



January 16, 2026

For Immediate Release

Company Name:	Sumitomo Chemical Co., Ltd.
Representative:	Nobuaki Mito President and Representative Director
Securities Code:	4005
Stock Exchange Listings:	Prime Section of the Tokyo Stock Exchange
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Company Name:	Tanaka Chemical Corporation
Representative:	Tetsushi Kondo Representative Director, Executive President
Securities Code:	4080
Stock Exchange Listings:	Standard Section of the Tokyo Stock Exchange
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**(Progress of Disclosed Matters) Notice Regarding Determination of Share Exchange Ratio in Simplified Share Exchange between Sumitomo Chemical Co., Ltd. and Tanaka Chemical Corporation**

Sumitomo Chemical Co., Ltd. (“Sumitomo Chemical”) and Tanaka Chemical Corporation (“Tanaka Chemical”) hereby announce that, with respect to the simplified share exchange (the “Share Exchange”) announced on October 28, 2025, under which Sumitomo Chemical will become the wholly-owning parent company resulting from the share exchange and Tanaka Chemical will become the wholly-owned subsidiary resulting from the share exchange, the share exchange ratio has been calculated based on the share exchange agreement executed on the same date, and has been determined as set forth below.

**1. Details of allotment in the Share Exchange**

	Sumitomo Chemical (Wholly-owning parent company resulting from the share exchange)	Tanaka Chemical (Wholly-owned subsidiary resulting from the share exchange)
Share Exchange Ratio	1	0.87

**(1) Share Allotment Ratio**

Sumitomo Chemical will allot 0.87 common shares of Sumitomo Chemical for each common share of Tanaka Chemical (excluding common shares of Tanaka Chemical held by Sumitomo Chemical).

**(2) Number of Shares of Sumitomo Chemical to Be Delivered in the Share Exchange, etc.**

14,028,356 common shares of Sumitomo Chemical are expected to be delivered by Sumitomo Chemical upon the Share Exchange.

Sumitomo Chemical is scheduled to use the treasury shares held by Sumitomo Chemical for all of the shares that

Sumitomo Chemical will deliver upon the Share Exchange.

In the event that any fractional shares arise in common shares of Sumitomo Chemical to be allotted, Sumitomo Chemical will, in accordance with the provisions of Article 234 of the Companies Act and other relevant laws and regulations, sell the number of common shares of Sumitomo Chemical equivalent to the total sum of such fractional shares (in case where the total sum includes a fraction, such fraction is to be discarded) and pay the sales proceeds to each of such shareholders in proportion to the fractional shares attributed to them.

In addition, Tanaka Chemical is scheduled to cancel, immediately prior to the time when Sumitomo Chemical acquires all of the issued shares of Tanaka Chemical (excluding the Tanaka Chemical Shares held by Sumitomo Chemical) as a result of the Share Exchange (the “Record Time”), all of the treasury shares held by it as of the Record Time (including treasury shares to be acquired by Tanaka Chemical in response to share purchase demands from dissenting shareholders in connection with the Share Exchange under Article 785, Paragraph 1 of the Companies Act) by a resolution of the board of directors to be held on or before the day preceding the effective date of the Share Exchange.

The number of common shares of Sumitomo Chemical to be delivered by Sumitomo Chemical upon the Share Exchange may be revised in the future due to the acquisition or cancellation of treasury shares by Tanaka Chemical or other similar reasons.

## 2. Calculation Method of the Details of allotment in the Share Exchange and Results of Calculation

### (1) Calculation Method of Share Exchange Ratio

In the Share Exchange, Sumitomo Chemical will allot, in exchange for common shares of Tanaka Chemical, to the shareholders of Tanaka Chemical existing at the Record Time (excluding Sumitomo Chemical), common shares of Sumitomo Chemical in a number obtained by multiplying the number of common shares of Tanaka Chemical held by such shareholders by the share exchange ratio calculated in accordance with the following formula.

$$\text{Share exchange ratio} = 424 \text{ yen} / \text{Average price of common shares of Sumitomo Chemical}$$

(Note 1) In the formula above, “Average price of common shares of Sumitomo Chemical” means the simple average (that was calculated to the first decimal place and rounded off to the whole number) of the closing prices per common share of Sumitomo Chemical for the four (4) trading days (excluding days on which transactions are not conducted) from January 13, 2026 (including the same day) to January 16 of the same year (including the same day) on the Prime Market of the Tokyo Stock Exchange, Inc.

(Note 2) The share exchange ratio was calculated to the third decimal place and rounded off to the second decimal place.

### (2) Results of Calculation

The simple average of the closing prices per common share of Sumitomo Chemical from January 13, 2026 (including the same day) to January 16 of the same year (including the same day) and the calculation results of the share exchange ratio are as set forth below.

Date	Closing prices per common share of Sumitomo Chemical
January 13, 2026	465.4 yen
January 14, 2026	484.8 yen
January 15, 2026	493.5 yen
January 16, 2026	500.4yen
Average	486 yen

As a result, the share exchange ratio was determined as set forth below.

$$\text{Share exchange ratio} = 424 \text{ yen} / 486 \text{ yen} \approx 0.87$$