



FY2024 Presentation Material

- Results for FY2024 & Forecast for FY2025 -

May 28, 2025

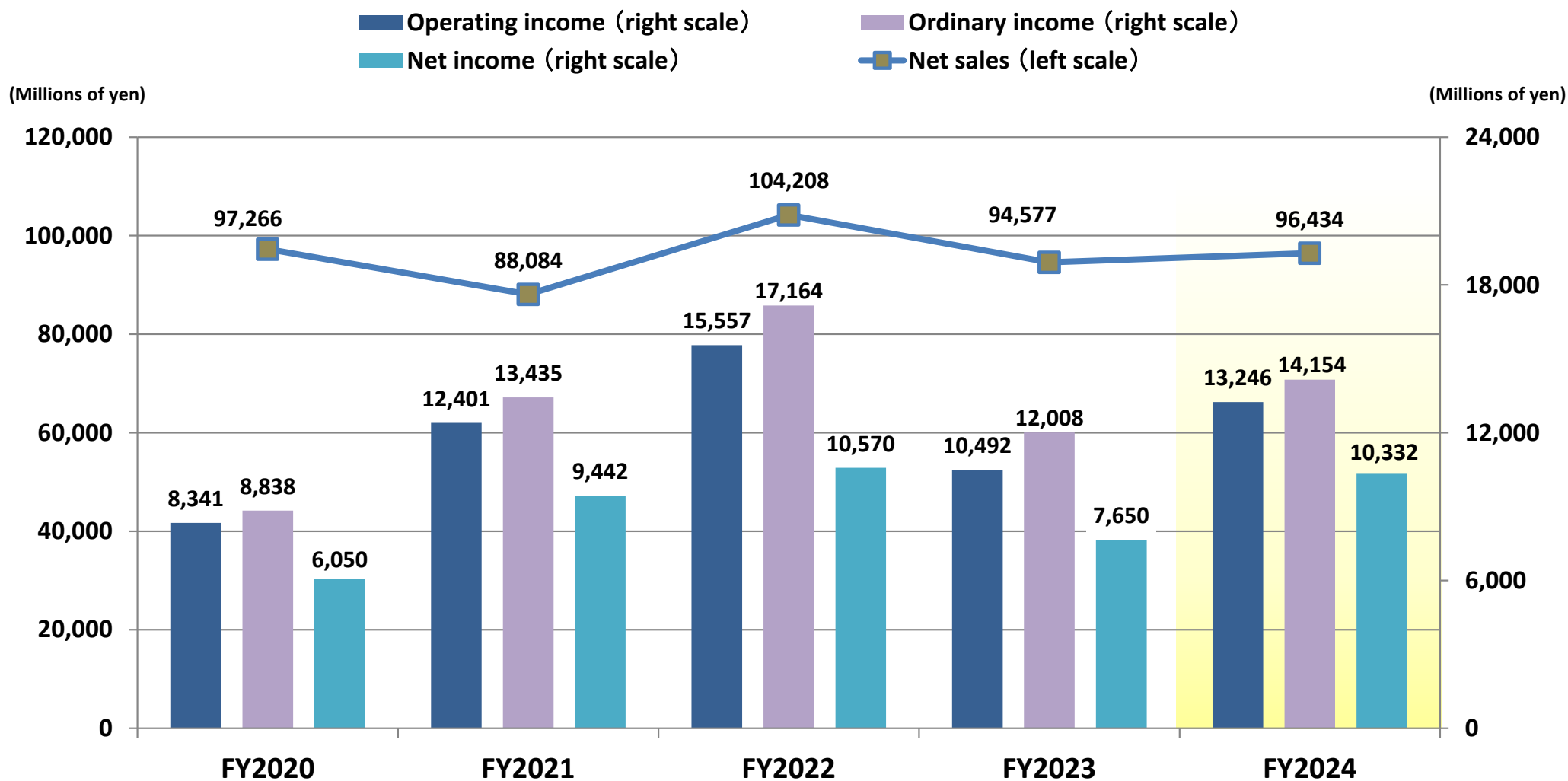
OSAKA SODA CO., LTD.



Results for FY2024

Earnings Trends (FY2020 to FY2024)

- Achieved increase in sales and profit for the FY2024
- The second highest profit level following FY2022, with net income exceeding 10 billion yen



* The accounting standard for revenue recognition has been applied since FY2021

Overview of Consolidated Financial Results

- Business performance increase YoY due to resolution of production problems at the end of June 2024 and growth in Healthcare business
- Plans not achieved due to delay in market recovery

(Millions of yen)	FY2023		FY2024		Change (YoY)	Change (YoY)	Initial forecast (B)	Achievement rate	Change (A)-(B)
		to sales	(A)	to sales					
Net sales	94,557	-	96,434	-	1,877	2.0%	103,000	93.6%	(6,566)
Operating income	10,492	11.1%	13,246	13.7%	2,754	26.2%	16,000	82.8%	(2,754)
Ordinary income	12,008	12.7%	14,154	14.7%	2,146	17.9%	16,800	84.3%	(2,646)
Net income	7,650	8.1%	10,332	10.7%	2,682	35.0%	11,500	89.8%	(1,168)
Earning per share	¥60.17	-	¥81.54	-	-	-	-	-	-
Overseas sales	32,327	34.2%	36,184	37.5%	6,203	19.2%	-	-	-

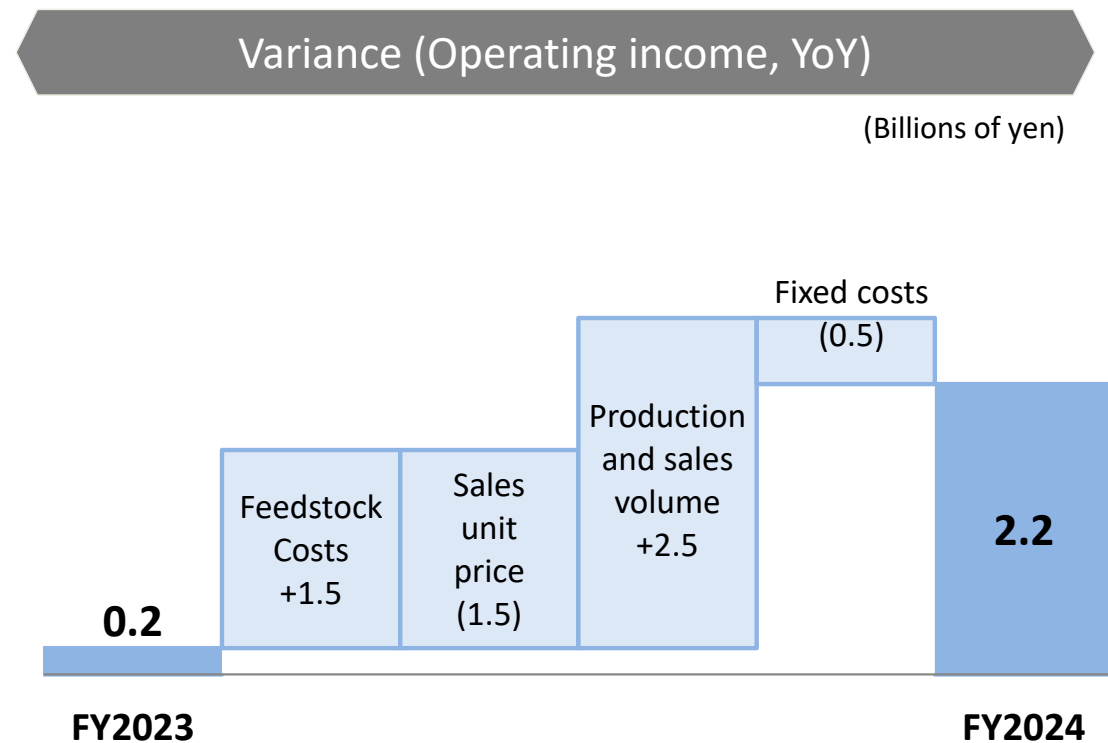
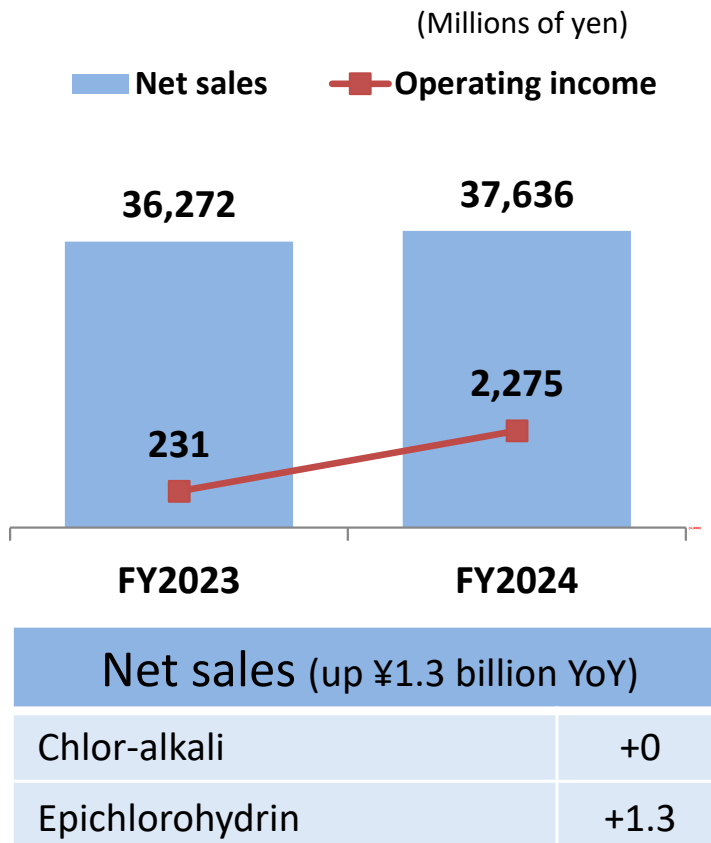
Assumptions		FY2023	FY2024
Average exchange rate	Yen / USD	143 Yen	152 Yen
	Yen / Euro	155 Yen	163 Yen
Naphtha price (Yen / KL)		69,000 Yen	75,800 Yen

(*) 5-for-1 stock split of common stock, effective October 1, 2024.

Earning per share is calculated on the assuming that the stock split was implemented at the beginning of the previous fiscal year.

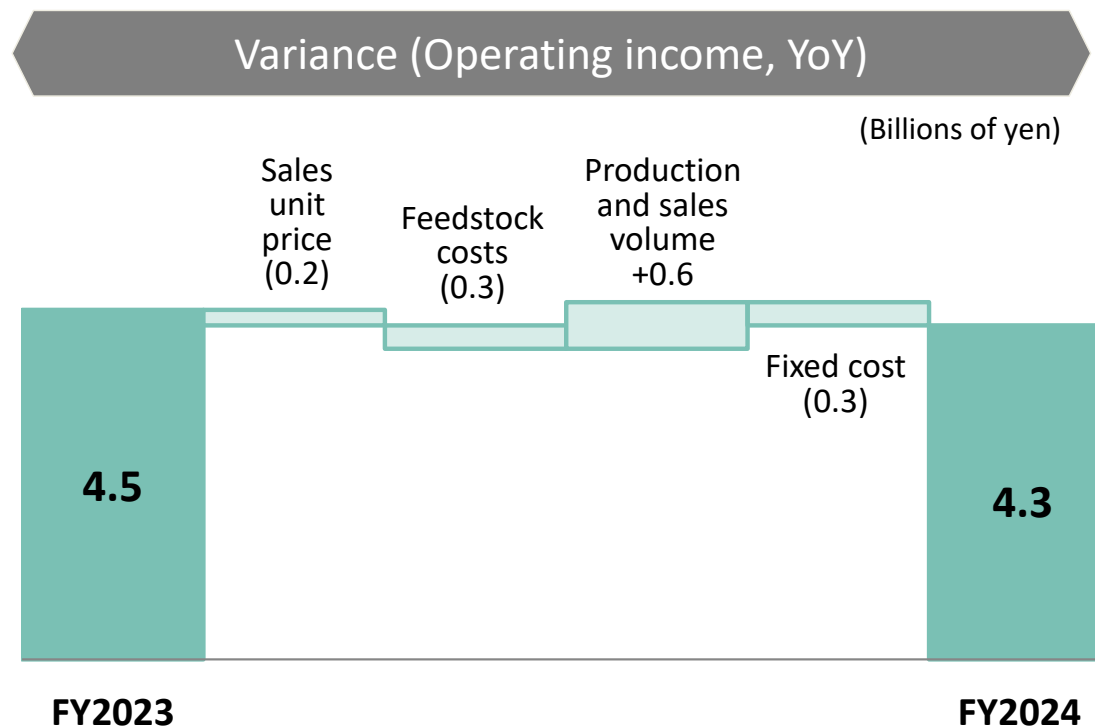
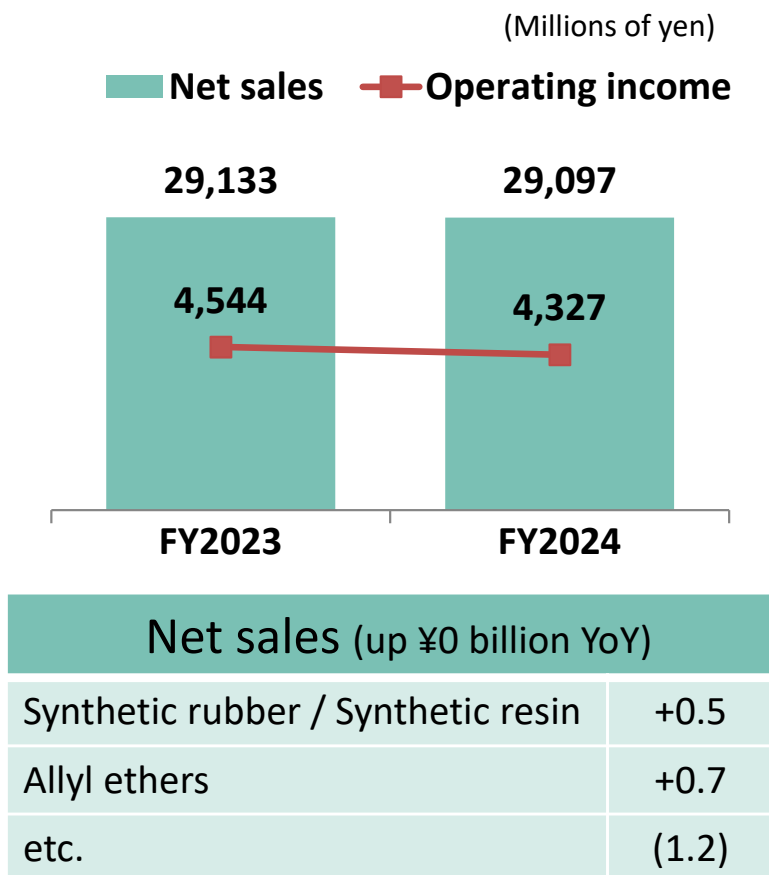
Segment (Basic Chemicals)

- **Basic chemicals** : Production and sales recovered due to resolution of production problem
- **Chlor-Alkali** : Volume increased except for caustic potash, but was affected by the poor market for caustic soda
- **Epichlorohydrin** : Despite softening overseas market conditions, volume increased due to recovery in demand for epoxy resins



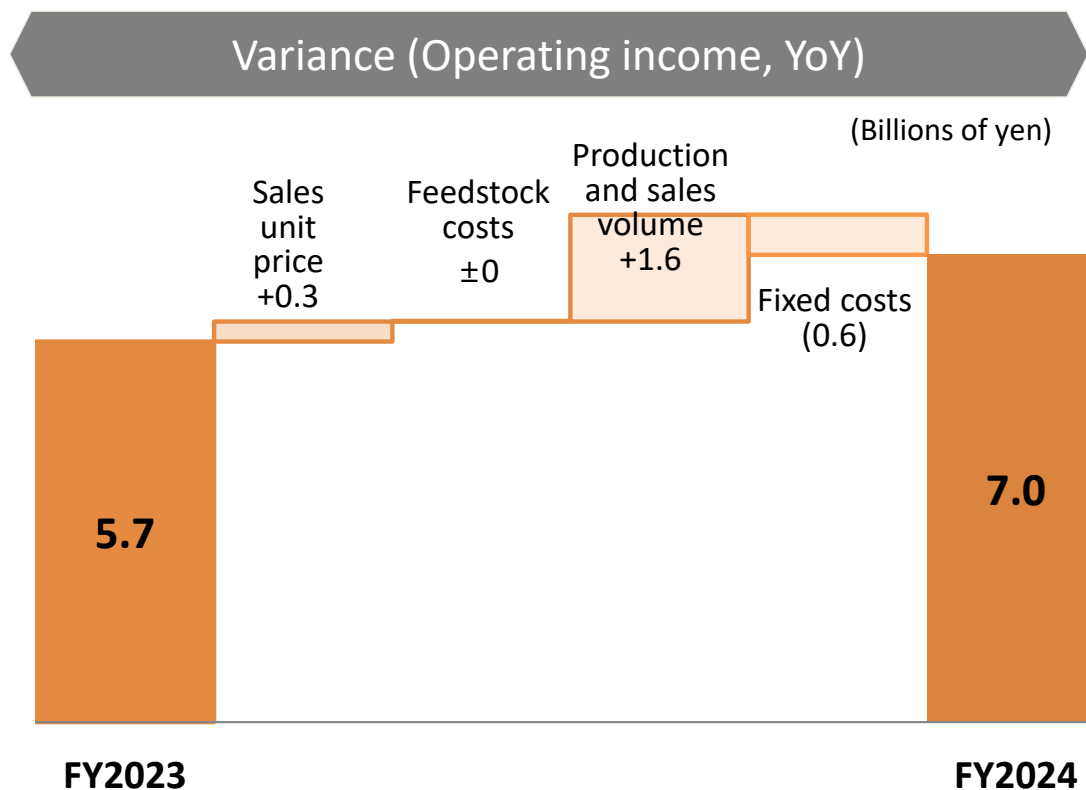
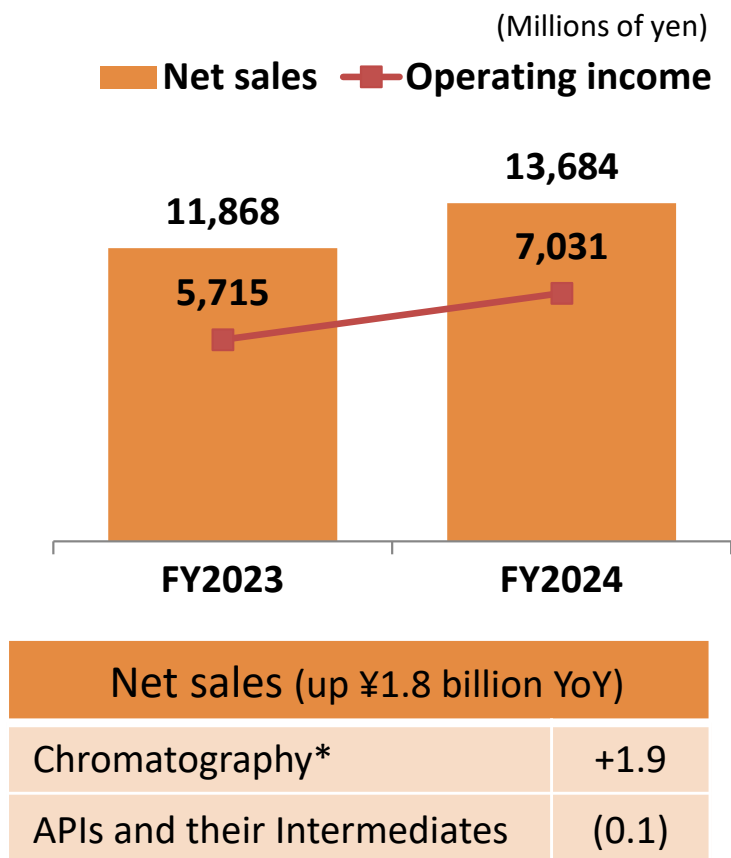
Segment (Functional Chemicals)

- **Synthetic rubber:** Epichlorohydrin rubber was affected by a decline in automobile production volume, and Acrylic rubber was affected by shipment adjustments due to debottlenecking work
- **Synthetic resin :** Demand for UV ink applications for overseas markets remained strong
- **Allyl ethers:** Market softened despite elimination of shipment adjustments due to production problem and steady demand for silane coupling agents, especially for paint applications in China



Segment (Healthcare)

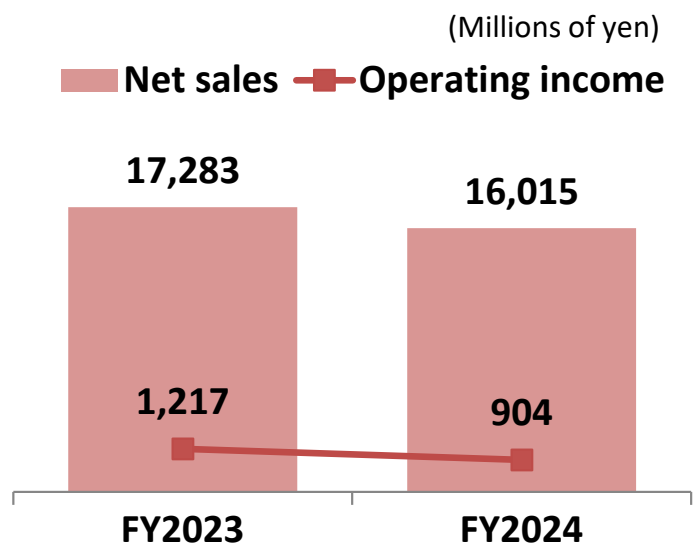
- **Chromatography:** Demand has been steadily increasing in Europe, the U.S., and Asia for diabetes medications and other applications
- **APIs and their intermediates:** Sales of intermediates for insomnia treatment drugs and APIs for muscle disease treatment drugs expanded, while sales of APIs for nucleic acid drugs and intermediates for anti-nuclear drugs declined



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

Segment (Trading and Others)

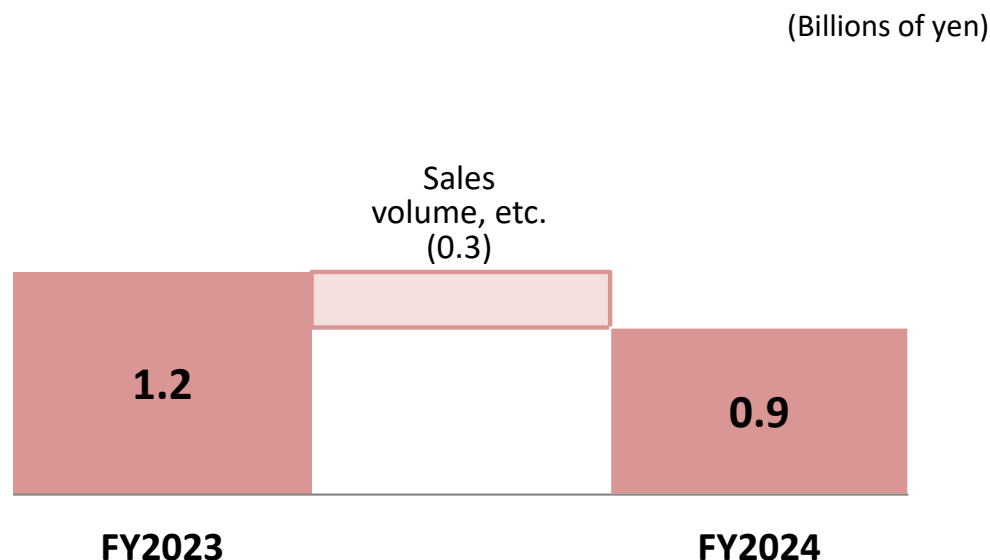
- **Specialty Polymer Materials:** Steady sales of photosensitive resin and other printing-related products, as well as overseas sales
- **Functional products:** Demand recovered mainly for glass fiber, electronic materials, and automotive products
- Affected by the withdrawal of the plant engineering business at FY2022



Net sales (down ¥1.2 billion YoY)

Specialty polymer Materials	+0.4
Functional products	+0.1
Plant Engineering, etc.	(1.7)

Variance (Operating income, YoY)



Balance Sheet, Statement of Cash Flows

- Equity ratio rose to 75.1%, maintaining a high level with a strengthened earnings structure
- Various capital investments implemented based on a stable financial foundation, in line with the medium-term management plan
- Operating cash flow reached a record high, with improvement in cash generation capability

(Millions of yen)	FY2022	FY2023	FY2024	Change from FY2023
Total assets	138,029	150,541	153,935	3,394
Net assets	99,543	109,765	115,596	5,831
Equity ratio	72.1%	72.9%	75.1%	2.2%
Interest-bearing debt	7,664	7,630	7,635	5

(Millions of yen)	FY2022	FY2023	FY2024	Change from FY2023
Cash flows from operating activities	9,354	8,597	17,049	8,452
Cash flow from investing activities	(5,380)	(4,263)	(8,135)	(3,872)
Cash flow from financing activities	(4,596)	(3,199)	(4,221)	(1,022)
Cash and cash equivalents	36,843	38,432	43,314	4,882



Forecast for FY2025

Forecast for FY2025

- Plan to achieve record-high profits in FY2025
- Expected profit improvement due to resolved production problem and strong performance in the healthcare business
- Concerns about the Chinese economy, continued price hikes, and delays in market recovery due to the global economic downturn caused by the U.S. tariffs

	FY2024		FY2025 Forecast		Change (YoY)	
	(Millions of yen)	To sales (%)	To sales (%)	Amount	Percentage (%)	
Net sales	96,434	—	102,000	—	5,566	105.8
Operating income	13,246	13.7	17,000	16.7	3,754	128.3
Ordinary income	14,154	14.7	18,100	17.7	3,946	127.9
Net income	10,332	10.7	12,300	12.1	1,968	119.0
Earning per share	81.54 Yen	—	97.70 Yen	—	—	—
Overseas sales	36,184	37.5	37,700	37.0	1,516	104.2
Assumptions		FY2024		FY2025		
Average exchange rate	Yen / USD	152 Yen		145 Yen		
	Yen / Euro	163 Yen		155 Yen		
Naphtha price (Yen / KL)		75,800 Yen		69,000 Yen		

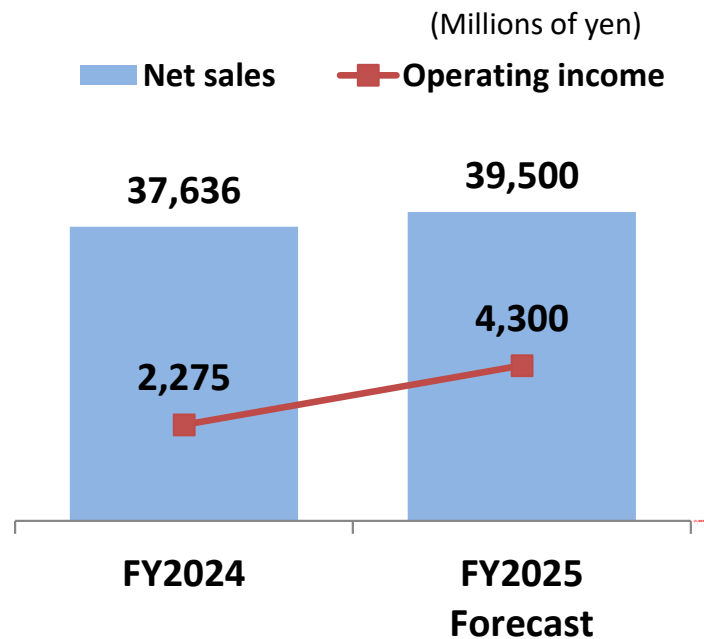
FY2025 Forecast by Segment

- **Basic chemicals** : Expect market conditions to remain unchanged despite the elimination of production problem and increase in sales volume
- **Functional chemicals** : Delayed recovery in the market for allyl ethers; slight recovery in automobile production expected
- **Healthcare** : Effect of increased production of silica gel expected from the 2H forward

		FY2024			FY2025 Forecast			Change (YoY)		
(Millions of yen)		1H	2H	Full Year	1H	2H	Full Year	1H	2H	Full Year
Net sales	Basic Chemicals	18,403	19,233	37,636	19,700	19,800	39,500	1,297	567	1,864
	Functional Chemicals	15,963	13,134	29,097	14,500	15,200	29,700	(1,463)	2,066	603
	Healthcare	6,172	7,512	13,684	6,300	8,300	14,600	128	788	916
	Trading and Others	9,627	6,388	16,015	9,700	8,500	18,200	73	2,112	2,185
	Total	50,167	46,267	96,434	50,200	51,800	102,000	33	5,533	5,566
Operating income	Basic Chemicals	1,047	1,228	2,275	2,200	2,100	4,300	1,153	872	2,025
	Functional Chemicals	2,560	1,767	4,327	2,300	2,800	5,100	(260)	1,033	773
	Healthcare	3,424	3,607	7,031	3,600	4,200	7,800	176	593	769
	Trading and Others	570	334	904	600	600	1,200	30	266	296
	Company-wide, eliminations	(635)	(658)	(1,293)	(700)	(700)	(1,400)	(65)	(42)	(107)
	Total	6,967	6,278	13,246	8,000	9,000	17,000	1,033	2,722	3,754

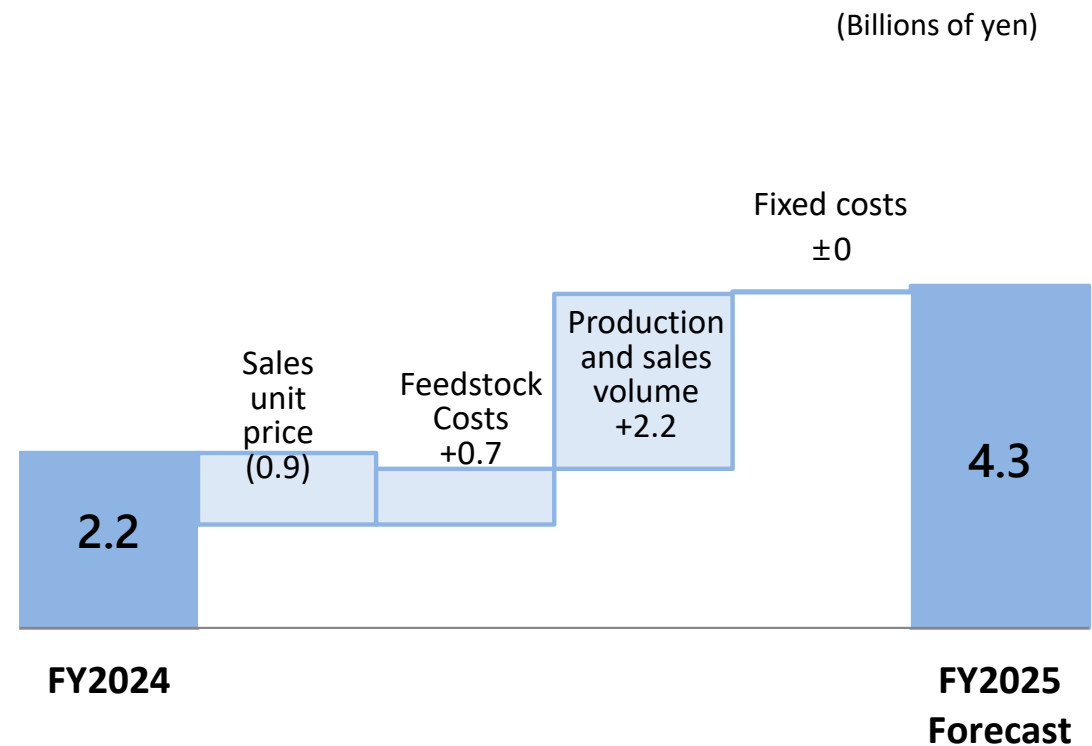
Segment (Basic Chemicals)

- **Chlor-Alkali** :Continue safe and stable operations and strengthen regionally-based sales
- **Epichlorohydrin** : Strengthen sales in Japan and overseas to expand market share



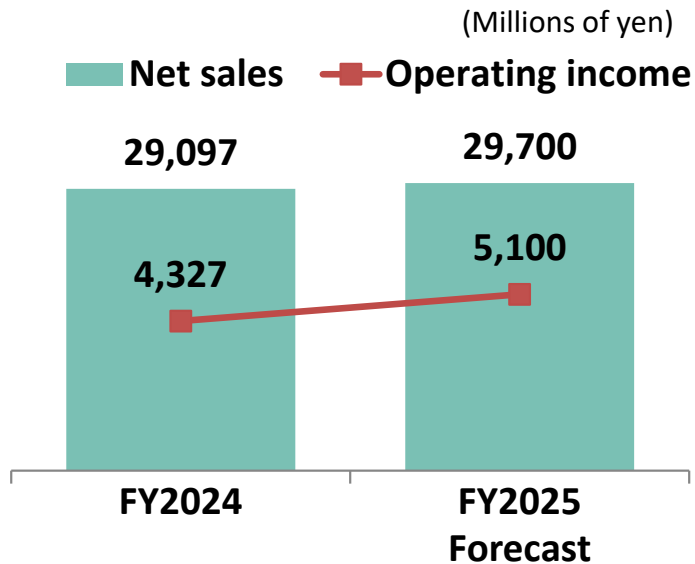
Net sales (up ¥1.8 billion YoY)	
Chlor-alkali	+0.4
Epichlorohydrin	+1.4

Variance (Operating income, YoY)

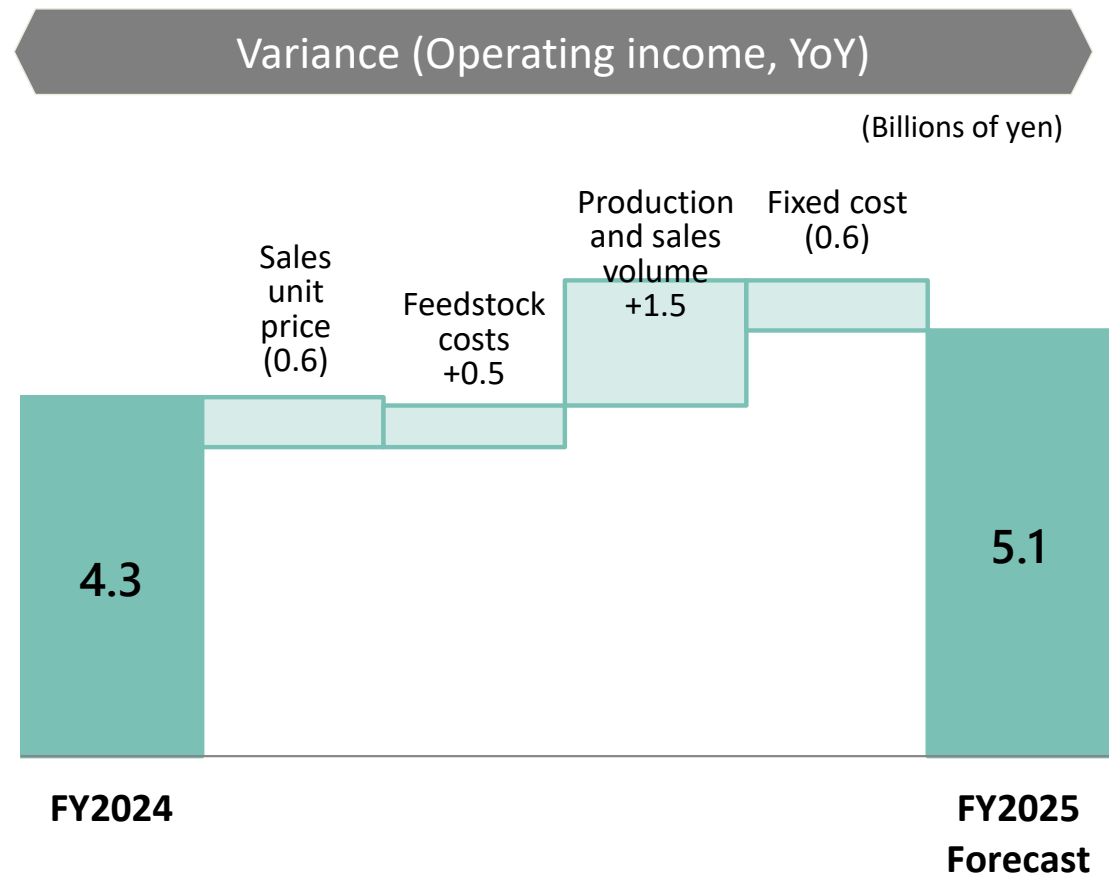


Segment (Functional Chemicals)

- **Synthetic rubber:** Expect moderate recovery in automobile production volume; utilize acrylic rubber facility capacity to attract new customers domestically and internationally
- **Synthetic resin:** Strive to grow market share for UV offset inks through sales expansion in Europe, U.S., and Asian markets
- **Allyl ethers:** Strengthen sales in the Chinese market and aim for further market share gains

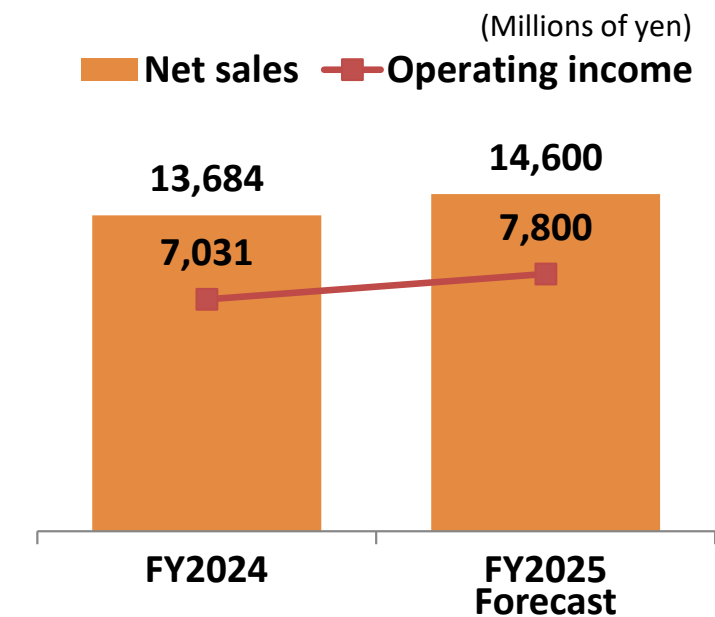


Net sales (up ¥0.6 billion YoY)	
Synthetic rubber / Synthetic resin	+1.2
Allyl ethers	+0.1
etc.	(0.7)



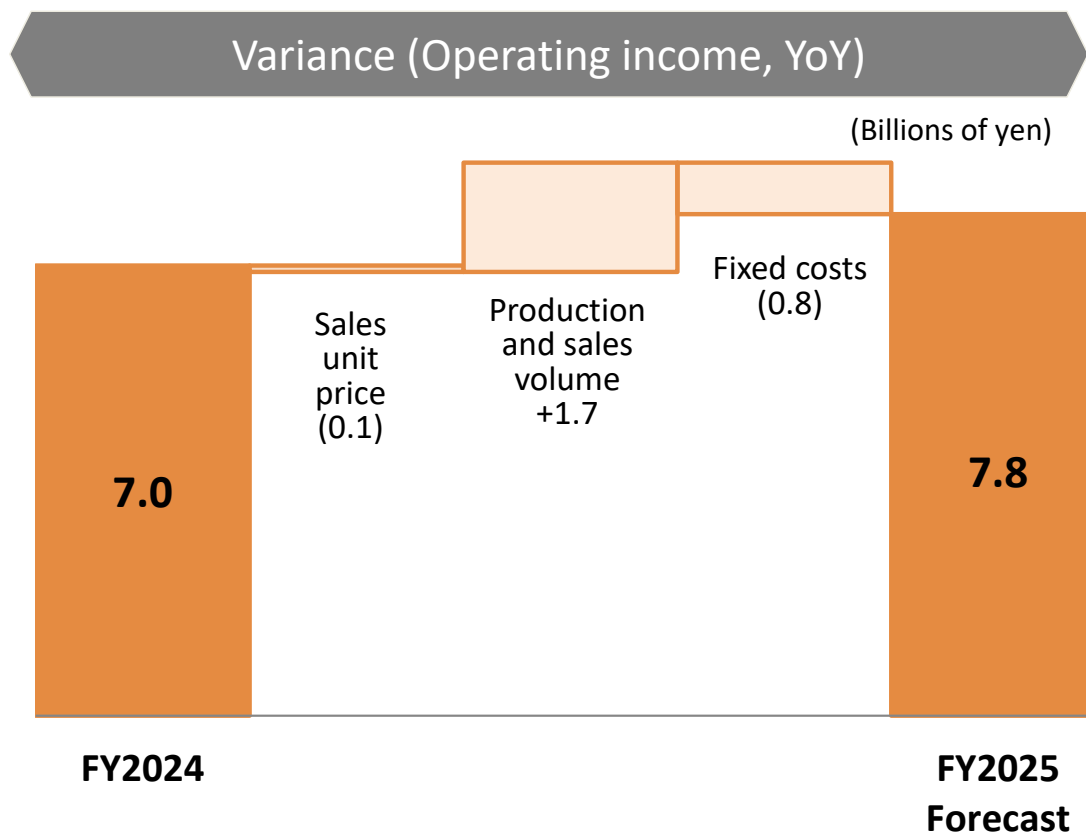
Segment (Healthcare)

- **Chromatography:** Demand expansion for diabetes and obesity medications continues to grow
 - Matsuyama plant will start commercial production in July 2025 ahead of schedule
 - Amagasaki Plant expansion construction to be completed in September 2025, 1 year shifted forward from initial plan
 - Factor in the contribution to earnings from increased production in the 2H and beyond
- **APIs and their intermediates:** Strengthen production and quality control systems to win new projects



Net sales (up ¥0.9 billion YoY)	
Chromatography*	+0.8
APIs and their Intermediates	+0.1

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

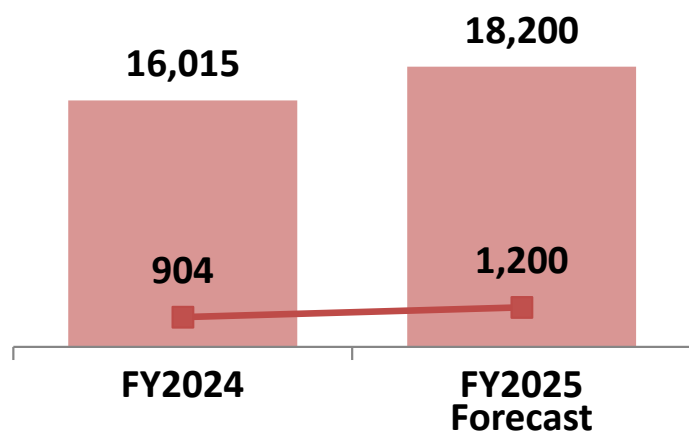


Segment (Trading and Others)

- **Basic chemicals products** : Plan to drive sales growth through product lineup expansion
- **Functional products** : Expect steady demand for glass fiber and other products, especially in the electronics materials sector
- **Consumer products**: Factor in increased sales of planned products and semi-solid-state batteries

(Millions of yen)

■ Net sales ■ Operating income

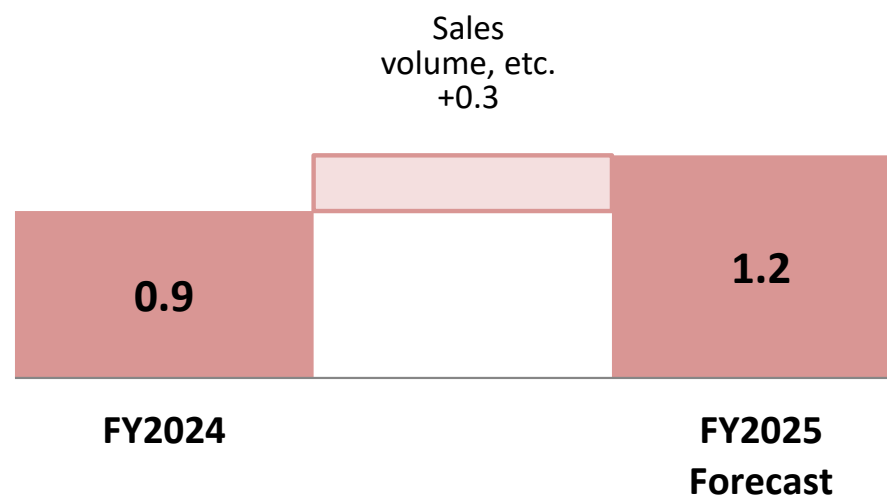


Net sales (up ¥2.1 billion YoY)

Basic chemicals products	+0.5
Functional products	+0.6
Consumer products, etc.	+1.0

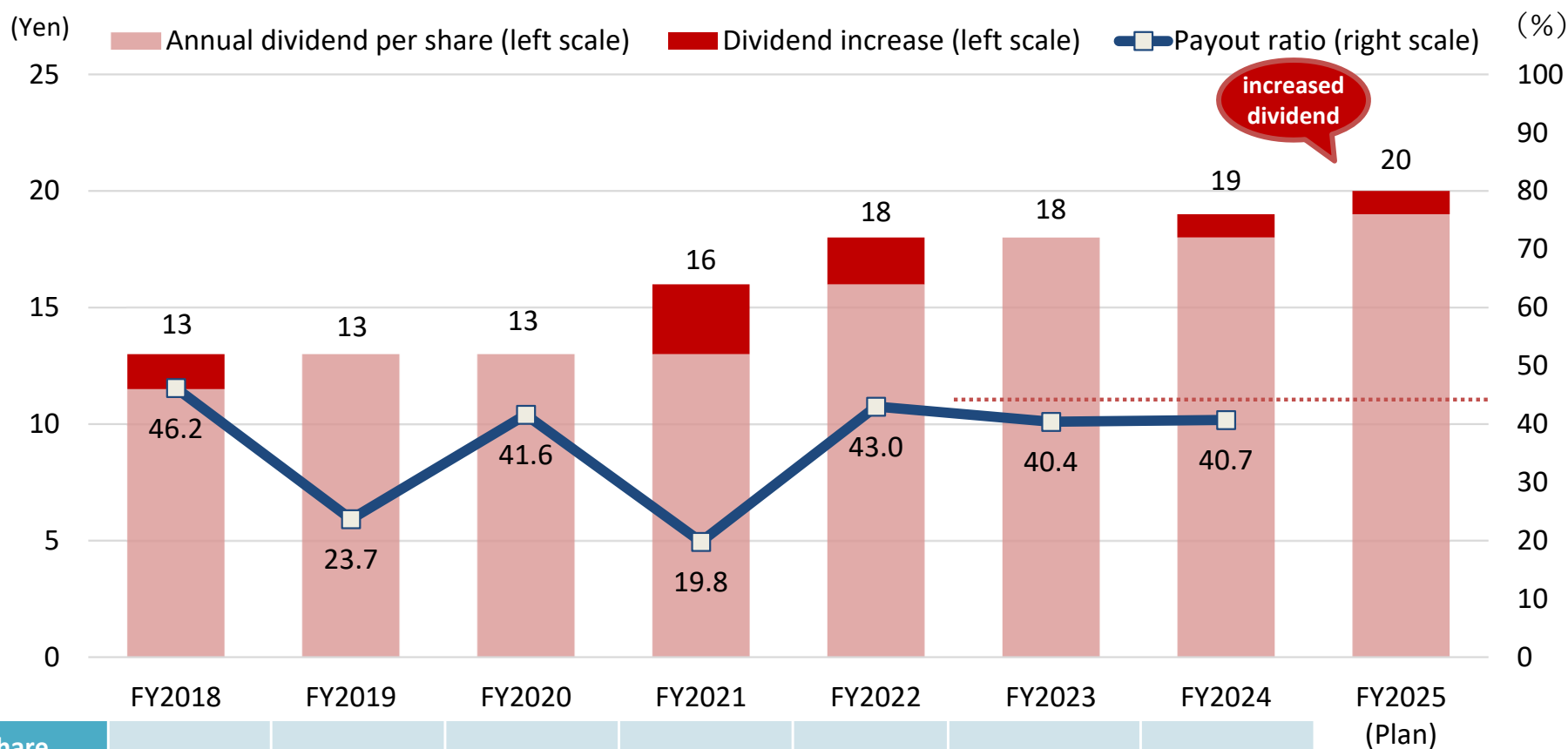
Variance (Operating income, YoY)

(Billions of yen)



Shareholder Returns

- Aim to a total payout ratio of 40% during the medium-term management plan (2023-2025)
- In FY2024 : Annual dividend ¥19, share buyback ¥1.8 billion (total payout ratio: 40.7%)
- In FY2025, plan to increase dividend by ¥1 to an annual dividend of ¥20
- Introduced progressive dividends starting in FY2026 to enhance shareholder returns



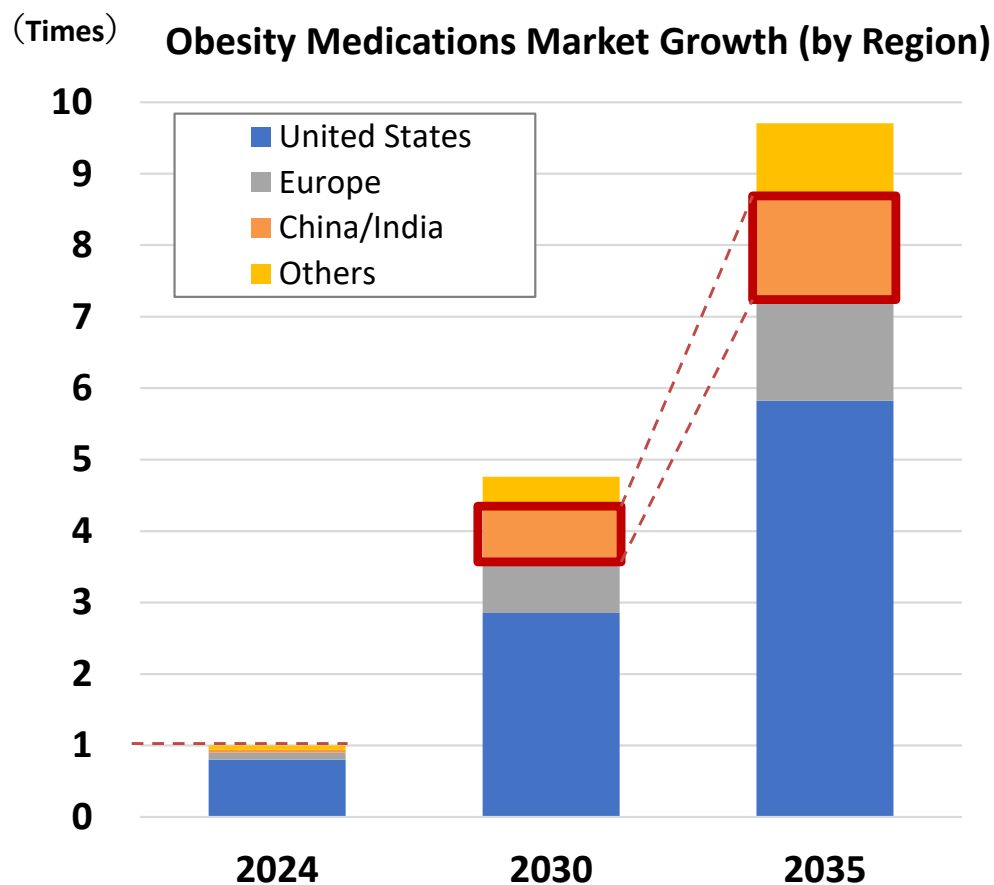
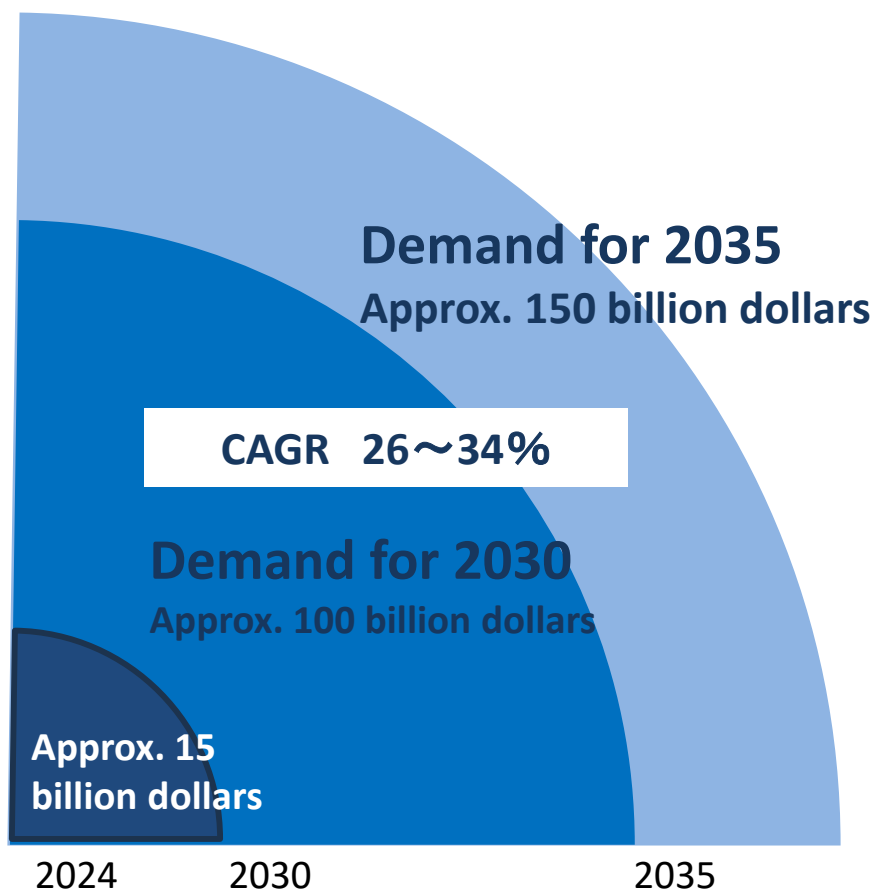
Share buyback (Billion Yen)	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
	1.6	-	1.0	-	2.2	0.8	1.8



Progress on Silica Gel capacity expansion

Growth Potential of Obesity Medications Market

- Global demand for obesity medications projected to reach 150 billion dollars by 2035
- CAGR through 2035 projected to exceed 26%, based on internal and external demand forecasts
- The United States leads by region, driven by high obesity rates and treatment awareness



Development Trends in Obesity Medications

- Currently, injectable GLP-1 receptor agonists composed of medium-sized molecules with strong weight loss effects are the mainstream treatment
- Injectable GLP-1 therapies are leading development efforts in emerging markets
- Oral small-molecule GLP-1 agonists present challenges in administration and efficacy

Obesity Medications

GLP-1 Receptor Agonist

- ✓ Controls appetite through hormonal regulation

(Small Molecule / Oral Drug)

- Weight loss efficacy is approximately 5%
- There are restrictions on the method of administration

(Medium-Sized Molecule / Injectable Drug)

- Rapid and significant weight loss effect (20%)
- Western pioneer companies are leading the market
- Emerging market manufacturers are accelerating their development efforts

(Medium-Sized Molecule / Oral Drug)

- Weight loss efficacy varies among individuals
- European pioneer companies are leading the market

✂Dashed Line Box = Under Development

Fat Absorption Inhibitor

- ✓ Controls fat absorption in the intestine

Appetite Suppressant

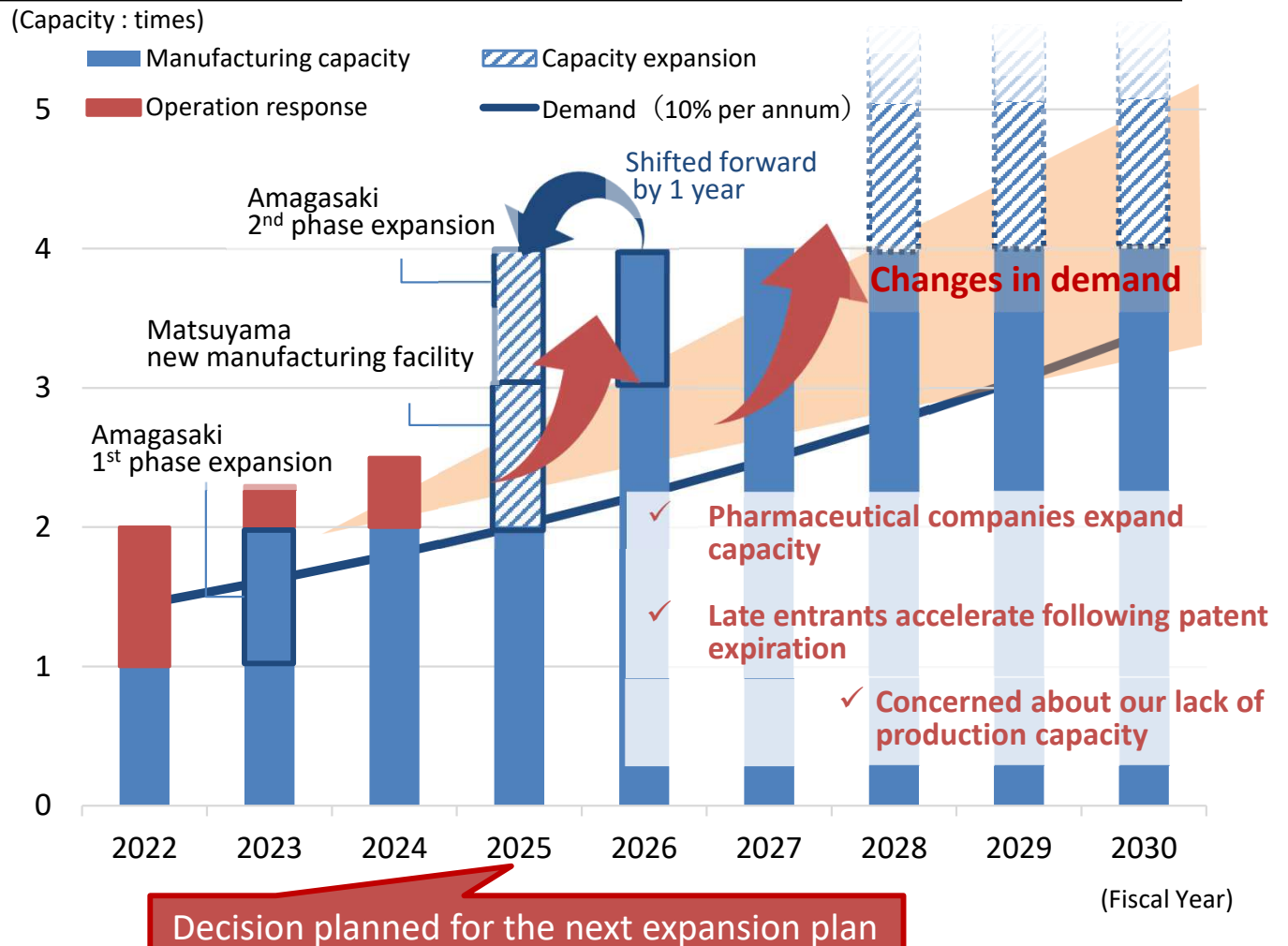
- ✓ Controls appetite by targeting the brain's satiety center

Silica Gel Expansion Plans and Demand Trends

- Commercial production at Matsuyama plant will start 6 months ahead of schedule
- Amagasaki 2nd phase expansion to be completed in September 2025, aiming to improve productivity through process improvements
- Decision for the next expansion plan will be shifted forward to 2025

Responding to a strong demand environment

- Matsuyama Plant : Start of commercial production**
Initial plan: Early 2026
➔ 6 months shifted forward to July 2025
- Amagasaki Plant : Productivity Improvement**
Initial plan: Autumn 2026
➔ 1 year shifted forward to September 2025



Toward Enhancing Corporate Brand Recognition

- With the aim of enhancing corporate brand recognition, TV and online advertisements were aired in Western Japan during the Golden Week holiday period.
- TV, online, and taxi ads planned for October 2025 to mark the 110th anniversary
- As part of our human capital strategy, we aim to strengthen talent acquisition and raise awareness of our company as A Key Player in Chemistry



Corporate Commercial
"A Key Player in Chemistry"



おかげさまで110周年

110th Anniversary Logo




The commercial video is available on our website and YouTube channel.



Our Website



YouTube Channel



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