of income.

(Per share information)

	For the fiscal year ended October 31, 2024 (From November 1, 2023 to October 31, 2024)	For the fiscal year ended October 31, 2025 (From November 1, 2024 to October 31, 2025)
Net assets per share	¥ 1,212.20	¥1,199.81
Basic earnings per share	¥112.91	¥36.38

(Notes) 1. Diluted earnings per share are not presented, as there are no dilutive shares.

2. The basis for the calculation of net assets per share is as follows.

Item	For the fiscal year ended October 31, 2024	For the fiscal year ended October 31, 2025
Total net assets on consolidated balance sheets (millions of yen)	152,941	151,107
Total net assets attributable to common shares (millions of yen)	145,917	144,485
Difference between total net assets on consolidated balance sheets and net assets at the end of the consolidated fiscal year related to common shares used to calculate net assets per share (millions of yen)	7,024	6,622
[Of which, non-controlling interests] (millions of yen)	[7,024]	[6,622]
Number of common shares issued (thousand shares)	133,185	133,185
Number of treasury shares issued (thousand shares)	12,810	12,762
Number of common shares used to calculate net assets per share (thousand shares)	120,374	120,423

3. The basis for the calculation of basic earnings per share is as follows.

Item	For the fiscal year ended October 31, 2024 (From November 1, 2023 to October 31, 2024)	For the fiscal year ended October 31, 2025 (From November 1, 2024 to October 31, 2025)
Profit attributable to owners of parent (millions of yen)	13,590	4,381
Amount not attributable to common shareholders (millions of yen)	—	—
Profit attributable to owners of parent for common shares (millions of yen)	13,590	4,381
Average number of common shares outstanding during the period (thousand shares)	120,358	120,407

(Significant subsequent event)

Enactment of the tax system in Brazil—LEI N° 15.270, DE 26 DE NOVEMBRO DE 2025 (Law No. 15270 of November 26, 2025)

LEI N° 15.270, DE 26 DE NOVEMBRO DE 2025 (Law No. 15270 of November 26, 2025) was enacted in Brazil. Following the enactment, dividends paid to non-residents in Brazil will be subject to a 10% withholding income tax (IRF) on and after January 1, 2026. Accordingly, the Company plans to recognize deferred tax liabilities for the retained profit of IHARABRAS S.A. INDUSTRIAS QUIMICAS, an affiliate accounted for by the equity method in Brazil, for the fiscal year ending October 31, 2026. The amount of deferred tax liabilities is currently under review.