

FY2024 Financial Briefing

NAGASE&CO.,LTD.

Stock exchange listing : Tokyo (Prime Market)
Code number : 8012

May 8, 2025

*Embracing Authenticity,
Embracing Change*



Management Conscious of Capital Costs and Share Prices

We continue to implement initiatives in the final year of the current medium-term management plan

Policies to Enhance Corporate Value

Execute growth, financial, and capital strategies set forth in the Medium-Term Management Plan ACE 2.0

Current Issue Recognition

- PBR has been below 1x since FY2007
- Cost of equity is more than 8.0% based on dialogue with investors (as needed through the use of CAPM and interviews with investors)
- Continued high level of strategic cross-shareholdings; 13.9% of net assets

Matters to be Addressed

Profitability and Efficiency

- Permeation of ROIC management: Improve gross profit margin and capital turnover
- Reduce unprofitable businesses and unprofitable transactions in business targeted for improvement
- Reduce strategic cross-shareholdings in phases

Capital Costs





- Increase in Shareholder Returns: limited 100% total return ratio for two years
- Leverage debt in growth investments

IR Activities




- Make active disclosures of and expand dialogue with investors

Executive Summary

FY2024 Results

-  Prinova Group profit declined due to tougher-than-expected conditions in contract manufacturing within the Nutrition business* during the second half of the fiscal year
-  Food ingredient sales performed well; however, profit at Nagase Viita declined due to continued weak sales of cosmetic materials
-  Trading business performed well in the Functional Materials, Advanced Materials & Processing, and Electronics & Energy segments due to moderate recovery in the semiconductor, electrical appliances and electronics industries, and other industries
-  Sales were strong for Nagase ChemteX formulated epoxy resin used in semiconductors for AI servers.
 - Withdrew from the color formers business in U.S., which had incurred significant losses, as part of our Improve Area efforts, resulting in an overall return to profitability
 - Improved profitability through ROIC management improving gross profit margin by 0.9 percentage points

FY2025 Earnings Projections

-  Prinova Group expects higher profit driven by increased food ingredient sales volume, reduced losses in the nutrition business, and lower allowance for doubtful accounts
-  Nagase Viita projects higher profit supported by strong sales of food ingredients and cosmetic materials, as well as a partial completion of intangible asset amortization (¥1.1 billion year-on-year increase)
-  Sales likely to remain strong in fiscal 2025 for Nagase ChemteX formulated epoxy resins used in semiconductors for AI servers, with plans to expand production capacity
 - Gross profit margin expected to improve by 0.6 percentage points, supported by thorough ratio and inventory management

Medium-Term Management Plan ACE 2.0

- Project the final-year outcomes of the current medium-term management plan and lay the Direction for the next plan
- Advance QUICK WIN initiatives
- Initiatives in Growth Strategies

Impact of U.S. Tariff Policies on NAGASE Earnings

- The full-year fiscal 2025 forecast does not include the impact of tariff policies, as the scope and degree of impact remain unclear and do not allow for a reasonable forecast
- We will promptly disclose any revisions to the full-year outlook as necessary

* Nutrition Business (formerly Armada Business) ... Engages in contract manufacturing of sports nutrition products. In the manufacturing business, also engages in other businesses such as the Solutions Business. Appendix:Prinova Group Business Overview

Business Environment Surrounding NAGASE Segments



Industry	FY2024 Trends		FY2025 Trends		Segment
Coatings	Growth in both automotive and construction applications was sluggish, remaining generally flat overall		Automotive applications to grow slightly; construction applications unlikely to recover; overall performance expected to remain generally flat		Functional Materials
Semiconductors	Recovery remained gradual and uneven across categories, with strong performance in AI-related demand and China-based manufacturing		Strong year-on-year growth driven by rising AI-related demand and solid production of smartphones, PCs, and other devices		
Smartphones	Mid-range and low-end shipments increased, partly supported by policy measures in China, while high-end shipments rose slightly		High-end sales to remain steady, while mid-range and low-end sales rise slightly due to growing adoption of low-priced smartphones		
OA and Games (Electrical and Electronic Equipment)	Overall demand and resin market conditions made a moderate recovery		Roughly in line with the previous fiscal year		Advanced Materials
Automobiles	Automobile production did not recover fully in the second half, remaining flat overall due to regional polarization		Roughly in line with the previous fiscal year		Mobility
Medical	Demand was strong for additives, APIs and intermediates		Roughly in line with the previous fiscal year		Life & Healthcare
Cosmetics	Weak performance due to sluggish consumer demand in China, a key end market		Recovery anticipated as growing end markets drive expansion into new sales regions		
Food	Domestic food ingredient sales performed well; food ingredient sales in Europe and the U.S. remained flat, while nutrition sales continued to grow despite intensified competition		Flat market growth in Japan year on year, with moderate growth expected in food ingredients and nutrition in Europe and the U.S.		

•Display and color former businesses excluded due to limited impact on fiscal 2025 performance

•May not always be consistent with industry trends

*Impact of U.S. tariff policies not included

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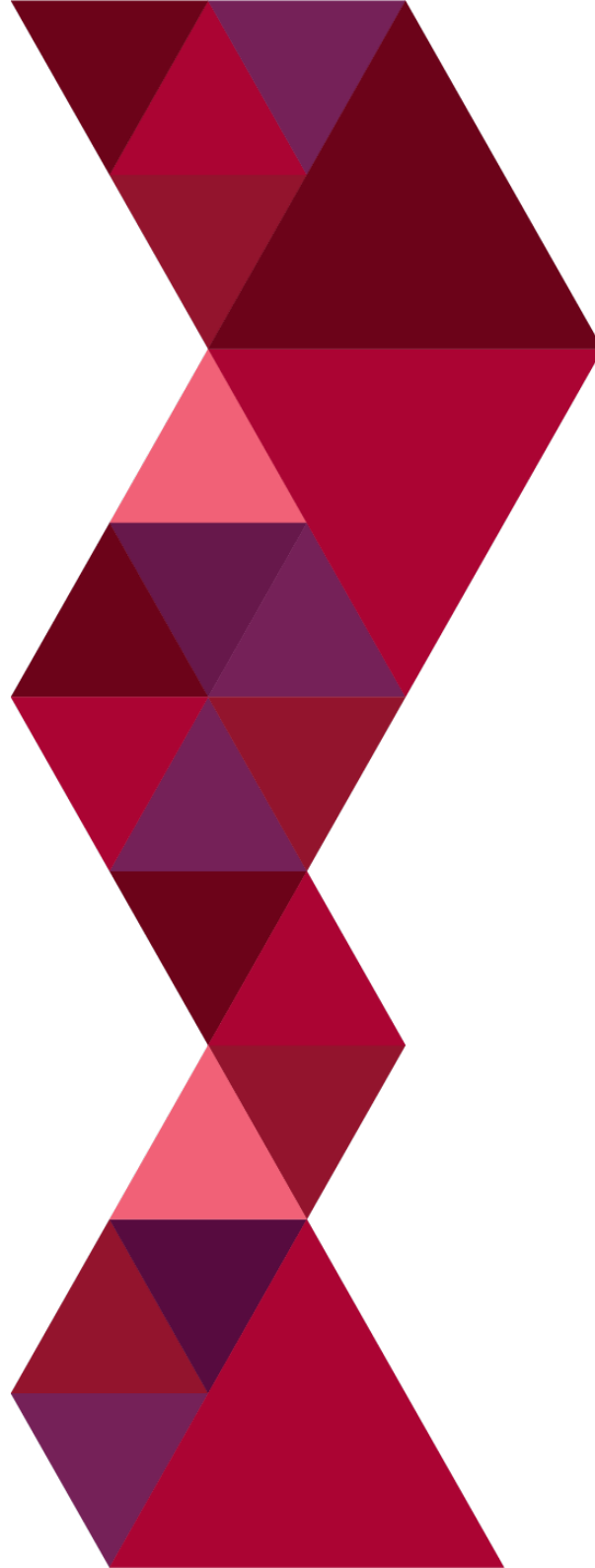
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Appendix:

- ✓ Sales, Gross Profit, and Operating Income by Quarter (Before Allocation of Corporate & Others)
- ✓ Evaluations From ESG Rating Agencies
- ✓ Major Cash Inflows and Outflows for FY2021-FY2024
- ✓ Prinova Group Business Overview

FY2024 Results and FY2025 Earnings Projections

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Consolidated Statements Income

- ▶ Gross profit reached record highs while gross profit margin improved across all business segments
- ▶ Operating income reached a record high, despite higher general and administrative expenses, including selling and personnel expenses stemming from increased logistics costs
- ▶ Net income increased year on year but fell short of the full-year forecast due to a third-quarter withdrawal loss (approx. ¥2.0 billion) related to the exit from the thin glass substrate thinning business in China decided in fiscal 2020

100 millions of yen

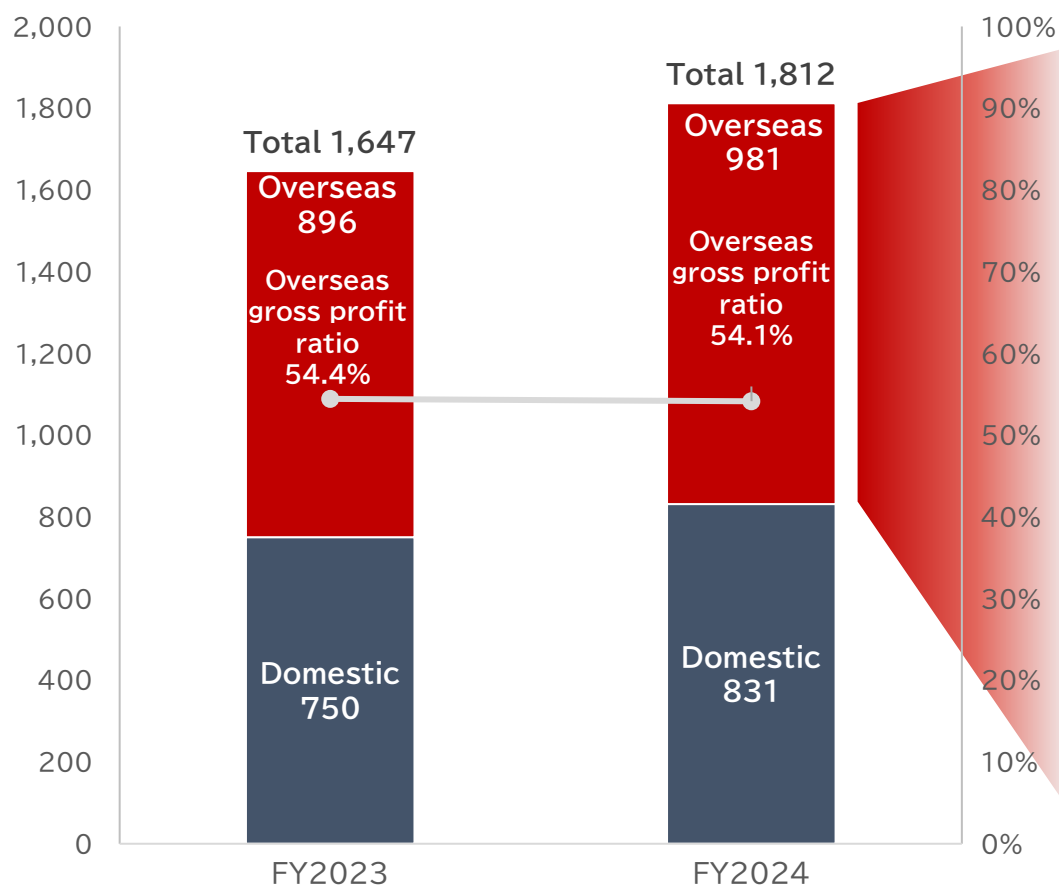
	FY2023	FY2024	Change	Vs.PY	Forecast	Forecast ratio
Sales	9,001	9,449	448	105%	9,400	101%
Gross profit	1,647	1,812	165	110%	1,800	101%
<GP ratio>	18.3%	19.2%	0.9ppt	–	19.1%	–
SG&A expenses	1341	1,422	81	106%	1,435	–
Operating income	306	390	84	128%	365	107%
<OP ratio>	3.4%	4.1%	0.7ppt	–	3.9%	
(excluding the effect of actuarial gains and losses)	315	355	39	113%	329	108%
Ordinary income	305	383	77	125%	352	109%
Profit Attributable to owners of the parent	224	255	31	114%	280	91%
US\$ Exchange rate (period average)	@ 144.6	@ 152.6	@ 8.0	Weak yen	@ 148.0	
RMB Exchange rate (period average)	@ 20.1	@ 21.1	@ 1.0	Weak yen	@ 20.0	

- * Offset to sales and cost of sales from revenue recognition standards: FY2023 4Q -¥272.3 billion, FY2024 4Q -¥279 billion
- * Impact from foreign exchange: Gross profit, +¥5.5 billion; Operating income, +¥0.9 billion

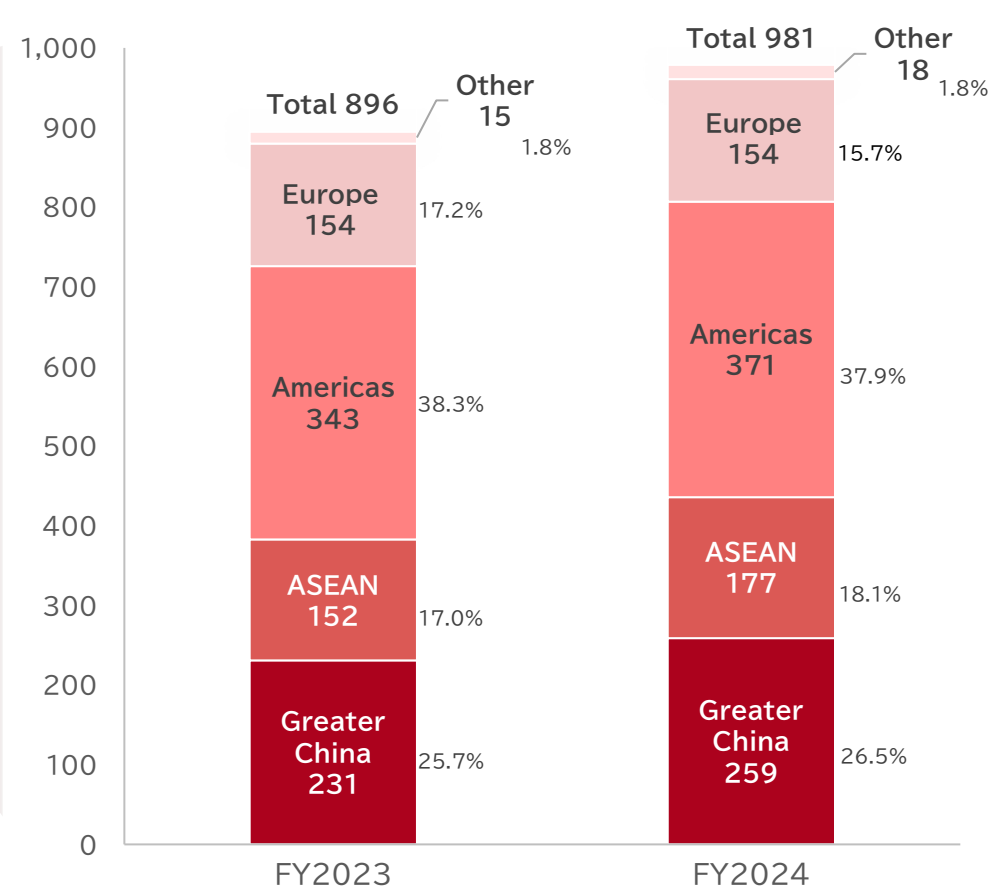
Gross Profit by Region

- ▶ Higher profit both domestic and overseas
- ▶ Increase in domestic business sales, due to higher sales (including exports) of raw materials and formulated epoxy resins for semiconductor industries
- ▶ Overseas profits increased, mainly due to impacts of the weakening yen, as well as higher sales of food ingredients in the Americans, semiconductor-related business in Greater China, and strong sales of resins in ASEAN countries

Domestic & Overseas Gross profit(100 millions of yen)



Overseas gross profit By Region(100 millions of yen)

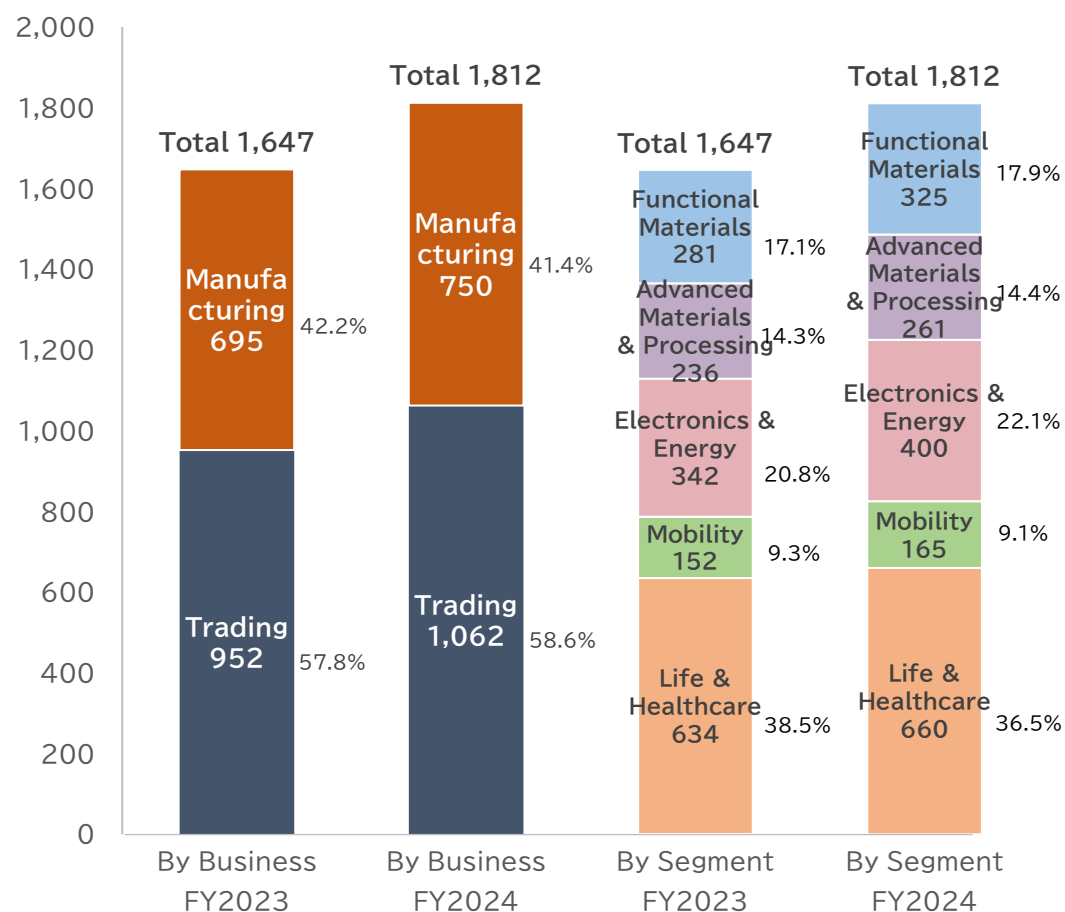


* Domestic figures under Domestic & Overseas Gross Profit include inter-regional adjustments

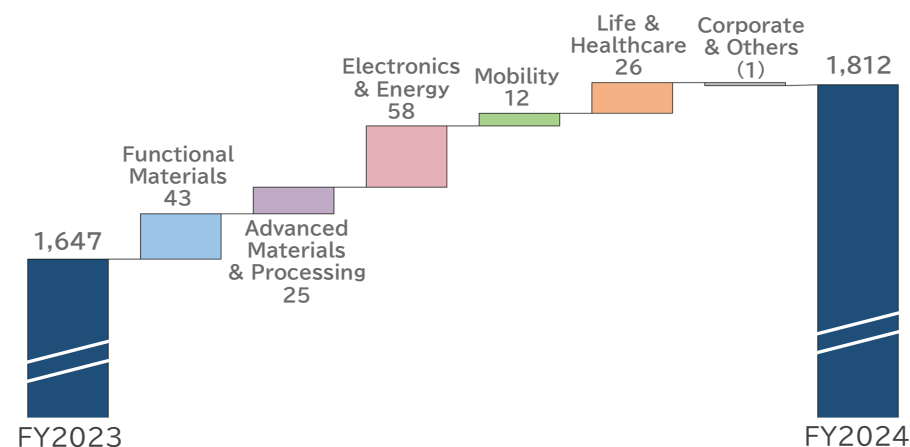
Gross Profit by Business & Segment

- ▶ Trading business profits increased to approx. ¥11 billion due to strong performance in the Electronics & Energy, Functional Materials, and Advanced Materials & Processing segments, stemming from moderate recoveries, mainly in the semiconductor, electrical, and electronics industries
- ▶ Manufacturing business profits increased by approximately ¥5.5 billion overall, mainly due to higher sales of Nagase ChemteX formulated epoxy resins in Electronics & Energy and return to profitability in the color formers business in Functional Materials
- ▶ The Electronics & Energy and Functional Materials segments saw significant growth (see Segment Overview for more details)

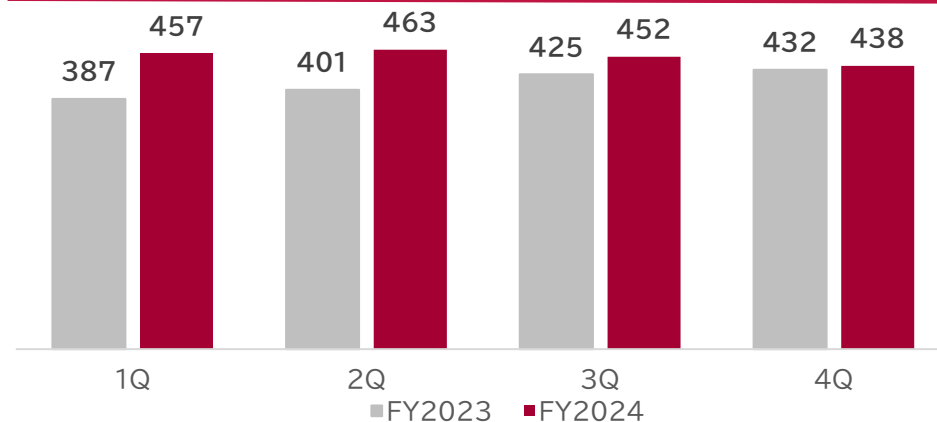
Gross Profit By Business & Segment (100 millions of yen)



Change in Gross Profit By Segment (100 millions of yen)



History of Gross Profit (100 millions of yen)



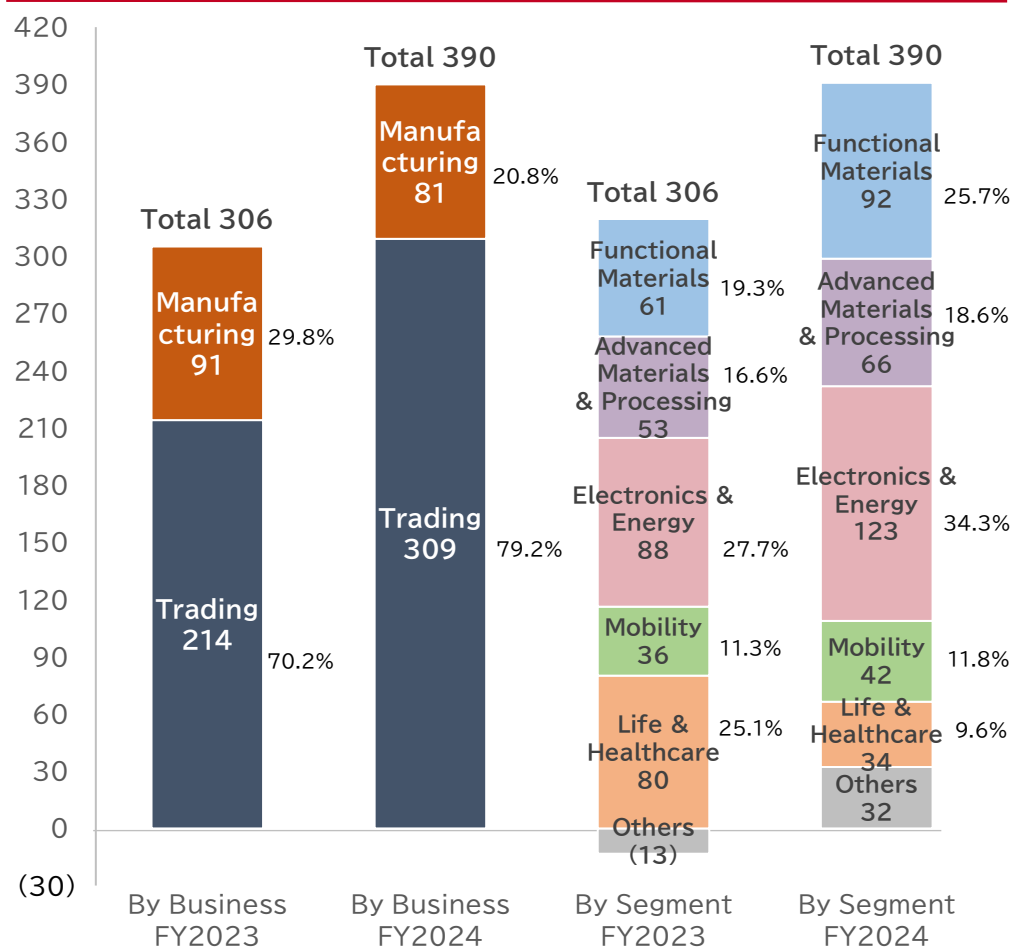
* Calculation of segment composition ratios does not include Corporate & Others and eliminations

Delivering next.

Operating Income by Business & Segment

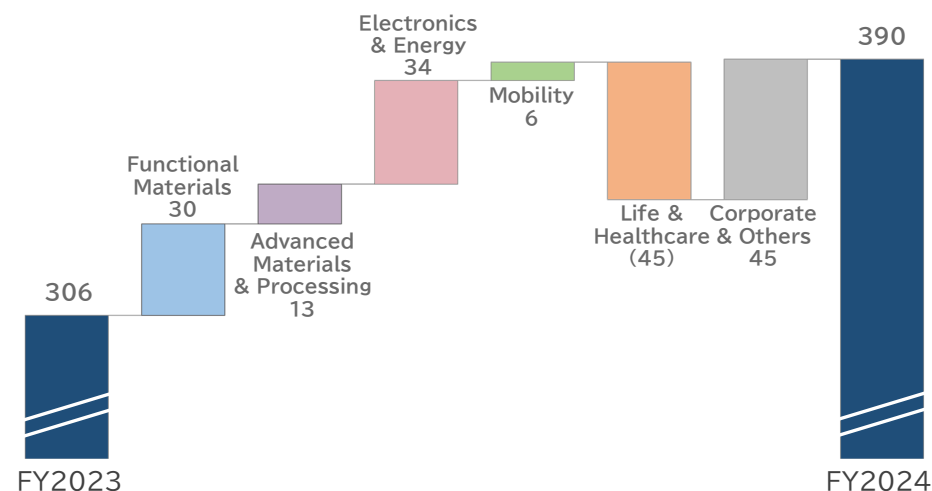
- ▶ Trading business profits increased approx. ¥9.5 billion due to an increase in gross profit and impacts of actuarial gains and losses
- ▶ Despite strong sales of formulated epoxy resins by Nagase ChemteX and narrowed losses in the color formers business, manufacturing business profits decreased by approx. ¥1.0 billion overall, mainly due to lower profit in Prinova Group
- ▶ Corporate & Others profits increased, mainly due to the impact of actuarial gains and losses (retirement benefit actuarial differences: approx. ¥0.9 billion loss in fiscal 2023 and ¥3.5 billion gain for fiscal 2024, equally prorated and recorded on a quarterly basis)

Operating Income by Business & Segment(100 millions of yen)

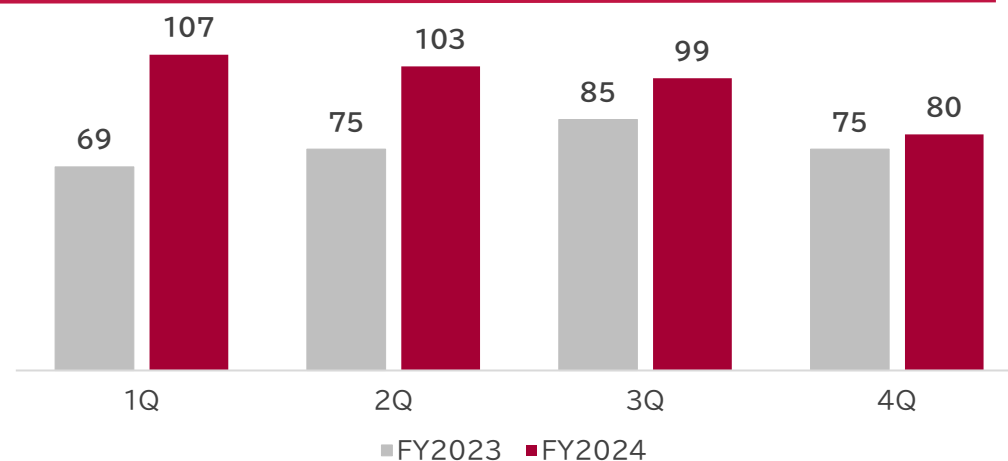


* Calculation of segment composition ratios does not include Corporate & Others and eliminations

Change in Operating Income By Segment (100 millions of yen)



History of Operating Income (100 millions of yen)



■ FY2023 ■ FY2024

Sales, Gross Profit and Operating Income by Quarter

- ▶ Fourth-quarter gross profit was down overall compared with the third quarter; while manufacturing remained solid with profit growth in Electronics & Energy, trading profit was sluggish across all segments except Life & Healthcare, due to reduced demand following the Lunar New Year
- ▶ Operating income in the fourth quarter declined overall compared with the third quarter due to a decrease in trading business gross profit and an increase in company-wide shared expenses

Quarterly results							100 millions of yen	
		1Q	2Q	3Q	4Q	YTD	FY2024 forecast	Achieve ment
							FY2023 Actual	
Sales	FY2024	2,392	2,417	2,370	2,269	9,449	9,400	101%
	FY2023	2,240	2,261	2,275	2,224	9,001	9,001	
	YoY%	6.8%	6.9%	4.2%	2.0%	5.0%	4.4%	
Gross profit	FY2024	457	463	452	438	1,812	1,800	101%
	FY2023	387	401	425	432	1,647	1,647	
	YoY%	18.3%	15.3%	6.3%	1.5%	10.1%	9.3%	
<profit ratio>	FY2024	19.1%	19.2%	19.1%	19.3%	19.2%	19.1%	
	FY2023	17.3%	17.8%	18.7%	19.4%	18.3%	18.3%	
Manufacturing	FY2024	188	195	182	183	750		
	FY2023	165	160	183	185	695		
Trading	FY2024	269	267	270	255	1,062		
	FY2023	221	241	242	246	952		
Operating income	FY2024	107	103	99	80	390	365	107%
	FY2023	69	75	85	75	306	306	
	YoY%	54.3%	37.1%	16.5%	6.3%	27.6%	19.2%	
<profit ratio>	FY2024	4.5%	4.3%	4.2%	3.6%	4.1%	3.9%	
	FY2023	3.1%	3.3%	3.8%	3.4%	3.4%	3.4%	
Manufacturing	FY2024	24	16	19	21	81		
	FY2023	26	17	25	21	91		
Trading	FY2024	83	86	80	59	309		
	FY2023	43	58	59	54	214		

*Manufacturing figures represent the aggregate totals of manufacturing subsidiaries.

*Trading figures include the aggregate totals of NAGASE and our sales subsidiaries, as well as Corporate & Others and eliminations

*Certain eliminations for FY2023 have been reclassified to manufacturing

Segment Overview: Functional Materials

- ▶ Gross profits increased primarily for the following reasons
 - Coating materials sales increased due to higher market prices, despite demand remaining flat for both automotive and architectural applications
 - Sales of raw materials for semiconductor materials increased
 - The color formers business returned to profitability through the withdrawal from U.S. operations, along with the review of unprofitable transactions and efficiency improvements at manufacturing bases in Japan
- ▶ Operating income increased due to improved gross profit

100 millions of yen [Key Measures]

Quarterly results

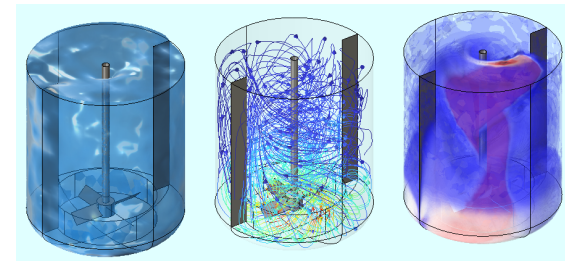
		1Q	2Q	3Q	4Q	YTD	FY2024 forecast	Achievement
Sales	FY2024	405	388	372	370	1,537	1,588	97%
	FY2023	364	357	375	370	1,468	1,468	
	YoY%	11.4%	8.7%	(0.7%)	(0.1%)	4.7%	8.2%	
Gross profit	FY2024	88	81	79	75	325	326	100%
	FY2023	64	68	73	75	281	281	
	YoY%	37.8%	19.9%	8.5%	(0.2%)	15.6%	15.9%	
<profit ratio>	FY2024	21.8%	21.1%	21.3%	20.3%	21.1%	20.5%	
	FY2023	17.6%	19.1%	19.5%	20.4%	19.2%	19.2%	
Manufacturing	FY2024	6	6	4	4	22		
	FY2023	1	1	2	3	8	8	
Trading	FY2024	82	75	74	70	302		
	FY2023	62	66	71	71	272	272	
Operating income	FY2024	29	24	20	17	92	86	107%
	FY2023	10	14	19	17	61	61	
	YoY%	197.2%	67.7%	7.4%	(2.8%)	49.6%	39.6%	
<profit ratio>	FY2024	7.3%	6.3%	5.5%	4.7%	6.0%	5.4%	
	FY2023	2.7%	4.1%	5.1%	4.8%	4.2%	4.2%	
Manufacturing	FY2024	2	3	0	1	7		
	FY2023	(3)	(2)	(2)	(1)	(9)	(9)	
Trading	FY2024	27	21	20	15	84		
	FY2023	13	17	21	19	71	71	

Performance Chemicals Dept.

- ▶ Capture business opportunities in the petrochemical industry and in response to market changes by leveraging our global procurement capabilities
- ▶ Propose sustainable materials and solutions (biodegradable bio-SAPs, chemical joint logistics matching, Mixing Concierges™, etc.)

Speciality Chemicals Dept.

- ▶ Expand chemicals business for the semiconductor industry, where we expect market growth
- ▶ Create businesses leveraging unique technologies (flow synthesis, MOF*, etc.)



Mixing Concierges™
:NAGASE develops and provides software to analyze and visualize liquids

Segment Overview: Advanced Materials & Processing

- ▶ Gross profits increased primarily for the following reasons
 - Resin sales increased with the recovery in demand for office equipment and other applications in the electrical appliances and electronic industries
 - Sales of industrial hoses and civil engineering pipes increased at TOTAKU INDUSTRIES, Inc.
- ▶ Operating income increased due to improved gross profit

Quarterly results		1Q	2Q	3Q	4Q	YTD	100 millions of yen
Sales	FY2024	535	546	528	495	2,106	FY2024 Achiev forecast ement
	FY2023	485	536	477	485	1,985	FY2023 Actual
	YoY%	10.2%	1.9%	10.7%	2.0%	6.1%	2,049 103%
Gross profit	FY2024	65	65	67	63	261	1,985
	FY2023	54	61	61	57	236	255 103%
	YoY%	20.1%	5.4%	9.1%	9.8%	10.9%	236
<profit ratio>	FY2024	12.3%	11.9%	12.8%	12.8%	12.4%	8.0%
	FY2023	11.3%	11.5%	13.0%	11.9%	11.9%	12.4%
							11.9%
Manufacturing	FY2024	12	12	15	12	53	
	FY2023	11	12	14	11	49	49
Trading	FY2024	53	52	52	50	208	
	FY2023	43	49	47	46	186	186
Operating income	FY2024	15	19	19	12	66	59 113%
	FY2023	10	15	16	11	53	53
	YoY%	56.3%	26.7%	16.3%	10.8%	25.8%	11.0%
<profit ratio>	FY2024	3.0%	3.6%	3.6%	2.5%	3.2%	2.9%
	FY2023	2.1%	2.9%	3.4%	2.3%	2.7%	2.7%
Manufacturing	FY2024	2	2	4	1	10	
	FY2023	1	2	3	0	8	8
Trading	FY2024	13	17	14	10	55	
	FY2023	8	13	12	10	44	44

[Key Measures]

Polymer Global Account Dept.

- ▶ Shift resources to priority (e.g., Mexico and India) in line with the transition in global brand owner production bases
- ▶ Expand transactions in environmental materials (NAGASE products and products from other companies)
- ▶ Improve efficiency of global business operations and optimize organizational structure



Manufacturing subsidiaries:
TOTAKU INDUSTRIES, INC.
industrial hoses and civil engineering pipes

Segment Overview: Electronics & Energy

- ▶ Gross profits increased primarily for the following reasons
 - Sales of materials for high-end smartphones, tablets, and other electronic devices increased due to a recovery in demand
 - Sales of semiconductor materials increased due to the moderate market recovery
 - Sales of Nagase ChemteX's formulated epoxy resins increased due to strong sales for semiconductors for AI server semiconductors
- ▶ Operating income increased due to improved gross profit

Quarterly results		100 millions of yen					FY2024 Achiev forecast ement	
		1Q	2Q	3Q	4Q	YTD	FY2023 Actual	
Sales	FY2024	400	398	413	400	1,613	1,542	105%
	FY2023	355	356	375	360	1,447	1,447	
	YoY%	12.8%	11.7%	10.1%	11.2%	11.4%	6.5%	
Gross profit	FY2024	95	97	99	107	400	386	104%
	FY2023	77	86	85	92	342	342	
	YoY%	23.7%	13.4%	15.7%	16.1%	17.0%	12.8%	
<profit ratio>	FY2024	23.8%	24.5%	24.0%	26.9%	24.8%	25.0%	
	FY2023	21.7%	24.2%	22.9%	25.8%	23.6%	23.6%	
Manufacturing	FY2024	33	35	34	48	150		
	FY2023	27	31	33	39	131	131	
Trading	FY2024	62	62	65	59	249		
	FY2023	50	54	52	53	210	210	
Operating income	FY2024	27	32	28	34	123	108	114%
	FY2023	17	24	21	25	88	88	
	YoY%	55.5%	30.9%	35.9%	37.7%	39.0%	22.0%	
<profit ratio>	FY2024	6.9%	8.1%	7.0%	8.6%	7.6%	7.0%	
	FY2023	5.0%	6.9%	5.6%	6.9%	6.1%	6.1%	
Manufacturing	FY2024	7	9	7	19	45		
	FY2023	4	8	8	11	34	34	
Trading	FY2024	19	22	20	14	77		
	FY2023	12	15	12	13	54	54	

[Key Measures]

Electronics Dept.

- ▶ Expansion of commercial products in the semiconductor market
 - Expand business based on expansion of domestic production
 - Expand business in Europe, the U.S., India, etc.
- ▶ Develop business for cutting-edge electronic devices

Advanced Functional Materials Dept.

- ▶ Expand sales of Nagase ChemteX products for advanced semiconductors(LMC holds the dominant market share for molding compounds for advanced semiconductors)
- ▶ a-SMC aims to become the de facto standard for molding compounds for next-generation semiconductors
- ▶ Expand the recovery and recycling business of developer solution for semiconductors



LMC: Liquid Molding Compound



a-SMC: Advanced Sheet Molding Compound

Segment Overview: Mobility

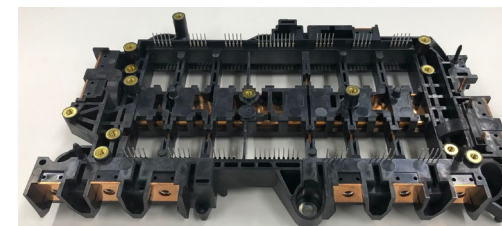
- ▶ Gross profits increased primarily for the following reasons
 - Resin sales, which account for about half of gross profit, increased due to yen depreciation and rising market prices, despite a decline in volume
 - Sales of functional materials and functional components for interior and exterior fittings and electrification increased
- ▶ Operating income increased due to improved gross profit

Quarterly results							100 millions of yen
		1Q	2Q	3Q	4Q	YTD	FY2024 forecast FY2023 Actual
Sales	FY2024	321	338	343	317	1,320	1,326 100%
	FY2023	311	337	353	319	1,321	1,321
	YoY%	3.1%	0.4%	(2.7%)	(0.6%)	(0.0%)	0.4%
Gross profit	FY2024	40	43	43	37	165	165 100%
	FY2023	34	39	41	37	152	152
	YoY%	17.8%	9.9%	5.4%	1.2%	8.3%	8.3%
<profit ratio>	FY2024	12.5%	12.9%	12.7%	11.8%	12.5%	12.4%
	FY2023	11.0%	11.8%	11.7%	11.6%	11.5%	11.5%
Manufacturing	FY2024	—	—	—	—	—	—
	FY2023	—	—	—	—	—	—
Trading	FY2024	40	43	43	37	165	152
	FY2023	34	39	41	37	152	152
Operating income	FY2024	9	12	12	7	42	38 112%
	FY2023	6	10	11	7	36	36
	YoY%	49.7%	23.3%	5.1%	(0.8%)	17.3%	5.1%
<profit ratio>	FY2024	3.1%	3.8%	3.6%	2.3%	3.2%	2.9%
	FY2023	2.1%	3.1%	3.3%	2.3%	2.7%	2.7%
Manufacturing	FY2024	—	—	—	—	—	—
	FY2023	—	—	—	—	—	—
Trading	FY2024	9	12	12	7	42	36
	FY2023	6	10	11	7	36	36

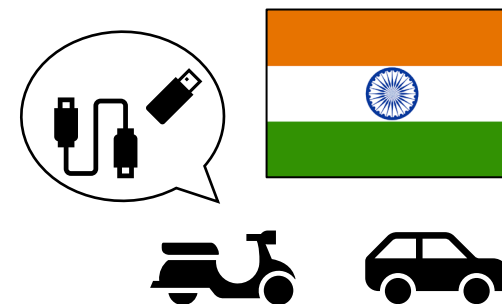
[Key Measures]

Mobility Solutions Dept.

- ▶ Expand electrification-related materials and components further
- ▶ Invest resources in growth markets (e.g., North America and India)



Metal insert mold parts for automotive inverters



Established a joint venture in India, Gurugram (Gurgaon) with Japan Aviation Electronics Industry, Ltd. to sell USB and connectors for Motorcycle/Automobile Vehicles

Segment Overview: Life & Healthcare

- ▶ Gross profits increased primarily for the following reasons
 - Increased sales of intermediates and pharmaceutical raw materials
 - Sales of Nagase Viita increased overall due to strong sales of food ingredients, despite lower sales of cosmetic materials stemming from sluggish sales overseas
 - The Prinova Group saw an increase in food ingredient sales and an improvement in gross margin compared to previous year, when market conditions were weak
- ▶ Operating income decreased, despite the increase in gross profit, due to higher general and administrative expenses such as allowance for doubtful accounts in the second quarter and personnel expenses at the Prinova Group

[Key Measures]

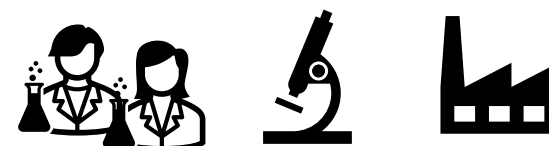
Quarterly results		100 millions of yen					FY2024 Achiev forecast ement	
		1Q	2Q	3Q	4Q	YTD	FY2023 Actual	
Sales	FY2024	728	744	712	685	2,870	2,894	99%
	FY2023	723	673	693	687	2,777	2,777	
	YoY%	0.7%	10.7%	2.7%	(0.4%)	3.3%	4.2%	
Gross profit	FY2024	168	173	163	155	660	667	99%
	FY2023	156	145	163	168	634	634	
	YoY%	8.0%	19.0%	(0.4%)	(7.7%)	4.2%	5.1%	
<profit ratio>	FY2024	23.2%	23.3%	22.9%	22.7%	23.0%	23.0%	
	FY2023	21.6%	21.6%	23.6%	24.5%	22.8%	22.8%	
Manufacturing	FY2024	136	141	128	117	523		
	FY2023	125	114	133	131	505	505	
Trading	FY2024	32	31	35	37	137		
	FY2023	30	30	30	37	129	129	
Operating income	FY2024	15	4	11	3	34	42	82%
	FY2023	27	13	19	20	80	80	
	YoY%	(44.5%)	(65.7%)	(40.3%)	(84.8%)	(57.2%)	(47.5%)	
<profit ratio>	FY2024	2.1%	0.6%	1.6%	0.5%	1.2%	1.5%	
	FY2023	3.8%	1.9%	2.8%	3.0%	2.9%	2.9%	
Manufacturing	FY2024	11	2	6	(1)	18		
	FY2023	23	9	15	12	60	60	
Trading	FY2024	4	1	4	4	15		
	FY2023	4	3	3	8	19	19	

* Each profit measure for Trading includes the effect of eliminations, but certain eliminations for FY2023 have been reclassified to Manufacturing

Life & Healthcare Products Dept.

- ▶ Focus on expanding sales of in-house products in Japan and overseas
- ▶ Expand cross-sales through stronger collaboration among overseas group bases and offices
- ▶ Expand bio-materials
(Creation of NVI*1, NBIC*2 bio-derived materials; e.g., ergothioneine mass produced using fermentation technology)
- ▶ Expand the Prinova Group manufacturing
 - *1 Nagase Viita
 - *2 Nagase Bio-Innovation Center

Acquisition of Asahi Kasei Pharma's
Diagnostics Operations
Scheduled to take effect in July 2025



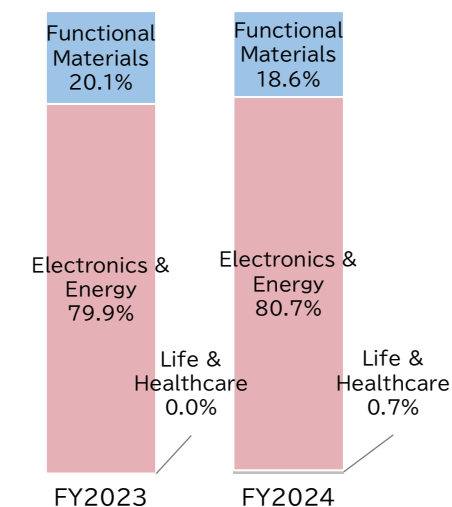
Started on-site exchanges and other activities in preparation for joining the group
Aim for gross profit of ¥4 billion around 2030

Overview of Major Manufacturing Subsidiaries: Nagase ChemteX

- ▶ Gross profits increased primarily for the following reasons
 - Sales of formulated epoxy resins increased due to strong sales for semiconductors for AI server
 - Sales decreased for photolithography materials for use in displays
- ▶ Operating income increased due to improved gross profit, despite an increase in general and administrative expenses such as personnel costs and amortization costs associated with the replacement of the core system

Quarterly results							100 millions of yen	
		1Q	2Q	3Q	4Q	YTD	FY2024 forecast	Achiev ement
Sales	FY2024	66	64	66	61	258	FY2023 Actual	
	FY2023	57	65	66	62	251	259	100%
	YoY%	15.2%	(0.4%)	(1.0%)	(1.6%)	2.7%	251	
Gross profit	FY2024	20	20	22	21	84	85	99%
	FY2023	17	19	21	17	75	75	
	YoY%	20.4%	3.3%	5.1%	21.3%	11.8%	13.1%	
<profit ratio>	FY2024	31.6%	31.5%	33.9%	34.4%	32.8%	33.0%	
	FY2023	30.2%	30.3%	32.0%	27.9%	30.1%	30.1%	
Operating income	FY2024	7	6	7	5	27	28	97%
	FY2023	5	7	8	0	22	22	
	YoY%	43.8%	(22.9%)	(5.5%)	496.5%	21.7%	25.7%	
<profit ratio>	FY2024	11.5%	9.4%	12.0%	9.6%	10.6%	10.9%	
	FY2023	9.2%	12.2%	12.6%	1.6%	9.0%	9.0%	

Ratio of
Consolidated Gross
Profit by Segment



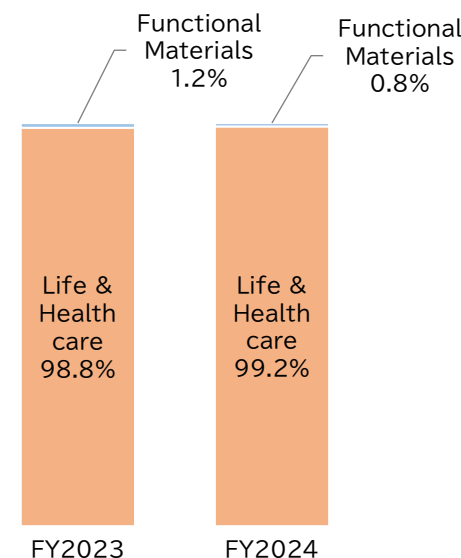
* The sales functions of Nagase ChemteX are handled by our company and its sales subsidiaries, and profits from Nagase ChemteX's business are also recognized under the trading business

Overview of Major Manufacturing Subsidiaries: Nagase Viita

- ▶ Gross profits increased primarily for the following reasons
 - Sales of food ingredients increased, mainly in Japan
 - Sales of cosmetic materials declined due to lower demand in China, the end market
- ▶ Operating income decreased, despite higher gross profits, due to increases in personnel expenses and other general and administrative expenses

Quarterly results							100 millions of yen	
		1Q	2Q	3Q	4Q	YTD	FY2024 forecast	Achiev ement
Sales	FY2024	86	87	92	83	350	356	98%
	FY2023	89	80	89	84	344	344	
	YoY%	(3.4%)	9.0%	4.0%	(1.9%)	1.8%	3.7%	
Gross profit	FY2024	33	32	34	30	129	135	96%
	FY2023	34	28	32	30	126	126	
	YoY%	(3.8%)	13.9%	4.6%	(2.7%)	2.6%	7.2%	
<profit ratio>	FY2024	38.2%	36.9%	36.8%	36.1%	37.0%	38.0%	
	FY2023	38.4%	35.3%	36.6%	36.4%	36.7%	36.7%	
Operating income	FY2024	13	12	13	11	50	52	95%
	FY2023	16	10	14	11	52	52	
	YoY%	(19.9%)	20.5%	(2.1%)	(1.2%)	(3.1%)	1.6%	
<profit ratio>	FY2024	15.3%	14.0%	14.8%	13.5%	14.4%	14.8%	
	FY2023	18.4%	12.7%	15.7%	13.4%	15.1%	15.1%	
Amortisation of goodwill, etc.	FY2024	7	7	7	6	29	29	
	FY2023	7	7	7	7	30	30	
	YoY%	0.0%	0.0%	0.0%	(13.5%)	(3.4%)	(3.4%)	
Operating income after amortised expenses	FY2024	5	4	6	4	20	23	89%
	FY2023	8	2	6	3	21	21	
	YoY%	(37.2%)	84.5%	(4.5%)	24.7%	(2.8%)	8.7%	

Ratio of Consolidated Gross Profit by Segment



* The sales functions of Nagase Viita are handled by our company and its sales subsidiaries, and profits from Nagase Viita's business are also recognized under the trading business

Overview of Major Manufacturing Subsidiaries: Prinova Group

- ▶ Gross profits increased primarily for the following reasons
 - Food ingredient sales saw an increase in volume and an improvement in gross profit margin
- ▶ Operating income decreased due to allowance of approx. ¥1.3 billion for doubtful accounts, which was recorded in the second quarter due to arising from concerns over receivables collection from specific customers in the manufacturing business, along with higher personnel and other general and administrative expenses, despite an increase in gross profit

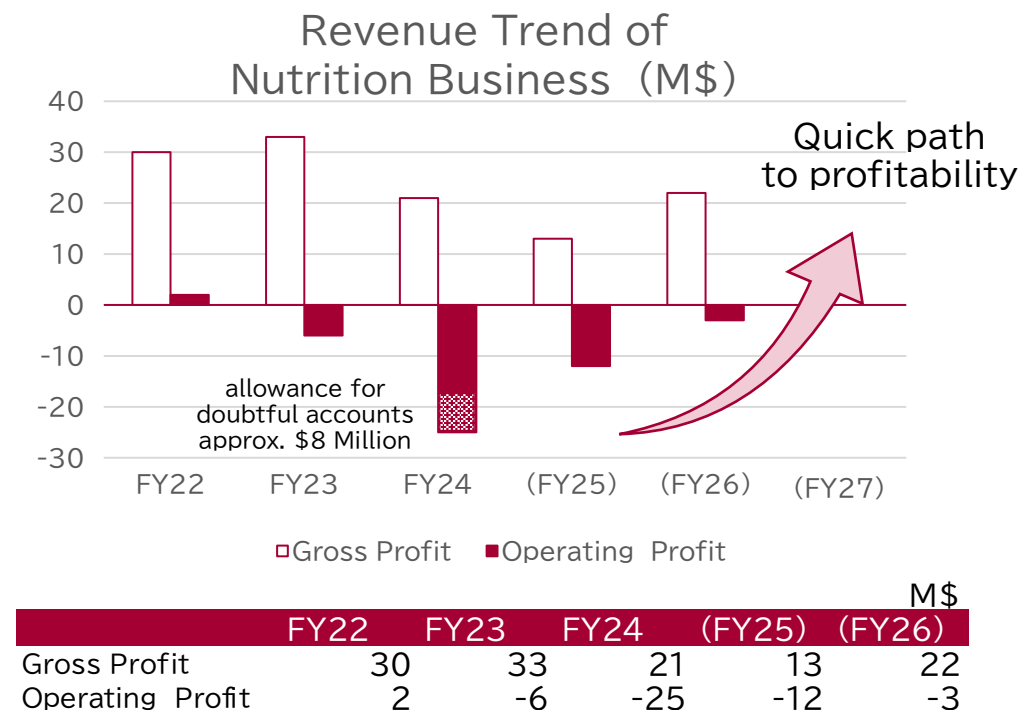
Quarterly results							100 millions of yen		Ratio of Consolidated Gross Profit by Segment
							FY2024 forecast	Achievement	
							FY2023 Actual		
		1Q	2Q	3Q	4Q	YTD			
Sales	FY2024	504	537	488	466	1,996	1,964	102%	<div>Life & Healthcare</div> <div>100.0%</div> <div>FY2023</div> <div>Life & Healthcare</div> <div>100.0%</div> <div>FY2024</div>
	FY2023	516	473	476	472	1,937	1,937		
	YoY%	(2.2%)	13.5%	2.7%	(1.3%)	3.0%	1.4%		
Gross profit	FY2024	99	100	92	83	375	376	100%	
	FY2023	87	82	95	96	361	361		
	YoY%	14.0%	21.9%	(2.6%)	(13.5%)	4.1%	4.2%		
<profit ratio>	FY2024	19.7%	18.7%	19.0%	17.8%	18.8%	19.2%		
	FY2023	16.9%	17.4%	20.0%	20.3%	18.6%	18.6%		
Operating income	FY2024	13	0	10	1	25	32	79%	
	FY2023	19	13	14	15	63	63		
	YoY%	(31.7%)	(96.7%)	(30.7%)	(89.2%)	(59.1%)	(48.1%)		
<profit ratio>	FY2024	2.7%	0.1%	2.1%	0.4%	1.3%	1.7%		
	FY2023	3.8%	2.8%	3.1%	3.3%	3.3%	3.3%		
Amortisation of goodwill, etc.	FY2024	6	7	6	6	27	27		
	FY2023	6	6	6	6	25	25		
	YoY%	12.2%	13.5%	3.4%	3.0%	7.8%	5.2%		
Operating income after amortised expenses	FY2024	6	(6)	3	(5)	(1)	5	-	
	FY2023	13	6	8	8	37	37		
	YoY%	(51.3%)	-	(57.9%)	-	-	(84.8%)		

* FY2023 results did not include the impact of profit or loss due to eliminations other than amortization of goodwill, etc.; we changed the figures to include these factors from the perspective of appropriate performance disclosure

TOPICS: Turnaround of Prinova Nutrition*

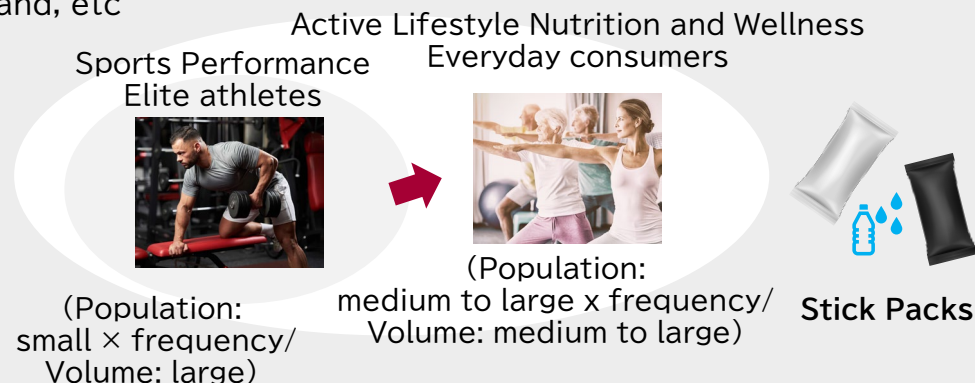
- ▶ Cost reduction through efficiency improvements and top-line growth to drive early profitability in the Nutrition business (Utah and Tennessee factories)
- ▶ Recover Operating Profit of Prinova Group to a growth trajectory and reaccelerate profit contribution

*Nutrition business (former Armada business)...Contract manufacturing of sports nutrition products. The company also engages in other manufacturing businesses, including solutions production



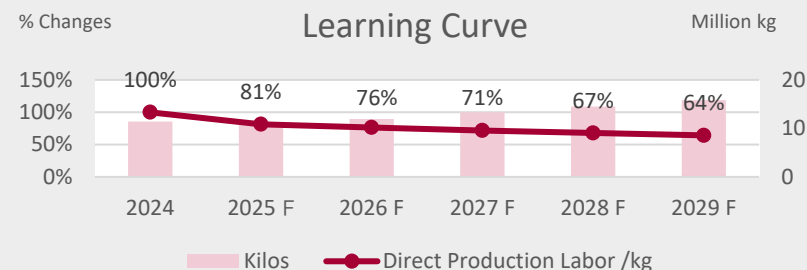
Top Line Growth

- Revitalize the sales organization under new CEO leadership with rigorous opportunity pipeline management
- Use customer segmentation to prioritize sales priorities, resources and qualify
- Expand target markets to include Active Lifestyle Nutrition and Wellness, in addition to the Sports Performance industry
- Expanded product format offerings, including Stick Packs and, etc



Cost reduction through efficiency improvements

- Improved production efficiency through Advanced Process Control and full-scale operation of automation equipment introduced in FY2024
- Reduce costs through increased efficiencies



*The Prinova Group revised part of its classification between cost of goods manufactured and selling, general and administrative expenses in in fiscal 2025. Figures reflect this reclassification

Consolidated Balance Sheets

- ▶ Non-current liabilities increased due to the procurement of long-term interest-bearing debt in light of rising interest rates over the medium term

100 millions of yen

	2024/03	2025/03	Change	Details
Total Current Assets	5,424	5,601	176	
(Cash&deposits)	594	663	68	
(Trade account receivable)	3,211	3,112	(98)	
(Inventories)	1,479	1,662	182	
Total non-current assets	2,498	2,480	(18)	
(Investments in security)	762	720	(41)	
Total assets	7,923	8,081	158	
Current Liab.	3,026	2,695	(330)	CP -175
(Trade account payable)	1,563	1,512	(50)	Current Portion of Bonds -100
Non-current Liab.	883	1,321	437	Non-Current Loan Pay +259
				Bonds Payable+200
Total Liab.	3,910	4,016	106	
Shareholders' equity	3,128	3,117	(11)	
Accum. Other Comprehensive Income	812	873	61	
Non-controlling interest	72	74	1	
Total net assets	4,013	4,064	51	
Working capital	3,127	3,262	134	
Shareholders' equity ratio	49.7%	49.4%	(0.3ppt)	
Interest-bearing debt	1,669	1,753	84	
NET D/E ratio	0.27	0.27	0.00	

Consolidated Cash Flows

- ▶ Operating cash flow amounted to ¥36.3 billion, primarily due to an increase in net income from strong business performance

	100 millions of yen	
	FY2023	FY2024
Operating CF	729	363
(Income before income taxes)	326	381
(Depreciation and amortization)	166	180
(Change in working capital)	330	(82)
(Other)	(94)	(116)
Investing CF	(116)	(116)
(Fixed asset investment)	(188)	(161)
(Other)	72	45
Free CF	613	247
Financing CF	(480)	(182)
(Share buybacks)	(80)	(170)
(Dividends paid)	(98)	(100)
(Change in loans and bonds)	(234)	96
(Other)	(66)	(8)
Effects of exchange rate	55	2
Net increase / decrease in cash and cash equivalents	188	67

FY2025 Earnings Projection

- ▶ Record-high profits expected at all profit measures
- ▶ Semiconductor-related businesses likely to perform well, driven by a moderate recovery in market conditions and higher demand for AI server semiconductors
- ▶ Resin sales shift to more profitable products as demand remained flat generally
- ▶ Food-related businesses likely to see narrower loss in the Prinova Group nutrition business and recovery in Nagase Viita cosmetics materials
- ▶ Selling, general and administrative expenses increased overall due to higher retirement benefit expenses resulting from the amortization of actuarial differences, as well as business expansion
(retirement benefit actuarial differences: Approximately ¥3.5 billion gain in fiscal 2024 and approximately ¥0.3 billion loss in fiscal 2025)

	100 millions of yen			
	FY2024 Actual	FY2025 Forecast	Change	Vs.PY
Sales	9,449	9,550	100	101%
Gross profit	1,732	1,810	77	104%
<GP ratio>	18.3%	19.0%	0.6ppt	-
SG&A expenses	1,342	1,415	72	105%
Operating income	390	395	4	101%
<OP ratio>	4.1%	4.1%	0.0ppt	-
(excluding the effect of actuarial gains and losses)	355	398	43	112%
Ordinary income	383	385	1	100%
Profit attributable to owners of the parent	255	315	59	123%
US\$ Exchange rate (period average)	@ 152.6	@ 143.0	@ 9.6	Strong yen
RMB Exchange rate (period average)	@ 21.1	@ 19.0	@ 2.1	Strong yen

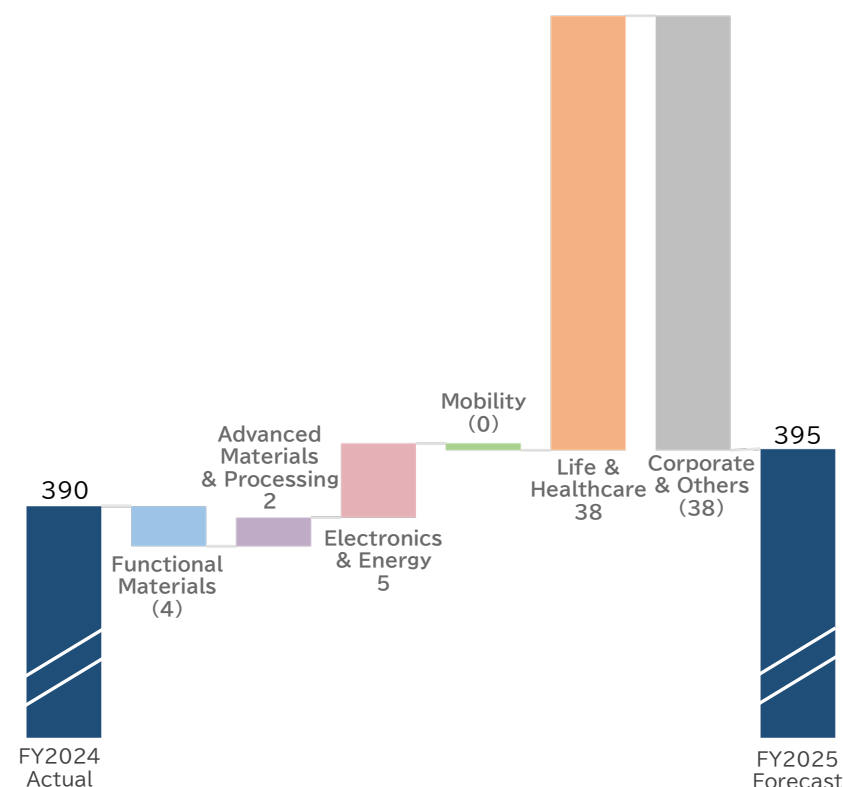
*The Prinova Group revised part of its classification between cost of goods manufactured and selling, general and administrative expenses in in fiscal 2025. Figures, including fiscal 2024 figures, reflect this reclassification

FY2025 Earnings Projection By segment

- ▶ Gross profit to increase in Functional Materials due to higher sales of raw materials for coating materials and semiconductor materials, while higher general and administrative expenses to reduce operating income
- ▶ Advanced Materials & Processing expects higher profit as resin sales remain mostly flat while profitability improves
- ▶ Electronics & Energy expects to post higher profit, supported by strong semiconductor material sales and solid performance in Nagase ChemteX formulated epoxy resins for AI server semiconductors
- ▶ Mobility expects to post flat profits due to sluggish automobile production growth and the impact of a stronger yen
- ▶ Life & Healthcare expects higher profits due to strong performance in the manufacturing business and the allowance for doubtful accounts (-¥1.3 billion) recorded in the previous fiscal year in the Prinova Group

		100 millions of yen			
		FY2024 Actual	FY2025 Forecast	Change	Vs.PY
Functional Materials	Sales	1,537	1,570	32	102%
	Gross profit	325	328	2	101%
	<profit ratio>	21.1%	20.9%	(0.3ppt)	—
	Operating income	92	88	(4)	96%
	<profit ratio>	6.0%	5.6%	(0.4ppt)	—
Advanced Materials & Processing	Sales	2,106	2,110	3	100%
	Gross profit	261	270	8	103%
	<profit ratio>	12.4%	12.8%	0.4ppt	—
	Operating income	66	69	2	103%
	<profit ratio>	3.2%	3.3%	0.1ppt	—
Electronics & Energy	Sales	1,613	1,670	56	104%
	Gross profit	400	434	33	108%
	<profit ratio>	24.8%	26.0%	1.2ppt	—
	Operating income	123	129	5	105%
	<profit ratio>	7.6%	7.7%	0.1ppt	—
Mobility	Sales	1,320	1,300	(20)	98%
	Gross profit	165	164	(1)	99%
	<profit ratio>	12.5%	12.6%	0.1ppt	—
	Operating income	42	42	(0)	99%
	<profit ratio>	3.2%	3.2%	0.0ppt	—
Life & Healthcare	Sales	2,870	2,899	28	101%
	Gross profit	580	612	31	105%
	<profit ratio>	20.2%	21.1%	0.9ppt	—
	Operating income	34	73	38	213%
	<profit ratio>	1.2%	2.5%	1.3ppt	—
Corporate & Others	Sales	1	1	(0)	99%
	Gross profit	(0)	2	2	—
	Operating income	32	(6)	(38)	—
Total	Sales	9,449	9,550	100	101%
	Gross profit	1,732	1,810	77	104%
	<profit ratio>	18.3%	19.0%	0.6ppt	—
	Operating income	390	395	4	101%
	<profit ratio>	4.1%	4.1%	0.0ppt	—

Operating income Forecast by segment Change (billion yen)



*The Prinova Group revised part of its classification between cost of goods manufactured and selling, general and administrative expenses in in fiscal 2025. Figures, including fiscal 2024 figures, reflect this reclassification

FY2025 Earnings Projections by Major Manufacturing Subsidiaries

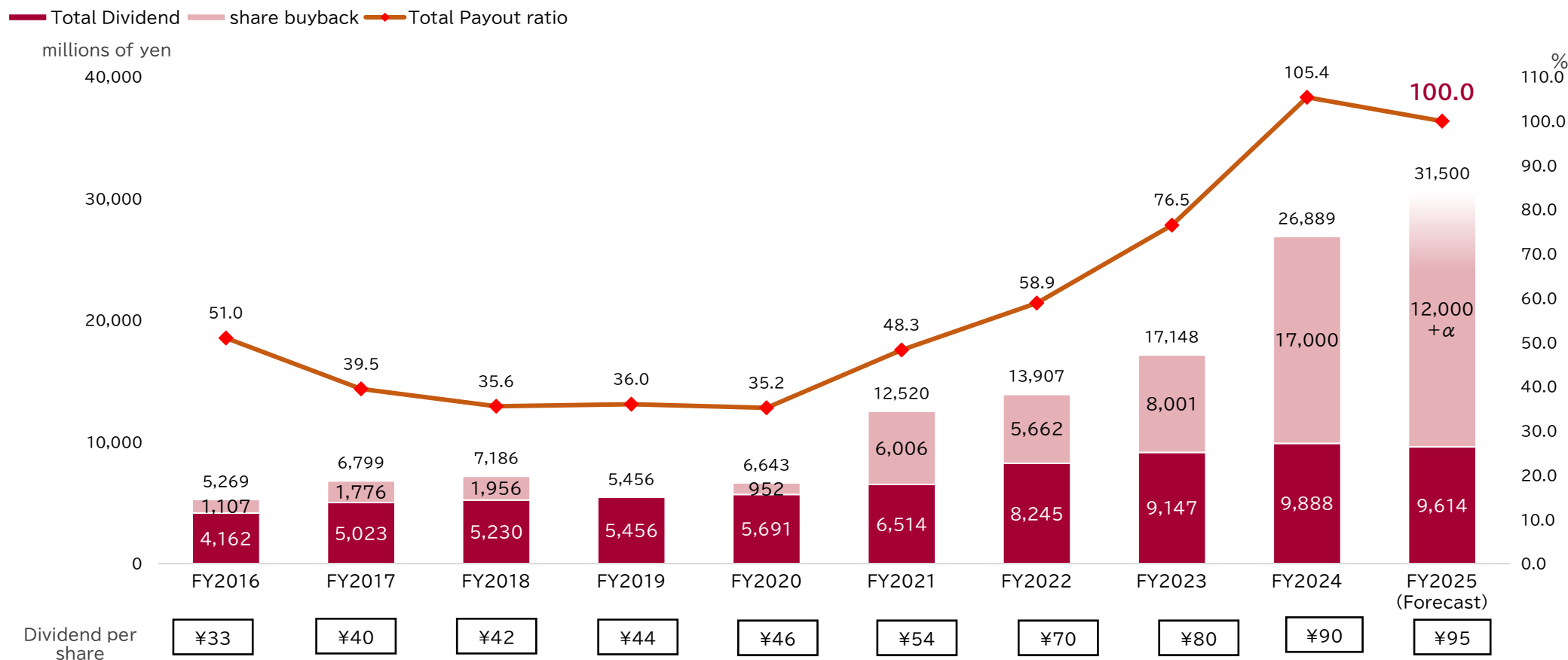
- ▶ Nagase ChemteX: Higher gross profit due to continued strong sales of modified epoxy resins for AI server semiconductors, following previous year performance. Operating income to increase due to improved gross profit
- ▶ Nagase Viita: Higher gross profit due to strong sales of food ingredients and cosmetic materials
Operating income to increase due to improved gross profit and a decrease in amortization of goodwill and other intangible assets (increase of approximately 1.1 billion yen due to the partial completion of amortization of intangible assets).
- ▶ Prinova Group: Higher gross profit, mainly due to recovery in the nutrition business
Operating income is expected to increase, partly due to the absence of the ¥1.3 billion allowance for doubtful accounts recorded in the previous fiscal year

		100 millions of yen			
		FY2024 Actual	FY2025 Forecast	Change	Vs.PY
Nagase ChemteX Corporation	Sales	258	292	34	113%
	Gross profit	84	103	18	122%
	<profit ratio>	32.8%	35.3%	2.4ppt	—
	Operating income	27	36	9	133%
	<profit ratio>	10.6%	12.5%	1.9ppt	—
Nagase Viita Co., Ltd.	Sales	350	365	15	104%
	Gross profit	129	141	12	109%
	<profit ratio>	37.0%	38.8%	1.8ppt	—
	Operating income	50	53	2	105%
	<profit ratio>	14.4%	14.5%	0.1ppt	—
	Goodwill amortization etc.	29	18	(11)	62%
Prinova Group	Operating income after amortization burden	20	34	14	168%
	Sales	1,996	1,997	1	100%
	Gross profit	295	320	24	108%
	<profit ratio>	14.8%	16.0%	1.2ppt	—
	Operating income	25	49	23	190%
	<profit ratio>	1.3%	2.5%	1.2ppt	—
	Goodwill amortization etc.	27	26	(1)	94%
	Operating income after amortization burden	(1)	22	24	—

*The Prinova Group revised part of its classification between cost of goods manufactured and selling, general and administrative expenses in in fiscal 2025.
Figures, including fiscal 2024 figures, reflect this reclassification

Shareholder Returns

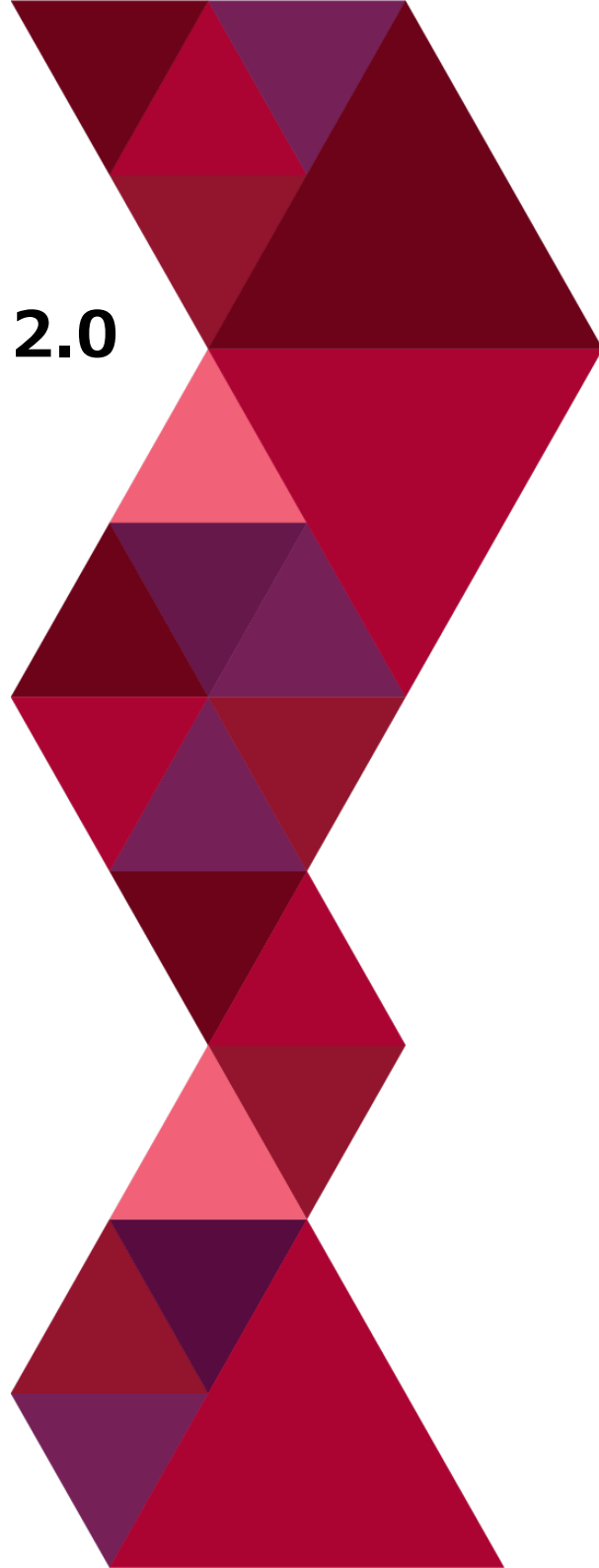
- ▶ We plan to pay ¥95 per share for the full year, consisting of an interim dividend of ¥45 per share and a year-end dividend of ¥50 per share (forecasting a 16th consecutive year of dividend increases)
- ▶ No changes to the **100% total return ratio** policy in fiscal 2025, continuing from fiscal 2024
- ▶ We resolved to repurchase ¥12 billion of treasury stock in May 2025 based on the above policy (scheduled for May to October 2025)
*Additional returns after November are to be resolved separately



* FY2024 year-end dividend to be submitted for approval to the 110th general meeting of shareholders scheduled for June 2025.

Medium-Term Management Plan **ACE 2.0**

■ ACE 2.0 Basic Policies	P28~29
■ FY2024 QUICK WIN Status	P30
■ KGI Outlook for Medium-Term Management Plan ACE 2.0	P31
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■ Pursue Sustainability - Progress in Corporate Projects	P42



ACE 2.0 Basic Policies

Become a true “Business designer”

ACE 2.0 “Pursuit of Quality”

With a mindset focused on Accountability (A), Commitment (C) and Efficiency (E), and to enable its sustained growth,

NAGASE will work to give concrete shape (business, mechanisms, culture)

(Pursuit)

to the aspirations expected by all of its stakeholders.

(Quality)

Reform of Profit Structure

Create a profit base toward the Ideal NAGASE

(1) Pursuit of profitability and efficiency

- Implement a company-wide asset replacement and reallocation of resources

(2) Strengthen existing businesses

- Expand business opportunities through globalization
- Improve productivity of manufacturing businesses and expand value-added through technical innovation

(3) Create sustainable businesses

Reform of Corporate Culture

Mindset toward the Ideal NAGASE

(1) Pursuit of economic and social value

- Fostering a sustainability mindset, and rigorous monitoring of financial and non-financial indicators

(2) Pursue efficiency

- Deepen awareness of capital efficiency
- Improve productivity of core operations

(3) Strengthen human resources to drive reforms

Functions supporting reforms

(1) Accelerate DX further

(2) Promote sustainability

(3) Strengthen corporate functions

ACE 2.0 Basic Policies

Become a true “Business designer”

ACE 2.0 “Pursuit of Quality”

With a mindset

Significant Changes in the Underlying Assumptions for ACE 2.0

le its sustained

to the aspirations expected by all of its stakeholders.

Partial Policy Adjustments Implemented Under QUICK WIN

Create a profit base toward the Ideal NAGASE

(1) Pursuit of

- Implement a reallocation

(2) Strength

- Expand busi
- Improve pro
- expand va

(3) Create su

Mindset toward the Ideal NAGASE

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drive reforms

Evolve business and financial portfolios to strengthen front-line capabilities and improve capital efficiency

Strengthen management governance to increase management efficiency and decision-making speed

Restructure human resources portfolio to maximize human capital and improve engagement

Functions supporting reforms

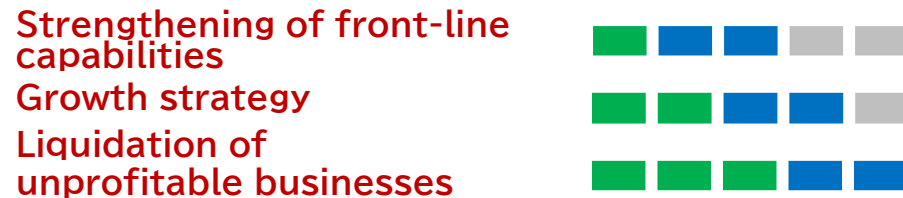
(1) Accelerate DX further

(2) Promote sustainability

(3) Strengthen corporate functions

FY2024 QUICK WIN Status -Laying the Groundwork for Change-

Evolve Our Business and Financial Portfolios



Strengthen front-line capabilities and improve capital efficiency



Strengthen Management Governance



Increase management efficiency and decision-making speed



Restructure Our Human Resources Portfolio



Maximize human capital and improve engagement



KGI Outlook for Medium-Term Management Plan **ACE 2.0**

Projected KGI Achievement

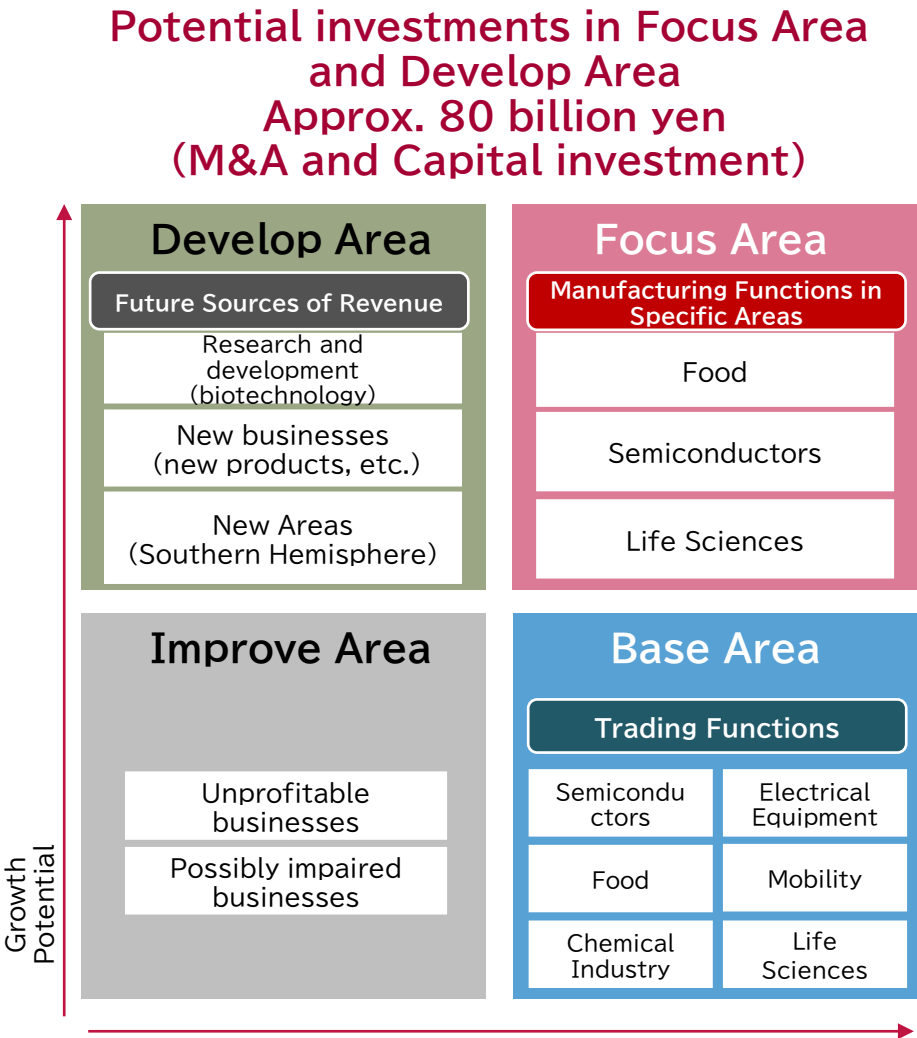
Aim to achieve a PBR above 1.0 at an early stage through sustained capital efficiency improvement and growth strategy execution

Medium-Term Management Plan **ACE 2.0** Key Goal Indicator (KGI:) “Pursuit of Quality”

Measures	Indicator	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025 Forecast	FY2025 KGI
Improvement in capital efficiency	ROE	5.9%	7.7%	6.6%	5.9%	6.4%	8.1%	8.0% or higher
Increased profitability	Operating income	21.9 ¥billion	35.2 ¥billion	33.3 ¥billion	30.6 ¥billion	39.0 ¥billion	39.5 ¥billion	35.0 ¥billion

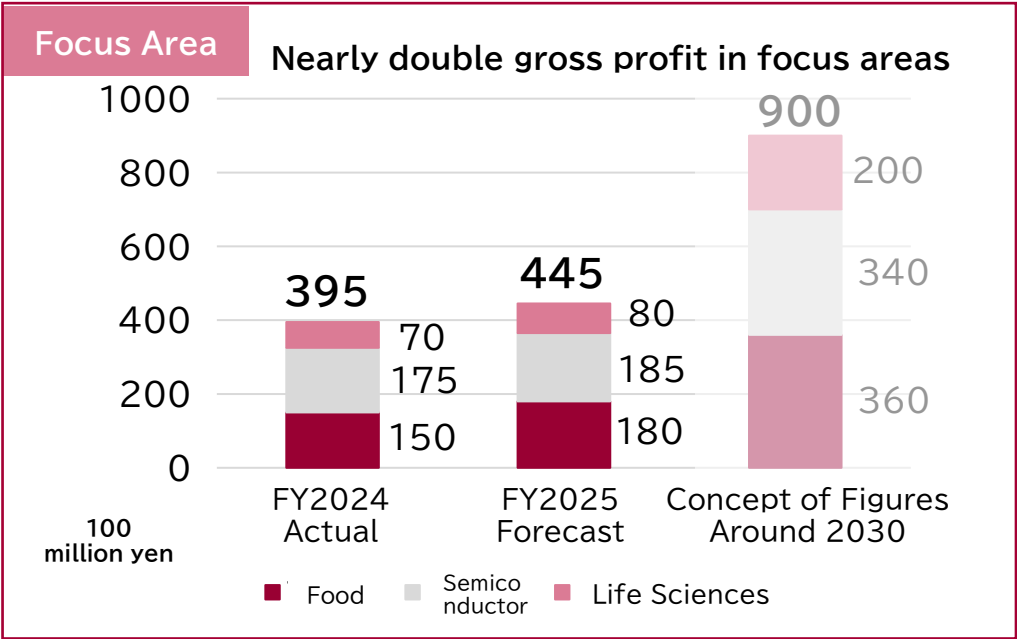
Growth Strategies for the Future

Make proactive investments in Focus Area of manufacturing (across the three areas of food, semiconductors, and life sciences) to expand profit scale and profit margin over the medium to long term



Base Area Obtain cash and high-value-added information to enhance Focus and Develop Areas

Develop Area Take on new challenges in areas that will become future sources of revenue



Improve Area Narrowing losses

ROIC *The Prinova Group revised part of its classification between cost of goods manufactured and selling, general and administrative expenses in in fiscal 2025. Figures, including fiscal 2024 figures, reflect this reclassification

Efforts in the Food Area

Driving Food Business Expansion through the Acquisition of Aprinova
- Enhancing Regional Reach in the Global South -

Develop Area	Focus Area
Future Sources of Revenue	Manufacturing Functions in Specific Areas
Research and development (biotechnology)	Food
New businesses (new products, etc.)	Semiconductors
New Areas (Southern Hemisphere)	Life Sciences
Improve Area	Base Area
Unprofitable businesses	Trading Functions
Possibly impaired businesses	Semiconductors
	Electrical Equipment
	Food
	Mobility
	Chemical Industry
	Life Sciences



About Aplinova

Location : São Paulo in Brazil
Business : Premixes, flavors, colorants, and overview powdered oils – sales and contract manufacturing for food applications
Facilities : Office, Factory, Logistics Center
Employees : 79



Deal Structure

✓ Full Acquisition by Prinova



Purpose of Acquisition

- ✓ Strengthening the South American market as part of global expansion
- ✓ Expand customer channels with Aplinova’s customer base of over 1,000 companies
- ✓ Expand sales channels for amino acids, vitamins and other products of the Prinova Group



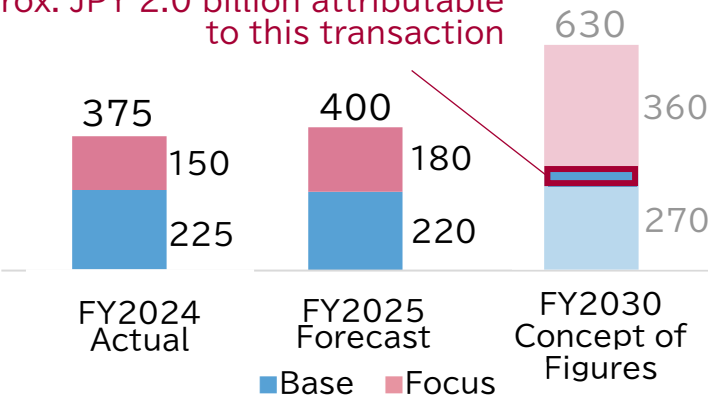
Performance Target

- ✓ Aiming to achieve approximately JPY 2.0 billion in gross profit by FY2030



NAGASE:Food Gross profit (100 million Yen)

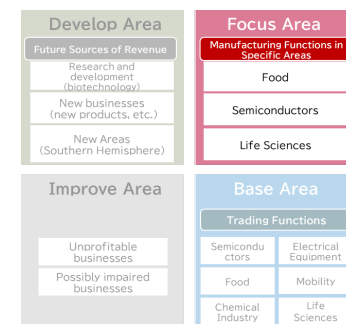
Approx. JPY 2.0 billion attributable to this transaction



*The Prinova Group revised part of its classification between cost of goods manufactured and selling, general and administrative expenses in in fiscal 2025. Figures, including fiscal 2024 figures, reflect this reclassification

Efforts in the Semiconductor Area

Acquisition of High-Purity Semiconductor Chemicals Business in Asia



About the Target Business

Location : China, Korea, Taiwan, Japan

Business overview : Recovery and regeneration of TMAH* and purification of various chemicals, Development of next-generation process chemicals

Facilities : Factories

Employees : around 130

* Tetramethylammonium hydroxide Developer used in the manufacturing process of semiconductors and flat panel displays



Deal Structure

✓ Acquisition of 4 group companies in China, South Korea, and Japan, full ownership of SN Tech (currently 40% owned by the NAGASE Group), and acquisition of a Taiwan branch



Purpose of Acquisition

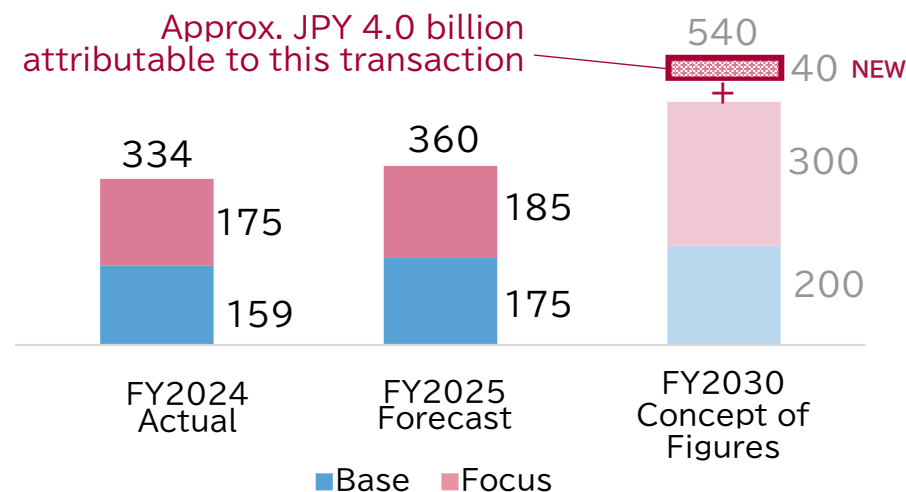
- ✓ Acquire technology to meet the environmental needs of semiconductor manufacturing processes
- ✓ Acquire missing parts in growth markets and integrate them with the Group's technology
- ✓ Develop and deploy new product lines for next-generation semiconductor front-end



Performance Target

- ✓ Aiming to achieve approximately JPY 4.0 billion in gross profit by FY2030

NAGASE:Semiconductor Gross profit (100 million Yen)



■ Base ■ Focus



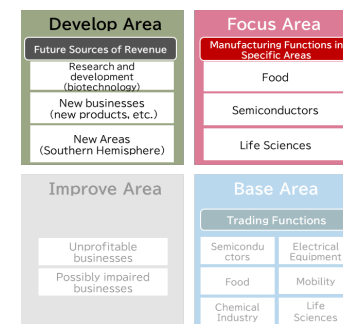
Our business partner in
the SN Tech joint venture



Efforts in the Life Science Area

Acquired Asahi Kasei Pharma's diagnostics and other businesses

- Synergies in enzyme manufacturing, sales network expansion, and R&D -



About the Target Business

Location : Shizuoka, Japan

Business : the development, manufacture and sale of diagnostic reagents and enzymes for diagnostic reagents

Facilities : Ohito Pharmaceuticals Plant and Ohito office

Employees : 205

Expertise, equipment, and strong market presence



Purpose of Acquisition

- ✓ Expand product lineup in the growing diagnostics market
- ✓ Expand sales by integrating with the NAGASE Group network
- ✓ Highly sensitive enzyme technology x NAGASE's R&D capabilities to develop new products



Performance Target

- ✓ Aiming to achieve approximately JPY 4.0 billion in gross profit by FY2030



Deal Structure

- ✓ Acquisition of all shares in a newly established company created through a company split of the target business by Asahi Kasei Pharma Corporation



New Company Name for Launch on July 1, 2025



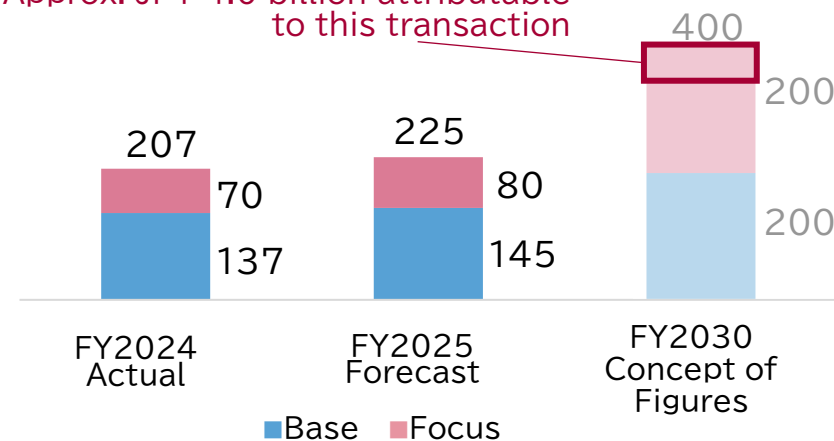
Nagase Diagnostics

ナガセダイアグノスティックス株式会社



NAGASE:Life Science Gross profit (100 million Yen)

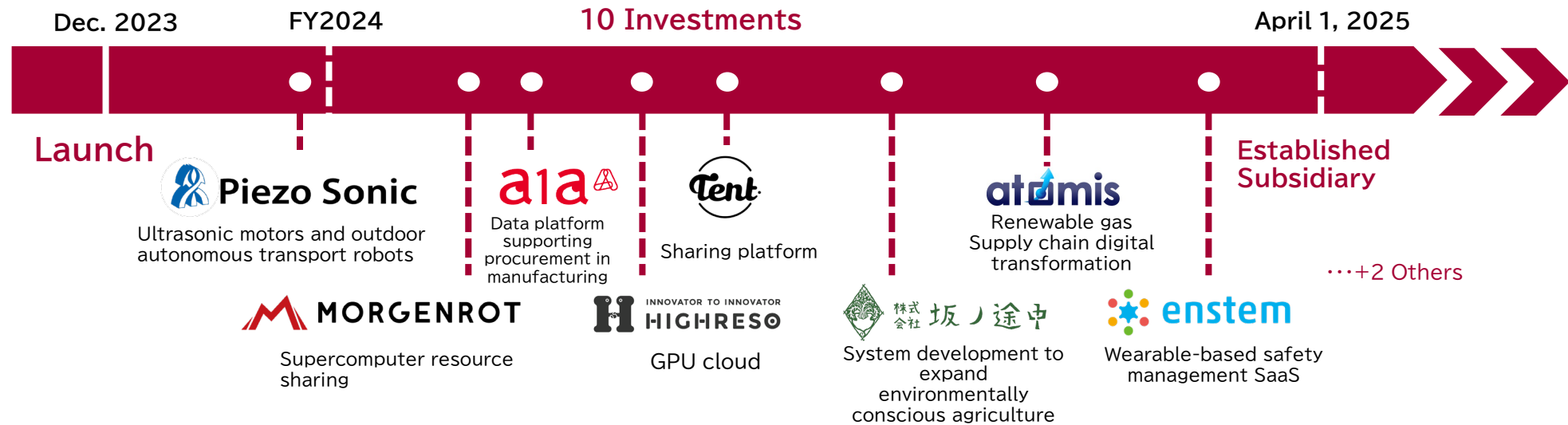
Approx. JPY 4.0 billion attributable to this transaction



Established CVC Subsidiary -Nagase Future Investments Co., Ltd.-

Leverage CVC investments to obtain information and access entry opportunities in new fields and technologies

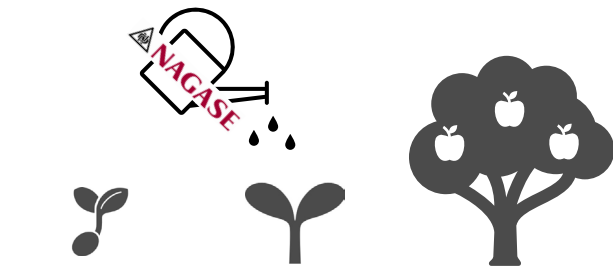
Develop Area	Focus Area
Future Sources of Revenue	Manufacturing Functions in Specific Areas
Research and development (biotechnology)	Food
New businesses (new products, etc.)	Semiconductors
New Areas (Southern Hemisphere)	Life Sciences
Improve Area	Base Area
Unprofitable businesses	Trading Functions
Possibly impaired businesses	Semiconductors
	Electrical Equipment
	Food
	Mobility
	Chemical Industry
	Life Sciences



Target ✓ New business domains outside the current scope of the Nagase Group

Purpose ✓ Acquire a broad range of cutting-edge technologies, business models, and expertise
✓ Lay the groundwork for next-generation business creation (From Zero to One)

Structure ✓ Two dedicated members, including one with VC experience, and several members serving concurrently in other roles
✓ Aim to optimize investment flow and accelerate decision-making through subsidiary-led management following the transfer of all CVC-held shares to the fund

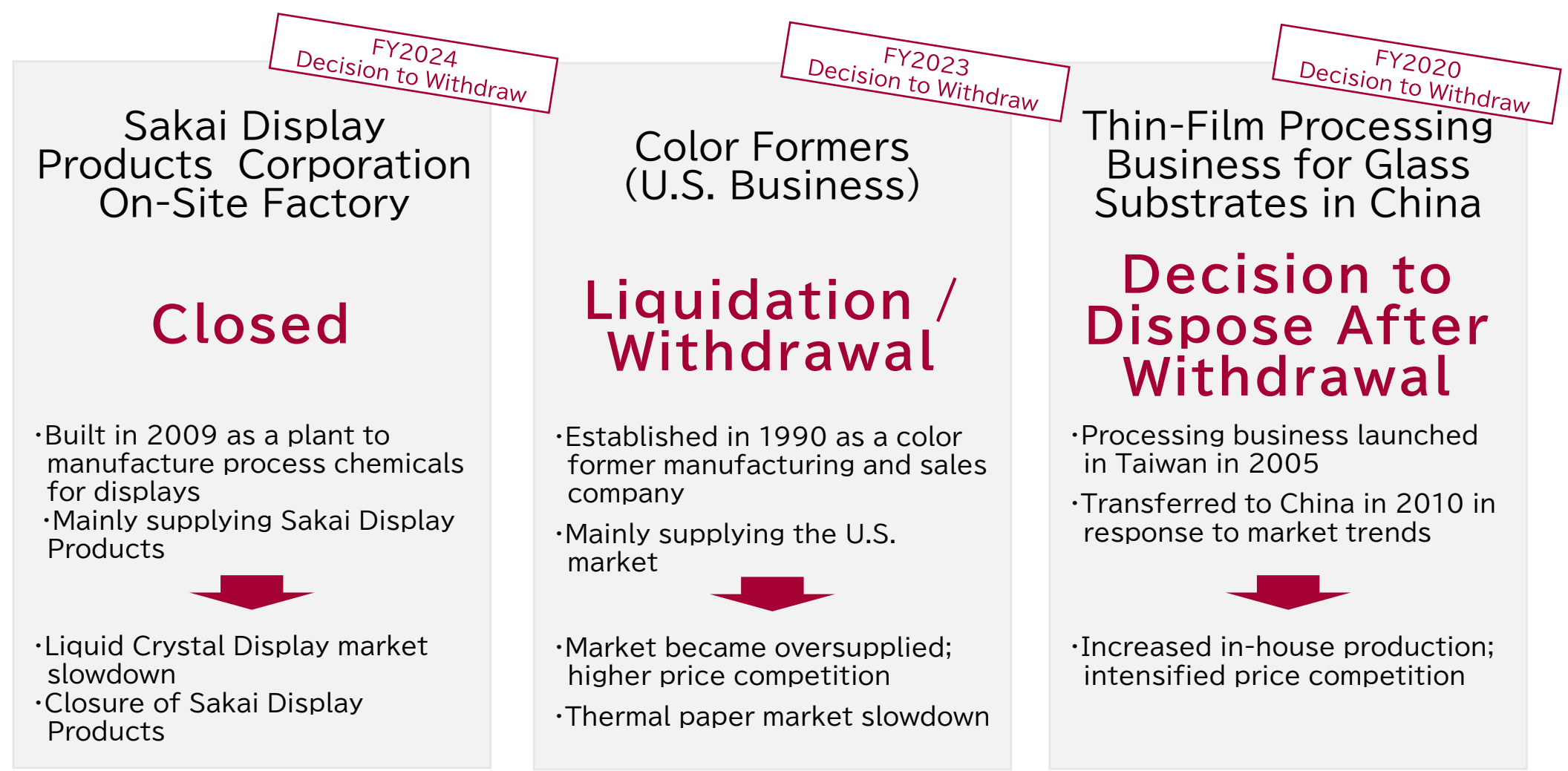


- ▶ Business intelligence
- ▶ Exploration of unexplored business domains
- ▶ Laying the groundwork for future business creation

Withdraw From Businesses With No Future Earnings Potential

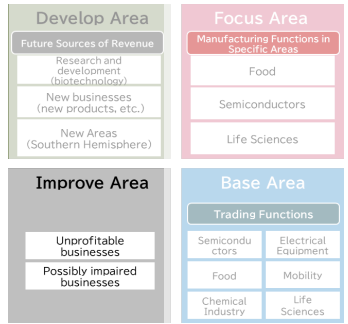
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Improve Area	Base Area
Unprofitable businesses	Trading Functions
Possibly impaired businesses	SemiconductorsElectrical Equipment
	FoodMobility
	Chemical IndustryLife Sciences

Secure withdrawal-related losses as early as possible to facilitate future business growth



Improvement Areas FY2024 Progress

Improved profit margin in FY2024, with operations aimed at achieving zero losses in FY2025 and beyond



Improvement targets and initiatives

1. Operating loss among subsidiaries and equity in losses of affiliates

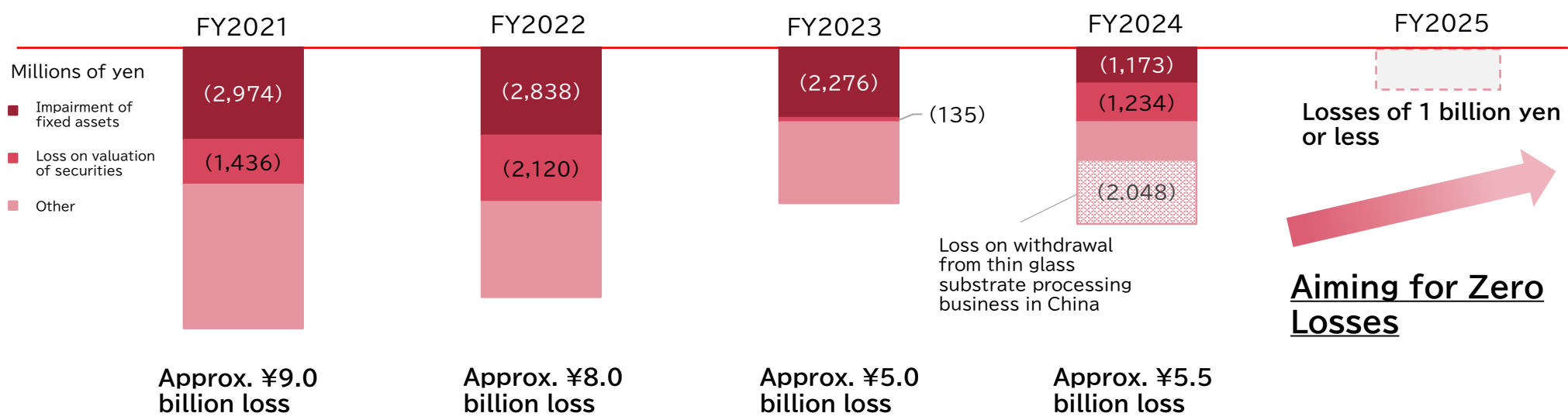
2. Assets at risk for impairment loss

3. Unprofitable transactions

Develop and implement improvement plans as early as possible.
Study withdrawing from businesses not expected to improve.

List and monitor all cases; return rights for businesses not expected to improve

【Operating Loss, Loss in Equity, Impairment Loss, and Unprofitable Transactions With Operating Subsidiaries】



Cash Allocation in FY2025

Leverage interest-bearing debt to pursue growth investments and shareholder returns

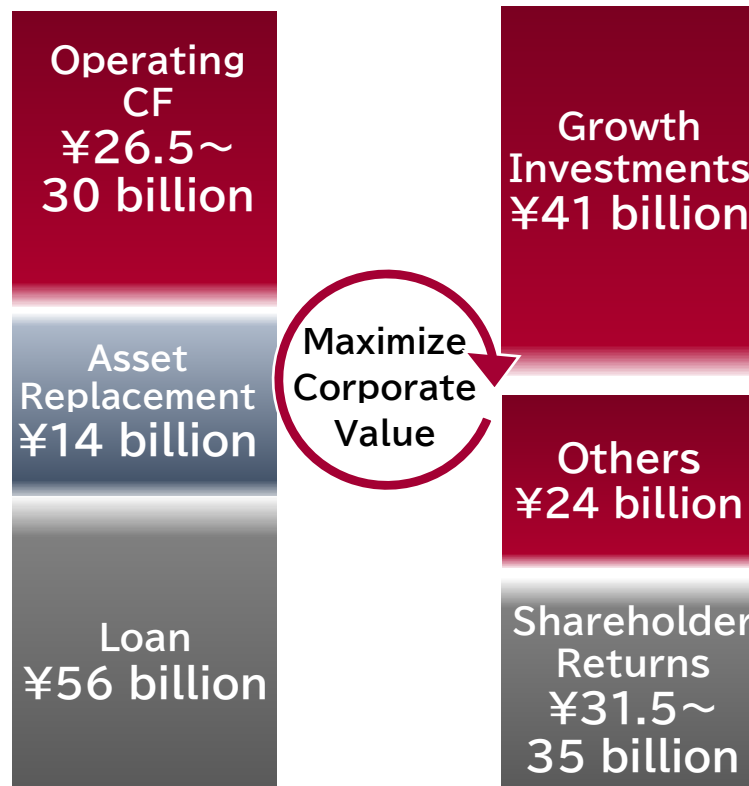
Cash In

Asset Replacement

- ▶ Reduce strategic cross-shareholdings, etc.
- ▶ Utilize cash and cash equivalents through group-wide cash management

Expanding Interest-Bearing Debt Financing

- ▶ Obtain financing within a range that allows us to maintain credit ratings



Cash Out

Growth Investments

- ▶ Execute announced M&A
- ▶ Consider M&A deals in the range of several tens of billions of yen on an ongoing basis
- ▶ Strengthen specific functions in the three fields of the Focus areas and acquire missing parts
- ▶ Invest in CVC and the Global South in the Develop Area

Shareholder Returns

- ▶ Continue Increasing Dividends and Achieve a 100% Total Return Ratio
- ▶ Control net assets at around ¥400 billion

Pursuit of Profitability and Efficiency - Shareholder Returns

- ▶ Control capital growth and ensure an ROE of 8.0% or higher in the final year of **ACE 2.0**; maintain shareholder returns under a 100% total return ratio through fiscal 2025 to support sustained improvement in ROE
- ▶ Resolve to cancel 500 million treasury shares

Change in Shareholder Returns Policy

~FY2025

FY2026~

Total return
ratio

100%

Dividend

In principle, a continuous
increase in dividendsUnder review ahead of the
next Medium-Term
Management planShare
buybacks

Opportunistic implementation

Shareholder Returns Results and Forecasts

	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Actual	FY2025 Forecast
Dividend per share (yen)	54	70	80	90	95
(Interim + Year-end)	(24+30)	(30+40)	(40+40)	(45+45)	(45+50)
Share buybacks (100 million yen)	60	56	80	170	120+ α
Total return ratio (%)	48.3	58.9	76.5	105.4	100.0

Pursuit of Profitability and Efficiency - Indicators

- ▶ Forecast 8.1% ROE in fiscal 2025
- ▶ WACC remained unchanged from fiscal 2023, as lower equity cost from a decline in beta offset higher debt cost from rising interest rates
- ▶ ROIC rose by 0.4 points compared to fiscal 2023, mainly due to higher net income despite increased interest-bearing debt
- ▶ Sold ¥3.2 billion of strategic cross-shareholdings in fiscal 2024, resulting in a total of ¥25.6 billion in total sales over the four-year period of **ACE 2.0** (¥30 billion planned over 5 years)

		FY2020	FY2021	FY2022	FY2023	Change	FY2024	FY2025 Forecast
ROE		5.9%	7.7%	6.6%	5.9%	+0.5 ⇒	6.4%	8.1%
ROIC		4.2%	5.3%	4.4%	4.0%	+0.4 ⇒	4.4%	5.2%
WACC		5.7%	5.5%	5.7%	5.9%	±0 ⇒	5.9%	5.5%
NET D/E Ratio		0.23 _{times}	0.33 _{times}	0.38 _{times}	0.27 _{times}	±0 ⇒	0.27 _{times}	0.45 _{times}
Net assets (100 millions of yen)		3,384	3,550	3,783	4,013	+51 ⇒	4,064	3,920
Interest-bearing debt (100 millions of yen)		1,189	1,665	1,796	1,669	+84 ⇒	1,753	2,313
Policy holding stock	Cumulative sales during Medium-Term Plan period (100 millions of yen)		78	152	224	+32 ⇒	256	300
	percentage of net assets	24.1%	17.8%	15.0%	15.4%	-1.5 ⇒	13.9%	13.3%

Pursue Sustainability - Progress in Corporate Projects

Improve Employee Engagement

- <Key FY2024 Initiatives>
- Increased the frequency of monitoring between management and each organization to strengthen progress tracking of engagement initiatives
 - Held town hall meetings at domestic and overseas sites to create opportunities for dialogue between management and employees
 - Advanced field-driven initiatives tailored to the challenges of each organization
 - Expanded growth and learning opportunities (including inter-division exchange programs and internal dialogue sessions)
 - Facilitated multi-layered communication (including dialogue between department heads, business unit leaders, and staff members)
 - Ranked 9th in the Large Enterprise Category (fewer than 5,000 employees) of the Best Motivation Company Award 2025 organized by Link and Motivation Inc.

Non-Financial Targets (KPIs)and Results	FY2021	FY2022	FY2023	FY2024	FY2025 Target
Nagase (Non-Consolidated): Engagement Survey Total Score	52.4	56.5	56.0	58.3	60 or higher*
Nagase (Non-Consolidated): Engagement Survey Response Rate	98%	96%	96%	98%	—
Group companies: Percentage of companies conducting regular engagement surveys	41%	81%	86%	100%	100%

*The engagement survey total score of 60 is a deviation value calculated by Link and Motivation Inc. based on data from over 10,000 companies and indicates an organizational state of Mutual Trust.

Carbon Neutrality

- <Key FY2024 Initiatives>
- Submitted a letter of commitment to obtain SBT*1 certification
 - Raised funds through sustainability-linked loans*2 tied to decarbonization targets
 - Began operating solar power generation at multiple sites using a virtual PPA service
 - Proposed GHG-reducing products and services from the Nagase Group and converted multiple cases into actual results
- *1 GHG emissions reduction targets aligned with the Paris Agreement, validated by an independent international third-party organization.
- *2 Loans with interest rates and other terms that vary depending on the achievement of a company’s environmental and social targets.

	Non-Financial Targets (KPIs)and Results	FY2021	FY2022	FY2023	FY2024	FY2025 Target
Consolidated	Scope 1 and 2 Reduction Rate (Compared to FY2013)	30%	34%	36%	43%	37% or higher
	Emission Reduction Through Generation and Purchase of Renewable Energy (Cumulative)	10t	523t	7,478t	13,272t	35,000t or higher
Nagase (Non-consolidated)	Scope2	2,514t	2,014t	1,803t	1,893t	Zero emission

*Consolidated data includes data for Nagase, Nagase ChemteX, and Nagase Viita
*Data for FY2024 consists of provisional values prior to third-party assurance

Opened NAGASE Booth at Kumamoto SDGs Mirai Park in Aso Kumamoto Airport

Showcasing use cases of group products



Facility Overview

Organizer: The Higo Bank, Ltd.

Purpose: An SDGs-focused learning facility primarily for elementary, junior high, and high school students

Location: Sorayoka Visitor Center, Aso Kumamoto Airport

Hours: 9:00-19:00 (open year-round)

General Admission Fee: ¥500

Exhibitors (Shortened names)

*some exhibits under construction

Nagase, jasm, Japan Airlines, Mitsui Home, Hitachi, Hicom, Hirata Corporation, meistier corporation, Coca-Cola Bottlers Japan



■Inquiries:

<https://www.nagase.co.jp/english/contact/ir/>

■NAGASE Group Investor Relations Website:

<https://www.nagase.co.jp/english/ir/>

These presentation materials contain projections based on forward-looking assumptions, forecasts, and plans as of May 8, 2025. Actual earnings may differ from projections due to risks and uncertainties in the future global economy, competitive landscape, currency exchange rates, etc.

Sales, Gross Profit, and Operating Income by Quarter

(Before Allocation of Corporate & Others)

- ▶ In fiscal 2024, the Company began allocating company-wide shared expenses, excluding a portion of Nagase non-consolidated expenses, to business units under Corporate & Others
- ▶ We are allocating company-wide shared expenses, shifting to a system that enables a more realistic understanding of the profitability of each business unit
- ▶ For reference, this page shows quarterly changes before allocations to Corporate & Others

100 millions of yen							
Quarterly results		1Q	2Q	3Q	4Q	4Q FY2024 forecast	FY2023 Actual
Consolidated Total							
Sales	FY2024	2,392	2,417	2,370	2,269	9,449	9,400
	FY2023	2,240	2,261	2,275	2,224	9,001	9,001
	YoY%	6.8%	6.9%	4.2%	2.0%	5.0%	4.4%
Gross profit	FY2024	457	463	452	438	1,812	1,800
	FY2023	387	401	425	432	1,647	1,647
	YoY%	18.3%	15.3%	6.3%	1.5%	10.1%	9.3%
<profit ratio>	FY2024	19.1%	19.2%	19.1%	19.3%	19.2%	19.1%
	FY2023	17.3%	17.8%	18.7%	19.4%	18.3%	18.3%
	YoY%	54.3%	37.1%	16.5%	6.3%	27.6%	19.2%
Operating income	FY2024	107	103	99	80	390	365
	FY2023	69	75	85	75	306	306
	YoY%	54.3%	37.1%	16.5%	6.3%	27.6%	19.2%
<profit ratio>	FY2024	4.5%	4.3%	4.2%	3.6%	4.1%	3.9%
	FY2023	3.1%	3.3%	3.8%	3.4%	3.4%	3.4%

100 millions of yen							
Quarterly results		1Q	2Q	3Q	4Q	4Q FY2024 forecast	FY2023 Actual
Advanced Materials & Processing(Polymer Global Account Dept.)							
Sales	FY2024	535	546	528	495	2,106	2,049
	FY2023	485	536	477	485	1,985	1,985
	YoY%	10.2%	1.9%	10.7%	2.0%	6.1%	3.2%
Gross profit	FY2024	65	65	67	63	261	255
	FY2023	54	61	61	57	236	236
	YoY%	20.1%	5.4%	9.1%	9.8%	10.9%	8.0%
<profit ratio>	FY2024	12.3%	11.9%	12.8%	12.8%	12.4%	12.4%
	FY2023	11.3%	11.5%	13.0%	11.9%	11.9%	11.9%
	YoY%	50.2%	20.8%	17.2%	20.7%	25.5%	17.6%
Operating income	FY2024	20	23	23	18	85	80
	FY2023	13	19	20	15	68	68
	YoY%	50.2%	20.8%	17.2%	20.7%	25.5%	17.6%
<profit ratio>	FY2024	3.8%	4.3%	4.5%	3.7%	4.1%	3.9%
	FY2023	2.8%	3.6%	4.2%	3.1%	3.4%	3.4%

100 millions of yen							
Quarterly results		1Q	2Q	3Q	4Q	4Q FY2024 forecast	FY2023 Actual
Mobility(Mobility Solutions Dept.)							
Sales	FY2024	321	338	343	317	1,320	1,326
	FY2023	311	337	353	319	1,321	1,321
	YoY%	3.1%	0.4%	(2.7%)	(0.6%)	(0.0%)	0.4%
Gross profit	FY2024	40	43	43	37	165	165
	FY2023	34	39	41	37	152	152
	YoY%	17.8%	9.9%	5.4%	1.2%	8.3%	8.3%
<profit ratio>	FY2024	12.5%	12.9%	12.7%	11.8%	12.5%	12.4%
	FY2023	11.0%	11.8%	11.7%	11.6%	11.5%	11.5%
	YoY%	44.6%	17.2%	9.0%	15.5%	19.6%	15.5%
Operating income	FY2024	13	16	16	12	59	57
	FY2023	9	13	14	10	49	49
	YoY%	44.6%	17.2%	9.0%	15.5%	19.6%	15.5%
<profit ratio>	FY2024	4.3%	4.8%	4.7%	4.0%	4.5%	4.3%
	FY2023	3.0%	4.1%	4.2%	3.4%	3.7%	3.7%

100 millions of yen							
Quarterly results		1Q	2Q	3Q	4Q	4Q FY2024 forecast	FY2023 Actual
Functional Materials(Performance Chemicals Dept., Speciality Chemicals Dept.)							
Sales	FY2024	405	388	372	370	1,537	1,588
	FY2023	364	357	375	370	1,468	1,468
	YoY%	11.4%	8.7%	(0.7%)	(0.1%)	4.7%	8.2%
Gross profit	FY2024	88	81	79	75	325	326
	FY2023	64	68	73	75	281	281
	YoY%	37.8%	19.9%	8.5%	(0.2%)	15.6%	15.9%
<profit ratio>	FY2024	21.8%	21.1%	21.3%	20.3%	21.1%	20.5%
	FY2023	17.6%	19.1%	19.5%	20.4%	19.2%	19.2%
	YoY%	23.8%	7.4%	6.7%	5.1%	11.7%	6.7%
Operating income	FY2024	37	31	28	27	123	121
	FY2023	15	21	25	24	86	86
	YoY%	140.7%	46.9%	11.8%	12.2%	43.5%	40.2%
<profit ratio>	FY2024	9.1%	8.0%	7.6%	7.4%	8.1%	7.6%
	FY2023	4.2%	6.0%	6.7%	6.6%	5.9%	5.9%

100 millions of yen							
Quarterly results		1Q	2Q	3Q	4Q	4Q FY2024 forecast	FY2023 Actual
Electronics & Energy(Electronics Dept., Advanced Functional Materials Dept.)							
Sales	FY2024	400	398	413	400	1,613	1,542
	FY2023	355	356	375	360	1,447	1,447
	YoY%	12.8%	11.7%	10.1%	11.2%	11.4%	6.5%
Gross profit	FY2024	95	97	99	107	400	386
	FY2023	77	86	85	92	342	342
	YoY%	23.7%	13.4%	15.7%	16.1%	17.0%	12.8%
<profit ratio>	FY2024	23.8%	24.5%	24.0%	26.9%	24.8%	25.0%
	FY2023	21.7%	24.2%	22.9%	25.8%	23.6%	23.6%
	YoY%	10.1%	3.0%	5.7%	11.3%	4.7%	4.7%
Operating income	FY2024	34	38	36	44	154	143
	FY2023	23	31	27	31	113	113
	YoY%	50.6%	24.4%	33.2%	40.6%	36.4%	26.2%
<profit ratio>	FY2024	8.7%	9.7%	8.8%	11.1%	9.6%	9.3%
	FY2023	6.5%	8.7%	7.3%	8.8%	7.8%	7.8%

100 millions of yen							
Quarterly results		1Q	2Q	3Q	4Q	4Q FY2024 forecast	FY2023 Actual
Life & Healthcare(Life & Healthcare Products Dept.)							
Sales	FY2024	728	744	712	685	2,870	2,894
	FY2023	723	673	693	687	2,777	2,777
	YoY%	0.7%	10.7%	2.7%	(0.4%)	3.3%	4.2%
Gross profit	FY2024	168	173	163	155	660	667
	FY2023	156	145	163	168	634	634
	YoY%	8.0%	19.0%	(0.4%)	(7.7%)	4.2%	5.1%
<profit ratio>	FY2024	23.2%	23.3%	22.9%	22.7%	23.0%	23.0%
	FY2023	21.6%	21.6%	23.6%	24.5%	22.8%	22.8%
	YoY%	7.9%	1.7%	(1.7%)	(1.8%)	1.2%	1.2%
Operating income	FY2024	21	9	17	11	60	71
	FY2023	32	19	24	26	103	103
	YoY%	(34.8%)	(48.2%)	(28.8%)	(57.4%)	(41.7%)	(31.2%)
<profit ratio>	FY2024	2.9%	1.3%	2.5%	1.6%	2.1%	2.5%
	FY2023	4.5%	2.9%	3.6%	3.9%	3.7%	3.7%

*Allocations of each expense to seven business units according to one or more of the following criteria

- (1) Equal allocation to each division
- (2) Allocation according to business scale (sales and gross profit)

Evaluations From ESG Rating Agencies

ESG Rating Agencies		Highest rated	FY2019 Results	FY2020 Results	FY2021 Results	FY2022 Results	FY2023 Results	FY2024 Results
FTSE		5.0	1.2	1.9	2.7	3.5	4.2	4.2
MSCI		AAA	BB	BB	BBB	A	A	A
CDP	Climate Change	A	C	B	B	A-	A-	A-
	Water	A	C	B	A-	A	A	A-
	Forest	A	C-	C	C	B	B	B
	Supply Chain Engagement	A	—	—	—	A (leader)	A (leader)	under review
Ecovadis [NAGASE Group]		Platinum (100)	— (41)	Bronze	— (43)	Bronze	Silver	Silver

Major Cash Inflows and Outflows for FY2021-FY2024

100 millions of yen

Cash In	FY2021	FY2022	FY2023	FY2024	4-years Cumulative Total	Cash Out	FY2021	FY2022	FY2023	FY2024	4-years Cumulative Total
Operating CF after adjustments*	525	363	476	515	1,879	Dividends and share buybacks	124	139	178	270	713
Proceeds from sales of strategic cross-shareholdings, etc.	92	96	71	35	296	Investment in DX, R&D, etc	71	68	78	69	288
Decrease in working capital	—	—	330	—	330	Increase in working capital	631	200	—	82	913
Proceeds from change in interest-bearing debt	401	—	—	96	498	Expenses from change in interest-bearing debt	—	25	234	—	260
Other income	7	9	9	30	57	Other growth investments, etc	156	173	188	161	679
						Other expenditures	25	20	76	29	150
Total	1,026	469	888	678	3,062	Total	1,008	628	756	613	3,005

* Operating CF excluding the impact of changes in working capital, DX and R&D costs recorded as expenses, etc.

Prinova Group Business Overview

