



Aica Kogyo Co., Ltd.

Financial Results for the Fiscal Year
Ended March 31, 2025



VALUE CREATION
3000 & 300



May 26, 2025
Stock code: 4206

1. Highlights

2. FY2024 Results

3. FY2024 Results by Segment

4. FY2025 Forecast

5. FY2025 Forecast by Segment

6. Capital Policy and Shareholder Returns

7. Progress of Medium-Term Business Plan
“Value Creation 3000 & 300”

1. Results for FY2024 - Key Highlights

| | |
|--------------------------------|--|
| Consolidated Results | <ul style="list-style-type: none"> ✓ Record highs in net sales, operating profit, ordinary profit, and net income^{*1} ✓ Operating profit and ordinary profit increased for four consecutive years |
| Chemical Products | <ul style="list-style-type: none"> ✓ Japan: Floor coating materials and specialty and performance materials trended favorably ✓ Overseas: AAP Group^{*2} increased in revenue but decreased in profit while EMC Group^{*3} increased in both revenue and profit |
| Laminates & Building Materials | <ul style="list-style-type: none"> ✓ Japan: High-value added products mainly drove growth and significantly contributed to profits ✓ Overseas: China and Vietnam were weak, while Thailand and Indonesia grew |
| Current Term Plan | <ul style="list-style-type: none"> ✓ Our plan is to achieve the ordinary profit target of the current Medium-Term Business Plan one year ahead of schedule. |
| Capital Policy | <ul style="list-style-type: none"> ✓ Current ROE target of 10% or more in the Medium-Term Business Plan will be raised to more than 10% ✓ Dividends: FY2024 is revised up by JPY14, with a planned increase of JPY10 for FY2025 ✓ Decided share buybacks up to JPY 6 billion (2.25 million shares) |
| Growth Investment | <ul style="list-style-type: none"> ✓ Signed memorandum on the acquisition of TAKARAINC. CO. Ltd |
| Responding to Climate Change | <ul style="list-style-type: none"> ✓ Increased the GHG emissions reduction target for FY2030 from 30% to 42% |

*1 Profit attributable to owners of parent

*2 AAP: AICA Asia Pacific

*3 EMC: EVERMORE CHEMICAL INDUSTRY

1. Highlights

2. FY2024 Results

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5. FY2025 Forecast by Segment

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7. Progress of Medium-Term Business Plan
“Value Creation 3000 & 300”

2-1. Consolidated Financial Results



[JPY million]

| | FY2023 | | FY2024 | | | | |
|------------------|---------|---------------|----------|---------|---------------|--------|----------|
| | Results | Profit Margin | Forecast | Results | Profit Margin | YoY | vs Fcst. |
| Net Sales | 236,625 | - | 250,000 | 248,696 | - | +5.1% | 99.5% |
| Operating Profit | 25,286 | 10.7% | 27,200 | 27,408 | 11.0% | +8.4% | 100.8% |
| Ordinary Profit | 26,135 | 11.0% | 28,300 | 28,668 | 11.5% | +9.7% | 101.3% |
| Net Income* | 15,135 | 6.4% | 16,200 | 16,896 | 6.8% | +11.6% | 104.3% |

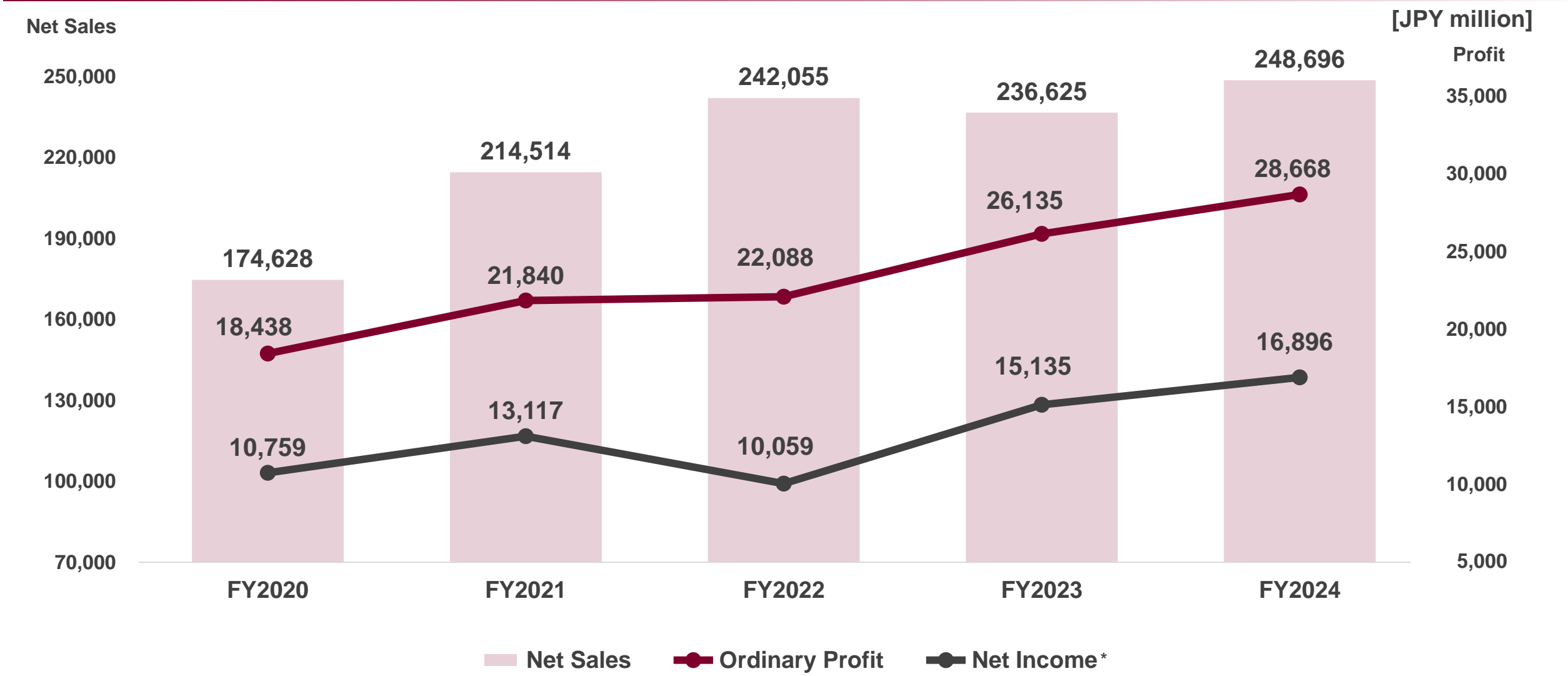
[JPY]

| | | | | | | | |
|-------------------|--------|---|--------|--------|---|---|--------|
| ROE | 9.9% | - | 9.6% | 10.1% | - | - | - |
| Earning Per Share | 236.60 | - | 258.09 | 266.36 | - | - | 103.2% |

Net sales, operating profit, ordinary profit, and net income* all achieved record highs

*Profit attributable to owners of parent

2-2. Historical Consolidated Results



Continued growth trend (Increase in ordinary profit for four consecutive years)

*Profit attributable to owners of parent

2-3. Results by Segment

[JPY million]

| | Net Sales | | | Operating Profit | | | |
|--------------------------------|-----------|---------|-------|------------------|--------|--------|---------------|
| | FY2023 | FY2024 | YoY | FY2023 | FY2024 | YoY | |
| Chemical Products | 130,300 | 138,587 | +6.4% | 9,280 | 9,331 | +0.6% | Amount |
| | | | | 7.1% | 6.7% | - | Profit Margin |
| Laminates & Building Materials | 106,325 | 110,109 | +3.6% | 20,339 | 22,535 | +10.8% | Amount |
| | | | | 19.1% | 20.5% | - | Profit Margin |
| (Adjustments) | | | | -4,333 | -4,458 | - | Amount |
| Total | 236,625 | 248,696 | +5.1% | 25,286 | 27,408 | +8.4% | Amount |
| | | | | 10.7% | 11.0% | - | Profit Margin |

Operating profit in Laminates & Building Materials segment significantly increased

2-4. Overseas Sales



[JPY billion]

| | FY2023 Results | | FY2024 Results | | |
|--------------------------------|----------------|----------------------|----------------|-------|----------------------|
| | Net Sales | Overseas Sales Ratio | Net Sales | YoY | Overseas Sales Ratio |
| Chemical Products | 92.79 | 71.2% | 99.50 | +7.2% | 71.8% |
| Laminates & Building Materials | 20.24 | 19.0% | 19.90 | -1.7% | 18.1% |
| Total | 113.04 | 47.8% | 119.41 | +5.6% | 48.0% |

As a result of the significant growth of overseas Chemical Products and domestic Laminates & Building Materials, the overseas sales ratio reached 48.0% overall

2-5. [Reference] Key Data (Consolidated)



[JPY billion]

| | FY2022 | FY2023 | FY2024 |
|--------------------|--------|--------|--------|
| R&D Expenditure | 3.99 | 4.07 | 4.40 |
| Depreciation | 6.79 | 7.04 | 7.91 |
| Capital Investment | 8.69 | 9.36 | 9.21 |
| Outstanding Debts | 12.52 | 11.51 | 11.08 |
| Equity Ratio | 58.1% | 58.9% | 60.2% |

1. Highlights
2. FY2024 Results
- 3. FY2024 Results by Segment**
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3-1. Sales Breakdown for Chemical Products



[JPY billion]

| | FY2023 | FY2024 | | | |
|-----------------------------------|---------|----------|---------|----------|---------|
| | Results | Forecast | Results | vs Fcst. | YoY |
| Adhesives | 91.94 | 97.00 | 95.89 | 98.9% | +4.3% |
| (Of which, AAP* Group) | (71.63) | (75.80) | (74.74) | (98.6%) | (+4.3%) |
| Construction Resins | 10.31 | 11.00 | 10.97 | 99.7% | +6.3% |
| Specialty & Performance Materials | 15.86 | 17.60 | 17.96 | 102.1% | +13.2% |
| Other | 12.17 | 12.60 | 13.75 | 109.2% | +13.0% |
| Total | 130.30 | 138.20 | 138.58 | 100.3% | +6.4% |

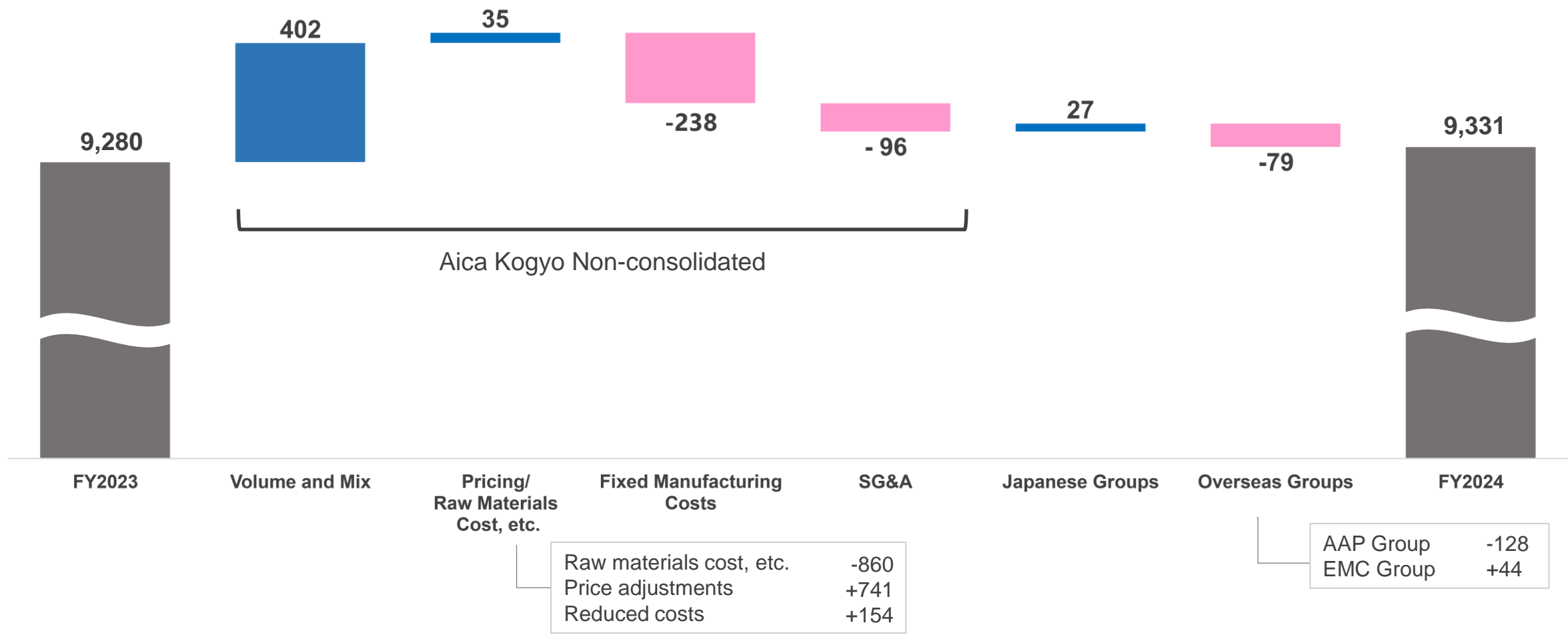
* AAP: AICA Asia Pacific

Growth across all product lines (especially strong performance in Specialty & Performance Materials)

3-2. Operating Profit Results for Chemical Products



[JPY million]



*Operating profit before deducting adjustments

*AAP: AICA Asia Pacific

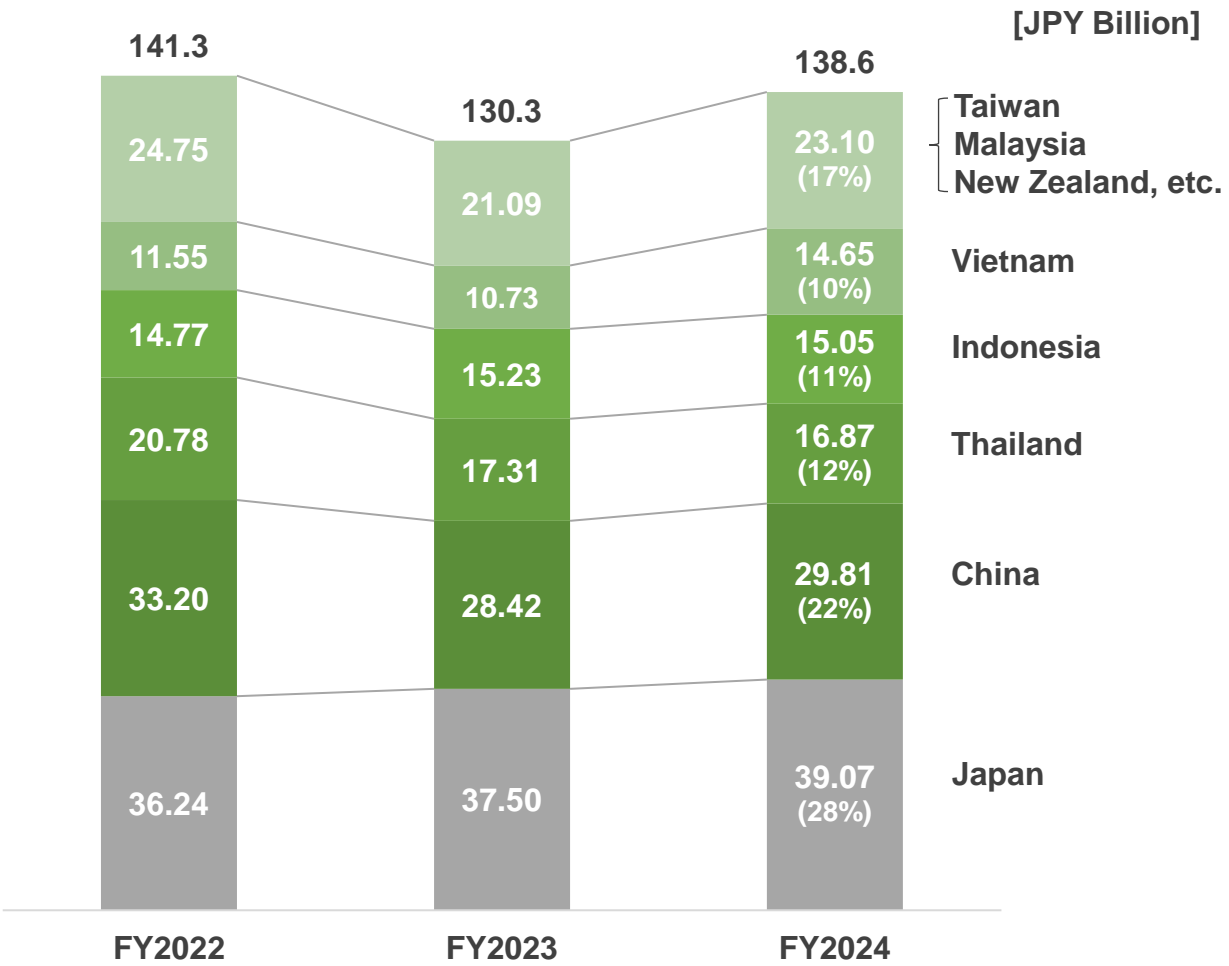
*EMC: EVERMORE CHEMICAL INDUSTRY

Improvements of non-consolidated sales-related profits and product mix contributed to an increase in segment profit

3-3. Results for Chemical Products (Overseas Business)



Domestic Sales Results

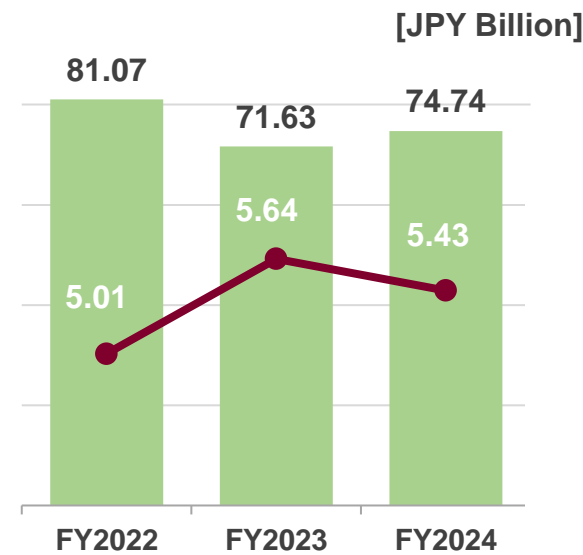


*Figures in parentheses indicate percentage of the total

Overseas Group Performance Trend

AAP* Group

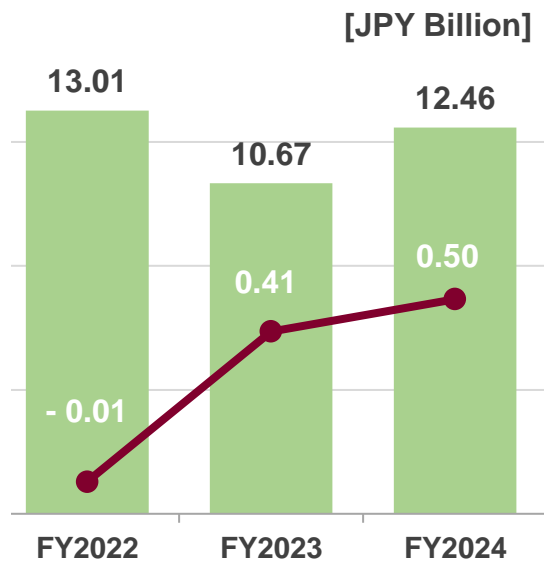
*AAP: AICA Asia Pacific



Net Sales Operating Profit

EMC* Group

*EMC: EVERMORE CHEMICAL INDUSTRY



Net Sales Operating Profit

[Operating profit before elimination of consolidated transactions and goodwill]

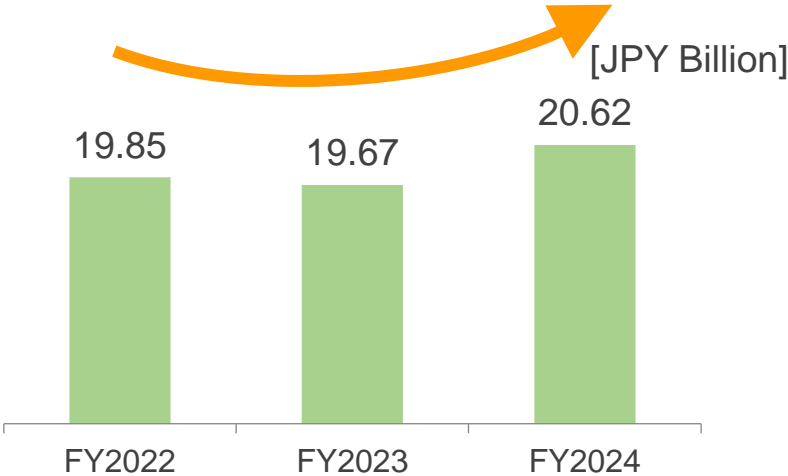
Sales by country increased in China, Vietnam, and others, with profit rising for the EMC Group

3-4. Sales Results for Chemical Products (Japanese Business)



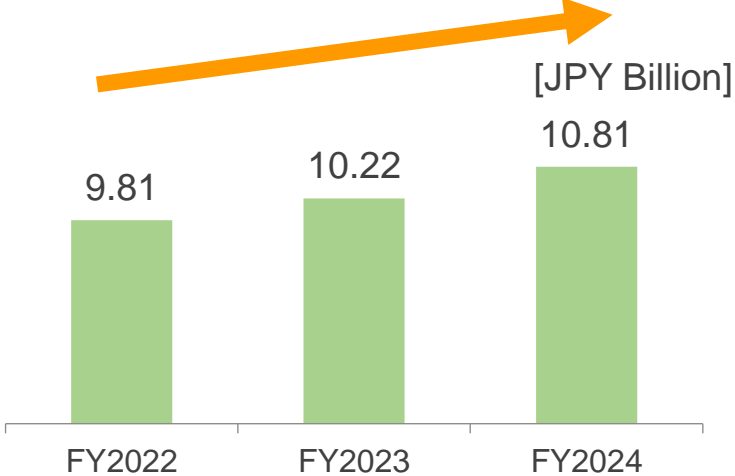
Adhesives

Various adhesives, phenol formaldehyde resins, etc.



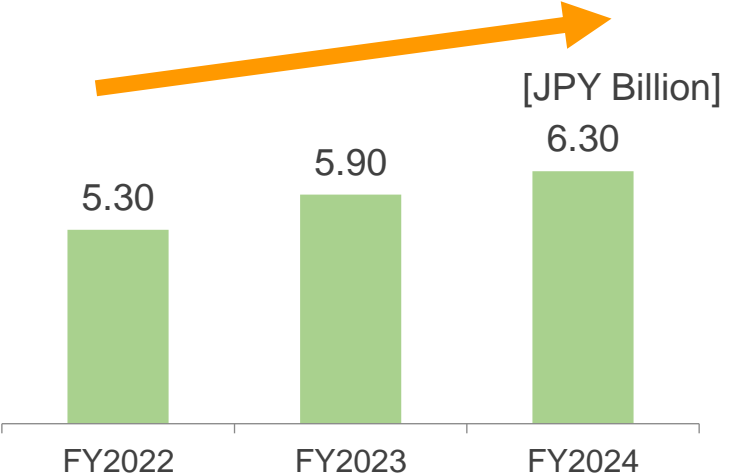
Construction Resins

Wall/floor coating materials, repair/reinforcing materials



Specialty & Performance Materials

Functional spherical polymer beads, UV-curable resins, etc.



- Hot melts for automobiles grew
- Adhesives for construction, woodwork, and furniture performed steadily

- Floor coating materials performed well by capturing the needs of the semiconductor plants, data centers, and more

- Electronic materials, high-function films for automobiles, and functional spherical polymer beads for industries showed favorable trends

3-5. Sales Breakdown for Laminates & Building Materials

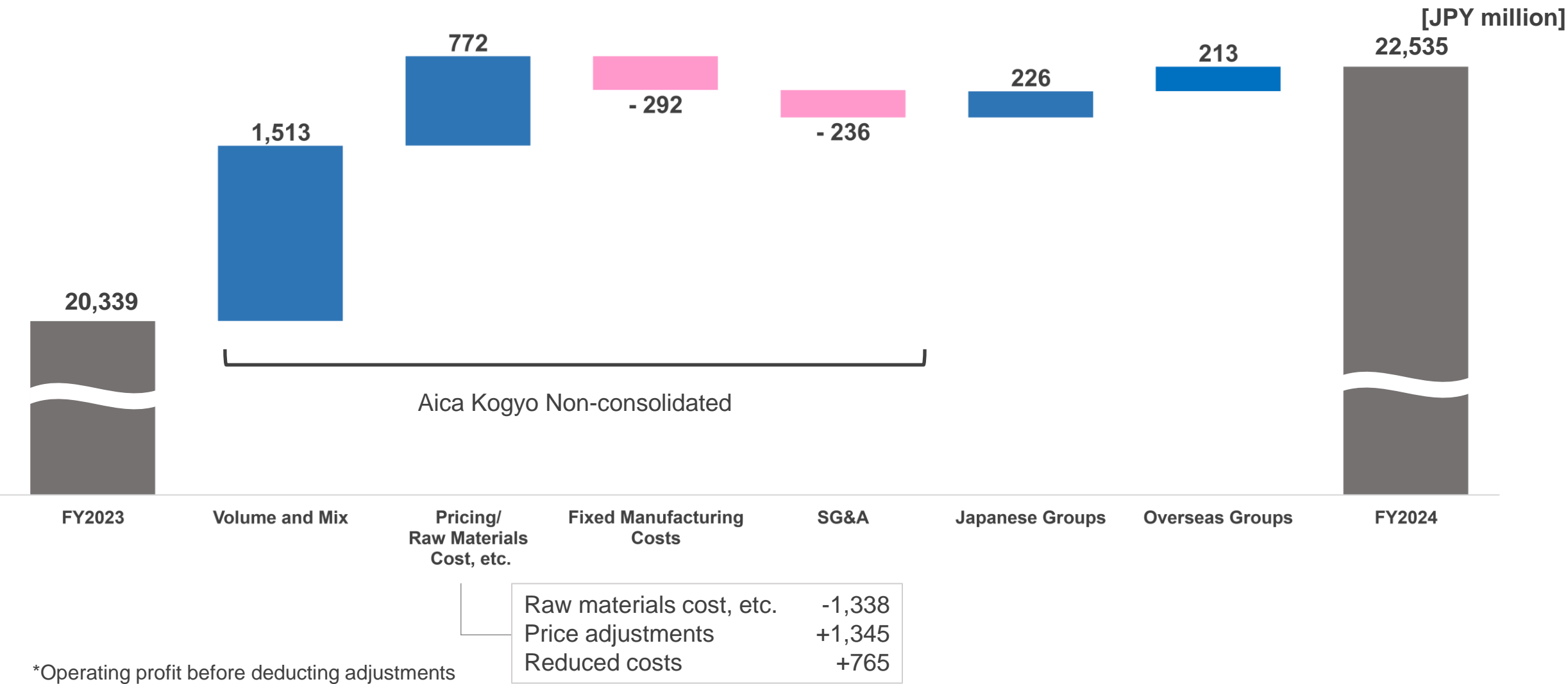


[JPY billion]

| | FY2023 | FY2024 | | | |
|--|---------|----------|---------|----------|-------|
| | Results | Forecast | Results | vs Fcst. | YoY |
| High Pressure Laminates (HPL) | 34.32 | 37.0 | 35.09 | 94.8% | +2.2% |
| Decorative Polyester Boards, Decorative Films | 12.41 | 12.70 | 12.47 | 98.2% | +0.5% |
| Melamine Fire Retardant Decorative Panels “CERARL” | 23.25 | 24.30 | 23.77 | 97.8% | +2.2% |
| Fire Retardant/ Noncombustible Decorative Panels | 7.52 | 7.70 | 7.41 | 96.3% | -1.4% |
| Building and Housing Materials | 28.80 | 30.10 | 31.35 | 104.2% | +8.8% |
| Total | 106.32 | 111.80 | 110.10 | 98.5% | +3.6% |

Building and Housing Materials grew significantly against the backdrop of a favorable trend in Smart Sanitary

3-6. Operating Profit Results for Laminates & Building Materials



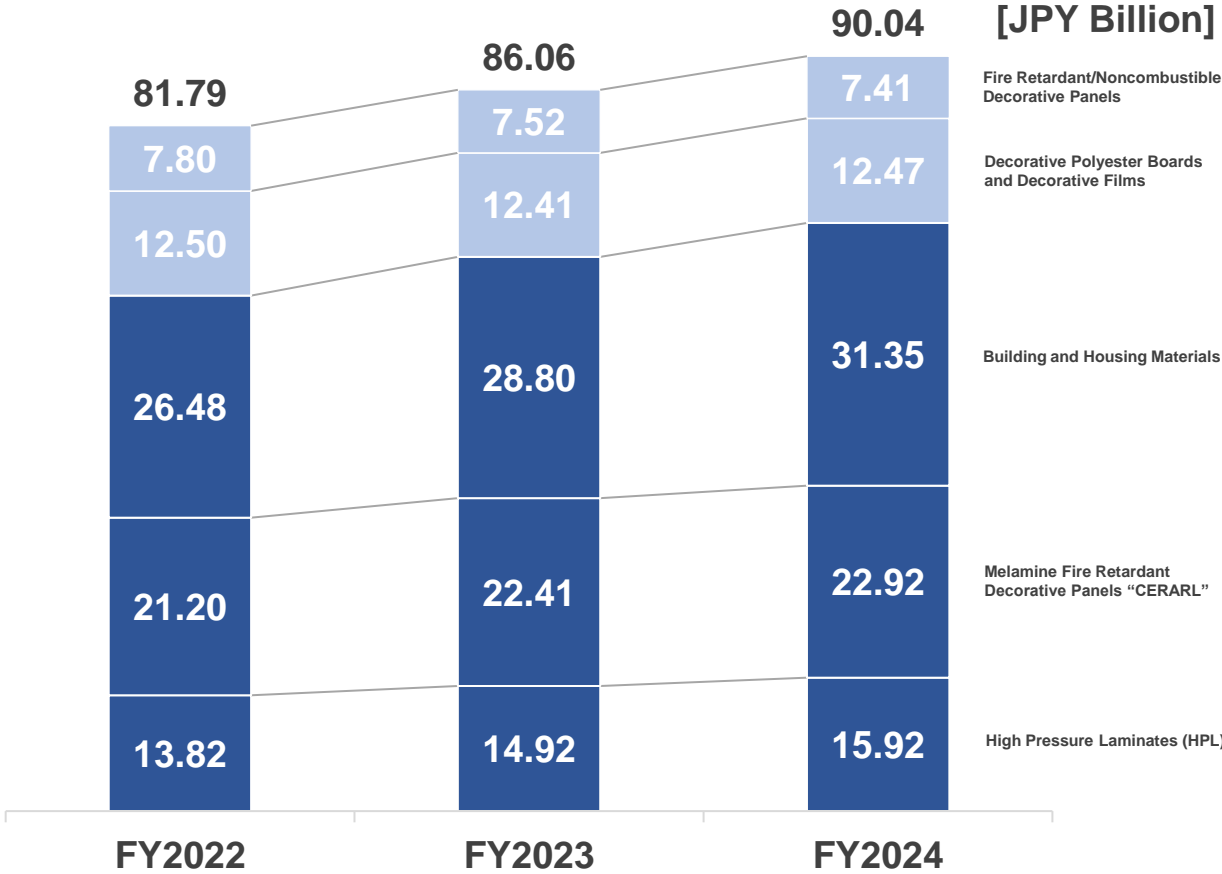
Improvement of non-consolidated sales-related profits and product mix significantly contributed to the profit of the Group both in Japan and overseas

Japanese Construction Market (YoY)

| | Residential | Non-residential |
|--|---|---|
| Newly Built * Time lag with AICA products' demand period has been adjusted | -3.1% (Number of constructions) | -5.1% (Total area of constructions) |
| Renovation/Renewal January to December 2024 | +0.5% (Orders received) | +5.5% (Orders received) |

Trend of Sales Performance in Japan

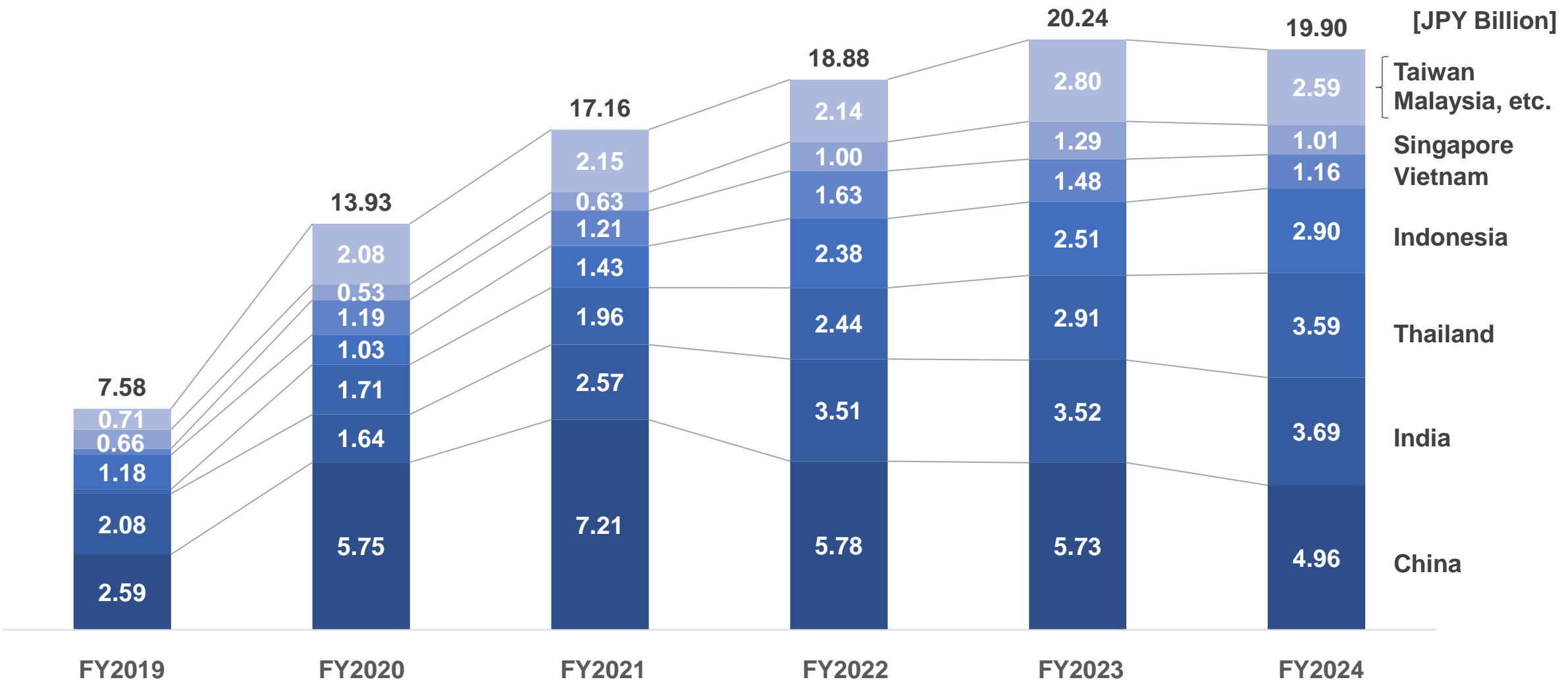
[Figures are aggregated values of sales of each site in Japan]



Continued steady growth, primarily for high-value added products*, despite the weak new housing market

*HPLs, CERARL, and Smart Sanitary (part of building and housing materials) are defined as high-value added products in this slide

3-8. Sales Results for Laminates & Building Materials by Country (Overseas Business)



Thailand and Indonesia grew, while China and Vietnam declined

1. Highlights
2. FY2024 Results
3. FY2024 Results by Segment
- 4. FY2025 Forecast**
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4-1. Business Outlook Forecast for FY2025



Japanese Construction Market

| | Residential (number of constructions) | Non-residential (total area of constructions) |
|--------------------------|--|--|
| FY2024 (Results) | -3.1% | -5.1% |
| FY2025 (Forecast) | -2.6% | -7.6% |

*Time lag with AICA products' demand period has been adjusted

Overseas Market

While GDPs in Southeast Asia are expected to continue their steady growth, risks such as a weak real estate market in China and the impact of tariffs imposed by the U.S. remain.

Exchange Rate

| | |
|--------------------------|--------------------------|
| FY2024 (Results) | 1USD = JPY 151.43 |
| FY2025 (Forecast) | 1USD = JPY 143.00 |

*Since transactions are denominated in local currencies, only a few subsidiaries use US dollars

Japan Naphtha Prices

| | |
|--------------------------|----------------------|
| FY2024 (Results) | JPY 75,500/kl |
| FY2025 (Forecast) | JPY 69,000/kl |

*Not all raw materials are tied to the cost of naphtha

4-2. FY2025 Full-Year Forecast



| | | | | | | | [JPY million] |
|-------------------|----------------|---------------|-----------------|---------------|-------|-------------|---------------|
| | FY2024 Results | | FY2025 Forecast | | | YoY | |
| | Amount | Profit Margin | Amount | Profit Margin | YoY | YoY(Amount) | |
| Net Sales | 248,696 | - | 265,000 | - | +6.6% | +16,304 | |
| Operating Profit | 27,408 | 11.0% | 29,000 | 10.9% | +5.8% | +1,592 | |
| Ordinary Profit | 28,668 | 11.5% | 30,000 | 11.3% | +4.6% | +1,332 | |
| Net Income* | 16,896 | 6.8% | 18,300 | 6.9% | +8.3% | +1,404 | |
| | | | | | | | [JPY] |
| ROE | 10.1% | - | 10% or more | - | - | - | |
| Earning Per Share | 266.36 | - | 291.55 | - | - | - | |

*Profit attributable to owners of parent

Record highs are planned for both sales and profit, while JPY 30 billion is planned for ordinary profit one year ahead of the Medium-Term Business Plan.

4-3. FY2025 Full-Year Forecast by Segment



[JPY million]

| | Net Sales | | | Operating Profit | | | |
|--------------------------------|----------------|-----------------|-------|------------------|-----------------|-------|---------------|
| | FY2024 Results | FY2025 Forecast | YoY | FY2024 Results | FY2025 Forecast | YoY | |
| Chemical Products | 138,587 | 145,600 | +5.1% | 9,331 | 9,900 | +6.1% | Amount |
| | | | | 6.7% | 6.8% | - | Profit Margin |
| Laminates & Building Materials | 110,109 | 119,400 | +8.4% | 22,535 | 23,900 | +6.1% | Amount |
| | | | | 20.5% | 20.0% | - | Profit Margin |
| (Adjustments) | | | | -4,458 | -4,800 | - | Amount |
| Total | 248,696 | 265,000 | +6.6% | 27,408 | 29,000 | +5.8% | Amount |
| | | | | 11.0% | 10.9% | - | Profit Margin |

Record highs for net sales and operating profit are planned for both segments

4-4. FY2025 Interim Forecast by Segment

[JPY million]

| | Net Sales | | | Operating Profit | | | |
|--------------------------------------|----------------------|-----------------------|-------|----------------------|-----------------------|-------|------------------|
| | FY2024 H1 Results | FY2025 H1 Forecast | YoY | FY2024 H1 Results | FY2025 H1 Forecast | YoY | |
| Chemical Products | 67,571 | 69,750 | +3.2% | 4,619 | 4,760 | +3.1% | Amount |
| | | | | 6.8% | 6.8% | - | Profit Margin |
| Laminates & Building Materials | 52,569 | 56,850 | +8.1% | 10,518 | 11,000 | +4.6% | Amount |
| | | | | 20.0% | 19.4% | - | Profit Margin |
| (Adjustments) | | | | -1,990 | -2,160 | - | Amount |
| Total | 120,140 | 126,600 | +5.4% | 13,147 | 13,600 | +3.4% | Amount |
| | | | | 10.9% | 10.7% | - | Profit Margin |

Record highs for net sales and operating profit are planned for the interim period

1. Highlights
2. FY2024 Results
3. FY2024 Results by Segment
4. FY2025 Forecast
- 5. FY2025 Forecast by Segment**
6. Capital Policy and Shareholder Returns
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“Value Creation 3000 & 300”

5-1. Sales Forecast by Product Group for Chemical Products



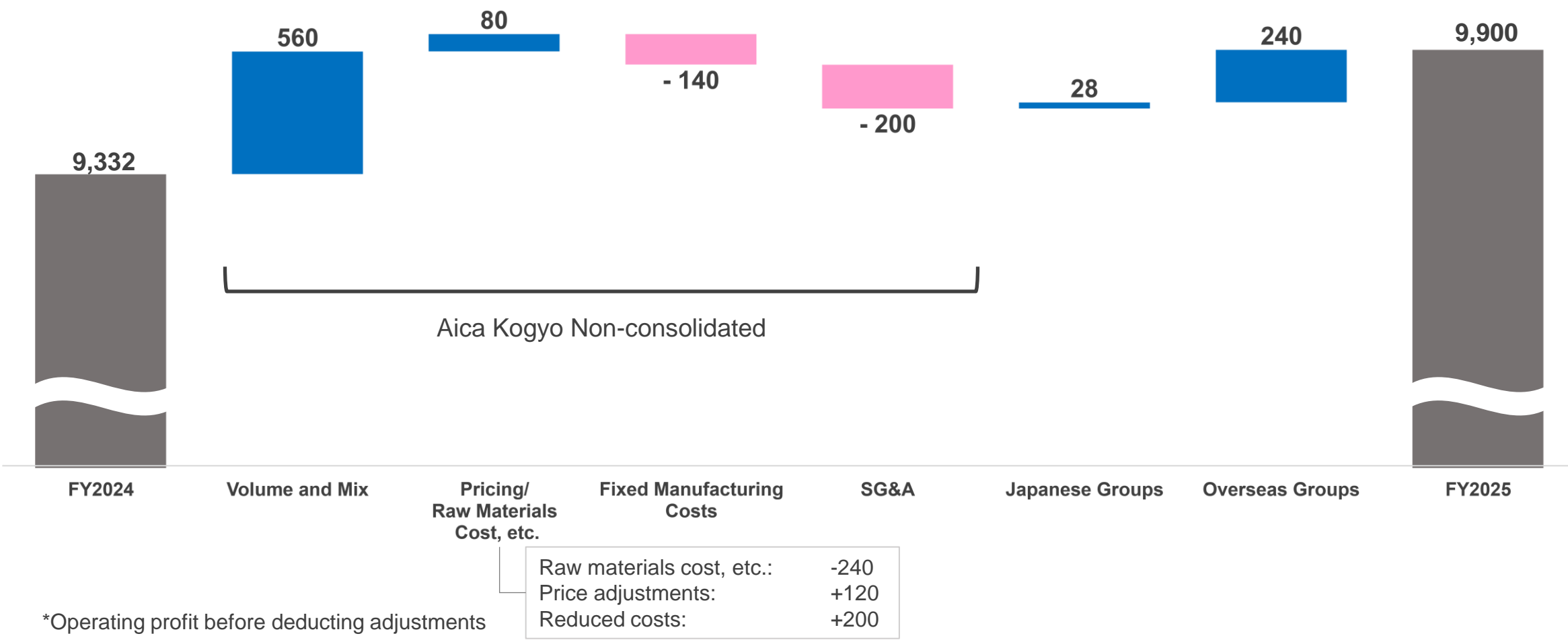
[JPY billion]

| | FY2024 (Results) | | FY2025 (Forecast) | | | |
|-----------------------------------|------------------|-----------|-------------------|---------|-----------|---------|
| | H1 | Full Year | H1 | YoY | Full Year | YoY |
| Adhesives | 46.44 | 95.89 | 48.0 | +3.4% | 100.30 | +4.6% |
| (Of which, AAP* Group) | (36.01) | (74.74) | (37.20) | (+3.3%) | (78.20) | (+4.6%) |
| Construction Resins | 5.29 | 10.97 | 5.50 | +3.9% | 11.50 | +4.8% |
| Specialty & Performance Materials | 8.93 | 17.96 | 9.15 | +2.4% | 19.50 | +8.5% |
| Other | 6.90 | 13.75 | 7.10 | +2.9% | 14.30 | +4.0% |
| Total | 67.57 | 138.58 | 69.75 | +3.2% | 145.60 | +5.1% |

*AAP: AICA Asia Pacific

For adhesives, JPY 100 billion or more is planned for the full year, as well as other product groups are also expected to exceed the previous fiscal year

5-2. Operating Profit Forecast for Chemical Products

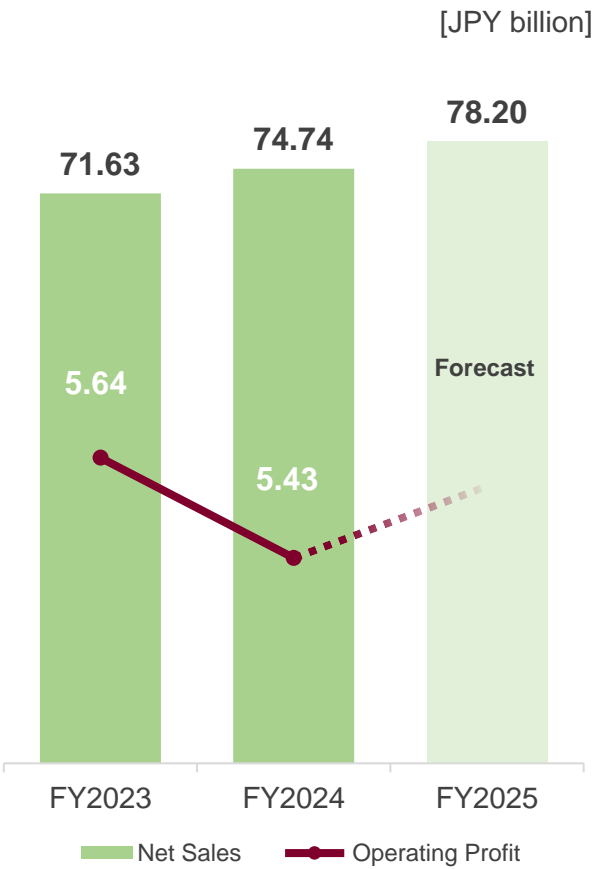


In addition to improving sales profit and the product mix of Aica Kogyo (non-consolidated), we plan to increase profits through the growth of the Group companies

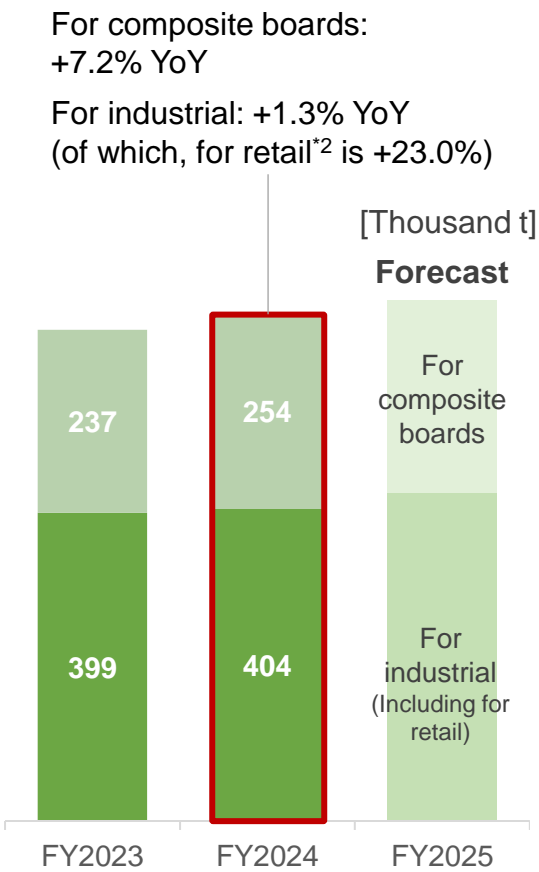
5-3. Plans for Chemical Products (Overseas - AAP Group)



AAP*1 Group Performance



Sales Volume by Resin



| Region | Policy |
|-----------|--|
| China | Secured sales volume despite sluggish market conditions; increased topline through the launch of the Fujian Plant and improved operational efficiency at the new Guangdong Plant |
| Thailand | Offset the decrease in sales volume due to worsening market conditions through the effects of ADBS*3 consolidation and full operation of the Kuen Bong Plant |
| Indonesia | Maintain favorable trend in retail and accelerate the synergistic effect between ADBS*3 |
| Malaysia | Increase the volume of the resins for use in composite boards and industrial applications as an alternative production site of the Singapore Plant |
| Vietnam | Maintain and increase the amount of resins for composite boards through quality and customer response capability; Remain cautious about the U.S. tariff policy |

*1 AAP: AICA Asia Pacific

*2 For retail: Small lot products for retail stores and building contractors

*3 ADBS: ADB Sealant

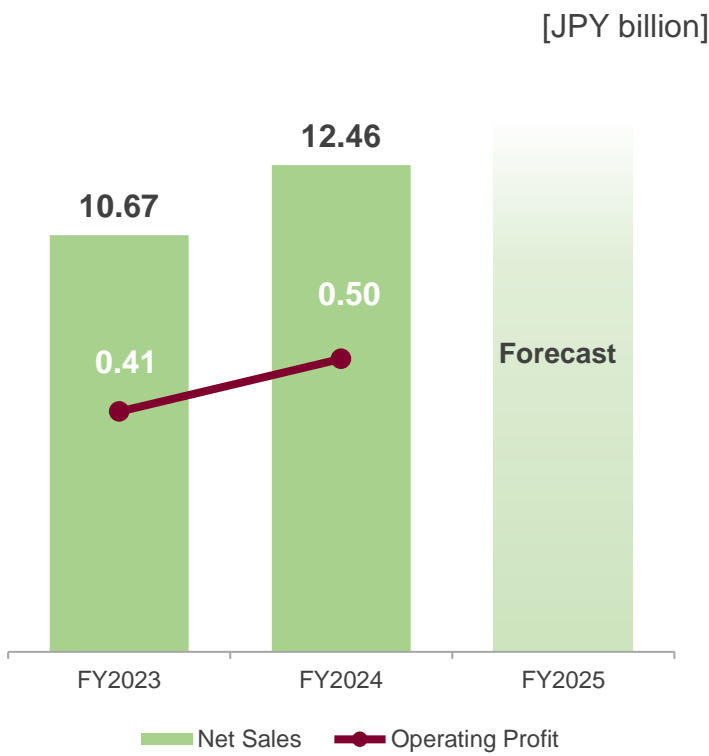
Aim to increase profits by improving the product mix through expanding high added-value retail products

5-4. Plans for Chemical Products (Overseas - EMC Group)

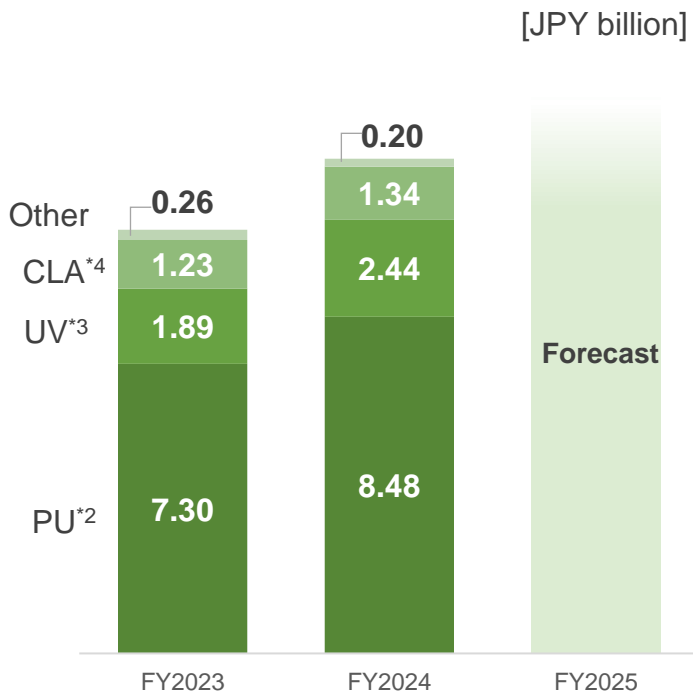


EMC*1 Group Performance

[Operating profit before elimination of consolidated transactions and goodwill]



Net Sales by Resin



| Major Products | Policy |
|----------------|---|
| PU*2 | <div>[For shoes] Grew in conjunction with the recovery of demand for shoes</div> <div>[PUR-HM*5] Growth of high-value added products contributed to profit Grew due to the development of Southeast Asia and synergy with Japan</div> |
| UV*3 | Grew in packaging and protective films |
| CLA*4 | Enhancement for Taiwan and Japan and an increase in orders received |

*1 EMC: EVERMORE CHEMICAL INDUSTRY

*2 PU: Polyurethane resins (for textiles, shoes, adhesives for construction, etc.)

*3 UV: UV-curable resins (for packings, hard coatings, etc.)

*4 CLA: Cross-linking agents (For adhesives, coatings, etc.)

*5 PUR-HM: Reactive polyurethane hot melts

We aim for further growth through the introduction of new PUR-HM products and the development of sales channels, as well as the expansion of UV-curable resin sales

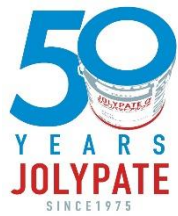
5-5. Plans for Chemical Products (Japanese Group)



Construction Resins

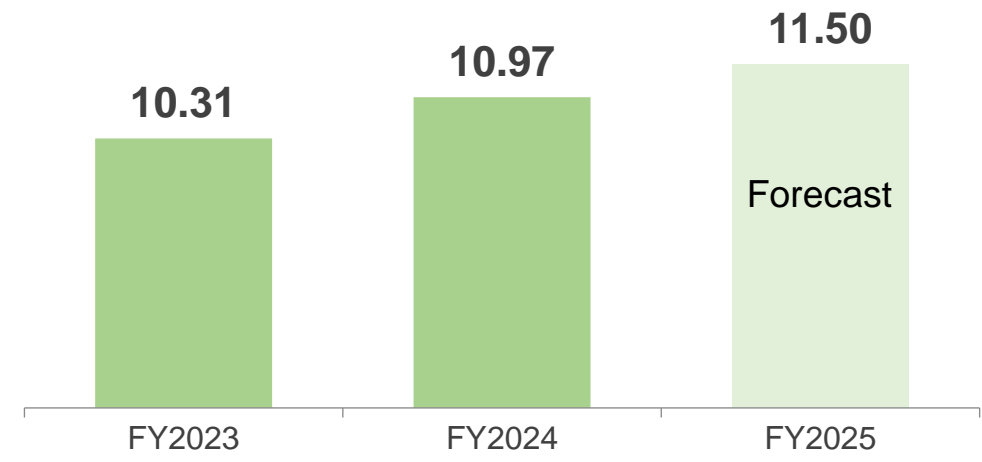
Floor coating materials Captured demand for plants with a rich lineup and high quality

Wall coating materials Expanded the lineup of Jolypate, celebrating its 50th anniversary, and high value-added design coating material CLIMATERIA



Construction resins sales

[JPY billion]



Specialty & Performance Materials 3D Decorative Hard-coating Films

3D decorative hard-coating films sales

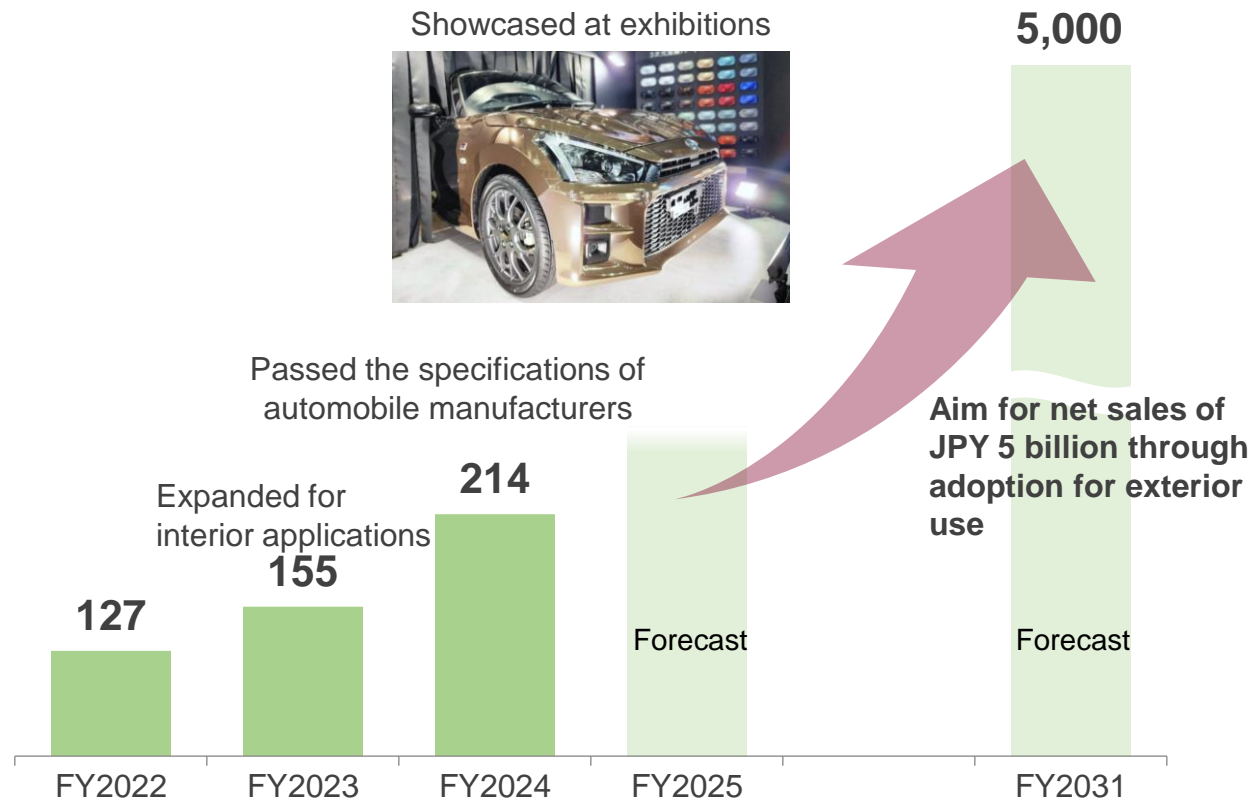
[JPY million]

Showcased at exhibitions



Passed the specifications of automobile manufacturers

Expanded for interior applications



Strengthen our diverse product lineup and high-value added products to achieve beyond stable growth

5-6. Sales Forecast by Product Group for Laminates & Building Materials



[JPY billion]

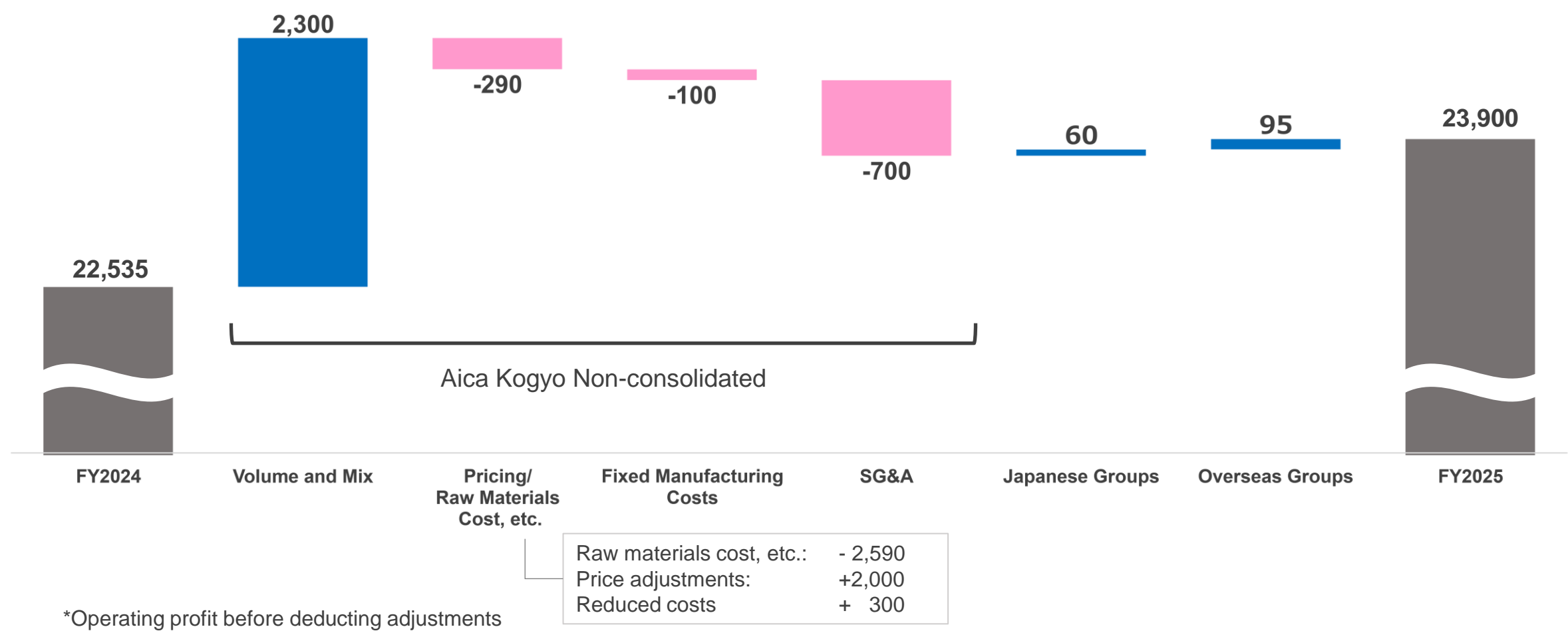
| | FY2024 (Results) | | FY2025 (Forecast) | | | |
|--|------------------|-----------|-------------------|--------|-----------|--------|
| | H1 | Full Year | H1 | YoY | Full Year | YoY |
| High Pressure Laminates (HPL) | 16.70 | 35.09 | 17.80 | +6.6% | 37.50 | +6.9% |
| Decorative Polyester Boards, Decorative Films | 6.09 | 12.47 | 6.55 | +7.4% | 13.40 | +7.5% |
| Melamine Fire Retardant Decorative Panels “CERARL” | 11.43 | 23.77 | 12.30 | +7.6% | 25.70 | +8.1% |
| Fire Retardant/ Noncombustible Decorative Panels | 3.64 | 7.41 | 3.90 | +7.0% | 7.90 | +6.5% |
| Building and Housing Materials | 14.68 | 31.35 | 16.30 | +11.0% | 34.90 | +11.3% |
| Total | 52.56 | 110.10 | 56.85 | +8.1% | 119.40 | +8.4% |

Plan to achieve year-on-year growth across all product groups, with building and housing materials expected to grow by 10% or more year-on-year.

5-7. Operating Profit Forecast for Laminates & Building Materials



[JPY million]



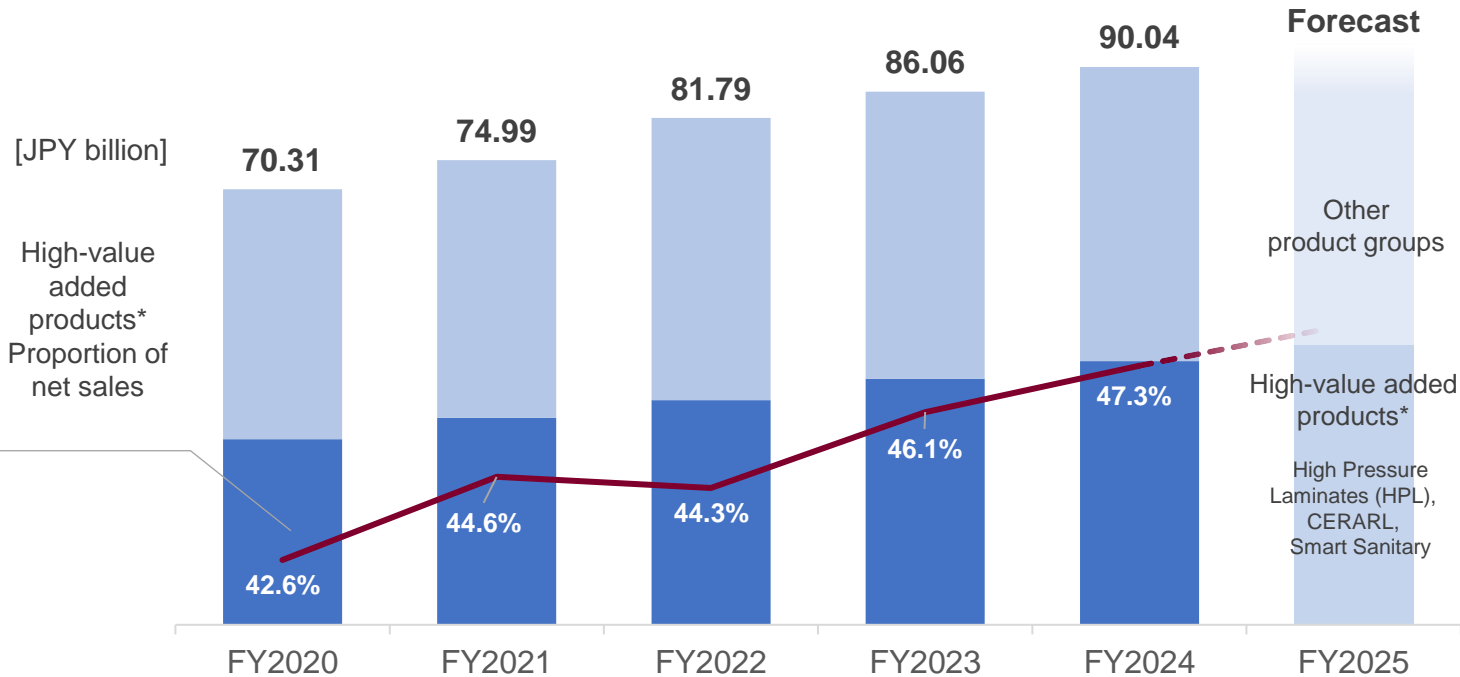
We plan to increase profit by improving Aica Kogyo's (non-consolidated) sales profit and product mix to counter the effects of raw material price increases

5-8. Plans for Laminates & Building Materials (Japanese Business) AICA

Among the high-margin Japanese Laminates & Building Materials businesses, key products such as **Smart Sanitary**, **CERARL CELLENT**, and **MELAMINE TILE** are **driving profits** and have shown **significant growth**

Laminates & Building Materials in Japan Trend of sales

Increase the proportion of high-value added products*, which include focus products (HPL, CERARL, Smart Sanitary)



Focus Products

* < > indicates product groups

Smart Sanitary <Building and Housing Materials>*



High flexibility and design quality akin to custom-made products garnered high praise (FY2024 Sales +56% YoY)

CERARL CELLENT <CERARL>*



Characteristics of having both authentic design and workability (FY2024 Sales +45% YoY)

MELAMINE TILE <HPL>*



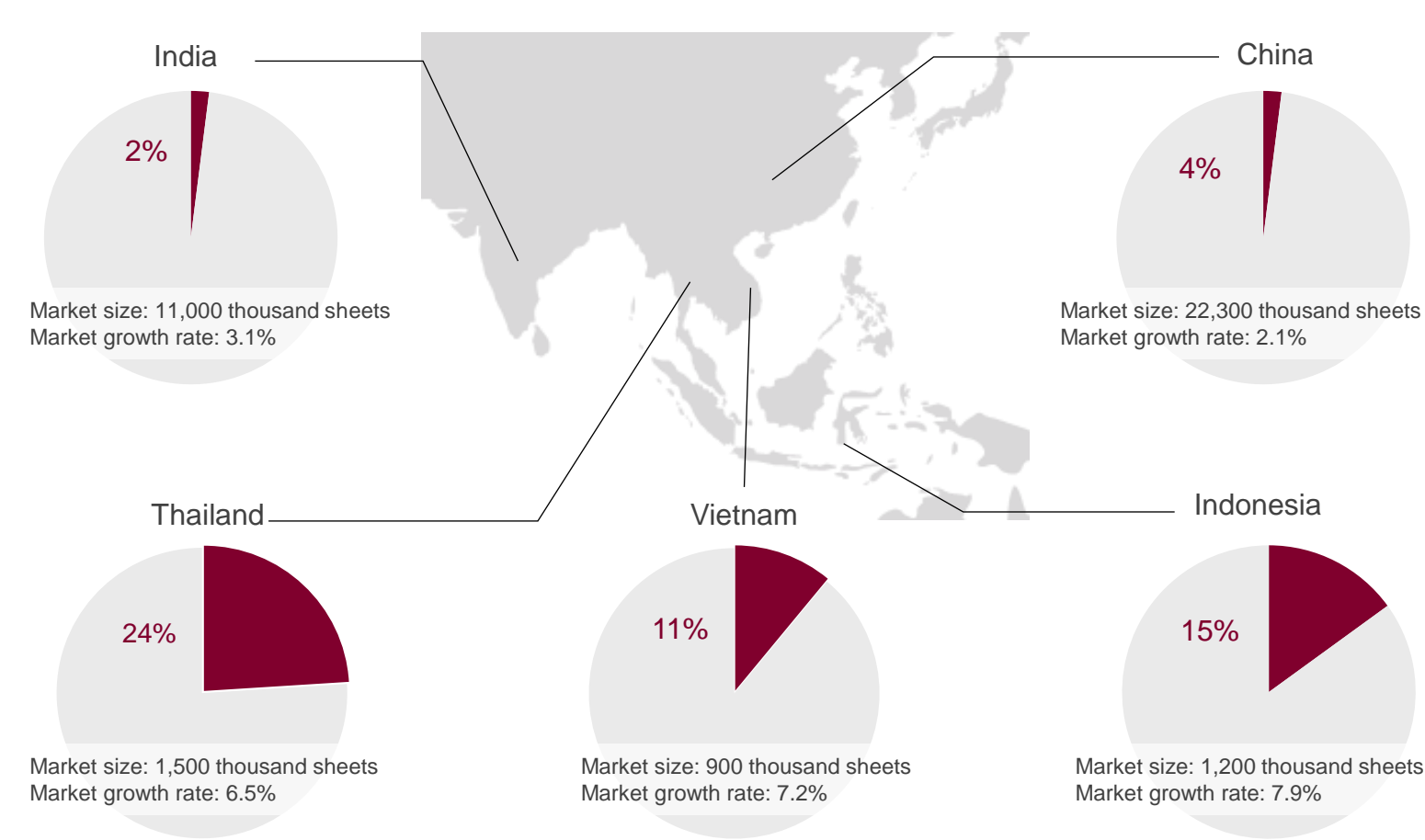
Resistant to stains yet easy to clean
Product that combines great design of HPL with resilience (FY2024 Sales +43% YoY)

Aim for further growth through the expansion of key products that drive profit

*HPLs, CERARL, and Smart Sanitary (part of building and housing materials) are defined as high-value added products in this slide

5-9. Plans for Laminates & Building Materials (Overseas)

Market size and share in our major business regions



| Regional | Policy |
|-----------|--|
| India | Promote brand penetration capitalizing on our high level of quality Achieve a growth trajectory that exceeds the market average |
| China | Recover and grow by focusing on technologically advanced fire retardant decorative panels |
| Thailand | Capitalize on high shares and resilient brand power Achieve growth that exceeds the market through added-value proposals |
| Vietnam | Take advantage of the tailwind from market recovery to achieve growth and recovery at a rate that exceeds the previous fiscal year |
| Indonesia | Accelerate the shift to high-end products Expand profit by increasing the sales of CERARL |

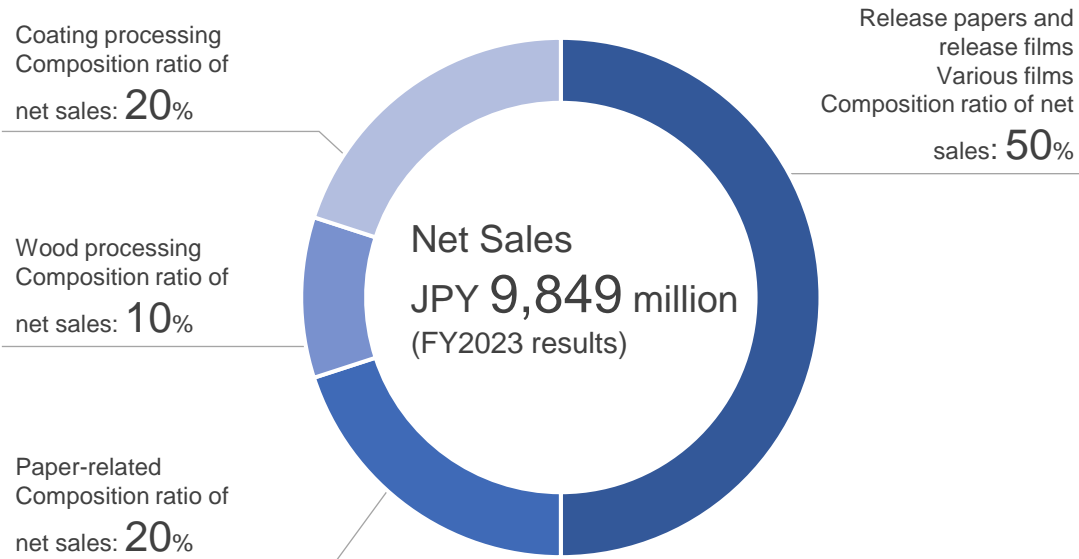
*Market size: Based on 2023 results, converted to a number of 4x8 size boards *Market growth rate: Average annual growth rate for 2023 to 2031 (forecast)

Aim for growth that exceeds the market average by focusing on high-end products in high growth markets

Signed a memorandum for a capital tie-up in preparation for subsidization

Further strengthen product competitiveness by generating synergy between chemical products and building materials through the addition of TAKARAINC. CO. Ltd to the Aica Group

Company Overview of TAKARAINC. CO. Ltd



Operating profit: JPY 569 million (FY2023 results)

Synergy

[Aica Kogyo Co., Ltd.]

[TAKARAINC. CO. Ltd]

UV-curable resins
Adhesives

Coating technology
Film processing

High-value added products
(Functional films, etc.)

Schedule

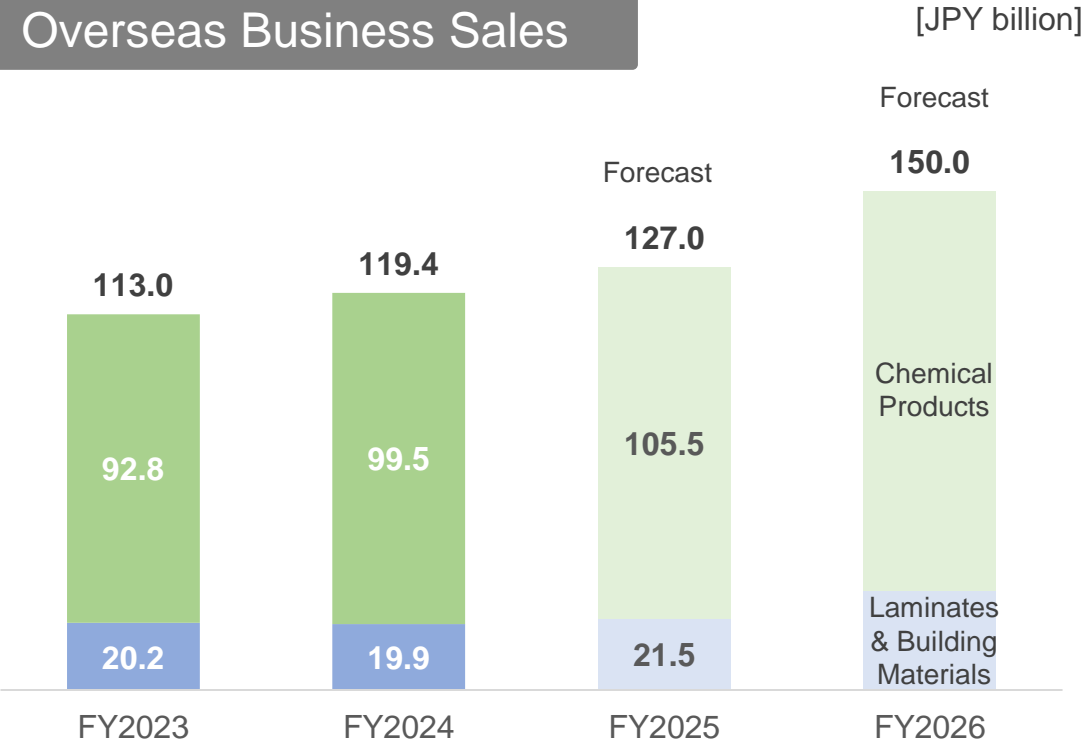
| | May 2025 | June | July | August | September |
|---|-------------------|------|------|--------|-----------|
| Signing the memorandum of understanding for the acquisition | Completed (May 1) | | | | |
| Approve the partial share exchange plan | | | Plan | | |
| Application deadline for the partial share exchange of TAKARAINC. CO. Ltd | | | | Plan | |
| Effective date of the Partial Share Exchange | | | | | Plan |

Strengthen product competitiveness by generating synergies both in Chemical Products and Laminates & Building Materials

Establishment of Overseas Business Unit (April 2025)

Establish an Overseas Business Unit to accelerate the growth of our overseas business
Aim to maximize synergies between Chemical Products business and Laminates & Building Materials business abroad

Overseas Business Sales



| Policy | |
|--------------------------------|--|
| Synergy | • Phenolic resins, which are the raw materials for HPLs, are supplied by AAP, which manufactures chemical products |
| | • Sales of decorative panels and adhesives for furniture manufacturers in sets |
| Chemical Products | • Put capital and growth investments in China, Thailand, and other countries on a positive trajectory and contribute to profit |
| | • Promote the overseas expansion of construction resins |
| Laminates & Building Materials | • Build a balanced sales composition for property use and distributor use |
| | • Improve the value of the AICA brand |
| M&A | • Search for potential M&A with a focus on North America and India |

Maximize synergies to bring the overseas business back on a growth trajectory

1. Highlights
2. FY2024 Results
3. FY2024 Results by Segment
4. FY2025 Forecast
5. FY2025 Forecast by Segment
- 6. Capital Policy and Shareholder Returns**
7. Progress of Medium-Term Business Plan
“Value Creation 3000 & 300”

6-1. Capital Policy: Results

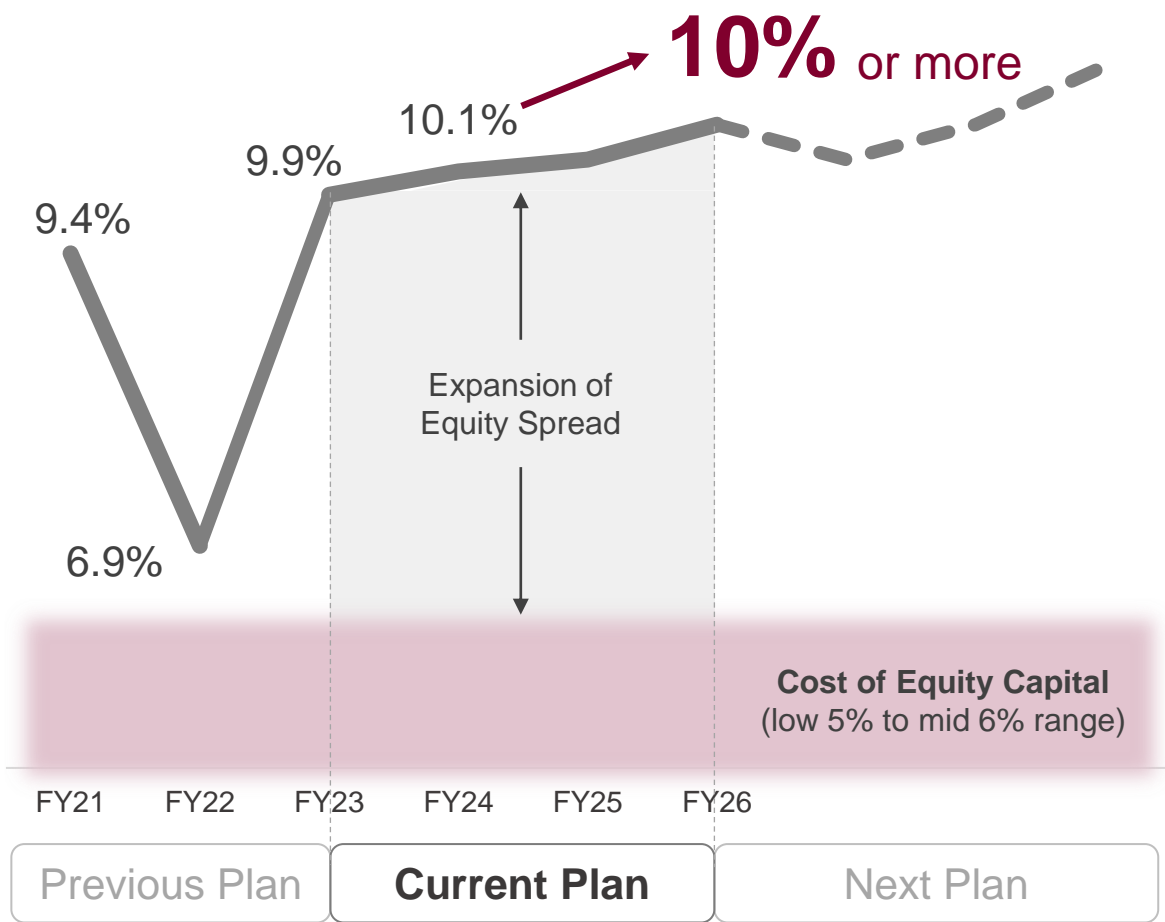


| | | FY2022 (Results) | Policy | FY2023 (Results) | FY2024 (Results) |
|------------------------------------|-------------------------|---|--|---|--|
| Maintain Financial Soundness | Cash equivalents | JPY 50.99 billion | Secure liquidity for about two to three months of monthly sales to strengthen our risk tolerance | JPY 62.02 billion | JPY 59.57 billion |
| | Equity ratio rating* | 58.1% Rating A | Maintain an appropriate rating and an equity ratio of 50% or more | 58.9% Rating A+ | 60.2% Rating A+ |
| Improve Capital Efficiency | ROE ROIC | ROE 6.9% ROIC 8.1% Cost of Equity Capital 6.3% WACC 5.5% | ROE > ROIC > WACC structure Create ROE and ROIC that exceed the cost of capital • ROE target set to 10% or more • ROIC target set to 9% or more | ROE 9.9% ROIC 8.9% Cost of Equity Capital 6.2% WACC 5.6% | ROE 10.1% ROIC 9.6% Cost of Equity Capital 6.5% WACC 5.7% |
| | FCF | JPY 10.79 billion | Secure free cash flow to support aggressive investment for growth and increased shareholder returns | JPY 20.90 billion | JPY 15.63 billion |

* Japan Credit Rating Agency (JCR)

6-2. Capital Policy: ROE Target

ROE Trend (Results & Forecast)



Measures

Profit Growth

| | |
|---------------------------------------|--|
| Strengthening Profitability Structure | Improving profitability by focusing on high value-added products and reviewing unprofitable businesses and products. |
| Growth Investment | Enhancing disciplined growth investments aimed at future profit expansion. |
| Productivity Improvement | Improving operational efficiency and productivity through the use of digital transformation (DX*). |

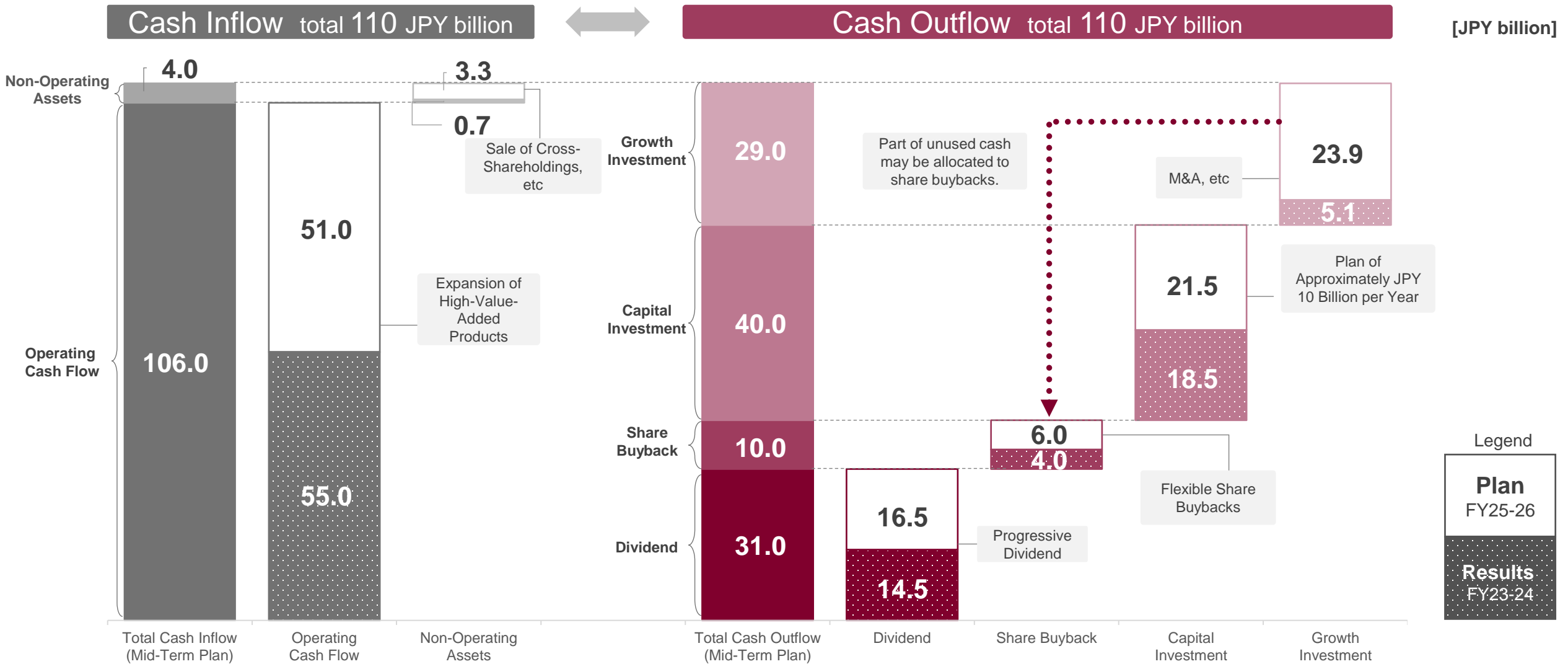
Improving Capital Efficiency

| | |
|----------------------------------|---|
| Asset Efficiency Enhancement | Improving asset efficiency through inventory optimization, reduction of accounts receivable, and management of group companies using ROIC. |
| Reduction of Cross-Shareholdings | Reducing cross-shareholdings, with proceeds used for growth investments, capital expenditures, and shareholder returns. |
| Optimization of Equity Capital | Pursuing an optimal and flexible capital structure that supports both growth and shareholder returns while maintaining financial discipline. |
| Enhanced Shareholder Returns | We will continue a progressive dividend policy while maintaining a shareholder return-focused payout ratio, aiming to return over 10 billion yen through share buybacks under the current plan. |

* DX: Digital Transformation

ROE target in the current plan has been revised from “around 10%” to “**over 10%**”, reflecting profit growth and capital efficiency.

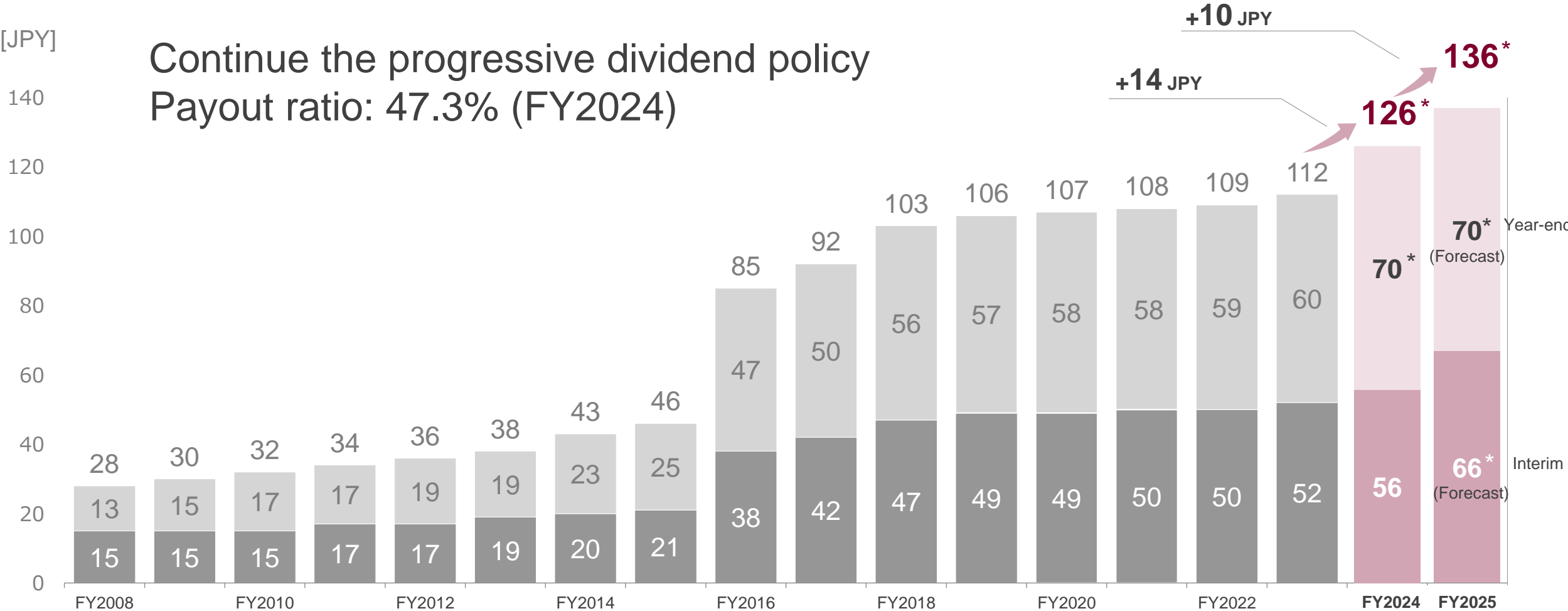
6-3. Capital Policy: Cash Allocation (FY2023 - FY2026)



*A portion of treasury shares will also be utilized for executive and employee

Over the next two years (FY25–26), we plan to expand both shareholder returns and growth investments

6-4. Capital Policy: Dividends Per Share



16 consecutive years of dividend increases, and no dividend cuts for 27 consecutive years
(as of FY2025)

1. Highlights
2. FY2024 Results
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“Value Creation 3000 & 300”**

7-1. Progress of Medium-Term Business Plan (Financial Targets)



[JPY billion]

| | Previous Plan | Year 1 | Year 2 | Year 3 | Year 4 |
|--------------------------|---------------------|---------------------|---------------------|------------------|--------------------|
| | FY2022 (Results) | FY2023 (Results) | FY2024 (Results) | FY2025 (Plan) | FY2026 (Plan) |
| Net Sales | 242.0 | 236.6 | 248.6 | 265.0 | 300.0 |
| Ordinary Profit | 22.0 | 26.1 | 28.6 | 30.0 | 30.0 |
| AS Products*1 Sales*2 | 19.3 | 21.7 | 24.1 | 27.0 | 28.0 |
| Overseas Sales Ratio | 51.2% | 47.8% | 48.0% | 48.0% | 50% or more |
| ROE | 6.9% | 9.9% | 10.1% | 10% or more | Upward revision |
| ROIC | 8.1% | 8.9% | 9.6% | 9% or more | Upward revision |

*1: AICA Solution, product that resolves social issues *2: Aica Kogyo (non-consolidated)

7-2. Progress of Medium-Term Business Plan (Targets by Segment)

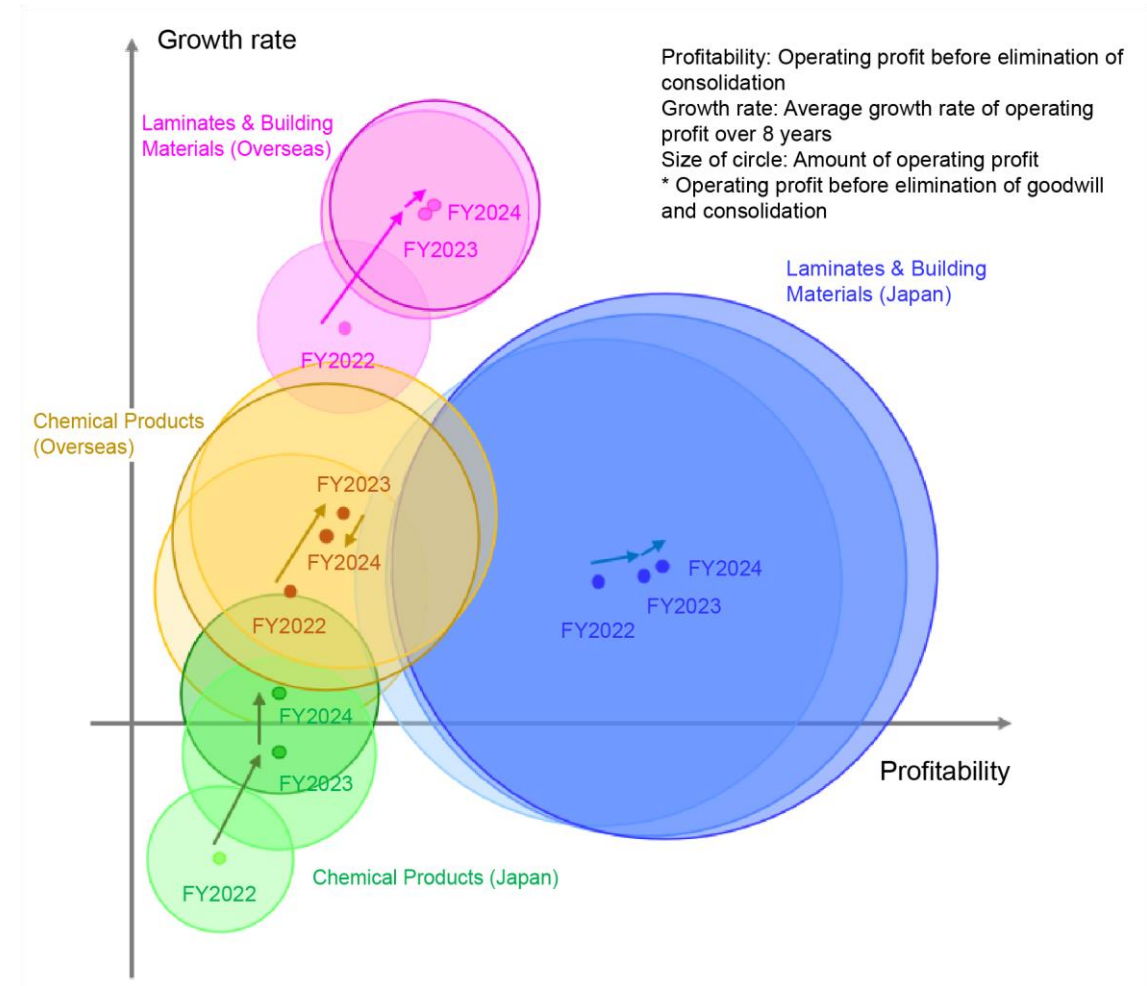


[JPY million]

| | | Previous Plan | Year 1 | Year 2 | | Year 3 | Year 4 |
|--------------------------------------|------------------|---------------------|---------------------|---------------------|--------|------------------|--------------------------|
| | | FY2022 (Results) | FY2023 (Results) | FY2024 (Results) | YoY | FY2025 (Plan) | FY2026 (Revised plan) |
| Chemical Products | Net Sales | 141,312 | 130,300 | 138,587 | +6.4% | 145,600 | 163,000 |
| | Operating Profit | 7,494 | 9,280 | 9,331 | +0.6% | 9,900 | 10,500 |
| | % vs Net Sales | 5.3% | 7.1% | 6.7% | - | 6.8% | 6.4% |
| | EBITDA | 11,119 | 13,406 | 14,202 | +5.9% | 14,900 | 15,800 |
| | EBITDA | 7.9% | 10.3% | 10.2% | - | 10.2% | 9.7% |
| Laminates & Building Materials | Net Sales | 100,743 | 106,325 | 110,109 | +3.6% | 119,400 | 137,000 |
| | Operating Profit | 16,740 | 20,339 | 22,535 | +10.8% | 23,900 | 25,000 |
| | % vs Net Sales | 16.6% | 19.1% | 20.5% | - | 20.0% | 18.2% |
| | EBITDA | 19,910 | 23,254 | 26,460 | +13.8% | 27,500 | 28,900 |
| | EBITDA | 19.8% | 21.9% | 24.0% | - | 23.0% | 21.1% |

*After the elimination of consolidation and before deducting adjustments

Profitability and Growth Analysis by Business



Summary of Progress During the Two Years (FY2023 to FY2024)

| Segment | Progress |
|---|---|
| Chemical Products (Japan) | <ul style="list-style-type: none">Implemented thorough profitability management by resin and significantly improved profitability in the first year through product consolidation, appropriate pricing, and other measures.Achieved a growth rate improvement while maintaining profitability in the second year. |
| Chemical Products (Overseas) | <ul style="list-style-type: none">Expansion of phenolic resins, hot melts, and other high-value added products led to a significant improvement of profitability in the first year.The increase in depreciation due to capital investments, a weak market in Thailand, and price competition led to a decline in profitability in the second year. |
| Laminates & Building Materials (Japan) | <ul style="list-style-type: none">Profitability increased for two consecutive years due to the rise in sales of AICA Solution (AS) Products, along with other high-value added products such as HPLs, CERARL, and other highly profitable products. |
| Laminates & Building Materials (Overseas) | <ul style="list-style-type: none">Improved production efficiency and optimized production processes throughout the Group led to a significant improvement in profitability in the first year.Although impacted by weak trend in China, profitability slightly increased due to efforts made in each Southeast Asian country in the second year. |

Profitability of the overseas Chemical Products business needs urgent improvement.
Profitability of the Laminates & Building Materials business has increased for two consecutive years.

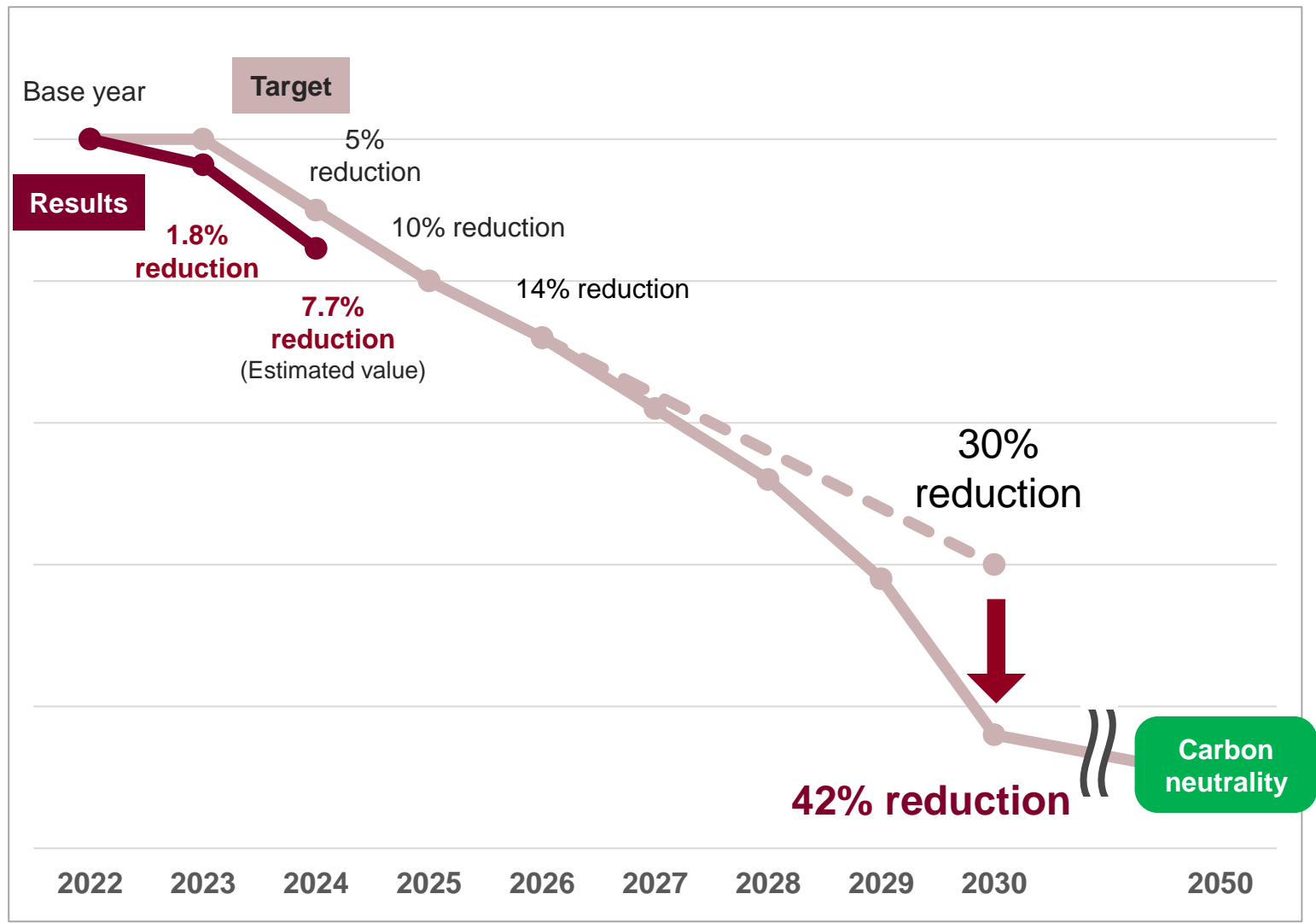
7-4. Progress of Medium-Term Business Plan (Materiality 1/2)



| | | Scope | FY2026 Targets | FY2024 Results |
|---------------|---|------------|--|---|
| Financial | (1) Provide economic value | AICA Group | Net sales: JPY 300.0 billion Ordinary profit: JPY 30.0 billion | Net sales: JPY 248.6 billion Ordinary profit: JPY 28.6 billion |
| | | | ROE: 10% or more ROIC: 9% or more | ROE: 10.1% ROIC: 9.6% |
| | | | Overseas sales ratio: 50% or more | Overseas Sales Ratio: 48.0% |
| | (2) Solving social issues with products | Aica Kogyo | Net sales of AS* products: JPY 28.0 billion | Net sales of AS Products: JPY 24.1 billion |
| | | AICA Group | Develop new recycling methods for mainstay products | Recycled HPLs using waste laminates is currently in the trial stage in preparation for establishing production. |
| Non-financial | (3) Responding to climate change | AICA Group | Greenhouse gas emissions: Reduce 14% (compared to FY2022) | Greenhouse gas emissions: Reduce 7.7% (compared to FY2022) |
| | | | Set Scope 3 emission reduction targets and formulate reduction measures | Began calculating Scope 3 on a consolidated basis and plan to disclose the results in FY2025 |
| | | Aica Kogyo | Disclose CFP data pertaining to our mainstay products and develop products that reduce our CFP | Complete the development of CO ₂ -absorbing calcium silicate boards Consider utilizing it to absorb CO ₂ emissions from our plants in the future |

* AICA Solution, product that resolves social issues

■ GHG Emissions (Scope 1 + 2) Results Trend and New Target Plan



■ FY2024 Results

Compared to FY2022 **7.7% reduction**

- Switched to energy-saving and highly efficient equipment
- Implemented fuel conversion
- Achieved a reduction that exceeds the fiscal year target by utilizing renewable energy (including the introduction of solar power generation)

■ Raise FY2030 Reduction Target

- Level based on the 1.5°C Target, an international standard advocated by in the Paris Agreement
- Accelerate measures based on an ambitious new target

Old target: 30% reduction (Well Below 2°C Level)

↓

New target: 42% reduction (1.5°C Level)

7-6. Progress of Medium-Term Business Plan (Materiality 2/2)



| | | Scope | FY2026 Targets | FY2024 Results |
|---------------|---|------------|--|--|
| Non-financial | (4) Build a human capital foundation | Aica Kogyo | Labor productivity: JPY 22.8 million or more per person | JPY 23.0 million/person |
| | | | HR Investments: JPY 4.0 billion or more (4 years cumulative total) | JPY 1.14 billion (2 years cumulative: JPY 2.13 billion) |
| | | | Employees with experience overseas assignment: 100 or more | Cumulative: 86 employees |
| | | | Percentage of women recruited to new graduate career-track positions: 30% or more (4 years cumulative total) | New employees for April 2025: 33.3% (2 years cumulative total: 30.7%) |
| | | | Childcare leave acquisition rate: (Male) 70% or more (Female) 100% | (Male) 69.7% (Female) 100% |
| | | AICA Group | Engagement Score: 4.0 points or more | Second Aica Group Engagement Score 3.97 (FY2021: 3.90) |
| | (5) DX implementation | Aica Kogyo | Capital investment and digitization investment that will contribute to automation and labor-saving: JPY 1.0 billion or more (4 years cumulative total) | JPY 0.31 billion (2 years cumulative: JPY 0.53 billion) |
| | (6) Strengthen governance | AICA Group | BCP drills for natural disasters at AICA Group production sites were conducted One or more times per year | Conducted at least once a year at all AICA Group production sites |
| | | Aica Kogyo | Conduct sustainability surveys of suppliers regularly and address issues | Conducted a hearing to survey the actual conditions of suppliers that had low self-evaluation in the sustainability survey |
| | | AICA Group | Deepen information security measures Expand/strengthen them throughout the Group companies | Always maintain the firewall and VPN software to the latest version |
| | (7) Quality assurance and occupational safety | AICA Group | Achieve the quality targets set at all AICA Group production sites | Achieved at one site in Japan and two-thirds of the sites overseas |
| | | | Number of serious work-related accidents: 0 Number of lost-time accidents: 10 or less | Number of serious work-related accidents: 0 Number of lost-time accidents: 17 |



アイカ工業株式会社

“FY” in this report indicates the fiscal year ending March 31 of the succeeding year.

The matters such as current plan, prospect, strategy, or conviction indicated in this report, but not historical fact are only the expectation of future achievement, and there are risks or unexpected factors.

This information has been made based on the judgment of the manager of Aica Kogyo Co., Ltd. using current available information. The actual results may be different from the current forecast because of various important elements, so please avoid depending entirely on this forecast.

This document is not designed to induce investment. We request that decisions about investment be made on the basis of each user’s own judgment.