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September 11, 2026

Company name: Kumiai Chemical Industry Co., Ltd.
Representative: Masaru Yokoyama, President and Representative Director
(Prime Market of TSE; Securities code: 4996)
For Inquiry: Koji Yamada, General Manager of General Affairs Department

Announcement of Three Consolidated Subsidiaries Becoming Wholly Owned Subsidiaries Through Simplified Share Exchanges

Kumiai Chemical Industry Co., Ltd. (hereinafter, the “Company”) hereby announces that, at the meeting of the Board of Directors held today, it resolved to conduct share exchanges with its three consolidated subsidiaries, namely Ihara Construction Industry Co., Ltd. (hereinafter, “Ihara Construction”), KUMIKA LOGISTICS CO., LTD. (hereinafter, “KUMIKA LOGISTICS”), and NIHON PRINTING INDUSTRY CO., LTD. (hereinafter, “NIHON PRINTING”) (hereinafter, collectively referred to as the “Three Consolidated Subsidiaries”). Through these share exchanges, the Company will become a wholly owning parent company resulting from share exchanges and each of the Three Consolidated Subsidiaries will become a wholly owned subsidiary resulting from a share exchange (hereinafter, such exchanges individually or collectively referred to as the “Share Exchange(s)”). Accordingly, the Company concluded a share exchange agreement with each of the Three Consolidated Subsidiaries (hereinafter, the “Share Exchange Agreement(s)”). Details are as follows.

As each of the Share Exchanges is a simplified share exchange, whereby a consolidated subsidiary of the Company will become a wholly owned subsidiary of the Company, this announcement omits certain disclosure items and details.

1. Purpose of the Share Exchanges

The Kumiai Group (a definition follows; hereinafter, the “Group”) is a group that is engaged mainly in the manufacture and sale of agricultural chemicals and fine chemicals, operates in a wide range of other business fields as well, including construction, logistics, and printing. The Group consists of Kumiai Chemical Industry Co., Ltd., 16 consolidated subsidiaries, and three entities accounted for using the equity method as of August 30, 2026. As members of the Group, the Company and the Three

Consolidated Subsidiaries have developed stable relationships with each other through long-standing business collaboration, personnel exchanges, and other forms of cooperation.

While the Company will continue to aim for stable operation of the Group, the Company has determined that, given the current highly dynamic business environment, it is necessary to further strengthen group management by enhancing the speed, efficiency, and flexibility of decision-making at the group level. For the purpose of establishing such a solid group foundation, the Company has decided to implement the Share Exchanges, whereby each of the Three Consolidated Subsidiaries will become a wholly owned subsidiary resulting from a share exchange.

2. Summary of the Share Exchanges

(1) Schedule of the Share Exchanges

Date of resolution at the Board of Directors of the Company	Friday, September 11, 2026
Date of conclusion of the Share Exchange Agreements	Friday, September 11, 2026
Date of the General Meeting of Shareholders that is expected to approve the Share Exchanges (the Three Consolidated Subsidiaries)	Thursday, October 15, 2026
Effective date of the Share Exchanges	Sunday, November 1, 2026 (Tentative)

(Note) Each of the Share Exchanges is, with respect to the Company, a simplified share exchange pursuant to the provisions of Article 796, Paragraph 2 of the Companies Act. Accordingly, the Company will implement the Share Exchanges without obtaining approval of each Share Exchange Agreement by resolution at a General Meeting of Shareholders.

(2) Method of the Share Exchanges

The Share Exchanges will be conducted with the Company becoming a wholly owning parent company resulting from share exchanges and each of the Three Consolidated Subsidiaries becoming a wholly owned subsidiary resulting from a share exchange.

(3) Details of allotment in the Share Exchanges

The Company will adopt a variable share exchange ratio method for the Share Exchanges. Under the variable share exchange ratio method, the value per share of each of the Three Consolidated Subsidiaries is determined at the time of the decision to implement the share exchanges, and the number of the Company’s common shares to be allotted as consideration for each common share of each of the Three Consolidated Subsidiaries is determined based on the average share price of the Company’s common shares over a certain period immediately preceding the effective date of the Share Exchanges.

In the Share Exchanges, the Company will allot to each shareholder of each of the Three

Consolidated Subsidiaries (excluding the Company) whose name is stated or recorded in the shareholder register of each of the Three Consolidated Subsidiaries as of the time immediately preceding the time at which the Company will acquire all of the issued shares of the Three Consolidated Subsidiaries through the Share Exchanges (hereinafter, the “Record Time”) in exchange for common shares of each of the Three Consolidated Subsidiaries a number of the Company’s common shares obtained by multiplying the number of common shares of each of the Three Consolidated Subsidiaries held by the shareholder by the share exchange ratio calculated using the applicable formula among the formulae presented below.

As the average share price of the Company’s common shares has yet to be determined as of this time, the share exchange ratios have also yet to be determined. The Company plans to disclose the final share exchange ratios once the average share price of the Company’s common shares is determined.

Ihara Construction

Share exchange ratio = 1,543 yen* / Average share price of the Company’s common shares

KUMIKA LOGISTICS

Share exchange ratio = 741 yen* / Average share price of the Company’s common shares

NIHON PRINTING

Share exchange ratio = 279 yen* / Average share price of the Company’s common shares

* Per-share value of the common shares of each of the Three Consolidated Subsidiaries calculated using the method described in 3. below.

In the above formulae, the “Average share price of the Company’s common shares” means the simple average of the closing prices per share of the Company’s common shares on each trading day (excluding any day on which no trading takes place) in the five trading days from and including October 9, 2026 to and including October 16, 2026 on the Prime Market of Tokyo Stock Exchange, Inc. (hereinafter, the “Tokyo Stock Exchange”) calculated to one decimal place and rounded to the nearest whole number.

(Note 1) Method of calculation of the share exchange ratios

Each share exchange ratio will be calculated to three decimal places and rounded to two decimal places.

(Note 2) Number of shares to be delivered in the share exchanges

The Company will deliver a number of its common shares obtained by multiplying the total number of common shares of each of the Three Consolidated Subsidiaries held by each shareholder of each of the Three Consolidated Subsidiaries (excluding the Company) as of the Record Time by the applicable share exchange ratio presented above. All shares to be delivered by the Company are expected to be treasury shares held by the Company, and the Company does not plan to issue any new shares for the delivery of shares in the Share Exchanges.

(Note 3) Treatment of shares less than one unit

Shareholders of the Three Consolidated Subsidiaries who will be allotted the Company's shares less than one unit (a number of shares that is less than one unit (100 shares)) in the Share Exchanges will not be able to sell such shares less than one unit that they will hold on the Tokyo Stock Exchange or any other financial instruments exchange. Shareholders who will hold such shares less than one unit may request that the Company purchase the shares less than one unit that they will hold pursuant to the provision of Article 192, Paragraph 1 of the Companies Act. In addition, pursuant to the provisions of Article 194, Paragraph 1 of the Companies Act and the Articles of Incorporation of the Company, such shareholders may request that the Company sell to them a number of shares that will constitute one unit when combined with the number of shares less than one unit that they will hold, except where the Company does not hold the number of treasury shares required to satisfy such request for sale.

(Note 4) Treatment of a fraction less than one share

If the number of shares of the Company's common shares to be delivered to a shareholder of the Three Consolidated Subsidiaries in the Share Exchanges includes a fraction of less than one share, the Company will make a cash payment to the shareholder in an amount in proportion to the fraction less than one share in accordance with the provisions of Article 234 of the Companies Act and other related laws and regulations.

In a conventional share exchange, the share exchange ratio and the number of shares of the wholly owning parent company resulting from the share exchange to be delivered as consideration to the shareholders of the wholly owned subsidiary resulting from the share exchange are determined at the time of the conclusion and announcement of the share exchange agreement (hereinafter, the "Time of Announcement"). For this reason, the value of the shares of the wholly owning parent company resulting from the share exchange that the shareholders of the wholly owned subsidiary resulting from the share exchange will own ultimately as of the effective date is yet to be determined at the Time of Announcement, and will fluctuate depending on changes in the share price of the wholly owning parent company resulting from the share exchange during the period from the Time of Announcement to the effective date.

In contrast, under the variable share exchange ratio method, the value of the shares of the wholly owned subsidiary resulting from the share exchange is determined at the Time of Announcement.

The number of shares of the wholly owning parent company resulting from the share exchange to be delivered as consideration for each share of the wholly owned subsidiary resulting from the share exchange is determined by dividing such value by the average share price of the shares of the wholly owning parent company resulting from the share exchange over a certain period immediately preceding the effective date. Accordingly, the shareholder of the Three Consolidated Subsidiaries will receive the Company's common shares equivalent in value to their shares in each of the Three Consolidated Subsidiaries based on the market price immediately preceding the effective date of the Share Exchanges. Consequently, when compared with a conventional share exchange, in which the number of shares of the wholly owning parent company resulting from the share exchange to be received by the shareholders of the wholly owned subsidiary resulting from the share exchange is determined based on the market price immediately preceding the date of conclusion of the share exchange agreement, the period up to the effective date will be shorter over which the value of the share of the wholly owning parent company resulting from the share exchange that the shareholders of the wholly owned subsidiary resulting from the share exchange will own as of the effective date fluctuates due to the changes in the share price. As a result, such value is expected to closely approximate the value of shares of the wholly owned subsidiary resulting from the share exchange.

After examining these characteristics and carefully discussing which method would be optimal, the Company and the Three Consolidated Subsidiaries determined that it would be appropriate to make the value of the Company's shares that the shareholders of the Three Consolidated Subsidiaries will own ultimately as of the effective date closely approximate the appraised value of the shares of the Three Consolidated Subsidiaries presented earlier, and therefore decided to adopt the variable share exchange ratio method.

(4) Treatment of share acquisition rights and bonds with share acquisition rights in connection with the Share Exchanges

There is no relevant information.

3. Approach to determining the details of allotment in the Share Exchanges

In calculating the share exchange ratios for the Share Exchanges, in order to ensure fairness and appropriateness, the Company selected Akasaka International Accounting, Co., Ltd. (hereinafter, "Akasaka International"), a third-party organization independent from the Company and the Three Consolidated Subsidiaries, and requested it to calculate the share value of each of the Three Consolidated Subsidiaries. In calculating the share values of the Three Consolidated Subsidiaries, which are unlisted companies, Akasaka International did not adopt the comparable company method as there are no listed companies of a similar kind that could serve as appropriate comparables in terms of business scale. Meanwhile, as their share values derive from the ability to generate earnings in the future, Akasaka

International calculated the respective share values using the discounted cash flow method (hereinafter, the “DCF Method”), rather than the modified book value method, to reflect in the valuation their ability to generate earnings based on the conditions of their business activities in the future. The respective per-share values of the common shares of the Three Consolidated Subsidiaries calculated using the DCF Method are as follows. The respective business plans for the fiscal year ending October 31, 2026 prepared by the Three Consolidated Subsidiaries that Akasaka International used as the basis for the valuation using the DCF method do not project any significant increase or decrease in profit.

Calculation method	Calculated ranges of per-share values		
	Ihara Construction	KUMIKA LOGISTICS	NIHON PRINTING
DCF Method	1,208 yen to 1,624 yen	636 yen to 3,350 yen	257 yen to 300 yen

As the Share Exchanges will be conducted using the variable share exchange ratio method, it would be preferable to adopt the market price immediately preceding the effective date of the Share Exchanges in determining the value of the Company’s shares to be delivered as consideration. However, as a certain number of trading days before the effective date have been designated as a period for administrative procedures necessary to implement the Share Exchanges, the Company will adopt the market price during the period immediately preceding such administrative processing period.

In addition, if the period over which the market price is determined were excessively short, e.g., a single trading day, the market price of the Company’s shares might fluctuate significantly due to temporary factors, which would affect the value of the Company’s shares. For this reason, the Company determined that it would be appropriate to calculate the value of the Company’s shares using the simple average of the closing prices on each of the five trading days immediately preceding the administrative processing period with the aim of mitigating the impact of any temporary market fluctuations, while ensuring that the value of the Company’s shares approximates as closely as possible the market price immediately before the Share Exchanges will take effect.

Based on the foregoing, the value of the Company’s shares will be determined based on the simple average of the closing prices per share of the Company’s common shares on each trading day (excluding any day on which no trading takes place) in the five trading days from and including October 9, 2026 to and including October 16, 2026 on the Prime Market of the Tokyo Stock Exchange calculated to one decimal place and rounded to the nearest whole number.

In order to ensure fairness in the decision making at the Three Consolidated Subsidiaries and avoid conflicts of interest, among the officers and employees of the Company, (i) Mr. Yoshihiro Yamaji, who concurrently serves as a Director of Ihara Construction, did not participate in the deliberations or resolutions at meetings of the Board of Directors of Ihara Construction regarding the conclusion of the Share Exchange Agreement; (ii) Mr. Kouichi Iwata, who concurrently serves as a Director of KUMIKA

LOGISTICS, did not participate in the deliberations or resolutions at meetings of the Board of Directors of KUMIKA LOGISTICS regarding the conclusion of the Share Exchange Agreement; and (iii) Mr. Tomohiro Ishizuka, who concurrently serves as a Director of NIHON PRINTING, did not participate in the deliberations or resolutions at meetings of the Board of Directors of NIHON PRINTING regarding the conclusion of the Share Exchange Agreement.

4. Overview of the companies involved in the Share Exchanges

(1) Wholly owning parent company resulting from the share exchanges

	Wholly owning parent company resulting from the share exchanges
(1) Name	Kumiai Chemical Industry Co., Ltd.
(2) Location	4-26, Ikenohata 1-chome, Taito-ku, Tokyo
(3) Name and title of representative	Masaru Yokoyama, President and Representative Director
(4) Description of business	Manufacture and sale of agricultural chemicals, including insecticides, fungicides, and herbicides; and manufacture and sale of fine chemicals, including active ingredients and amines for curing agents
(5) Share capital	4,534 million yen
(6) Date of foundation	June 20, 1949
(7) Number of issued shares	133,184,612 shares
(8) Fiscal year-end	October 31
(9) Major shareholders and shareholding ratios thereof (As of April 30, 2026)	NATIONAL FEDERATION OF AGRICULTURAL COOPERATIVE ASSOCIATIONS (ZEN-NOH) 22.02% The Master Trust Bank of Japan, Ltd. (Investment trust account) 3.77% The Kyoei Fire and Marine Insurance Company, Limited 3.72% The Norinchukin Bank 2.86% JA Shizuoka Keizairen 2.30% KUMIAI CHEMICAL INDUSTRY Employee Stock Ownership Association 1.62% Custody Bank of Japan, Ltd. (Investment trust account) 1.60% Nippon Soda Co., Ltd. 1.60% THE DAI-ICHI LIFE INSURANCE COMPANY, LIMITED. 1.38% Nippon Life Insurance Company 1.33%
(10) Financial position and operating results for the most recent fiscal year	

Fiscal year	Fiscal year ended October 31, 2025 (Consolidated)
Net assets	151,107 million yen
Total assets	248,205 million yen
Net assets per share	1,199.81 yen
Net sales	170,462 million yen
Operating profit	10,567 million yen
Ordinary profit	13,363 million yen
Profit attributable to owners of parent	4,381 million yen
Basic earnings per share	36.38 yen

* The shareholding ratios are the ratios of the number of shares held to the total number of issued shares (excluding treasury shares).

(2) Wholly owned subsidiaries resulting from the share exchanges

	Wholly owned subsidiary resulting from the share exchange
(1) Name	Ihara Construction Industry Co., Ltd.
(2) Location	69-1, Nagasaki, Shimizu-ku, Shizuoka City, Shizuoka
(3) Name and title of representative	Yoshinori Hirabayashi, President and Representative Director
(4) Description of business	General construction; manufacture and sale of expanded polystyrene; manufacture and sale of building materials; development of residential land; and sale of real estate
(5) Share capital	461 million yen
(6) Date of foundation	November 21, 1964
(7) Number of issued shares	922,000 shares
(8) Fiscal year-end	October 31
(9) Major shareholders and shareholding ratios thereof (As of October 31, 2025)	Kumiai Chemical Industry Co., Ltd. 48.17% Masahisa Mochizuki 8.81% Yuzuru Mochizuki 6.67% The Kyoei Fire and Marine Insurance Company, Limited 4.49% KUNIMINE INDUSTRIES CO., LTD. 3.47% IHARA SHIKI Co., Ltd. 3.16% RIKENGREEN CO., LTD. 2.96% Shizuoka Shell Sekiyu Hanbai K.K. 2.80% KUMIKA LOGISTICS CO., LTD. 1.88%

	Mariko Matsuzawa 1.63%
(10) Financial position and operating results for the most recent fiscal year	
Fiscal year	Fiscal year ended October 31, 2025 (Non-Consolidated)
Net assets	6,663 million yen
Total assets	9,368 million yen
Net assets per share	7,230.39 yen
Net sales	9,911 million yen
Operating profit	349 million yen
Ordinary profit	381 million yen
Net income Basic earnings per share	309 million yen 335.25 yen

* The shareholding ratios are the ratios of the number of shares held to the total number of issued shares (excluding treasury shares).

	Wholly owned subsidiary resulting from the share exchange
(1) Name	KUMIKA LOGISTICS CO., LTD.
(2) Location	100, Shibukawa, Shimizu-ku, Shizuoka City, Shizuoka
(3) Name and title of representative	Masanari Nakashima, President and Representative Director
(4) Description of business	General motor truck transportation; motor truck freight forwarding; warehousing; collection, transportation, and treatment of industrial waste; consulting, brokerage, and other services related to industrial waste; worker dispatching; and general retailing
(5) Share capital	62 million yen
(6) Date of foundation	August 16, 1962
(7) Number of issued shares	124,000 shares
(8) Fiscal year-end	October 31
(9) Major shareholders and shareholding ratios thereof (As of October 31, 2025)	KUMIAI CHEMICAL INDUSTRY CO., LTD. 71.05% Ihara Construction Industry Co., Ltd. 22.19% IHARA SHIKI Co., Ltd. 5.40% RIKENGREEN CO., LTD. 1.35%
(10) Financial position and operating results for the most recent fiscal year	
Fiscal year	Fiscal year ended October 31, 2025 (Non-Consolidated)
Net assets	3,757 million yen

Total assets	6,355 million yen
Net assets per share	34,396.25 yen
Net sales	3,929 million yen
Operating profit	199 million yen
Ordinary profit	188 million yen
Net income	130 million yen
Basic earnings per share	1,188.84 yen

* The shareholding ratios are the ratios of the number of shares held to the total number of issued shares (excluding treasury shares).

	Wholly owned subsidiary resulting from the share exchange
(1) Name	NIHON PRINTING INDUSTRY CO., LTD.
(2) Location	14-35, Nakayoshida, Suruga-ku, Shizuoka City, Shizuoka
(3) Name and title of representative	Satoshi Watanabe, President and Representative Director
(4) Description of business	Printing and manufacture and sale of various processed paper products
(5) Share capital	88 million yen
(6) Date of foundation	November 25, 1943
(7) Number of issued shares	1,760,000 shares
(8) Fiscal year-end	October 31
(9) Major shareholders and shareholding ratios thereof (As of October 31, 2025)	KUMIAI CHEMICAL INDUSTRY CO., LTD. 48.46% Nippon Paper Industries Co., Ltd. 18.81% Ihara Construction Industry Co., Ltd. 17.39% Satoshi Watanabe 2.35% Japan Printing Workers Union 2.31% Kunio Mochizuki 1.76% Marui Paper Co., Ltd. 1.18% Nobuyuki Mochizuki 0.88% Nagashima Paper Sales Co., Ltd. 0.87% IHARA SHIKI Co., Ltd. 0.85%
(10) Financial position and operating results for the most recent fiscal year	
Fiscal year	Fiscal year ended October 31, 2025 (Non-Consolidated)
Net assets	1,501 million yen
Total assets	1,960 million yen

Net assets per share	882.76 yen
Net sales	1,837 million yen
Operating profit	3 million yen
Ordinary profit	13 million yen
Net income	16 million yen
Basic earnings per share	9.17 yen

* The shareholding ratios are the ratios of the number of shares held to the total number of issued shares (excluding treasury shares).

5. Status after the Share Exchanges

There will be no changes to the name, location, name and title of representative, description of business, share capital, or fiscal year-end of the Company as a result of the Share Exchanges.

6. Future outlook

The Company expects that the impact of the Share Exchanges on its consolidated financial results will be immaterial. The Company will promptly make an announcement if any matter requiring disclosure arises in the future.