



# Briefing on Financial Results and on Progress of *ADX 2023*

For the Fiscal Year Ended Mar. 31, 2023

Jun. 1, 2023

【TSE 4401】





FY2022

April 1, 2022 – March 31, 2023

**President and Chief Executive Officer  
Hidetaka Shirozume**

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# 1. FY2022 Consolidated Results

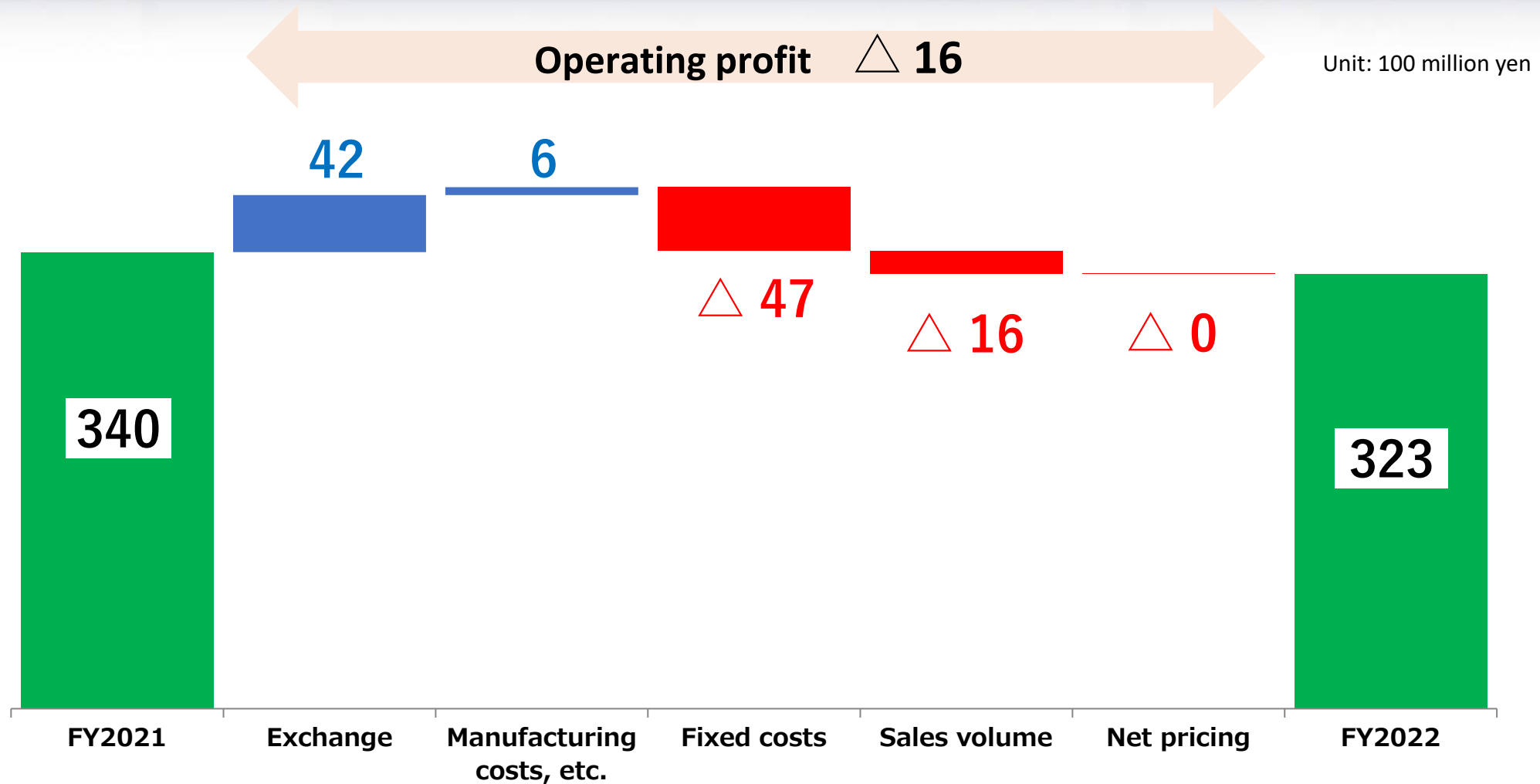
Unit: 100 million yen

	FY2021	FY2022	Change	Rate (%)
Net sales	3,612	<b>New record high</b> 4,033	421	11.7
Operating profit	340	323	△ 16	△ 4.9
Current profit	356	325	△ 30	△ 8.6
Profit attributable to owners of parent	236	<b>Impairment Loss</b> ▲ 3.75 167	△ 69	△ 29.2
Net profit per share (yen/share)	¥229.6	¥163.3	△ ¥66.3	

Note 1 : Figures are expressed in units of 100 million yen and have been rounded off.

Note 2 : FY2021 are the figures after retrospective application of a change in accounting policy.

# Analysis of Operating Profit



Note 1 : Figures are expressed in units of 100 million yen and have been rounded off.

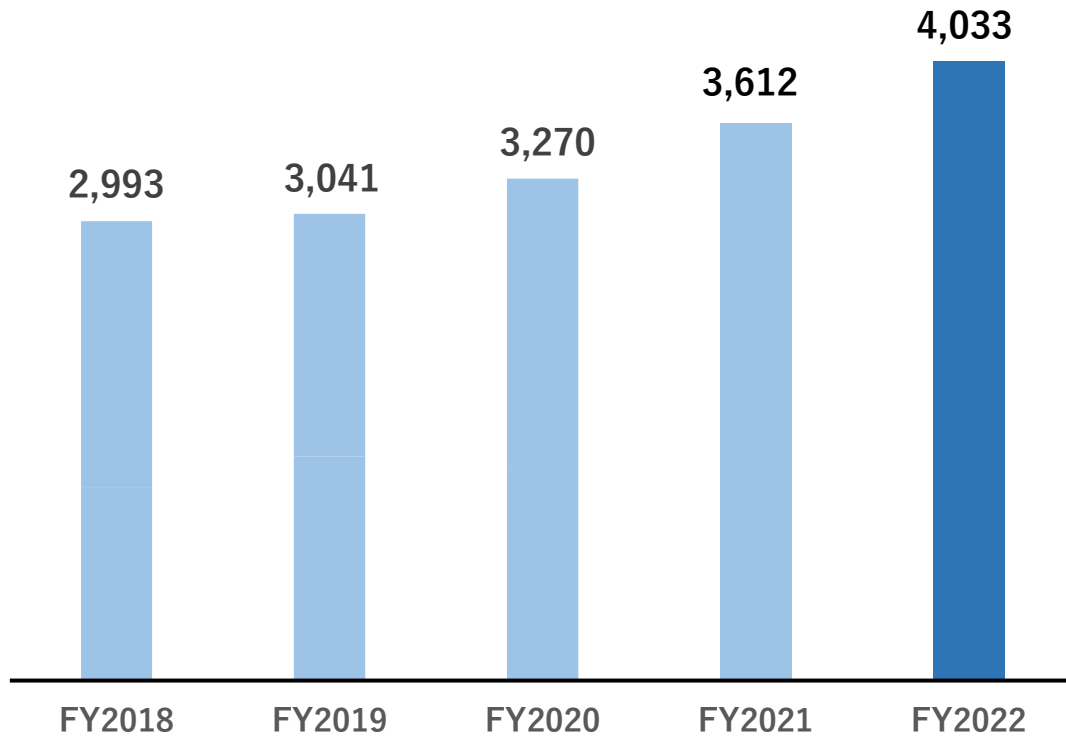
Note 2 : FY2021 are the figures after retrospective application of a change in accounting policy.

# Trends in Consolidated Performance

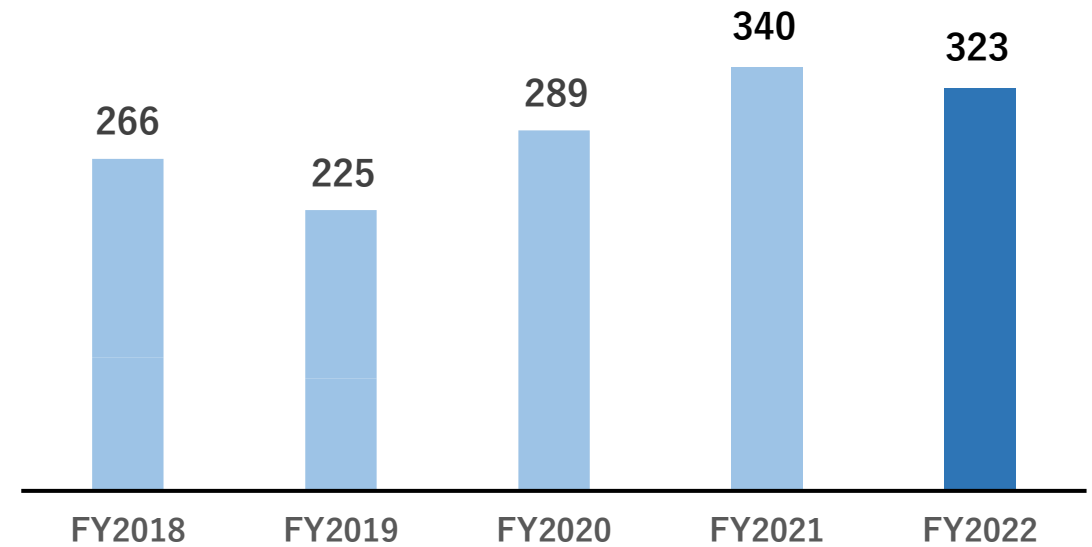
FY2022  
Consolidated Results

Unit: 100 million yen

## Net sales



## Operating profit



Note 1 : Figures are expressed in units of 100 million yen and have been rounded off.

Note 2 : FY2021 are the figures after retrospective application of a change in accounting policy.

# FY2022 Consolidated Results - By segment

FY2022  
Consolidated Results

Unit: 100 million yen

	FY2021	FY2022	Change	Rate (%)
<b>Sales</b>	<b>3,612</b>	<b>4,033</b>	<b>421</b>	<b>11.7</b>
<b>Chemicals</b>	<b>2,001</b>	<b>2,117</b>	<b>116</b>	<b>5.8</b>
<i>Polymer Additives</i>	<i>1,068</i>	<i>1,113</i>	<i>44</i>	<i>4.2</i>
<i>Electronics and IT materials</i>	<i>364</i>	<i>363</i>	<i>△ 0</i>	<i>△ 0.2</i>
<i>Functional chemicals</i>	<i>567</i>	<i>640</i>	<i>72</i>	<i>12.8</i>
<b>Food products</b>	<b>733</b>	<b>825</b>	<b>91</b>	<b>12.5</b>
<b>Life Science</b>	<b>801</b>	<b>1,020</b>	<b>219</b>	<b>27.4</b>
<b>Other</b>	<b>76</b>	<b>70</b>	<b>△ 6</b>	<b>△ 8.6</b>
<b>Operating profit</b>	<b>340</b>	<b>323</b>	<b>△ 16</b>	<b>△ 4.9</b>
<b>Chemicals</b>	<b>293</b>	<b>262</b>	<b>△ 30</b>	<b>△ 10.5</b>
<i>Polymer Additives</i>	<i>108</i>	<i>92</i>	<i>△ 16</i>	<i>△ 14.9</i>
<i>Electronics and IT materials</i>	<i>119</i>	<i>110</i>	<i>△ 8</i>	<i>△ 6.8</i>
<i>Functional chemicals</i>	<i>66</i>	<i>59</i>	<i>△ 6</i>	<i>△ 10.1</i>
<b>Food products</b>	<b>▲ 6</b>	<b>▲ 24</b>	<b>△ 17</b>	<b>-</b>
<b>Life Science</b>	<b>48</b>	<b>77</b>	<b>29</b>	<b>62.3</b>
<b>Other</b>	<b>5</b>	<b>7</b>	<b>1</b>	<b>26.1</b>

Note 1 : Figures are expressed in units of 100 million yen and have been rounded off.

Note 2 : FY2021 are the figures after retrospective application of a change in accounting policy.

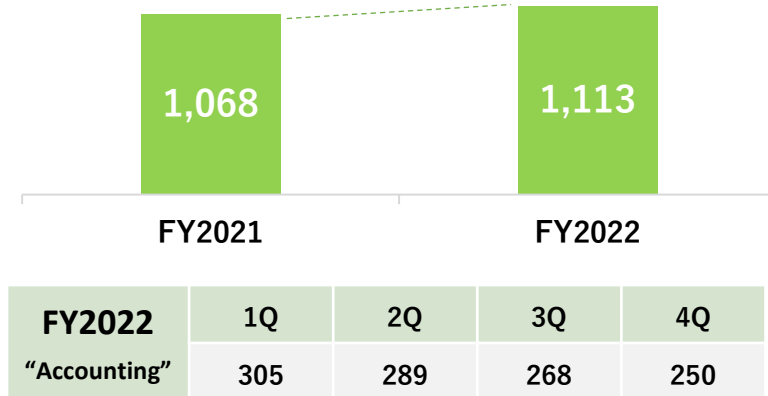


# Chemicals “Polymer additives”

## ◆ Sales

Unit: 100 million yen

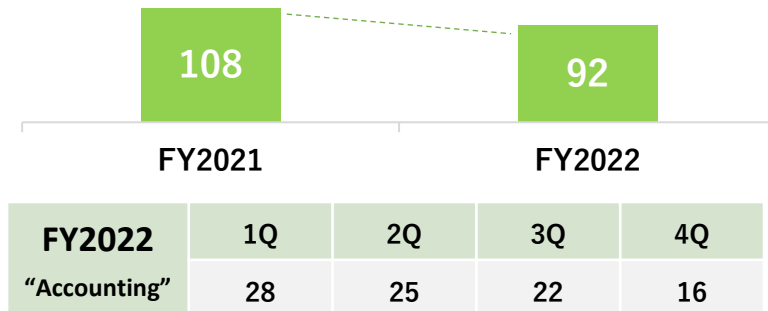
4.2%



## ◆ Operating profit

Unit: 100 million yen

△ 14.9%



Note : Figures are expressed in units of 100 million yen and have been rounded off.

### Main factor (YoY)

- Sales of clarifying agents were strong as orders increased in North America for food packaging applications.
- Sales increased due to sales price revisions and exchange rates, despite a decrease in the sales volume of items for automobiles.

#### ◆ Food packaging, Medical use

strong Clarifying Agents

#### ◆ Automobile

growth Nucleating Agents, Plasticizers for Rubbers

#### ◆ All plastic products

growth One-pack granule additives

#### ◆ Building material

weak PVC Stabilizers for home interior materials

#### ◆ Home appliances frame

weak Flame retardants for Engineering plastics

### Main factor (YoY)

Unit: 100 million yen

Sales volume

△ 29

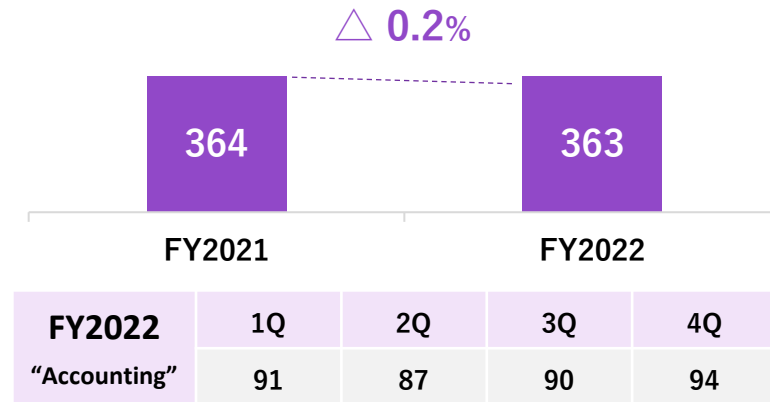
Exchange

13

# Chemicals “Electronics and IT materials”

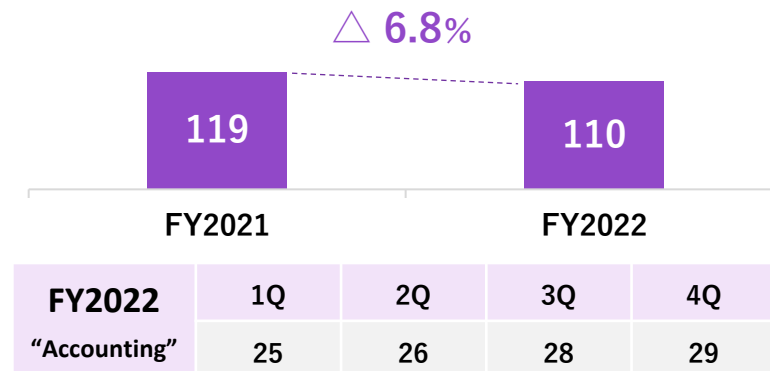
## ◆ Sales

Unit: 100 million yen



## ◆ Operating profit

Unit: 100 million yen



Note : Figures are expressed in units of 100 million yen and have been rounded off.

### Main factor (YoY)

- Sales of semiconductor-related materials dropped due to semiconductor manufacturers reducing production.
- Expansion of sales of High-k materials for cutting-edge DRAM and Photoacid generator.
- Sales of display-related materials decreased considerably following panel manufacturers’ massive inventory adjustments.

#### ◆ Semiconductor

strong

New products for advanced DRAM (High-k materials)

steady

Photoacid generator used for semiconductor lithography  
Products for NAND

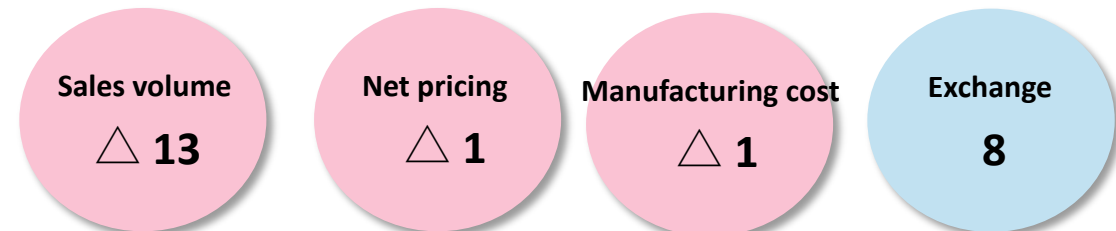
#### ◆ Display

weak

Photo(Light) Curing Resins for Optical film  
Photoinitiator for color filter  
Black matrix resists and Etching materials for LCD panels

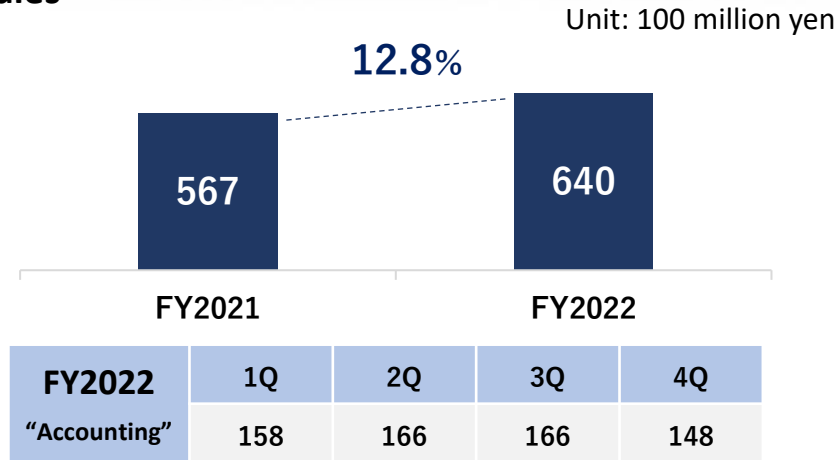
### Main factor (YoY)

Unit: 100 million yen

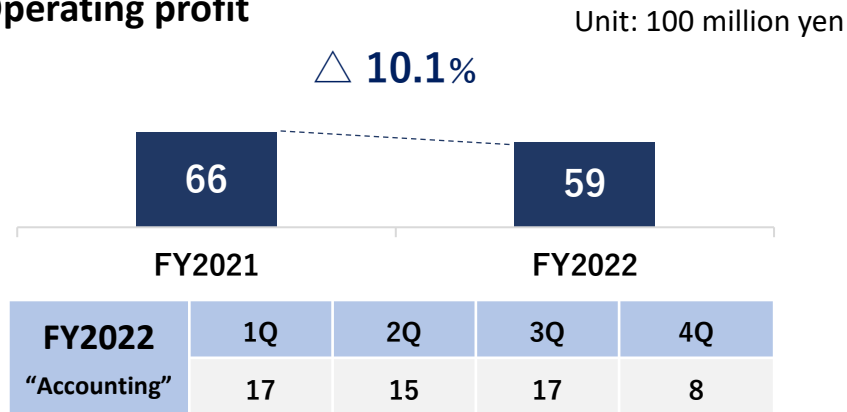


# Chemicals “Functional chemicals”

## ◆ Sales



## ◆ Operating profit



Note : Figures are expressed in units of 100 million yen and have been rounded off.

### Main factor (YoY)

- Sales of lubricant additives for engine oils expanded mainly due to the adoption by new customers overseas.
- Sales of surfactants were trending toward recovery , reflecting a pick-up in the cosmetics market in both JAPAN and overseas.

#### ◆ Automobile

strong

Lubricant additives for engine oil

strong

Special epoxy resins for structural bonding

#### ◆ Building material

steady

Reactive emulsifier for paint

#### ◆ Cosmetics

steady

Surfactants

#### ◆ Chemicals for general industrial use

weak

Polypropylene glycol, Peroxide products for LCD panels

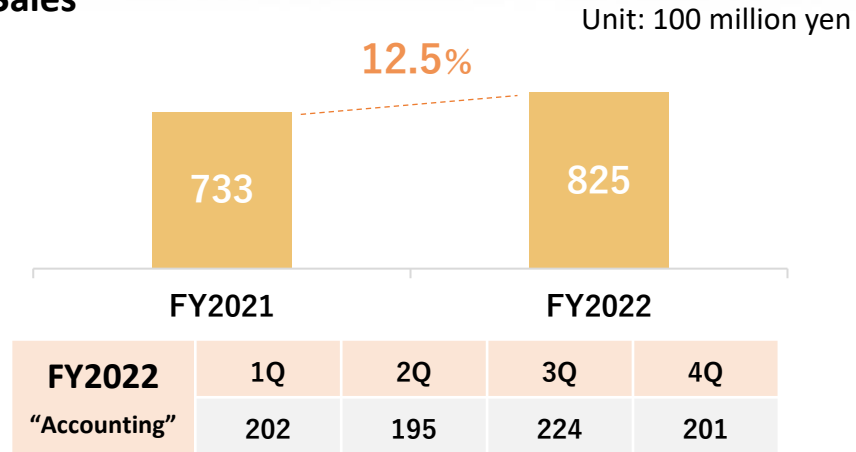
### Main factor (YoY)

Unit: 100 million yen

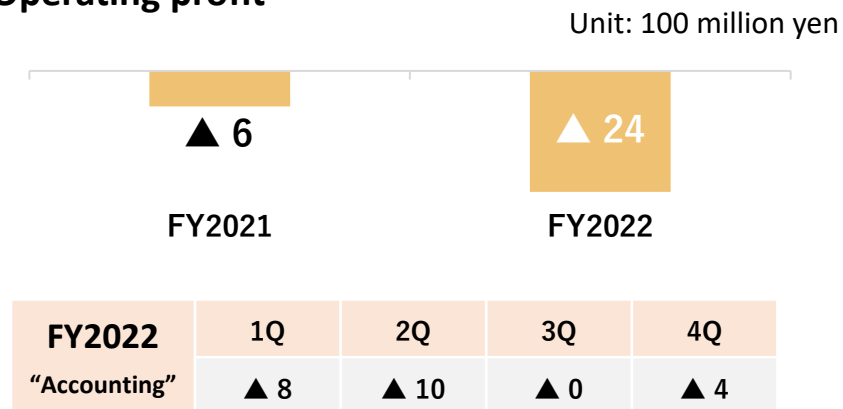


# Food Products

## ◆ Sales



## ◆ Operating profit



Note : Figures are expressed in units of 100 million yen and have been rounded off.

### Main factor (YoY)

- Sales volume of margarines and shortening decreased due to the downsizing of final products.
- Sales increased due to the revision of prices that the Company started to implement in the previous year.

#### ◆ Bread, confectionery

growth

Functional Margarine for kneading "Marvelous"

weak

Margarines, shortening, fillings

#### ◆ Western confectionery, dessert

weak

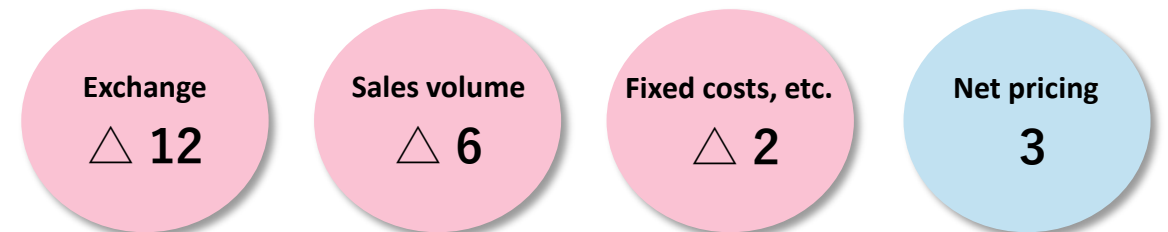
Whipping cream

#### ◆ souvenir confections

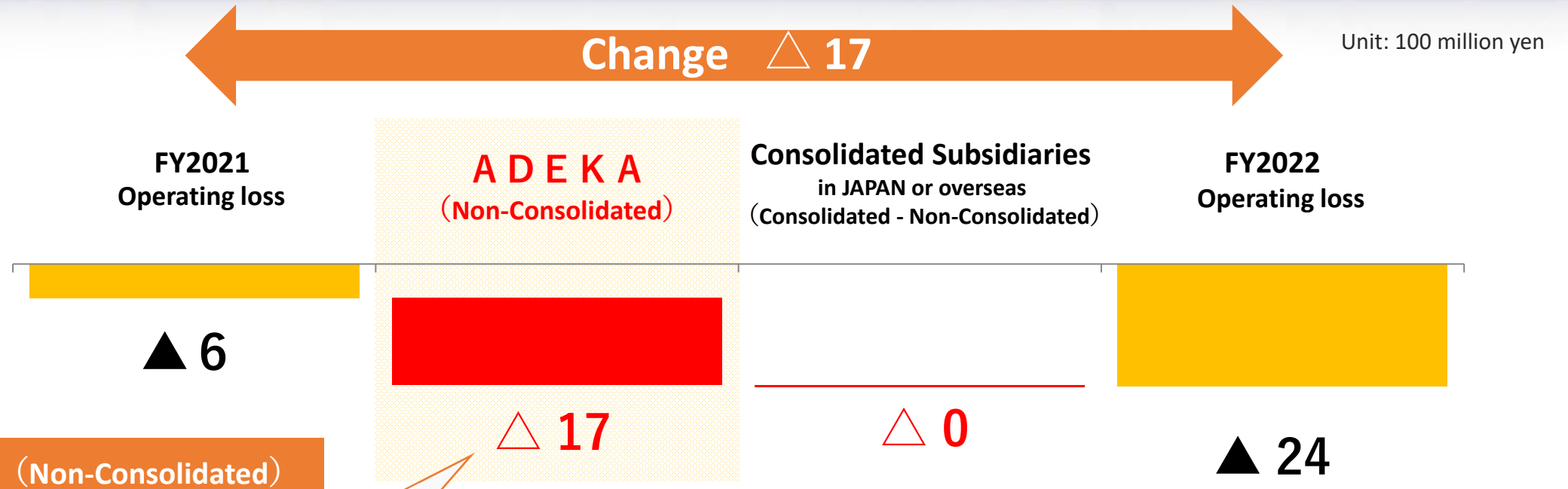
strong

Fillings

### Main factor (YoY)



# Food Products “Analysis of Operating Profit”



## ADEKA (Non-Consolidated)

### Bread, confectionery, Western-style confectionery and desserts in JAPAN constitute main markets

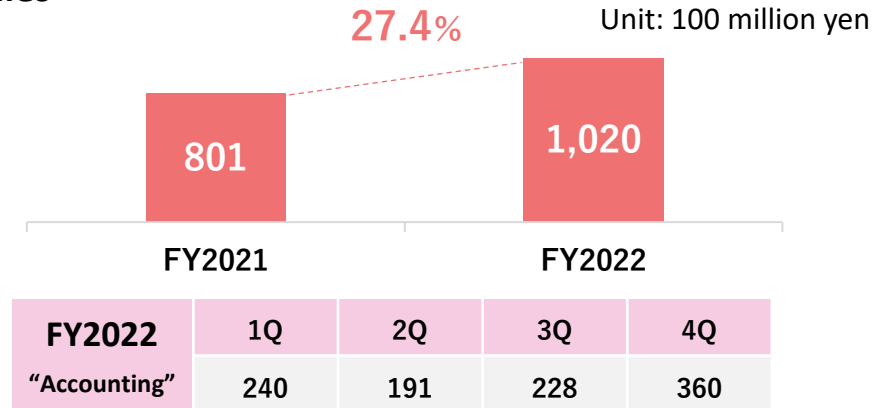
Unit: 100 million yen

Exchange		Sales volume		Manufacturing cost , Fixed cost		Net pricing	
1Q	△ 3	1Q	△ 3	1Q	2	1Q	△ 7
2Q	△ 3	2Q	△ 3	2Q	△ 0	2Q	△ 0
3Q	△ 2	3Q	△ 0	3Q	△ 2	3Q	3
4Q	△ 1	4Q	△ 0	4Q	△ 1	4Q	7
<b>△ 11</b>		<b>△ 7</b>		<b>△ 2</b>		<b>+ 3</b>	

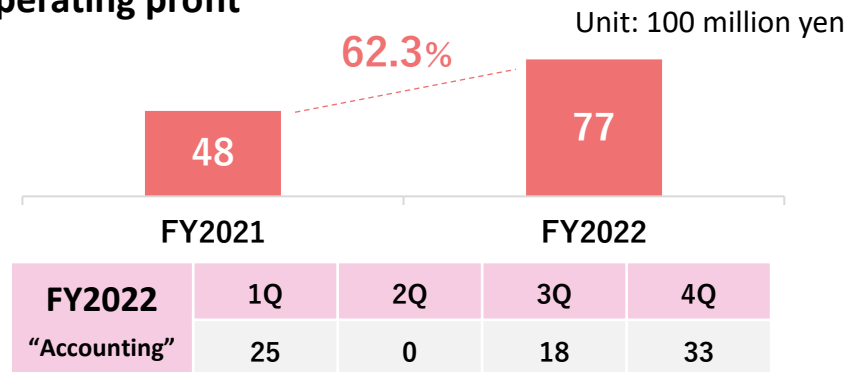
Note : Figures are expressed in units of 100 million yen and have been rounded off.

# Life Science “NIHON NOHYAKU”

## ◆ Sales



## ◆ Operating profit

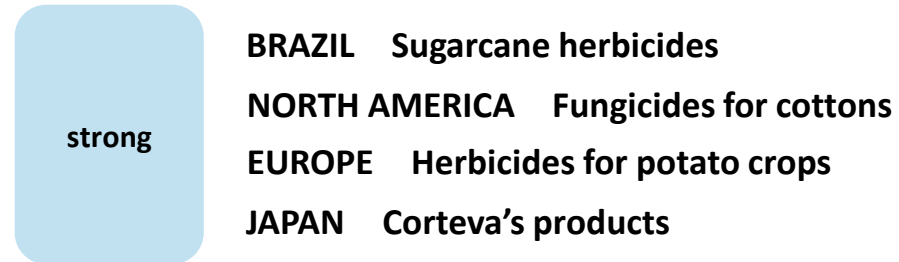


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 Note 2 : FY2021 are the figures after retrospective application of a change in accounting policy.

### Main factor (YoY)

- Sales in Japan were higher than in the previous fiscal year. This is due chiefly to the start of domestic sales of Corteva’s products.
- Sales increased, reflecting the expansion of plant areas for major crops in BRAZIL the world’s largest agrochemical market.

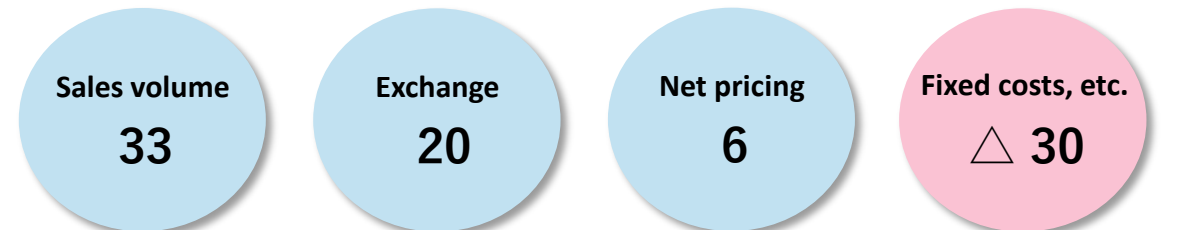
### ◆ Agrochemicals



### ◆ Pharmaceuticals, others



### Main factor (YoY)



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## 2. FY2023 Consolidated Forecasts

**World economy**

An economic slowdown is becoming increasingly apparent amid the prolongation of global inflation and geopolitical risks.

Segment	Market	Market trend		Impact on business
		FY2022 YoY	FY2023 YoY	
Chemicals	Automobile	UP		<b>Polymer additives</b> (Additives, Plasticizers, PVC stabilizers, etc.) <b>Functional chemicals</b> (Lubricant additives, Special type epoxy resins, Painting materials, Industrial agents, etc.)
	Building material	DOWN	FLAT	
	Semiconductor			<b>Electronics &amp; IT materials</b> (Semiconductor materials, Photoacid generator, etc.) <b>Functional chemicals</b> (Low chlorine epoxy resins, High purity hydrogen peroxide etc.) <b>Electronics &amp; IT materials</b> (Photo(Light) Curing Materials, Initiators, etc.) <b>Functional chemicals</b> (Low chlorine epoxy resin, Persulfates, etc.) <b>Functional chemicals</b> (Cosmetic ingredients, Industrial agents, etc.)
	Display			
	Cosmetics			
Food	Mass merchants, CVS (Breads, sweets and desserts)			<b>Food Products</b> (Margarines, shortening, fillings, etc.)
	Tourism, Restaurant industry (Souvenir sweets)			
Life Science	Agriculture			<b>Agrochemicals</b> (Insecticide, fungicide, herbicide, etc.)





# FY2023 Consolidated Forecasts

Unit: 100 million yen

	FY2023			FY2022 Results	Amounts	Rate (%)
	1H (Forecasts)	2H (Forecasts)	FY2023 (Forecasts)			
Sales	2,020	2,240	4,260	4,033	226	5.6
Operating profit	150	210	360	323	36	11.2
Current profit	147	208	355	325	29	9.0
Profit attributable to owners of parent	89	121	210	167	42	25.2
Net profit per share - yen/share -	¥ 86.7	¥ 118.0	¥ 204.7	¥ 163.3	¥ 41.4	
Dividend- yen/share -	¥ 40	¥ 40	¥ 80	¥ 70	¥ 10	

		FY2023 1H Assumption	FY2022 Results
Exchange rate	¥/\$	130.00	135.45
	¥/€	138.00	140.99
Naphtha	¥/KL	67,000	76,625

Note : Figures are expressed in units of 100 million yen and have been rounded off.

# FY2023 Consolidated Forecasts- By segment -

FY2023  
Consolidated Forecasts

Unit: 100 million yen

	1H(Forecasts) (a)	2H(Forecasts) (b)	FY2023 (a)+(b)	FY2022 Results (c)	Amounts (a)+(b)-(c)	Rate (%)
<b>Sales</b>	<b>2,020</b>	<b>2,240</b>	<b>4,260</b>	<b>4,033</b>	<b>226</b>	<b>5.6</b>
<b>Chemicals</b>	<b>1,117</b>	<b>1,172</b>	<b>2,289</b>	<b>2,117</b>	<b>171</b>	<b>8.1</b>
<i>Polymer Additives</i>	567	573	1,140	1,113	26	2.4
<i>Electronics and IT materials</i>	200	235	435	363	71	19.6
<i>Functional chemicals</i>	350	364	714	640	73	11.5
<b>Food products</b>	<b>417</b>	<b>450</b>	<b>867</b>	<b>825</b>	<b>41</b>	<b>5.1</b>
<b>Life Science</b>	<b>450</b>	<b>590</b>	<b>1,040</b>	<b>1,020</b>	<b>19</b>	<b>1.9</b>
<b>Other</b>	<b>36</b>	<b>28</b>	<b>64</b>	<b>70</b>	<b>△ 6</b>	<b>△ 8.8</b>
<b>Operating profit</b>	<b>150</b>	<b>210</b>	<b>360</b>	<b>323</b>	<b>36</b>	<b>11.2</b>
<b>Chemicals</b>	<b>129</b>	<b>140</b>	<b>269</b>	<b>262</b>	<b>6</b>	<b>2.4</b>
<i>Polymer Additives</i>	45	45	90	92	△ 2	△ 2.4
<i>Electronics and IT materials</i>	53	64	117	110	6	5.5
<i>Functional chemicals</i>	31	31	62	59	2	4.3
<b>Food products</b>	<b>5</b>	<b>8</b>	<b>13</b>	<b>▲ 24</b>	<b>37</b>	<b>-</b>
<b>Life Science</b>	<b>14</b>	<b>59</b>	<b>73</b>	<b>77</b>	<b>△ 4</b>	<b>△ 6.3</b>
<b>Other</b>	<b>2</b>	<b>3</b>	<b>5</b>	<b>7</b>	<b>△ 2</b>	<b>△ 30.6</b>

Note : Figures are expressed in units of 100 million yen and have been rounded off.

# Positive and Risk Factors by Segment

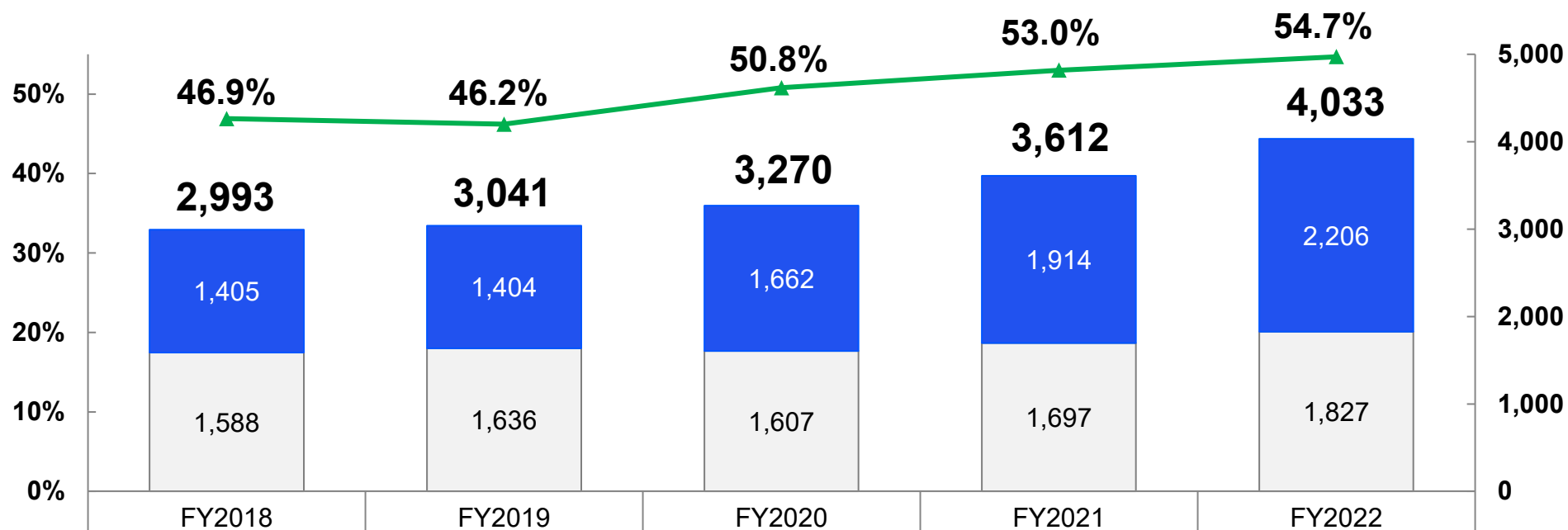
● denotes a factor specific to the Company.

• denotes markets

	Positive Factors	Risk Factors
Polymer Additives	<ul style="list-style-type: none"> <li>• A mild recovery in the automobile and home appliances markets</li> </ul>	<ul style="list-style-type: none"> <li>• Prolonged inventory adjustments in supply chains</li> <li>• Prices of raw materials and fuels staying high</li> </ul>
Electronics and IT materials	<ul style="list-style-type: none"> <li>● Continuing demand for advanced semiconductors (progress in miniaturization)</li> <li>• A mild recovery in the displays markets</li> </ul>	<ul style="list-style-type: none"> <li>• Semiconductor production adjustments (in the first half of FY2023)</li> </ul>
Functional chemicals	<ul style="list-style-type: none"> <li>• A mild recovery in the automobile and cosmetics markets</li> </ul>	<ul style="list-style-type: none"> <li>• Prices of raw materials and fuels staying high</li> </ul>
Food products	<ul style="list-style-type: none"> <li>• Turnaround in human activity</li> <li>● Progress in price revisions (improvement of price balance)</li> <li>• Sales expansion of <i>Deli-PLANTS series</i></li> </ul>	<ul style="list-style-type: none"> <li>• Continuation of consumers' price-sensitive and budget-minded behaviors</li> <li>• The downsizing of final products</li> <li>● Continuously weakening of the yen</li> </ul>
Life Science	<ul style="list-style-type: none"> <li>• Increasing overseas demand for agrochemicals in Brazil and other countries</li> </ul>	<ul style="list-style-type: none"> <li>● Rise in agrochemical registration costs</li> </ul>

# Overseas Sales - For reference -

Unit: 100 million yen



Overseas sales	1,405	1,404	1,662	1,914	2,206
Domestic sales	1,588	1,636	1,607	1,697	1,827
Overseas sales ratio	46.9%	46.2%	50.8%	53.0%	54.7%
sales	2,993	3,041	3,270	3,612	4,033

Note 1 : Figures are expressed in units of 100 million yen and have been rounded off.

Note 2 : FY2021 are the figures after retrospective application of a change in accounting policy.

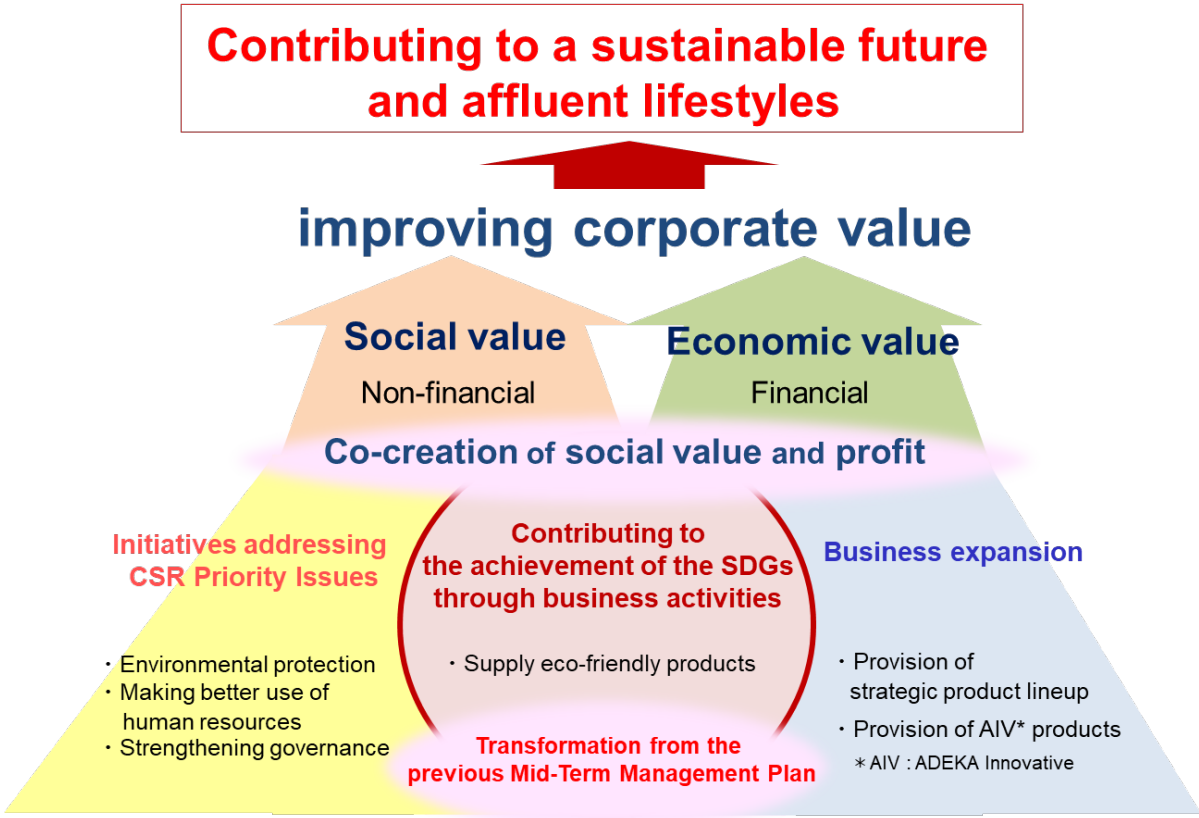
A decorative border composed of various geometric shapes in red and blue, including triangles, squares, circles, and rectangles, arranged in a pattern around the edges of the page.

### 3. Progress of MTMP *ADX 2023*

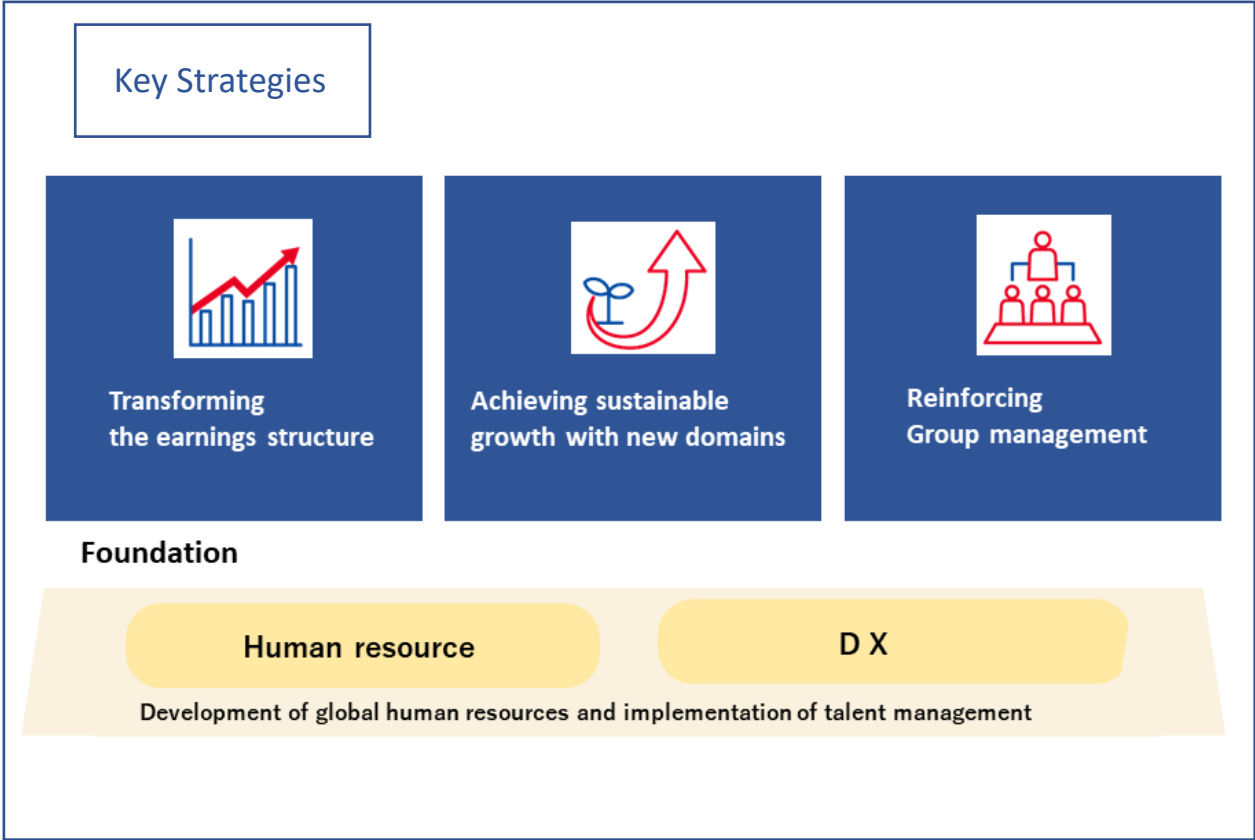
# Outline of MTMP ADX 2023

Fundamental policy

Transform the management foundation to be compatible with the new social environment, aiming to achieve sustainable growth with an emphasis on profitability.



\* AIV : ADEKA Innovative Value (Creating value that meets society’s expectations)



# Management Indexes and Performance

	FY2021 Results 1st year of ADX 2023	FY2022 Results 2nd year of ADX 2023	FY2023 Forecasts Final-year of ADX 2023	FY2023 Target Final-year of ADX 2023
Operating profit	<b>34.0</b> billion yen	<b>32.3</b> billion yen	<b>36.0</b> billion yen	<b>42.0</b> billion yen
ROE	<b>9.9%</b>	<b>6.6%</b>	<b>8.0%</b>	<b>9%</b>
Capital investment	<b>14.6</b> billion yen/year	<b>20.4</b> billion yen/year	<b>15.5</b> billion yen/year	<b>50.0</b> billion yen/year
		<b>50.5</b> billion yen/3 years		
Dividend payout ratio	<b>30.5%</b>	<b>42.9%</b>	<b>39.1%</b>	<b>30%</b> or higher
Annual dividend forecast	<b>70</b> yen/share	<b>70</b> yen/share	<b>80</b> yen/share	

Note 1 : Figures are expressed in units of 100 million yen and have been rounded off.

Note 2 : FY2021 are the figures after retrospective application of a change in accounting policy.

# Progress Versus Operating Profit Target - By segment -

Unit: 100 million yen

	FY2023 Target Final-year of ADX 2023	FY2022 Results 2nd year of ADX 2023	Progress (%)	FY2023 Forecast Final-year of ADX 2023	Gap from target
<b>Operating profit</b>	Management Indexes 420	323	77.1	360	△ 60
<b>Chemicals</b>	330	262	79.6	269	△ 61
<i>Polymer Additives</i>	115	92	80.2	90	△ 25
<i>Electronics and IT materials</i>	145	110	76.5	117	△ 28
<i>Functional chemicals</i>	70	59	84.9	62	△ 8
<b>Food products</b>	5	▲ 24	—	13	8
<b>Life Science</b>	80	77	97.4	73	△ 7

Note : Figures are expressed in units of 100 million yen and have been rounded off.

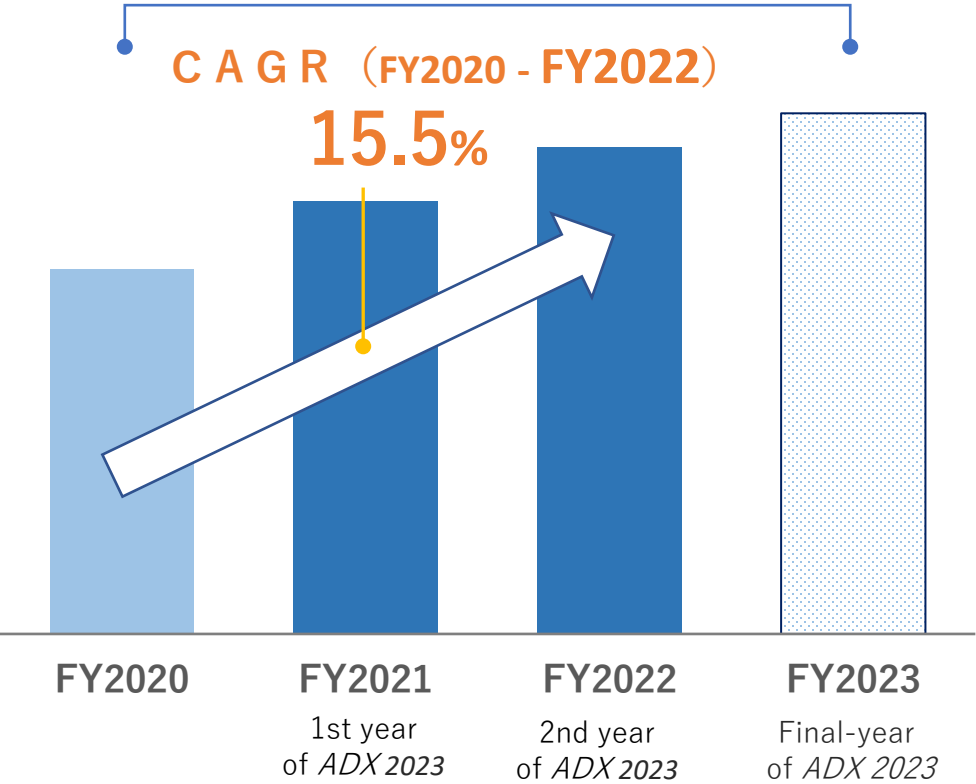


# Key Strategies : Transforming the earnings structure / Strategic product

## Strategic product - Sales -

Target

CAGR **12% or more**  
(FY2020 vs FY2023)



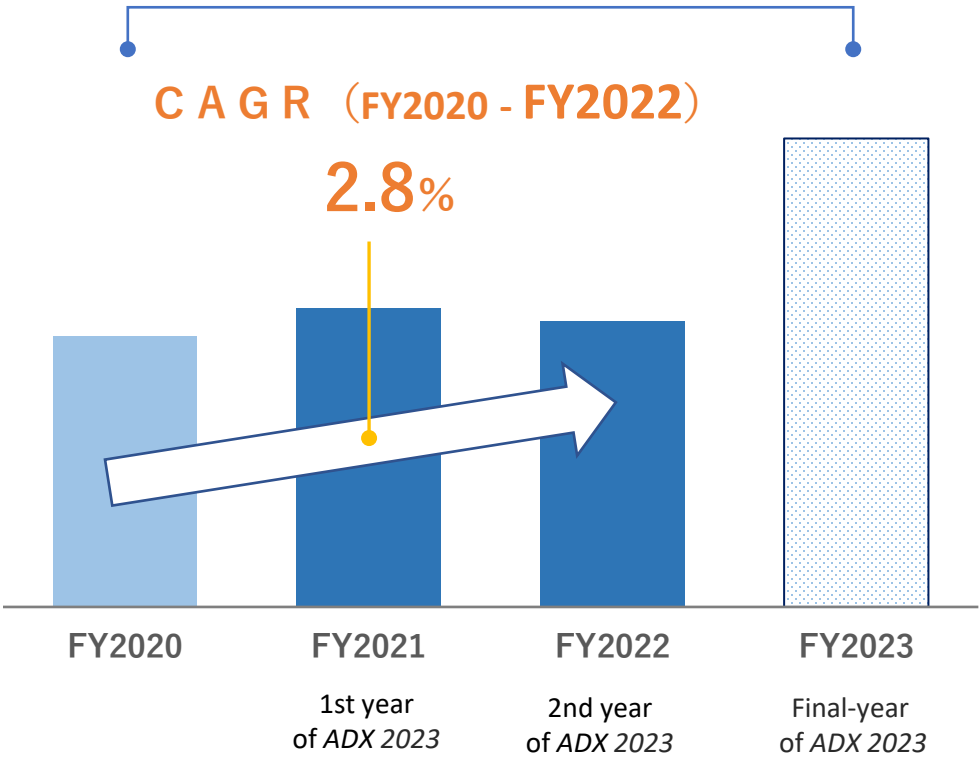
## Example of products outperforming the plan

- Electronics and IT materials**
  - Semiconductor: ALD Precursors, High-k materials etc.
- Polymer additives**
  - Home appliances frame: Intumescent-type flame retardant
- Functional chemicals**
  - Automobile: Lubricant Additives

# Key Strategies : Transforming the earnings structure / New products

## New products - Sales -

**Target** C A G R **20% or more**  
(FY2020 vs FY2023)



## Targets were unfulfilled in All of the segments

### Gaps from targets were wide in the following segments

<p>Electronics and IT materials</p> <p>Display-related products</p>	<p>Food products</p> <p>Whipping cream</p>
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### Background and Factors

Demand for TVs, smartphones and computers generated by people staying home has vanished.

Demand for high value-added products plunged amid the increase in price-sensitivity.

### Good progress

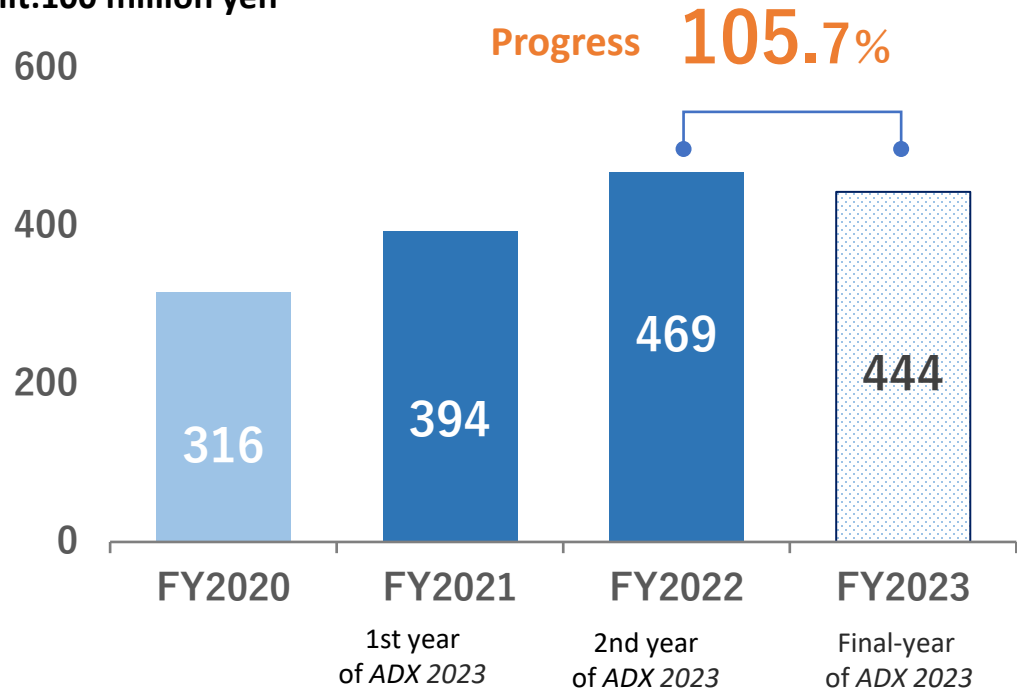
<p>Photoacid generators for EUV photoresists</p>	<p>Plant-Based Foods</p>
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# Key Strategies : Transforming the earnings structure / Eco-friendly products

## Eco-friendly products - Sales -

Target **44.4 billion yen**  
(1.4 times compared to FY2020)

Unit:100 million yen



## Example of products outperforming the plan

### Functional chemicals

#### Energy-saving and Reduction of CO<sub>2</sub> emissions

Automobile

Lubricant Additives

#### Atmospheric Environment Conservation

Shift to water-based coatings to reduce VOC (Volatile Organic Compounds) emissions

Construction • Infrastructure

Water-borne Resin

### Food products

#### Reduction of food waste

Baking / Confectionery

Functional margarine

### Polymer additives

#### Sustainable use of resources and energy and environmental conservation

Infrastructure

Heavy metal-free PVC stabilizers

# Automobiles

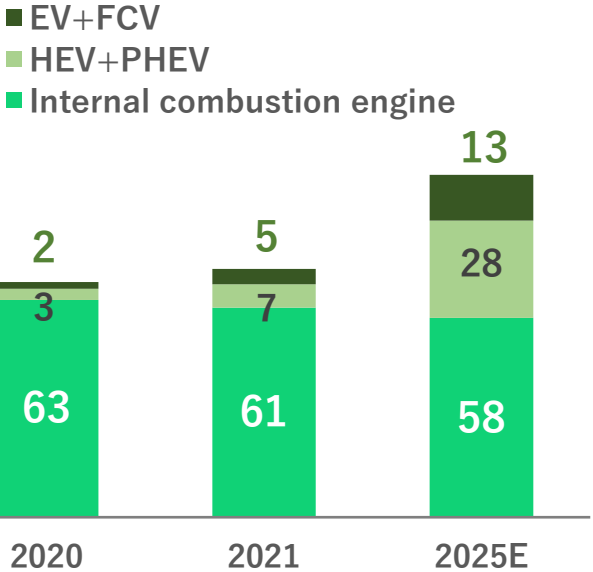
## Market Trends

**FY2022**  
 5% increase YoY (Varies by region)

**FY2023**  
 The numbers of vehicles produced will rally moderately

### ◆ Numbers of vehicles produced around the world

(1 million units)



\* MarkLines、 2025E is our estimate

## Polymer Additives

Automobile body weight reduction (Polyolefin additives for use in bumpers and other exterior/interior parts)

### Nucleating Agents *ADK STAB NA series*

- Sales grew in the U.S. and dropped in Asia due to reduced vehicle production.
- Step up development and sales activities in the U.S. (the Americas) and improve profitability in Asia

## Functional chemicals

Fuel efficiency IMP and reduction of CO<sub>2</sub> emissions (reduction of friction and abrasion inside an engine)

### Lubricant Additives *ADEKA SAKURA-LUBE series*

- Improve proposals for aftermarket oil to increase adoption in the U.S.
- Leverage expertise in preparation and testing data (in China and the U.S.) to enhance sales activities
- Build a collaboration with an oil package manufacturer

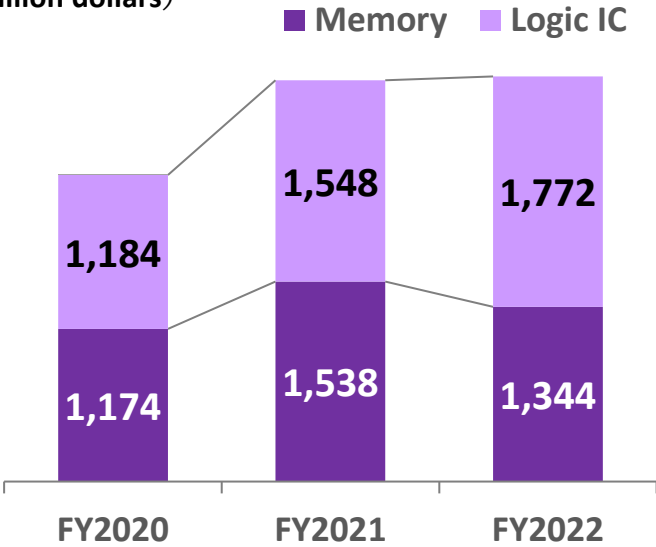
# Semiconductor

**Market Trends**

**FY2022**  
 Approx. 4% increase YoY  
**FY2023**  
 Negative growth is anticipated due to market deterioration

Statistics on the size of the global semiconductor market

(100 million dollars)



\* WSTS(World Semiconductor Trade Statistics)

**Electronics and IT materials**

plans at the outset  
**9.5 billion yen / 3 years**

**Active capital investment**

<Progress up to the second year of ADX 2023>

More than **120%** invested **11.4 billion yen\***

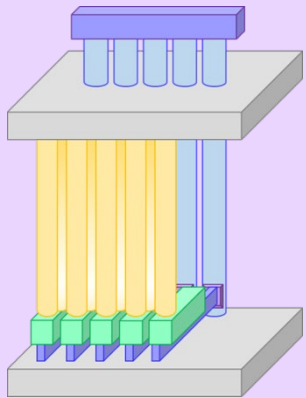
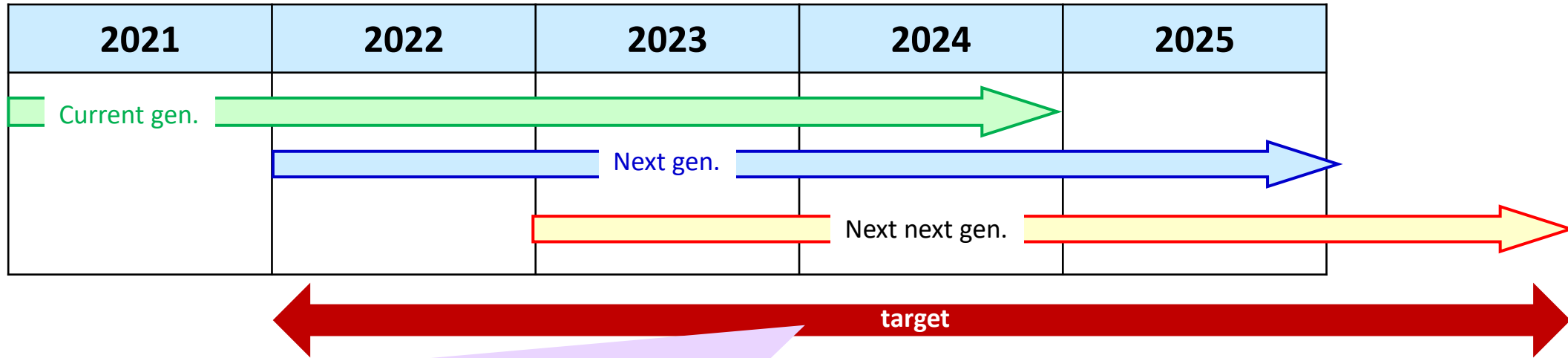
\*Includes approved plans

<Main Capital investment during the ADX 2023 (FY2021-FY2023)>

devices	our products	area	capital investment plan	production capacity	amount (¥billion)	schedule of operation
Logic IC Memory	Photoacid generator		Increase production capacity Extend facilities for materials for EUV	2x over	2.7	Aug.2023
Logic IC	ALD precursors		Construction of New plant for leading-edge materials	New	2.5	Apr.2024
Memory	High-k		Increase production capacity	2x over	2.3	within FY2024
Memory	R&D		Extension and relocation of the R&D center (ADEKA KOREA CORP.)	7x total floor area	1.3	Aug.2023
Memory	ALD Precursors etc.		Expansion of production facilities to expand product lineup (New products)	New	2.1	within FY2023

# Response to Miniaturization of Semiconductor memories

**Memory** Shift to DDR5 (lower power consumption and higher speed) ⇒ Miniaturization and structural change



Change in DRAM structure has led to the emergence of demand for High-k materials and new materials.

Widening of the product lineup : ALD materials (*ADEKA ORCERA Series*)

Investment decision  
in Apr. 2023



Started to expand production facilities at ADEKA KOREA CORP.  
Investment value : 2.1billion yen  
Scheduled to be in operation by the end of FY2023

# Construction • Infrastructure

## Market Trends

### FY2022

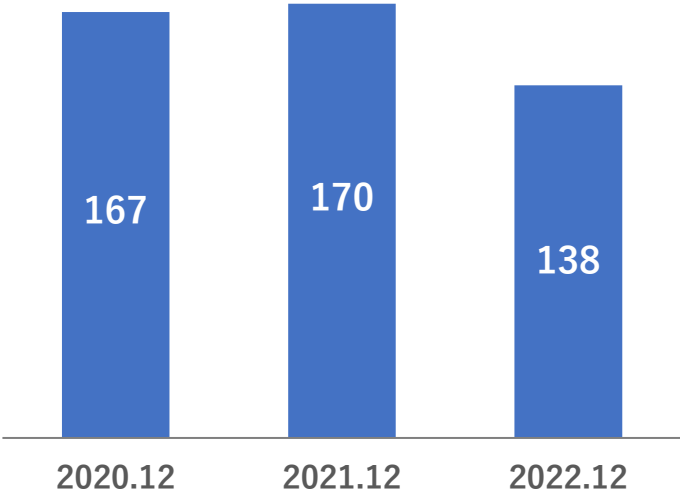
Sales fell sharply due to rising interests rate

### FY2023

Sales are expected to be at a low level

Numbers of housing starts in the U.S.  
(after adjustment of annual rates and seasons)

(10,000 units)



\* Data published by the U.S. Department of Commerce

## Polymer Additives

Supporting energy conservation in houses using *SOZAI* which aids the transition to resin window frames and sashes

### PVC Stabilizers *ADK STAB Series*

- Sales of PVC stabilizers decreased following a decline in demand for home interior materials in North America.

- **Expand sales for home interior materials applications**  
(Demand is rising with the help of financial support programs for energy conservation in residential buildings.)
- **Implement global materials purchasing**

## Functional chemicals

Available for aqueous paints and coating, viscosity adjustment and adhesion of food packages

### Reactive emulsifier *ADEKA REASOAP Series*

- Sales for architectural coatings applications grew in India while sales fell below the target in China due to a weak building market.

- **Efforts to expand sales in the Chinese, Indian and U.S. markets**

## Food products

Help resolve climate change and food issues and increase food preference diversity, such as preferences for healthy and ethical consumption

### Plant-Based Foods *Deli-PLANTS Series*

- Stimulate the market and increase advertising during special events and other occasions
- Adopted by hotels, restaurants, cafes and others in Japan

• Launch in China, Singapore, Malaysia.

• Continue searching for new sales agents and production partners outside Japan.

## Food products

Reduce production waste and extend the consume-by date to reduce food loss (bread and others)

### Functional margarine *Marvelous Series*

- Developed the new product 「*Marvelous CNC*」 (New “RISU BRAND” products in FY2023)

▶ The content of functional ingredients has been increased to ensure that the addition of a trace amount produces a sufficient effect.

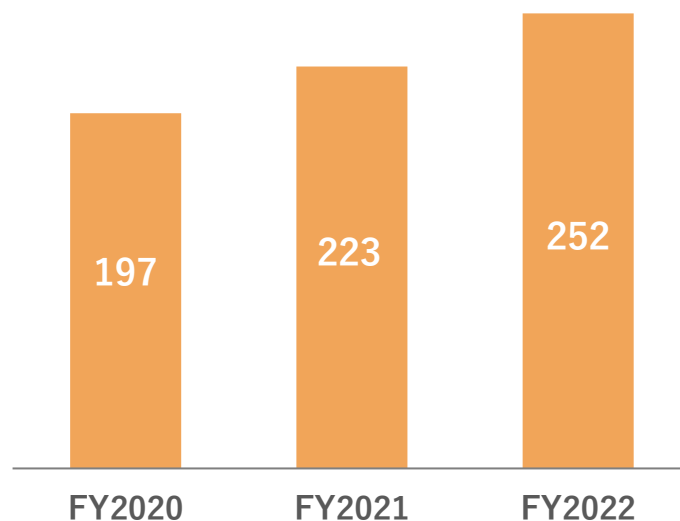
Expand sales of the series in Japan and overseas and broaden the sales areas

## Market Trends

- ✓ FY2022 : Market expanded steadily.
- ✓ CAGR for FY2022 - 2029: 13.6%

### Changes in the size of the global alternative milk market

(100 million dollars)



\* Fortune Business Insights



# Agriculture

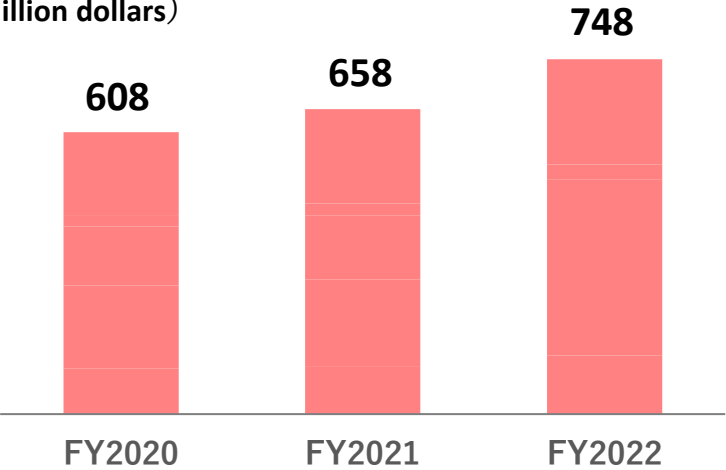
## Market Trends

**FY2022**  
Trending upward worldwide

**Future**  
8.5% increase in 2027 (compared with 2022 levels)

### Changes in the size of the global agrochemicals market

**FY2022**  
The South American, North American and Asian markets expanded.  
(100 million dollars)



\* Agbio Investor/Created the graph based on disclosure materials of NIHON NOHYAKU

## Activities for Smart Agriculture

### LeiMe AI Disease, Pest & Weed Analysis

Use AI to examine images to identify pests and weeds harmful to agricultural produce and to provide information about effective agrochemicals.



Promote it around the world to develop it into a unique leading AI-assisted image examination app

## Expand into the areas of biopesticides and crop protection materials

### April 3, 2023

Nichino Europe Co., Ltd. acquires 100% of the shares of Interagro (UK) Limited.

Endeavor to establish technologies for biopesticides and crop protection materials and to release products swiftly

# Capital Investment Plan

**Polymer Additives**

**UAE**

Enhancement of equipment for one-pack granule additives

Commercial operation started in Dec. 2022

**Electronics and IT materials**

**TAIWAN**

Construction of a new plant for materials for leading-edge logic semiconductors

Commercial operation scheduled to start in Apr. 2024

**Electronics and IT materials**

**KOREA**

High-k and other ALD Precursors etc. for leading-edge Semiconductor Memory

- Increased production in FY2024
- Expansion of production facilities in FY2023

Extension and relocation of R&D center (Suwon → Hwaseong)

Scheduled to open in Aug. 2023

**JAPAN**

**Electronics and IT materials**

**Chiba Plant**

Expansion of facilities for semiconductor peripheral materials such as photoacid generators for leading-edge photo resists

Scheduled to start operations in Aug. 2023

**Functional chemicals**

**Mie Plant**

Reinforce facilities for epoxy resin adhesives

Scheduled to start commercial operation in FY2023

**Life Science**

**INDIA**

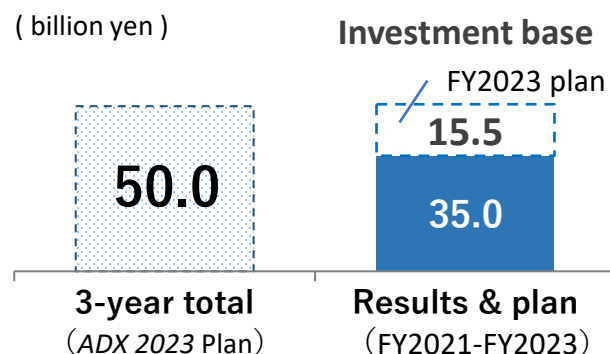
Reinforce facilities for wet-paddy insecticides

(Multipurpose plant)

Completed in April 2023

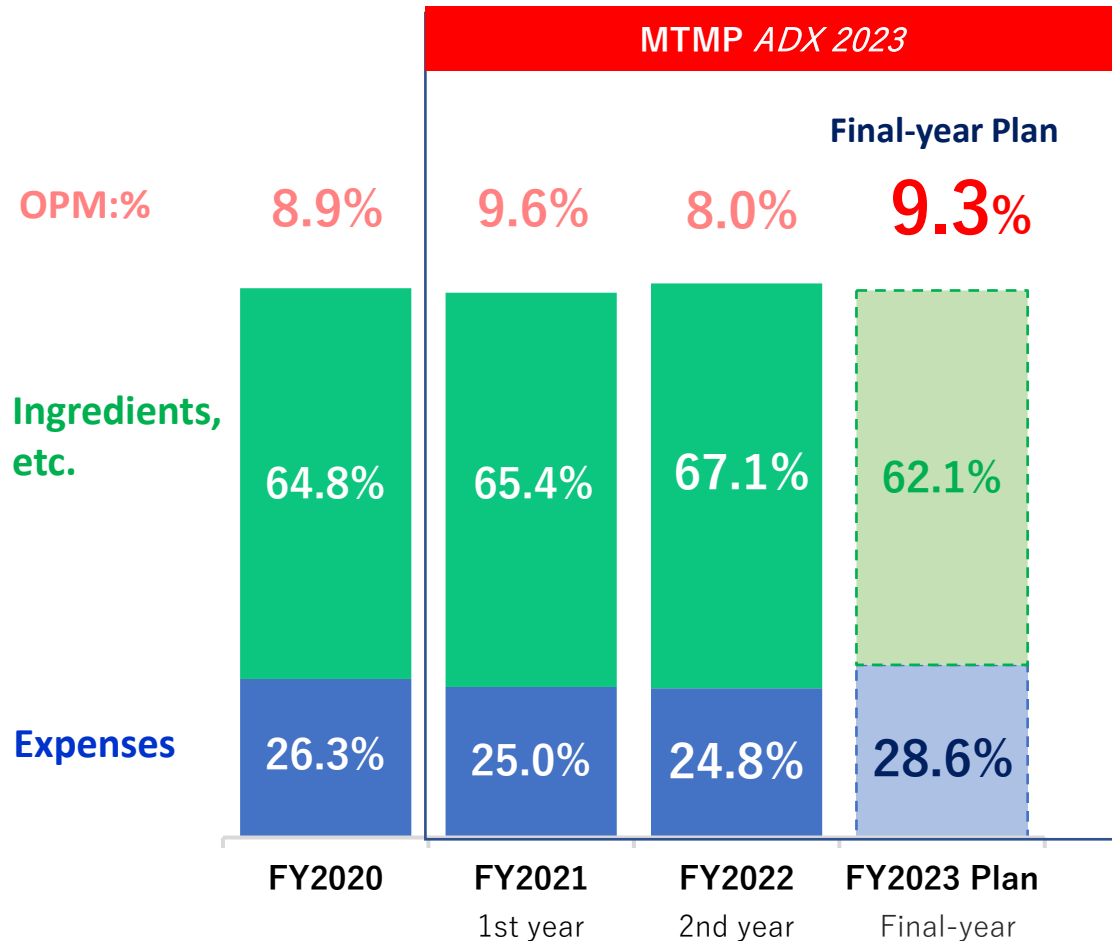
## Capital Investments

**Plan 50.0 billion yen (3-year total)**



# Key Strategies: Transforming the earnings structure/Increase Productivity

Appropriate management of total cost to develop an earnings structure with a strong backbone.



## ADX 2023 Initiatives

- Implement global purchasing
- Shared use of distribution warehouses, etc. and cooperative delivery\*
- Establish a task force to improve production technologies and work on this subject
- Accelerate automation

\*ADEKA Group

- Curtail SG&A expenses and other fixed costs
- Streamline manufacturing at plants.
- Implement personnel rotation

# Key Strategies : Achieving sustainable growth with new domains

## Implementation of new product development and commercialization in four fields as growth drivers

New product development



### Life Science



- Materials for decellularization regenerative medicine
  - Sustainable materials\*
- \*Using natural ingredients and biomass raw materials (Cosmetic ingredients, etc.)



### Environment



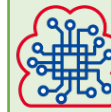
- Plastic recycling
- Plant-based foods
- Next-gen. compound materials



### Energy



- Next-gen. battery materials (graphene, etc.)
- New resin materials for automobiles
- Materials for wind power generation



### Next-gen. ICT



- IoT peripheral materials
- Semiconductor peripheral materials
- Display-related materials

New domains

Exploratory research for the future

Carbon Neutrality

Hydrogen Society

Use of Unexploited Resources

Actively implement M&A activities and alliances and expand and optimize the business portfolio

# Energy : Graphene

## Shares of INCUBATION ALLIANCE, INC. acquired

Integrate technologies and expertise in different types of graphene with different characteristics



Increase research and development capabilities and expand areas to press ahead with commercialization

### Graphene of ADEKA

#### Applications

Lithium-ion battery  
(Conductive additive)

#### Characteristics

High quality (low defects)  
and high productivity



### Graphene of InALA

#### Applications

Medical devices and materials  
(e.g. heat radiation materials)

#### Characteristics

High purity based on direct synthesis  
without substrate or catalyst  
Excellent heat transfer and control of  
the direction of heat transfer

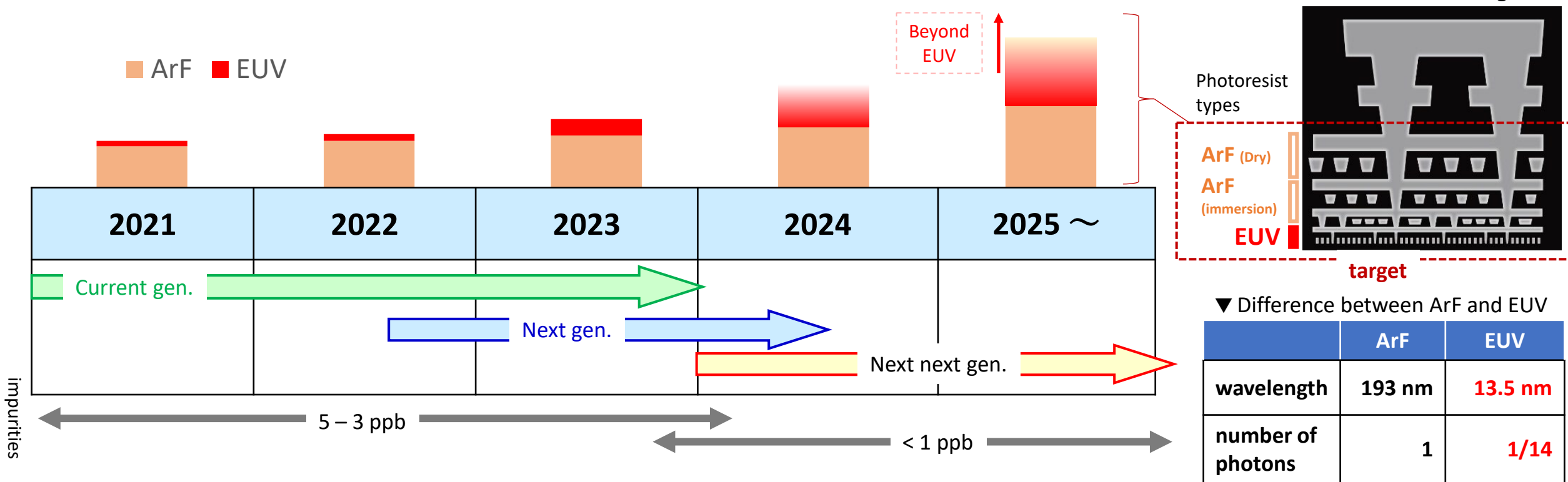
World first

Press ahead with commercialization to establish a position as a graphene manufacturer

# Accelerate Development of Photoacid Generator for EUV Resists

**Logic IC** Demand for low power consumption and high speed ⇒ Evolution of the miniaturization process

- extreme ultraviolet (EUV) exposure and structural change (into a GAA\* structure) -



**EUV exposure increased in line with the progress in miniaturization.**

- ⇒ ✓ Change in corresponding **light wavelength and sensitivity**
- ✓ **Tougher metal (quality) control required**

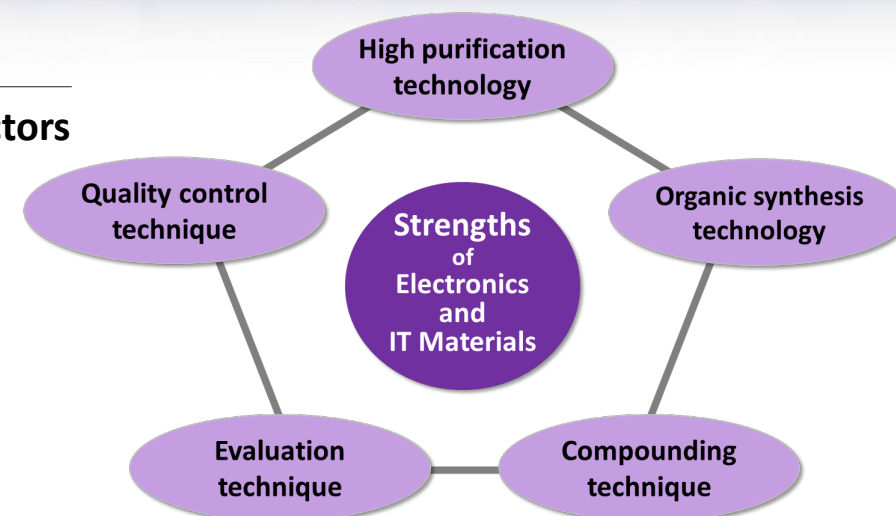
\* gate-all-around : A transistor structure introduced for ultrafine circuits with a process of 3 nanometers or smaller.

# Capital Investment for Photoacid Generators (PAG)

## Photoacid generator **ADEKA ARKLS Series**

Initiators used for photoresists in the lithography process for leading-edge semiconductors

- A **SOZAI\*** that gathers ADEKA's strengths in electronics and IT materials.
- With excellent **light control technologies and high purity quality control technologies**, it is best suited to EUV exposure, which requires technological innovation and the fulfillment of more demanding requirements.



Aug. 2023



**Production capacity expansion facility starts operation at Chiba Plant**

Investment value

**2.7 billion yen**

Total floor area

**6x**

Production capacity

at the moment  
**2X over**

- ✓ leading-edge process technology and equipment
- ✓ High quality control capability (metal control to less than 1 ppb)
- ✓ Furnished with production equipment for next-generation materials



**Endeavor to acquire the world's largest share of the market for PAG for leading-edge resists**

\* SOZAI mean our Excellent Value; products, technologies and services.

# Achieve Carbon Neutrality

Gather ideas for achieving carbon neutrality by 2050 from all ADEKA,

**2050 : Achieving Carbon Neutrality**

**2030 : Reduce CO<sub>2</sub> emissions by 46% compared to 2013 (Scope 1+2)**

## (1) Reduce GHG emissions from our business activities

### Energy

- Promote energy conservation
- Facilitate the shift to renewable energy
- Introduce and procure renewable energy equipment

### Business Transformation

- Restructure and transform the business portfolio for the reduction of GHG emissions
- Discuss the use of internal carbon pricing

## (2) Contributing to the reduction of GHG emissions through the creation of technologies and products

- Examine GHG emissions throughout the supply chain
- Promote the sustainable procurement of raw materials
- Optimize and increase the environmental friendliness of logistics

**Reduce GHG emissions and contribute to the decarbonization of society by providing eco-friendly products and technologies.**



# Response to Climate Change Issues

From Sep. 2022

**Carbon Neutrality Strategy** implemented

May. 2023

Information disclosure improved in accordance with the TCFD recommendations

## Six measures will be implemented

① Review product strategies

② Reduce energy consumption per ton of products

③ Develop environmentally-friendly technologies

④ Introduce renewable energy

⑤ Increase the precision of greenhouse gas control

⑥ Introduce internal carbon pricing\*

From FY2023

Place bids for **renewable energy certificates**

Start **trial introduction**

**Internal carbon price**

**15,000 yen/t-CO<sub>2</sub>**

In accordance with the scenarios determined, organize and assess opportunities and risks in **ALL the Businesses** (In the past, assessment was conducted only in the functional chemicals business.)

**Scenarios**  
(climate change)

- Transition scenario (1.5°C/2°C or lower scenario)
- Physical scenario (4°C scenario)

\* A mechanism in which a carbon price is independently set inside a company to encourage low-carbon investments and measures

# Expand the opportunities for utilizing human resources

## Promote Diversity and Inclusion (D&I)

KPIs  
in 2030

- Human Resource Portfolio
- Female manager percentage of 10% (non-consolidated)
- Employee satisfaction, diversity and inclusion (D&I) education and training and other initiatives

## Promote Health Management

KPIs  
in 2030

「Obtain certification for Health & Productivity Management Outstanding Organization (White 500)」

Jun. 2022

D&I Project Team launched

Sep. 2022

Health and Productivity Management Strategy Map prepared and implemented

### Nine measures were formulated and launched.

All

- ✓ Distribute messages from the president and activity information
- ✓ Provide unconscious bias training

women

- ✓ Introduce a consultant program
- ✓ Provide career development training

Management positions

- ✓ Introduce diversity items in personnel evaluations

Management positions

- ✓ Give line care training in consideration of subordinates' mental healthcare

April 2023~

Implement an inter-service intervals program on a trial basis

Applied to

Exempt employees

Interval

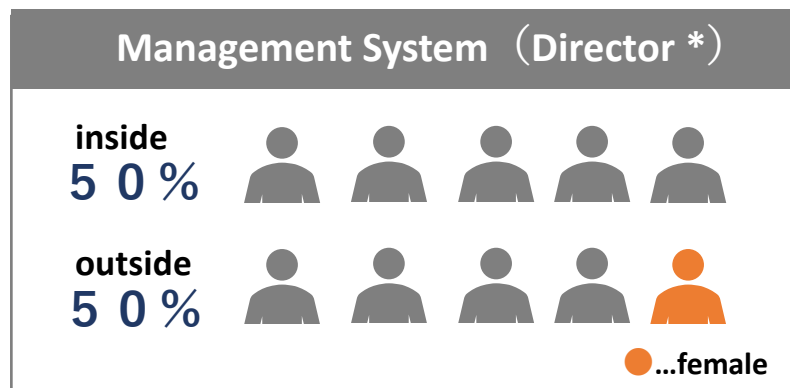
10 hours

# Enhance Group governance and risk management

May 2023

**Introduce a delegated executive officer system**

- Separate between **management** and **execution**
- Streamline business execution
- Speed up decision-making



\* This requires approval at the 161st Ordinary General Meeting of Shareholders on June 23, 2023.

Dec. 2022

**Change the chairperson of the Nomination and Remuneration Committee to an outside director**

Chairperson of the Nomination and Remuneration Committee



Jun. 2022

**Advance risk management**

< Organizational reform (renaming and revision to division of duties) >

## Risk Management Committee

(chaired by the Representative Director and Senior Managing Executive Officer)



< before >

Risk Management Committee ➤ Crisis management in emergency situations

# Restructuring of Group Companies, etc.

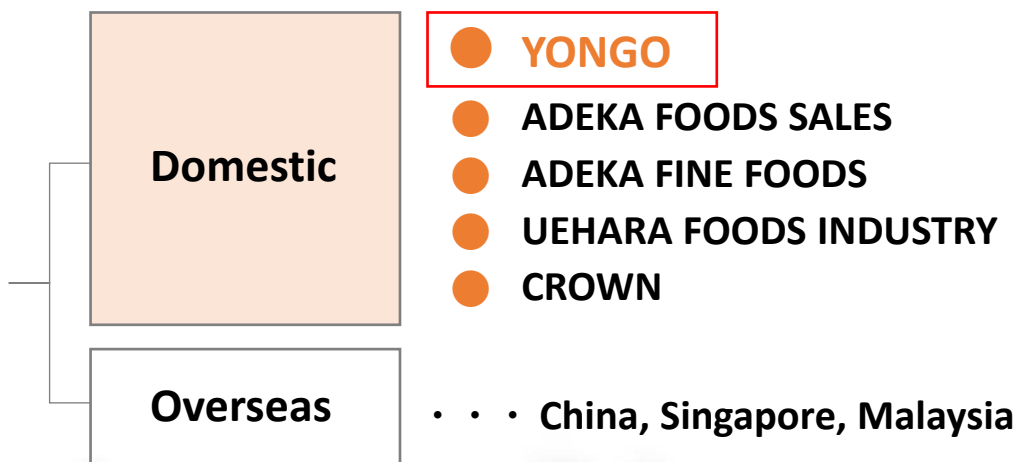
## Food products

May 2023

Make YONGO CORP. into a wholly owned subsidiary through simplified share exchange

- Speed up business decision-making
- Integrated and organic management that makes the most of the Group's operating resources

● denotes a wholly owned subsidiary in which the Company holds a 100% stake.

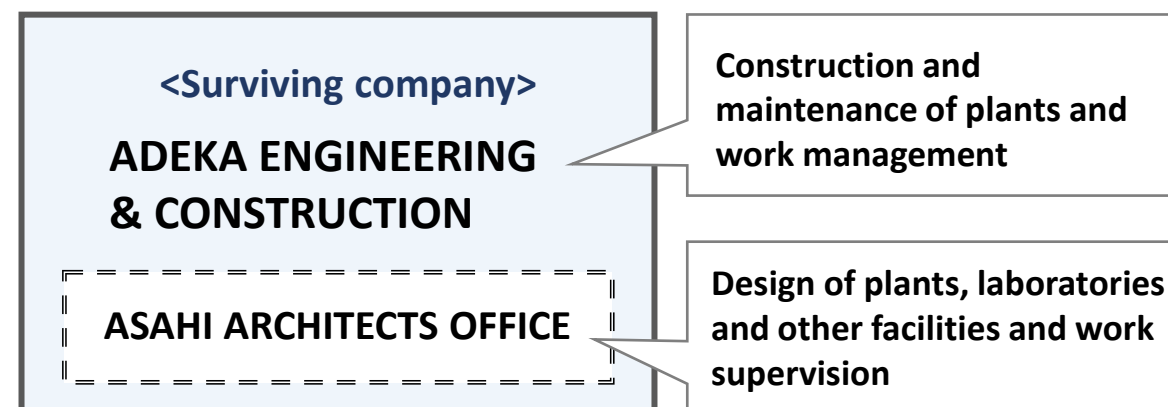


## Other business

Scheduled for Jul. 2023

ADEKA ENGINEERING & CONSTRUCTION to execute an absorption-type merger\* with ASAHI ARCHITECTS OFFICE

- Rationalize and streamline the engineering business



\*This requires approval at the general meetings of shareholders of both companies in June 2023.

# Foundation Supporting the Implementation of Basic Strategies

**ABS**, a new main system, has been in operation since April 2023

## What is the new main system, ABS

A system that links the integrated main system for managing sales, production, purchasing and inventory management with other systems for managing quality, logistics, cost and laws and regulations

⇒ A system enabling the efficient centralized management of the information necessary for management

## Purpose

Replace with a new main system that is flexible and scalable

Improve the efficiency of operators to increase competitiveness

Construct a foundation in preparation for the advancement of business management

Active use of ROIC\*, etc.

\* ROIC : An indicator of the efficiency of earning profit from the funds invested by a company in business activities

# Estimated ROIC Figures by Segment (for Reference)

- ROIC figures for FY2022 have been estimated for reference purposes
- Under the next mid-term management plan, improve the accuracy of figures using ABS, the new main system.

## ■ FY2022 results

**Group-wide : 7.6%\***

\* ROIC : Return on invested capital (ROIC) = Operating profit x (1 - Effective tax rate) / Capital invested

					(%)
Polymer Additives	Electronics and IT materials	Functional chemicals	Food products	Life Science	
7	17	6	—	5	

# Revision of Dividend forecast

## ADX 2023

Based on our comprehensive consideration of appropriate shareholder returns, maintaining stable dividends as our policy.

**Dividend payout ratio maintained More than 30%**

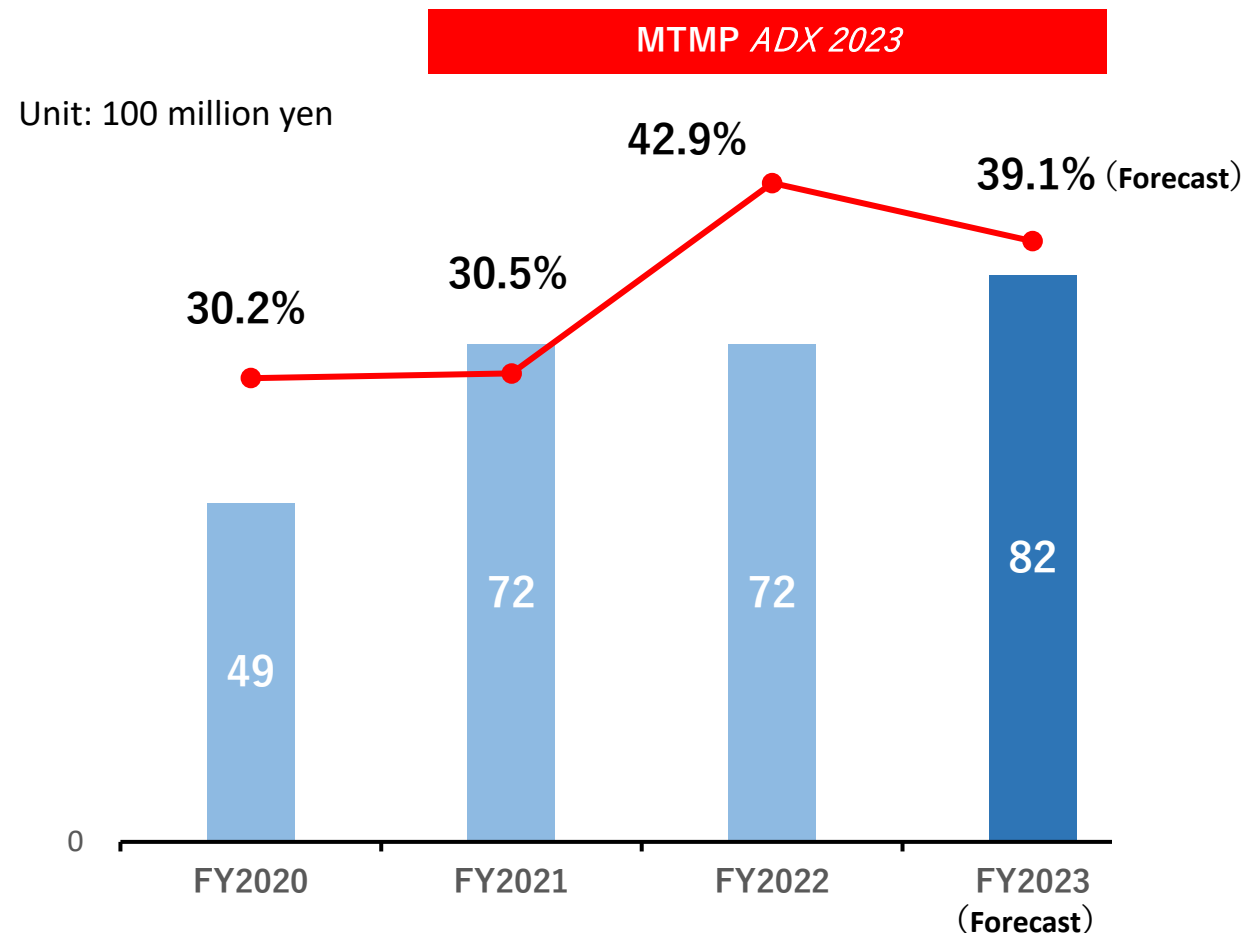
	2nd quarter-end	Year-end	Total	YoY	Dividend payout ratio (%)
FY2022 results	¥ 35	¥ 35*	¥ 70*	¥ 0	42.9
FY2023 forecasts	¥ 40	¥ 40	¥ 80	¥ 10	39.1

\*The year-end dividend of 35 yen per share for FY2022 will be officially determined upon approval at the Company's 161st Ordinary General Meeting of Shareholders on June 23, 2023.

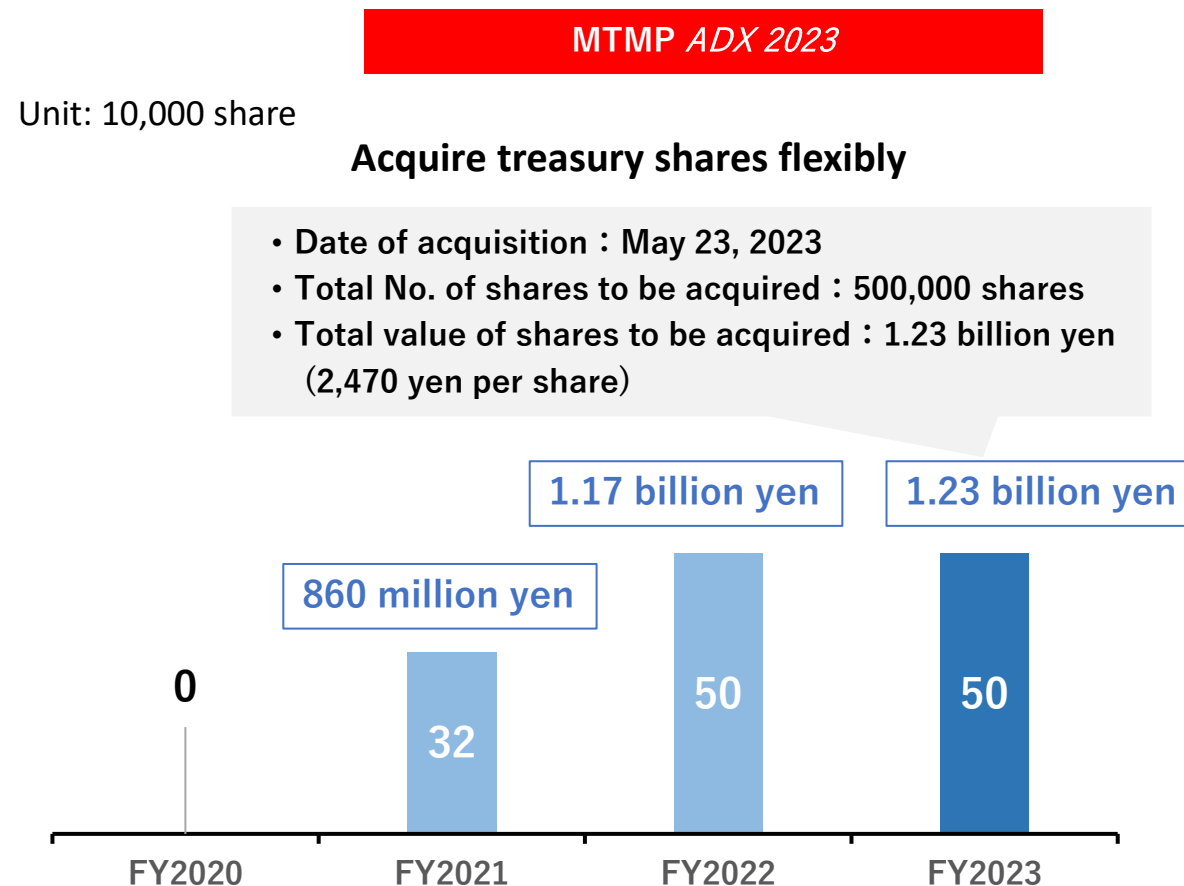
**Place importance on both the “rate” and “amount” of dividends and seek to continue increasing dividends through performance improvements.**

# Dividends and Acquisition of treasury shares

## Total dividend (bar chart) / Dividend payout ratio (line chart)



## Acquisition of treasury shares

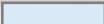


Note 1 : Total Dividend are expressed in units of 100 million yen and have been rounded off.

Note 2 : Rate of dividend payout(FY2021) are the figures after retrospective application of a change in accounting policy.



# Progress Versus Net sales Target - By segment -

 = Target level reached Unit: 100 million yen

	FY2023 Target Final-year of ADX 2023	FY2022 Results 2nd year of ADX 2023	Progress (%)	FY2023 Forecast Final-year of ADX 2023	Gap from target
<b>Sales</b>	4,300	4,033	93.8	4,260	△ 40
<b>Chemicals</b>	2,400	2,117	88.2	2,289	△ 111
<i>Polymer Additives</i>	1,250	1,113	89.1	1,140	△ 110
<i>Electronics and IT materials</i>	470	363	77.4	435	△ 35
<i>Functional chemicals</i>	680	640	94.2	714	34
<b>Food products</b>	850	825	97.1	867	17
<b>Life Science</b>	990	1,020	103.1	1,040	50

Note : Figures are expressed in units of 100 million yen and have been rounded off.

The logo for ADEKA features a stylized letter 'A' on the left, composed of a red upper half and a blue lower half. To the right of the 'A' is the word 'DEKA' in a bold, red, italicized sans-serif font. The entire logo is centered horizontally.

**ADEKA**

**Add Goodness**



FY2022

## Supplemental Documents for Financial Results Overview

Director and Operating Officer  
**Youji Shiga**

1. Supplementary Data for consolidated Closing of Accounts
2. Management indexes, etc.
3. For Reference

# 1 - 1 Consolidated Balance Sheet

## 1. Supplementary Data for the Consolidated Closing of Accounts

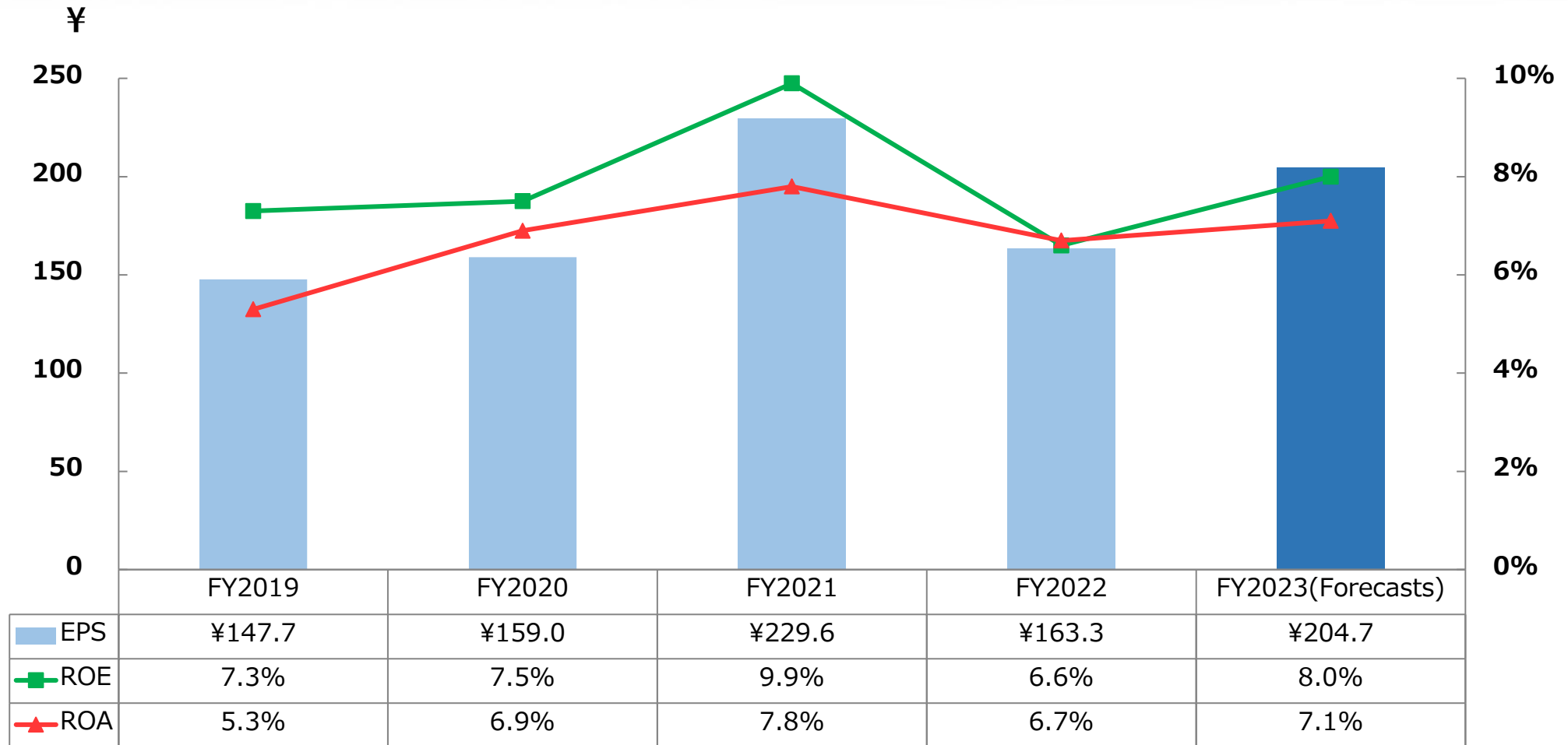
Unit: 100 million yen	As of Mar. 31,2022	As of Mar. 31,2023	Change		As of Mar. 31,2022	As of Mar. 31,2023	Change
<b>Current assets</b>	2,938	3,154	215	<b>liabilities</b>	1,784	1,883	99
Cash and deposits	842	811	△ 31	Current liabilities	1,148	1,294	146
Notes and accounts receivable – trade, etc.	1,004	996	△ 8	Long-term liabilities	635	588	△ 47
Inventories	960	1,167	206	<b>Net assets</b>	2,968	3,117	148
Other	130	179	48	Shareholders' equity	2,300	2,387	87
<b>Fixed assets</b>	1,814	1,846	32	Capital stock	230	230	-
Tangible fixed assets	1,193	1,194	1	Capital surplus	201	201	△ 0
Intangible fixed assets	168	180	12	Retained earnings	1,880	1,978	97
Investment and other assets	452	471	18	Treasury stock	△ 12	△ 23	△ 10
				Accumulated other comprehensive income	199	222	22
				Minority interests	469	507	38
<b>Total assets</b>	<b>4,753</b>	<b>5,000</b>	<b>247</b>	<b>Total liabilities and net assets</b>	<b>4,753</b>	<b>5,000</b>	<b>247</b>

Note 1 : Figures are expressed in units of 100 million yen and have been rounded off. Note 2 : The figures (as of March 31, 2022) are after retrospective application of a change in accounting policy.

Unit: 100 million yen

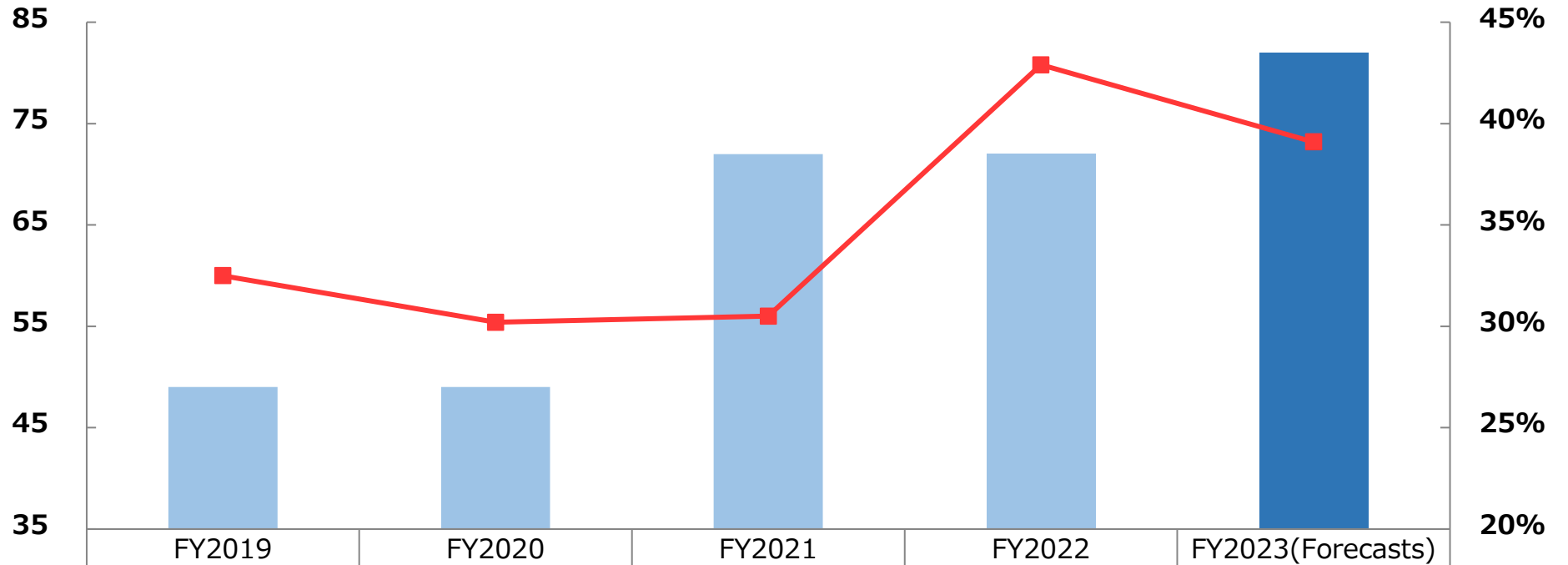
	FY2021 from April 1, 2021 to March 31, 2022	FY2022 from April 1, 2022 to March 31, 2023
Cash flows from operating activities	210	172
Cash flows from investing activities	△ 113	△ 195
Cash flows from financing activities	△ 118	△ 26
Effect of exchange-rate changes on cash and cash equivalent	27	16
Net increase/decrease in cash and cash equivalents	6	△ 32
Cash and cash equivalents at the beginning of period	821	827
Cash and cash equivalents at the end of period	827	795

Note : Figures are expressed in units of million yen and have been rounded off.



Note : FY2021 are the figures after retrospective application of a change in accounting policy.

¥ 100 million

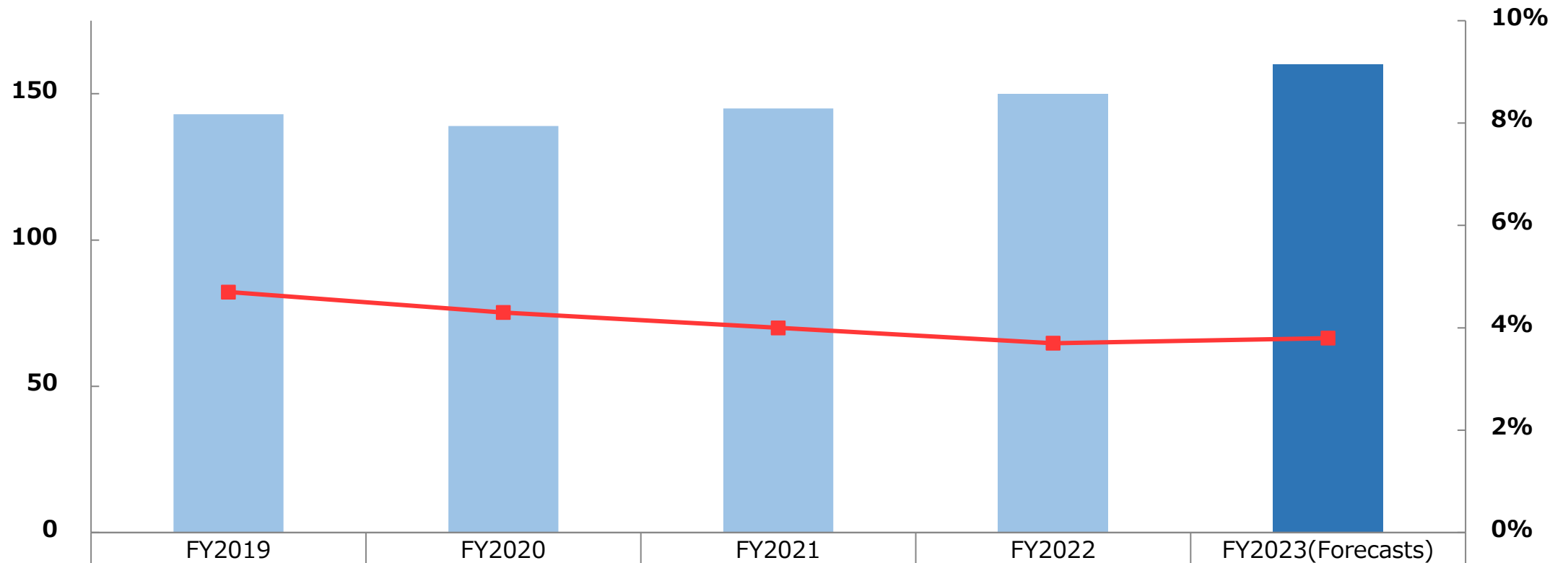


Dividend	¥48	¥48	¥70	¥70	¥80
Total Dividend	49	49	72	72	82
Rate of dividend payout	32.5%	30.2%	30.5%	42.9%	39.1%

Note 1 : Total Dividend are expressed in units of 100 million yen and have been rounded off.

Note 2 : Rate of dividend payout(FY2021) are the figures after retrospective application of a change in accounting policy.

¥ 100 million



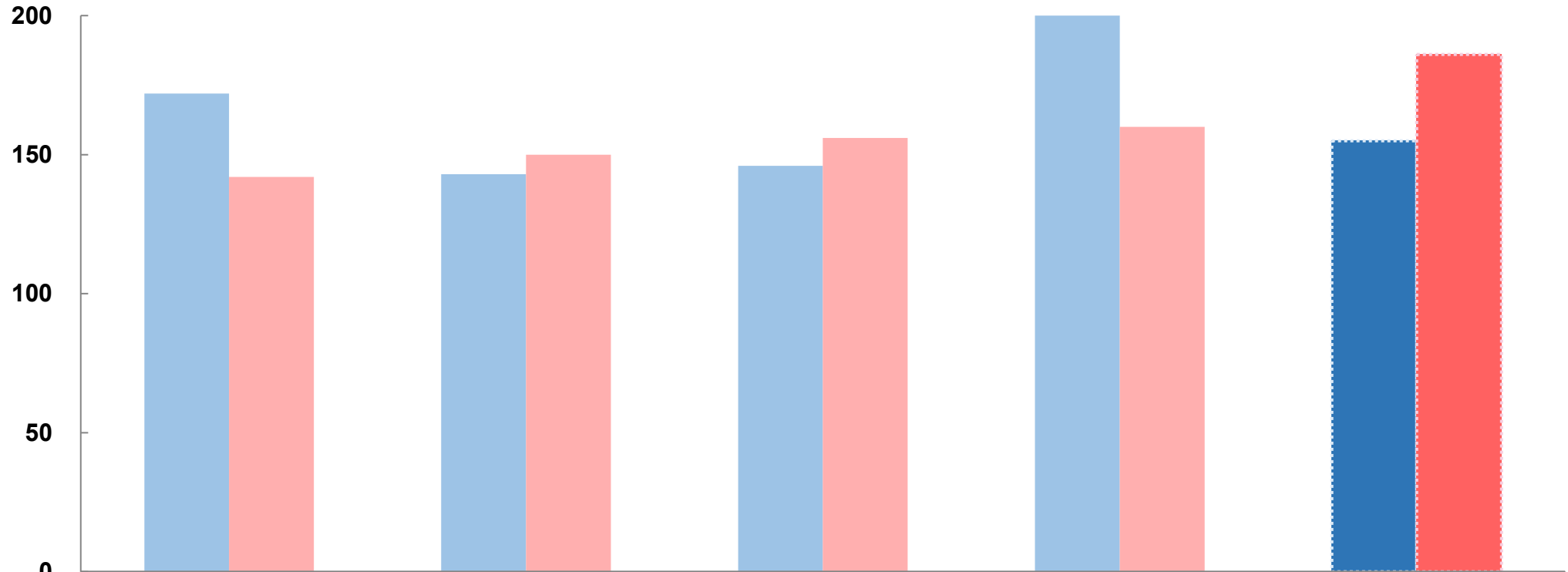
■ R&D costs	143	139	145	150	160
■ R&D costs to sales	4.7%	4.3%	4.0%	3.7%	3.8%

Note 1 : R&D costs are expressed in units of 100 million yen and have been rounded off.

Note 2 : Rate of R&D costs to sales (FY2021) are the figures after retrospective application of a change in accounting policy.



¥ 100 million

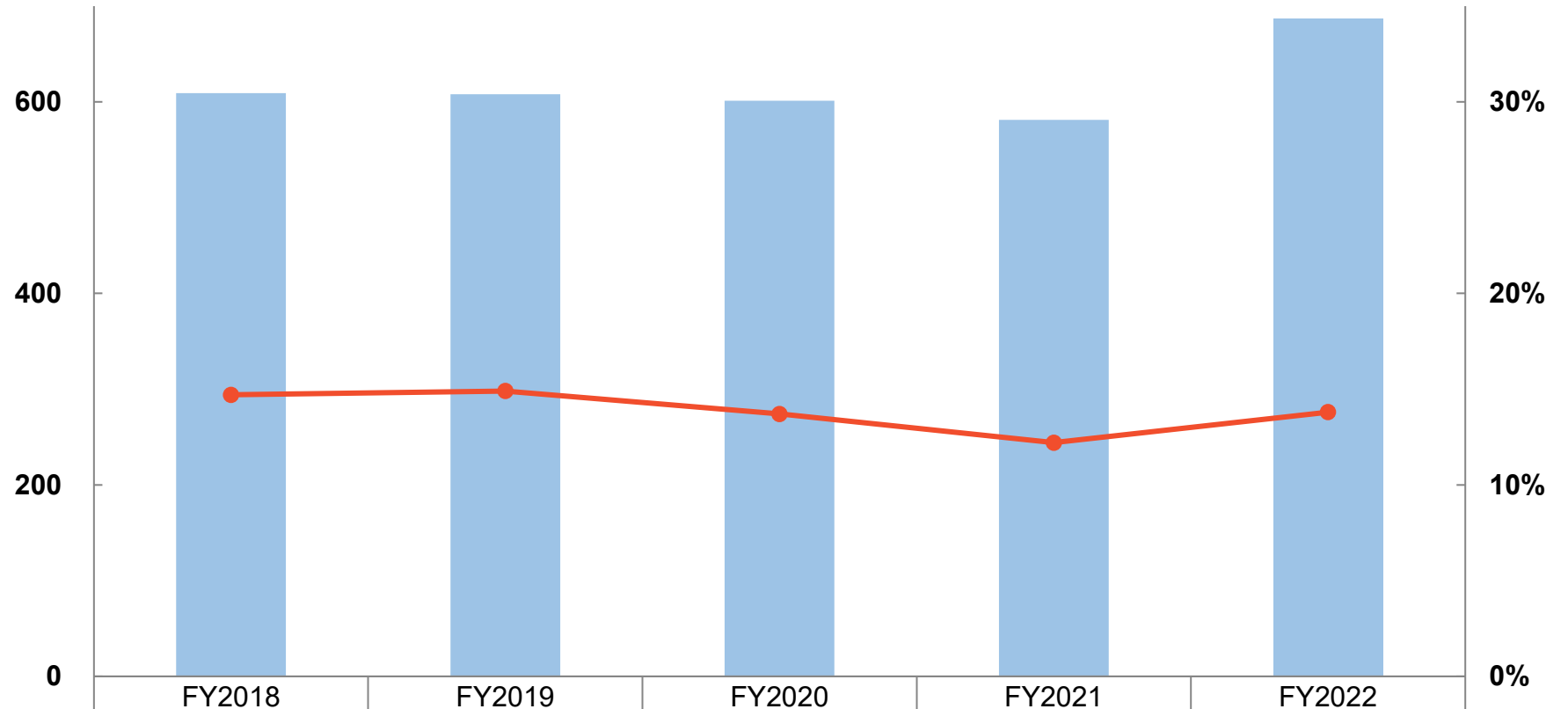


	FY2019	FY2020	FY2021	FY2022	FY2023(Forecasts)
Capital investment	172	143	146	204	155
Depreciation costs	142	150	156	160	186

Note : Capital investment and depreciation are expressed in units of 100 million yen and have been rounded off.



¥ 100 million



Note : Liabilities with interest are expressed in units of 100 million yen and have been rounded off.

# 3 - 1 Overview of non-consolidated and consolidated closing accounts

3. For Reference

■ Non-consolidated  
■ Consolidated

Unit: 100 million yen

## Non-consolidated closing of accounts

	FY2021	FY2022	Amounts	Rate (%)
Sale	1,428	1,532	104	7.3
Operating profit	145	96	△ 49	△ 34.1
Current profit	213	184	△ 28	△ 13.5
Profit attributable to owners of parent	166	127	△ 38	△ 23.4
Net profit per share - yen/share -	160.5	123.4		

## Domestic companies (11)

	FY2021	FY2022	Amounts	Rate (%)
Sale	869	948	79	9.1
Operating profit	15	15	△ 0	△ 1.8

## Overseas companies (18)

	FY2021	FY2022	Amounts	Rate (%)
Sale	1,838	1,924	85	4.7
Operating profit	130	132	1	1.3

## NIHON NOHYAKU (11)

	FY2021	FY2022	Amounts	Rate (%)
Sale	801	1,020	219	27.4
Operating profit	57	87	29	51.6

## Consolidation adjustment accounts (deleted)

	FY2021	FY2022
Sale	△ 1,324	△ 1,392
Operating profit	△ 9	△ 7

Note : Figures are expressed in units of 100 million yen and have been rounded off.

Note 2 : FY2021 3Q are the figures after retrospective application of a change in accounting policy.

## 3 - 2 Consolidated Subsidiaries - 16 companies in Japan① -

3. For Reference

Segment	Consolidated subsidiary	Capital	Controlling Share : %	Line of business
Chemicals	ADEKA CHEMICAL SUPPLY CORP.	¥ 104million	100.00 (Indirect ownership: 5.57)	Sales of chemical products, and the development, manufacturing and sales of metal processing oils, etc.
Chemicals	ADEKA CLEAN AID CORP.	¥ 140million	100.00	Development and sales of kitchen detergents for commercial use, industrial detergents, etc.
Chemicals	OXIRANE CHEMICAL CORP.	¥ 600million	51.00	Manufacturing and sales of epoxy plasticizers, etc.
Food products	ADEKA FOOD SALES CORP.	¥ 42million	100.00	Sales of edible processed oils and fats for confectionary and breads, and sales of other foodstuffs, etc.
Food products	YONGO CO.,LTD.	¥ 18million	92.64	Wholesaling of ingredients for confectionary and bakery business use.
Food products	ADEKA FINE FOODS CORP.	¥ 50million	100.00	Manufacturing and sales of mayonnaise products, oil and fat processed food products and processed products using seafood.
Food products	UEHARA FOOD INDUSTRY CO.,LTD.	¥ 70million	100.00	Manufacturing and sales of flour paste products, bean-jams and retort pouch foods.
Food products	CROWN CO.,LTD.	¥ 10million	100.00	Wholesale business of food materials such as fatty oils, flour milling and flavors and processed foods.

## 3 - 2 Consolidated Subsidiaries - 16 companies in Japan②-

3. For Reference

Segment	Consolidated subsidiary	Capital	Controlling share : %	Line of business
Life science	NIHON NOHYAKU CO.,LTD.	¥14,939million	51.00	Agrochemicals, Wood Preservative, Agricultural Materials, Pharmaceuticals & Veterinary Products
Life science	NICHINO RYOKKA CO.,LTD.	¥160million	100.00 (Indirect ownership: 100.00)	Sales of Chemical/Pesticides for Professional Turf, Planning for GOLF Courses and Amenity Areas
Life science	NICHINO SERVICE CO.,LTD.	¥3,400million	100.00 (Indirect ownership: 100.00)	Production and Logistic Services of Agrochemical, Cultivation & Management of Experimental Field/Laboratories
Life science	NIHON ECOTECH CO.,LTD.	¥20million	100.00 (Indirect ownership: 100.00)	Agrochemical Residue Analysis, Chemical Substance Safety Testing, and Related Activities
Life science	AGRIMART CORP.	¥50million	100.00 (Indirect ownership: 100.00)	Sales of Termite Control Agents/Devices, Pest Control Agents/Devices
Others	ADEKA LOGISTICS CORP.	¥ 50million	100.00	General and principal contracting of logistics for the company, warehousing, leasing of vehicles, etc.
Others	ADEKA ENGINEERING & CONSTRUCTION CORP.	¥ 130million	100.00	Design, construction, and construction supervision of facility plants, and facilities maintenance.
Others	ADEKA LIFE-CREATE CORP.	¥ 65million	100.00 (Indirect ownership: 20.00)	Trading, brokerage and management of real estate, property and life insurance agency, sales in the OA equipment area, and management of buildings and company-owned apartments

# 3 - 3 Consolidated Subsidiaries - 23 overseas companies<sup>①</sup> -

3. For Reference

Country	Segment	Consolidated subsidiary	Capital	Controlling Share : %	Line of business
U.S.	Chemicals	ADEKA USA CORP.	US\$1 million	100.00	Sales of chemical products.
U.S.	Chemicals	AMFINE CHEMICAL CORP.	US\$16 million	60.00	Manufacturing and sales of polymer additives.
U.S.	Chemicals	AM STABILIZERS CORP.	US\$8.5 million	100.00 (Indirect ownership: 100.00)	Manufacturing and sales of polymer additives.
U.S.	Life science	NICHINO AMERICA, INC.	US\$0.7 million	100.00 (Indirect ownership: 100.00)	Sales and R&D of agrochemicals in America
U.K.	Life science	NICHINO EUROPE CO.,LTD	£ 0.03 million	100.00 (Indirect ownership: 100.00)	Sales and R&D of agrochemicals in Europe
BLAZIL	Life science	SIPCAM NICHINO BRASIL S.A.	R\$223.89 million	50.00 (Indirect ownership: 50.00)	Production and sales of agrochemicals in Blazil
GERMANY	Chemicals	ADEKA Europe GmbH	€0.5 million	100.00	Sales of chemical products.
FRANCE	Chemicals	ADEKA POLYMER ADDITIVES EUROPE SAS	€3 million	100.00 (Indirect ownership: 100.00)	Manufacturing and sales of polymer additives.
CHINA	Chemicals	ADEKA (CHINA) CO., LTD.	US\$31 million	100.00	Sales of chemical products.
CHINA	Chemicals	ADEKA FINE CHEMICAL (SHANGHAI) CO., LTD.	US\$20.5 million	100.00	Manufacturing and sales of polymer additives, functional resins, electronic materials and similar products.
CHINA	Chemicals	ADEKA FINE CHEMICAL (CHANGSHU) CO., LTD.	US\$21.54 million	50.00	Manufacturing and sales of polymer additives.
CHINA	Food products	ADEKA FOODS (CHANGSHU) CO., LTD.	US\$23 million	70.00	Manufacturing and sales of processed oils and fats, processed foods.
CHINA	Chemicals	ADEKA FINE CHEMICAL (ZHEJIANG) CO.,LTD.	US\$30 million	100.00 (Indirect ownership: 100.00)	Manufacture and sales of chemical products such as polymer additives.

# 3 - 3 Consolidated Subsidiaries - 23 overseas companies<sup>②</sup> -

3. For Reference

Country	Segment	Consolidated subsidiary	Capital	Controlling Share : %	Line of business
TAIWAN	Chemicals	CHANG CHIANG CHEMICAL CO., LTD.	NT\$30 million	50.50	Sales of polymer additives and plasticizers .
TAIWAN	Chemicals	ADEKA FINE CHEMICAL TAIWAN CORP.	NT\$200 million	100.00	Manufacturing and sale of chemical products.
TAIWAN	Life science	TAIWAN NIHON NOHYAKU CO.,LTD	NT\$40 million	57.00 (Indirect ownership: 57.00)	Sales and R&D of agrochemicals in Taiwan
INDIA	Life science	NICHINO INDIA PVT. LTD.	₹3.85 million	100.00 (Indirect ownership: 100.00)	Production, sales and R&D of agrochemicals in India
SOUTH KOREA	Chemicals	ADEKA KOREA CORP.	₩15 billion	100.00	Manufacturing and sale of chemical products.
THAILAND	Chemicals	ADEKA FINE CHEMICAL (THAILAND) CO.,LTD.	฿ 350 million	81.00	Manufacturing and sale of chemical products.
SINGAPORE	Chemicals	ADEKA (ASIA) PTE.LTD.	US\$ 0.8 million	100.00	Sales of chemical products.
SINGAPORE	Food products	ADEKA (SINGAPORE) PTE.LTD.	S\$8 million	90.00	Manufacturing and sales of processed oils and fats, frozen piecrusts and related food products.
Malaysia	Food products	ADEKA FOODS (ASIA) SDN.BHD.	MYR90 million	60.00	Manufacturing and sales of processed oils and fats.
UAE	Chemicals	ADEKA AL OTAIBA MIDDLE EAST LLC	AED45.46 million	49.00	Manufacture and sales of polymer additives, Sales for Chemicals and Foods



## 3 - 4 Equity method - applicable companies -

3. For Reference

Equity method-applicable companies	Capital	Controlling Share : %	Line of business
CO-OP CLEAN CO., LTD.	¥80 million	46.88	Development and sales of soap, detergents and similar products.
SHOWA KOSAN CO.,LTD.	¥550 million	21.65	Sale of synthetic resins, chemical products, industrial materials, electronic materials and environmental concerns.
AGRICULTURAL CHEMICALS (MALAYSIA) SDN. BHD.	MYR2.05 million	24.18 (Indirect ownership: 24.18)	Production and sales of agrochemicals in Malaysia
SIPCAM EUROPE S.P.A.	€36.94 million	20.00 (Indirect ownership: 20.00)	Production and sales of agrochemicals in Europe
NICHINO VIETNAM CO.,LTD	VND22,680 million	100.00 (Indirect ownership: 100.00)	Production and sales of agrochemicals in Vietnam
TAMA KAGAKU KOGYO CO., LTD.	¥126 million	31.07 (Indirect ownership: 31.07)	Production and sale of organic synthetic chemicals





# 3 - 5 Core products of each business segments

Business category		Core products	
Reporting segment	Chemicals	Polymer Additives	Additives for polyolefins, PVC plasticizers/stabilizers, Flame retardants, and others.
		Electronics and IT materials	High-purity materials for semiconductors, AFES System and etching agents, Photo(Light)/heat curing materials, photoinitiators, Imaging materials, and others.
		Functional Chemicals	Epoxy resins, Polyurethanes, Water-borne resins, Surfactants, Lubricant additives, Kitchen detergent, Cosmetic ingredients, Polypropylene glycol, Hydrogen peroxide and derivative products, Water-swelling sealing materials, and others.
	Food products	Margarines, Shortenings, Fats and oils for chocolate, frying and cooking fats and oils, Plant-based foods, Whipping cream, Kneading cream, Fillings, Mayonnaise dressing, functional foods, and others.	
	Life science	Agrochemicals, Agricultural materials, Pharmaceuticals & Veterinary products, Wood preservative, and others.	
Other business		Designing of equipment plants, Construction and construction management, Maintenance of equipment, Logistic services, Warehousing, Leasing of vehicles, Real estate and insurance business, and others.	



# Notice on Forecast Performance and Business Plans

The forecast performance and business plans specified in this document have been prepared based on information available as of the date of publication, as well as on various prerequisites; therefore, the actual results may differ from these forecasts or plans depending on various factors that may arise hereafter.

In the event of any discrepancy between the Japanese original and this English translation, the Japanese original shall prevail.