OSAKA SODA

Presentation Materials

- Our Growth Strategy -

September 1, 2026

OSAKA SODA CO., LTD.

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Key Messages

Today I'd like to focus on three key messages:

- Strong business momentum
- Sustainable growth drivers
- Clear path to shareholder value creation

Contents

- Investment Highlights
- Key Growth Driver
- Growth Strategy
  - New Medium Term Management Plan
- Capital Strategy
- Forecast for FY2026

Investment Highlights

Investment Highlights

Global Niche Leadership

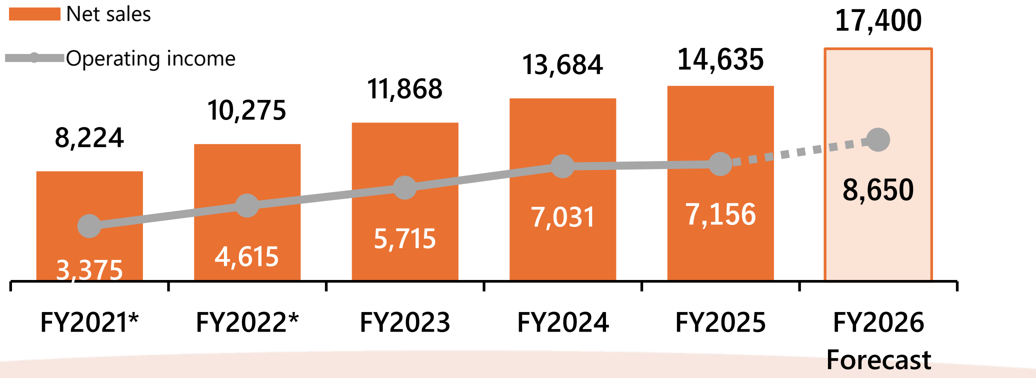
World No. 1

Global Niche Top Share Products

- DAP Resin
- Epichlorohydrin Rubber
- Allyl Ethers
- Pharmaceutical Purification Materials (Silica gel for liquid chromatography)

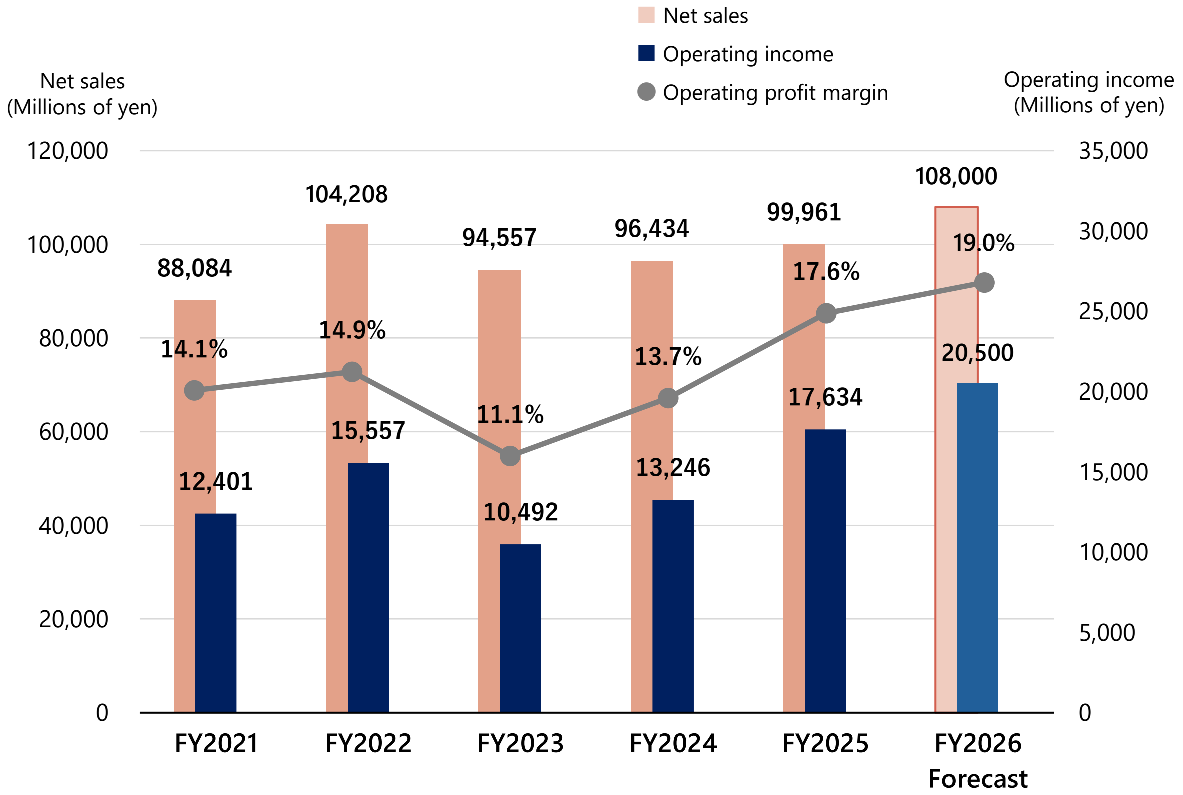
Healthcare-driven Growth

Healthcare segment revenue doubled in 5 years



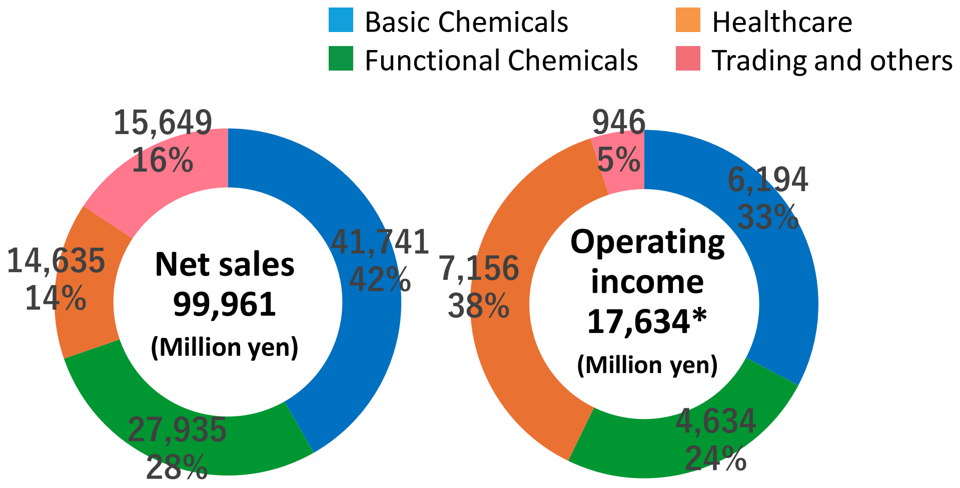
Improving profitability

Operating profit margin reached 17.6%, maintaining a top-level of profitability in the chemical industry in Japan



Diversified Business Portfolio with Healthcare as a Key Growth Driver

Financial Results FY2025



*Exclude common expenses

Sales by Region(%) Net sales: 99,961 Million yen			
Japan	Asia	Europe	Others
61%	27%	8%	4%

Segment	Role in Portfolio	Main Products
Basic Chemicals	Stable cash generator	Chlor-alkali products, Epichlorohydrin(EP), Allyl Chloride(AC), etc.
Functional Chemicals	Global niche leader	Allyl Ethers, Epichlorohydrin Rubber, Acrylic Rubber, Diallyl Phthalates（DAP）Resin, etc.
Healthcare	Growth and profit driver	Pharmaceutical Purification Materials, Analytical Equipment, Packed Columns, APIs and their intermediates, etc.
Trading & Others	Customer access platform	Sales and Transportation and Storage of Chemical Products, Consumer products, Building Materials, Materials Recycling, etc.

Key Growth Driver

- Our Strength and Growth Background of Silica gel -

What is Osaka Soda's Silica gel?

- Osaka Soda's silica gel is used for pharmaceutical refining and is different from food desiccants and cosmetic ingredients.
- Its fine particle size of 50 µm or less requires advanced manufacturing technologies, making it a high-value-added product.

Silica gel applications

Food desiccants

Particle size: - 1mm
Market price (per kg) :
several hundred yen

Cosmetic ingredients

Particle size: - tens of µm
Market price (per kg) :
several thousand yen

Separation and purification of pharmaceuticals

Particle size: 50 µm or less
Market price (per kg) :
Tens of thousands -
several millions of yen

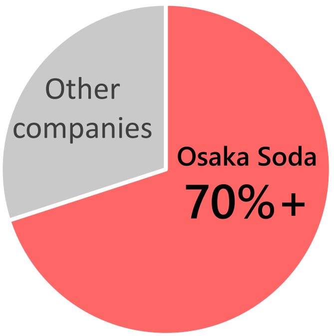
Low added value → High added value

What are Our Strength?

Leading Position

No.1 Market Share, Largest Production Capacity

- Holding over 70% market share in silica gel for pharmaceutical purification material.



High Entry Barrier

Advanced Technology and Quality

- Proprietary manufacturing technologies in particle size control, pore size control, and surface modification.
- Customers can choose the optimal separation material for over 300 grades
- Silica gel manufactured under strict quality control is essential for the analysis and purification of pharmaceuticals.

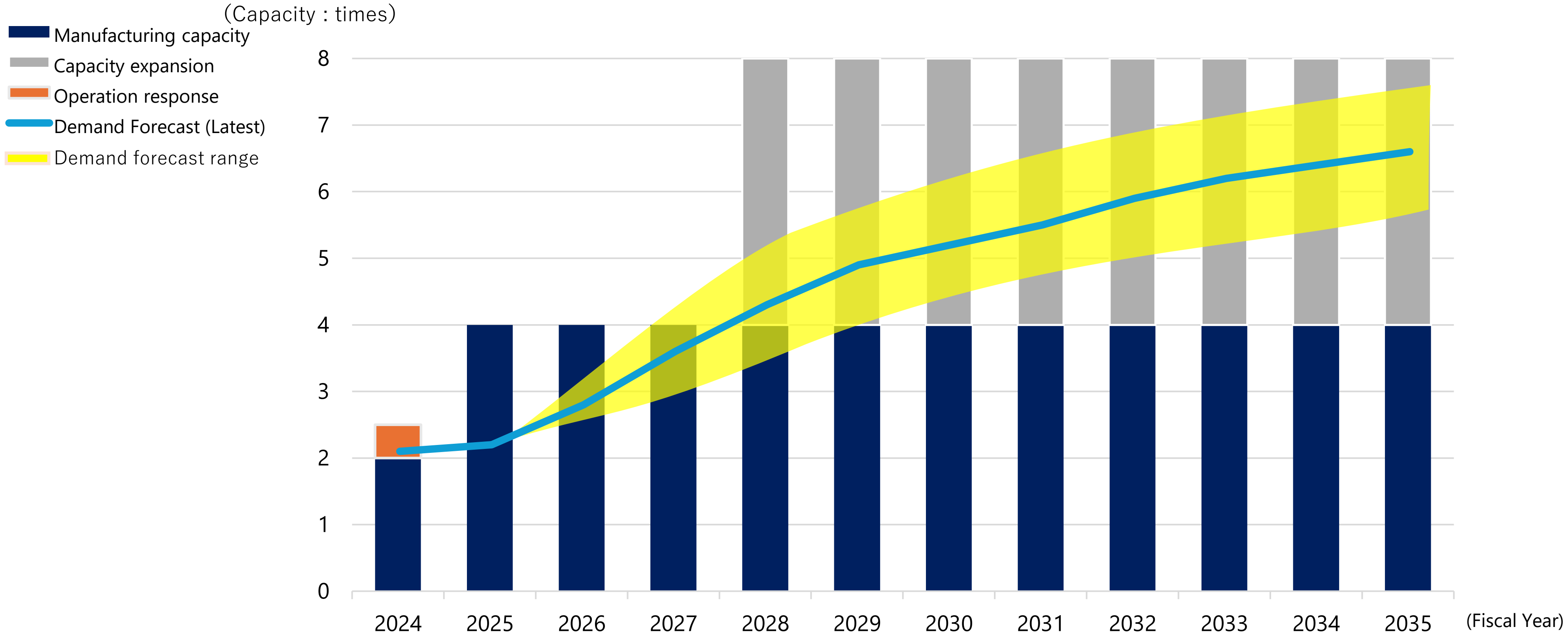
Structural Demand Growth

Addressing Long-term Demand Growth

- Expansion in diabetes and obesity treatment markets driving 15 – 20% annual growth.
- Developing and commercializing ultra-high surface area silica gels and ADME gels to capture demand from biopharmaceuticals and future purification applications

- Based on the manufacturing capacity expanded under the previous medium-term management plan, plan to double healthcare segment earnings by the final year of the new medium-term management plan
- In FY2028, demand is expected to exceed current capacity, so manufacturing capacity will be further expanded to approximately double
- Market remains active despite risks of delays, supported by emerging market expansion and new drug launches in the US and Europe

Silica Gel Demand Trends and Manufacturing Capacity



Growth Strategy

New Medium-Term Management Plan
- Transform Our Future 2030 -

Management Targets

(Unit : Billions of yen)	FY2025 Results	FY2028 Target	FY2030 Target	Growth Rate (FY2025 vs. FY2030)
Net sales	100.0	120.0	**130.0**	＋30.0%
Operating income	17.6	22.0	**30.0**	＋70.5%
EBITDA＊	22.0	30.0	**39.0**	＋77.3%
ROE	12.7%	13.0% or higher	**15.0% or higher**	―
Total payout ratio	61.3%	70.0% or higher	**70.0% or higher**	―

＊ EBITDA : Operating income ＋ Depreciation expenses

Assumptions
(not taking into account the situation in the Middle East)

Exchange rate	USD/JPY 145
	EUR/JPY 170
Naphtha price	63,000 Yen/kL

Basic Policy

1. Rebuilding the Value of Existing Businesses and Accelerating Growth in Healthcare
2. Creating New Businesses by Mobilizing Companywide Capabilities
3. Strengthening the Management Foundation to Adapt to Changes in the Business Environment

Forecast by Segment (Unit：Millions of yen)

Assumptions	Exchange rate： USD/JPY 145, EUR/JPY 170 Naphtha price： 63,000 Yen/kL

		FY2025 Results	FY2028 Target	FY2030 Target	Growth Rate FY2025 vs. FY2030
Total	Net sales	99,961	120,000	**130,000**	**＋30.1%**
	Operating income	17,634	22,000	**30,000**	**＋70.1%**
	Operating margin	17.6%	18.2%	**23.1%**	—
Basic Chemicals	Net sales	41,741	44,500	**45,000**	**＋7.8%**
	Operating income	6,194	4,600	**5,600**	**(9.6%)**
	Operating margin	14.8%	10.3%	**12.4%**	—
Functional Chemicals	Net sales	27,935	35,000	**40,000**	**＋43.2%**
	Operating income	4,634	5,700	**7,800**	**＋68.3%**
	Operating margin	16.6%	16.3%	**19.5%**	—
Healthcare	Net sales	14,635	24,000	**28,500**	**＋94.7%**
	Operating income	7,156	12,400	**16,900**	**＋136.2%**
	Operating margin	48.9%	51.7%	**59.3%**	—
Trading and Others	Net sales	15,649	16,500	**16,500**	**＋5.4%**
	Operating income	946	950	**1,100**	**＋16.3%**
	Operating margin	6.0%	5.8%	**6.7%**	—
Company-wide, eliminations	Operating income	(1,297)	(1,650)	**(1,400)**	—

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Basic Policy 1
Rebuilding the Value of Existing Businesses and Accelerating Growth in Healthcare

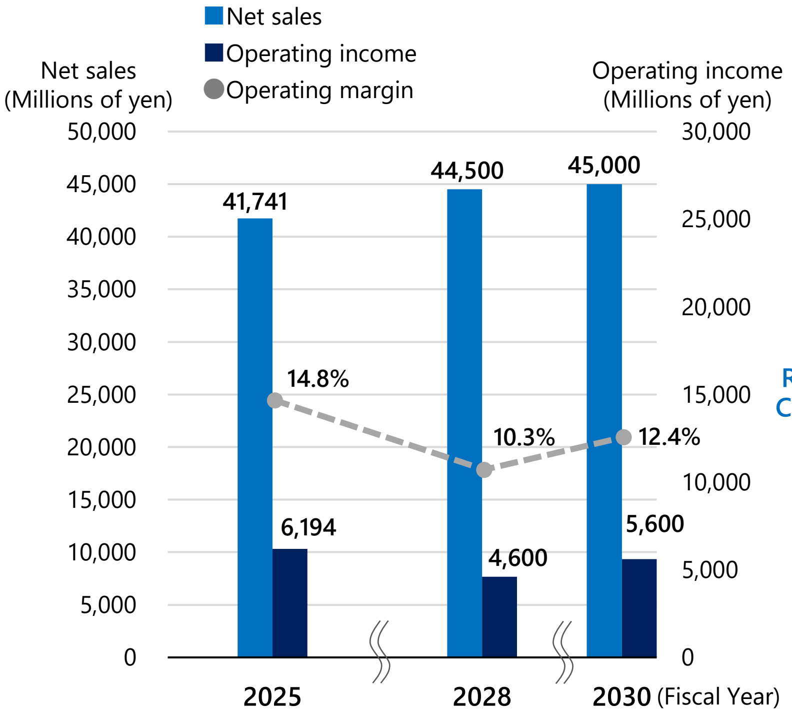
Accelerate growth in healthcare while rebuilding the value of existing businesses and strengthening competitiveness

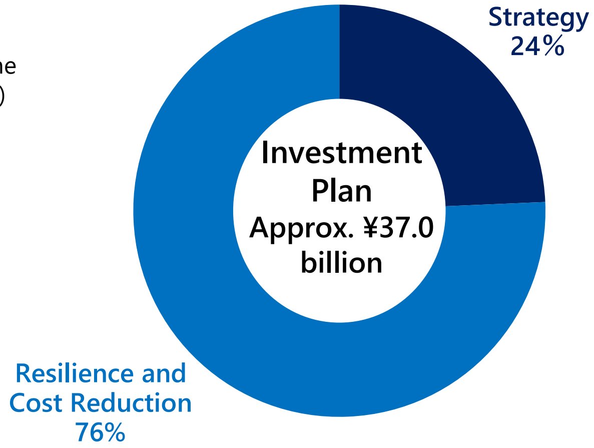
Basic Chemicals

Policy

- Deepen electrolysis and AC/EP chains, and promote investments in strengthening the business and reducing costs for sustainable growth
- Stabilize the sales base by deepening our presence in the domestic market and expanding exports

Segment Targets





(Billions of yen)

Main Products	Net Sales Variance (25 vs. 30)
Chlor-alkali	+3.0
Epichlorohydrin	(0.8)
New Business	+1.0

Business Environment

- Chlor-alkali : Declining domestic demand due to petrochemical industry restructuring in Japan
- Epichlorohydrin : Increase in by-product glycerin is limited and expected to remain within a competitive range
- New Business : Die-bonding materials for power semiconductors are expected to grow at 5 – 10% annually

Key Measures

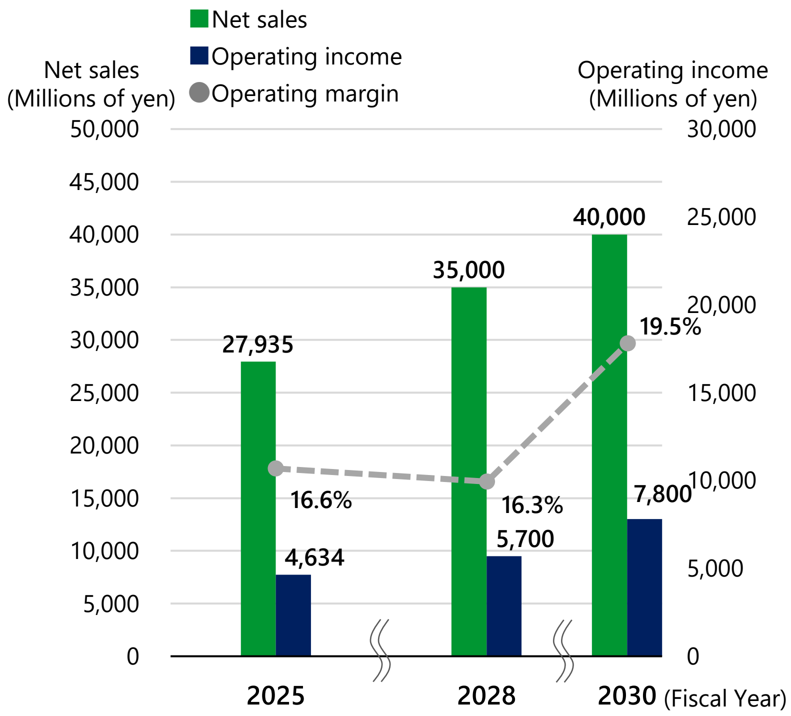
- Promote community-based sales (Chlor-alkali)
- Capture new chlorine demand
- Strengthen flexible sales systems (Epichlorohydrin)
- Reduce costs through improved production efficiency in existing businesses
- Commercialization of silver nanoparticles

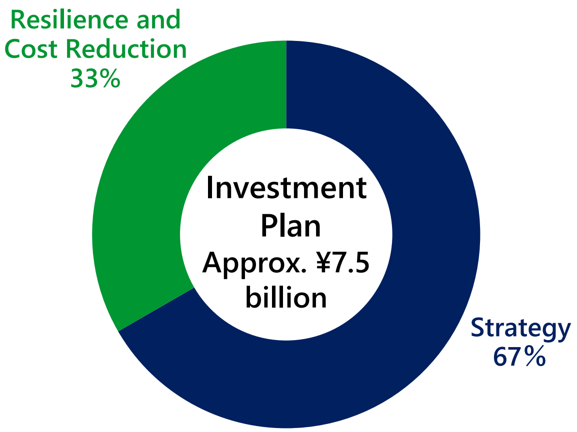
Functional Chemicals

Policy

- Maximize profitability by expanding the market share of existing products and cost reductions
- Work to create the next Global Niche Top products

Segment Targets





(Billions of yen)

Main Products	Net Sales Variance (25 vs. 30)
Synthetic Rubbers / Synthetic Resins	+3.9
Allyl Ethers	+4.6
Electrodes	+1.4
New Business	+1.3
etc.	+0.8

Business Environment

- Synthetic Rubbers : Declining ICE vehicle numbers, but increasing substitution demand from other materials
- Synthetic Resins : Continued growth in demand for UV offset inks in China
- Allyl Ethers : Stable growth of 3 – 4% annually
- Next-generation Storage Battery Materials :

  Full-scale commercialization of all-solid-state batteries is expected after 2030

Key Measures

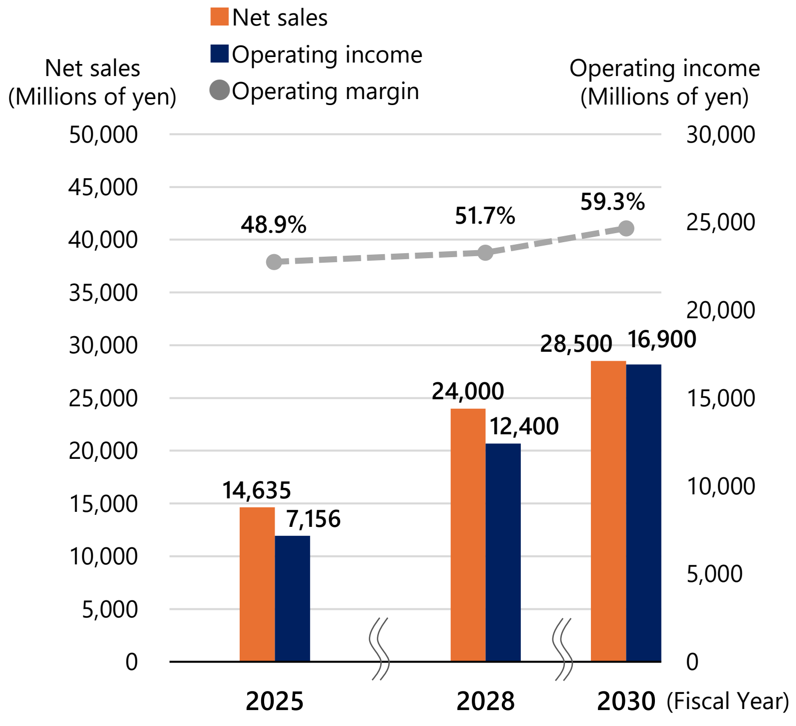
- Expand market share and capture substitution demand (Synthetic Rubber and Synthetic Resin)
- Expand into applications for high-voltage and high heat-resistant molding materials (Synthetic Resin)
- Expand capacity (Allyl Ethers)
- Promote improvement in unit consumption, yield enhancement, and process automation
- Commercialization and business development of next-generation storage battery materials

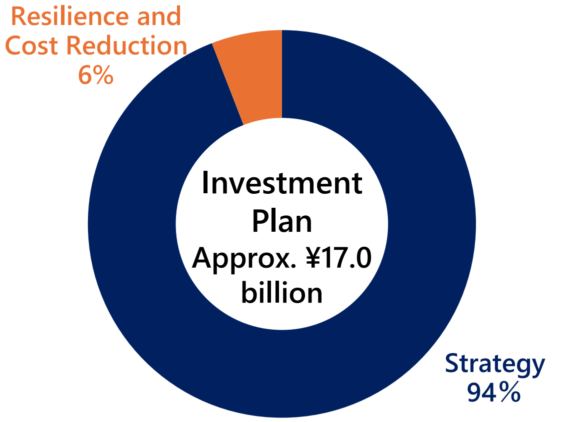
Healthcare

Policy

- For pharmaceutical purification materials, maintain and expand our top global market share by strategically expanding manufacturing capacity early in anticipation of market expansion
- Enter the polymer gel market to build a new business foundation in growth areas such as nucleic acid and peptide pharmaceuticals
- For active pharmaceutical ingredients (APIs) and their intermediates, expand our portfolio by increasing manufacturing capacity and making a full-scale entry into the biopharmaceutical business

Segment Targets





(Billions of yen)

Main Products	Net Sales Variance (25 vs. 30)
Chromatography*	+12.6
APIs and their Intermediates	+1.2

* Pharmaceutical purification materials(Silica gel), analytical equipment, packed columns

Business Environment

- Pharmaceutical purification silica gel

  Expansion in diabetes and obesity treatment markets driving 15 – 20% annual growth

- APIs and their Intermediates

  Small-molecule drugs grow at 3 – 5% annually
  Peptide, nucleic acid, and antibody pharmaceuticals expected to grow at around 10% annually

Key Measures

- Expand silica gel production facilities
- Productivity improvement through yield improvement
- Expand sales in Europe, the U.S., and emerging markets
- Expand polymer gel lineup through collaboration with Mitsubishi Chemical
- Expand APIs production facilities
- Accelerate commercialization of VHH antibodies

Trading and Others

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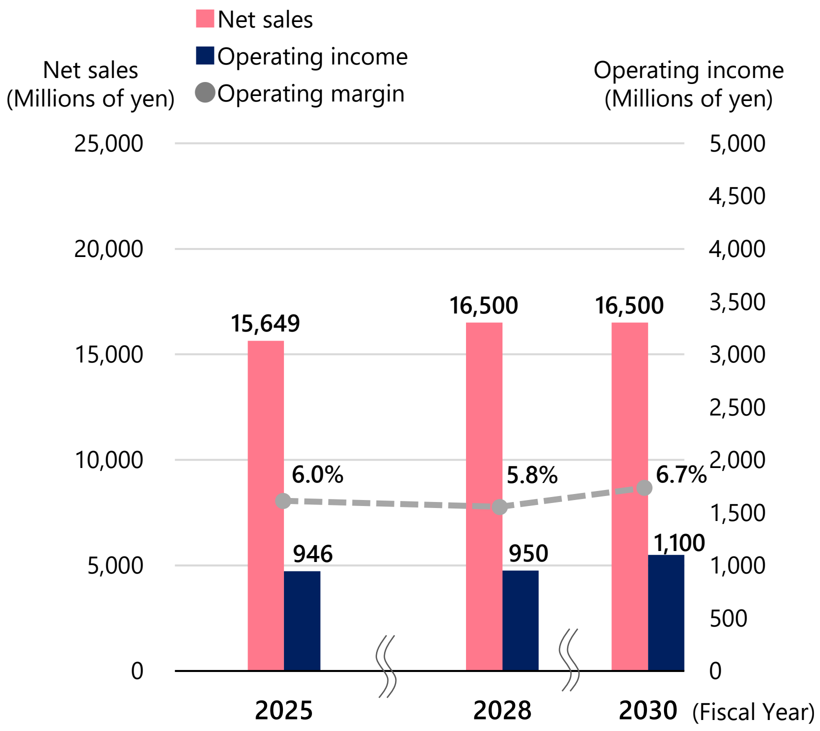
Policy

- Enhancing the Group's information-gathering capabilities as a trading company and pursuing new business opportunities
- Maintaining and improving profitability by reviewing the business portfolio

Segment Targets



Business Environment

- Consumer products

  Steady growth of the portable battery market is expected

- Building Materials

  The renovation market remains solid

- Functional products

  Printing-related products are on a shrinking trend

(Billions of yen)

Main Products	Net Sales Variance (25 vs. 30)
Consumer products	+1.5
Functional products	(0.6)
etc.	(0.9)

Key Measures

- Strengthen development of proprietary consumer products(Including semi-solid-state batteries)
- Develop new applications and markets for existing products
- Expand handling of environmentally friendly products
- Stabilizing profitability through business models for photosensitive resin and technical services

Basic Policy 2
Creating New Businesses by Mobilizing Companywide Capabilities

Drive the creation of new products by leveraging proprietary technologies, with a focus on electronic and life science materials

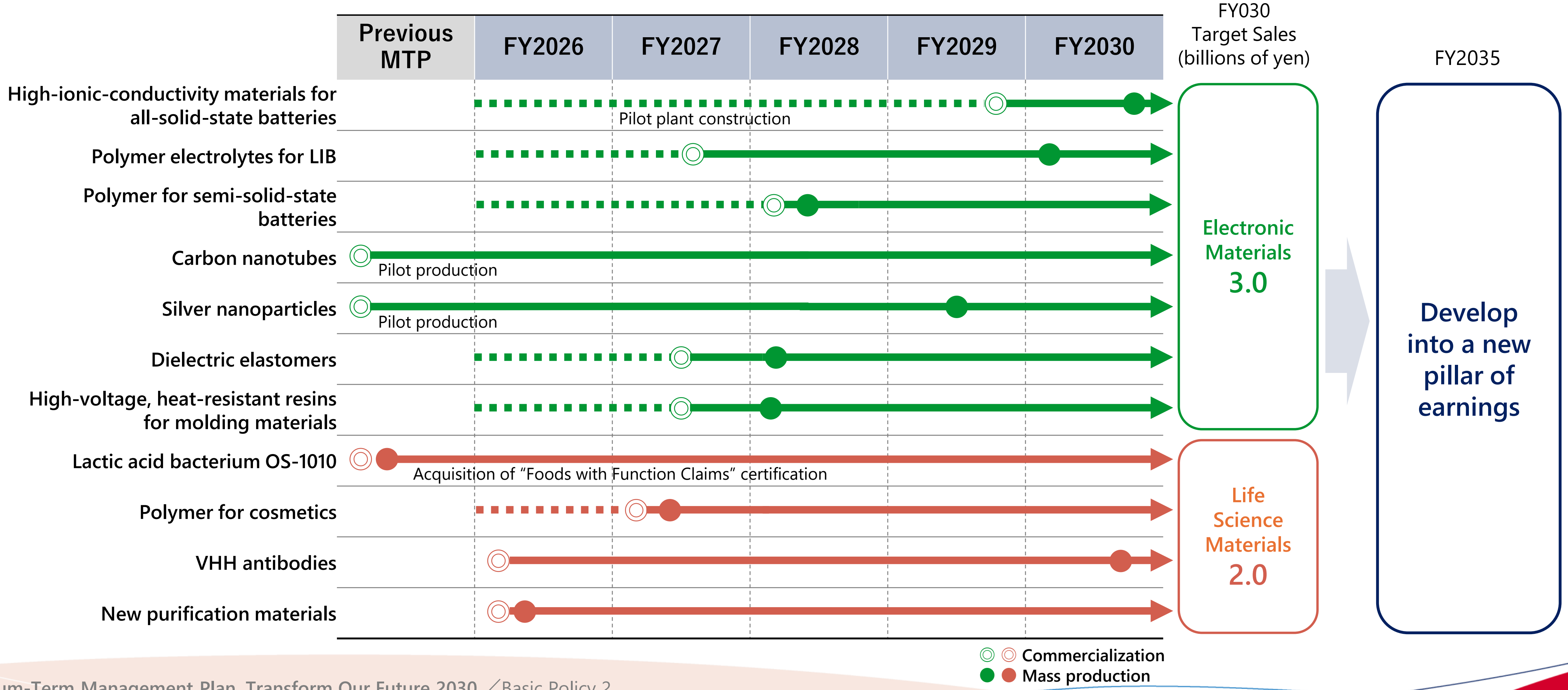
Policy

- New product development in growth areas：

  Promoting the development of new products leveraging proprietary technologies, focusing on electronic materials and life science materials where growth is expected

- Strengthening Theme Exploration Capabilities：

  Strategic utilization of the knowledge, expertise, networks and other resources of corporate divisions throughout the company



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Basic Policy 3
Strengthening the Management Foundation to Adapt to Changes in the Business Environment

Build an organization that balances efficiency and adaptability, and advance sustainability management

Human Resource Strategy

Improve managerial skills, raise the level of organizational capabilities, and build a human resource management foundation with the aim of becoming a company where employees can fully demonstrate their abilities

DX Promotion

Promote innovation and transformation in production technology (including the handling down of skills and techniques), and R&D (theme searches, MI, etc.), and improve operational efficiency on a company-wide scale through the use of AI and data

Safe and Stable Production

Strengthen facility management and autonomous maintenance while enhancing operational management in order to prevent occupational accidents, incidents, and production problems and avoid recurrence

Risk Management

Further strengthen the risk management system in light of the diversification of major company-wide risks associated with the expansion of the company’s size

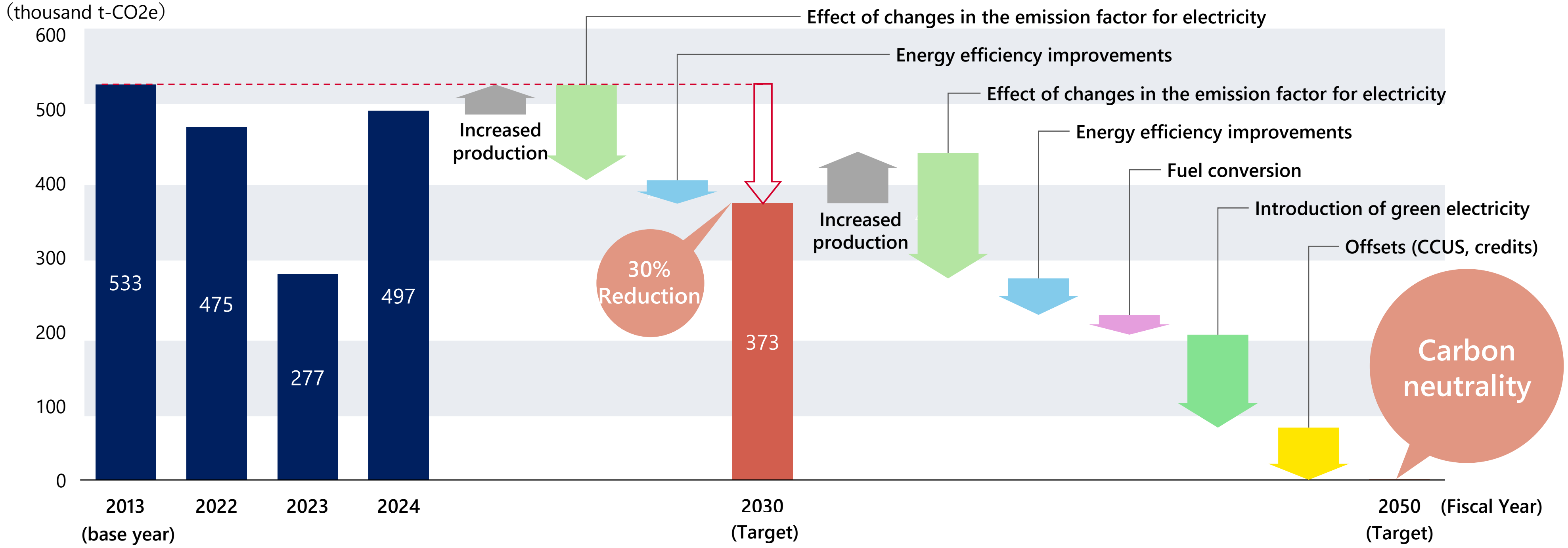
Carbon Neutrality

Policy

Promote efforts such as improving energy efficiency, promoting the use of bio-derived raw materials, introducing non-fossil fuel electric power, carrying out studies on the use of recycled fuels, etc. in order to achieve carbon neutrality by FY2050

- Aim to reduce GHG emissions (Scope 1 and 2) by 30% from FY2013 levels by FY2030
- Enhance energy efficiency through process optimization, introduction of high-efficiency equipment, and heat recovery
- Establish an electricity retail company to reduce GHG emissions through diversification of power sources, including renewable energy

GHG emissions reduction roadmap (total Scope 1 and 2)



Capital Strategy

Capital allocation and shareholder returns aimed at enhancing corporate value

Cash Allocation

- Operating cash flow is expected to reach 110 billion yen cumulatively over five years, driven by significant growth in the healthcare segment
- Generated cash and available funds will be used for strategic investments as well as Resilience and cost reduction investments, while enhancing shareholder returns

Cash Allocation for Future Growth (FY2026 – FY2030)

Sources	Uses	Breakdown	Notes
Cash on Hand etc.	Investment and Financing Approx. 20 billion yen or more	M&As and alliances	Shortfall in cash on hand will be temporarily covered by short-term debt financing
Cash flows from operating activities Approx.110 billion yen	Capital Expenditures Approx. 67 billion yen	Strategic Investments Approx. 32 billion yen	Healthcare-related: Approx. 16 billion yen
		Resilience and cost reduction investments Approx. 35 billion yen	Basic chemicals-related: Approx. 28 billion yen
	Shareholder Return Approx. 60 billion yen	Dividends and share buybacks	Total payout ratio of 70% or more
	Total 127 billion yen		

Capital Expenditures Plan

- Strategic investments : focused on Healthcare to accelerate growth
- Resilience and cost reduction investments : Maintain safe and stable operations and further reinforce its position as a cash cow, mainly in Basic Chemicals

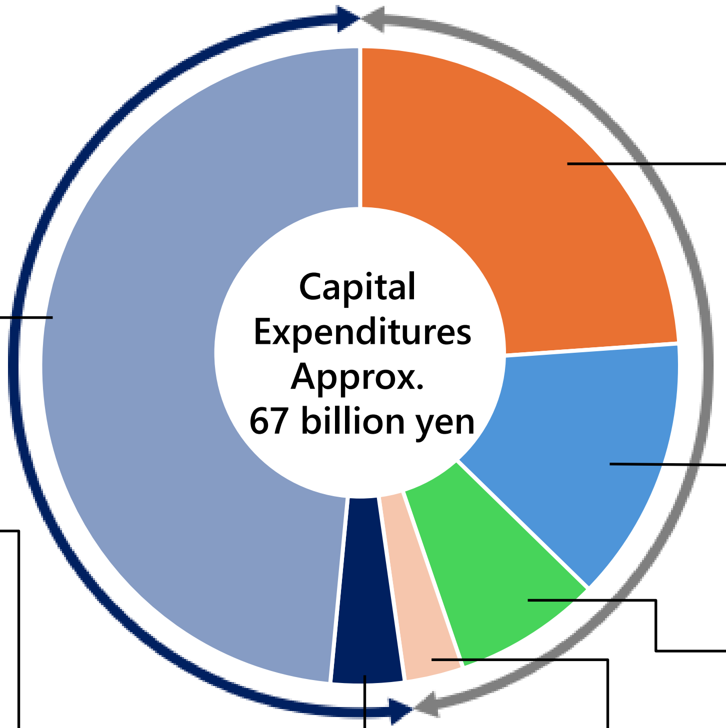
Resilience and Cost Reduction Investments
Approx. 35 billion yen

Resilience Investments
Approx. 32.5 billion yen

- Upgrading of electrolysis facilities (Mizushima, Okayama, etc.)
- Equipment replacement through improvement maintenance

Cost Reduction Investments
Approx. 2.5 billion yen

- Improvement in unit consumption and yield
- Steam recovery, etc. (environmental impact reduction)



Strategic Investments
Approx. 32 billion yen

Healthcare
Approx. 16 billion yen

- Expansion of silica gel production facilities (over 10 billion yen)
- Capacity expansion of APIs and intermediates
- Scale-up of biopharmaceutical manufacturing facilities, etc.

Basic Chemicals:
Approx. 9 billion yen

- Bio-propylene facilities
- Mass production facilities for silver nanoparticles, etc.

Functional Chemicals
Approx. 5 billion yen

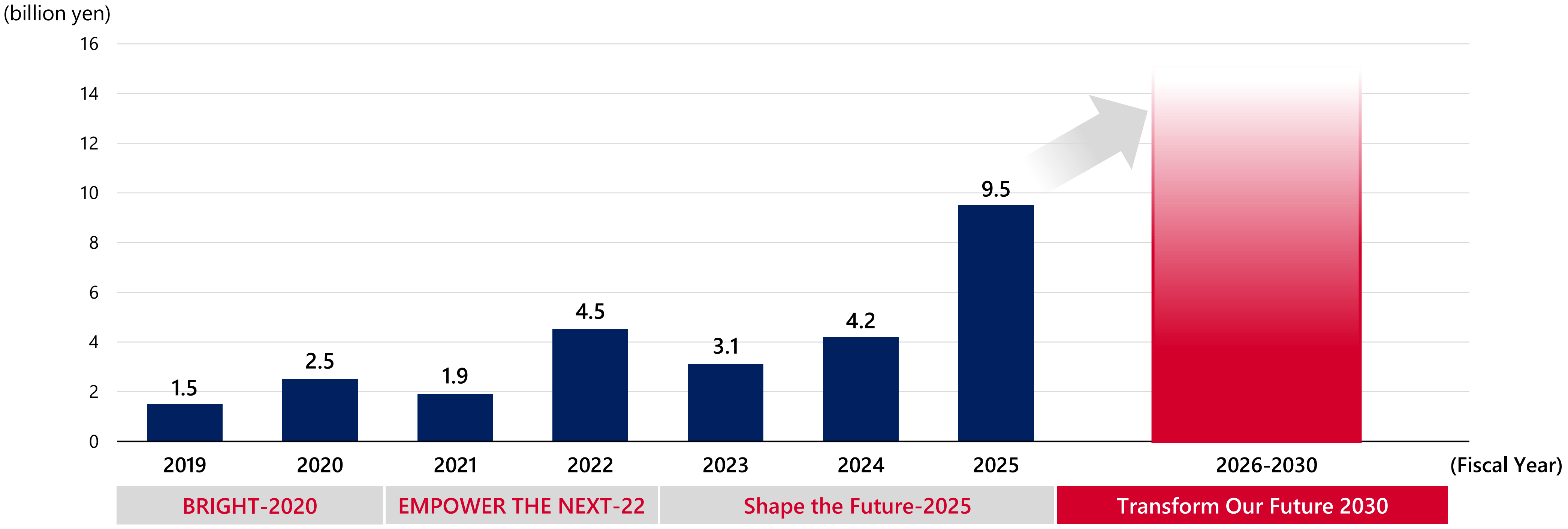
- Pilot plant for all-solid-state battery materials
- Capacity expansion of allyl ethers
- Capacity expansion of acrylic rubber, etc.

R&D and Others
Approx. 2 billion yen

Shareholder Returns

- Target a total payout ratio of 70% or higher, significantly raising it from the previous medium-term management plan target (40% or higher), and strengthen shareholder returns

Total shareholder returns（Dividends ＋ Stock buybacks）



Total payout ratio	23.7%	41.6%	19.8%	43.0%	40.4%	40.7%	61.3%	70% or higher（Target）

Forecast for FY2026

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Forecast for FY2026

- Reflecting profit growth driven by continued expansion in the Healthcare business, both operating income and ordinary income are expected to reach record highs
- The basic policy is to revise product prices in a timely manner in response to rising fuel and raw material prices, and the impact of the Middle East situation on the Company’s business is expected to remain limited

(Millions of yen)	FY2026 Initial Forecast		FY2026 Revised Forecast		Change (YoY)	
		To sales		To sales	Amount	Percentage
Net sales	106,000	–	**108,000**	–	2,000	1.9%
Operating income	19,000	17.9%	**20,500**	**19.0%**	1,500	7.9%
Ordinary income	20,400	19.2%	**22,100**	**20.5%**	1,700	8.3%
Net income	13,600	12.8%	**14,800**	**13.7%**	1,200	8.8%
Earnings per share	110.70 yen	–	**121.74 yen**	–	–	

Assumptions*	FY2026 Initial Forecast	FY2026 Revised Forecast※
Yen / USD	145 yen	160 yen
Yen / Euro	170 yen	184 yen
Naphtha price (Yen / kL)	63,000 yen	99,500 yen

*Not taking into account the situation in the Middle East

※Applied only to the second-quarter forecast; assumptions for the second half remain unchanged from the initial forecast.

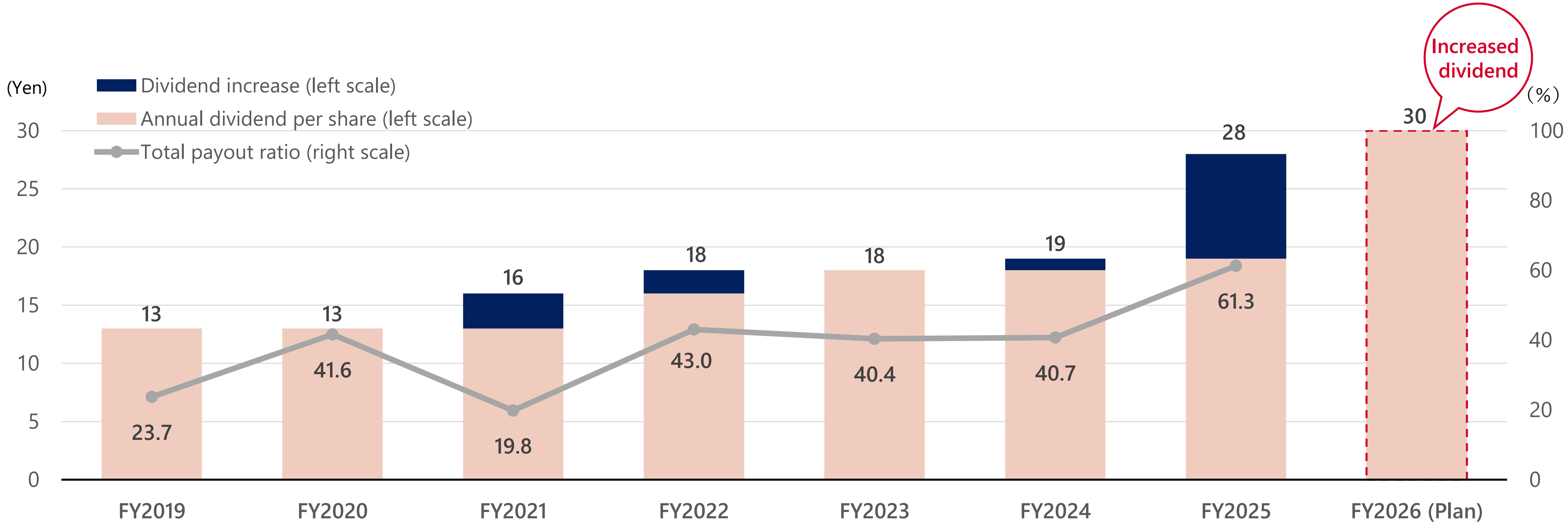
FY2026 Revised Forecast by Segment

- Raised 1H forecasts for both net sales and profits, reflecting higher Allyl Ethers market prices partly due to the situation in the Middle East, a weaker-than-assumed yen, and firm sales of healthcare products
- Basic Chemicals: Reflecting fluctuations in epichlorohydrin market conditions and rising electricity and raw material costs
- Functional Chemicals: Allyl ethers are expected to maintain their market recovery
- Healthcare: Demand for pharmaceutical purification materials is expected to continue expanding, reflecting the effects of increased production capacity at both the Matsuyama and Amagasaki plants

		FY2025			FY2026 Revised Forecast			Change (YoY)		
	(Millions of yen)	1H	2H	Full Year	1H	2H	Full Year	1H	2H	Full Year
Net sales	Basic Chemicals	20,302	21,439	**41,741**	22,000	21,100	**43,100**	1,698	(339)	1,359
	Functional Chemicals	13,596	14,339	**27,935**	15,700	15,700	**31,400**	2,104	1,361	3,465
	Healthcare	6,709	7,926	**14,635**	8,300	9,100	**17,400**	1,591	1,174	2,765
	Trading & Others	8,223	7,426	**15,649**	8,000	8,100	**16,100**	(223)	674	451
	Total	48,832	51,129	**99,961**	54,000	54,000	**108,000**	5,168	2,871	8,039
Operating income	Basic Chemicals	2,946	3,248	**6,194**	2,900	2,900	**5,800**	(46)	(348)	(394)
	Functional Chemicals	1,926	2,708	**4,634**	3,400	2,950	**6,350**	1,474	242	1,716
	Healthcare	3,447	3,709	**7,156**	3,900	4,750	**8,650**	453	1,041	1,494
	Trading & Others	462	484	**946**	700	400	**1,100**	238	(84)	154
	Company-wide, eliminations	(671)	(626)	**(1,297)**	**(600)**	**(800)**	**(1,400)**	71	(129)	(103)
	Total	8,111	9,523	**17,634**	10,300	10,200	**20,500**	2,189	677	2,866

Shareholder Returns

- Targeting a total payout ratio of 70% or higher under the new medium-term management plan
- To further enhance shareholder returns, a share buyback program of up to ¥5.0 billion is underway through September 30, 2026
- Following the upward revision of our earnings forecast, we raised the annual dividend forecast by ¥2 per share to ¥30 per share



Share buyback (Billion Yen)	–	1.0	–	2.2	0.8	1.8	6.0

* Figures for dividend per share are converted after the stock split.(effective October 1, 2024)

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