



*Innovating Today
for Future Well-being*

FY2025 First Quarter Financial Briefing

NAGASE&CO.,LTD.





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

August 5, 2025



 **NAGASE**
Delivering next.

Executive Summary

FY2025 First Quarter Results

-  The trading business reported a decrease in profit, despite strong performance in the Electronics & Energy and Life & Healthcare segments, mainly due to weaker results in automobile-related business under Functional Materials and Mobility
-  Performance overall was strong in the Prinova Group. While the Prinova's trading business remained sluggish due to a decline in the food ingredients market prices, despite an overall increase in volume; the manufacturing business supported the trend toward a recovery, mainly through an improved product mix in the Solutions business and efficiency improvements in the Nutrition business
-  Sales were strong for Nagase ChemteX formulated epoxy resins used in semiconductors for AI servers
-  Nagase Viita is performing well, driven by an expansion of adoptions in its domestic sales of food ingredients
 - Improved profitability through ROIC management improving gross profit margin by 0.2 percentage points
 - The impact of U.S. tariff policies on NAGASE Group earnings has been minimal

FY2025 Earnings Projections

-  The Prinova Group Nutrition business is expected narrower losses through efficiency improvements, and is now working to increase top line sales in tandem with said efficiency
-  We expect sales of formulated epoxy resins for semiconductors used in AI servers to remain strong, and we plan to increase production capacity within the fiscal year as projected at the beginning of the period (four times increase compared with fiscal 2023 levels)
 - While each business is likely to experience own favorable or unfavorable trends, these trends are generally within the range of our projections, and we have not revised earlier forecasts
 - We currently expect that the impact of U.S. tariff policies will have a negligible effect on NAGASE Group earnings

Contents

■ Consolidated Statements Income	P4
■ Gross Profit by Region	P5
■ Gross Profit by Business & Segment	P6
■ Operating Income by Business & Segment	P7
■ Segment Overview	P8~P12
■ Overview of Major Manufacturing Subsidiaries	P13~P15
■ Consolidated Balance Sheets	P16
■ Consolidated Cash Flows	P17
■ FY2025 Earnings Projection	P18~P20
■ Shareholder Returns	P21

<Appendix>

Management Conscious of Capital Costs and Share Prices	P23
Business Environment Surrounding NAGASE Segments	P24
Sales, Gross Profit, and Operating Income by Quarter	P25
Growth Strategies for the Future	P26~P30
Cash Allocation in FY2025	P31
Prinova Group Business Overview	P32
Turnaround of Prinova Nutrition	P33
Major Cash Inflows and Outflows for FY2021-FY2024	P34

* The Prinova Group revised part of its classification between cost of goods manufactured and selling, general and administrative expenses during the current fiscal year. We used estimates of post-revision figures for fiscal 2024 results in the fiscal 2024 financial statements. Estimates have now been replaced with finalized figures.

* 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

Consolidated Statements Income

- ▶ Gross profit increased due to efforts toward improving profit margin
- ▶ Operating income decreased due to M&A-related expenses and an increase in selling, general and administrative expenses, which was caused by an increase in retirement benefit expenses related to the amortization of actuarial differences
- ▶ Profit attributable to owners of the parent increased due to lower tax expenses

	FY2024 1Q	FY2025 1Q	Change	Vs.PY	Forecast	Achievement
100 millions of yen						
Sales	2,392	2,373	(18)	99%	9,550	25%
Gross profit	437	443	5	101%	1,810	24%
<GP ratio>	18.3%	18.7%	0.4ppt	—	19.0%	—
SG&A expenses	330	340	10	103%	1,415	24%
Operating income	107	102	(4)	95%	395	26%
<OP ratio>	4.5%	4.3%	(0.2ppt)	—	4.1%	—
(excluding the effect of actuarial gains and losses)	98	103	4	105%	398	26%
Ordinary income	109	106	(2)	97%	385	28%
Profit Attributable to owners of the parent	74	75	0	101%	315	24%
US\$ Exchange rate (period average)	@ 155.9	@ 144.6	@ 11.3	Strong yen	@ 143.0	
RMB Exchange rate (period average)	@ 21.5	@ 20.0	@ 1.5	Strong yen	@ 19.0	

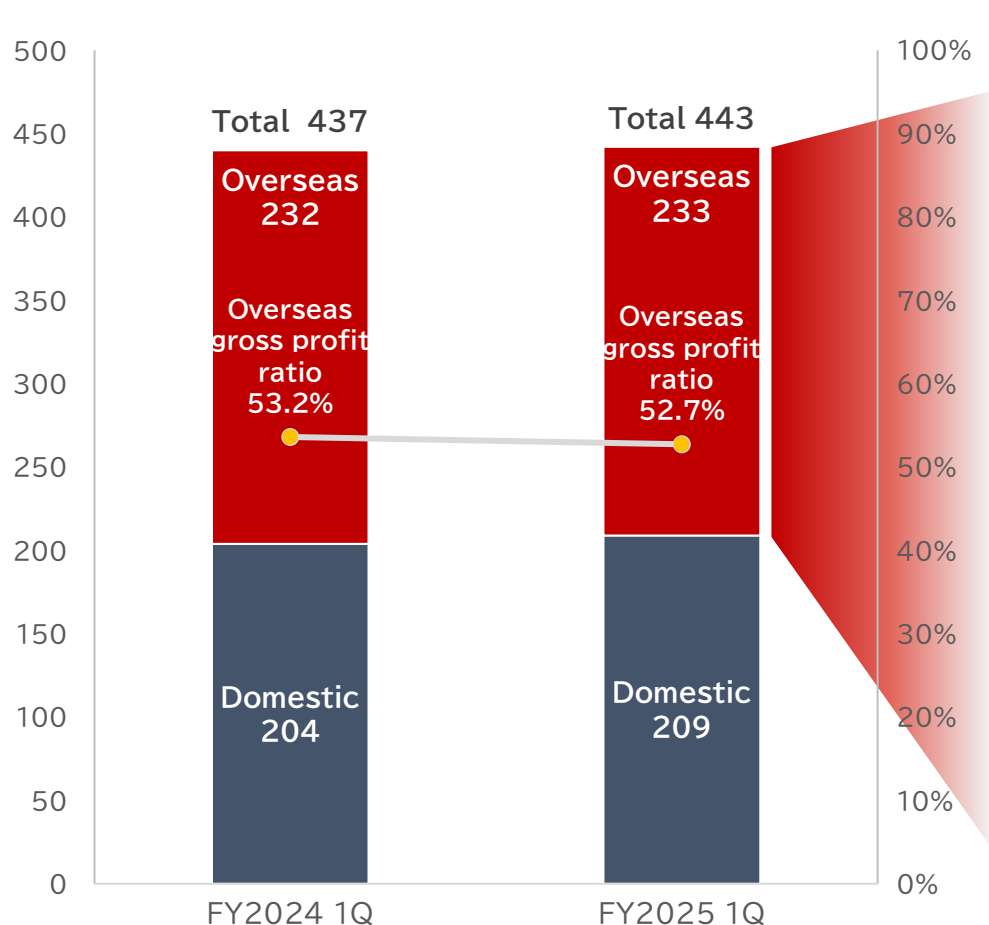
* Impact from foreign exchange: Gross profit, -¥0.7 billion; Operating income, -¥0. 2 billion

* The Prinova Group revised part of its classification between cost of goods manufactured and selling, general and administrative expenses during the current year. See the Contents page for details.

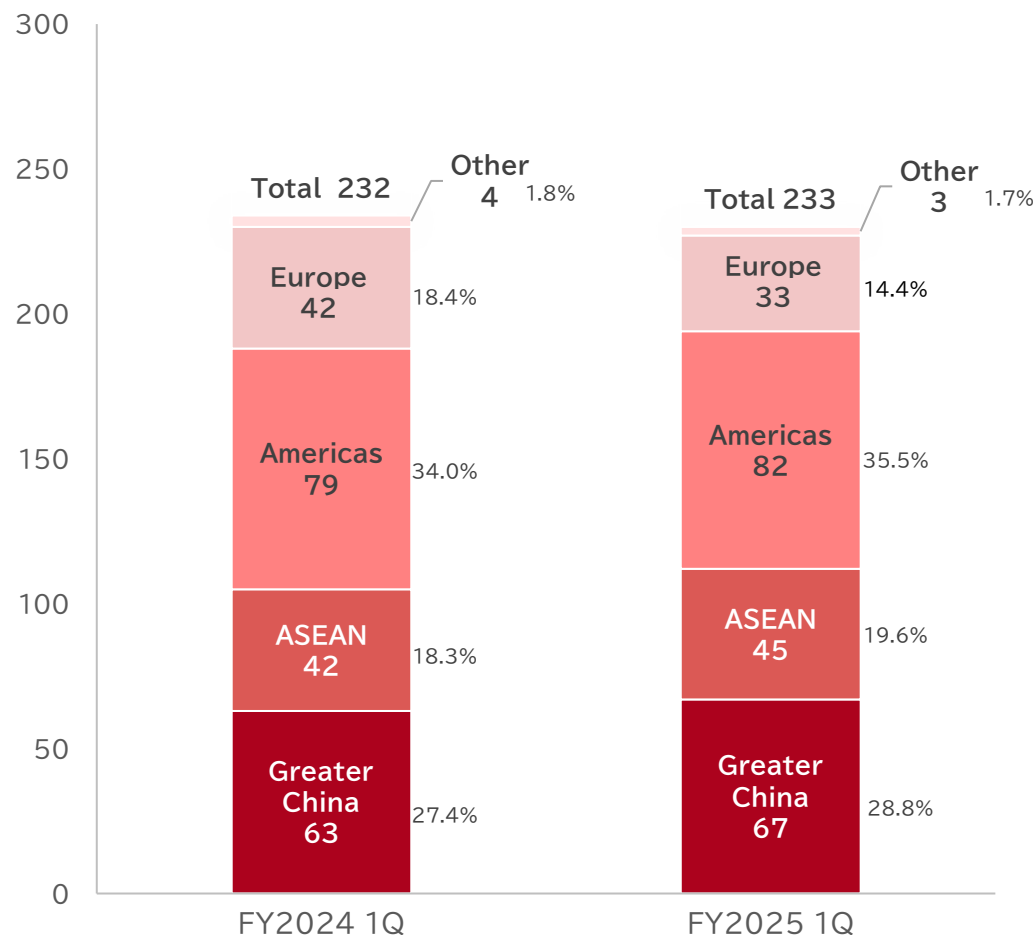
Gross Profit by Region

- ▶ Higher domestic profit stemming from an increase in domestic sales, mainly due to higher sales of food ingredients at Nagase Viita and formulated epoxy resins at Nagase ChemteX (including exports)
- ▶ Overseas profit declined, even as Greater China and ASEAN reported strong semiconductor-related performance, as profit fell in Europe due to weak sales of food ingredients by the Prinova Group and the impact of the stronger yen, among other factors

Domestic & Overseas Gross profit(100 millions of yen)



Overseas gross profit By Region(100 millions of yen)



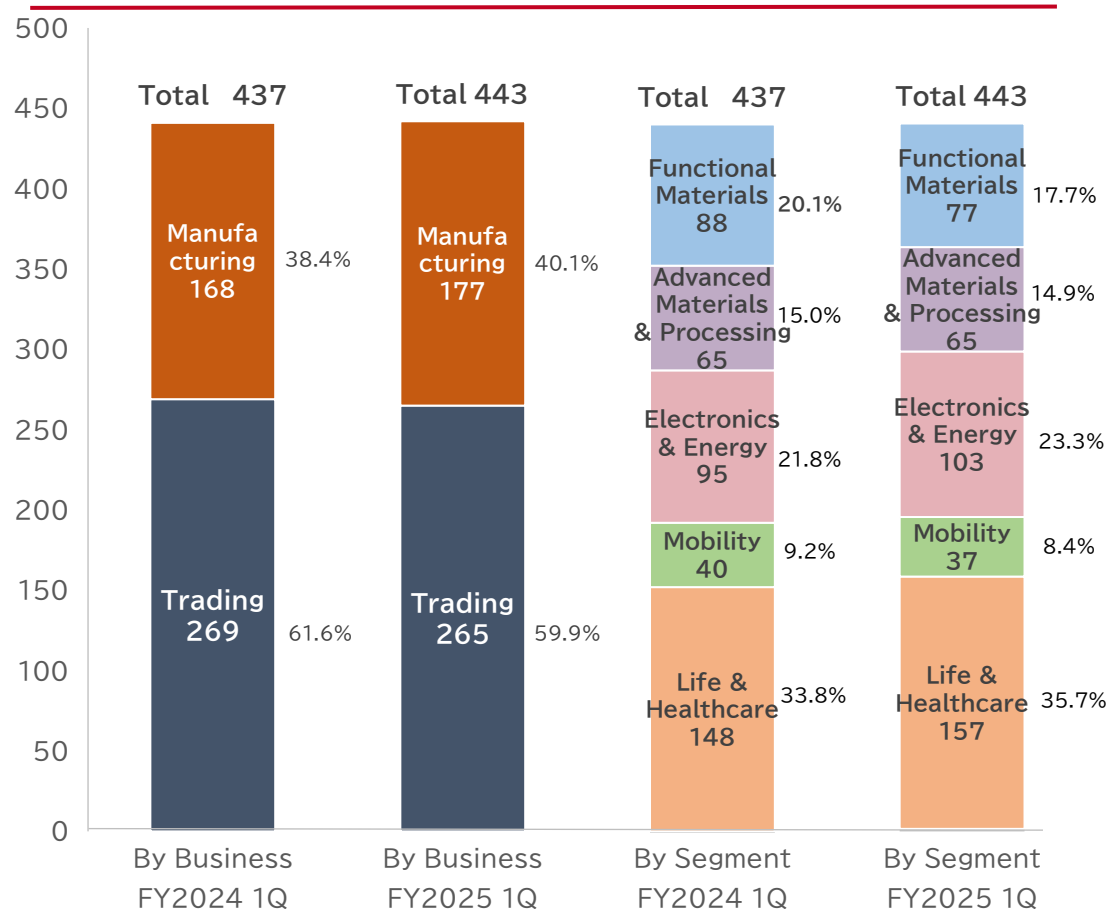
* Domestic figures under Domestic & Overseas Gross Profit include inter-regional adjustments

* The Prinova Group revised part of its classification between cost of goods manufactured and selling, general and administrative expenses during the current fiscal year. See the Contents page for details.

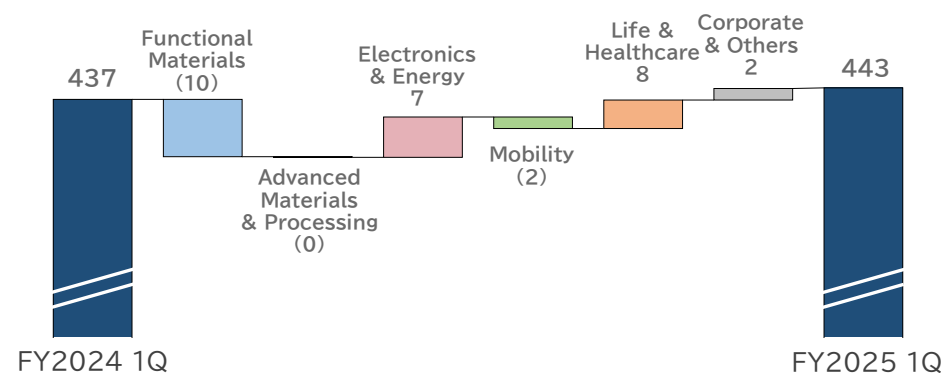
Gross Profit by Business & Segment

- ▶ Trading business reported a decrease in profit of roughly ¥0.4 billion, despite strong performance in the Electronics & Energy and Life & Healthcare segments, as the automobile-related business under Functional Materials and Mobility experienced weaker results
- ▶ Manufacturing business profits increased roughly ¥0.5 billion, mainly due to increased sales of food ingredients at Nagase Viita and formulated epoxy resins at Nagase ChemteX under the Electronics & Energy segment
- ▶ Functional Materials experienced a significant decrease, while the Electronics & Energy and Life & Healthcare segments saw growth during the period (see Segment Overview for more details)

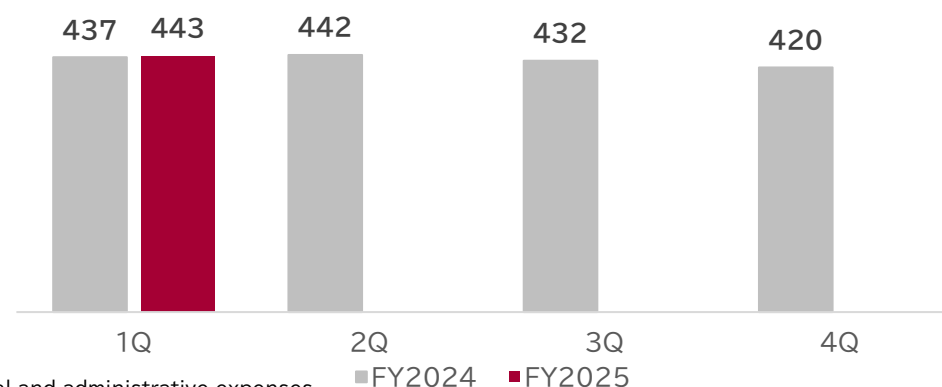
Gross Profit By Business & Segment (100 millions of yen)



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



History of Gross Profit (100 millions of yen)



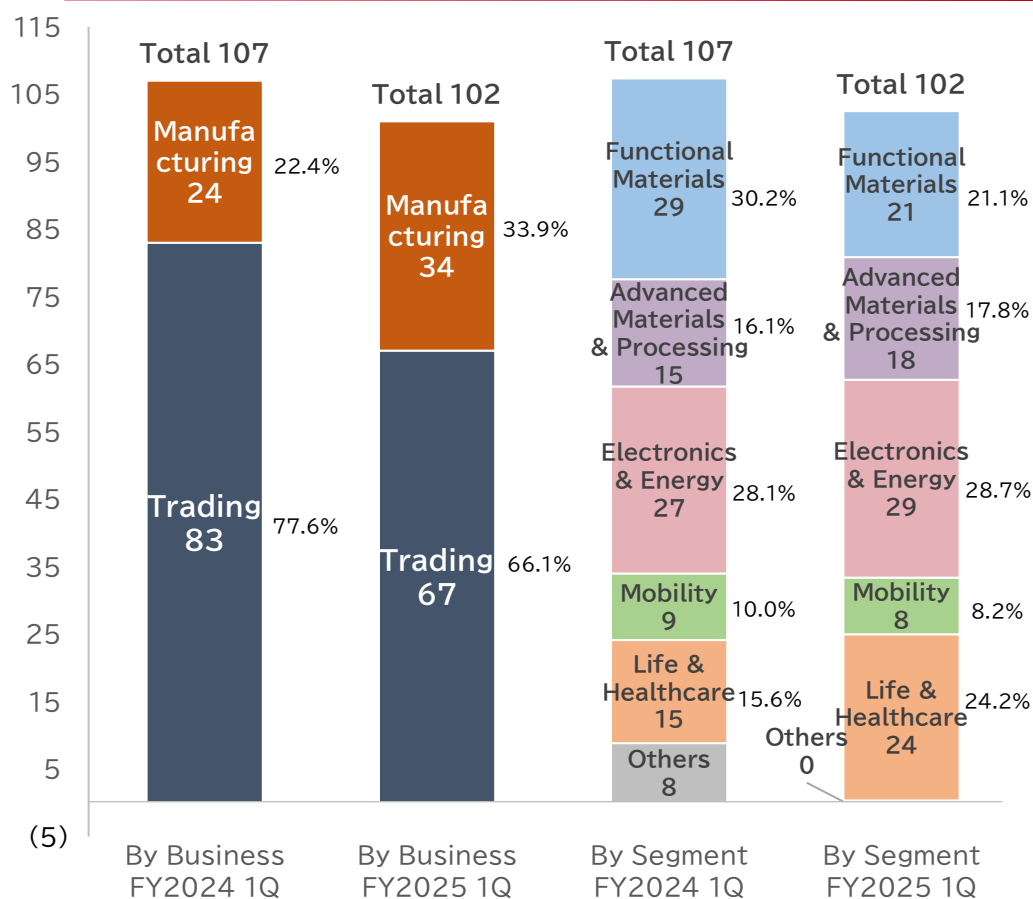
* Calculation of segment composition ratios does not include Corporate & Others and eliminations

* The Prinova Group revised part of its classification between cost of goods manufactured and selling, general and administrative expenses during the current fiscal year. See the Contents page for details.

Operating Income by Business & Segment

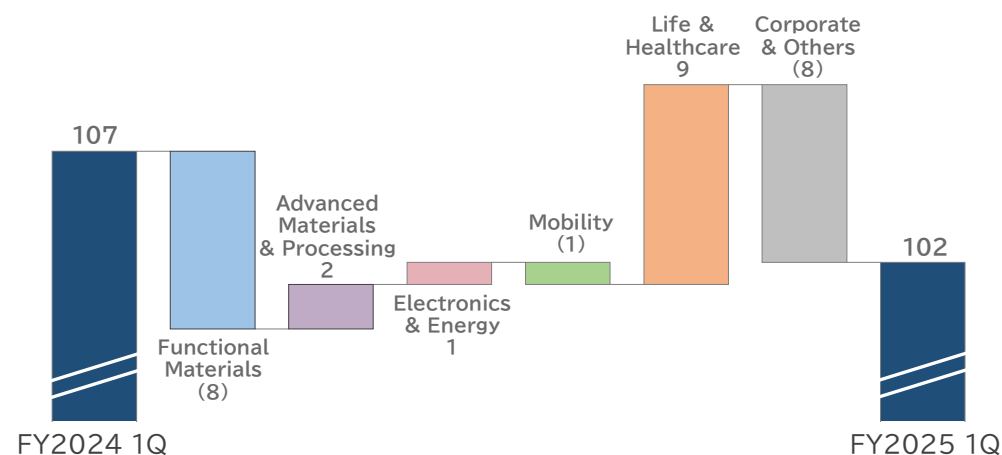
- ▶ Trading business profit decreased approximately ¥1.5 billion due to a decrease in gross profit, posting M&A related expenses and the impact of an increase in retirement benefit expenses related to the amortization of actuarial differences
 - ▶ Manufacturing business profit increased by about ¥1.0 billion overall, mainly due to strong sales of food ingredients at Nagase Viita, the completion of amortization for certain intangible assets, and increased efficiencies in the Prinova Group Nutrition business
 - ▶ Profit under Corporate & Others decreased, mainly due to the impact of an increase in retirement benefit expenses related to the amortization of actuarial differences
- (Retirement benefit actuarial differences: Approximately ¥3.5 billion gain in fiscal 2024 and approximately ¥0.3 billion loss in fiscal 2025 equally prorated and recorded on a quarterly basis)

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

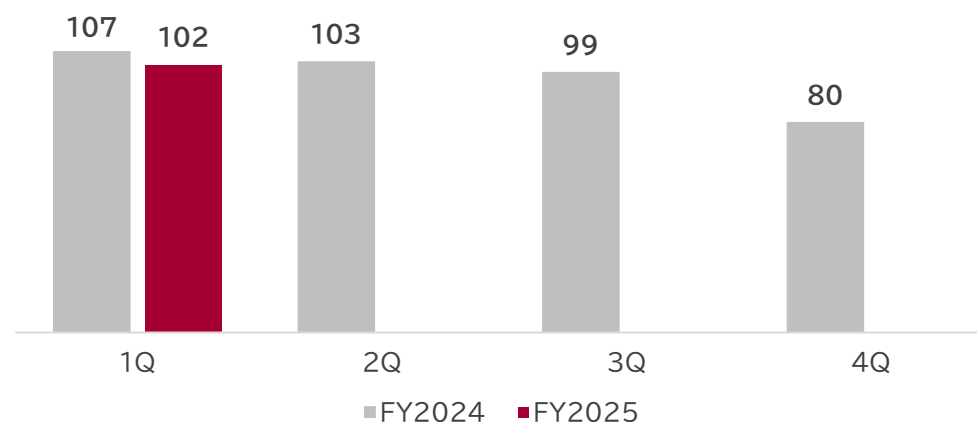


* Calculation of segment composition ratios does not include Corporate & Others and eliminations

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



History of Operating Income (100 millions of yen)



■ FY2024 ■ FY2025

Segment Overview: Functional Materials

- ▶ Gross profit decreased primarily for the following reasons
 - Coating materials sales were lower due to weak demand automotive and architectural applications
 - Sales of raw materials for semiconductor materials decreased
- ▶ Operating income decreased due to weaker gross profit

Quarterly results							100 millions of yen	
		1Q	2Q	3Q	4Q	YTD	FY2025 Forecast	Achiev ement
Sales	FY2025	380				380	1,570	24%
	FY2024	405	388	372	370	405	1,537	
	YoY%	(6.1%)				(6.1%)	2.1%	
Gross profit	FY2025	77				77	328	24%
	FY2024	88	81	79	75	88	325	
	YoY%	(11.7%)				(11.7%)	0.9%	
<profit ratio>	FY2025	20.5%				20.5%	20.9%	
	FY2024	21.8%	21.1%	21.3%	20.3%	21.8%	21.1%	
Manufacturing	FY2025	5				5		
	FY2024	6	6	4	4	6	22	
Trading	FY2025	72				72		
	FY2024	82	75	74	70	82	302	
Operating income	FY2025	21				21	88	25%
	FY2024	29	24	20	17	29	92	
	YoY%	(27.4%)				(27.4%)	(4.5%)	
<profit ratio>	FY2025	5.7%				5.7%	5.6%	
	FY2024	7.3%	6.3%	5.5%	4.7%	7.3%	6.0%	
Manufacturing	FY2025	1				1		
	FY2024	2	3	0	1	2	7	
Trading	FY2025	19				19		
	FY2024	27	21	20	15	27	84	

[Key Measures]

Performance Chemicals Dept.

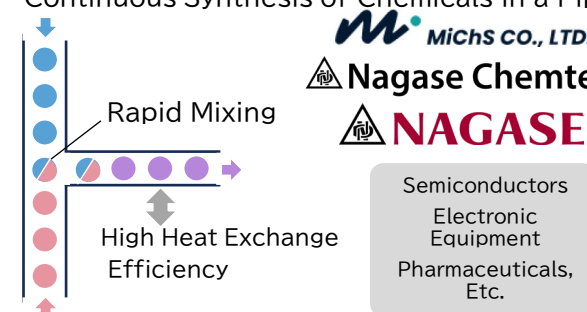
- ▶ Capture business opportunities in the etrochemical industry and in response to market changes by leveraging our global procurement capabilities
- ▶ Propose sustainable materials and solutions (biodegradable bio-SAPs, chemical joint logistics matching, Mixing Concierges™, etc.)

Speciality Chemicals Dept.

- ▶ Business expansion through contributions to the supply chain in upstream segment of the semiconductor
- ▶ Creating businesses with utilizing unique technologies such as flow synthesis, metal-organic frameworks (MOFs), etc.

Flow Synthesis

Continuous Synthesis of Chemicals in a Pipeline



Invested in MiChS, a company with many years of experience and knowledge in this field

Segment Overview: Advanced Materials & Processing

- ▶ Gross profits flat, primarily for the following reasons
 - Sales of resins decreased due to lower volume for office equipment and other applications in the electrical appliances and electronic industries; however, planned product mix improvements resulted in improved profit margin
 - Sales of industrial hoses and civil engineering pipes increased at TOTAKU INDUSTRIES, Inc.
- ▶ Operating income increased due to a decrease in general and administrative expenses

Quarterly results							100 millions of yen	
		1Q	2Q	3Q	4Q	YTD	FY2025 Forecast	Achiev ement
Sales	FY2025	502				502	2,110	24%
	FY2024	535	546	528	495	535	2,106	
	YoY%	(6.0%)				(6.0%)	0.2%	
Gross profit	FY2025	65				65	270	24%
	FY2024	65	65	67	63	65	261	
	YoY%	(0.1%)				(0.1%)	3.1%	
<profit ratio>	FY2025	13.1%				13.1%	12.8%	
	FY2024	12.3%	11.9%	12.8%	12.8%	12.3%	12.4%	
Manufacturing	FY2025	14				14		
	FY2024	12	12	15	12	12	53	
Trading	FY2025	51				51		
	FY2024	53	52	52	50	53	208	
Operating income	FY2025	18				18	69	26%
	FY2024	15	19	19	12	15	66	
	YoY%	14.5%				14.5%	3.2%	
<profit ratio>	FY2025	3.6%				3.6%	3.3%	
	FY2024	3.0%	3.6%	3.6%	2.5%	3.0%	3.2%	
Manufacturing	FY2025	3				3		
	FY2024	2	2	4	1	2	10	
Trading	FY2025	14				14		
	FY2024	13	17	14	10	13	55	

[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 Subsidiary: TOTAKU INDUSTRIES, Inc. will change its company name effective November 1

 **Nagase RootTAC**

ナガセルータック株式会社

Root(根) + TAC

Name symbolizing the technology and craftsmanship in the DNA of TOTAKU



TOTAKU INDUSTRIES, INC. square-shape pipes
Promotion of pole-less utilities

Segment Overview: Electronics & Energy

- ▶ Gross profit increased primarily for the following reasons
 - Sales of semiconductor materials increased
 - Despite weakness in sales for mobile device applications, sales of Nagase ChemteX formulated epoxy resins increased with strong performance for resins used in semiconductors for AI servers
- ▶ Operating income increased due to improved gross profit, despite posting M&A related expenses

Quarterly results

		1Q	2Q	3Q	4Q	YTD		
							100 millions of yen	
Sales	FY2025	415				415	FY2025 Forecast	Achievement
	FY2024	400	398	413	400	400	FY2024 Actual	
	YoY%	3.6%				3.6%		
Gross profit	FY2025	103				103		
	FY2024	95	97	99	107	95		
	YoY%	7.9%				7.9%		
<profit ratio>	FY2025	24.8%				24.8%		
	FY2024	23.8%	24.5%	24.0%	26.9%	23.8%		
Manufacturing	FY2025	35				35		
	FY2024	33	35	34	48	33		
Trading	FY2025	67				67		
	FY2024	62	62	65	59	62		
Operating income	FY2025	29				29		
	FY2024	27	32	28	34	27		
	YoY%	5.8%				5.8%		
<profit ratio>	FY2025	7.1%				7.1%		
	FY2024	6.9%	8.1%	7.0%	8.6%	6.9%		
Manufacturing	FY2025	9				9		
	FY2024	7	9	7	19	7		
Trading	FY2025	19				19		
	FY2024	19	22	20	14	19		

[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 profit decreased primarily for the following reasons
 - Despite a rise in volume, resin sales, which account for about half of gross profit, were flat, mainly due to the strengthening yen
 - Sales decreased for functional materials and functional components related to interior and exterior fittings and electrification
- ▶ Operating income decreased due to weaker gross profit

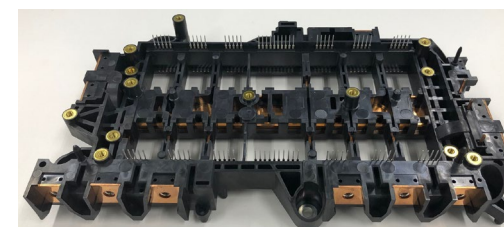
Quarterly results

		1Q	2Q	3Q	4Q	YTD		
							100 millions of yen	
Sales	FY2025	305				305	FY2025 Forecast	Achievement
	FY2024	321	338	343	317	321	FY2024 Actual	
	YoY%	(5.0%)				(5.0%)	1,300	23%
Gross profit	FY2025	37				37	1,320	
	FY2024	40	43	43	37	40	165	
	YoY%	(7.3%)				(7.3%)	(1.6%)	
<profit ratio>	FY2025	12.2%				12.2%	12.6%	
	FY2024	12.5%	12.9%	12.7%	11.8%	12.5%	12.5%	
Manufacturing	FY2025	—				—		
	FY2024	—	—	—	—	—		
Trading	FY2025	37				37		
	FY2024	40	43	43	37	40	165	
Operating income	FY2025	8				8	42	20%
	FY2024	9	12	12	7	9	42	
	YoY%	(15.1%)				(15.1%)	(0.9%)	
<profit ratio>	FY2025	2.7%				2.7%	3.2%	
	FY2024	3.1%	3.8%	3.6%	2.3%	3.1%	3.2%	
Manufacturing	FY2025	—				—		
	FY2024	—	—	—	—	—		
Trading	FY2025	8				8		
	FY2024	9	12	12	7	9	42	

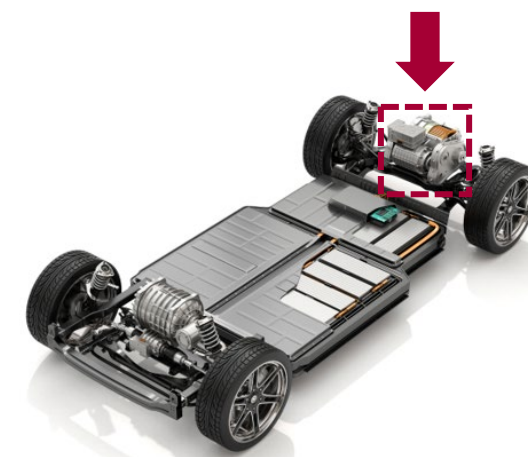
[Key Measures]

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



Segment Overview: Life & Healthcare

- ▶ Gross profit increased primarily for the following reasons
 - Increased sales of intermediates and pharmaceutical raw materials
 - Nagase Viita posted increased sales, mainly for food ingredients and cosmetic materials
 - While the volume of food ingredient sales increased, the Prinova Group's profits decreased due to a downturn in market prices
- ▶ Operating income increased, despite M&A-related expenses, due to the completion of amortization for certain intangible assets at Nagase Viita and the efficiency improvements at the Prinova Group

100 millions of yen [Key Measures]

Quarterly results		1Q	2Q	3Q	4Q	YTD	FY2025 Forecast	Achiev ement
							FY2024 Actual	
Sales	FY2025	768				768	2,899	27%
	FY2024	728	744	712	685	728	2,870	
	YoY%	5.5%				5.5%	1.0%	
Gross profit	FY2025	157				157	612	26%
	FY2024	148	152	142	137	148	581	
	YoY%	6.0%				6.0%	5.3%	
<profit ratio>	FY2025	20.5%				20.5%	21.1%	
	FY2024	20.4%	20.4%	20.0%	20.1%	20.4%	20.2%	
Manufacturing	FY2025	121				121		
	FY2024	116	120	107	99	116	443	
Trading	FY2025	35				35		
	FY2024	32	31	35	37	32	137	
Operating income	FY2025	24				24	73	34%
	FY2024	15	4	11	3	15	34	
	YoY%	61.5%				61.5%	113.2%	
<profit ratio>	FY2025	3.2%				3.2%	2.5%	
	FY2024	2.1%	0.6%	1.6%	0.5%	2.1%	1.2%	
Manufacturing	FY2025	19				19		
	FY2024	11	2	6	(1)	11	18	
Trading	FY2025	4				4		
	FY2024	4	1	4	4	4	15	

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

Diagnostics Business, Other
Joined the NAGASE Group on July 1, 2025

 **Nagase Diagnostics**

ナガセダイアグノスティクス株式会社

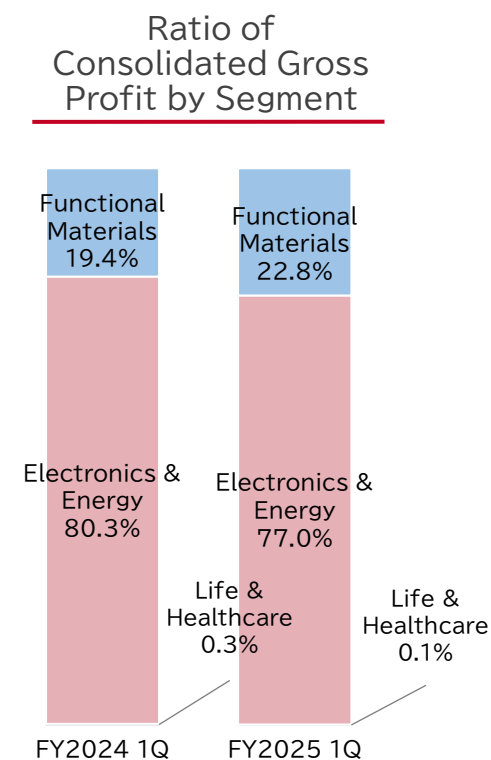


* The Prinova Group revised part of its classification between cost of goods manufactured and selling, general and administrative expenses during the current fiscal year. See the Contents page for details.

Overview of Major Manufacturing Subsidiaries: Nagase ChemteX

- ▶ Gross profit increased primarily for the following reasons
 - Despite weakness in sales for mobile device applications, sales of formulated epoxy resins increased with strong performance for resins used in semiconductors for AI servers
 - Sales decreased for photolithography materials for use in displays
- ▶ Operating income decreased, despite higher gross profit, due to increases in R&D expenses and other selling, general and administrative expenses
 - * Functional dyes business transferred from Nagase Viita on of April 1, 2025

Quarterly results		100 millions of yen					FY2025 Forecast	
		1Q	2Q	3Q	4Q	YTD	Achievement	
Sales	FY2025	66				66	FY2024 Actual	292
	FY2024	66	64	66	61	66		258
	YoY%	(0.1%)				(0.1%)		13.3%
Gross profit	FY2025	23				23		103
	FY2024	20	20	22	21	20		84
	YoY%	10.0%				10.0%		21.7%
<profit ratio>	FY2025	34.8%				34.8%		35.3%
	FY2024	31.6%	31.5%	33.9%	34.4%	31.6%		32.8%
Operating income	FY2025	7				7		36
	FY2024	7	6	7	5	7		27
	YoY%	(2.6%)				(2.6%)		33.1%
<profit ratio>	FY2025	11.2%				11.2%		12.5%
	FY2024	11.5%	9.4%	12.0%	9.6%	11.5%		10.6%



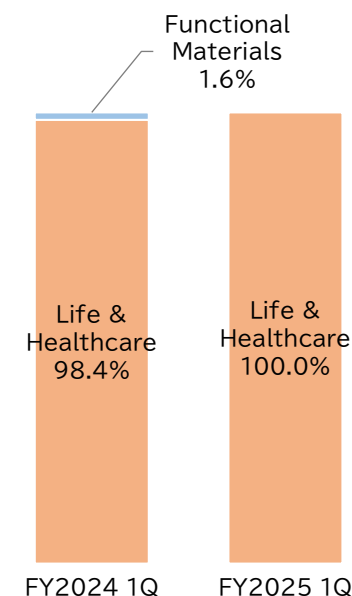
* The sales functions of Nagase ChemteX are handled by our company and its sales subsidiaries, and profits from Nagase ChemteX's business are also recognized under the trading business

Overview of Major Manufacturing Subsidiaries: Nagase Viita

- ▶ Gross profit increased primarily for the following reasons
 - Sales of food ingredients increased due to wider adoption, mainly in Japan
 - Sales of cosmetic materials increased due to strong performance in Japan
 - ▶ Operating income increased due to an increase in gross profit, despite an increase in amortization expense associated with the replacement of the company's accounting system
 - ▶ Amortization of goodwill, etc., decreased due to the completion of amortization of certain intangible assets (Full-year impact: Approximately ¥1.1 billion yen lower year on year)
- * Functional dyes business transferred to Nagase ChemteX on April 1, 2025

Quarterly results							100 millions of yen	
							FY2025 Forecast	Achievement
							FY2024 Actual	
		1Q	2Q	3Q	4Q	YTD		
Sales	FY2025	86				86	365	24%
	FY2024	86	87	92	83	86	350	
	YoY%	(0.3%)				(0.3%)	4.3%	
Gross profit	FY2025	35				35	141	25%
	FY2024	33	32	34	30	33	129	
	YoY%	7.6%				7.6%	9.5%	
<profit ratio>	FY2025	41.2%				41.2%	38.8%	
	FY2024	38.2%	36.9%	36.8%	36.1%	38.2%	37.0%	
Operating income	FY2025	15				15	53	29%
	FY2024	13	12	13	11	13	50	
	YoY%	16.0%				16.0%	5.1%	
<profit ratio>	FY2025	17.8%				17.8%	14.5%	
	FY2024	15.3%	14.0%	14.8%	13.5%	15.3%	14.4%	
Amortisation of goodwill, etc.	FY2025	4				4	18	
	FY2024	7	7	7	6	7	29	
	YoY%	(40.5%)				(40.5%)	(38.4%)	
Operating income after amortised expenses	FY2025	10				10	34	31%
	FY2024	5	4	6	4	5	20	
	YoY%	94.5%				94.5%	67.8%	

Ratio of Consolidated Gross Profit by Segment



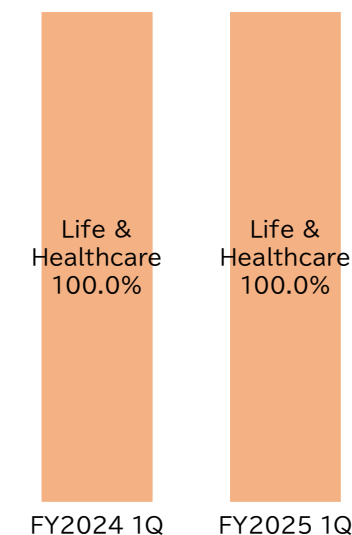
* The sales functions of Nagase Viita are handled by our company and its sales subsidiaries, and profits from Nagase Viita's business are also recognized under the trading business

Overview of Major Manufacturing Subsidiaries: Prinova Group

- ▶ Gross profit decreased primarily for the following reasons
 - While the volume of food ingredients increased, sales were lower and the gross margin decreased due to a downturn in market prices
 - The manufacturing business is on the path to recovery with improving product mix, particularly in the Solutions business
- ▶ Operating income increased, despite lower gross profit, mainly due to decreases in selling, general and administrative expenses in connection with efficiencies in the Nutrition business

Quarterly results							100 millions of yen	
							FY2025 Forecast	Achiev ement
							FY2024 Actual	
		1Q	2Q	3Q	4Q	YTD		
Sales	FY2025	539				539	1,997	27%
	FY2024	504	537	488	466	504	1,996	
	YoY%	6.9%				6.9%	0.1%	
Gross profit	FY2025	82				82	320	26%
	FY2024	79	79	72	65	79	295	
	YoY%	3.6%				3.6%	8.3%	
<profit ratio>	FY2025	15.2%				15.2%	16.0%	
	FY2024	15.7%	14.8%	14.8%	14.0%	15.7%	14.8%	
Operating income	FY2025	16				16	49	34%
	FY2024	13	0	10	1	13	25	
	YoY%	26.3%				26.3%	89.9%	
<profit ratio>	FY2025	3.1%				3.1%	2.5%	
	FY2024	2.7%	0.1%	2.1%	0.4%	2.7%	1.3%	
Amortisation of goodwill, etc.	FY2025	6				6	26	
	FY2024	6	7	6	6	6	27	
	YoY%	2.6%				2.6%	(5.7%)	
Operating income after amortised expenses	FY2025	9				9	22	43%
	FY2024	6	(6)	3	(5)	6	(1)	
	YoY%	50.7%				50.7%	-	

Ratio of Consolidated Gross Profit by Segment



* The Prinova Group revised part of its classification between cost of goods manufactured and selling, general and administrative expenses during the current fiscal year. See the Contents page for details.

Consolidated Balance Sheets

- ▶ Effective use of NAGASE Group funds for investments in growth and working capital
- ▶ Use of interest-bearing debt for the acquisition of the SACHEM business in Asia

	2025/03	2025/06	Change	100 millions of yen Details
Total Current Assets	5,601	5,483	(117)	
(Cash&deposits)	663	498	(164)	
(Trade account receivable)	3,112	3,116	3	
(Inventories)	1,662	1,684	22	
Total non-current assets	2,480	2,632	151	SACHEM business in Asia+125
(Investments in security)	720	744	23	
Total assets	8,081	8,115	34	
Current Liab.	2,695	2,794	99	Short-term Loan Pay.+120
(Trade account payable)	1,512	1,520	7	
Non-current Liab.	1,321	1,334	12	
Total Liab.	4,016	4,128	111	
Shareholders' equity	3,117	3,097	(20)	
Accum. Other Comprehensive Income	873	814	(58)	Translation Adjustment -71
Non-controlling interest	74	75	1	
Total net assets	4,064	3,987	(77)	
Working capital	3,262	3,280	18	
Shareholders' equity ratio	49.4%	48.2%	(1.2ppt)	
Interest-bearing debt	1,753	1,896	142	
NET D/E ratio	0.27	0.36	0.08	

Consolidated Cash Flows

- ▶ Total of ¥6.1 billion provided from financing CF in using interest-bearing debt for the acquisition of the SACHEM business in Asia; total of ¥18.9 billion used in investing CF
- ▶ Cash and cash equivalents decreased ¥16.4 billion due to the effective use of internal group funds and partial allocation to investment CF

100 millions of yen

	FY2024 1Q	FY2025 1Q
Operating CF	(30)	7
(Income before income taxes)	107	105
(Depreciation and amortization)	44	43
(Change in working capital)	(45)	(36)
(Other)	(137)	(104)
Investing CF	(82)	(189)
(Fixed asset investment)	(41)	(194)
(Other)	(40)	5
Free CF	(112)	(182)
Financing CF	33	61
(Share buybacks)	(33)	(46)
(Dividends paid)	(45)	(48)
(Change in loans and bonds)	115	163
(Other)	(2)	(6)
Effects of exchange rate	40	(43)
Net increase / decrease in cash and cash equivalents	(38)	(164)

FY2025 Earnings Projection(No Change)

- ▶ 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)

	FY2024 Actual	FY2025 Forecast	Change	Vs.PY
Sales	9,449	9,550	100	101%
Gross profit	1,733	1,810	76	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

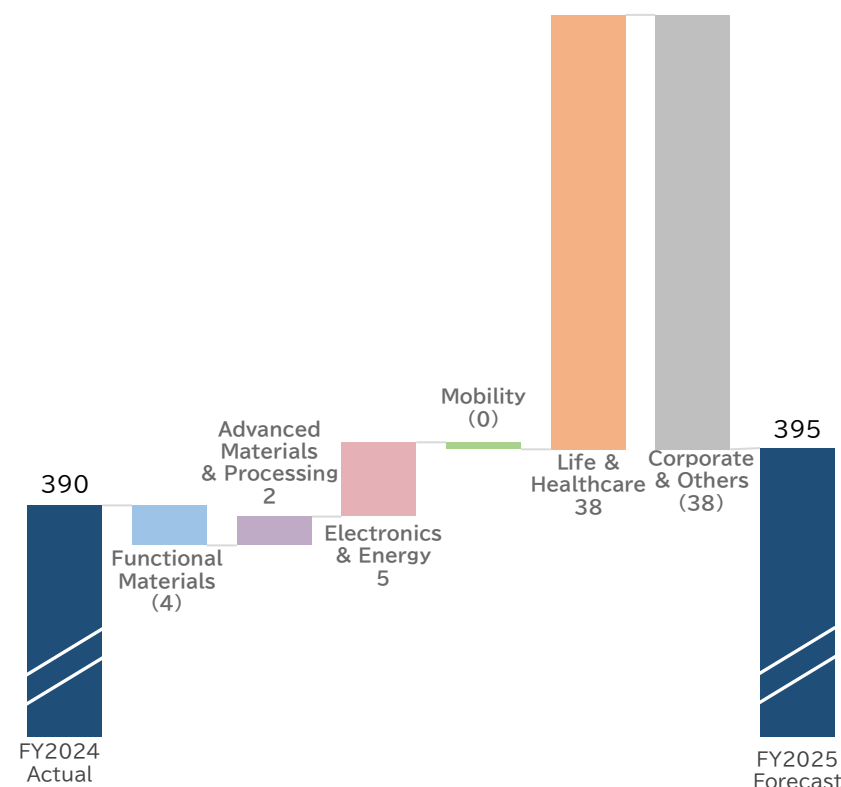
* The Prinova Group revised part of its classification between cost of goods manufactured and selling, general and administrative expenses during the current fiscal year. See the Contents page for details.

FY2025 Earnings Projection By Segment(No Change)

- ▶ 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	581	612	30	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	1,733	1,810	76	104%
	<profit ratio>	18.3%	19.0%	0.6ppt	—
	Operating income	390	395	4	101%
	<profit ratio>	4.1%	4.1%	0.0ppt	—

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



* The Prinova Group revised part of its classification between cost of goods manufactured and selling, general and administrative expenses during the current fiscal year. See the Contents page for details.

FY2025 Earnings Projections by Major Manufacturing Subsidiaries(No Change)

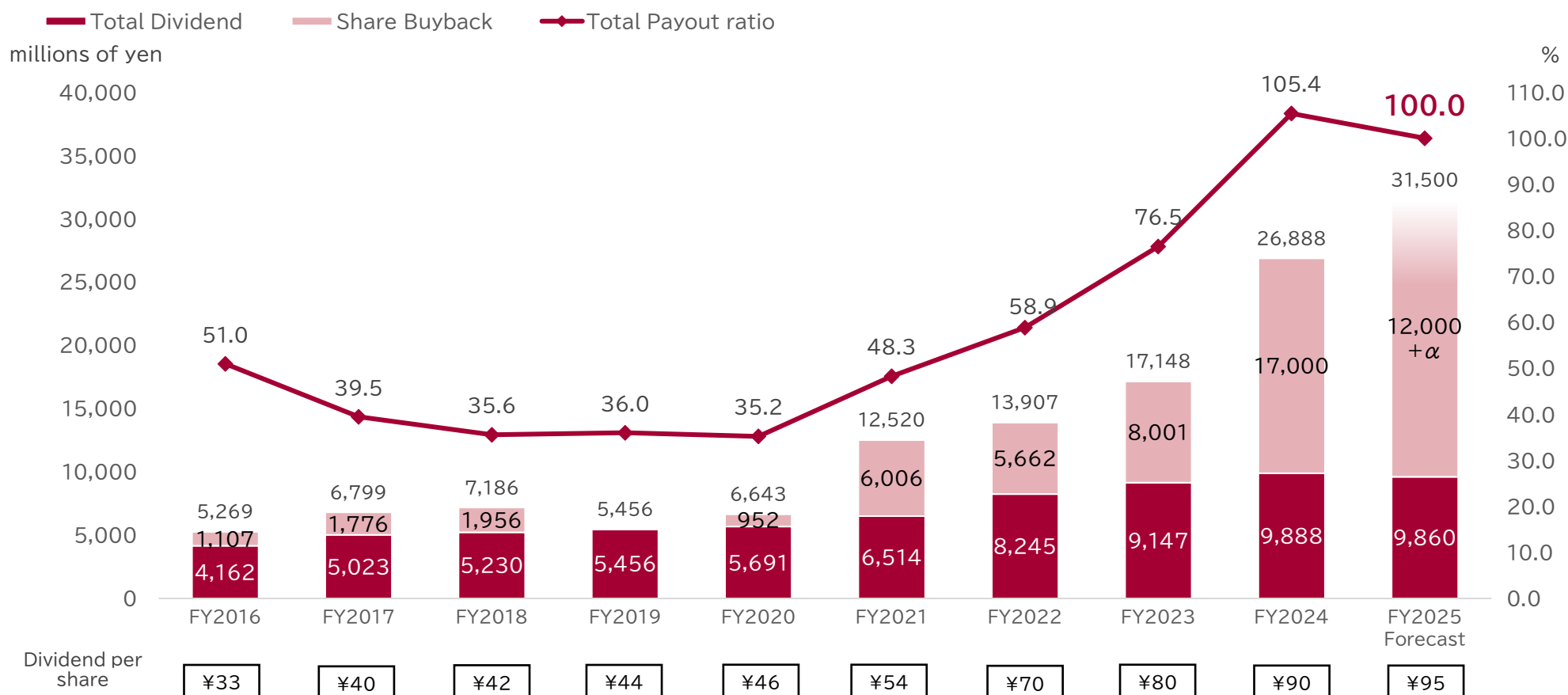
- ▶ Nagase ChemteX: Higher gross profit due to continued strong sales of formulated epoxy resins for AI server semiconductors, following previous year performance. Operating income to increase due to improved gross profit
- ▶ Nagase Viita: Higher gross profit due to strong sales of food ingredients and 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	—
Prinova Group	Goodwill amortization etc.	27	26	(1)	94%
	Operating income after amortization burden	(1)	22	24	—

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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
- ▶ Based on the policy above, the ¥12 billion in share buybacks approved in May 2025 are progressing as planned; total of ¥4.6 billion in share buybacks as of June 30
(Purchase period: Scheduled for May 2025 to October 2025) *Additional returns after November will be approved under a separate resolution



* FY2025 year-end dividend to be submitted for approval to the 111th general meeting of shareholders scheduled for June 2026.

NAGASE | Delivering next.

■IR Materials for the first meeting: **NEW**

<https://www.nagase.co.jp/english/ir/library/pdf/factbooks/20250804-1.pdf>

■NAGASE Group Investor Relations Website:

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

■Inquiries:

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

These presentation materials contain projections based on forward-looking assumptions, forecasts, and plans as of August 5, 2025
Actual earnings may differ from projections due to risks and uncertainties in the future global economy, competitive landscape, currency exchange rates, etc.

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

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		Electronics & Energy
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

Sales, Gross Profit and Operating Income by Quarter

Quarterly results							100 millions of yen	
							FY2025 Forecast	Achievement
							FY2024 Actual	
		1Q	2Q	3Q	4Q	YTD		
Sales	FY2025	2,373				2,373	9,550	25%
	FY2024	2,392	2,417	2,370	2,269	2,392	9,449	
	YoY%	(0.8%)				(0.8%)	1.1%	
Gross profit	FY2025	443				443	1,810	24%
	FY2024	437	442	432	420	437	1,733	
	YoY%	1.3%				1.3%	4.4%	
<profit ratio>	FY2025	18.7%				18.7%	19.0%	
	FY2024	18.3%	18.3%	18.2%	18.5%	18.3%	18.3%	
Manufacturing	FY2025	177				177		
	FY2024	168	174	161	165	168	670	
Trading	FY2025	265				265		
	FY2024	269	267	270	255	269	1,062	
Operating income	FY2025	102				102	395	26%
	FY2024	107	103	99	80	107	390	
	YoY%	(4.5%)				(4.5%)	1.1%	
<profit ratio>	FY2025	4.3%				4.3%	4.1%	
	FY2024	4.5%	4.3%	4.2%	3.6%	4.5%	4.1%	
Manufacturing	FY2025	34				34		
	FY2024	24	16	19	21	24	81	
Trading	FY2025	67				67		
	FY2024	83	86	80	59	83	309	

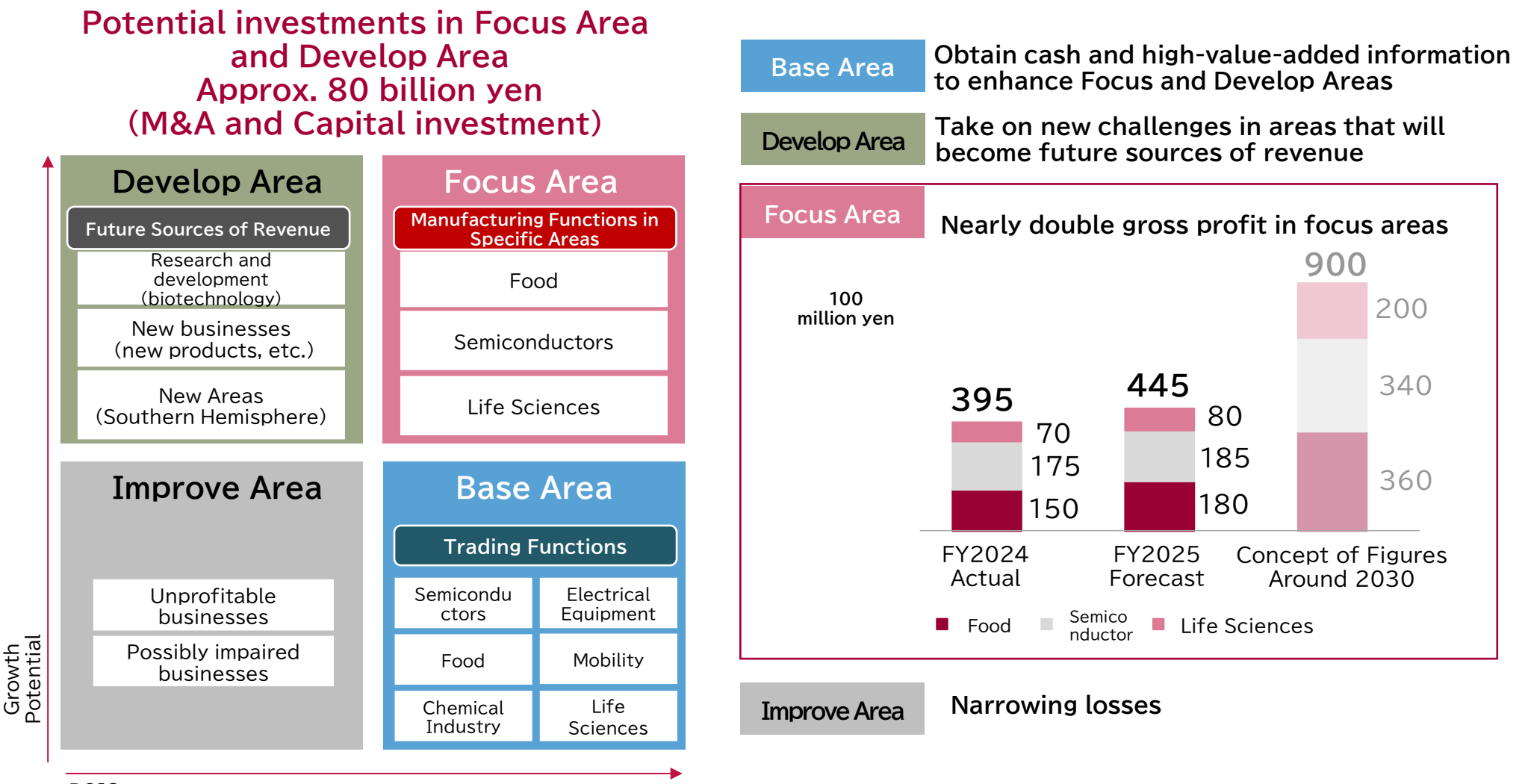
* Manufacturing figures represent the aggregate totals of manufacturing subsidiaries.

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

* The Prinova Group revised part of its classification between cost of goods manufactured and selling, general and administrative expenses during the current fiscal year. See the Contents page for details.

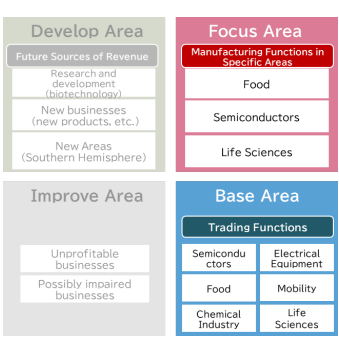
Growth Strategies for the Future

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



ROIC * The Prinova Group revised part of its classification between cost of goods manufactured and selling, general and administrative expenses during the current fiscal year. See the Contents page for details.

Efforts in the Food Area -Prinova Group Status-



The growth trend in the sports nutrition market remains unchanged We are proactively advancing efforts to establish a profit-contributing structure at the Utah plant

Manufacturing

- Work to acquire **new customers** with our newly expanded product lineup, although it will take time to contribute to profits due to major customers losing market shares
- Develop **new categories** such as health-conscious consumers

Product Lines Promoting New Efforts

Pea Protein
Soy allergy products

Beauty
Health maintenance beauty and wellness

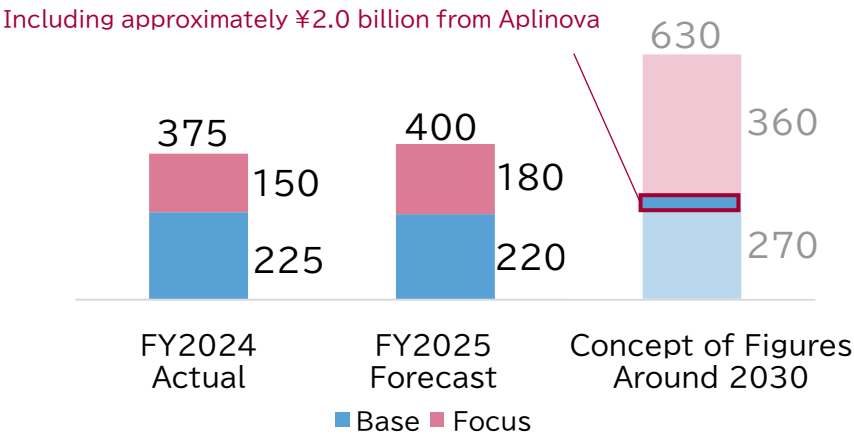
GREENS
Vitamins and other nutrients

Trading

•Expand business in **South America and Asia**, building on our success in North America and Europe, by leveraging our **unique food ingredient procurement capabilities**

NAGASE:Food Gross Profit

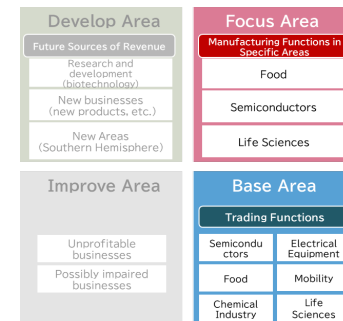
(100 million yen)



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Efforts in the Semiconductor Area

The Focus Area works to establish a de facto standard in molding compounds for advanced semiconductors, while the Base Area expands commercial rights



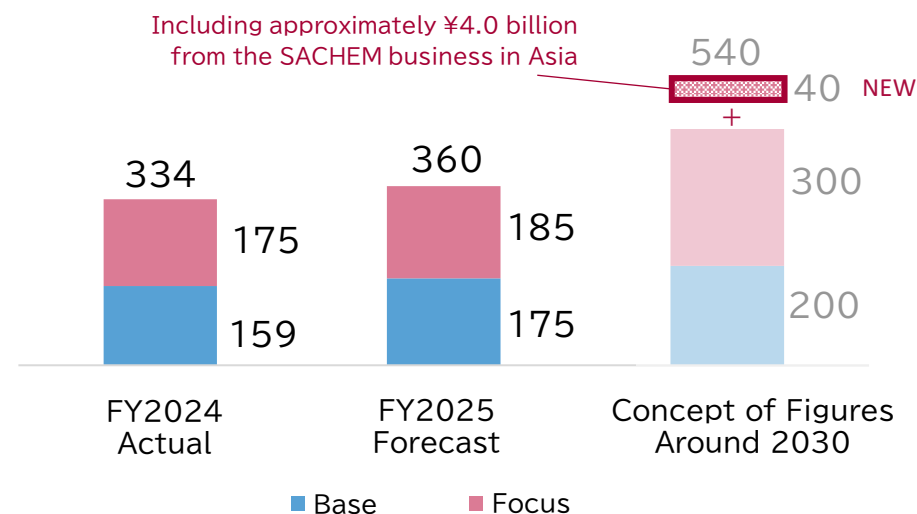
Focus Area

- Establish position as the de facto standard in **molding compounds (LMC/a-SMC) for advanced semiconductors**
- Promote and expand **environmentally friendly proposals** with a system that **recovers and recycles developers**

Base Area

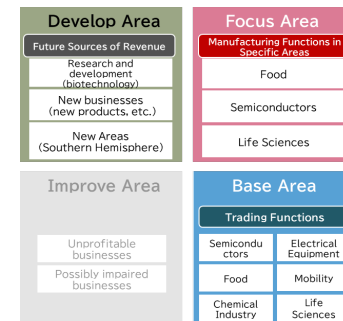
- By serving as a coordinator for **Rapidus Corporation**, **enhance business rights further and leverage them for global expansion**
- **Strengthen** our expertise in chemical handling (transportation, storage, imports and exports) and **supply chain management**

NAGASE:Semiconductor Gross Profit (100 million yen)



Efforts in the Life Science Area

Decided to add diagnostics business through M&A, Aim to expand business by developing new materials in the Develop Area



Focus Area

- Expand business in the pharmaceutical and cosmetic fields with Nagase Viita and Nagase ChemteX materials and technologies (e.g., AA2G™, Pullulan, Trehalose SG, and Hesperidin)

Base Area

- Establish a system to comply with laws and regulations in each country and expand our global network

Develop Area

- Began mass production of ergothioneine using fermentation technologies

Acquire Diagnostics and Other Businesses From Asahi Kasei Pharma Corporation

Focus

Acquire enzyme production business at Ohito Pharmaceutical Plant

Base

Aim to grow business through overseas sales by expanding product lineup and developing the Asahi Kasei pharma products in Brazil, ASEAN, and India

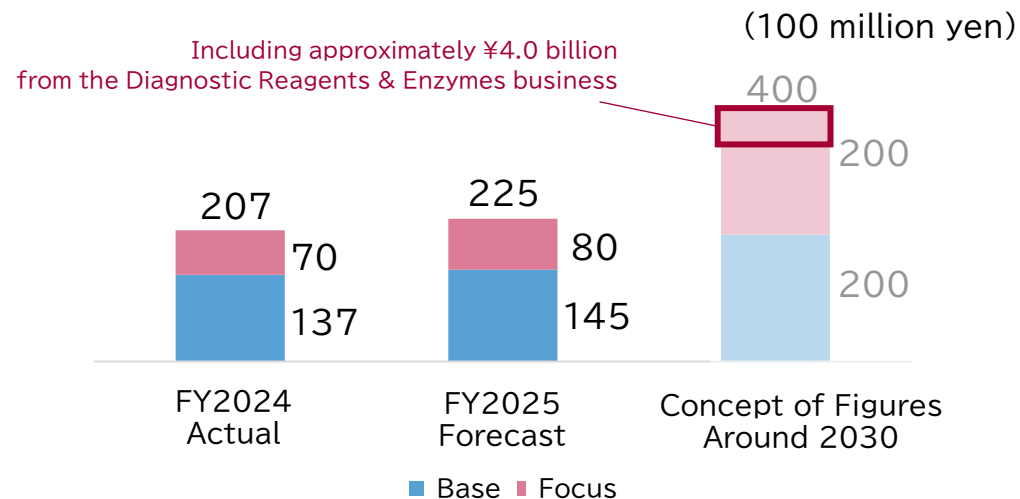
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Develop

Consolidate Nagase Group pharmaceutical-related businesses

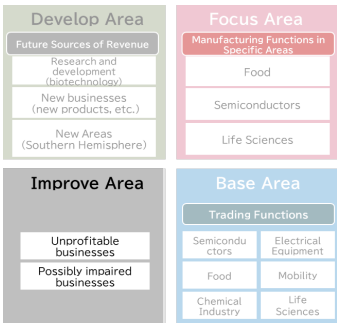
Aim for gross profit of ¥4 billion around 2030

NAGASE:Life Sciences Gross Profit



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

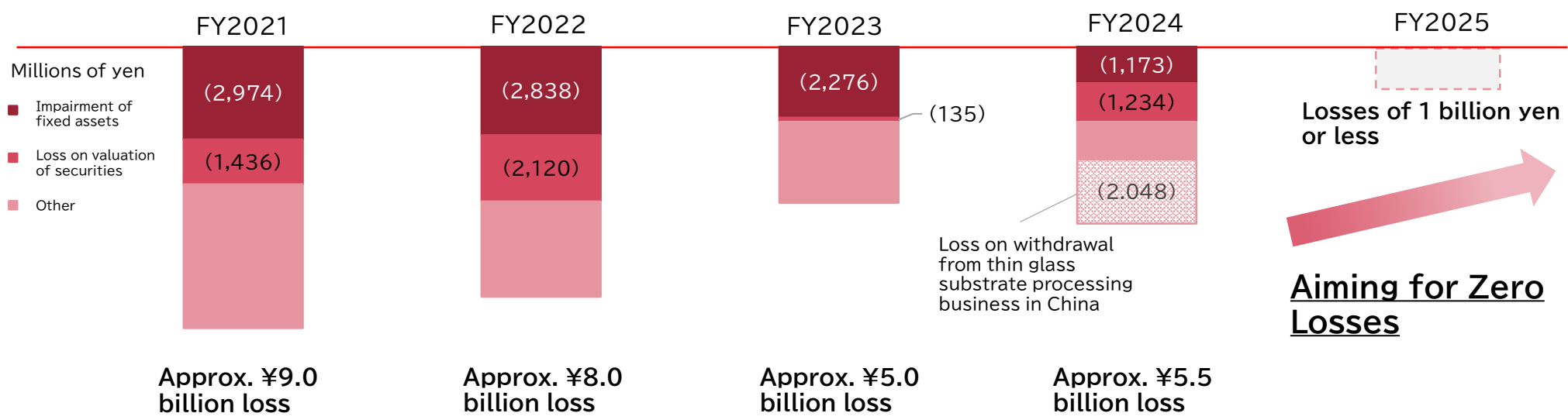
2. Assets at risk for impairment loss

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

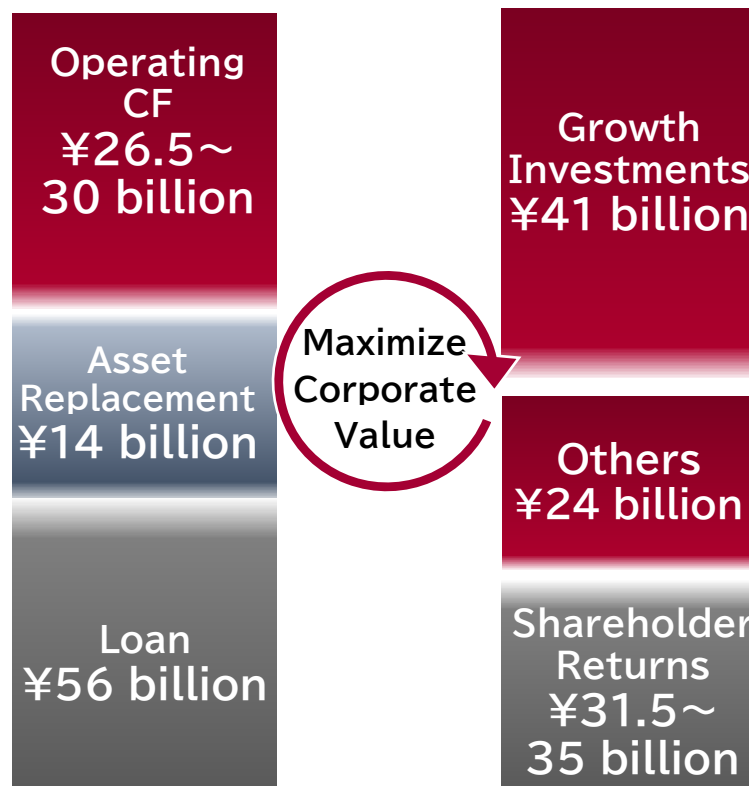
Cash In

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

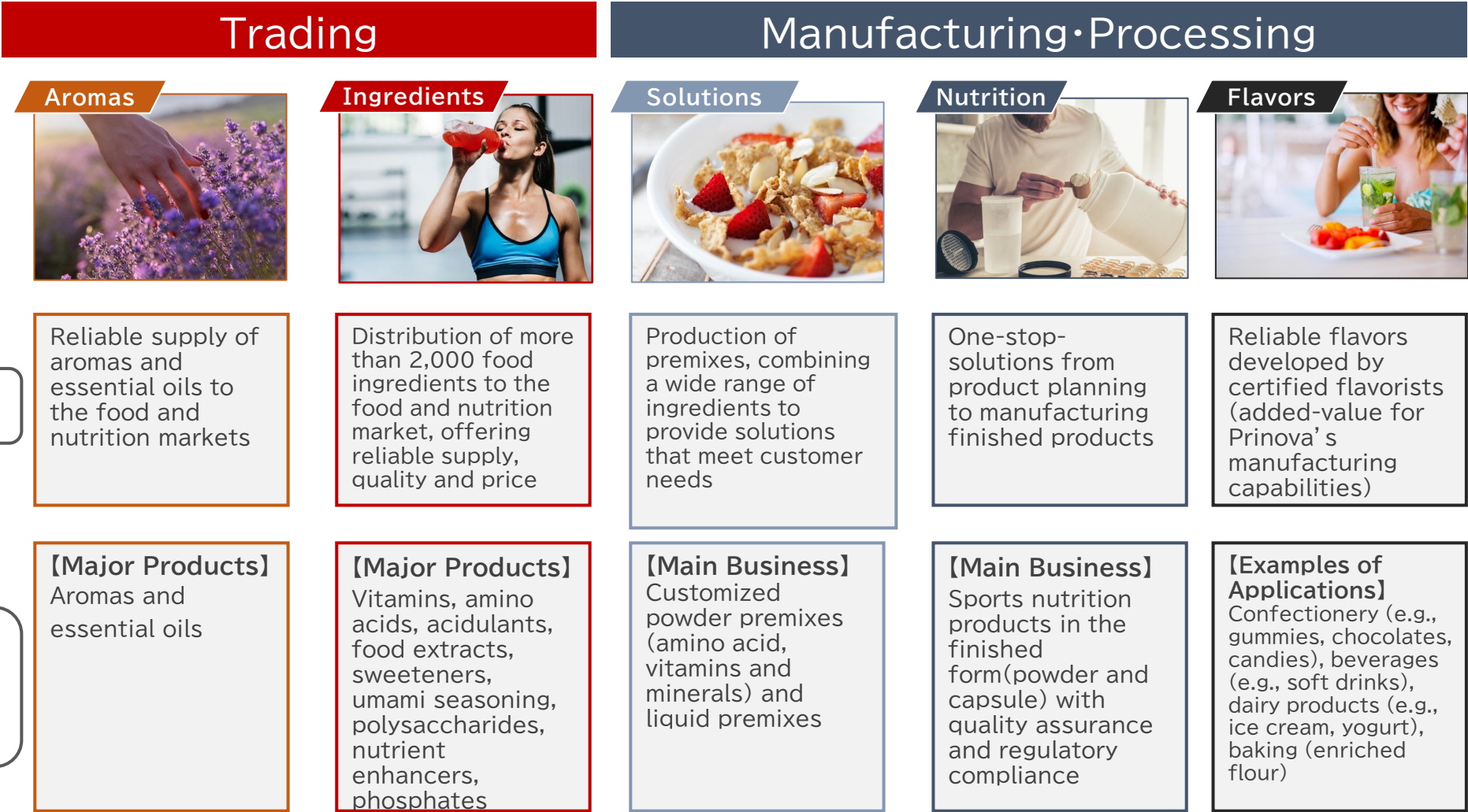
- ▶ Execute announced M&A
- ▶ Consider M&A deals in the range of several tens of billions of yen on an ongoing basis
- ▶ Strengthen specific functions in the three fields of the Focus areas and acquire missing parts
- ▶ Invest in CVC and the Global South in the Develop Area

Shareholder Returns

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

* Growth investments do not include working capital, DX · R&D expenses etc.

Prinova Group Business Overview

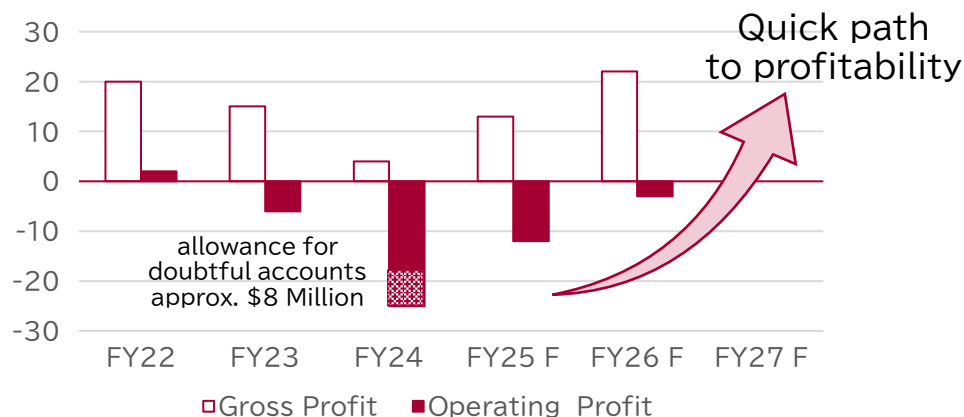


TOPICS: Turnaround of Prinova Nutrition*

- ▶ 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

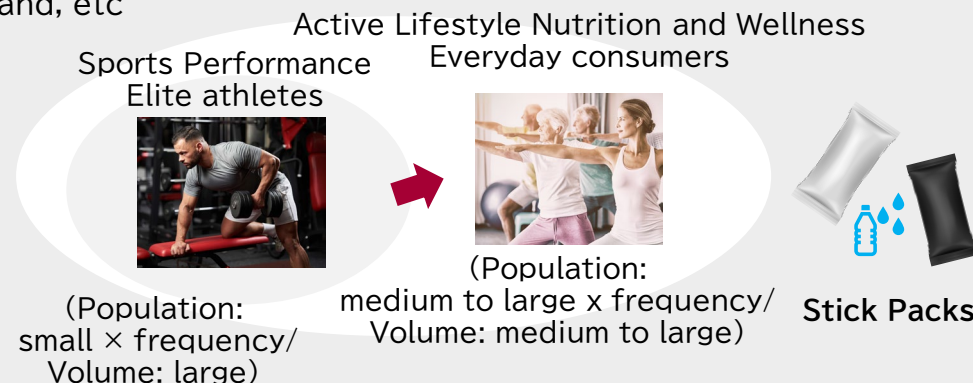
Revenue Trend of Nutrition Business (M\$)



	M\$				
	FY22	FY23	FY24	(FY25)	(FY26)
Gross Profit	20	15	4	13	22
Operating Profit	2	-6	-25	-12	-3

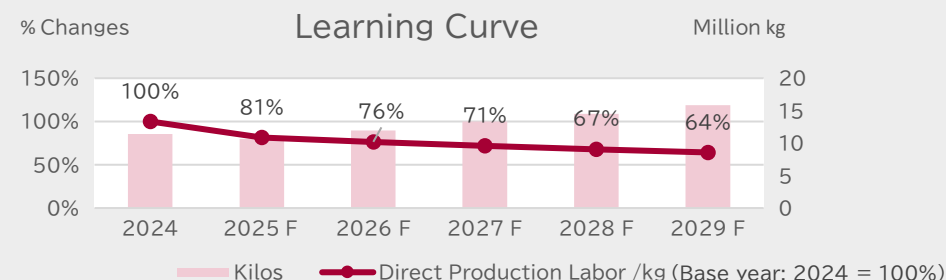
Top Line Growth

- 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

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.