NIHON KAGAKU SANGYO CO., LTD.

Financial Summary for FY2025 First Half

（April 1 - September 30, 2025）

November 21, 2025

日本化学産業
NIHON KAGAKU SANGYO

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NIHON KAGAKU SANGYO

Financial Summary for FY2025 First Half

Key Highlights

（Millions of yen）

Financial Summary for FY2025 First Half

● Net sales	**¥13,289**	Compared to the P.Y. Difference from the P.Y.	**+ ¥775** **+ 6.2%**
● Operating income	**¥1,517**	Compared to the P.Y. Difference from the P.Y	**△ ¥ 8** **△ 0.6%**

Shareholder Returns

- Expansion of Shareholder Returns
  - Dividend policy changed to target a DOE (Dividend on Equity) of 4%
  - Fiscal Year 2025 dividend: ¥90 per share

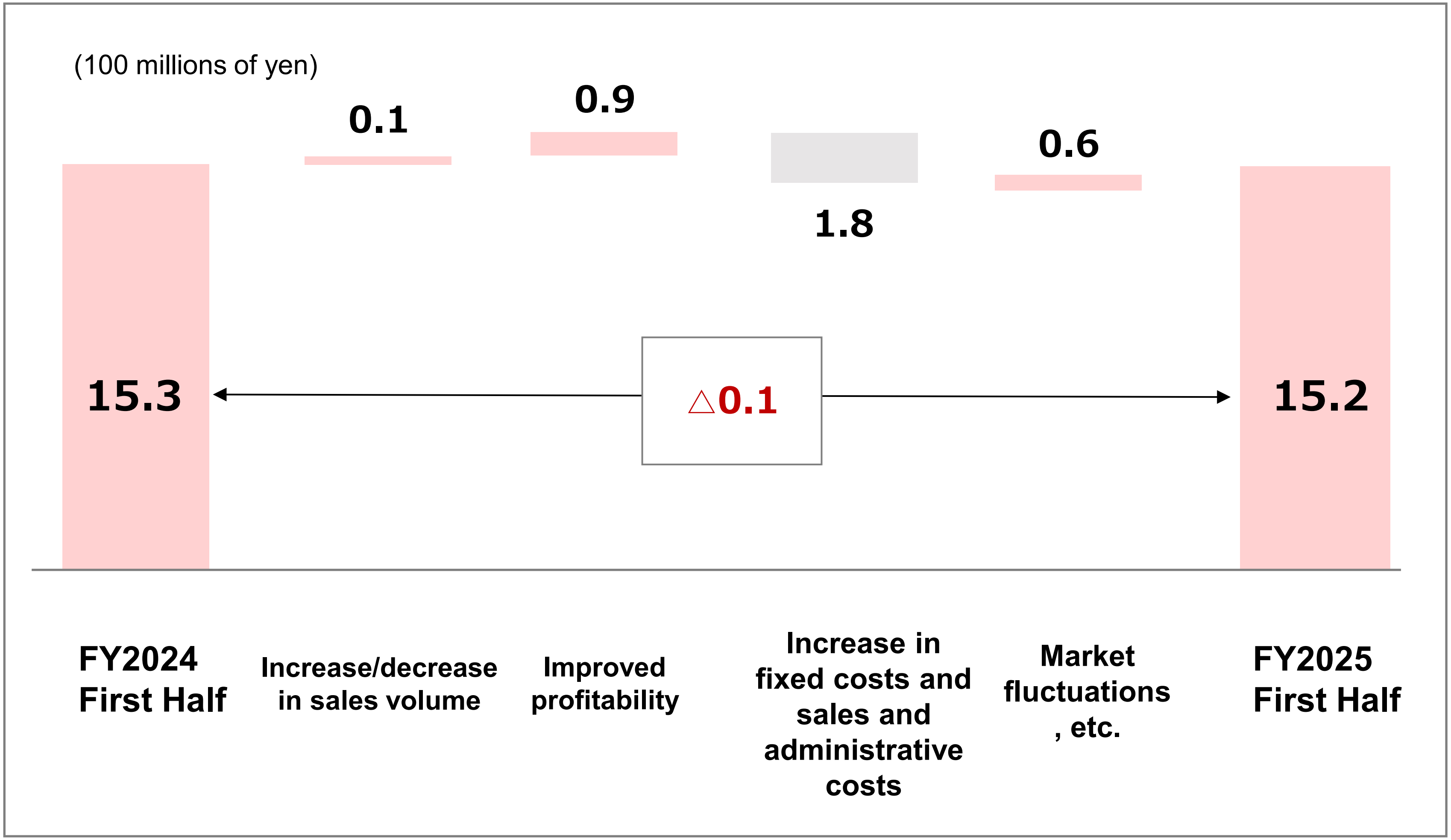
    (including the Six Months dividend of ¥45 per share)
  - Introduction of a program for stockholders

Financial Results for FY2025 First Half

(Millions of yen)	FY2024 First Half	FY2025 First Half	Compared to the P.Y.	Difference from the P.Y.
● Net sales	12,514	13,289	6.2%	775
● Operating income	1,526	1,517	△0.6%	△8
● Operating income margin (%)	12.2%	11.4%	—	△0.8%
● Ordinary income	1,755	1,734	△1.2%	△21
● Net profit	1,243	1,253	0.8%	10

Financial Results for FY2025 First Half

Analysis of increase / decrease in operating income



Financial Results for FY2025 First Half

(Millions of yen)

	Net sales				Operating income			
	FY2024 First Half	FY2025 First Half	Compared to the P.Y.	Difference from the P.Y.	FY2024 First Half	FY2025 First Half	Compared to the P.Y.	Difference from the P.Y.
Chemicals Business Division	10,733	11,422	6.4%	688	1,698	1,745	2.8%	46
Building Materials Division	1,780	1,867	4.9%	86	278	275	△1.2%	△3

Chemicals Business Division – Net sales

Major reasons for difference

- Increase in non-ferrous metal prices
- Robust sales at the Thai subsidiary

Chemicals Business Division – Operating income

Major reasons for difference

- Increase in net sales

Building Materials Division – Net sales

Major reasons for difference

- Increase in sales volume

Building Materials Division – Operating income

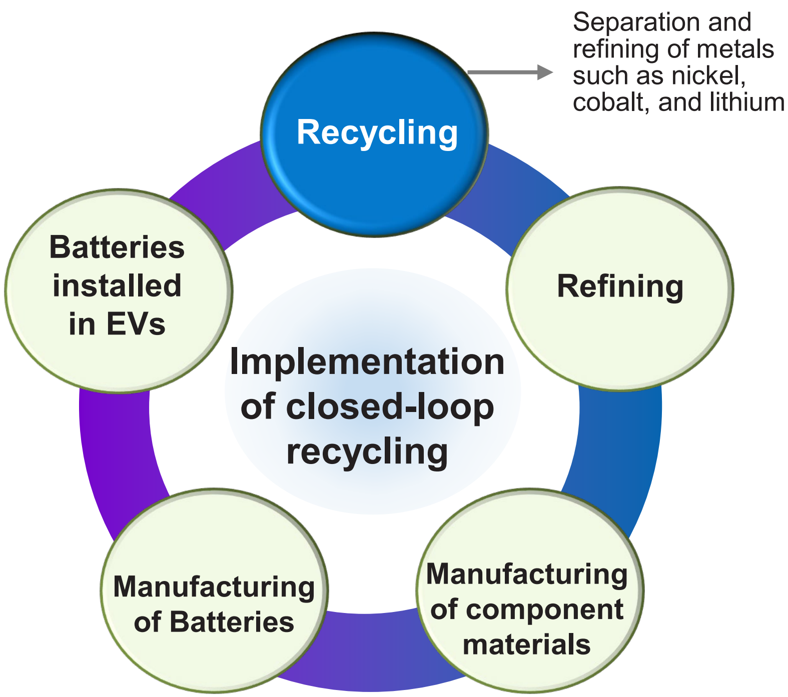
Major reasons for difference

- Increase in fixed costs

Progress on our key initiative

Construction of the Iwaki Technology Center (Iwaki City, Fukushima Prefecture)

We are strongly implementing progress on our proprietary technologies in metal separation and refining as well as battery material manufacturing.



Reduction of environmental impact throughout the entire supply chain

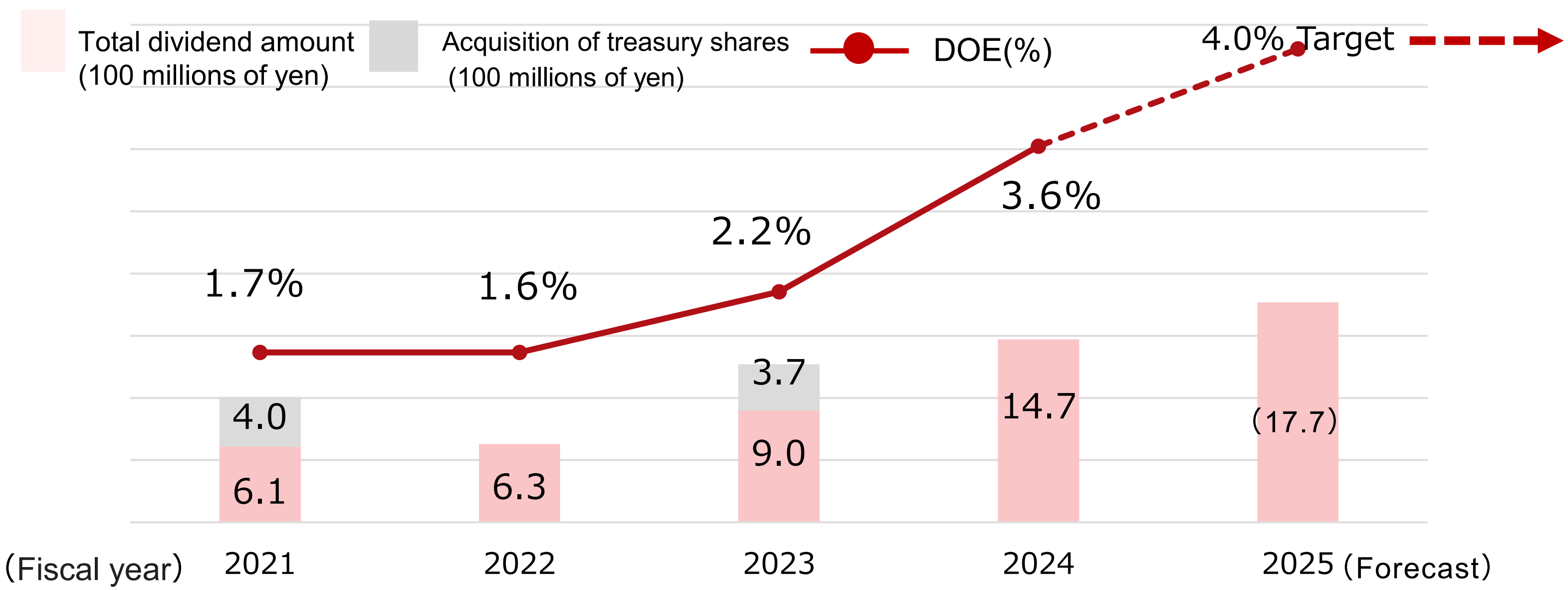
The construction of the pilot plant for EV buttery recycling is on schedule, with operations expected to begin in the spring of 2026.

*As of September 2025

Shareholder Returns

1.Dividend Policy

We will increase to pay dividends with a target DOE 4%,
premised on maintaining a stable financial and earnings structure.



Dividend per share	31yen	32yen	46yen	75yen	90yen (including the Six Months dividend of ¥45 per share).

Shareholder Returns

2.Introduction of a program for stockholders

This program has been introduced to enhance the appeal of investing in our company's stock and to encourage more individuals to hold our shares for the long term.

Overview	**Eligible Shareholders** Shareholders recorded on our shareholder register as of the end of September and the end of March of every year who own at least 300 shares (3 trading units) or more of our company stock.
	Shareholder Benefits: Holding Period / Benefit Less than 1 year / QUO Card worth 5,000 yen 1 year or more and less than 3 years / QUO Card worth 10,000 yen 3 years or more / QUO Card worth 15,000 yen

For details, please see Shareholder Benefit Program on our website.

Financial Forecast for FY2025

For the six months ended September 30, 2025 (FY2025), our consolidated results significantly exceeded the initial forecasts at each profit stage. This was driven by increased sales volume in the chemicals business, a surge in prices for certain non-ferrous metals, and strong performance growth at the overseas (Thai) subsidiary, Siam NKS Co., Ltd.

Based on currently available information and the factors mentioned above, we have reviewed our outlook for the full-year results. As a result, we anticipate higher net sales, driven by an expected increase in demand in our core chemicals business, rising non-ferrous metal prices, and other contributing factors.

Given the expected cost improvements due to increased net sales and other key drivers, profit at each stage is also projected to exceed the previously announced forecast. Therefore, we have revised our forecast as follows.

Financial Forecast for FY2025

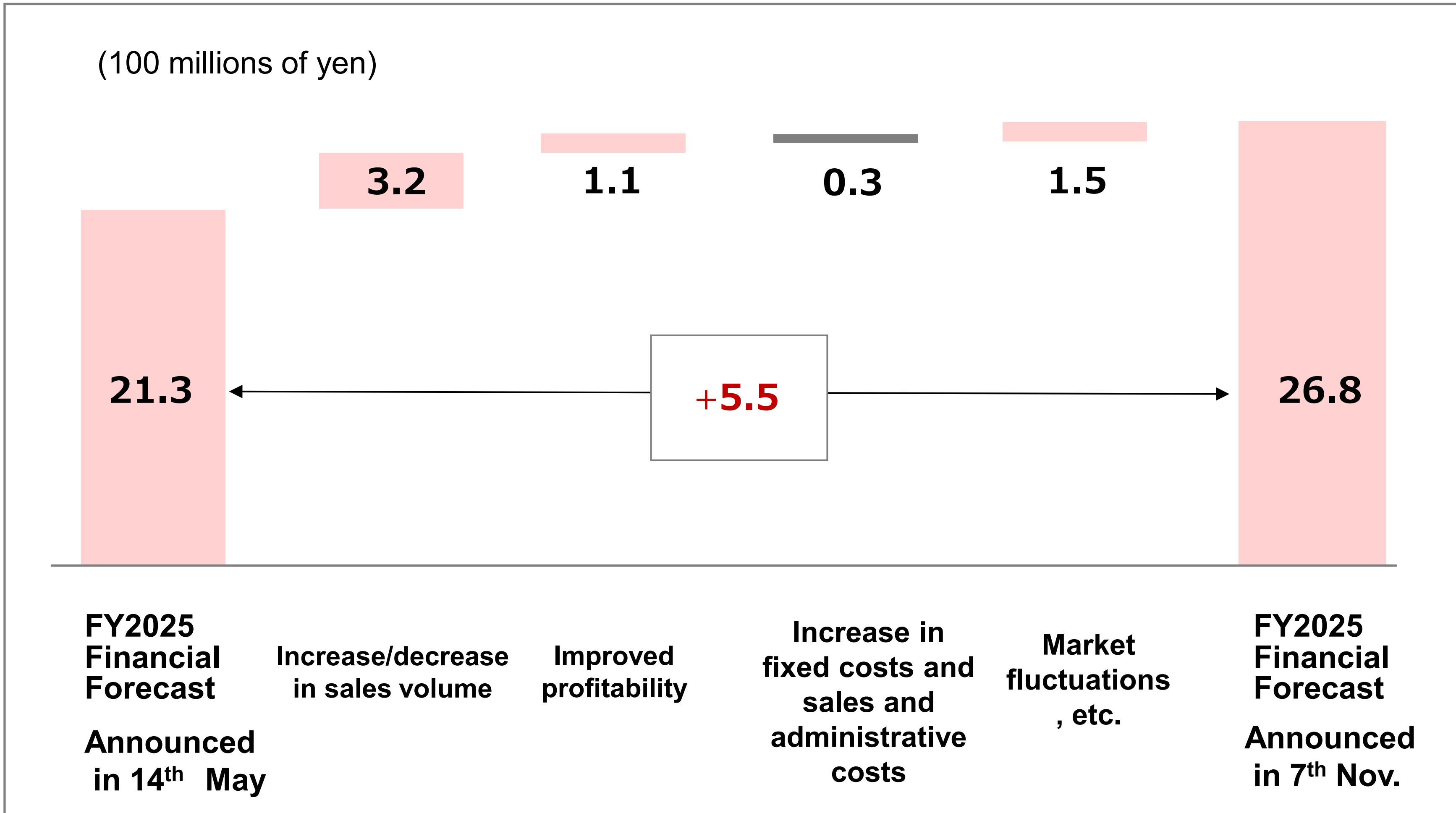
Net Sales: **26.2 billion yen (Compared to the figure announced on May 14: an increase of 1.5 billion yen : Up 6.2%)**

Operating income: **2.6 billion yen (Compared to the figure announced on May 14: an Increase of 0.5 billion yen: Up 25.8%)**

In light of these circumstances, we will continue to leverage our strengths in both Chemicals and Building Materials Divisions and promote proactive initiatives to achieve “Our Vision By 2030,” as outlined in our Mid-term Management Plan (announced in October 2023). Additionally, we intend to adhere, in principle, to our shareholder return policy.

Financial Forecast for FY2025

Analysis of increase / decrease in operating income



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