

IR Briefing For Q1 Fiscal Year Ending March 2027

October 2026
Inabata & Co., Ltd.

Topics

FY03/2026 Results	• Operating profit reached record highs for six consecutive years. • Plastics segment performed steadily, while earnings in Life Industry segment improved significantly.
Progress of NC2026	<u>Accelerated growth through proactive investment</u> • M&A deals contributed steadily to earnings. We will work to realize synergies at an early stage. <u>Growth drivers</u> • Environment and energy field expansion (Information & Electronics segment): Achievement of the targets is expected to be delayed; we will closely monitor business conditions. • Automotive resin sales expansion (Plastics segment): Increased sales to non-Japanese automakers contributed to growth, with sales rising significantly in India, a priority market. • The semiconductor-related business expanded steadily. We will allocate management resources to drive further growth. <u>Financial strategy</u> • Further enhance capital efficiency • Prioritize shareholder returns (partially revised in FY03/2027) and introduce DOE (dividend on equity)
FY03/2027 plan	• Leveraging our procurement capabilities amid heightened tensions in the Middle East, we have made a strong start to the fiscal year.

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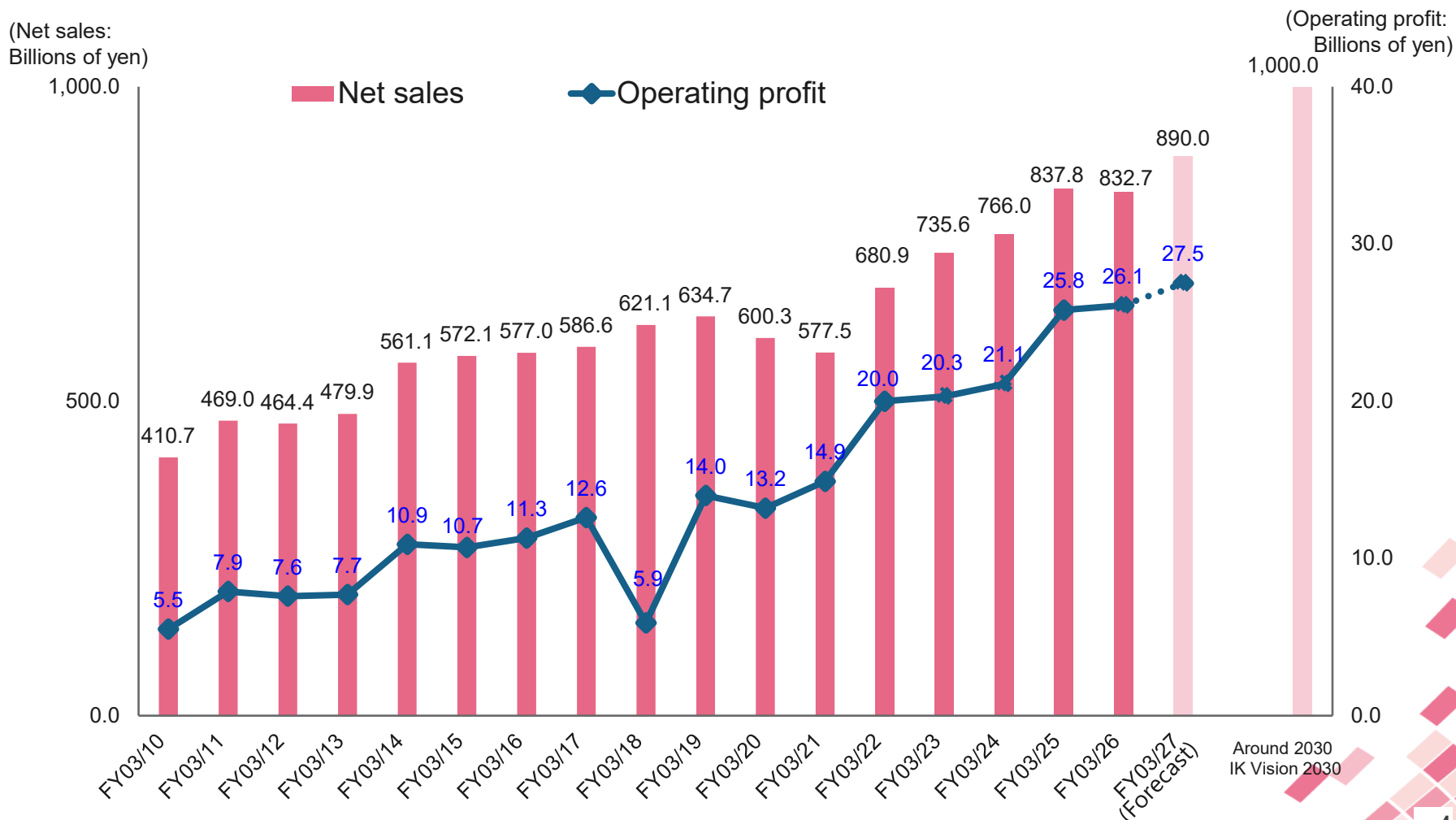
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1. Progress in the Second year of “New Challenge 2026”

Long-term Performance Trends

- Business performance is growing steadily, with record-high operating profit for six consecutive fiscal years.



Progress toward Quantitative Targets

- In its second year, NC2026 is proceeding broadly on track. Ordinary profit and profit attributable to owners of parent surpassed the final-year targets.

(Billions of yen)

	First Year of NC2026 FY03/25	Second Year of NC2026 FY03/26		Final Year of NC2026 FY03/27
	Full-year Actual	Full-year Actual	Second year Initial plan*	Target*
Net sales	837.8	832.7	890.0	950.0
Operating profit	25.8	26.1	24.5	27.0
Operating profit margin	3.1%	3.1%	2.8%	2.8%
Ordinary profit	26.1	27.7	23.5	26.0
Profit attributable to owners of parent	19.8	20.6	17.5	19.0
ROE	9.7%	9.3%	10% or more	10% or more
Net debt/equity ratio	0.07 times	0.06 times	0.5 times or less	0.5 times or less
Equity ratio	47.1%	47.3%	Approximately 50%	Approximately 50%
Exchange rate (USD/JPY)	¥152.62	¥150.67	¥145.00	¥145.00

*Announced May 9, 2024

Progress toward Quantitative Targets: By segment

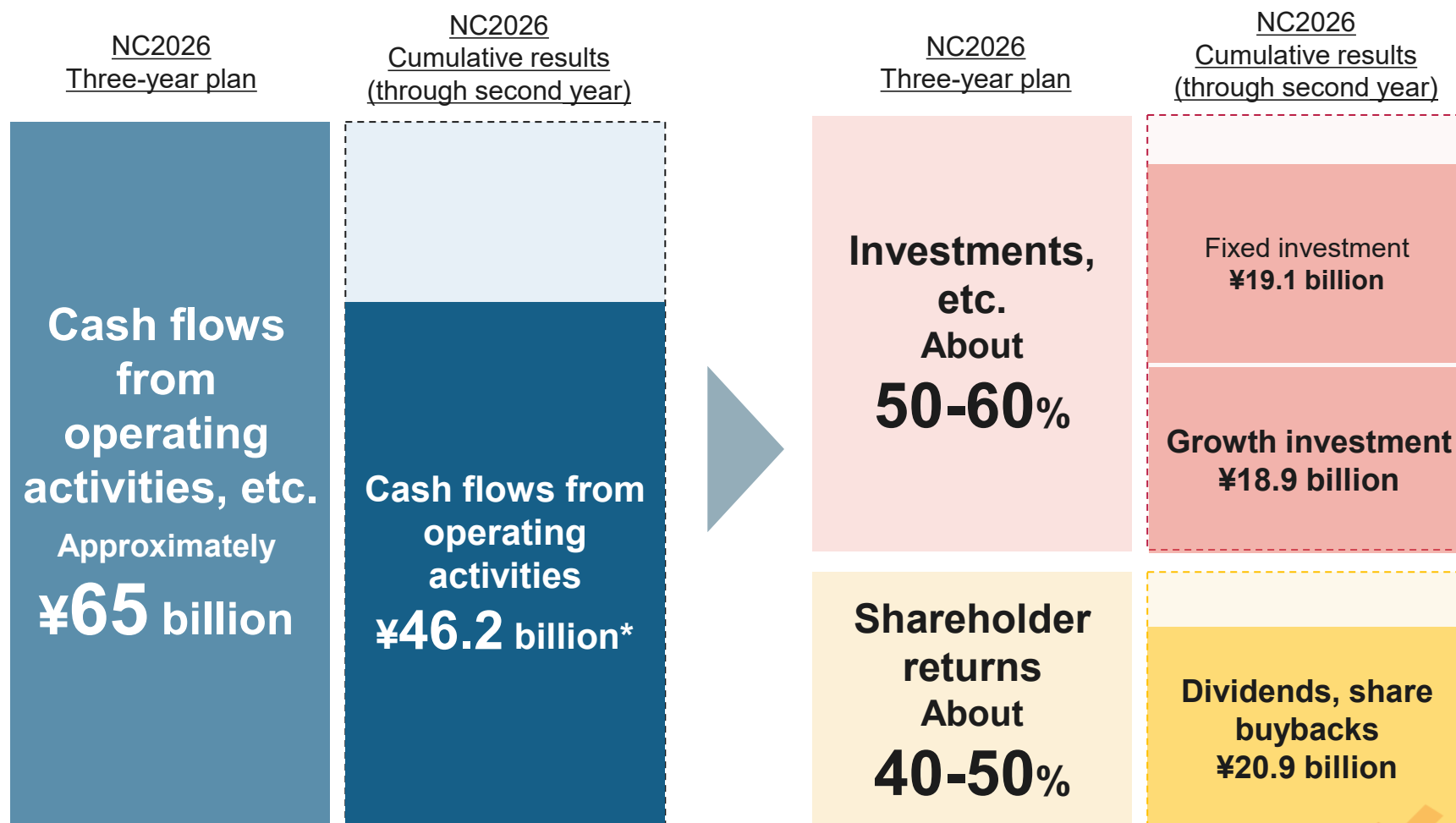
- Chemicals and Plastics are making steady progress, with operating profit reaching the final-year targets. Life Industry earnings improved substantially, while Information & Electronics was affected by a deteriorating business environment.

(Billions of yen)

Segment	First Year of NC2026 FY03/25		Second Year of NC2026 FY03/26				Final Year of NC2026 FY03/27	
	Full-year Actual		Full-year Actual		Second year Initial plan*		Target*	
	Sales	Operating profit	Sales	Operating profit	Sales	Operating profit	Sales	Operating profit
Information & Electronics	264.0	8.47	239.3	7.04	283.0	7.20	312.0	8.45
Chemicals	118.2	2.94	125.1	3.54	132.0	3.05	139.0	3.25
Life Industry	53.7	1.17	60.1	2.21	66.8	2.60	72.8	3.10
Plastics	401.5	13.08	407.9	13.22	408.0	11.55	426.0	12.10
Other	0.1	0.13	0.1	0.13	0.2	0.10	0.2	0.10
Total	837.8	25.82	832.7	26.16	890.0	24.50	950.0	27.00

Progress of Capital Allocation

- Through the second year of NC2026, we allocated funds to growth investments and shareholder returns largely in line with the plan.



*Operating Cash Flow +
Sales value of strategic shareholdings

Progress in the Company-wide Growth Strategy : Investment Status

- While there were no M&A or other large investment projects in FY03/26, we steadily implemented various initiatives aimed at growth.

(Billions of yen)

	FY03/22 Actual	FY03/23 Actual	FY03/24 Actual	NC2023 cumulative results FY03/22- FY03/24	FY03/25 Actual	FY03/26 Actual	Major investments In FY03/26
Growth investment	1.20	2.86	8.81	12.88	13.78	5.20	Major business investments (Biomass power generation-related, automotive parts raw material-related, food-related)
Fixed investment	2.01	2.78	3.91	8.70	5.34	13.82	- Investment for facilities (Related to compounds, Related to sheets and inflation films) - Digital promotion - Reconstruction of Tokyo Head Office
Total	3.21	5.64	12.73	21.58	19.12	19.03	

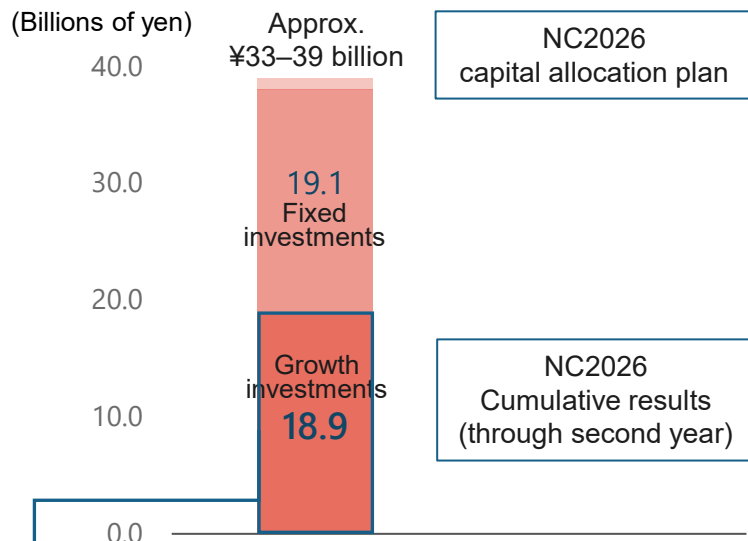
*Aggregated on a cash-out basis

*Digitalization-related investments are included in Fixed investment.

Business Investments and Earnings Contributions

- M&A projects, i.e., acquired companies, are steadily contributing to earnings. We will work to generate synergies with them as soon as possible.

Investments



<Major growth investments (cash-out basis)>

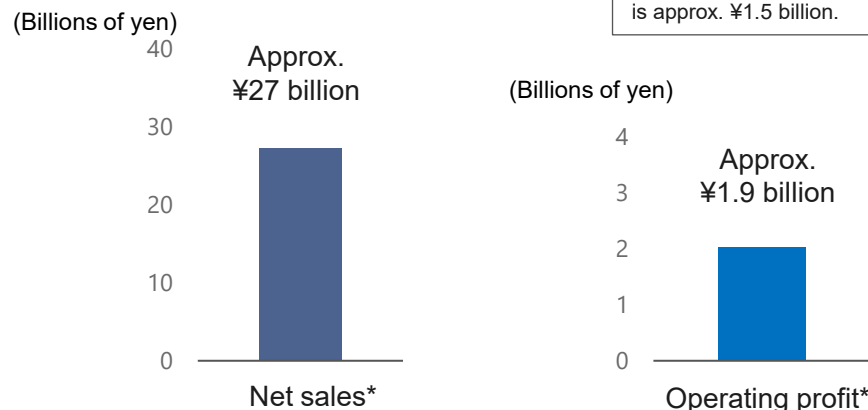
■ M&A

- Established Novacel Co., Ltd.
- Made Daigo Tsusho Co., Ltd. a subsidiary (partial investments)
- Made Satoen Co., Ltd. a subsidiary

■ Business investments, etc.

- Invested in environment and energy-related businesses
- Invested in semiconductor-related businesses
- Invested in materials for automobiles-related businesses
- Invested in food-related businesses
- Invested in resin additives and recycled resin-related businesses

Contributions from three acquired companies (single year)



*Sum of FY2025 results for Novacel, Daigo Tsusho, and Satoen. Operating profit is after goodwill amortization. Profit after deducting net income attributable to non-controlling interests is approx. ¥1.5 billion.

Anticipated synergies

■ Novacel

- Advance compound functions and strengthen development capabilities
- Strengthen competitiveness of the Plastics business

■ Daigo Tsusho, Satoen

- Strengthen sales capabilities through overseas expansion and e-commerce sites
- Expand into the downstream segment of the food business

■ Business investments, etc.

- Expand existing businesses by acquiring new marketing rights

Major investments from FY03/25 onward

Segment	Specific measures	Our objectives
Information & Electronics	Participated in biomass power generation projects	To expand environment and energy-related businesses
	Invested in a company engaged in the R&D, manufacture, and sale of semiconductor wafers	To expand semiconductor-related businesses
Chemicals	Enhanced production capacity for synthetic rubber and silicone rubber components	To expand materials for automobiles
Life Industry	Acquired Satoen, a company engaged in tea cultivation, production, and sales, as a subsidiary	To expand food-related businesses
	Invested in a company engaged in the production and sale of hydrolysates	
	Invested in a company engaged in the development, planning, and sale of plant-based meat alternatives	
Plastics	Established joint venture Novacel Co., LTD.	To enhance compounding capabilities in the Plastics business
Information & Electronics / Plastics	Invested in a high-performance filler production company	To achieve the lightweighting and recycling of plastic products

2. Outlook for the Final Year of “NC2026”

Quantitative Outlook

- Amid an uncertain global economic outlook due to the worsening situation in the Middle East, we will strive to leverage our onsite capabilities to achieve the final year targets of NC2026.

(Billions of yen)

	Second Year of NC2026 FY03/26
	Full-year Actual
Net sales	832.7
Operating profit	26.1
Operating profit margin	3.1%
Ordinary profit	27.7
Profit attributable to owners of parent	20.6
EPS (JPY)	384.84
ROE	9.3%
Net debt/equity ratio	0.06 times
Equity ratio	47.3%
Exchange rate (USD/JPY)	¥150.67

Final Year of NC2026 FY03/27		
Full-year Forecast	Target*	Difference
890.0	950.0	-60.0
27.5	27.0	+0.5
3.1%	2.8%	+0.3%
27.5	26.0	+1.5
21.0	19.0	+2.0
393.39	-	-
10% or more	10% or more	10% or more
0.5 times or less	0.5 times or less	0.5 times or less
Approximately 50%	Approximately 50%	Approximately 50%
¥155.00	¥145.00	+¥10.00

Quantitative Outlook by Segment

- We expect to achieve final-year operating profit targets in the Chemicals, Life Industry, and Plastics segments. For the Information & Electronics segment, the business environment is likely to remain generally challenging.

(Billions of yen)

Segment	Second Year of NC2026 FY03/26	
	Full-year Actual	
	Sales	Operating profit
Information & Electronics	239.3	7.04
Chemicals	125.1	3.54
Life Industry	60.1	2.21
Plastics	407.9	13.22
Other	0.1	0.13
Total	832.7	26.16

Final Year of NC2026 FY03/27					
Full-year Forecast		Target*		Difference	
Sales	Operating profit	Sales	Operating profit	Sales	Operating profit
255.0	6.70	312.0	8.45	-57.0	-1.75
138.0	3.80	139.0	3.25	-1.0	+0.55
69.0	3.30	72.8	3.10	-3.8	+0.20
427.8	13.60	426.0	12.10	+1.8	+1.50
0.2	0.10	0.2	0.10	-	-
890.0	27.50	950.0	27.00	-60.0	+0.50

*Announced May 9, 2024

3. Summary of Financial Results for Q1 FY03/2027 and Full-Year Outlook

Consolidated Results Review – Q1 FY03/27

- Net sales, operating profit, and ordinary profit all reached record highs on a quarterly basis.

(Billions of yen)	Q1 FY03/26	Q1 FY03/27 (A)	YoY change		FY03/27	
			Amount	%	Forecast* (B)	Progress rate (A)/(B)
Net sales	204.1	243.6	+39.5	+19.4%	890.0	27.4%
Operating profit	6.6*	9.8	+3.2	+48.8%	27.5	35.8%
Ordinary profit	7.3*	10.1	+2.7	+38.0%	27.5	37.0%
Profit attributable to owners of parent	6.0*	6.3	+0.3	+5.6%	21.0	30.4%
Exchange rate (USD/JPY)	144.59	159.57	+14.98		155.00	

Net sales:

Sales volume and average selling prices increased across all business segments.

Operating profit:

Operating profit expanded due to an increase in our gross profit margin.

Ordinary profit:

Despite a decrease in dividend income, ordinary profit grew thanks to the expansion in operating profit.

Profit attributable to owners of parent:

Profit increased despite the absence of gains on sales of investment securities, reflecting higher ordinary profit.

*Announced May 11, 2026

*Retroactive revisions to the results for the first quarter of the fiscal year ended 03/26 (Operating profit, ordinary profit - 12 million yen, profit attributable to owners of parent - 7 million yen) due to the finalization of the provisional accounting treatment related to the business combination.

Balance Sheet

- Notes and accounts receivable - trade, notes and accounts payable - trade, inventories, and short-term loans payable increased due to favorable performance.

(Billions of yen)

Assets	End-FY03/26	End-June 2026	Change
Cash and deposits	76.8	67.9	-8.9
Notes receivable - trade	25.5	29.3	+3.8
Accounts receivable- trade	179.4	199.3	+19.8
Inventories	96.5	110.2	+13.6
Other current assets	15.6	15.3	-0.3
Property, plant and equipment	28.4	28.7	+0.3
Intangible assets	13.7	14.0	+0.3
Investment securities	42.6	43.9	+1.3
Other fixed assets	19.3	19.0	-0.2
Total assets	498.1	527.9	+29.8
Current ratio	213.6%	203.1%	

Liabilities and net assets	End-FY03/26	End-June 2026	Change
Notes and accounts payable - trade	124.9	138.6	+13.6
Short-term loans payable	37.1	47.4	+10.3
Other current liabilities	22.4	21.7	-0.6
Bonds payable	25.0	25.0	-
Long-term loans payable	27.7	27.7	-0.0
Other non-current liabilities	14.9	15.3	+0.3
Shareholders' equity	180.4	183.3	+2.8
Accumulated other comprehensive income	55.3	58.1	+2.7
Non-controlling interests	10.1	10.6	+0.5
Total liabilities and net assets	498.1	527.9	+29.8
Equity ratio	47.3%	45.7%	

Net Sales and Operating Profit by Business Segment

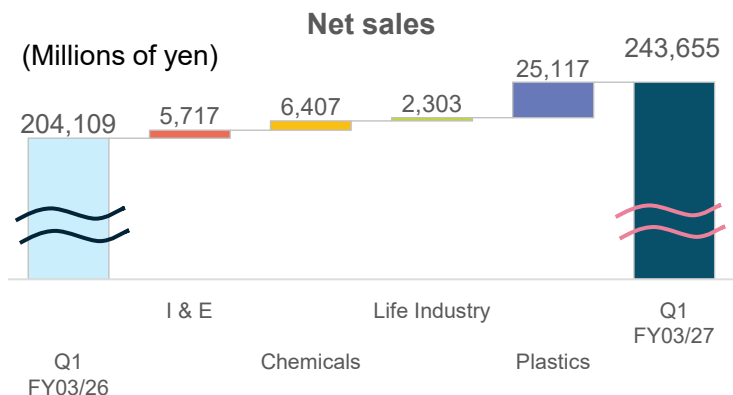
- All segments achieved increases in both net sales and operating profit.
Profit rose substantially in Chemicals and Plastics

	(Millions of yen)	Q1	Q1	YoY change		FY03/27 Forecast	Progress rate
		FY03/26	FY03/27	Amount	%		
Information & Electronics	Net sales	60,206	65,923	+5,717	+9.5%	255,000	25.9%
	Operating profit	1,955	2,180	+225	+11.5%	6,700	32.5%
Chemicals	Net sales	30,009	36,417	+6,407	+21.4%	138,000	26.4%
	Operating profit	776	1,368	+591	+76.1%	3,800	36.0%
Life Industry	Net sales	14,441	16,744	+2,303	+16.0%	69,000	24.3%
	Operating profit	553*	825	+271	+49.1%	3,300	25.0%
Plastics	Net sales	99,406	124,523	+25,117	+25.3%	427,800	29.1%
	Operating profit	3,287	5,427	+2,139	+65.1%	13,600	39.9%
Other	Net sales	45	45	+0	+1.3%	200	23.0%
	Operating profit	34	33	+0	-1.7%	100	33.5%
Total	Net sales	204,109	243,655	+39,546	+19.4%	890,000	27.4%
	Operating profit	6,608	9,835	+3,227	+48.8%	27,500	35.8%

*Retroactive revision (- 12 million yen) to the actual operating profit of the Life Industry segment for the first quarter of the fiscal year ended 03/26 due to the finalization of the provisional accounting treatment related to the business combination.

Net Sales and Operating Profit by Business Segment

Main Reasons for Increase/Decrease in Net Sales and Operating Profit

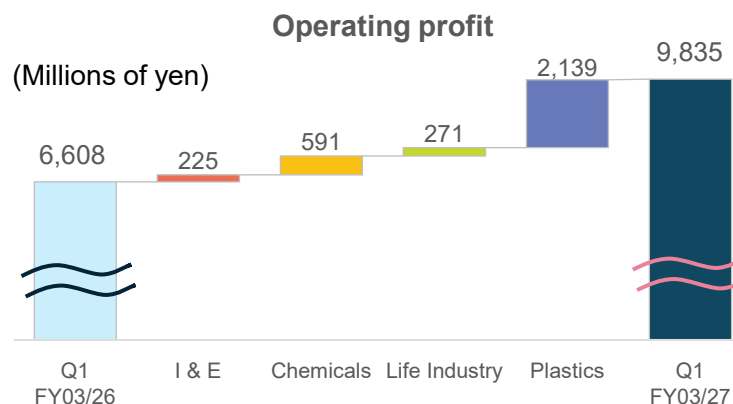


Information & Electronics

- Significant increase in sales of semiconductor-related materials
- Solid sales of FPD-related products
- Return to growth in sales of solar power generation-related materials

Chemicals

- Increase in both sales volume and average selling prices across product categories driven by higher raw material prices and increased demand for alternative materials amid heightened tensions in the Middle East
- Particularly strong sales of resin raw materials and additives, as well as raw materials for automotive parts



Life Industry

- In the life science business, higher sales of pharmaceutical raw materials in Japan and overseas.
- Strong sales of processed marine products for conveyor-belt sushi restaurants and mass retailers in Japan, as well as growth in export sales of matcha, in the food-related business

Plastics

- Increase in both sales volume and average selling prices across product categories, reflecting higher raw material prices amid escalating tensions in the Middle East and efforts by some customers to secure inventory
- Higher automotive-related sales globally, led by Japan and India
- Increase in selling prices of commodity plastics

4. Shareholder returns

Basic Policy on Shareholder Return

(Partially amended effective from the fiscal year ending March 2027)

- In addition to progressive dividends and the total return ratio, the Company has introduced dividend on equity (DOE) to clarify its policy of appropriately distributing the results of profit growth in consideration of the level of shareholders' equity.

Indicators, etc.	Until FY03/26	From FY03/27
DOE (Dividend on equity) *	-	Newly introduced <u>The guideline for the total amount of dividends is a dividend on equity (DOE) of 4 to 4.5%.</u>
Progressive dividends	We will ensure that dividend per share does not decline year on year by continually increasing our dividends.	Continued We will ensure that dividend per share does not decline year on year by continually increasing our dividends.
Total return ratio*	The target total return ratio is roughly 50%.	Partially revised In principle, the total return ratio for each fiscal year is <u>at least 50%.</u>

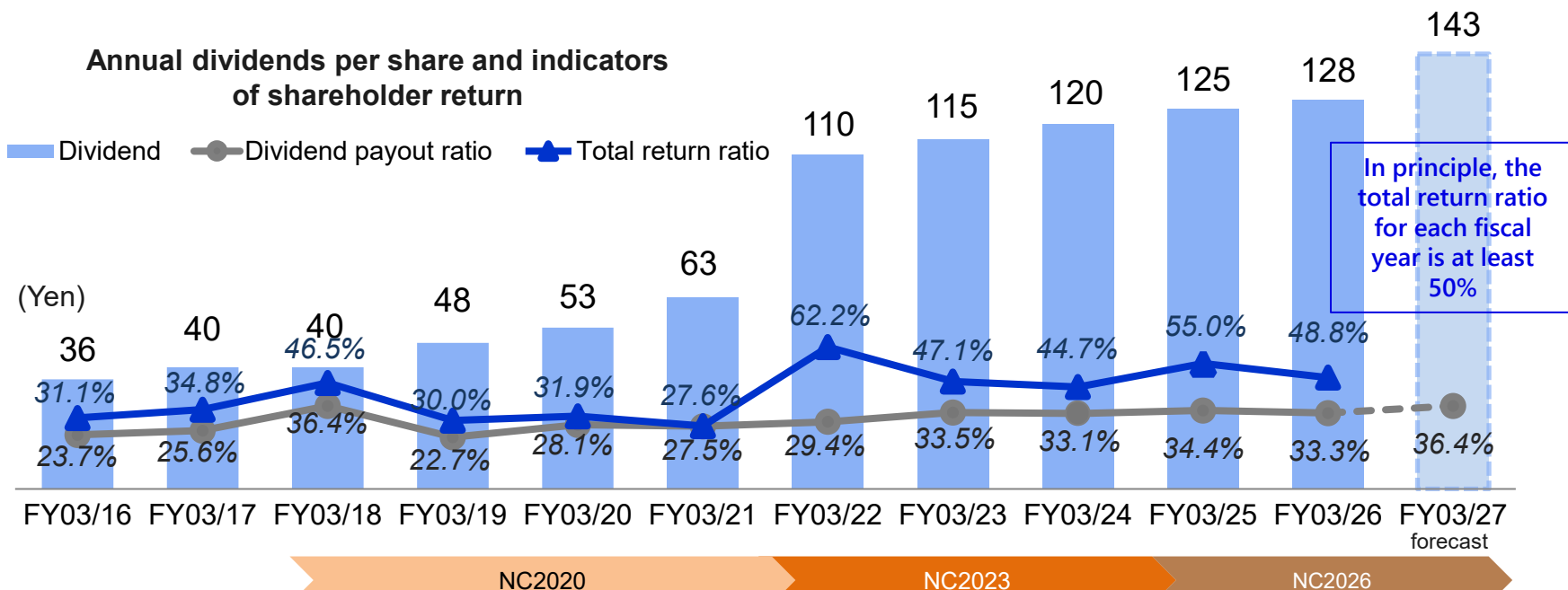
* Underlined portion indicates the amendment

*DOE (%) = Total annual dividends ÷ Shareholders' equity × 100

*Total return ratio (%) = (dividend amount + amount of treasury shares acquired) ÷ consolidated net income × 100

Shareholder Return

- For FY03/27, we plan to pay an annual dividend of ¥143 per share, with an increase of ¥15.
(interim: ¥70 per share; year-end: ¥73 per share).



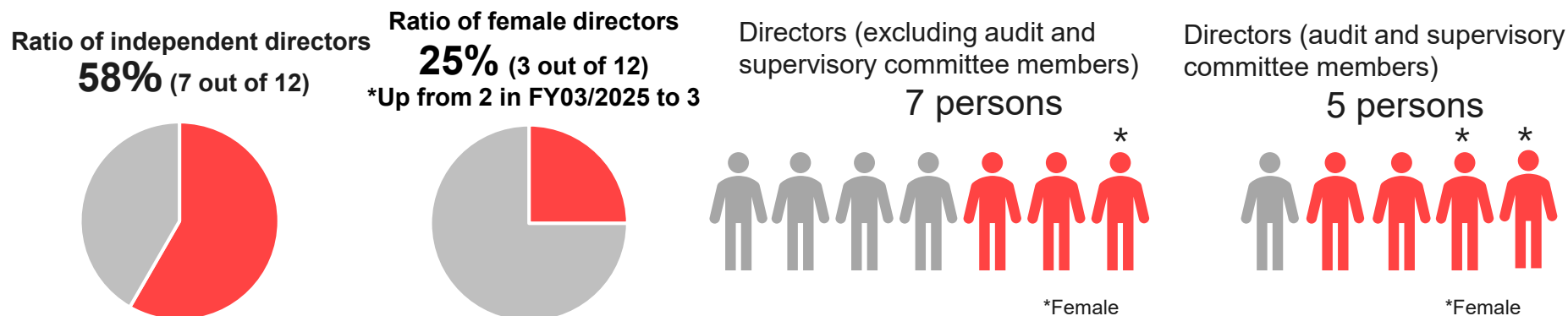
Treasury shares	FY03/16	FY03/17	FY03/18	FY03/19	FY03/20	FY03/21	FY03/22	FY03/23	FY03/24	FY03/25	FY03/26	
Acquisition amount	707	891	679	936	425	-	7,499	2,635	2,229	4,079	3,208	(Millions of yen)
No. of shares Acquired	600	600	400	600	300	-	3,085	1,035	765	1,200	1,000	(Thousands of shares)
No. of shares cancelled	-	-	-	-	-	-	2,700	3,685	1,200	1,200	1,000	(Thousands of shares)

5. Corporate Governance

Corporate Governance Structure

Monitoring-type Board of Directors where independent directors account for more than half

⇒ To oversee the central theme of NC2026, “proactive investment,” the Board comprises independent directors with expertise and experience in global management, relevant businesses and industries, and risk management.



■ Nomination and Remuneration Committee

Ensures objectivity, fairness and transparency with respect to the appointment and dismissal of senior management, nomination of candidates for directors and executive officers, and determination of director remuneration

- Chairperson: Lead independent director
- Current membership: 1 internal director and 4 independent directors
- Held 11 times* during FY03/2026

* Interviews with director and executive officer candidates by the Nomination and Remuneration Committee (five interviews) were conducted solely by independent directors.

The Effectiveness Evaluation of the Board of Directors

Objective - To increase corporate value by enhancing the effectiveness and transparency of the Board of Directors; evaluation of the Board began in 2015

■ FY03/2025・FY03/2026

Self-evaluation of all directors using questionnaires underway ⇒ Plans to disclose results of the evaluation

■ FY03/2027

Third-party evaluation scheduled every three years

Evaluation results (self-evaluation) for FY03/2026

- ✓ The Board's operations received high marks overall
- ✓ Open and active discussions were confirmed
- ✓ Contributions from independent directors were recognized
- ✓ Support systems for independent directors are adequate
- ✓ The Nominating and Remuneration Committee and the Audit and Supervisory Committee are functioning appropriately
- ✓ Reporting on dialogue with investors and shareholders is sufficient

Key challenges going forward

- ✓ New risks arising from M&A and measures to address them
- ✓ Further discussion on issues regarding succession plans
- ✓ Risk tolerance and management
- ✓ Adequate communication of the Company's long-term competitive strengths to the capital market
- ✓ Promotion of diversity within the Company
- ✓ Status of the internal control system, including group-wide controls
- ✓ Sufficient information sharing and communication between the Nomination and Remuneration Committee and the Board of Directors

Reference

6. About Inabata

1) Summary of the Company

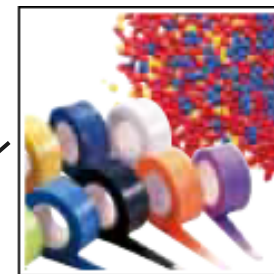
Summary of the Company

4 Business Segments

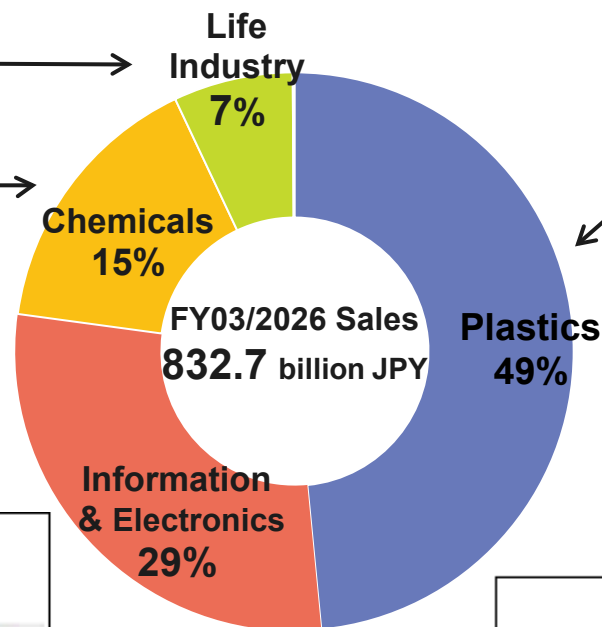
Operating in 4 segments: Information & Electronics, Chemicals, Life Industry and Plastics



Materials for pharmaceuticals and household products, agricultural and marine products



Plastic materials, compounds, various film and sheet products



Resin and rubber materials, materials and additives for paints, inks, adhesives
Lumber, laminated timber, housing equipment



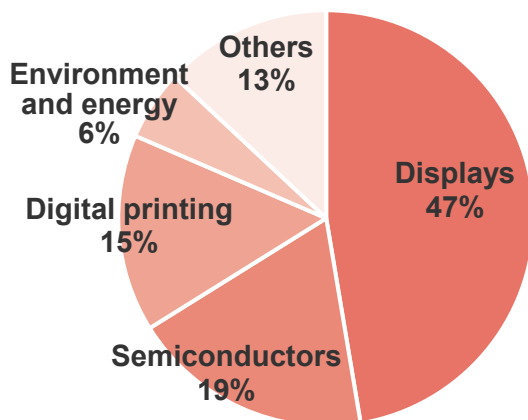
LCD and OLED components, inkjet and toner materials, solar cell and rechargeable battery-related, semiconductor-related

(Reference) Note: Figures are on a simple aggregate basis

FY03/26 Sales Composition of Products and Materials

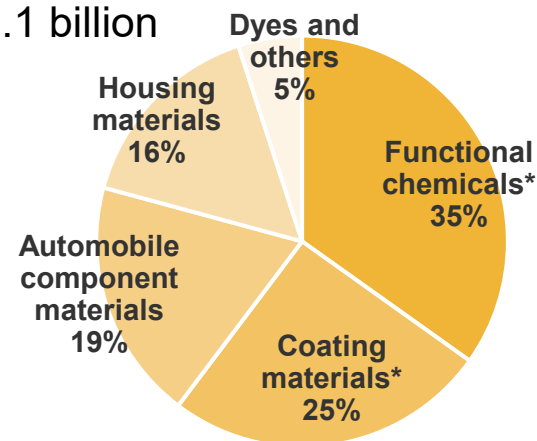
Information & Electronics

Sales ¥239.3 billion



Chemicals

Sales ¥125.1 billion

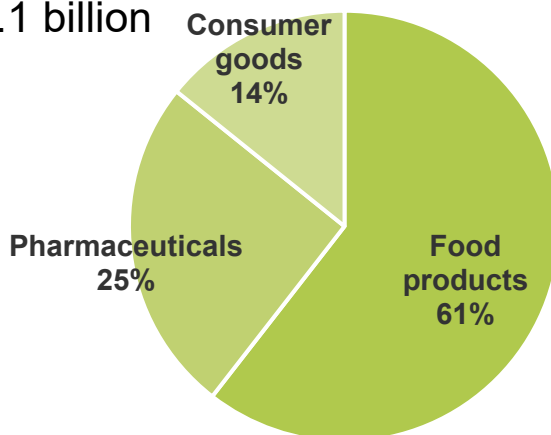


*Functional chemicals: resin materials, additives and chemicals for papermaking

*Coating materials: materials for paints, inks, and adhesives

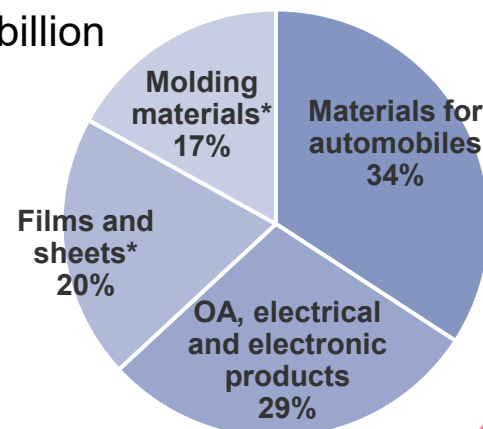
Life Industry

Sales ¥60.1 billion



Plastics

Sales ¥407.9 billion



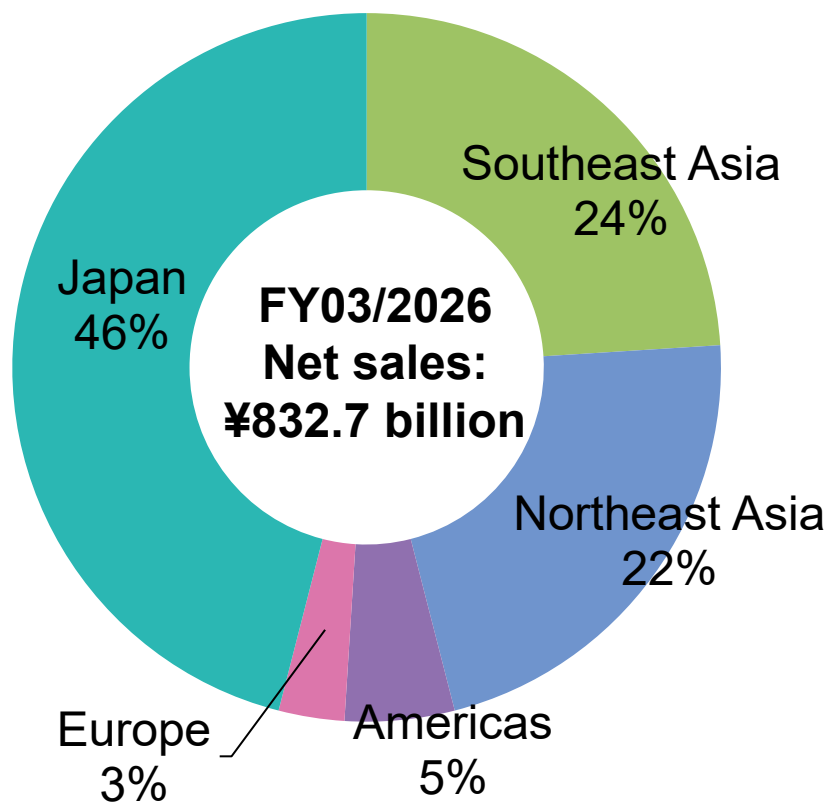
*Films and sheets: polyolefin resin materials, film-related, sports-related, and sheets-related

*Molding materials: molded plastic products and machinery for use with building materials, engineering materials, daily goods

Regional Development

Conducting business globally at about 70 locations in across 19 countries

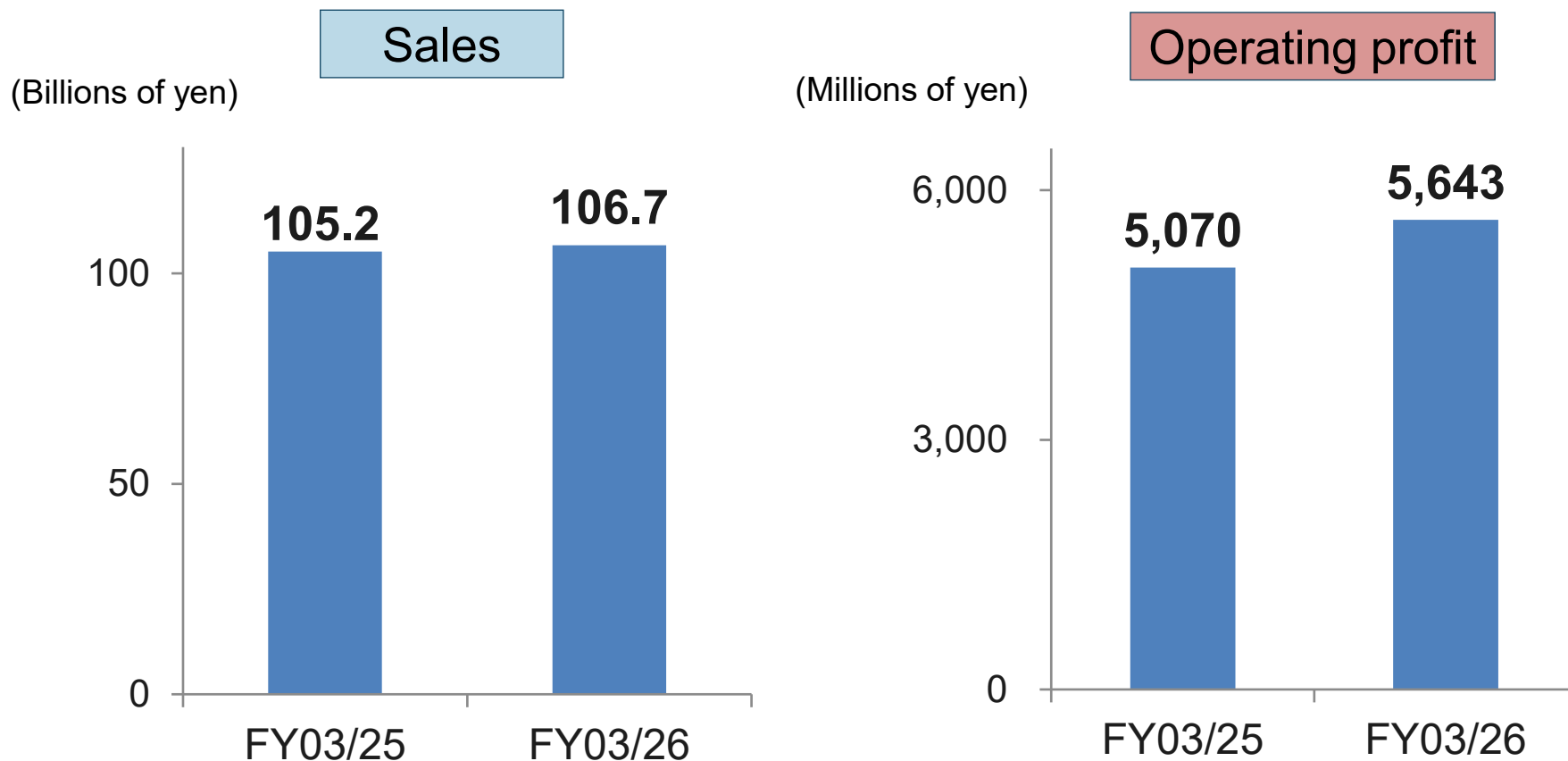
IK Group's sales by region



Sales and Operating Profit in the Manufacturing Sector

Manufacturing and processing businesses account for 10-20% of consolidated sales and operating profit. Positioned as a means of expanding trading functions

■ Overall operations remained firm, and profit margins improved.

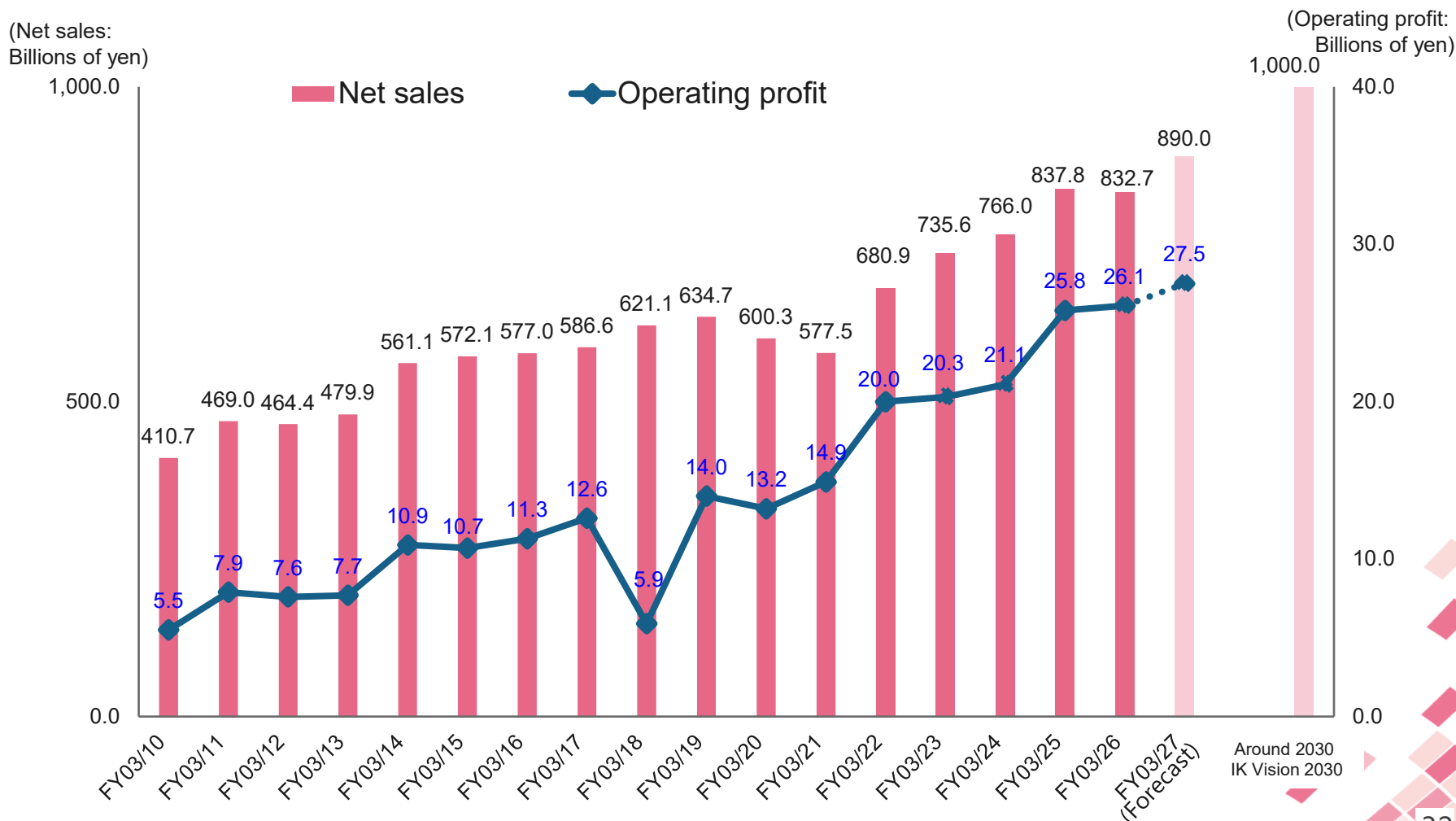


Note: Results for FY03/25 have been converted at the exchange rate for FY03/26 (USD1=JPY150.67).

2) Inabata's Strengths

【Reprinted】 Inabata's Strengths ~ (1) Performance Growth

■ Business performance is growing steadily, with record-high operating profit for six consecutive fiscal years.



Inabata's Strengths ~ (2) History, Client Base, and Human Capital

■ Founded in 1890, built up a client base (suppliers and customers) of about 10,000 companies during a history spanning more than 130 years

- Founded in 1890 as Inabata Senryoten in Kyoto. Since then, Inabata has expanded business, focused on the chemicals field, in response to modern customer needs. In addition to chemicals, our business spans a variety of categories, including electronics, precision equipment, automobiles, daily necessities, and housing-related products, enabling Inabata to secure stable earnings and explore innovative new products and applications.

■ A trading company specializing in chemicals with a global information network

- Inabata is a trading company specializing in chemicals with nearly 70 overseas bases in 19 countries. We have established a global information network and customer support system covering everything from product markets to raw material supply and demand, enabling us to respond in a timely manner to customer local production and overseas expansion needs.

■ Providing high-mix, low-volume production, VMI* functionality, and other added value

- Inabata provides added value by responding to customer needs for procurement and small lot production outsourcing. For example, we reduce procurement and logistics costs by establishing manufacturing and processing bases close to customers and consumers for customer procurement activities requiring a wide range of raw materials.

*Vendor Managed Inventory

■ Human resources embodying “business management with respect for people”

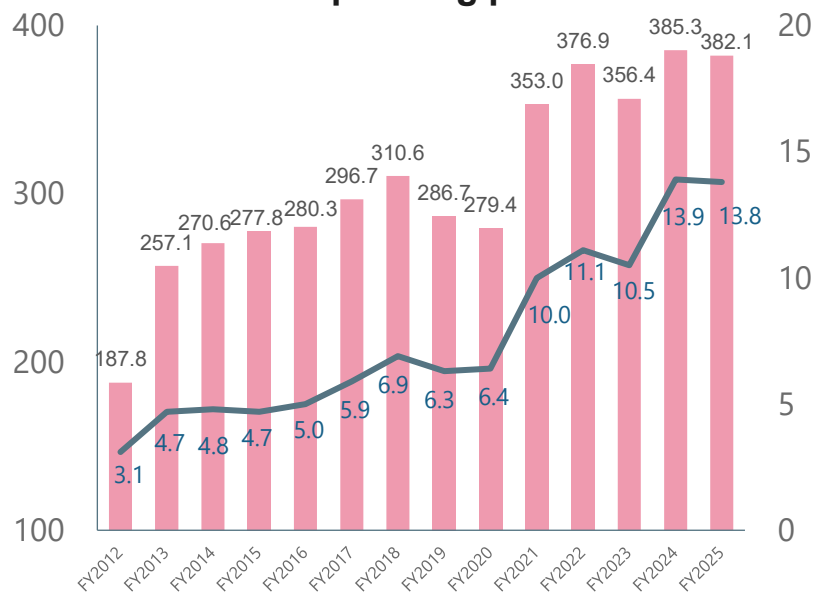
- Employees are the most important form of capital for trading companies, and Inabata provides high value by building relationships of trust with suppliers and customers based on the spirit of “love (*ai*)” and “respect (*kei*),” and a high level of expertise.

Inabata's Strengths ~ (3) Solid Business Base in Asia

- Established sales base in Singapore in 1976. We then expanded our network of bases to build a solid business foundation in Northeast and Southeast Asia (60 bases in 12 countries outside Japan).
- Our main focus in Northeast Asia is FPD materials. In Southeast Asia, we are expanding the plastics business by differentiating us from competitors through the compound business.

(Billions of yen)

Sales and Operating profit in Asia



Number of Locations and Personnel

Mar. 2026

Around 1980

3 bases
in 2 countries



60 bases in
12 countries

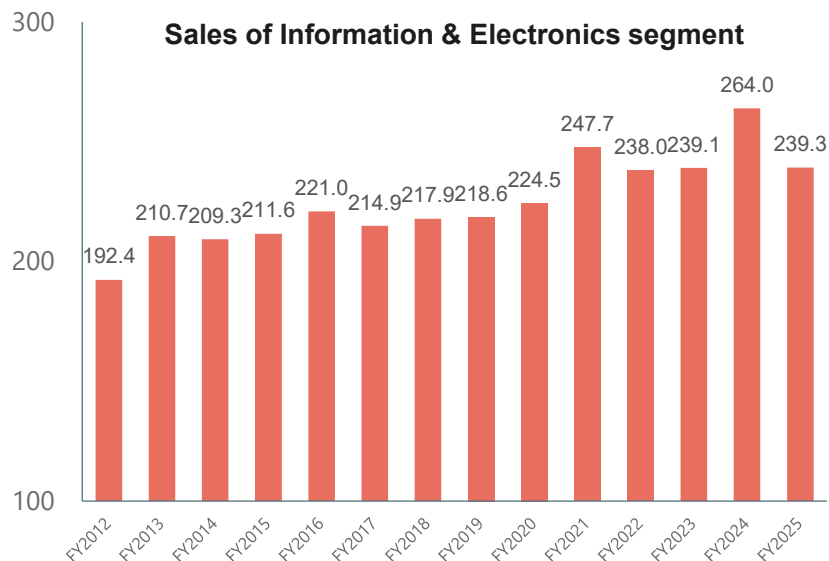
- Number of Personnel in Asia : 2,844
(Percentage of total consolidated basis 60%) *As of March 31, 2026



Developments in Asia ~Information & Electronics Segment

- **Expanding customer base and scope of business in response to changes in the FPD market environment, growing into a core business**
 - Rapidly responded to changes in the main panel manufacturing countries (Japan -> Taiwan · South Korea -> China) by developing personnel at local bases, initiating transactions with local manufacturers.
 - Launched business with polarizer raw materials, expanded product lineup to include polarizer, protective films, and alignment layer films, as well as OLED materials.
 - Developed business based on information from a wide range of customers, from raw material and component manufacturers, to panel manufacturers.
 - Leveraging the strong business foundation built through the FPD-related business, we are now focusing on the semiconductor-related business.

(Billions of yen)



Business Development Transition

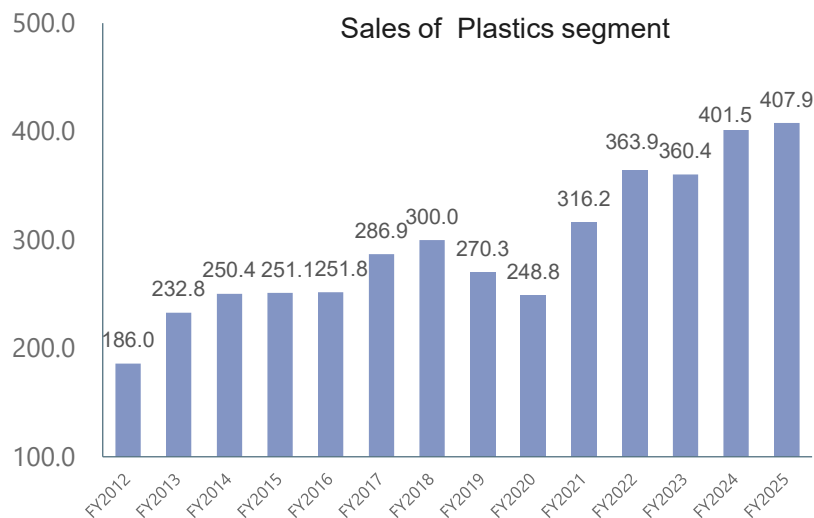
1990 s	• Started in 1990 from sales of polarizer materials (PVA films) • In 1993, launched sales of polarizer films to Japanese panel makers
2000 s	• Established polarizer film processing base in Taiwan in response to emergence of local leading panel makers. In 2001, took over a joint venture with Sumitomo Chemical Co., Ltd., assumed responsibility for sales, etc. • Among the first to start business with leading Chinese panel makers and capture market expansion (spread of notebook PCs, shift to FPD for TVs, and rapid growth of smartphones)
2010 s	• Developed a wide range of commercial products in response to trends toward OLEDs and next-generation FPDs

Developments in Asia ~Plastics Segment

- Expanded overseas in line with Japanese consumer electronics manufacturers transition to overseas production. Subsequently expanded into a global network of bases while cultivating customers in the office automation and automobile industries (overseas sales ratio exceeded 61% in FY2025).
- Producing resin compounds at seven bases in seven countries mainly in Asia. In addition to providing products meeting customer needs, we also made new proposals for resin materials.
- Points of differentiation from other companies
 - Versus major trading companies: Meticulous response to needs for a wide variety of products in small quantities
 - Versus small- to medium-sized trading companies: Support for customer overseas expansion

(Billions of yen)

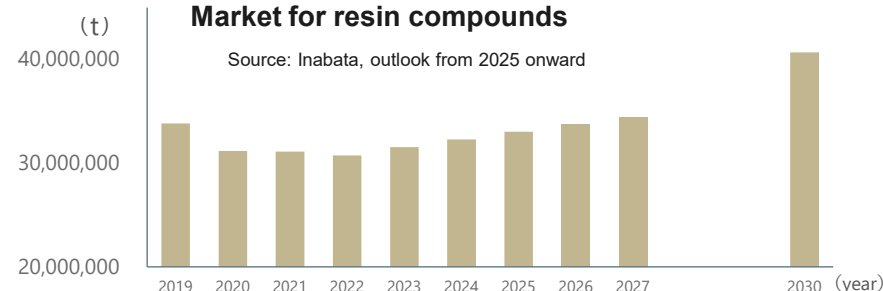
Sales of Plastics segment



Resin Market Environment

- Overall market growth of 2–3% per year is expected to remain stable.
- Declining trend in general-purpose applications such as plastic bags, tableware, and containers/packaging
- Automotive and other applications are expected to grow in line with demands for weight reductions and metal substitutions.
- Recycled materials are expected to increase amid expanding environmental regulations and decarbonization trends .

Market for resin compounds



Annual production capacity of resin compounds (MT/Y) As of July 1, 2026



7 locations in 7 countries Total annual production capacity: 198,000MT/year

Developments in Asia ~Plastic compound

■ Highest productivity in the industry

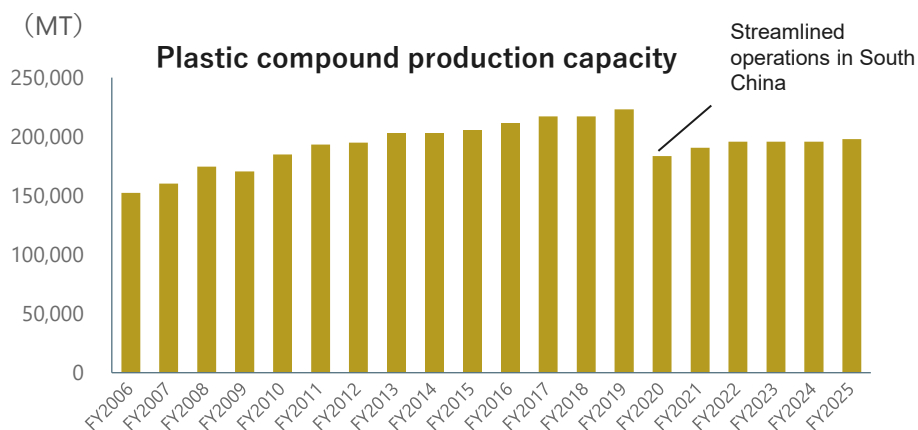
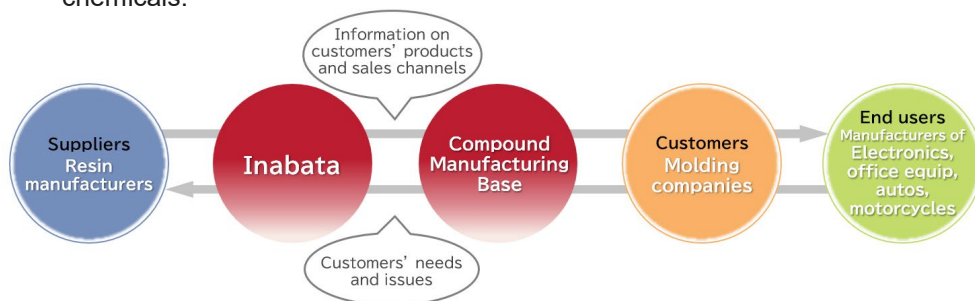
- With seven production bases in seven countries including China, Vietnam, and Indonesia (198,000 MT/year in total as of Dec 31, 2025), Inabata is among the largest production scales in the industry as a trading company-affiliated resin compounder.

■ Global customer support structure

- Integrated domestic and overseas customer support system, including overseas offices, provides prompt and useful information, one-stop price negotiation capabilities in Japan and overseas, and assurance of stable supply.

Business model for the plastic compound

- Differentiation by meeting customer needs for rapid delivery and high-mix low-volume production in close proximity to customer manufacturing bases
- Involvement in customer manufacturing processes enables Inabata to obtain up-to-the-minute product-related information starting from the development phase, leading to new proposals for plastic materials and chemicals.



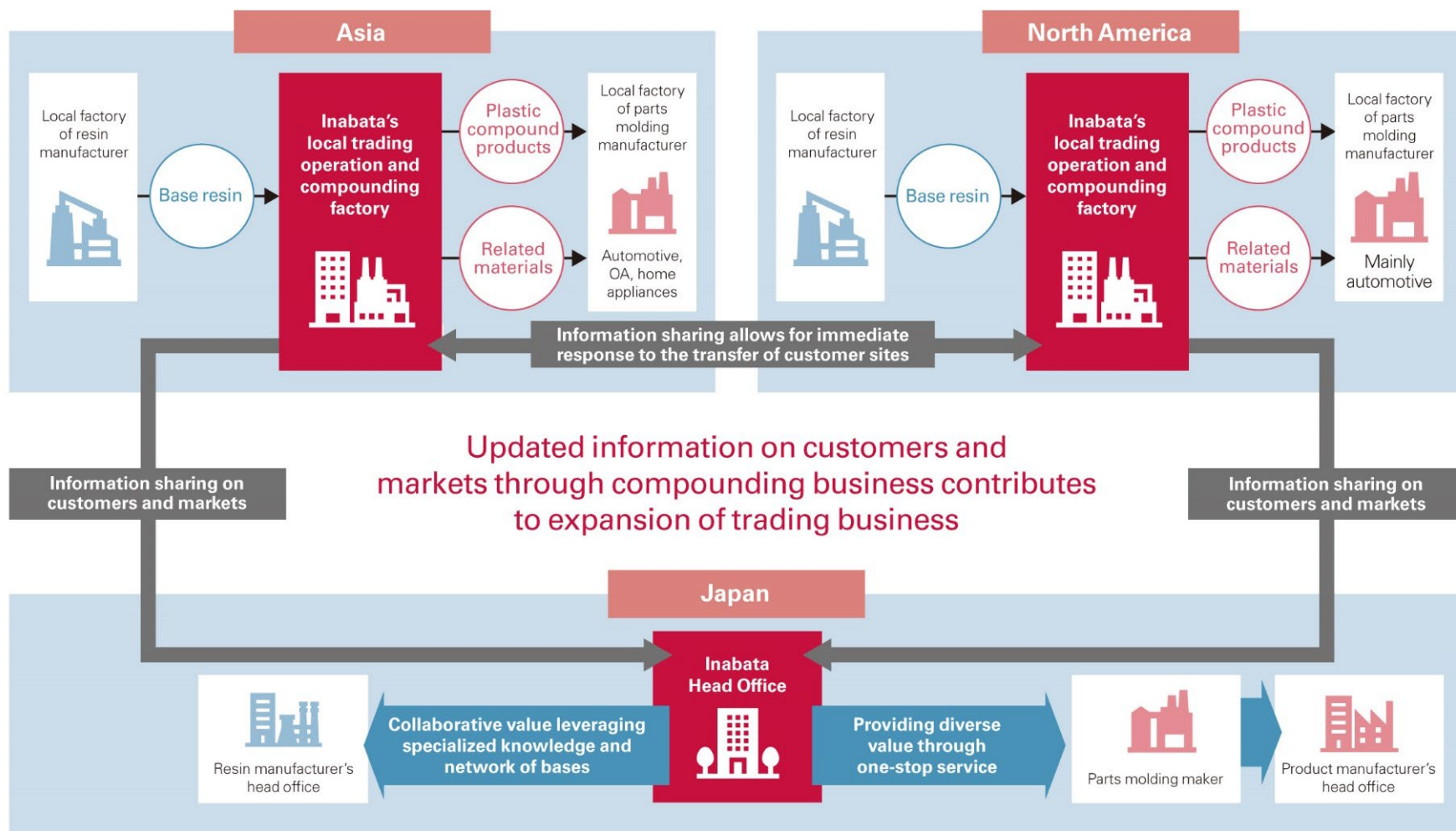
Joint venture with Daicel

- Established joint venture Novacel Co., LTD. to further enhance compounding functions and expand the plastics business

Aims of joint venture

- Acquire new production technologies and enhance quality controls
- Develop technical talent
- Augment development capabilities
- Increase manufacturing capability through introduction of production system

【Reference】 Business model for the plastic compound business



3) Our Medium-Term Management Plan Summary of “NC2026”

Company-wide Quantitative Targets (Announced May 9, 2024)

(Billions of yen)

	FY03/24 Actual	NC2026		
		FY03/25 Plan	FY03/26 Plan	FY03/27 Targets
Net sales	766.0	830.0	890.0	950.0
Operating profit	21.1	22.5	24.5	27.0
Ordinary profit	21.3	21.5	23.5	26.0
Profit attributable to owners of parent	20.0	17.0	17.5	19.0
ROE	10.5%	10% or more	10% or more	10% or more
Net debt/equity ratio	0.06 times	0.5 times or less	0.5 times or less	0.5 times or less
Equity ratio	46.8%	Approximately 50%	Approximately 50%	Approximately 50%
Exchange rate (USD/JPY)	¥144.59	¥145.00	¥145.00	¥145.00

Segment Quantitative Targets (Announced May 9, 2024)

(Billions of yen)

Segment	FY03/24 Actual		NC2026					
			FY03/25 Plan		FY03/26 Plan		FY03/27 Targets	
	Sales	Operating profit	Sales	Operating profit	Sales	Operating profit	Sales	Operating profit
Information & Electronics	239.1	6.90	256.0	6.55	283.0	7.20	312.0	8.45
Chemicals	112.6	2.78	124.8	2.85	132.0	3.05	139.0	3.25
Life Industry	53.5	1.48	61.0	2.20	66.8	2.60	72.8	3.10
Plastics	360.4	9.87	388.0	10.80	408.0	11.55	426.0	12.10
Other	0.1	0.13	0.2	0.10	0.2	0.10	0.2	0.10
Total	766.0	21.19	830.0	22.50	890.0	24.50	950.0	27.00

Overview

Long-term Vision “IK Vision 2030”

Medium-term Management Plan NC2026

Key themes:

- Accelerate growth through proactive investment
- Address key management priorities (materiality) under the Sustainability Medium-term Plan 2026

Company-wide Growth Strategy

Segment Growth Strategy

Management Base Strategy

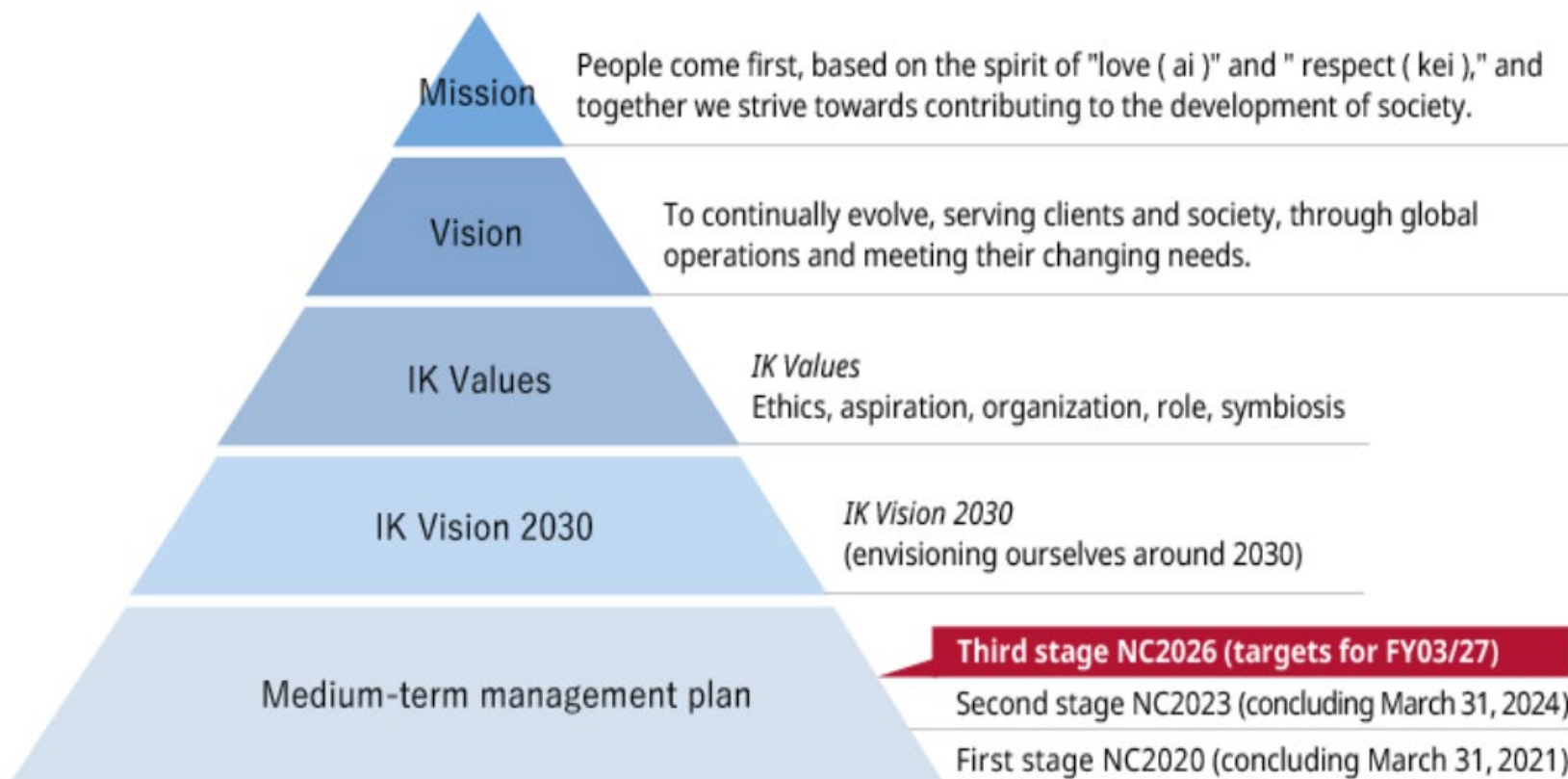
Financial Strategy

Sustainability Strategy
(including HR strategy)

Digital Strategy

Positioning of NC2026

- NC2026 is the third stage of the medium-term management plan on the way to our long-term vision.



【Reference】 Long-term Vision “IK Vision 2030”

Reach consolidated net sales of

¥1 trillion

Further enhancing multifaceted capabilities (such as manufacturing, logistics, and finance) in addition to trading

IK Vision 2030

At least **1/3** of business from segments other than Information & Electronics and Plastics

Overseas business

70% or more

Formulated in May 2017

NC2026 Company-wide Growth Strategy Summary

- Formulated a company-wide growth strategy in line with the long-term vision.

Consolidated sales Over ¥1 trillion

- » Approach: Expand earnings through proactive investment
- » Business domains: Expand environment-related business and life industry business such as food products

Enhance multifaceted capabilities

- » Differentiate and boost earnings by enhancing multifaceted capabilities (especially in manufacturing and logistics)

Business portfolio

- » Further develop key segments (Plastics, Information & Electronics)
- » Establish earnings pillar on par with key segments

Overseas ratio 70% or more

- » Further develop growth areas (especially in India, Mexico, and the Americas, in addition to the existing Asia sites)
- » Move into untapped areas (e.g., Eastern Europe)

3-1)

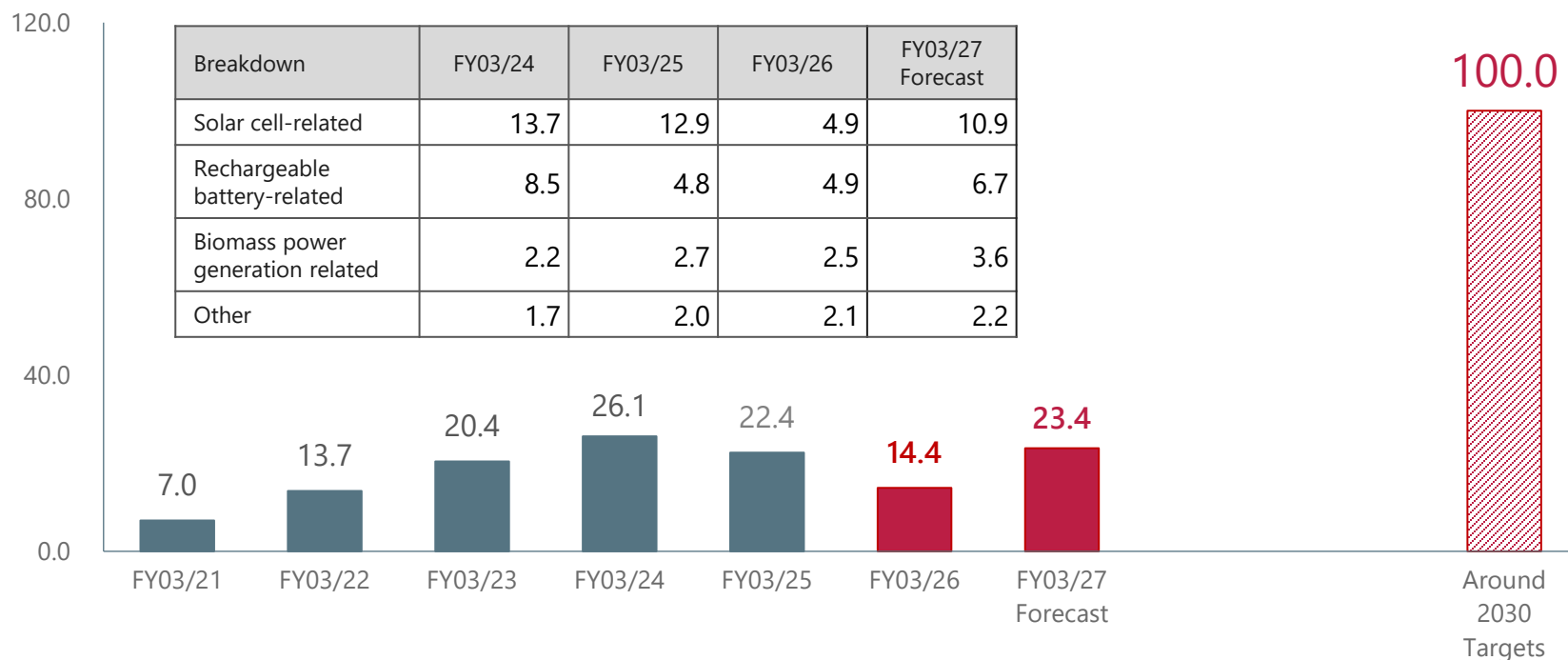
Growth Drivers under NC2026

Environment and Energy Field Expansion (Information & Electronics Segment)

- Amid global headwinds buffeting renewable energy and a slowdown in EV sales, the achievement of these targets is expected to be delayed.
- In light of rising global crude oil prices and growing risks related to dependence on the Middle East, we are closely monitoring trends in the business environment as we formulate our next medium-term management plan.

Accelerate expansion of environment and energy field
 — Aiming for sales of ¥100 billion around 2030

(Billions of yen) Environment & energy field sales

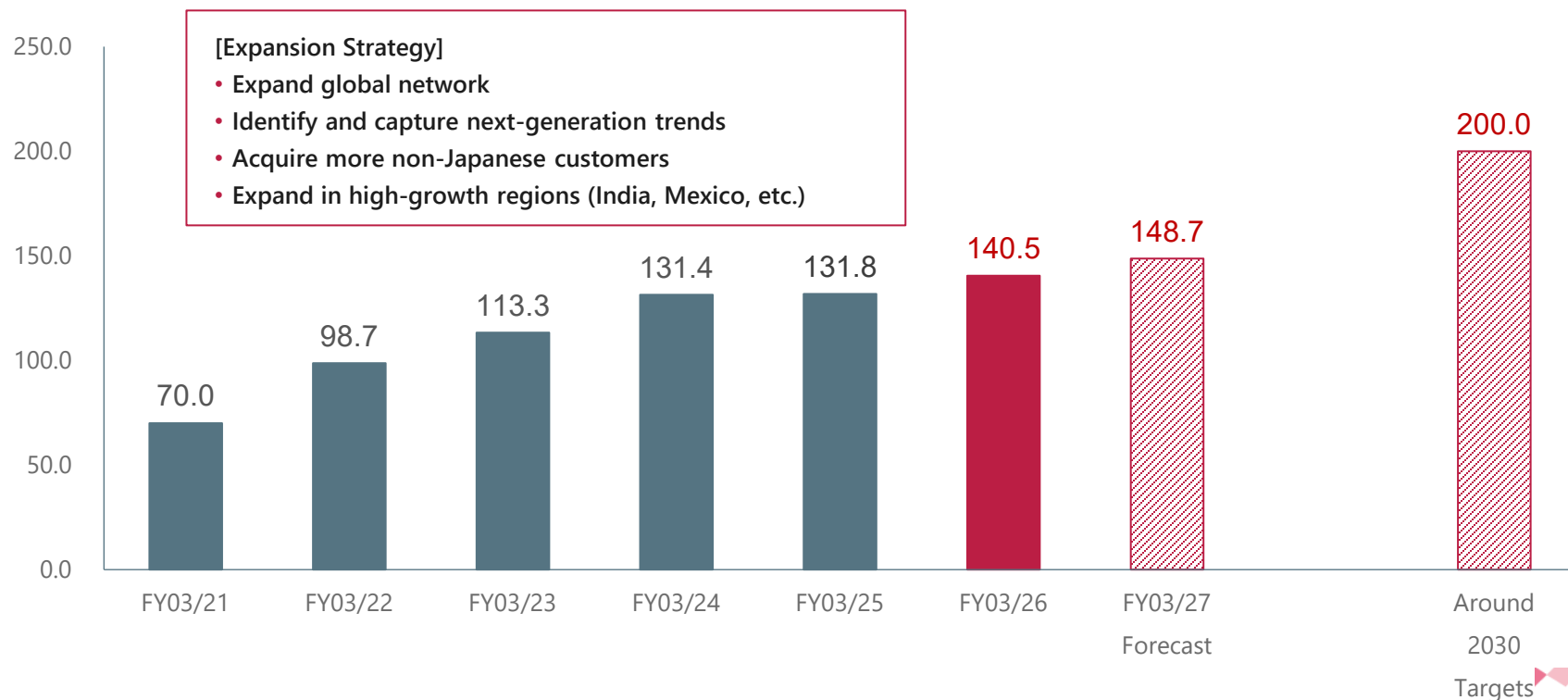


Automotive Resin Sales Expansion (Plastics Segment)

- Although global automotive production remained flat, expanded sales to non-Japanese automakers contributed to higher sales overall.
- In key regions, sales in Mexico remained flat YoY, while sales in India grew substantially.

Accelerate global expansion in the automotive field
— Aiming for sales of ¥200 billion around 2030

(Billions of yen) Sales of resins for automotive industry



3-2)

Management Base Strategy Financial Strategy

Basic Policy on Shareholder Return

(Partially amended effective from the fiscal year ending March 2027)

- In addition to progressive dividends and the total return ratio, the Company will introduce dividend on equity (DOE) to clarify its policy of appropriately distributing the results of profit growth in consideration of the level of shareholders' equity.

Indicators, etc.	Until FY03/26	From FY03/27
DOE (Dividend on equity) *	-	Newly introduced <u>The guideline for the total amount of dividends is a dividend on equity (DOE) of 4 to 4.5%.</u>
Progressive dividends	We will ensure that dividend per share does not decline year on year by continually increasing our dividends.	Continued We will ensure that dividend per share does not decline year on year by continually increasing our dividends.
Total return ratio*	The target total return ratio is roughly 50%.	Partially revised In principle, the total return ratio for each fiscal year is <u>at least 50%.</u>

* Underlined portion indicates the amendment

*DOE (%) = Total annual dividends ÷ Shareholders' equity × 100

*Total return ratio (%) = (dividend amount + amount of treasury shares acquired) ÷ consolidated net income × 100

NC2026 Management Base Strategy ~ Financial Strategy

Financial

Further improve capital efficiency

- Maintain ROE of 10% or more by boosting business profitability and keeping shareholders' equity under control
- Steadily implement policy of reducing strategic shareholdings and utilize proceeds from sales (for investment and shareholder return)

Focus on shareholder returns (partially revised in FY03/2027)

- ① DOE (Dividend on equity) introduced
- ② Progressive dividends continued
- ③ In principle, the total return ratio is at least 50%

Implement measures to realize management conscious of cost of capital and share prices (achieve a share price level that regularly exceeds 1x P/B ratio as soon as possible)

- Maintain ROE above shareholders' cost of equity (10% or more)
- Enhance business value through steady implementation of growth strategies
- Reduce cost of shareholders' equity and foster growth expectations through enhanced information disclosure and dialogue (boosting P/E ratio)

3-3)

Management Base Strategy

Sustainability Strategy

Progress “Sustainability Mid-term Plan 2026”

- Sales in the environment-related business are lagging expectations, while other initiatives are progressing steadily.

Materiality : Creating sustainable value		
Contributing to a decarbonized and circular society; sustainable use of natural capital Contributing to safety, security, and well-being Providing value through resilience in procurement and supply functions		
KPI	FY2026 Target	FY2025 Actual *FY2024 results shown in angled brackets.
» Consoli- dated GHG emission (Scopes 1 and 2)	Reduce by 25% compared to FY2022 levels	To be disclosed in early September after obtaining third party assurance <12.9% reduction compared to FY2022>
» Consoli- dated Net sales of environment-related business	100 billion yen	36.8 billion < 43.5 billion >
» Consoli- dated The compliance management framework for chemical substances regulations in Japan and overseas	Understand and share trends in chemical substances regulations in Japan and overseas in a timely manner, and strengthen the compliance management framework	• Developed training content on chemical substance regulation and management • Conducted on-site visits to newly consolidated Group companies to identify issues • Conducted training primarily for new employees (including mid-career hires)
» Non Consoli- dated The Company's position on responsible procurement	Clarify the Company's position and communicate it internally and externally	• Issued a President's Message on Human Rights and Sustainable Supply Chain policies • Posted each policy on our corporate website (Japanese/English/Chinese languages)
» Non Consoli- dated Human Rights DD	Establish the human rights DD cycle for selected operations as a model case	Designed a questionnaire to ascertain the status of Group companies' initiatives to respect human rights, with implementation planned in FY03/27

Progress "Sustainability Mid-term Plan 2026"

- The employee engagement survey has been expanded in scope, and we aim to increase the positive response rate. Steady progress is being made on D&I-related items.

Materiality :
Strengthening the foundation
for business continuity

Respecting human rights in the spirit of love (ai) and respect (kei) and growing together with local communities
Fostering and strengthening the human capital driving the value creation
Enhancing governance and risk management

KPI		FY2026 Target	FY2025 Actual *FY2024 results are shown in angled brackets.
Consoli- -dated >> Employee engagement surveys (2025)	Response rate	at least 90%	88% < 82% >
	Positive response rate ① "I am satisfied to work at the Company" ② "I can identify with the Company's mission, vision, and managerial policy, and I want to work to achieve them,"	at least 80%	① 69% < 69% > ② 67% < 67% >
	Positive response rate across all items	at least 70%	64% < 63% >
>> Consoli- -dated	The implementation boundary for the human rights DD digital survey	Expand to the Group	Proposed a plan for implementation in 2026
>> Non Consoli- dated	Ratio of women in managerial positions	to at least 8% by March 2028, and to 10% by 2030	7.3% < 6.0% >
>> Non Consoli- dated	Ratio of mid-career hires	Maintain at around 50%	57% < 60% >
>> Non Consoli- dated	Ratio of male employees taking paternity leave	100% *1	100% *2 < 92.9% (13/14 persons) >
>> Non Consoli- dated	Rate of employment for persons with disabilities	Continue to exceed the legal rate (2.5%)	3.1% < 3.2% >
>> Consoli- -dated	Managerial appointments for local employees at overseas subsidiaries	Active implementation	The Management Council approved the framework for the executive appointment process, with implementation targeted during FY03/27.

*1 Based on the Company's policy allowing employees to take childcare leave until the child turns three years old, a 100% uptake rate indicates that all male employees whose spouses gave birth took childcare leave within three fiscal years, including the fiscal year in which the child was born.

*2 As childcare leave was made mandatory under a new system introduced in FY2023, the uptake rate for FY2025 is calculated based on the three years following the system's implementation (FY2023–FY2025). The calculation formula is as follows: Number of male employees who took childcare leave in FY2023–FY2025 (14 people) / Number of male employees whose spouses gave birth in FY2023 (14 people)

Progress “Sustainability Mid-term Plan 2026”

■ Made steady progress in health management and human capital investment-related items

Materiality :
Strengthening the foundation
for business continuity

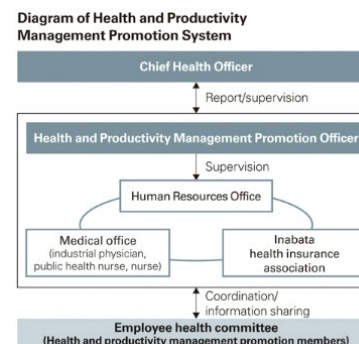
Respecting human rights in the spirit of love (ai) and respect (kei) and growing together with local communities
Fostering and strengthening the human capital driving the value creation
Enhancing governance and risk management

KPI		FY2026 Target	FY2025 Actual * FY2024 results are shown in angled brackets.
» Non Consolidated	Rate of complete checkup	100%	94.9% < 85.3 % >
» Non Consolidated	Comprehensive health risk found by stress checks *	Maintain at current levels	74 < 76 >
» Non Consolidated	Education and training costs per employee	Surpass the previous year's results each year	¥89,124 < ¥83,400 >
» Non Consolidated	Ratio of employees with overseas posting experience	Maintain at around 40%	38.5% < 38.6% >

* This indicator, calculated from stress checks, provides a comprehensive evaluation of how the work environment affects employee health. The national average is set to 100; a lower score indicates lower risk, meaning the lower the value, the more favorable the evaluation.

■ Certified for the first time as a White 500 Health & Productivity Management Outstanding Organization

- Certified for the first time as a White 500 Health & Productivity Management Outstanding Organization 2026, a distinction awarded to the top 500 companies in the large enterprise category
- Health and productivity management is promoted under a framework in which the president serves as the chief officer and the responsible executive serves as the promotion officer. The Human Resources Office, Medical Office, and Inabata Health Insurance Association work together on related initiatives. The Company also exchanges opinions and shares information with promotion members through the Employee Health Committee as needed, and discusses individual measures with employees.



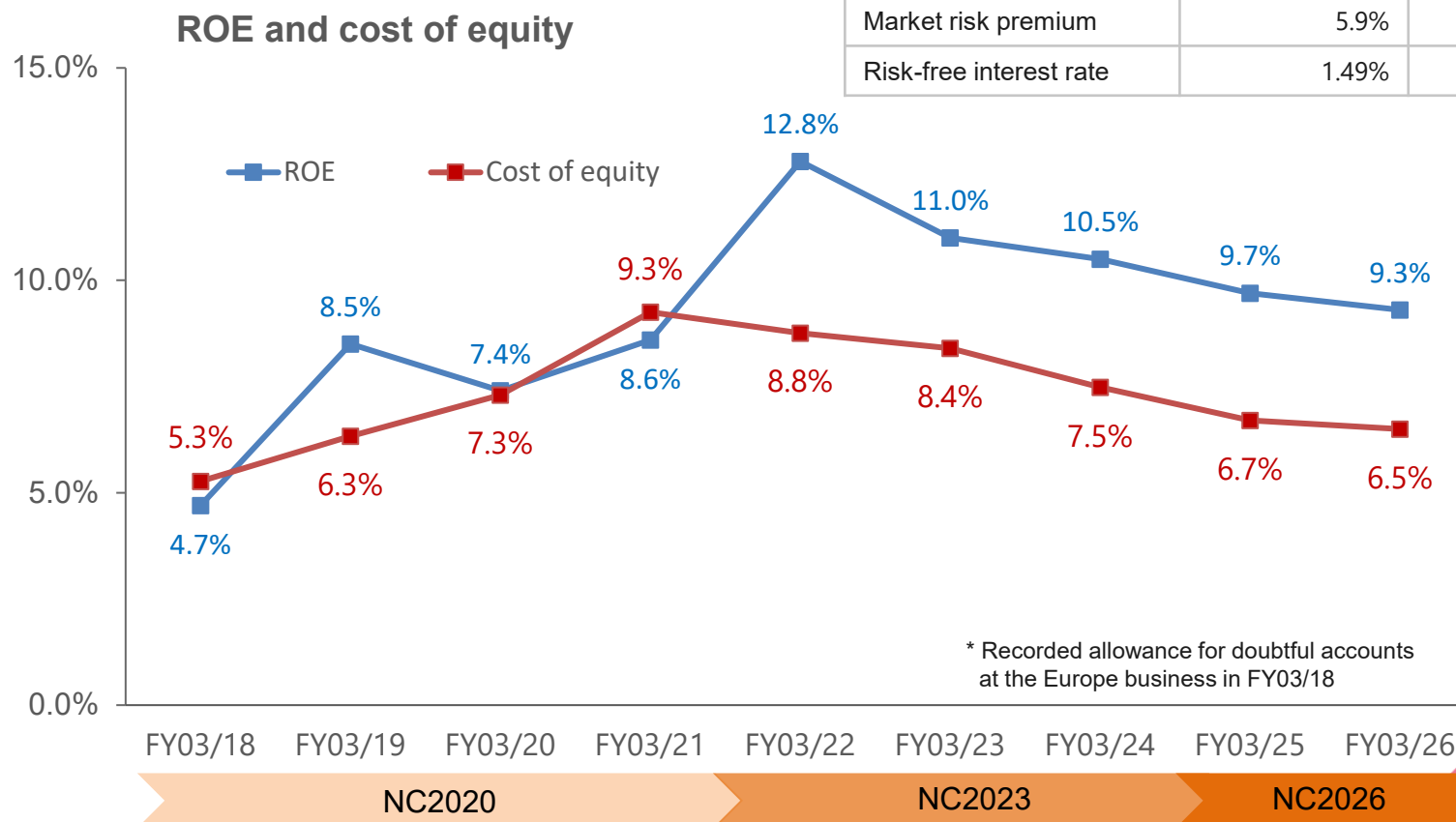
4) Measures to Realize Management Conscious of Cost of Capital and Share Prices

Cost of Capital vs. Return on Capital

- In FY03/26, although the cost of capital declined, ROE was lower and spreads contracted.

*Assumptions for calculating cost of equity Based on CAPM

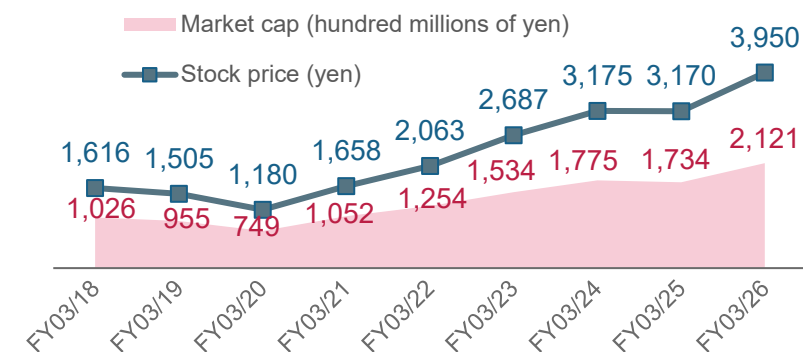
	End of Mar 2025	End of Mar 2026
β	0.89	0.73
Market risk premium	5.9%	5.8%
Risk-free interest rate	1.49%	2.24%



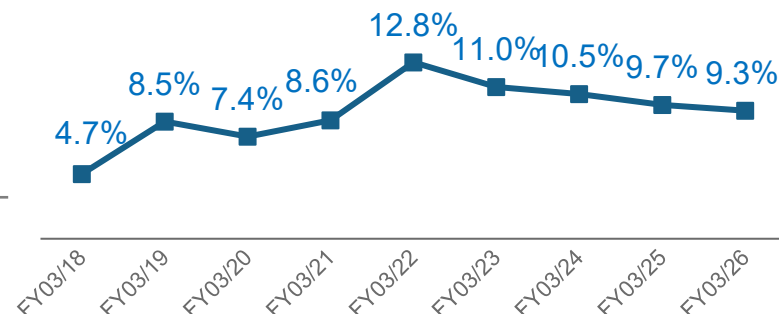
Share Price and the Market's Valuation of the Company

- Although the stock price and PER increased, ROE declined slightly, and PBR remained below 1x.
- We need to continue raising growth expectations by implementing growth investments and other measures steadily, while also strengthening initiatives to improve capital efficiency.

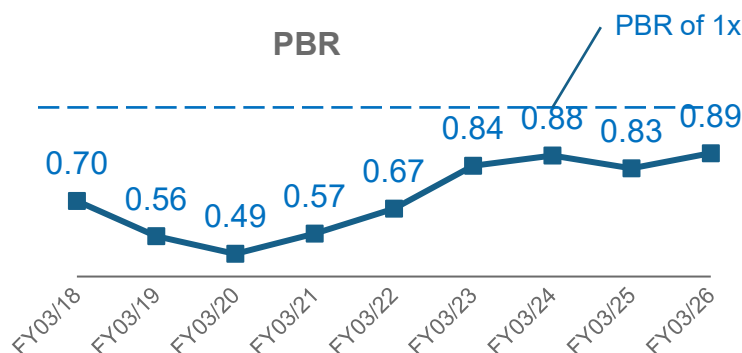
Stock price and market capitalization



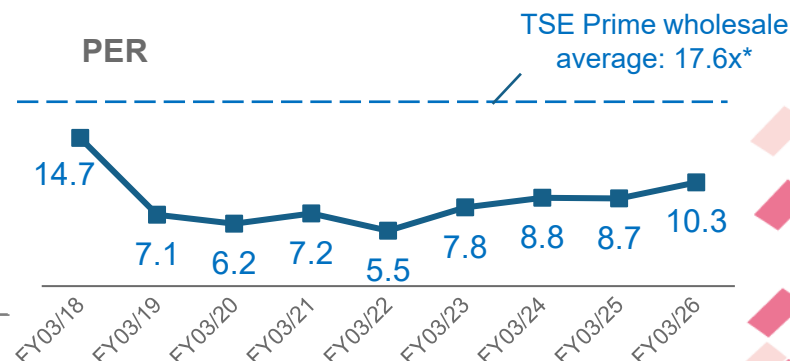
ROE



PBR



PER



*Recorded allowance for doubtful accounts at the Europe business in FY03/18

*All figures are as of the end of the fiscal year

*As of March 31, 2026 * Weighted average PER

Policies/Targets, and Timeline

- At a Board of Directors meeting, we have resolved on the following policies.

□ Policies

Increase the share price so that PBR stays above 1x at all times, as soon as possible, through the following four measures:

- ① Firmly implement growth strategies to drive sustainable growth in business value, and foster expectations for future profit growth (Growth)
- ② Maintain ROE of 10% or above (Capital efficiency)
- ③ Control and/or curtail the cost of capital, including by utilizing financial leverages (Curtail the cost of capital)
- ④ Continue buying back shares (Capital efficiency)

□ Introduction of new policies (from FY03/27)

We will strengthen shareholder return measures, including the introduction of dividend on equity (DOE), and strive to improve capital efficiency.

(See P20 for details.)

Initiative Progress and Reinforcement Direction

- We had already bolstered our efforts prior to the request from the Tokyo Stock Exchange and have achieved certain results.
- We will further strengthen these initiatives with the goal of reaching and consistently maintaining a PBR above 1.0 as soon as possible.

		~FY2022	FY2023~2024	FY2025~
		Significantly enhance shareholder returns	Track record of management conscious of cost of capital	Strengthen management conscious of cost of capital
Growth	Increase Business Value and Foster Growth Expectations	• Expanded the earnings foundation with a focus on mainstay businesses	• Based on the proactive investment policy, actively pursued M&A and business investments	• Earnings contribution has steadily increased, primarily from M&A deals. We will further step up our proactive investments. (See P9.)
Capital efficiency	Maintain ROE of 10% or above	• ROE exceeded the cost of capital, backed by improved earnings performance and enhanced shareholder returns	• Maintained ROE through share buybacks and cancellations	• Continued to repurchase our shares and cancel treasury stock. (P21) • We strengthen our shareholder return policy and further reinforce our commitment to improving capital efficiency. (P20)
Curtail the cost of capital	Control and/or curtail the cost of capital	• Strengthened corporate governance (transitioned to a structure in which independent directors make up half of the Board) • Reduced strategic shareholdings	• Reduced the cost of capital through improved earnings performance and enhanced market liquidity	• Credibility has improved through inclusion in various indices, including the JPX-Nikkei Index 400, and an upgrade in the company's issuer credit rating from A- to A. • We increase the number of individual meetings with institutional investors, analysts, and others.

Disclosure Methods and Dialogue Policies

■ Themes added to the medium-term management plan

- Added the achievement of a share price level higher than 1x PBR as quickly as possible as a strategic theme under the medium-term management plan *NC2026*. Inabata will pursue this goal with even greater commitment.

■ Disclosure methods

- We will continue providing an explanation of our progress on this issue at earnings briefing sessions held at the end of each term.

■ Dialogue policies

- Based on disclosed information, our executive officer in charge and IR Department will proactively engage in dialogues with investors through one-on-one IR meeting.
- The content of the dialogues will be disclosed on our website or corporate governance reports.

(Disclosed “Implementation Status of Dialogue with Shareholders in FY2025” on May 11, 2026)

- We will update our measures to reflect the content of the dialogues. Based on discussions held during previous dialogues, we have decided to strengthen our shareholder return policy starting FY03/26.

5) Other reference Materials

Reducing strategic shareholdings

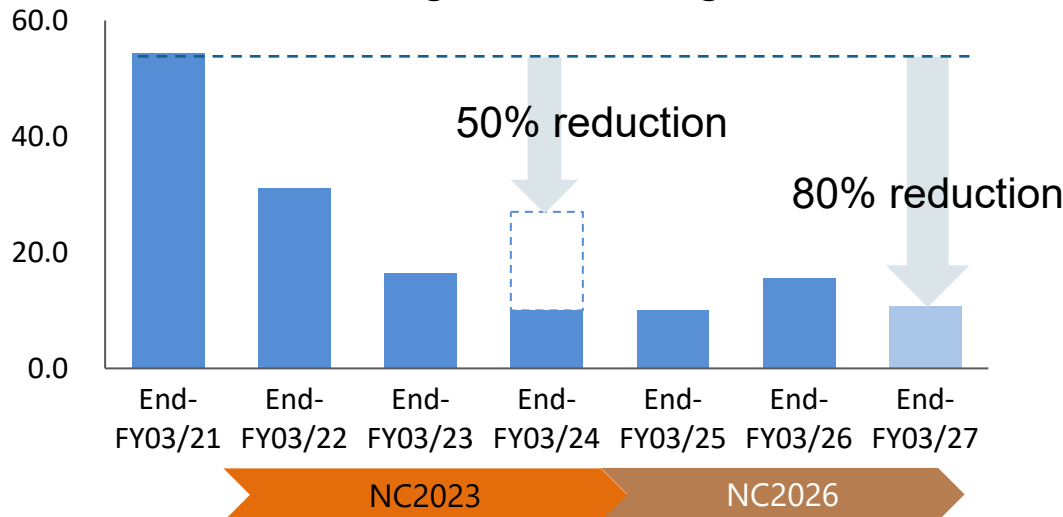
- **Steady progress in reducing strategic shareholdings (in FY03/26, despite progress in reduction, the balance of holdings increased due to rising market prices)**

Policy for reducing strategic shareholdings

- Reduce the balance of strategic shareholdings at the end of March 2021 by half during the three years of NC2023. **Achieved**
- Further reduce strategic shareholdings in the medium to long term, curtailing the balance of strategic shareholdings at the end of March 2021 by about 80% by the end of March 2027.

(Billions of yen)

Strategic shareholdings



Sales value of strategic shareholdings

*Only includes listed stocks in Japan

FY03/18	¥9,017 million
FY03/19	¥5,298 million
FY03/20	¥3,026 million
FY03/21	¥2,944 million
FY03/22	¥9,367 million
FY03/23	¥10,076 million
FY03/24	¥ 4,159 million
FY03/25	¥ 2,922 million
FY03/26	¥ 2,330 million

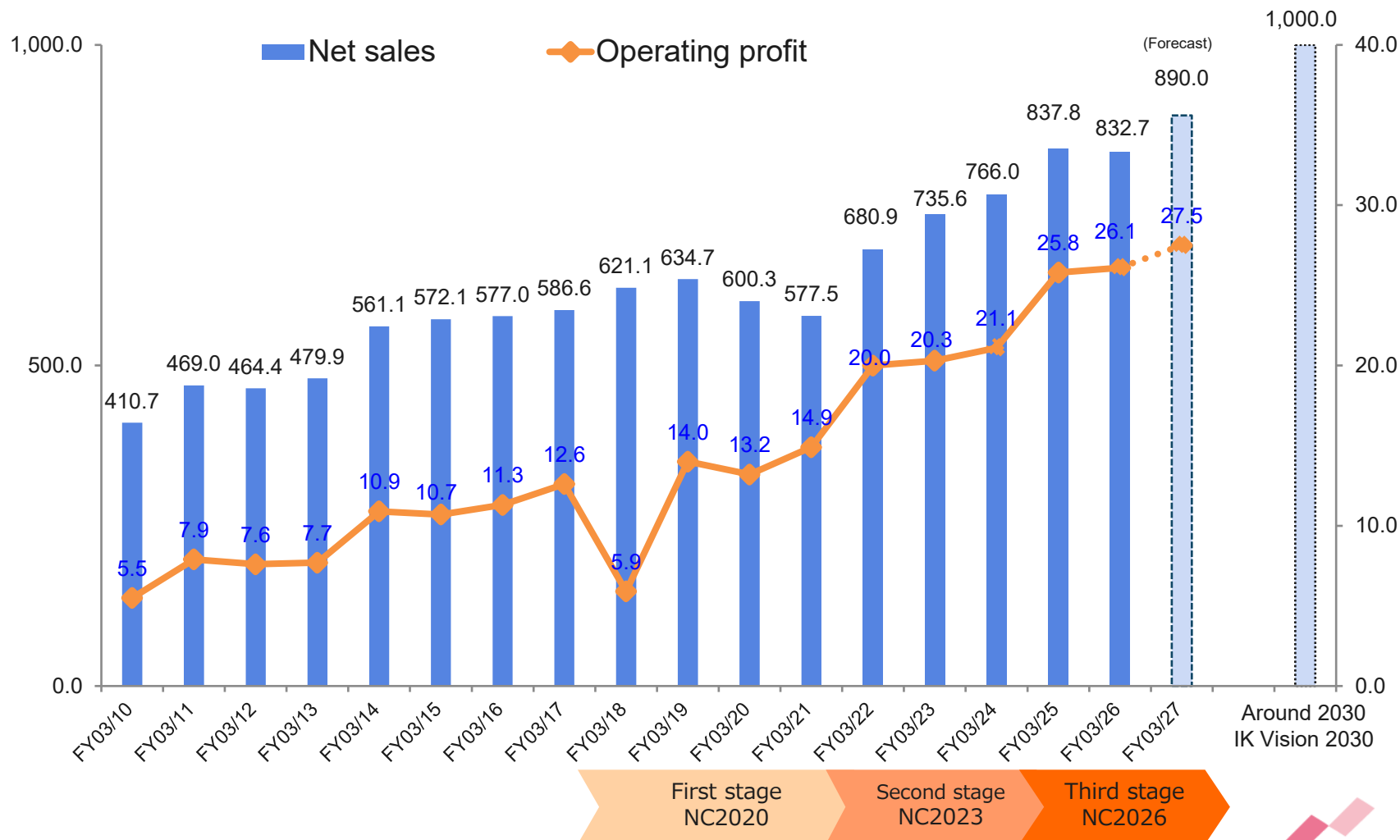
*The balance of strategic shareholdings in the graph only includes listed stocks in Japan.

*The balance of strategic shareholdings was calculated using share prices at the end of each term.

Net Sales and Operating Profit

(Net sales:
Billions of yen)

(Operating profit:
Billions of yen)



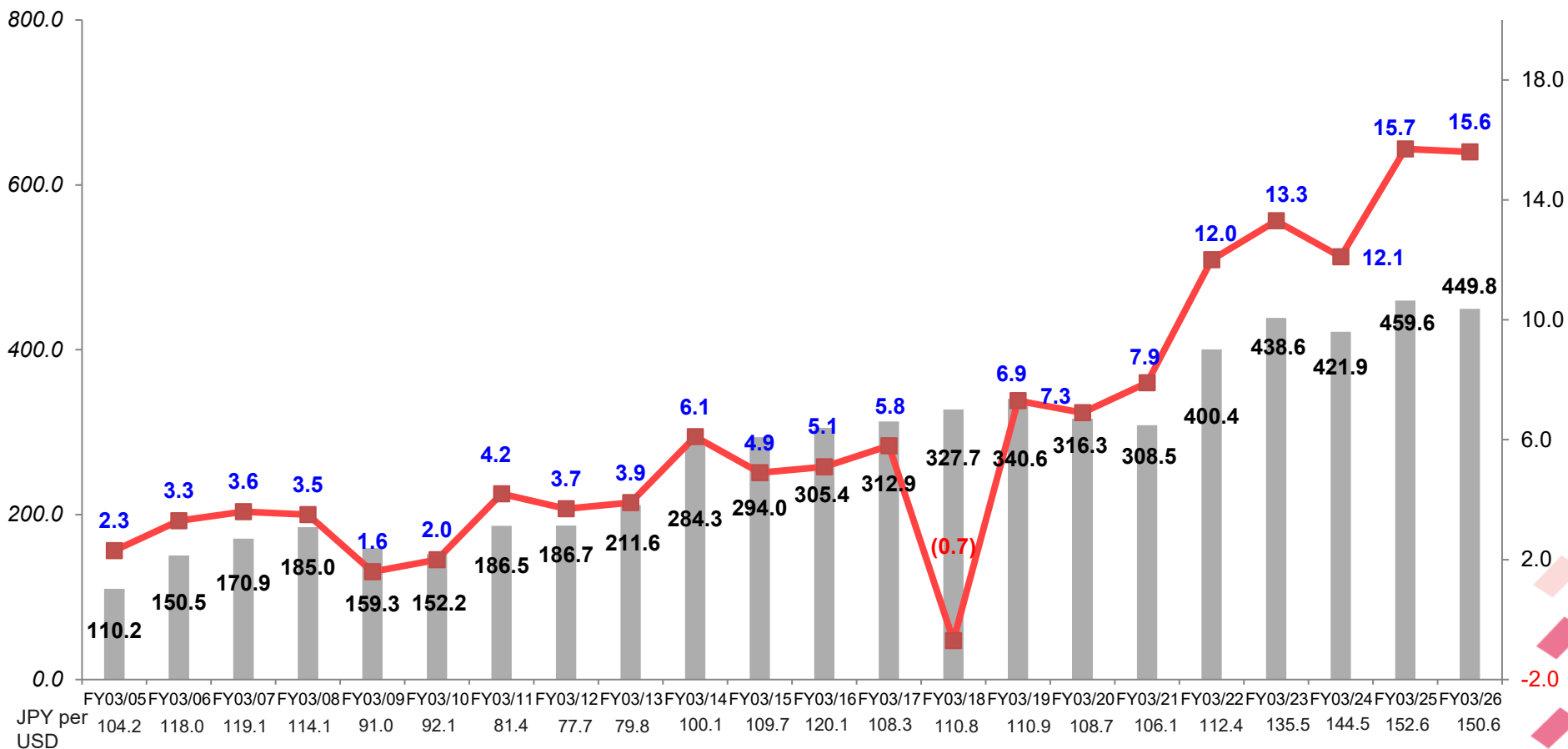
Overseas Sales and Operating Profit

(Net sales:
Billions of yen)

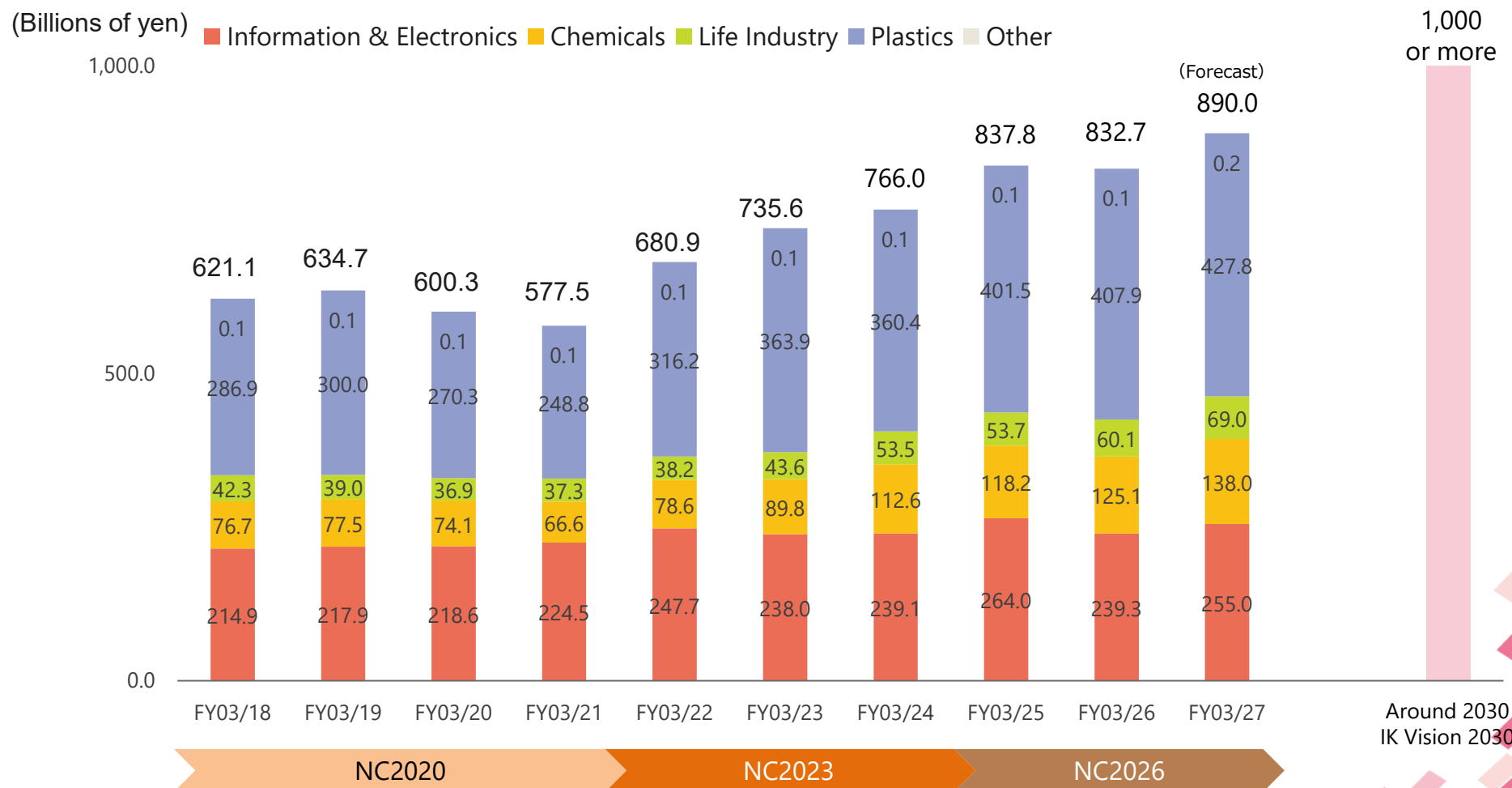
(Operating profit:
Billions of yen)

■ Net sales

■ Operating profit

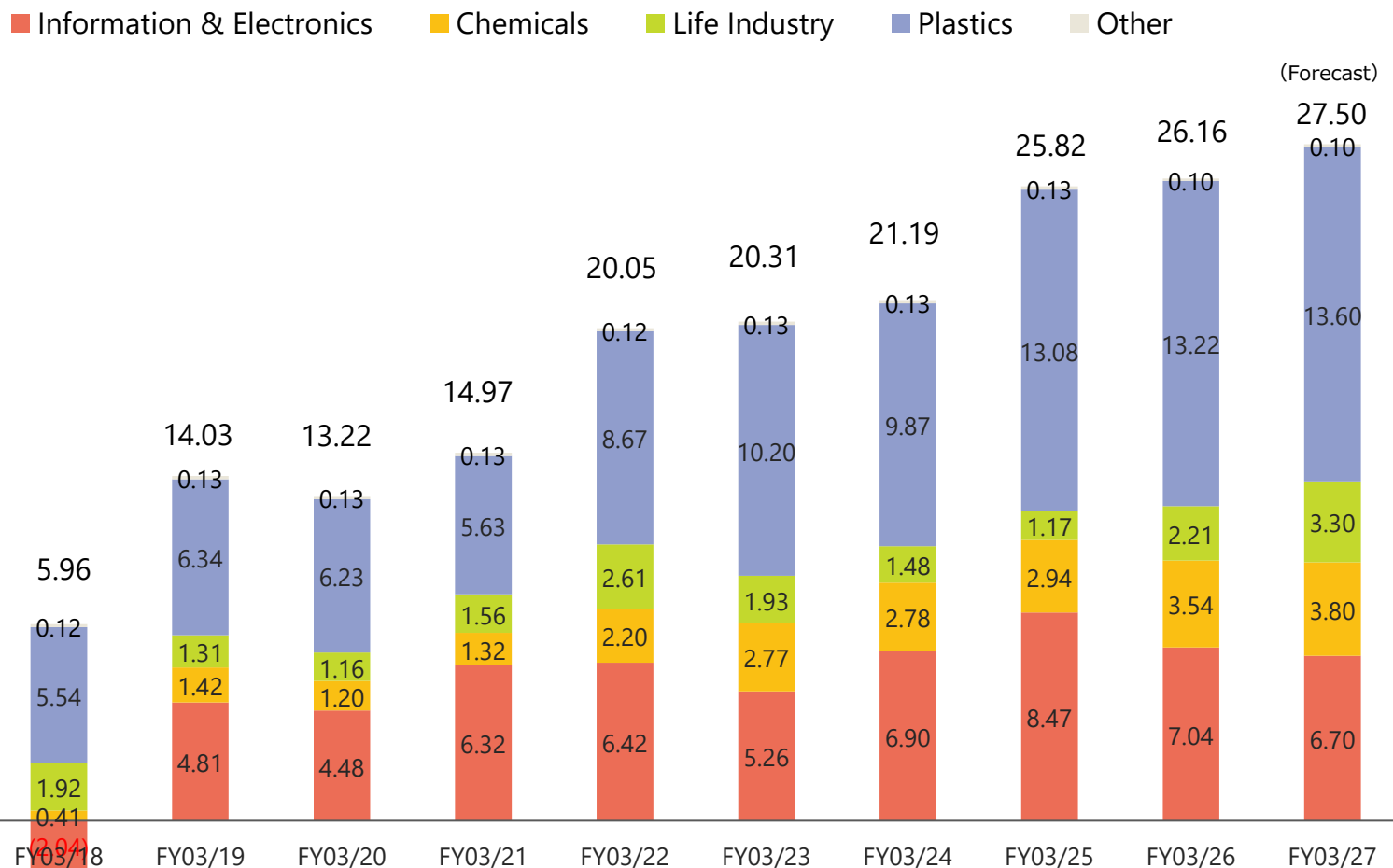


Sales by Segment



Operating Profit by Segment

(Billions of yen)



(5.00)

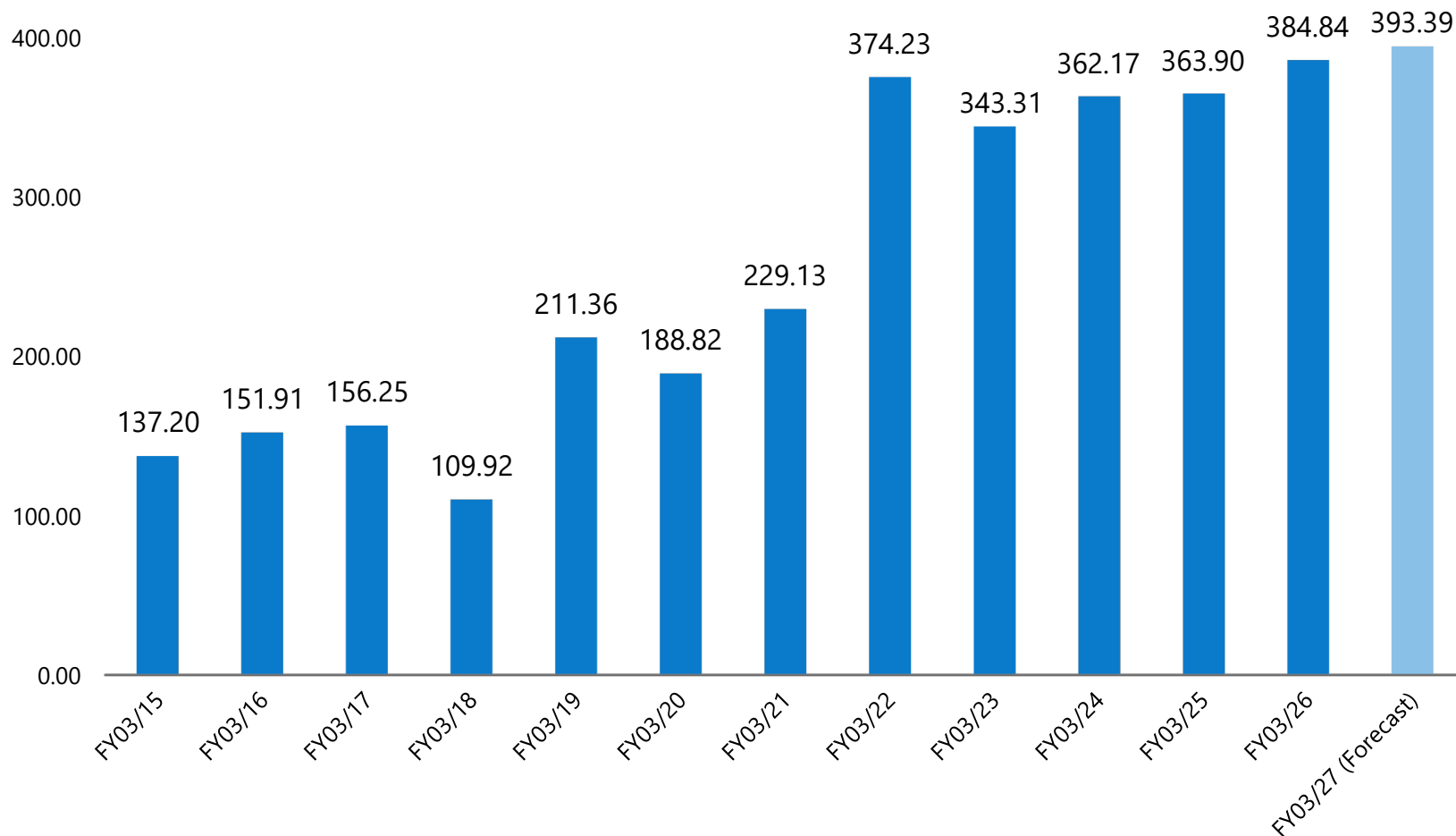
NC2020

NC2023

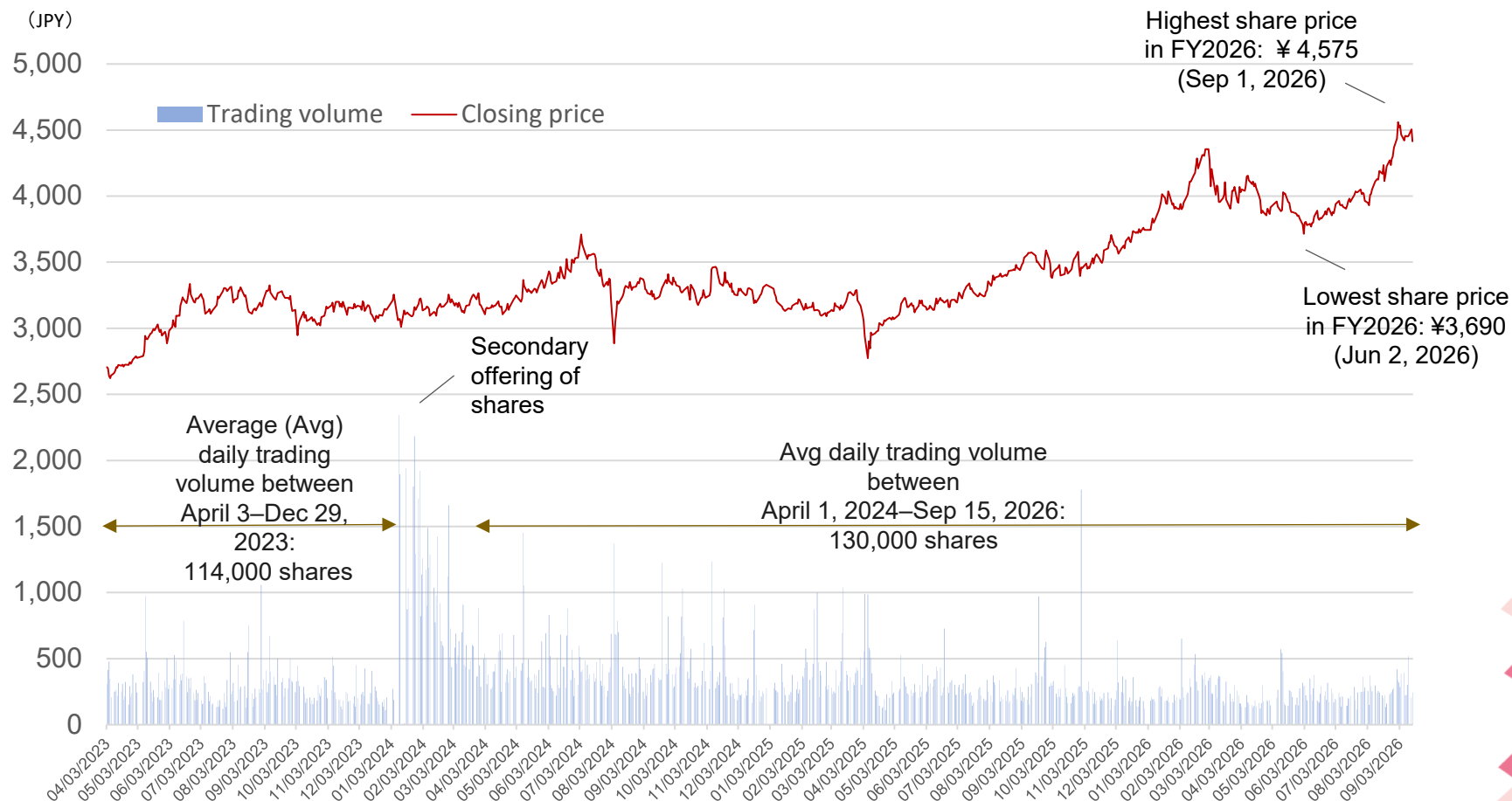
NC2026

EPS (Earnings per share)

(Yen)



Trends in Share Price (April 3, 2023-September 15, 2026)



□ IR-related inquiries:

IR Department, Financial Management Office

Inabata & Co., Ltd.

E-mail: inabata-ir@inabata.com

◆Cautionary note regarding forward-looking statements

The data and future predictions contained in this document are forward-looking statements, based on information available and judgments applicable at the time of the document's release. The data and forecasts contained herein may include elements that are subject to change. This document and its contents are no guarantee of future performance.

◆Presentation of numerical figures

Figures in this document presented in millions and billions of yen have been rounded down. Consequently, certain discrepancies may exist between individual values and total values, or values showing changes between sets of data.