May 28, 2026

Financial Results for FY3/26 and Progress in Medium-term Management Plan

Accelerate'27

KURABO

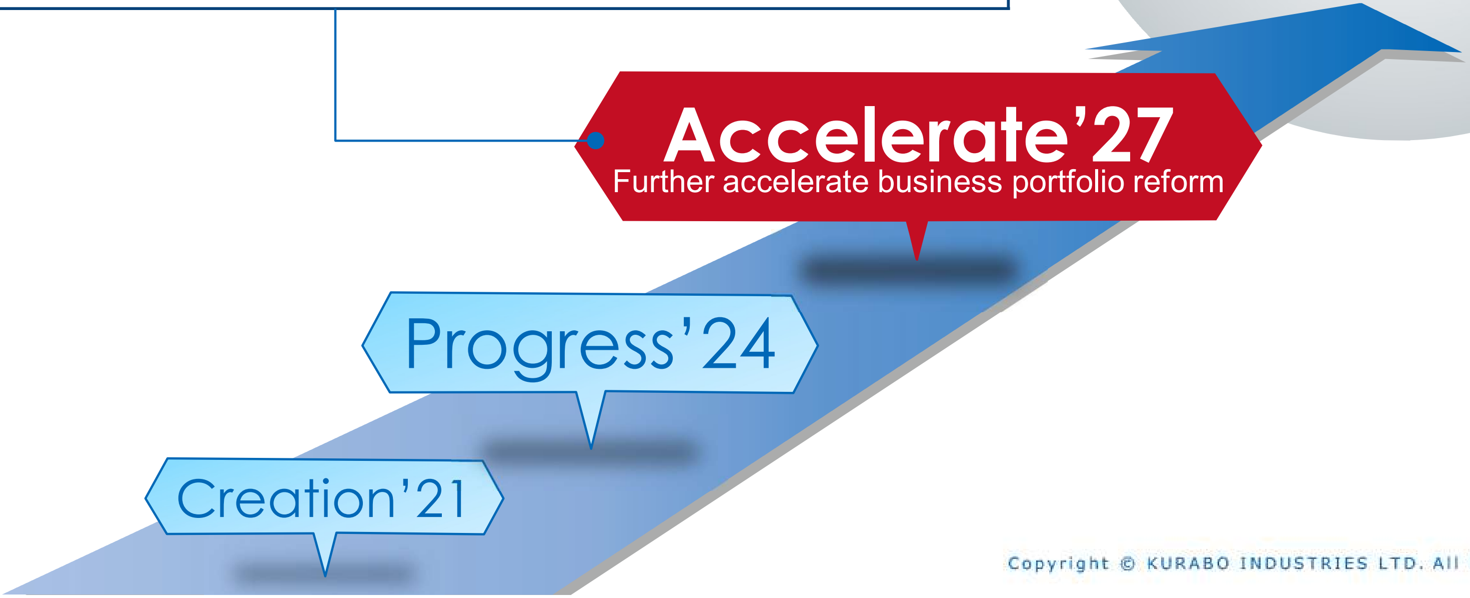
Today’s Agenda

Outline of Medium-term Management Plan Accelerate ’27

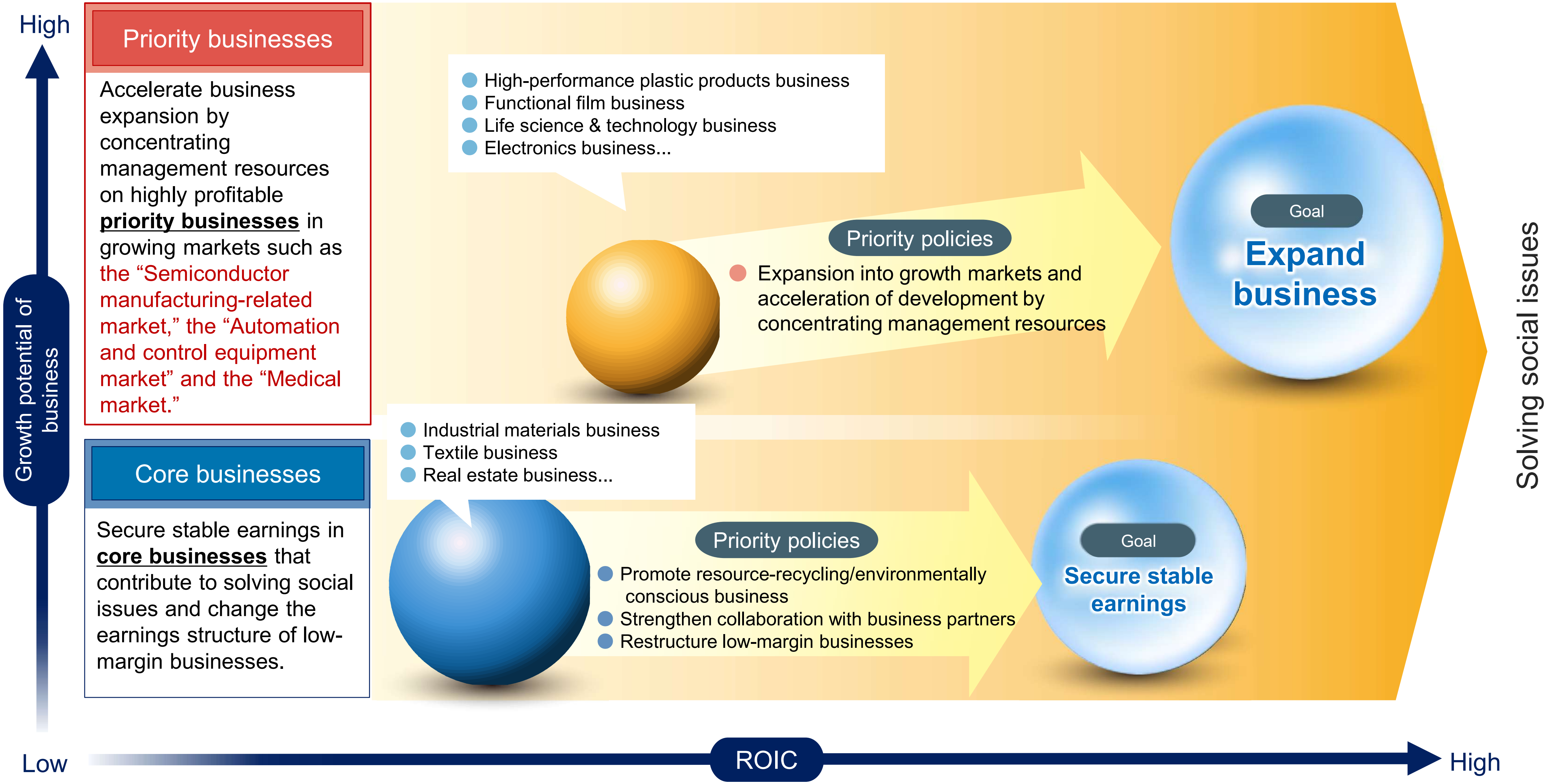
Basic policy	Accelerate growth in high-profit businesses and increase corporate value through efficient use of management resources
Priority policies	1. Develop and accelerate priority businesses in growth markets and strengthen profitability of core businesses 2. Strengthen R&D activities and create new businesses to place them on a profitable footing 3. Contribute to the realization of a sustainable society 4. Build a highly engaged organization
Final-year targets	● Net sales: 165 billion yen ● Operating profit: 13 billion yen

Long-term Vision 2030

Realize
“Transformation to a business structure that generates innovation and high profitability”



Accelerate business portfolio reform by concentrating management resources on highly profitable priority businesses

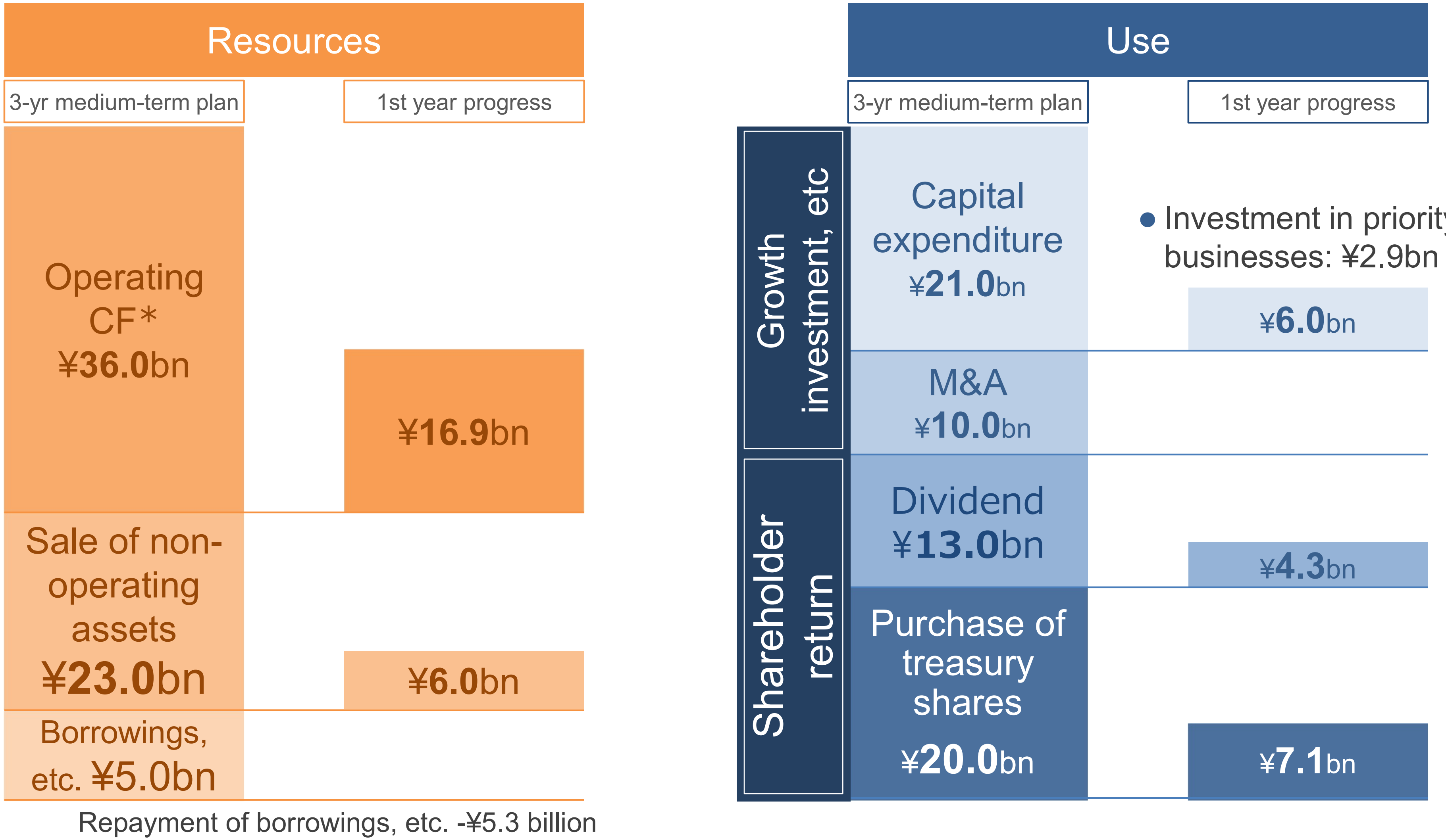


Relationship among Segments, Business Categories and Priority Areas

Segment	Business category	Main products and services	Priority/core	Priority area
Chemical products	High-performance plastic products	High-performance plastic processed products (fluoropolymers, super engineering plastics), fluorine resin materials, filters, etc.	Priority	Semiconductor manufacturing-related
	Functional films	Semiconductor process films (release films, dicing films, etc.)	Priority	Semiconductor manufacturing-related
		Sealing materials for solar batteries, various high-performance films	Priority	
	Industrial materials	Flexible polyurethane foam, heat-insulating materials, building materials, and functional materials such as non-woven fabrics	Core	
Textile	Yarn	High-performance yarns (functional cotton yarn NaTech), etc.	Core	
	Uniforms	High-function textiles and products for uniforms (flame-retardant fabrics “BREVANO” and others), and a heat risk management system (Smartfit), etc.		
	Casual wear	High-value-added fabrics and products for casual wear, etc.		
Advanced technology	Life science & technology	Agitation and defoaming equipment, gene extraction system and analysis service, robotic vision, automation equipment (Labo/factory automation), etc.	Priority	Life science related
	Electronics	Chemical Concentration meter, etc.	Priority	Semiconductor manufacturing-related
		Infrastructure inspection equipment, film thickness gauge, etc.		
	Engineering	Wafer cleaning equipment, chemical supply system, etc.	Priority	Semiconductor manufacturing-related
		Environment-related equipment (water treatment, gas treatment, biomass, etc.)	Core	
Food and services	Food	Freeze-dried food	Priority	Life science related
	Services	Cultural complex (Kurashiki Ivy Square), driving school	Core	
Real estate	Real estate	Real estate rental	Core	

Progress of Cash Allocation

Implemented growth investments and shareholder returns in line with the three-year medium-term management plan, using funds from operating cash flow and sales of non-operating assets.



*Operating CF takes into account the impact of income taxes on the sales of non-operating assets.

Today's Agenda

Financial Results Highlights

	Full-year results for FY3/26	YoY	Vs. medium-term plan (first year) target	Vs. latest forecast (announced on Feb. 9)
Net sales	**¥143.7 billion**	-4.6%	-0.2%	-0.2%
Operating profit	**¥9.1 billion**	-11.0%	+14.8%	+8.0%
Ordinary profit	**¥11.0 billion**	-6.1%	+16.5%	+10.7%
Net Profit	**¥12.8 billion**	+42.8%	+35.5%	+12.0%

- Despite lower sales and operating (and ordinary) profit year on year, **profit reached a record high** due to the recording of gains on the sale of cross-shareholdings and other items as extraordinary income.

- **Profits at each stage exceeded targets for the first year of the medium-term plan and were off to a good start.**

- In the fourth quarter, the mainstay “High-performance plastic products” and other businesses rebounded, and **profits at each stage were higher than the latest forecast (announced on February 9).**

- The annual dividend for FY3/26 is **307 yen per share, an increase of 127 yen from the previous fiscal year and an increase of 25 yen from the dividend forecast.**

  The annual dividend **per share** for FY3/27 (on a pre-stock split basis*) **is forecast to be 331 yen. Dividends are expected to increase for the fourth consecutive fiscal year.**

*The Company plans to conduct a 5-for-1 stock split of shares of common stock, effective October 1, 2026. The dividend forecast for FY3/27 is presented on a pre-stock split basis.

Financial Results Overview for FY3/26 (Whole Company)

(¥mn)	Full-year results for FY3/25	Composition ratio	**Full-year results for FY3/26**	**Composition ratio**	YoY	% change	Vs. medium-term plan (first year) target	% change	Vs. latest forecast (announced on Feb. 9)	% change
Net sales	150,660		**143,758**		-6,901	-4.6%	-242	-0.2%	-242	-0.2%
Gross profit	31,658	21.0%	**30,876**	**21.5%**	-782	-2.5%	—	—	—	—
SG&A expenses	21,346	14.2%	**21,694**	**15.1%**	+347	+1.6%	—	—	—	—
Operating profit	10,311	6.8%	**9,182**	**6.4%**	-1,129	-11.0%	+1,182	+14.8%	+682	+8.0%
Ordinary profit	11,784	7.8%	**11,071**	**7.7%**	-712	-6.1%	+1,571	+16.5%	+1,071	+10.7%
Profit attributable to owners of parent	9,014	6.0%	**12,876**	**9.0%**	+3,861	+42.8%	+3,376	+35.5%	+1,380	+12.0%

	Full-year results for FY3/25	Full-year results for FY3/26	YoY	Vs. medium-term plan (first year) target	Vs. latest forecast (announced on Feb. 9)
Capital expenditure	7,156	**5,075**	-2,080	-2,725	—
Depreciation	5,157	**5,017**	-139	-83	—

Net sales decreased from the previous fiscal year due to declines in the “Chemical Products Business” and “Textile Business” but were at the same level as the target for the first year of the medium-term plan and the latest forecast (announced on February 9).

On the other hand, although profits also decreased due to lower sales, all businesses performed solidly compared with the target for the first year of the medium-term plan, further exceeding the latest increased forecast. In particular, profit reached a record high, partly due to gains from the sale of cross-shareholdings.

Results Overview for FY3/26 (By Segment)

(¥mn)		Full-year results for FY3/25	Profit ratio	**Full-year results for FY3/26**	Profit ratio	YoY	% change	Vs. medium-term plan (first year) target	% change
Chemical Products Business	Net sales	66,002		**62,654**		-3,347	-5.1%	-1,346	-2.1%
	Operating profit	5,030	7.6%	**4,154**	**6.6%**	-875	-17.4%	+254	+6.5%
Textile Business	Net sales	48,532		**43,276**		-5,255	-10.8%	-224	-0.5%
	Operating profit	75	0.2%	**-897**	**-2.1%**	-973	—	-197	—
Advanced Technology Business	Net sales	21,943		**22,716**		+773	+3.5%	+516	+2.3%
	Operating profit	3,341	15.2%	**3,867**	**17.0%**	+526	+15.7%	+867	+28.9%
Food and Services Business	Net sales	10,458		**11,145**		+686	+6.6%	+645	+6.1%
	Operating profit	724	6.9%	**885**	**7.9%**	+160	+22.1%	+185	+26.4%
Real Estate Business	Net sales	3,723		**3,965**		+241	+6.5%	+165	+4.3%
	Operating profit	2,243	60.3%	**2,299**	**58.0%**	+55	+2.5%	+99	+4.5%

Financial Status

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(¥mn)	End 3/25	End 3/26	Change	Remarks
Current assets	84,835	82,496	-2,339	Trade receivables and inventories declined
(Cash and deposits)	(15,192)	(15,533)	(+340)	
Non-current assets	105,693	119,348	+13,654	
(Property, plant and equipment, and intangible assets)	(45,801)	(46,060)	(+259)	
(Investments and other assets)	(59,891)	(73,287)	(+13,395)	Investment securities increased Balance of cross-shareholdings at end of period: 66,575
Total assets	190,529	201,844	+11,315	
Current liabilities	39,502	36,357	-3,145	Short-term borrowings and accrued equipment charges declined
Non-current liabilities	29,843	31,812	+1,969	Deferred tax liabilities increased
Total liabilities	69,346	68,170	-1,175	
(Total borrowings)	(10,356)	(6,972)	(-3,384)	
Net assets	121,182	133,674	+12,491	Valuation differences on available-for-sale securities increased
(Shareholders' equity)	(100,511)	(101,900)	(+1,388)	
Total liabilities and net assets	190,529	201,844	(+11,315)	
Equity ratio	62.9%	65.5%	+2.6pt	
ROE (return on equity)	7.6%	10.2%	+2.6pt	
ROA (return on assets)	5.4%	4.7%	-0.7pt	
ROIC (return on invested capital)	5.5%	4.6%	-0.9pt	

Impact of higher share prices

Cash Flow Status

(¥mn)	FY3/25	FY3/26	Remarks
Operating cash flow	11,048	14,586	
(Depreciation)	(5,157)	(5,017)	
(Change in working capital*)	(506)	(1,456)	*Trade receivables + inventories − trade payables
Investing cash flow	-2,989	1,366	
(Purchase of property, plant and equipment and intangible assets)	(-5,585)	(-6,075)	Capital expenditures of ¥5,075 mn (recorded amount)
(Proceeds from sale of investment securities)	(1,971)	(7,387)	Sale of cross-shareholdings
Financing cash flow	-9,038	-15,806	
(Net increase (decrease) in borrowings)	(-1,644)	(-3,345)	
(Purchase of treasury shares)	(-5,165)	(-7,124)	
(Dividends paid)	(-2,141)	(-4,390)	
Net increase in cash and cash equivalents	-964	+340	
Cash and cash equivalents at end of period	15,158	15,499	

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Results by Segment Chemical Products Business

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Financial results overview for FY3/26

Overall sales and profit declined as the mainstay High-Performance Plastic Products business slowed amid an adjustment phase in semiconductor manufacturing-related markets. Profitability of “industrial materials” improved due to an increase in orders for non-woven fabrics and heat-insulation materials as well as structural reforms, including the sale of a Chinese subsidiary.

Status of sub-segments

High-performance plastic products

Orders for semiconductor manufacturing equipment declined due to the weakness in the semiconductor market, excluding AI related demand, which continued until the third quarter.

Functional films

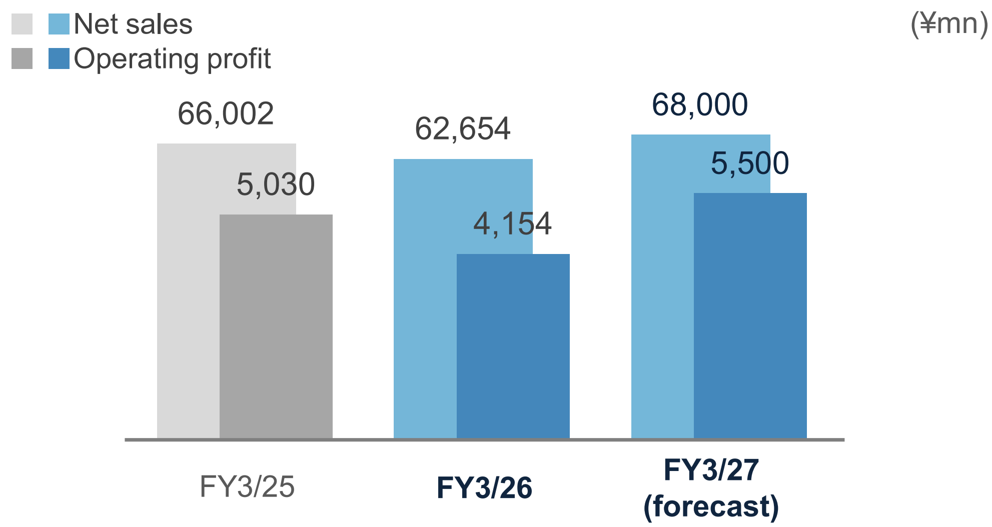
Orders for solar batteries and semiconductor manufacturing process applications were solid, but orders for specialty films for automobiles declined.

Industrial materials

Non-woven fabrics and heat-insulating materials performed well, although sales declined due to the transfer of all equity interests in a Chinese subsidiary engaged in flexible polyurethane foam products for automobiles in the previous fiscal year. Sales of flexible polyurethane foam for automobiles in Japan remained firm despite concerns over the impact of U.S. tariffs.

	FY3/25	FY3/26	Change
High-performance plastic products	16,747	15,430	-1,317
Functional films	10,317	10,042	-275
Industrial materials	44,907	43,576	-1,331
Elimination and others	-5,970	-6,394	-424
Total	66,002	62,654	-3,347

Trends of net sales and operating profit



Future outlook (FY3/2027 forecasts)

Net sales	¥68.0 bn	Operating profit	¥5.5 bn

- Sales and profits of “High-performance plastic products” are expected to increase significantly due to market recovery. They are expected to far exceed their medium-term plan targets.
- Sales of “functional films” for semiconductor manufacturing process applications are expected to increase. Profitability in solar battery applications is also expected to improve steadily.
- For “industrial materials,” sales of heat-insulating materials are expected to remain solid, but sales of non-woven fabrics to decline after the strong sales in the previous fiscal year. The outlook for flexible polyurethane foam for automobiles has been prepared conservatively.

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Financial results overview for FY3/26

For "yarns," differentiated raw yarns such as NaTech, a high-performance cotton yarn utilizing raw material modification technology, were solid, but the Brazilian subsidiary struggled due to production problems. For "uniforms," those for uniform apparel products performed well. "Casual wear" slumped both in Japan and overseas due to a decrease in orders from large customers. The business as a whole reported lower sales and an operating loss, partly due to expenses related to the closure of the Anjo Mill (non-recurring operating cost).

Status of sub-segments

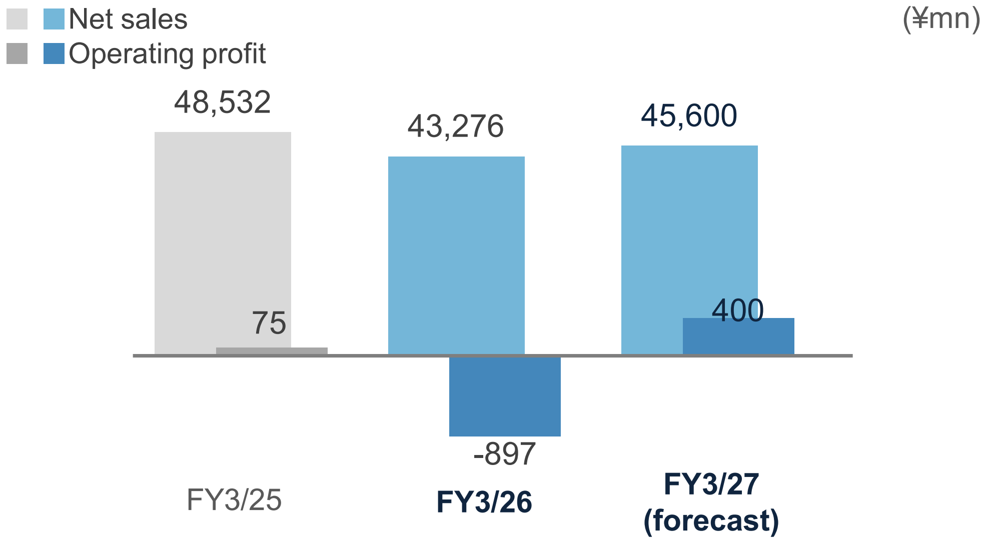
Yarn: Sales of knitting yarns by a Brazilian subsidiary were sluggish, but orders increased for differentiated yarns such as "NaTech" and denim yarns by a Thai subsidiary.

Uniforms: Orders were strong for uniform apparel applications.

Casual wear: Orders for fabrics from large customers decreased.

	FY3/25	FY3/26	Change
Yarn	18,154	18,389	+234
Uniforms	11,047	11,399	+351
Casual wear	24,361	19,313	-5,047
Elimination and others	-5,031	-5,825	-794
Total	48,532	43,276	-5,255

Trends of net sales and operating profit



Future outlook (FY3/2027 forecasts)

Net sales ¥45.6 bn

Operating profit ¥0.4 bn

- For "yarns," the Brazilian subsidiary is expected to recover. "NaTech" is also expected to perform well.
- For "uniforms," the Company plans to increase orders for flame-retardant fabrics.
- For "casual wear," sales to large customers are expected to recover. Profitability will be improved by strengthening sales capabilities through reorganization and downsizing unprofitable businesses.
- Overall business is expected to return to profitability as a result of the elimination of expenses related to the closure of the Anjo Mill (non-recurring operating cost) incurred in the previous fiscal year.

Results by Segment Advanced Technology Business

Financial results overview for FY3/26

Despite a slowdown in “Life science & technology” due to U.S. tariff policies and other factors, commercial products such as Chemical concentration meters, and wafer and filter cleaning equipment for the semiconductor manufacturing-related markets boosted the performance of “Electronics” and “Engineering,” resulting in record-high operating profit for the segment as a whole.

Status of sub-segments

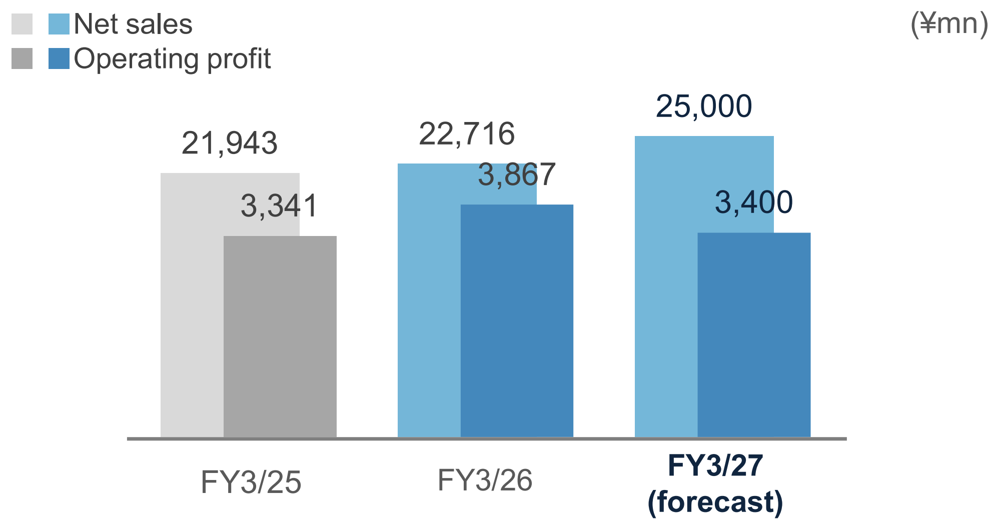
Life science & technology: Orders were steady for FA equipment of the subsidiary but sluggish for agitation and defoaming equipment due in part to U.S. tariff policies.

Electronics: Sales of Chemical concentration meters for semiconductor manufacturing equipment were steady, while substrate inspection equipment and infrastructure inspection systems for the railway industry also performed well.

Engineering: Orders for exhaust gas treatment equipment and other equipment were steady, and the subsidiary’s wafer cleaning equipment and filter cleaning equipment also performed well.

	FY3/25	FY3/26	Change
Life science & technology	6,485	5,824	-661
Electronics	7,757	7,780	+22
Engineering	9,589	11,225	+1,635
Elimination and others	-1,890	-2,113	-223
Total	21,943	22,716	+773

Trends of net sales and operating profit



Future outlook (FY3/2027 forecasts)

Net sales	¥25.0 bn	Operating profit	¥3.4 bn

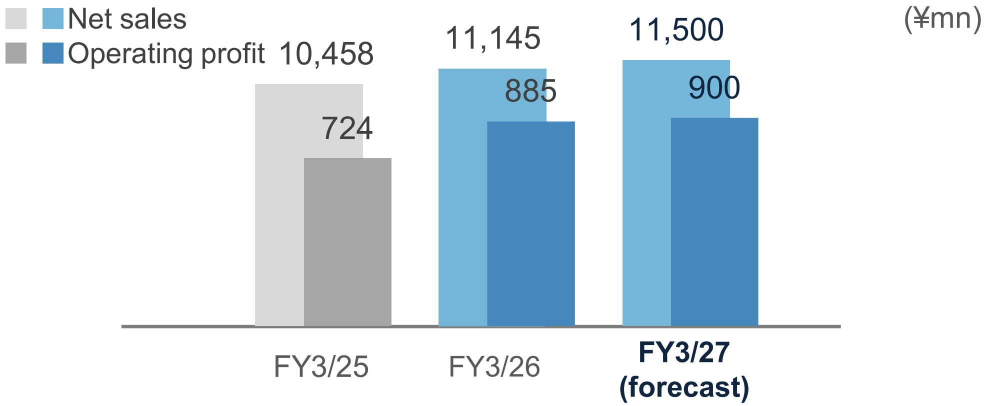
- In “Life science & technology,” sales of agitation and defoaming equipment are expected to recover, and sales of robotic vision are expected to expand.
- In “Electronics,” orders for substrate inspection equipment and film thickness gauges are expected to decline. Although orders for Chemical concentration meters are expected to remain steady, highly profitable products are expected to decrease.
- “Engineering” is expected to see increased sales thanks to steady demand for exhaust gas treatment equipment and other products but anticipates a decline in orders for highly profitable wafer cleaning equipment at the subsidiary.

Results by Segment Food and Services Business and Real Estate Business

Financial results overview for FY3/26 (Food and Services Business)

In “Food,” sales of instant noodle ingredients expanded steadily.
In the hotel-related “Services,” accommodations and restaurant sales were favorable capturing strong domestic and inbound tourism demand, and sales of banquets were also on a recovery trend.

Trends of net sales and operating profit



Future outlook (FY3/2027 forecasts)

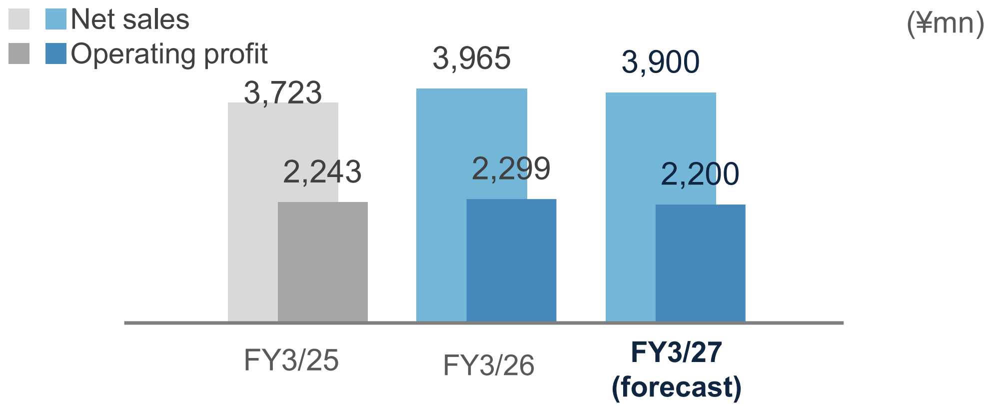
Net sales **¥11.5 bn** Operating profit **¥0.9 bn**

- In “Food,” instant noodles are expected to continue to perform well, while soups are expected to see expanded sales to existing customers and progress in acquiring new customers. We will focus on developing differentiated products and laying the groundwork for new market development, including exports.
- In hotel-related “Services,” domestic and inbound demand is expected to be steady, and room occupancy rates and average room rates are expected to remain at high levels. Banquet demand is expected to be on a recovery trend.

Financial results overview for FY3/26 (Real Estate Business)

Sales and profit increased due to the opening of new rental properties.

Trends of net sales and operating profit



Future outlook (FY3/2027 forecasts)

Net sales **¥3.9 bn** Operating profit **¥2.2 bn**

Performance is expected to remain steady.

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FY3/27 Forecasts

We plan substantial increases in both sales and profits, driven by our mainstay “High-performance plastic products“.
Profits at each stage are expected to reach record highs for the first time in two fiscal years.
We will shift to a “growth phase” to achieve performance targets for the final year of Accelerate ’27.

(¥mn)	FY3/26 Full-year results		FY3/27 Forecast		YoY	
		Composition ratio		Composition ratio		% change
Net sales	143,758		154,000		+10,242	+7.1%
Operating profit	9,182	6.4%	11,200	7.3%	+2,018	+22.0%
Ordinary profit	11,071	7.7%	12,500	8.1%	+1,429	+12.9%
Profit attributable to owners of parent	12,876	9.0%	13,000	8.4%	+124	+1.0%

	FY3/26 Full-year results	FY3/27 Forecast	YoY
Capital expenditure	5,075	7,600	+2,525
Depreciation	5,017	5,300	+283

FY3/27 Forecasts : By Segment

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(¥mn)		FY3/26 Full-year result		FY3/27 Initial forecast		YoY	
			Profit ratio		Profit ratio		% change
Chemical Products Business	Net sales	62,654		68,000		+5,346	+8.5%
	Operating profit	4,154	6.6%	5,500	8.1%	+1,346	+32.4%
Textile Business	Net sales	43,276		45,600		+2,324	+5.4%
	Operating profit	-897	-2.1%	400	0.9%	+1,297	–
Advanced Technology Business	Net sales	22,716		25,000		+2,284	+10.1%
	Operating profit	3,867	17.0%	3,400	13.6%	-467	-12.1%
Food and Services Business	Net sales	11,145		11,500		+355	+3.2%
	Operating profit	885	7.9%	900	7.8%	+15	+1.7%
Real Estate Business	Net sales	3,965		3,900		-65	-1.6%
	Operating profit	2,299	58.0%	2,200	56.4%	-99	-4.3%

In the Chemical Products Business, sales and profits of “high-performance plastic products” will increase significantly.

The Textile Business will return to profitability due to the elimination of expenses related to the closure of a factory (non-recurring operating cost) incurred in the previous fiscal year as well as structural reforms.

The Advanced Technology Business will see lower profits due to a decrease in highly profitable projects, despite a recovery of the “Life science & technology” segment.

The Food and Services Business and Real Estate Business are expected to remain steady.

Shareholder return policy (target for “Accelerate ’27” period)

- Dividend policy: 4% dividend on equity ratio (DOE)

  *Calculated using the average of the opening and closing balances of “Shareholders’ equity plus accumulated other comprehensive income” as the denominator
- Purchase of treasury shares: ¥20 bn

FY3/26 dividend amount

We increased annual dividend **to 307** yen/share (**up 127** yen/share YoY) (an increase of 25 yen from the dividend forecast)

- Interim dividend of 141 yen/share, year-end dividend forecast at 166 yen/share

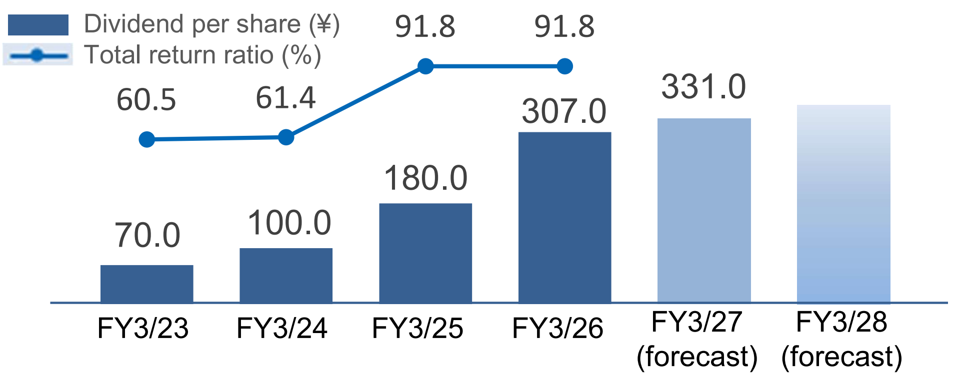
FY3/27 dividend forecast

We plan an annual dividend of **331** yen/share on a pre-split basis

- Interim dividend (pre-split) of 166 yen/share, year-end dividend (post-split) of 33 yen/share

*A stock split (five shares for every one share held) is scheduled for October 1, 2026.

Trend in dividends per share (before stock split)



Purchase and cancellation of treasury shares

Summary of resolution on November 11, 2025

- Total number of shares to be purchased: Maximum 1,000,000
- Total amount of shares to be purchased: Maximum 7 billion yen
- Purchase period: November 12, 2025 – September 30, 2026

Purchases through March 31, 2026 <contractual basis>

- Number of shares purchased: 535,000 — 53.5%
- Total purchase amount: 4.2 billion yen — 60.2%
- Elapsed period — 43%

11/11 3/31 9/30

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[Company-wide targets]

(¥100 million)

	FY3/25 results (1) (Base year)	FY3/26 Original Plan	FY3/26 results	FY3/27 Original Plan	FY3/27 This forecast	FY3/28 plan (2) (Final year)	Change (2) − (1)
Net sales	1,506	1,440	1,437	1,520	1,540	1,650	+143
Operating profit	103	80	91	112	112	130	+26
Ordinary profit	117	95	110	120	125	130	+12
Profit attributable to owners of parent	90	95	128	100	130	110	+19
Operating profit ratio	6.8%	5.6%	6.4%	7.4%	7.3%	7.9%	+1.1pt
ROE (return on equity)	7.6%	8.0%	10.2%	9.0%	10.0%	10.0%	+2.4pt
ROA (return on assets)	5.4%	4.3%	4.7%	6.2%	5.6%	7.5%	+2.1pt
ROIC (return on invested capital)	5.5%	4.4%	4.6%	6.4%	5.6%	7.9%	+2.4pt

[Targets by business segment]

		FY3/25 results (1)	FY3/26 Original Plan	FY3/26 results	FY3/27 Original Plan	FY3/27 This forecast	FY3/28 plan (2)	Change (2) − (1)	CAGR
Chemical Products Business	Net sales	660	640	626	680	680	740	+79	+3.9%
	Operating profit	50	39	41	55	55	60	+9	+6.1%
Textile Business	Net sales	485	435	432	450	456	490	+4	+0.3%
	Operating profit	0	-7	-8	6	4	12	+11	+152.0%
Advanced Technology Business	Net sales	219	222	227	240	250	270	+50	+7.2%
	Operating profit	33	30	38	34	34	40	+6	+6.2%
Food and Services Business	Net sales	104	105	111	112	115	112	+7	+2.3%
	Operating profit	7	7	8	7	9	8	+0	+3.4%
Real Estate Business	Net sales	37	38	39	38	39	38	+0	+0.7%
	Operating profit	22	22	22	22	22	22	-0	-0.6%

Progress in Medium-term Management Plan Accelerate '27

	Main priority measures	Evaluation	Main activities
Chemical Products Business	Concentrate management resources on the High-performance plastic products and functional film businesses for semiconductor manufacturing-related and energy-related markets and accelerate business expansion.	○	• Although the market has entered a correction phase and business performance was sluggish, we have strengthened our production and development system for "high-performance plastic products"—including the launch of operations at the Kumamoto Innovation Center in July 2025 and the start of production of fluorine molding materials in October—to prepare for future market recovery and expansion. • Profitability of solar battery sealing materials for energy-related markets has improved as mass production stabilized. For the semiconductor manufacturing-related products, sales of films used in the back-end process expanded.
	Develop new businesses in the field of industrial materials for the automotive and housing-related markets and deepen market penetration.	○	• Profits remained solid due to lower raw material costs and improved productivity, although sales of "flexible urethanes" for automotive applications were affected by U.S. tariffs. • In "housing construction materials," amid sluggish domestic housing demand, heat-insulating boards performed well on the back of mandatory compliance with housing energy-saving standards, although sales of synthetic wood for exterior applications for the U.S. market were weak due to tariffs. We focused on developing new applications for non-residential buildings and cultivating overseas markets other than the U.S.
Textile Business	Promote development of proprietary technologies based on end-user needs and expand sales of proprietary technology products	△	• Sales of high-performance cotton yarn NaTech, which utilizes raw material modification technology, remained solid. We focused on developing water-absorbing and quick-drying functions to further capture summer demand. • Sales of flame-retardant fabrics and Smartfit, a heat risk management system, decelerated. • We proposed a "Fiber-to-Fiber" project in collaboration with a major fiber material manufacturer and others, and it was adopted as NEDO's "Bio Manufacturing Innovation Promotion Project." We participated in the establishment of the Consortium for Fiber-to-Fiber (CFT2), which would promote the project.
	Establish a global supply chain centered on overseas manufacturing bases.	○	• We closed Anjo Mill at the end of July 2025. Production transfer to an ASEAN subsidiary was in progress. An Indonesian subsidiary is currently relocating its plant from the Jakarta metropolitan area to Central Java.
Advanced Technology Business	Accelerate growth of semiconductor-related business and life science & technology business.	△	• Chemical concentration meters for semiconductor manufacturing applications performed well, as did wafer cleaning equipment. We strengthened cooperation with subcontractors and other partners to support business expansion. • In "Life science & technology," sales of agitation and defoaming equipment and gene extraction equipment slowed, partly due to the U.S. tariffs. Robotic vision stagnated as development and manufacturing time lengthened due to increasingly sophisticated customer requirements.
	Develop markets for environment- and infrastructure-related businesses that contribute to solving social issues and strengthen profitability.	○	• Orders for track material (rails, sleepers, etc.) inspection systems for railroads increased. In addition to the Shinkansen bullet train, we expanded to JR conventional lines and private railways. • We developed and commercialized denitration equipment for industrial furnaces compatible with new energy sources (hydrogen, ammonia).

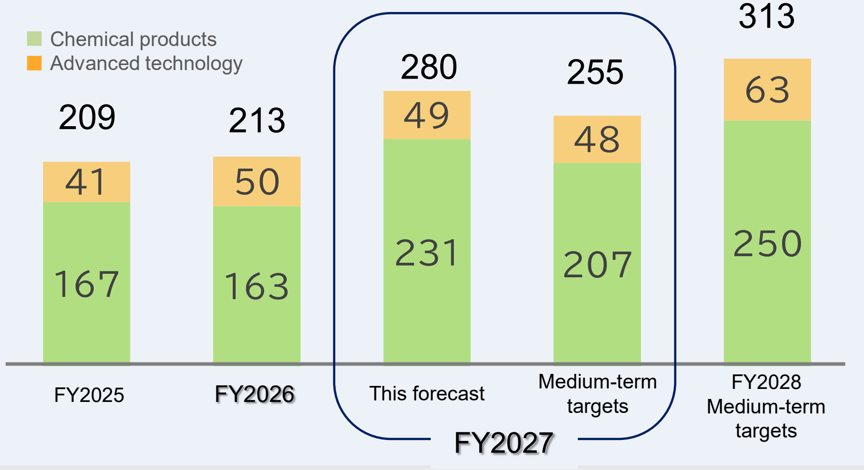
Semiconductor manufacturing-related

<FY2026>
In “High-performance plastic products," although sales declined due to the weakness in the semiconductor market excluding AI-related demand, growth in semiconductor process films and wafer cleaning equipment in the Advanced Technology Business more than offset this decline, resulting in a slight overall increase in sales.

<FY2027>
Sales of “high-performance plastic products” are expected to grow significantly due to the recovery in the semiconductor market which started in the fourth quarter of FY2026. They are expected to significantly exceed their medium-term plan targets.

Net sales

(¥100 million)



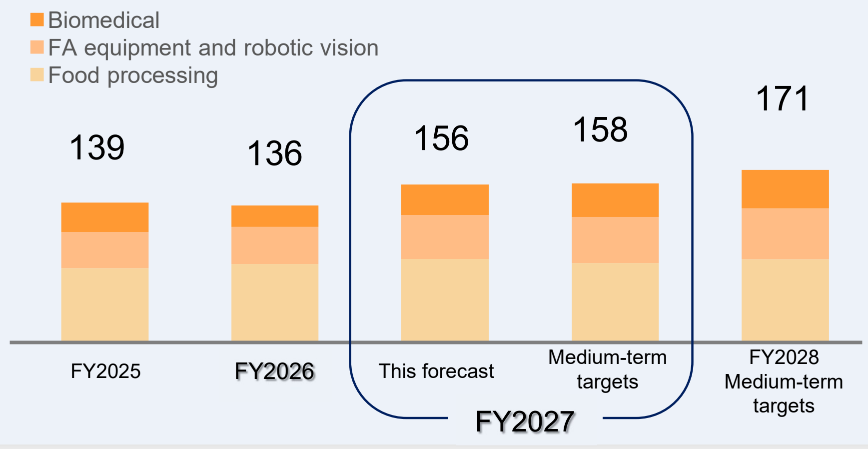
Life science related

<FY2026>
Although sales of FA equipment and food processing equipment remained steady, sales of agitation and defoaming equipment and DNA extraction equipment slowed, partly due to U.S. tariff policies and other factors. Sales of robotic vision also stagnated, leading to lower sales overall.

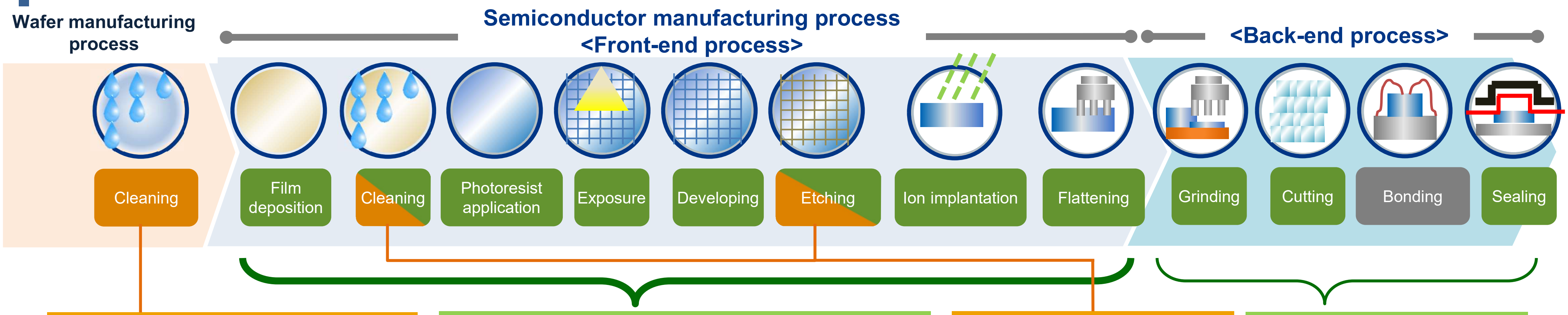
<FY2027>
Medium-term plan targets will not be achieved, although we expect a recovery in sales of agitation and defoaming equipment and robotic vision. Food processing will remain robust.

Net sales

(¥100 million)



Semiconductor manufacturing-related areas: Providing a wide range of products for the wafer/semiconductor manufacturing processes whose markets continue to expand



Advanced Technology Business

Wafer cleaning equipment

Chemical supply system

Chemical Products Business

High-performance plastic products

(Used in components for equipment in the upstream process)

By processing a wide range of plastics, such as PTFE and PFA, using a variety of technologies, we manufacture components for semiconductor manufacturing equipment, as well as components for devices such as pumps and valves. In addition to cutting, molding, welding, and fusing, we also handle secondary processes such as surface treatment and cleaning.

Advanced Technology Business

Chemical concentration meter

Chemical Products Business

Functional films

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Supply chain of High-performance plastic products business and Kurabo Group's strengths

Manufacturing bases

Raw materials

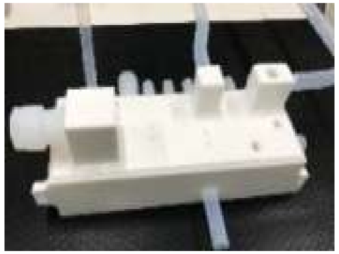
- Fluorine resin
- PEEK resin, etc.

Material molding

- Material molding
  - ➢ Sheet materials
  - ➢ Large ring materials
  - ➢ Films

Manufacturing bases:
- Neyagawa Plant
- Partner companies

Plastic processing



- Cutting
- Melt molding
- Surface treatment
- Welding and fusing

Manufacturing bases:
- Group companies
- Partner companies

Development and design
- Kumamoto Innovation Center
- Neyagawa Plant

Cleaning and inspection

- Cleaning
- Inspection
- Evaluation
- Measurement
- Material information

Manufacturing bases:
- Kumamoto Innovation Center
- Neyagawa Plant

Semiconductor manufacturing equipment

Strengths
- ◆ Ability to handle a wide range of plastics
- ◆ Diverse processing technologies and their combination
- ◆ Precision processing technology
- ◆ High-precision analysis and evaluation capabilities
- ◆ Capability to address cleanliness requirements, including cleaning technologies

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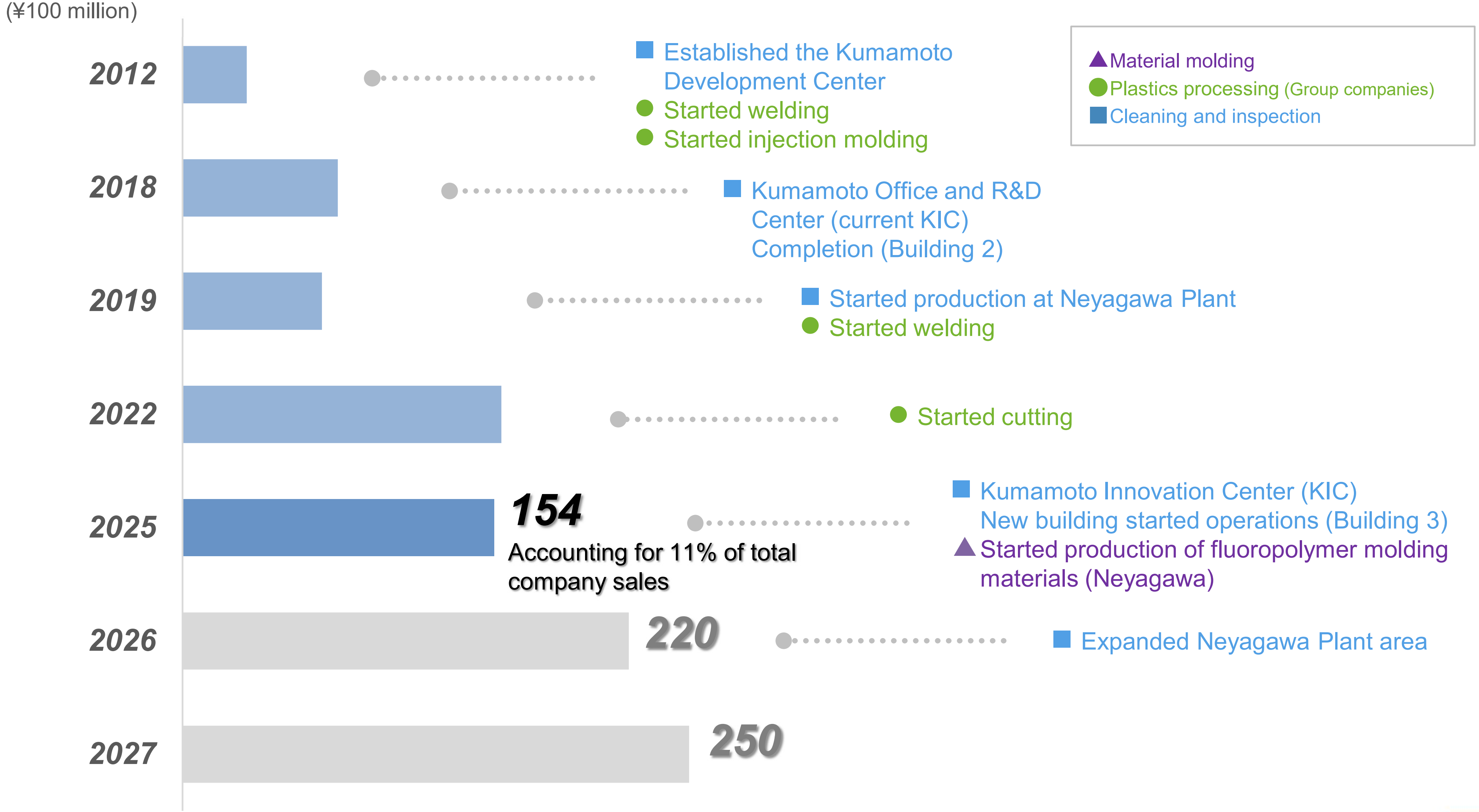
Strengthening production and development capabilities to support business expansion

High-performance plastic products: Sales trends



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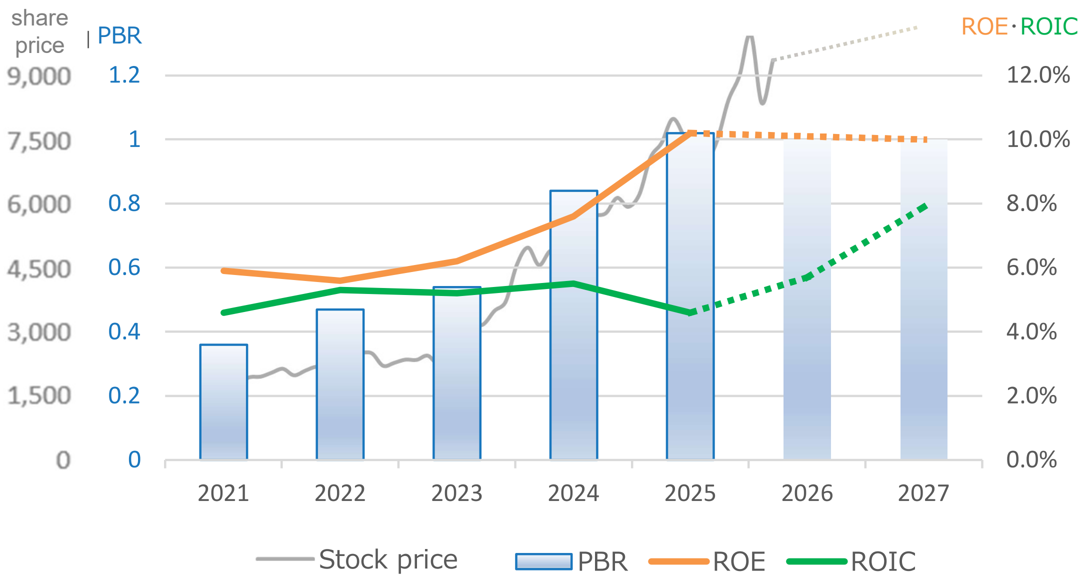
Progress Toward Improving Capital Profitability

Recognition of current situation

In May 2026, the share price reached a record high of 11,580 yen. It has since generally remained in the 10,000-yen range, and the market has come to recognize a valuation above P/B ratio of 1 as established.

[Share price, PBR, ROE, and ROIC over the past 5 years]



	[End of March 2026]		[Current status] / [Target]
Share price	8,410 yen	»»»	10,000-yen level
			[Target]
PBR	1.02×	»»»	1× or more
ROE	10.2%	»»»	10% or more
ROIC	4.6%	»»»	8% or more
PER	10.76×		

Future policies

We recognize that the cost of equity has risen to around 8%, based on CAPM and other methods, in line with increases in the risk-free rate. At the same time, we believe that shareholders expect higher returns. With this in mind, under “Accelerate ’27,” we will focus on maintaining **ROE of 10% or more** and **enhancing IR activities**, to achieve a stable **P/B ratio of 1× or more**.

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We will continue to aim to increase corporate value (PBR) by conducting business portfolio reforms, reducing cross-shareholdings, and enhancing shareholder returns.

Improvement of PBR (Improvement of corporate value)

- Improve ROE
  - Improve ROIC
  - Appropriate financial leverage
- Improve PER
  - Foster growth expectations
  - Reduce capital cost

	[Linkage with priority measures, etc.]	[Implementation items]
Improve ROIC	**Business portfolio reform (Expansion of priority businesses)** **Improved profitability of core businesses** **Reducing cross-shareholdings**	• Reinforcement of production and development system for “high-performance plastic products” • Sale of cross-shareholdings (¥7.3 bn)
Appropriate financial leverage	**Enhancement of shareholder returns** Use of interest-bearing debt	• Purchase and cancellation of treasury shares • DOE: 4% dividend • Decreased borrowings
Foster growth expectations	**Active investment in growth areas** **Reinforcement of R&D activities** Creation and monetization of new businesses **Promotion of IR activities and dialogue**	• KIC began operation • R&D expenses: approx. ¥1.6 bn • Individual IR interviews: 44 times per year
Reduce capital cost	Enhancement of information disclosure **Sustainability initiatives** **Building of a highly engaged organization**	• See Appendix

*Blue letters indicate items of particular impact (importance).

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Cautionary Note Regarding Forward-Looking Statements

The forward-looking statements in this document are based on information currently available to the Company and certain assumptions that the Company believes to be reasonable, and are not guarantees of future performance. Actual results may vary significantly due to a variety of factors, including economic conditions in major domestic and overseas markets and fluctuations in foreign exchange rates.

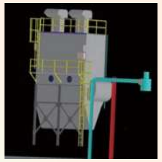
The information contained in this material is for informational purposes only and is not intended as an offer, solicitation for investment, or recommendation to buy or sell any securities, financial instruments, or transactions. While every effort has been made to ensure the accuracy of the information contained herein, the Company does not guarantee the accuracy, completeness, fairness, or certainty of its contents. Therefore, we shall not be liable for any damages whatsoever resulting from the use of this material.

Appendix

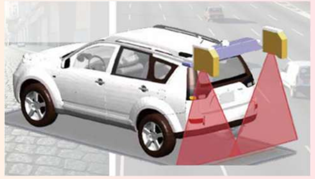
Six core technologies

- Chemical Products Business
- Textile Business
- Advanced Technology Business

- High-speed 3D vision sensor KURASENSE

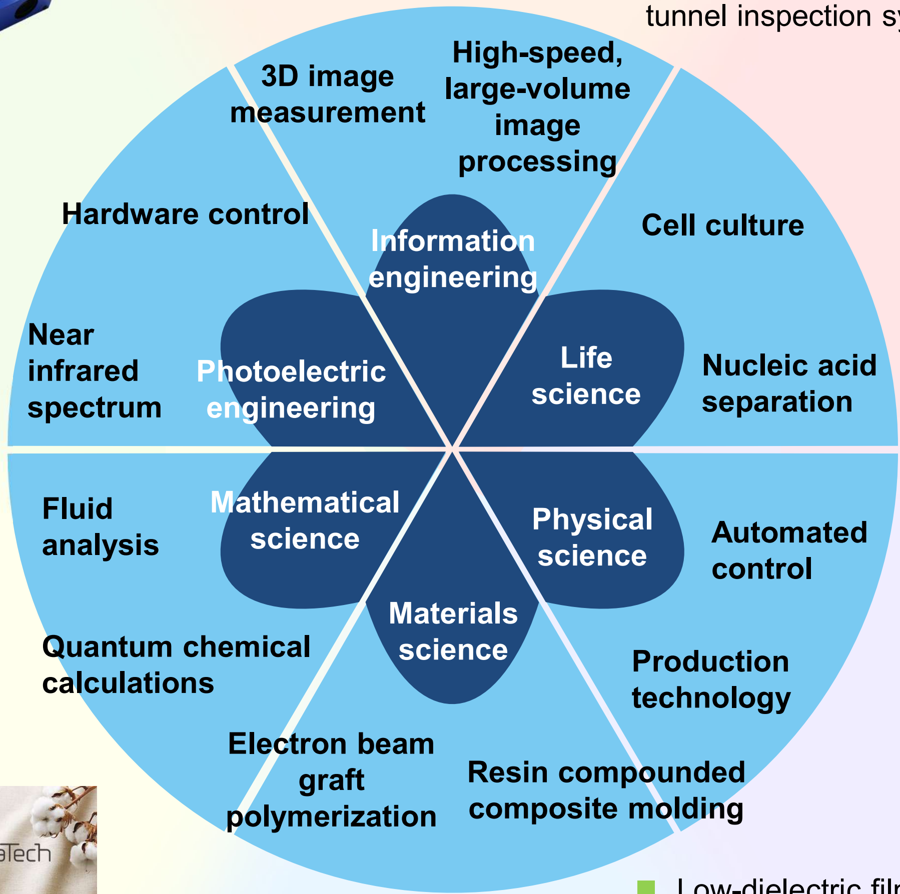


- 3D photogrammetric system Kuraves



- Pavement inspection unit and tunnel inspection systems

- Substrate appearance inspection device BBMaster

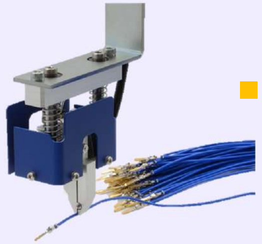


- Nucleic acid extraction system QuickGene and GENE PREP STAR

- Chemical Concentration meter
- Film thickness gauge

- Agitation and defoaming equipment MAZERUSTAR

- Tokushima Biomass Power Plant



- Robot peripheral Kurabotte

- Functional cotton NaTech

- Low-dielectric film EXPEEK, Oidys

- CFRTP materials

- Metal-ion removal filter KURANGRAFT

[Basic policy]

The Kurabo Group believes that in order to contribute to a sustainable society, it must strive to improve its own corporate value on an ongoing basis. We will develop and expand high-profit businesses by creating high-value-added technologies, products, and services. In addition, in line with our management philosophy-

the Kurabo Group contributes to a better future through the creation of new value

-we will conduct business by keeping in mind the following four practices.

① **Contributing to the resolution of social issues through our businesses**
② **Carrying out business activities founded on an awareness of the need to protect the Earth's environment**
③ **Putting in place a workplace environment characterized by respect for human rights, worker-friendly policies, and an engaging atmosphere**
④ **Working to earn the trust of society and stakeholders**

[Materiality]	[Main measures] *Text in Blue denotes measures directly linked to sales growth and profitability improvement	[Main Initiatives, KPIs, etc.]
Realize a safe, secure, and comfortable society	■ Develop and provide products and services for the semiconductor market that contribute to the advancement of a digital society ■ In response to a decrease in the working population, expand the factory automation and robot business, make production bases into smart factories, and build QR systems ■ Conduct R&D and pursue an IP strategy to support innovative technology and advanced quality ■ Expand sales of products that contribute to safety and security	• Kumamoto Innovation Center starts new operations (Enhance high-performance plastic processed products for semiconductor manufacturing equipment) • Expand functional films for advanced semiconductor back-end processes • Expand sales in the FA and robot businesses; transform production bases into smart factories • Percentage of patent applications • Infrastructure inspection (e.g., Shinkansen track material monitoring systems) • Expand sales of the “Smart fit,” a heat risk management system
Consider the environment and contribute to a circular economy	■ Expand environmentally friendly products ■ Build a circular business model ■ Pursue initiatives towards carbon neutrality ■ Develop technologies to reduce environmental impact ■ Strengthen business continuity plan (BCP)	• Expand sales of “NaTech,” a functional cotton • Expand sales of “FUNTO” livestock waste and bedding treatment device • Expand sales of “L∞PLUS” upcycling system • Recycling rate • Reduce CO2 emissions
Empower a diversity of people and respect human rights	■ Offer human rights education and closely monitor the supply chain ■ Empower a diversity of people (pursue DE&I) ■ Promote flexible work styles, improve worker engagement ■ Thoroughly manage safety and health, promote health and management ■ Increase productivity through automation and digital transformation	• Percentage of female workers in management positions • Percentage of divisions with female career-track employees assigned • Rate of male workers taking childcare leave • Engagement rating (calculated by a research company) • Transition production bases to smart factories
Strengthen governance and CSR for sustained growth	■ Offer thorough compliance education, strengthen internal control ■ Ensure sufficient communication with stakeholders ■ Ensure thorough disclosure of non-financial information ■ Manage with an awareness of return on capital and share price ■ Have a business portfolio strategy, properly distribute management resources ■ Strengthen business risk management	• Audit of compliance activities • Host investor relations briefings and foster dialogue with institutional investors • Achieve targets of the medium-term management plan • Focus management resources on growth areas • Create a risk map

For details on the progress of each initiative and KPI, please refer to the Integrated Report 2025.

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Kurabo Group's Long-term Environmental Targets

The Kurabo Group will strengthen its system for reducing CO_2 emissions and promote specific measures to achieve the government's goals of a 46% reduction in CO_2 emissions by FY2031 (compared with FY2014 level) and carbon neutrality by FY2051.

(Vs. FY2014) **CO_2 emission reduction (absolute amount)**	FY2014 base	FY2026 result	FY2027 target	FY2031 target	FY2051 target
	Base	-50.0%	-51%	-46%	-100%

Initiatives

Initiatives for a decarbonized and resource-recycling society

- **Reduce CO_2 emissions based on the carbon neutral roadmap**
  - ✓ Installation of solar panels (eight manufacturing bases including Kurabo Tokushima Plant, Mie Plant, and Thai Kurabo): Total reduction of 3,400t-CO_2
  - ✓ Gasification of boilers and renewal of refrigeration equipment (Kurabo Susono Plant, Gumma Plant and Kamogata Plant, Japan Jiffy Foods, Inc.): Total reduction of 1,400t-CO_2
  - ✓ Introduction of electricity from renewable energy sources (Kurabo head office building, Tokyo branch and Tokushima Plant): Total reduction of 900t-CO_2
- **Promote effective use and recycling of resources**
  - ✓ Promotion of zero waste emissions (recycling rate): 97% of FY2027 target (96.3% for previous year result)
- **Grasp supply chain CO_2 emissions (Scope 3)**
  - ✓ Category 1-8: FY2025 result of total 644,500t-CO_2/year

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Work to “build a highly engaged organization” where each employee proactively contributes to the organization

Accelerate ’27 priority measures (4) Building of a highly engaged organization

[1] Revitalize organization through DE&I initiatives

Promote a deeper understanding of unconscious bias and create a harassment-free workplace; promote the active participation of women and older employees; promote the employment of people with disabilities; foster understanding of LGBTQ+; and recruit foreign nationals

[2] Promote employee engagement

1. Promote work-life balance: reduce overtime, encourage the use of paid leave, increase the number of factory holidays, and encourage men to take childcare leave
2. Enhance human resources system: Implement a performance-based compensation system; link the management bonus system to consolidated financial results and increase the performance-based bonus amount; shift from relative to absolute evaluation; ensure thorough evaluation feedback; and introduce a new evaluation system

[3] Recruit, retain, and develop talent

Strengthen our recruitment capabilities through the expansion of recruitment channels and the redesign of our career site; improve employee retention through engagement initiatives and increased subsidies for employee stock ownership plans; and ensure the retention of learning outcomes through the continuous review and enhancement of training programs

Indicators	FY25/3	FY26/3	Target
Engagement score (deviation)	43.6	48.0	55.0 (End of FY3/28)
Engagement rating	CC	B	BBB (End of FY3/28)
Percentage of women in management positions	4.1%	4.5%	5% or more (end-FY3/28)
Percentage of women in new graduate career-track positions	37.5%	28.6%	30% or more each year
Percentage of women in mid-career track hires	27.6%	27.8%	Not determined
Percentage of divisions with female career-track employees assigned	47.1%	53.0%	50% or more (end-FY3/28)
Employment rate of people with disabilities	2.63%	2.78%	Above the legally mandated employment rate
Number of foreign nationals hired for career-track positions	5 persons	2 persons	Not determined
Average monthly overtime	8.7 hours	10.6 hours	Less than 10 hours (end-FY3/28)
Number of days of paid leave taken	13.1 days	14.7 days	12 days or more (FY28/3)
Percentage of male employees taking childcare leave	73.9%	78.6%	80% or more
Percentage of male employees taking at least 14 days of childcare leave	65.2%	78.6%	80% or more
Percentage of mid-career employees in career-track hires	64.4%	46.2%	Not determined
Number of work-related accidents	6 cases	9 cases	None
Obtaining of certification as an excellent health and productivity management corporation (deviation)	Certification (57.1)	Certification (58.0)	Deviation: 60 or above
Internal training expenses per person	¥35,000	¥43,000	¥40,000 or more

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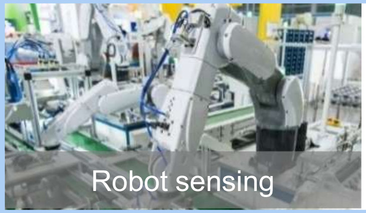
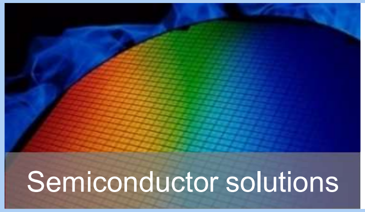
At the Technical Research Laboratory, the core of our R&D, we will bring four projects- positioned as key next-generation businesses- into full swing in close collaboration with the business divisions.

Core technologies

Core technology	
Mathematical science	• Computational chemistry • Fluid analysis
Physical science	• Mechanical control • Production technology
Photoelectric engineering	• Spectroscopic measurement • Circuit design
Information engineering	• Image processing • AI perception
Materials science	• Surface modification • Converting
Life science	• Nucleic acid separation • Cell culture

Projects	R&D expenses	Products
 Robot sensing	¥0.8 bn	High-speed 3D vision sensor KURASENSE, Pavement inspection unit and tunnel inspection systems, Robot peripheral Kurabotte
 Semiconductor solutions	¥1.3 bn	Low-dielectric film EXPEEK, Oidys, Chemical Concentration meter
 Life science & technology	¥0.5 bn	Nucleic acid extraction system, QuickGene and GENE PREP STAR
 Material solutions	¥2.0 bn	Functional cotton NaTech Composite materials
Other	¥1.4 bn	Total ¥6.0 bn (cumulative 3-year total)