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RIKEN TECHNOS CORPORATION

Financial and Management Results
Briefing for Second Quarter (First Half) of
Fiscal Year Ending March 2025

November 14, 2024



RIKEN TECHNOS





Overview of Financial Results

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Segment Overview

Medium- and Long- Term Initiatives



Overview of Financial Results

1. Overview of Financial Results

Segment Overview

Medium- and Long-
Term Initiatives

Summary of Consolidated Financial Results for the First Half of the Year Ending March 2025



1. Overview of financial results

(Unit: million yen)

	Actual results for the first half of the year ended March 2024	Actual results for the first half of the year ending March 2025	Year on Year (YoY) change	YoY percentage change	Forecasts for the first half of the year ending March 2025
Net sales	61,397	63,391	1,994	3.2%	62,500
Gross profit	10,076	11,712	1,636	16.2%	-
Operating profit	3,621	4,776	1,155	31.9%	3,900
Ordinary profit	4,202	4,708	506	12.0%	4,000
Profit attributable to owners of parent	2,507	2,614	107	4.3%	2,200
Basic earnings per share	39.62	47.92	8.30	20.9%	40.00
ROS(%)	5.9	7.5	1.6	-	6.2

Average naphtha price for the first half of the year ending March 2025 : 77,950 yen/KL

Average exchange rate for the first half of the year ending March 2025 : 152.33 yen/USD

➤ **Net sales and each profit set a record-high**

Net Sales by Segment | 1. Overview of financial results



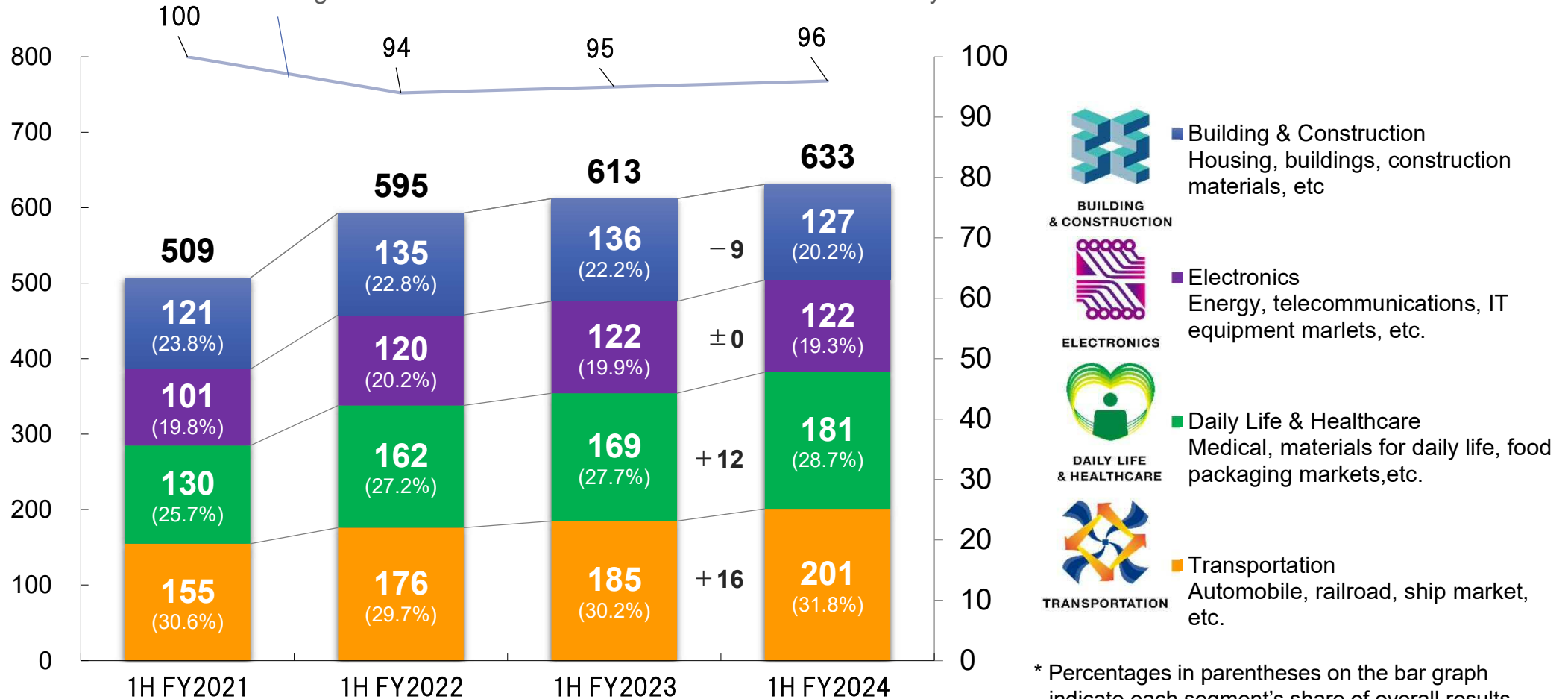
Net sales for the first half of the year ending March 2025

63.3 billion yen

1.9 billion yen increase from the same term of previous year (3.2% increase)

(Unit : 100million yen)

Change in sales volume with volume for the first half of fiscal year ended March 2021 set to 100



* Percentages in parentheses on the bar graph indicate each segment's share of overall results

Net Sales by Region

| 1. Overview of financial results

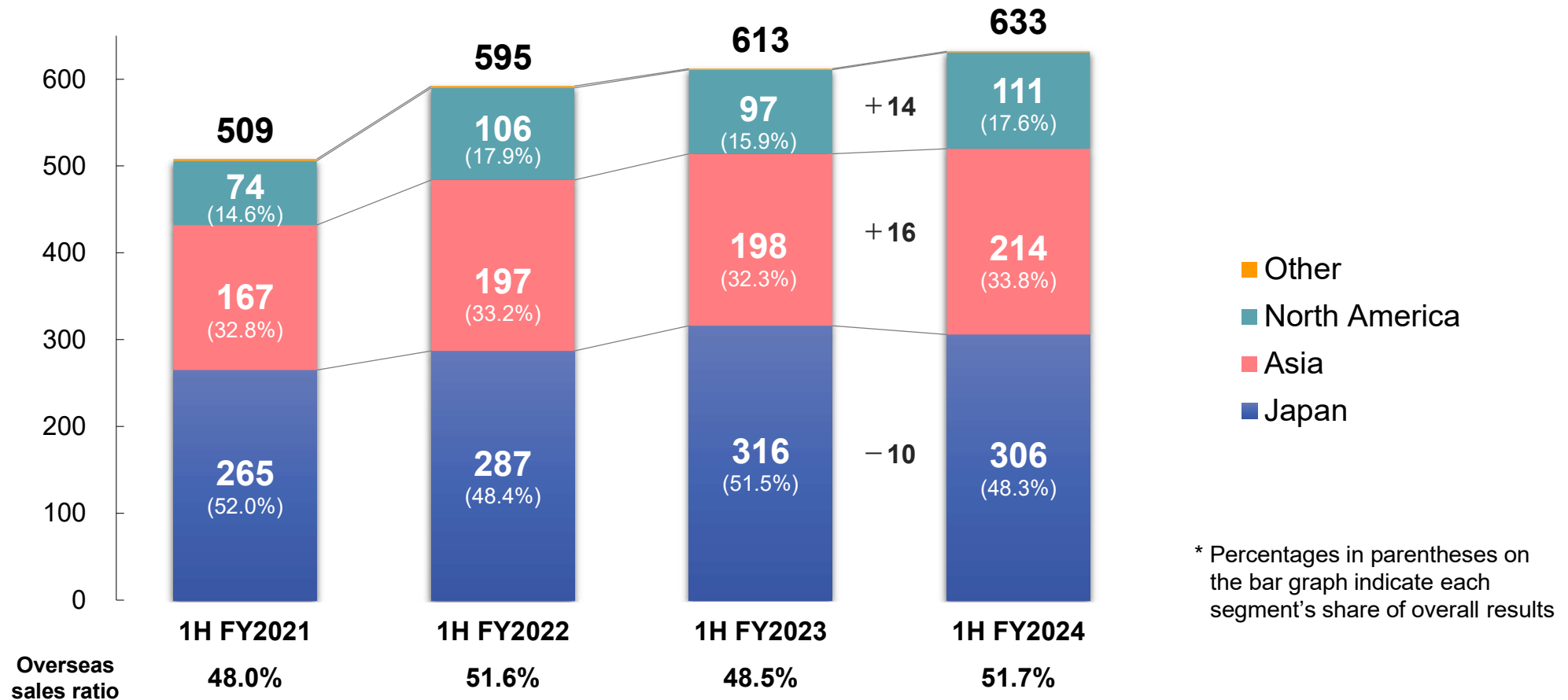


Net sales for the first half of the year ending March 2025

63.3 billion yen

1.9 billion yen increase from the same term of previous year (3.2% increase)

(Unit : 100 million yen)



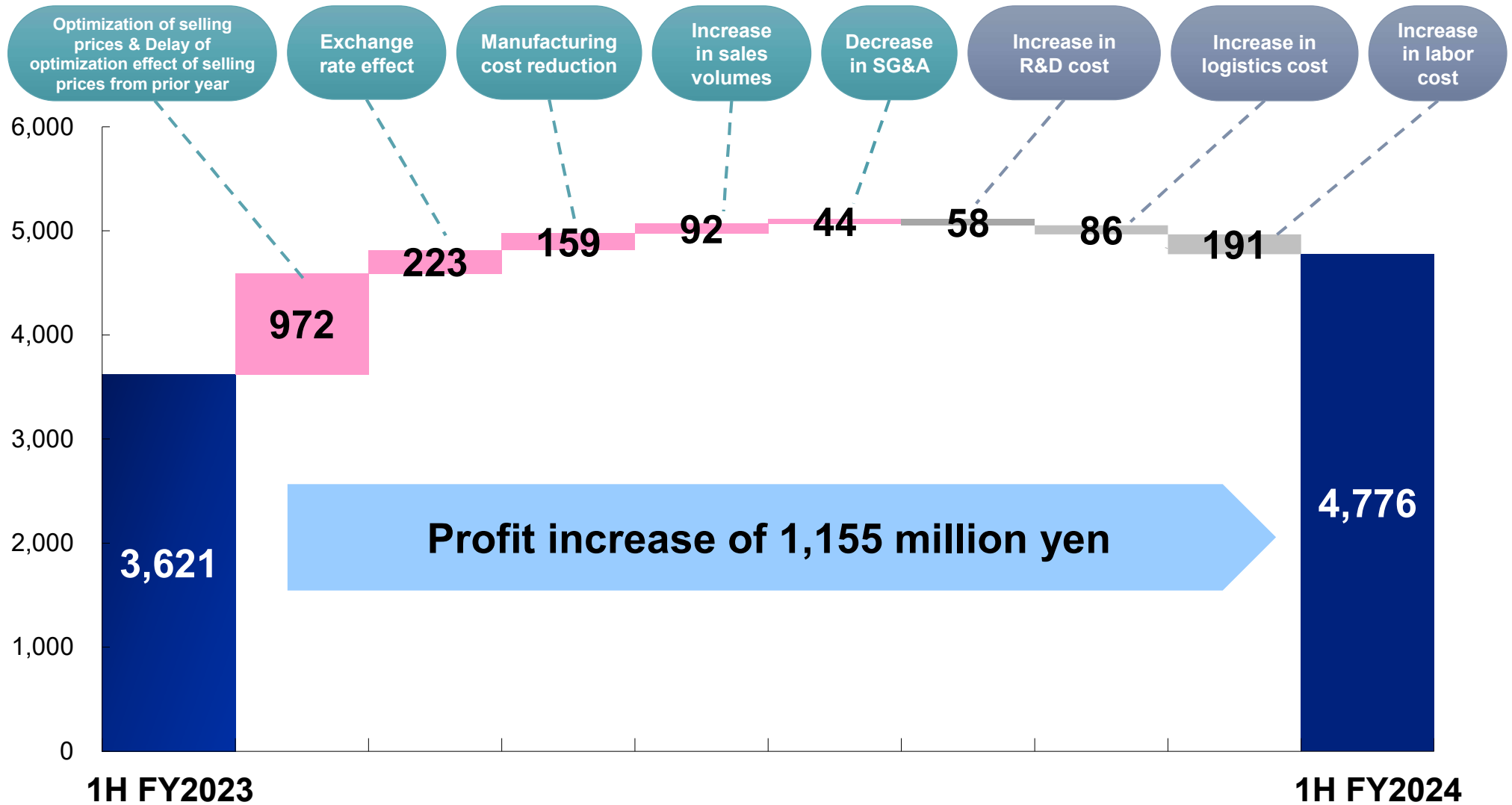
➤ The overseas net sales ratio exceeded 50%.

Analysis of Factors Underlying YoY Change in Operating Profit

| 1. Overview of financial results



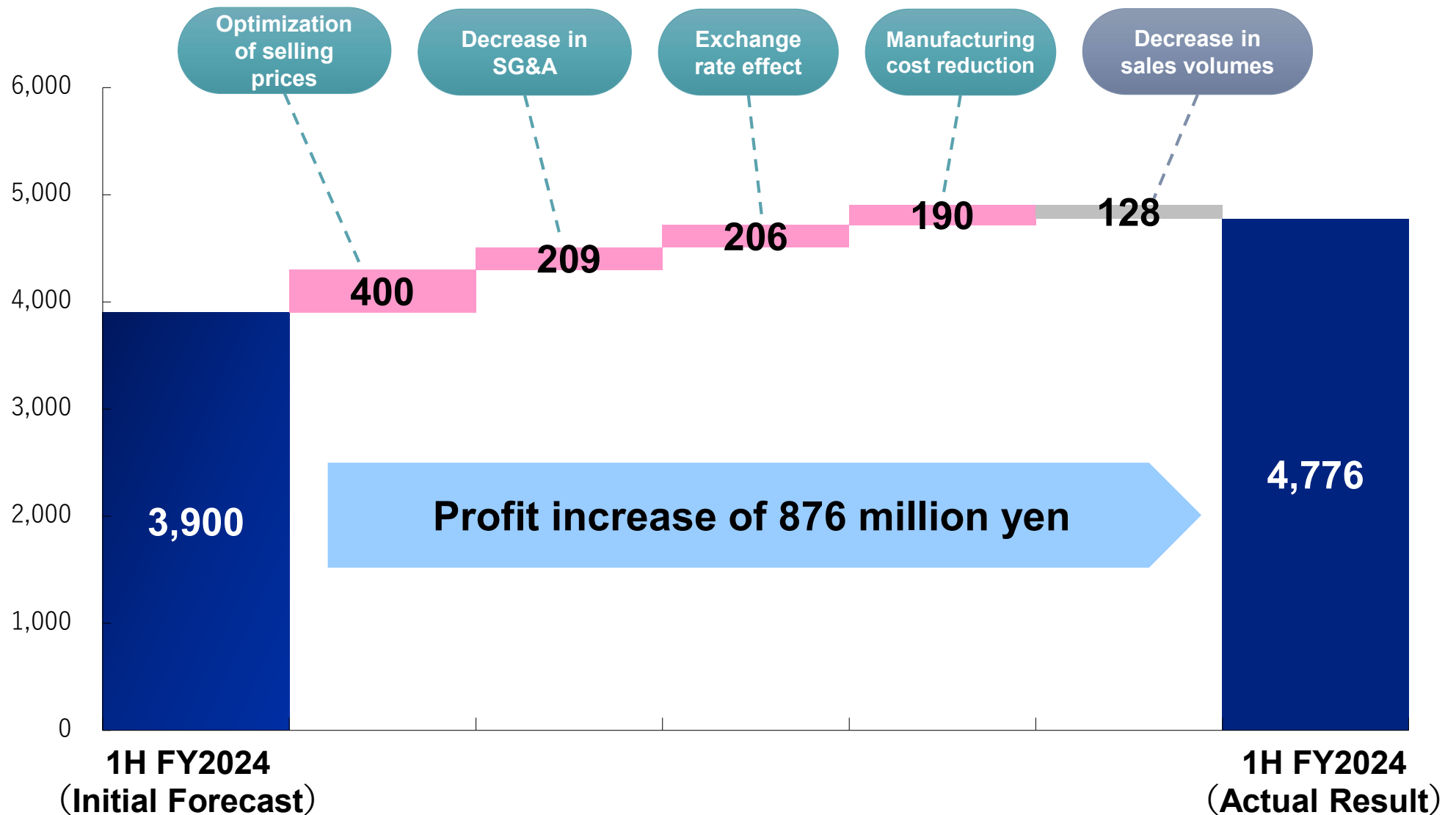
(Unit: million yen)



Analysis of Factors Underlying Change in Operating Profit for the First Half of the Year Ending March 2025 (Initial Forecast vs. Actual Result)

| 1. Overview of financial results

(Unit: million yen)



Consolidated Balance Sheet | 1. Overview of financial results



(Unit: million yen)

	March 31, 2024	September 30, 2024	Increase/ Decrease		March 31, 2024	September 30, 2024	Increase/ Decrease
Current assets	71,820	72,555	735	Liabilities	41,633	41,496	-137
Cash and deposits	21,879	22,353	474	Current liabilities	35,432	35,183	-249
Trade receivables	29,929	28,387	-1,542	Non-current liabilities	6,200	6,313	113
Inventories	19,376	20,731	1,355	Net assets	74,017	75,839	1,822
Other	635	1,082	447	Share capital	8,514	8,514	-
Non-current assets	43,829	44,781	952	Capital surplus	6,597	6,597	-
Property, plant, and equipment	28,475	30,127	1,652	Retained earnings	39,535	41,021	1,486
Intangible assets	2,247	2,503	256	Valuation difference on available-for-sale securities	6,526	5,946	-580
Investment securities	10,509	9,635	-874	Non-controlling interests	9,577	10,456	879
Investments and other assets	2,599	2,515	-84	Other	3,268	3,305	37
Total assets	115,650	117,336	1,686	Total liabilities and net assets	115,650	117,336	1,686

➤ Interest-bearing debt: 10,645 million yen

Consolidated Statement of Cash Flows

1. Overview of financial results



(Unit: million yen)

	First half of the year ended March 2024	First half of the year ending March 2025	Increase/Decrease
a. Cash flows from operating activities	3,099	5,952	2,853
b. Cash flows from investing activities	-2,435	-2,220	215
Purchase of property, plant, and equipment	-2,372	-2,038	334
Purchase of intangible assets	-105	-172	-67
Proceeds from sale of investment securities	9	107	98
Other	33	-117	-150
c. Free cash flow (a + b)	664	3,732	3,068
d. Cash flows from financing activities	-2,114	-3,952	-1,838
Purchase of treasury shares	0	-1,738	-1,738
Dividends paid	-1,023	-1,112	-89
Other	-1,091	-1,102	-11
e. Effect of exchange rate change on cash and cash equivalents	465	697	232
Net increase/decrease in cash and cash equivalents (c + d + e)	-985	477	1,462
Cash and cash equivalents at end of period	22,470	22,328	-142

➤ Cash-out flows from financing activities increased due to purchase of treasury shares.

Consolidated Earnings Forecast for the Year Ending March 2025

| 1. Overview of financial results



(Unit: million yen)

	Actual results for year ended March 2024	Initial earnings forecasts for year ending March 2025	Revised earnings forecast for year ending March 2025	Compared to initial forecast		Compared to previous year	
				Difference	Growth rate	Difference	Growth rate
Net sales	125,739	130,000	130,000	-	0.0%	4,261	3.4%
Operating profit	8,775	9,200	10,000	800	8.7%	1,225	14.0%
Ordinary profit	9,544	9,500	10,000	500	5.3%	456	4.8%
Profit attributable to owners of parent	6,880	5,200	5,600	400	7.7%	-1,280	-18.6%
Basic earnings per share (yen)	114.24	94.54	104.40	9.86	10.4%	-9.84	-8.6%
ROS(%)	7.0	7.1	7.7	0.6	-	0.7	-
ROE(%)	10.8	8.0	8.6	0.6	-	-2.2	-

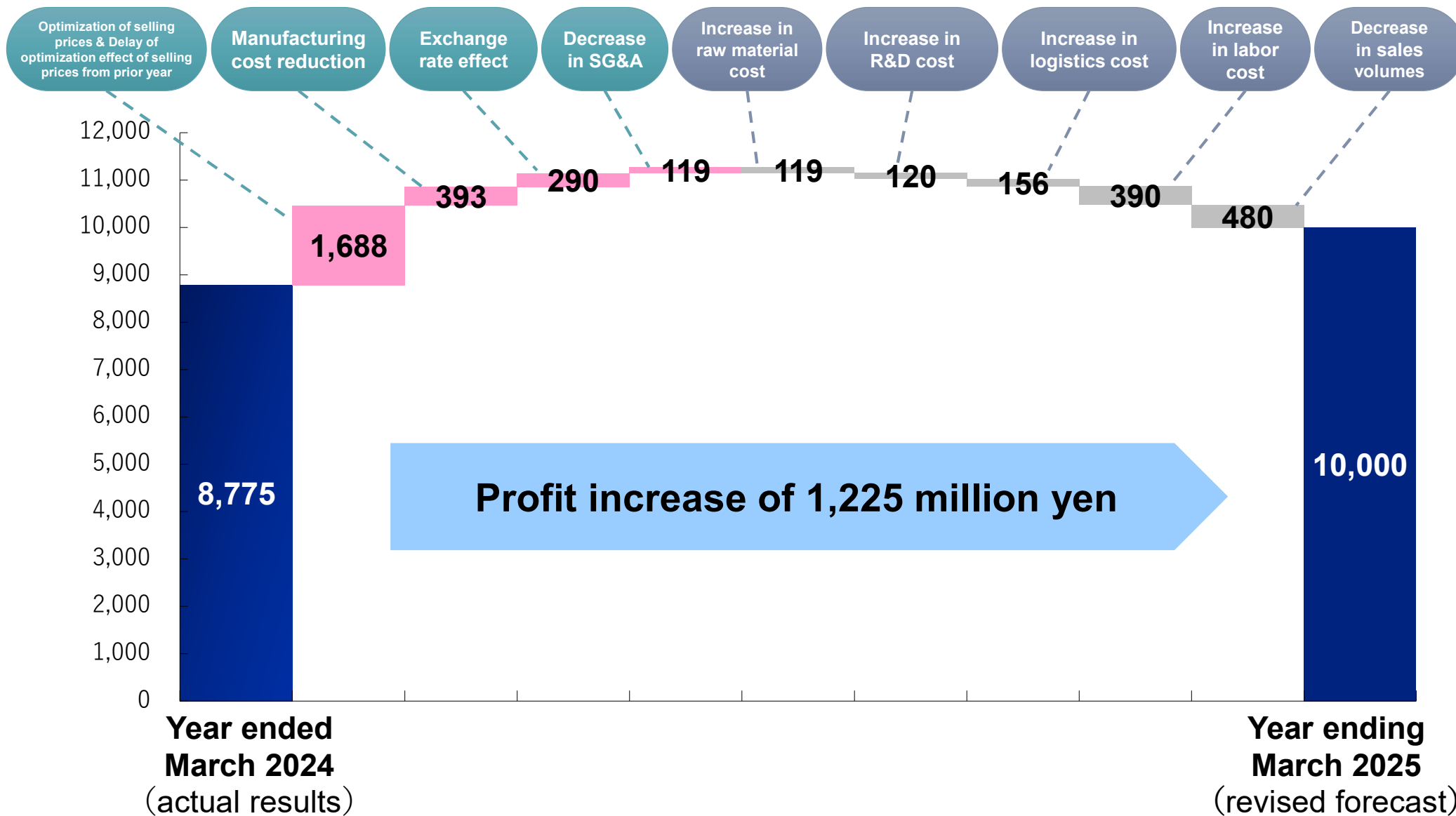
Projected domestic naphtha price: 68,000 yen/KL; Projected exchange rate: 150 yen/USD

- Due to price optimization and yen depreciation, operating profit is forecast to increase, reaching a record high.
- Each profit is projected to exceed the initial forecast.

Analysis of Factors Underlying Change in Operating Profit for Year Ending March 2025 (Forecast)



(Unit: million yen)





2. Segment Overview

Overview of
Financial Results

Segment Overview

Medium- and Long-
Term Initiatives



Transportation



Wire Harnesses



**Molded Parts for
Automobiles**

Transportation



2. Segment Overview

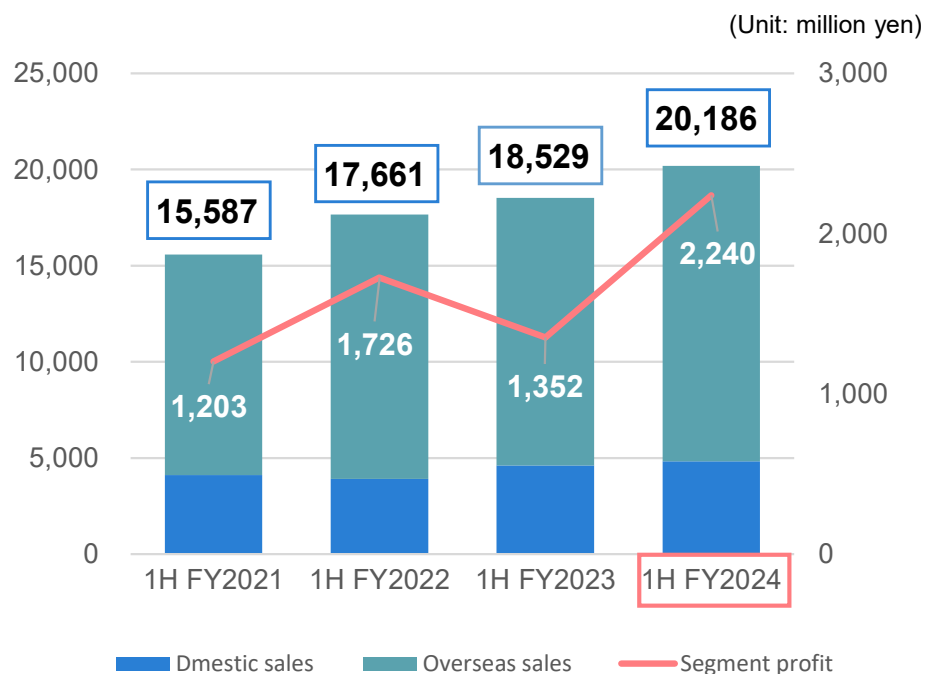


Actual results for the first half of the year ending March 2025

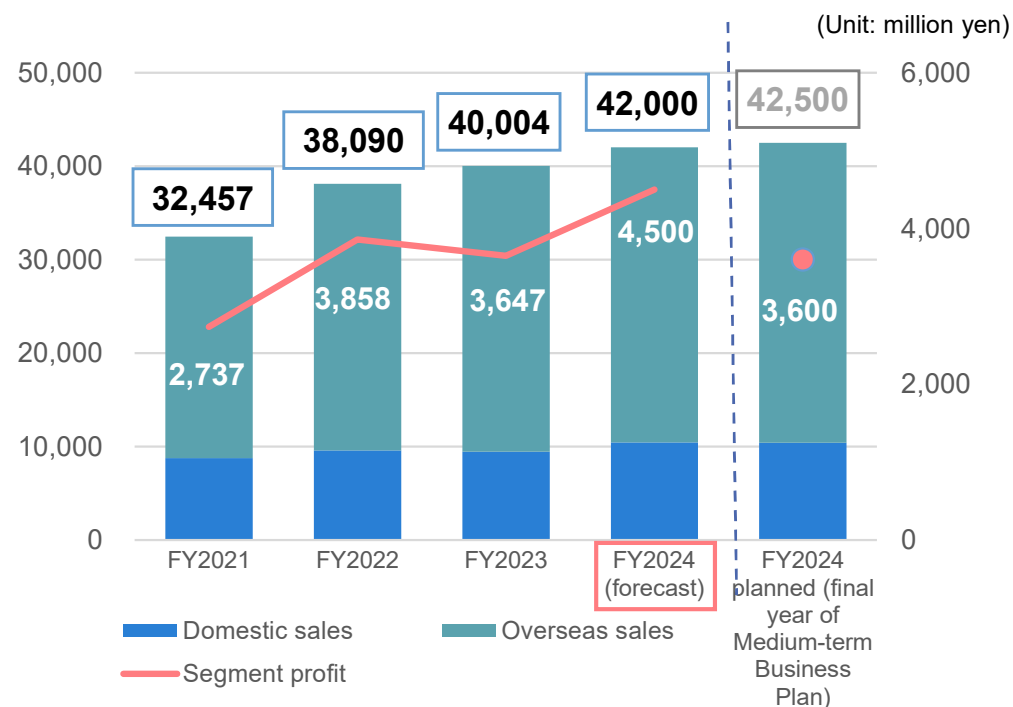
1.658 million yen revenue increase (+8.9%)
888 million yen profit increase (+65.7%)

Forecast for the fiscal year ending March 2025

1,996 million yen revenue increase (+5.0%)
853 million yen profit increase (+23.4%)



- Domestic revenue increased due to higher sales of elastomer compounds in the automobile production market and increasing prices for raw materials price hikes, despite automobile production remaining constant.
- Overseas revenue increased due to higher Japanese automobile production in North America and increasing prices for raw materials price hikes, despite lower sales as Japanese automobile production decreased in the ASEAN market.
- Segment profits increased due to new sales expansion of elastomer compounds in Japan and sales price optimization in Japan and overseas.

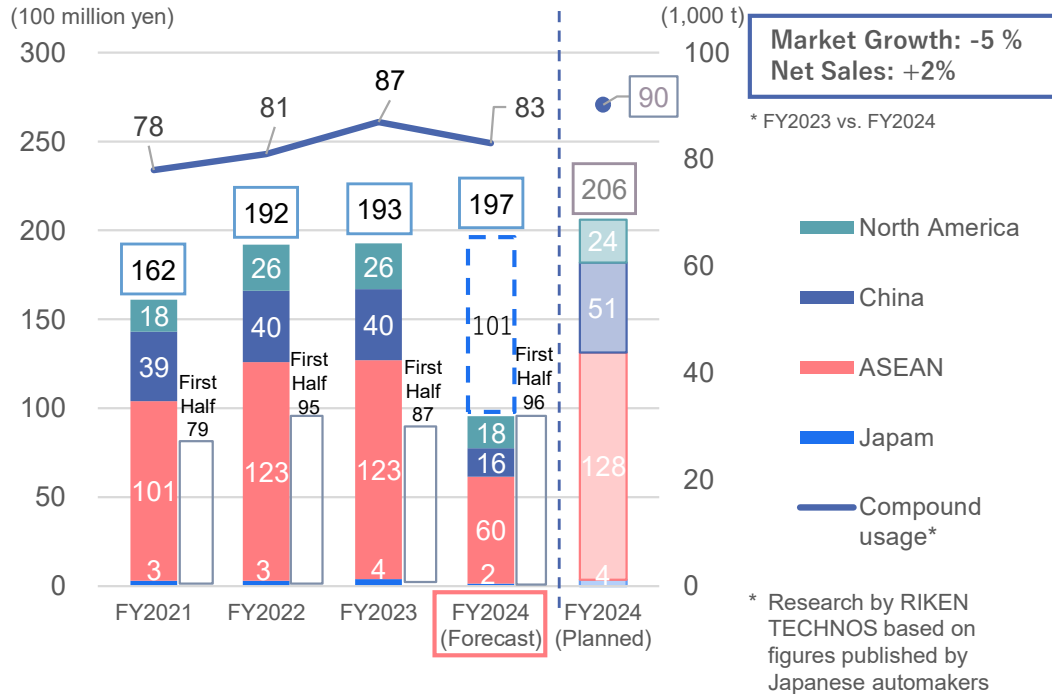


- Domestic revenue is forecast to increase due to higher sales of elastomer compounds in the automobile production market and increasing prices for raw materials price hikes, despite automobile production decreasing slightly.
- Overseas revenue is forecast to increase due to higher Japanese automobile production in North America and India as well as increasing prices for raw materials price hikes, despite lower sales as Japanese automobile production decreases in the ASEAN market.
- Segment profits are forecast to increase due to continued efforts toward new sales expansion of elastomer compounds in Japan and optimization of selling prices in Japan and overseas.



Focus Area ① Wire Harnesses

Regional compound use by Japanese wire harness manufacturers and our sales of compounds for wire harnesses



Actual results for the first half of the year ending March 2025

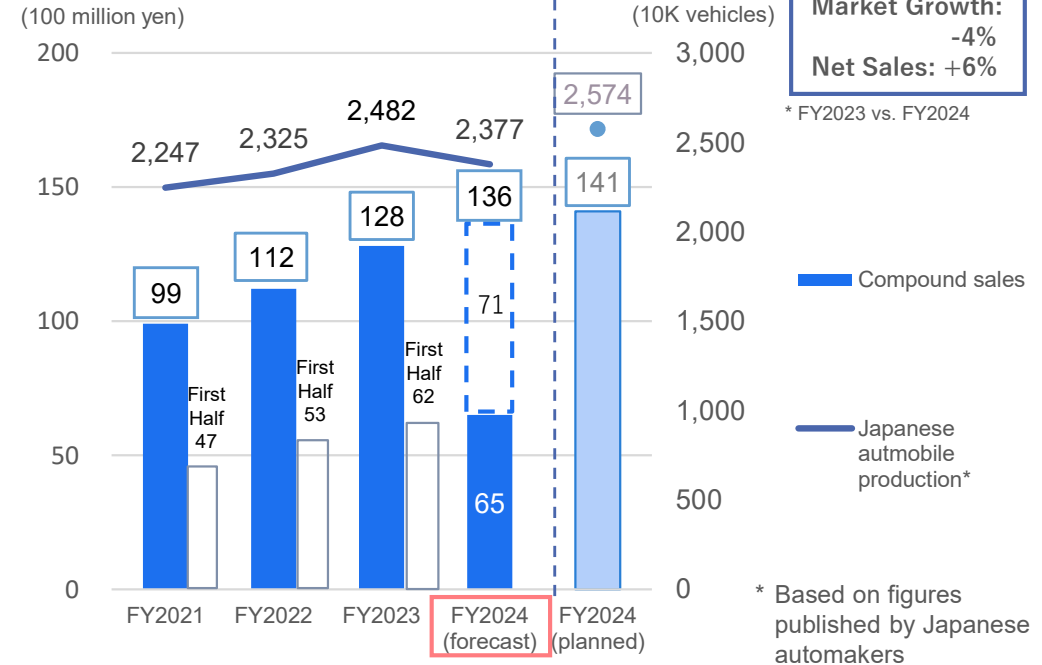
- Optimized selling prices due to raw materials price hikes, and the sales ratio of compounds for thin-walled wires increased from the previous year.
- Began sales of market-dominant compounds for thin-walled wires.

Measures for the second half of the year ending March 2025

- Maintain the share for Japanese automobiles
- Launch market-dominant compounds for thin-walled wires and obtain customer approval globally.
- Formulate strategy for expanding sales to non-Japanese customers.

Focus Area ② Molded Parts for Automobiles

Japanese automobile production and sales of compounds for automotive molded parts



Actual results for the first half of the year ending March 2025

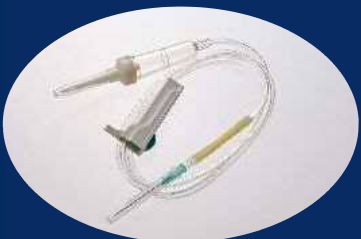
- Expanded sales of new products to Japanese seal manufacturers.
- Promoted newly adopted materials for sealing and functional parts in Japan to customers overseas.

Measures for the second half of the year ending March 2025

- Fully capture newly expanded sales to Japanese seal manufacturers.
- Continue to promote newly adopted materials for sealing and functional parts in Japan to customers overseas.



Daily Life & Healthcare



Medical (PVC)



Rubber Substitutes

Daily Life & Healthcare

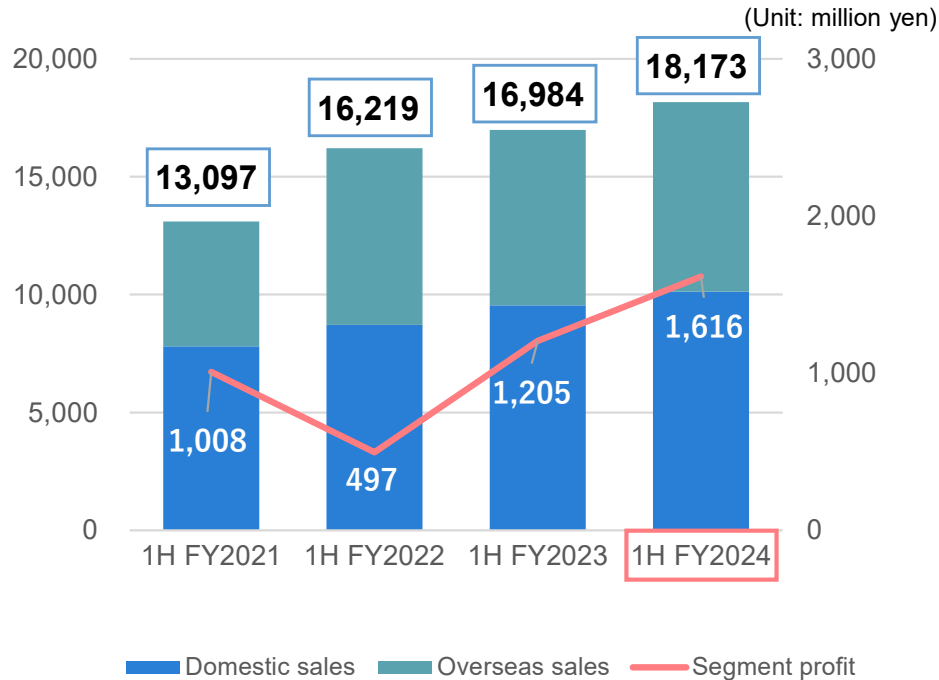


2. Segment Overview



Actual results for the first half of the year ending March 2025

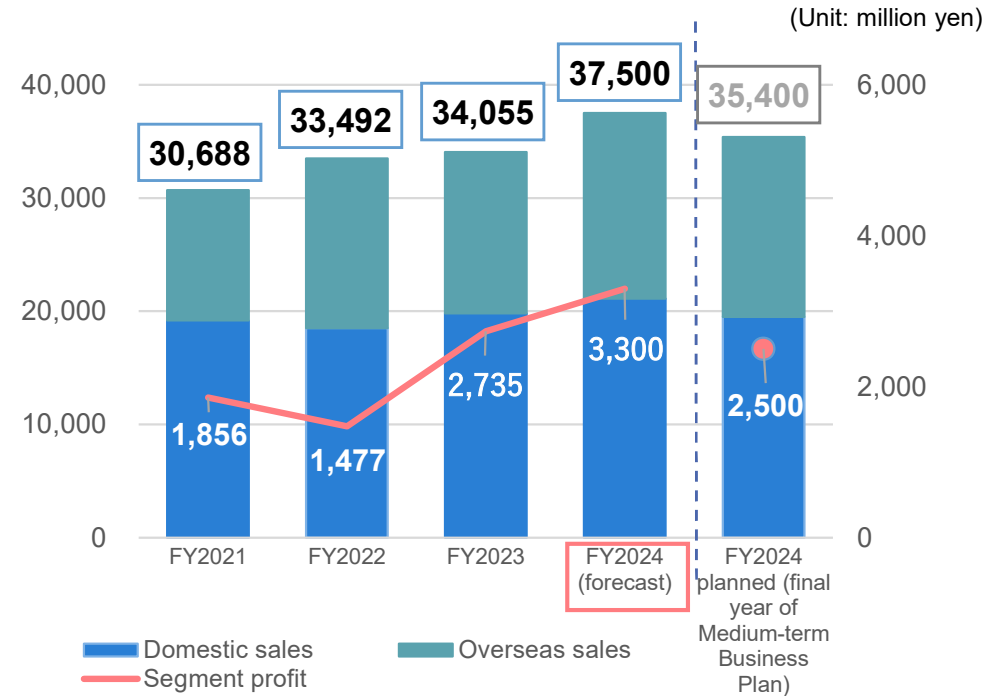
1,189 million yen revenue increase (+7.0%)
411 million yen profit increase (+34.1%)



- Domestic revenue increased due to higher sales of small-roll wrap products and elastomer compounds for consumer goods despite lower sales of PVC compounds for consumer goods.
- Overseas revenue increased due to higher sales of PVC compounds for consumer and medical goods mainly in Thailand and the US.
- Segment profits increased due to higher sales of small-roll wrap products and overseas sales of PVC compounds for consumer and medical goods.

Forecast for the fiscal year ending March 2025

3,445 million yen revenue increase (+10.1%)
565 million yen profit increase (+20.7%)



- Domestic revenue is forecast to increase due to strong sales of small-roll wrap products and higher sales of elastomer compounds for consumer goods.
- Overseas revenue is forecast to increase due to higher sales of PVC compounds for consumer and medical goods at facilities in the US and ASEAN.
- Segment profits are forecast to increase due to higher sales of small-roll wrap products as well as domestic and overseas sales of compounds for consumer and medical goods.

Daily Life & Healthcare

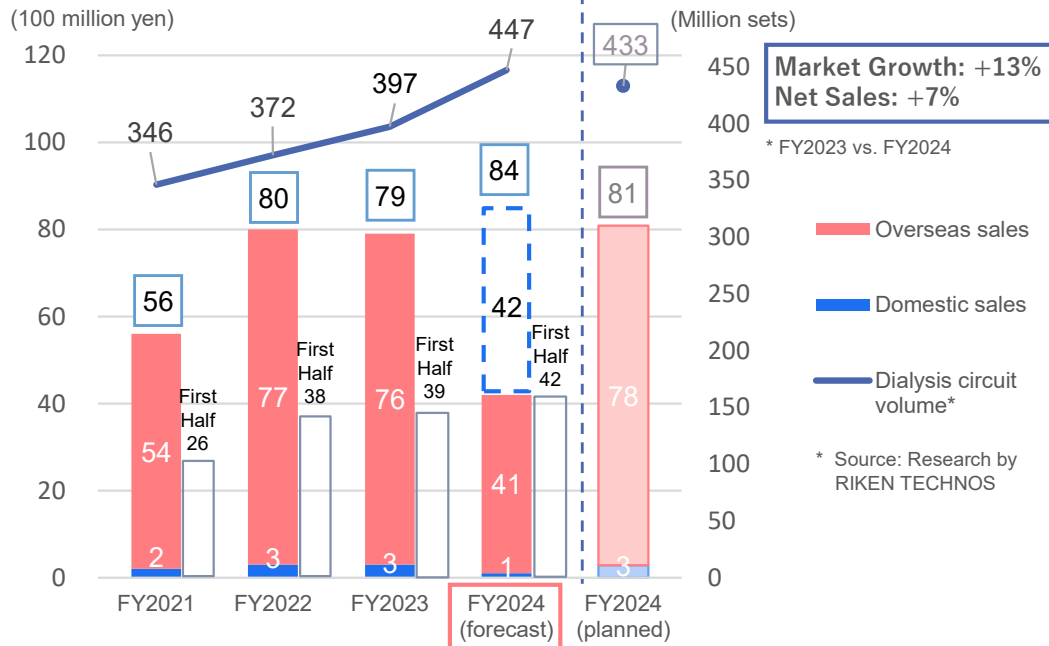


2. Segment Overview



Focus Area ① Medical (PVC)

Global dialysis circuit sales volumes and our sales of medical PVC compounds



Actual results for the first half of the year ending March 2025

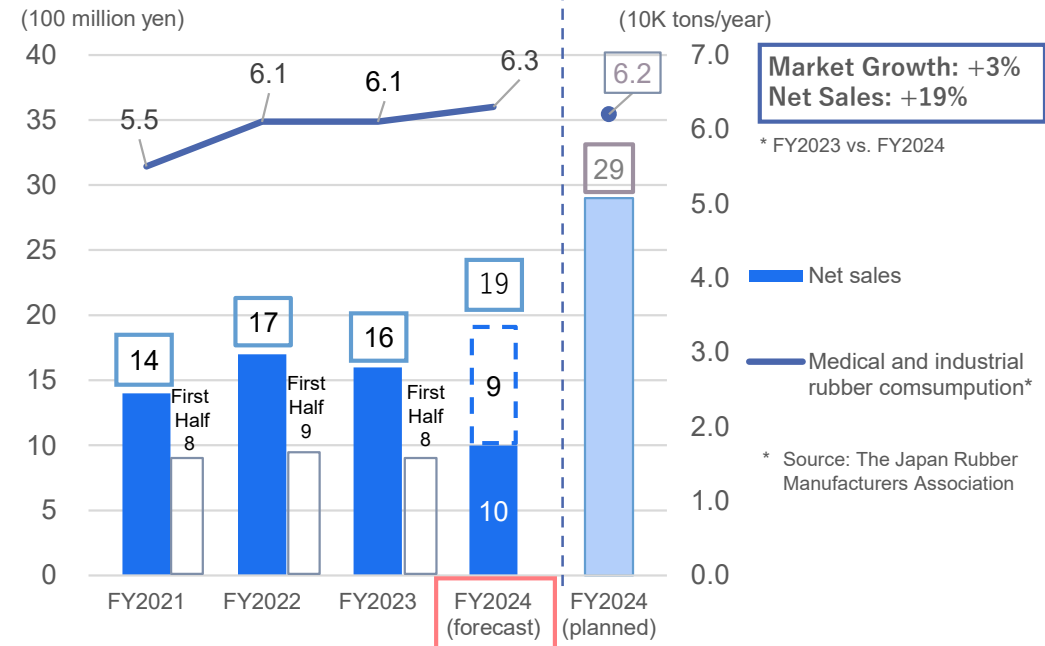
- Sales of compounds for dialysis circuit to Japanese customers in the Japanese and North American markets increased.
- Increased sales of compounds for dialysis circuit to Japanese customers in the European market.

Measures for the second half of the year ending March 2025

- Increase sales for Japanese customers in ASEAN.
- Expand sales to non-Japanese customers.

Focus Area ② Rubber Substitutes

Domestic medical rubber production and our sales of rubber substitute compounds



Actual results for the first half of the year ending March 2025

- Domestic sales of elastomer compounds for medical plugs and cap sealing for beverages increased.
- Obtained customer approval of elastomer compounds for daily goods and industrial materials in the ASEAN market.
- Results deviated from the medium-term business plan mainly due to delay in customer approval of transfusion plug compounds.

Measures for the second half of the year ending March 2025

- Commence activities in Japan for customer approval toward new sales expansion of syringe gaskets and elastomer compounds for transfusion plug.
- Continue efforts to obtain customer approval of syringe gasket material in overseas markets.

Electronics



Electric Power and Industrial Wires



Telecommunications



Optical Films

Electronics

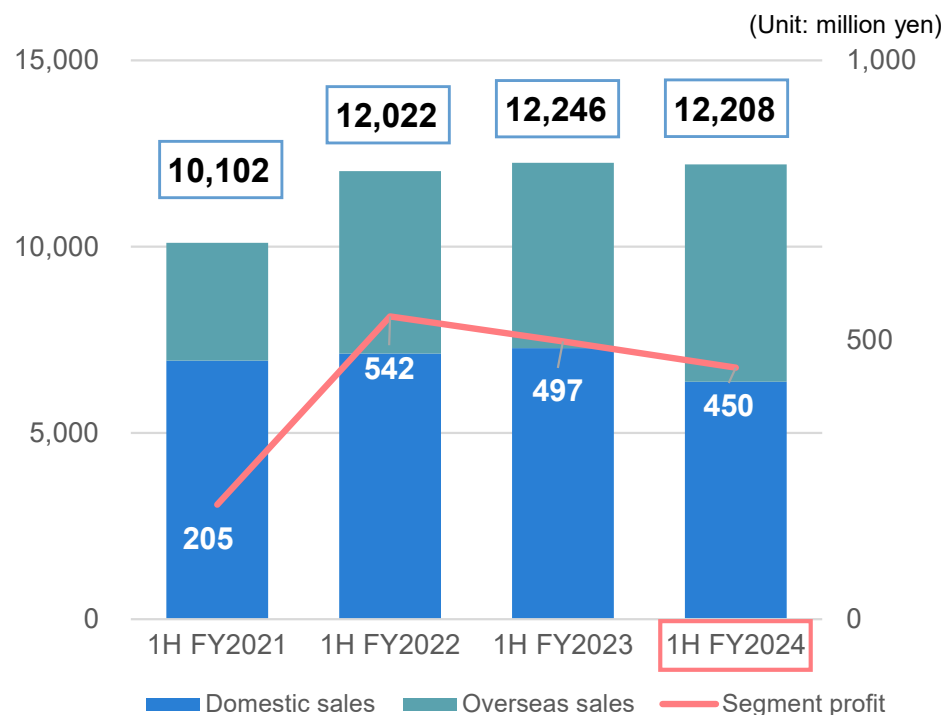


2. Segment Overview



Actual results for the first half of the year ending March 2025

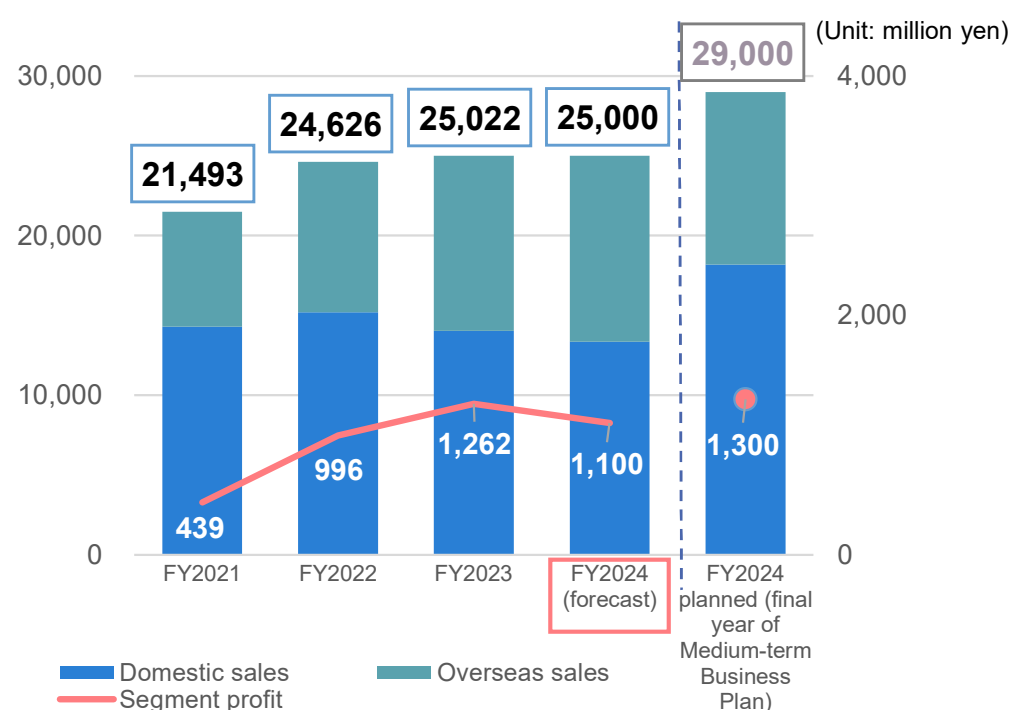
38 million yen revenue decrease (-0.3%)
47 million yen profit decrease (-9.5%)



- Domestic revenue decreased due to lower sales of functional films, despite higher sales of compounds for electric power and industrial wires.
- Overseas revenue increased due to higher sales of PVC compounds in the US and ASEAN markets.
- Segment profits decreased due to lower sales of functional films.

Forecast for the fiscal year ending March 2025

22million yen revenue decrease (-0.1%)
162million yen profit decrease (-12.8%)



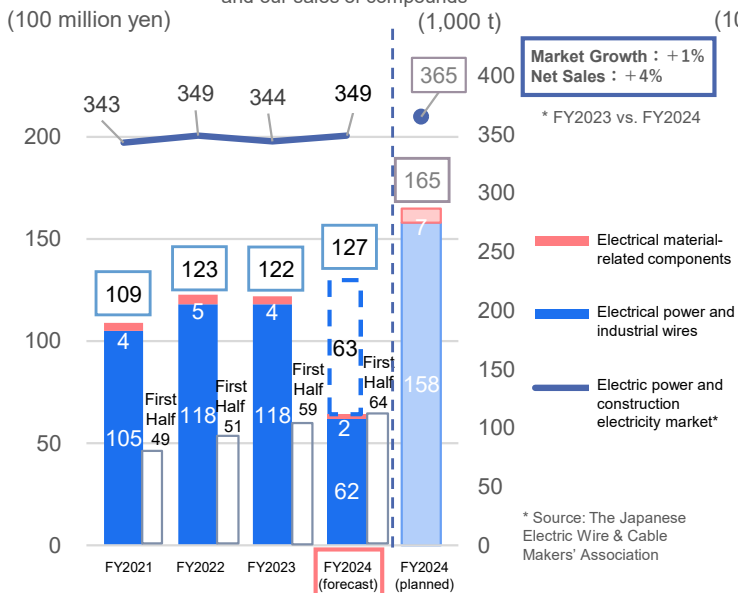
- Domestic revenue is forecast to increase due to higher sales of compounds for robotics, FA, and equipment wires and compounds for electric power and industrial wires.
- Overseas revenue is forecast to increase due to higher sales of PVC compounds in the US and ASEAN markets, despite lower sales of optical films.
- Segment profits are forecast to decrease due to delay in increasing prices for raw materials price hikes in the US.

Note: Revenue of the segment as a whole decreased due to the effect of the absorption-type merger of RIKEN TECHNOS INTERNATIONAL CORP. which was a consolidated subsidiary until the first quarter of the previous year.



Focus Area ① Electric Power and Industrial Wires

Domestic electric power and construction electricity market wire copper volumes and our sales of compounds



Actual results for the first half of the year ending March 2025

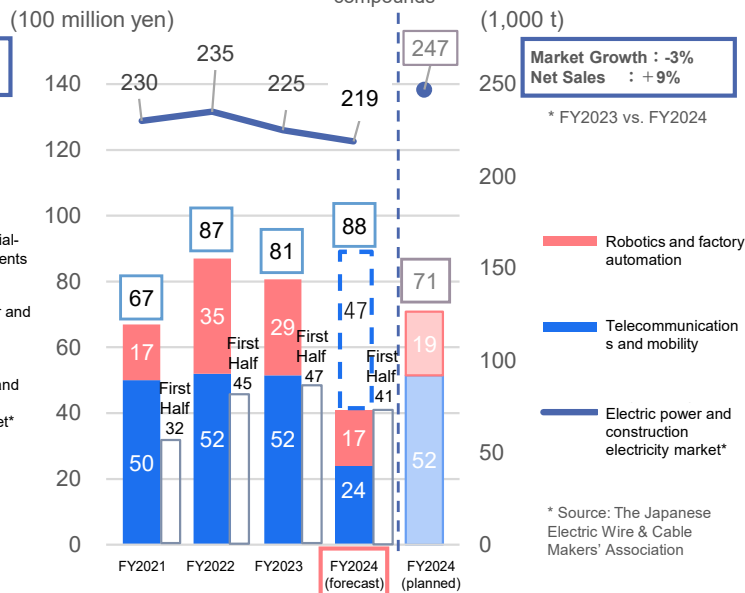
- Domestic revenue increased due to promotion of sales to major customers while the shortages of electric wire cables subsided.
- Overseas revenue increased due to promotion of sales of compounds for the US market.

Measures for the second half of the year ending March 2025

- Expand sales of compounds for the construction electronics market in Japan.
- Overseas, expand sales in ASEAN.

Focus Area ② Telecommunications

Domestic telecommunications market wire copper volumes and our sales of compounds



Actual results for the first half of the year ending March 2025

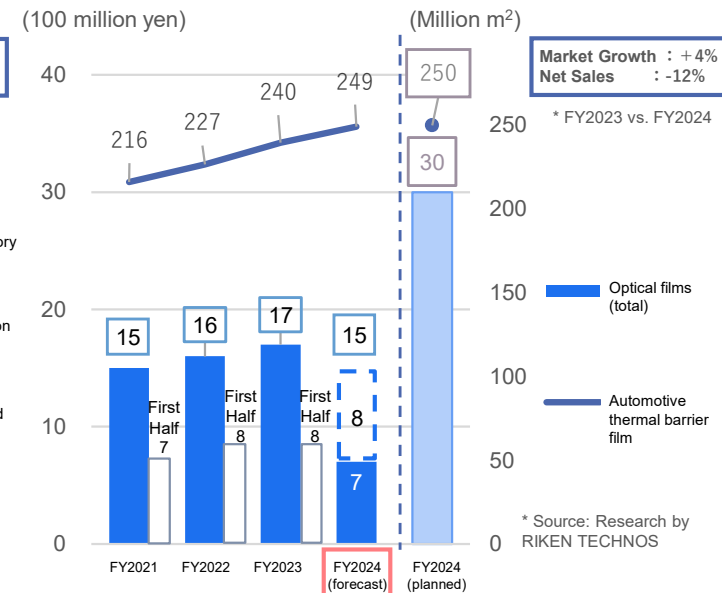
- Domestic revenue decreased due to sluggish telecommunications and robotics and factory automation markets in Japan, despite expanded sales of EV charging cable compounds for export to North America.
- Overseas revenue increased due to expanded sales in the robotics, factory automation and equipment wires markets in China.

Measures for the second half of the year ending March 2025

- Expand sales of compounds for EV charging cable globally and expand sales in the telecommunications and mobility markets as well as the robotics, factory wires markets in Japan.
- Overseas, expand sales in the robotics, factory automation and equipment wires markets in China.

Focus Area ③ Optical films

Automotive thermal barrier film demand and our sales of optical films



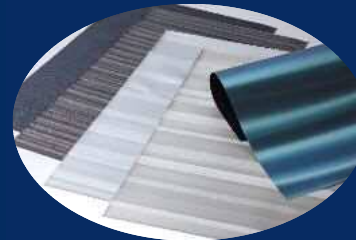
Actual results for the first half of the year ending March 2025

- Revenue from semiconductor films decreased due to decreased sales.
- Sales of automobile window films remained at almost the same level as the previous year due to lack of sales expansion in ASEAN market.

Measures for the second half of the year ending March 2025

- Develop new semiconductor film products and expand sales overseas.
- Expand sales of automobile window films in ASEAN market.

Building & Construction



Construction Films



**Housing and Building
Materials**

Building & Construction

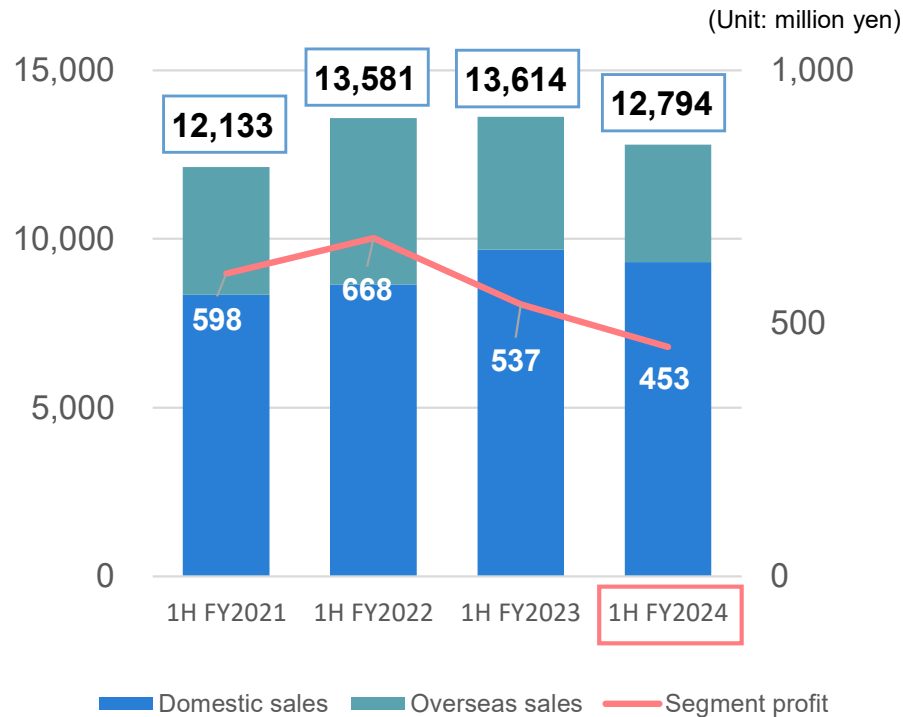


2. Segment Overview



Actual results for the first half of the year ending March 2025

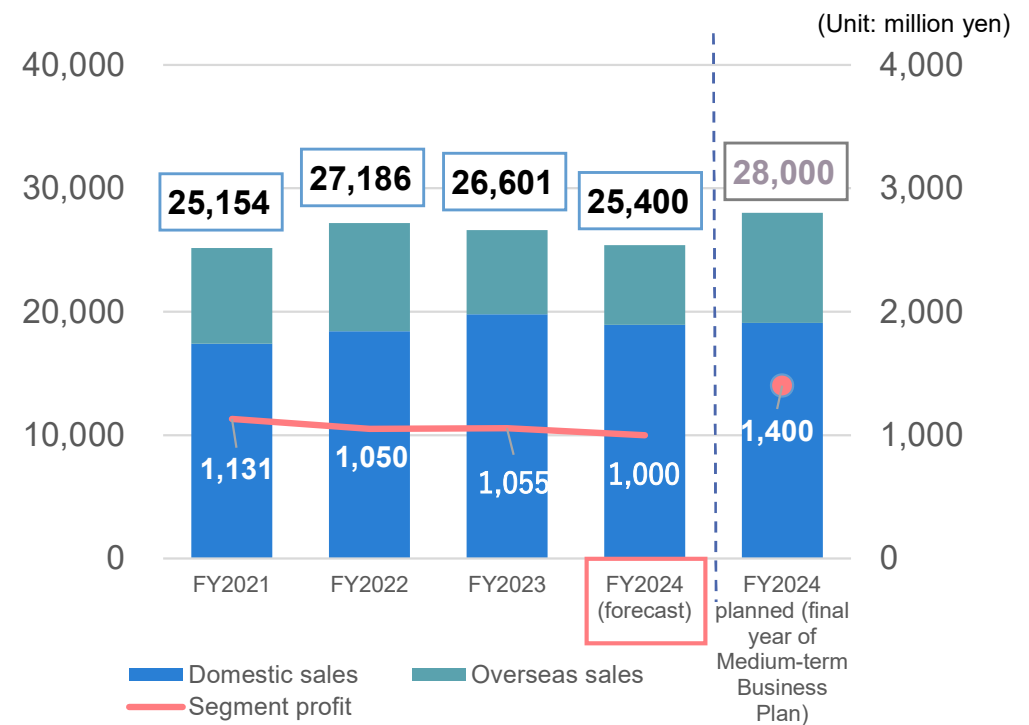
820 million yen revenue decrease (-6.0%)
84 million yen profit decrease (-15.6%)



- Domestic revenue decreased due to lower sales of PVC compounds for resin sashes as special demand settled down, as well as lower sales of films for building materials.
- Overseas revenue decreased due to lower sales of PVC compounds for the building materials market in the United States.
- Segment profits decreased due to lower sales of PVC compounds in Japan.

Forecast for the fiscal year ending March 2025

1,201 million yen revenue decrease (-4.5%)
55 million yen profit decrease (-5.2%)



- Domestic revenue is forecast to decrease due to lower sales of compounds for housing and non-housing markets.
- Overseas revenue is forecast to decrease due to the delay in the recovery from lower sales of compounds for the building materials market in the United States in the first half of this year.
- Segment profits are forecast to decrease due to decreasing sales in Japan and overseas.

Building & Construction

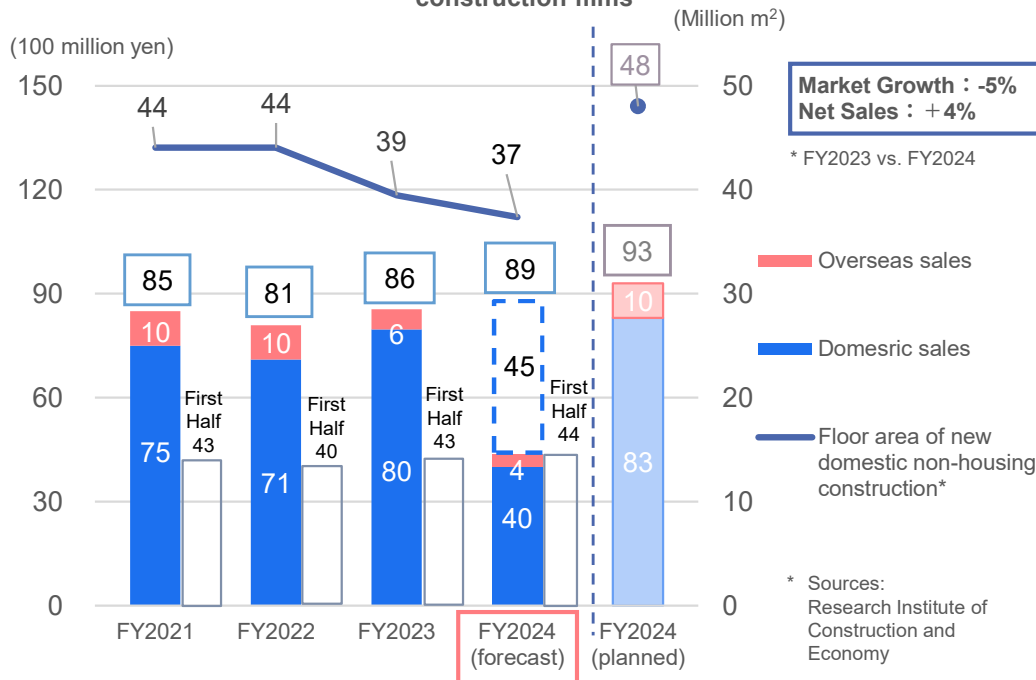


2. Segment Overview



Focus Area ① Construction Film

Floor area of new domestic non-housing construction and our sales of construction films



Actual results for the first half of the year ending March 2025

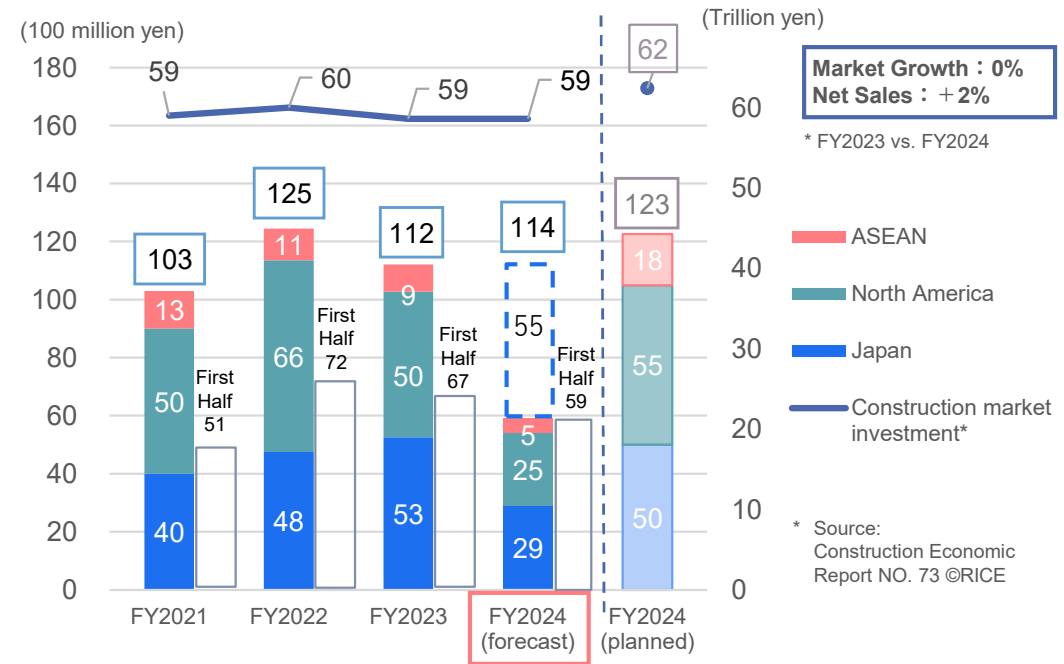
- Domestic sales to major customers increased despite a weak market.
- Overseas sales increased due to efforts to capture demand in the North American market.

Measures for the second half of the year ending March 2025

- In Japan, with market conditions continuing to remain sluggish, promoting sales expansion to non-housing markets and product development for exterior applications.
- Overseas, continue efforts to capture demand for existing products in the North American market.

Focus Area ② Housing and Building Materials

Construction market investment and our sales of compounds for housing and building materials



Actual results for the first half of the year ending March 2025

- Domestic sales of PVC compounds for resin sashes decreased as special demand from the campaign to promote energy conservation in homes settled down.
- With the US housing market remaining sluggish, overseas sales expansion of PVC compounds for housing and building materials did not progress.

Measures for the second half of the year ending March 2025

- Expand sales of PVC compounds for building and housing equipment materials in Japan.
- Overseas, continue to expand sales of housing equipment materials in ASEAN and develop new development projects through the marketing of building materials in North America.



Overview of Financial Results

Segment Overview

Medium- and Long- Term Initiatives

3. Medium- and Long- Term Initiatives

Medium- to Long-Term Vision

Medium-term Business Plan

3. Medium- and Long-term Initiatives



- The long-term vision is based on the RIKEN TECHNOS Group mission.
- The new Medium-term Business Plan was launched in FY2022 to achieve the long-term vision.

RIKEN TECHNOS' strengths and business model

- The capacity to meet the needs of leading global customers
- Strong technical capabilities
 - Formulation design technology
 - Kneading technology
 - Film manufacturing and processing technology

RIKEN TECHNOS' (medium- to long-term) business environment

Plastic reduction movement

Growing environmental awareness

Digitalization trend

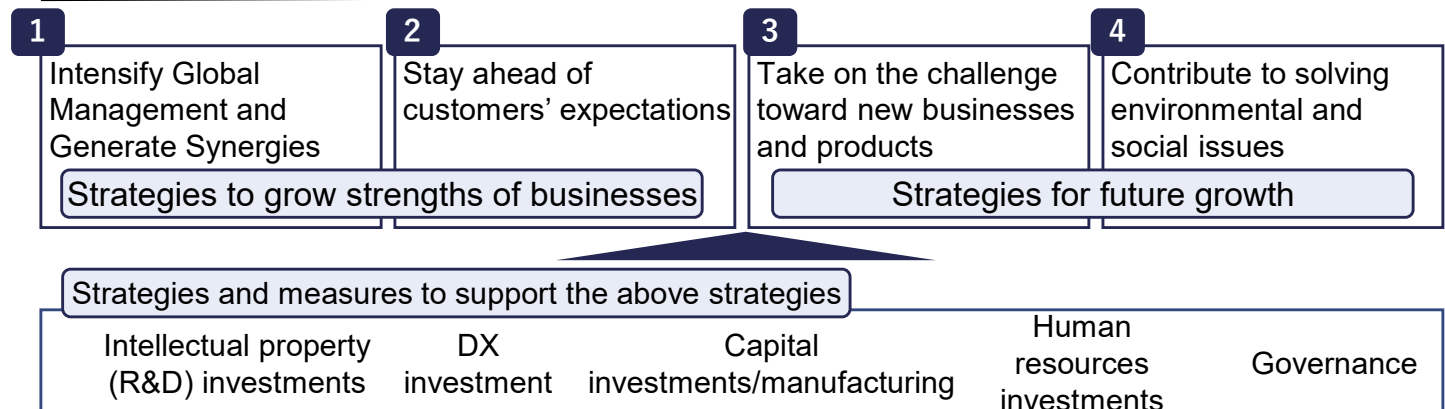
Progress with EVs

Shrinking domestic market

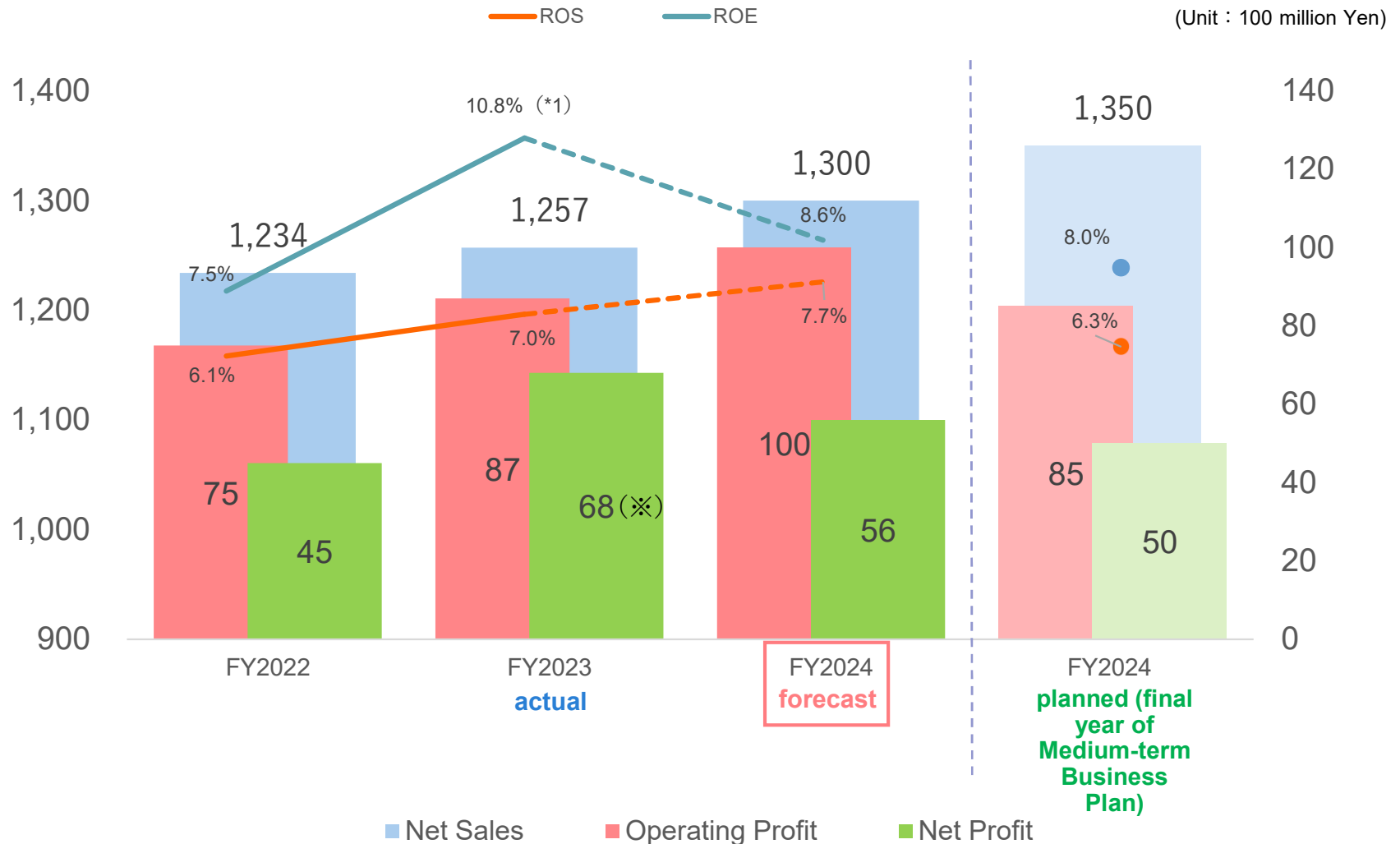
Growth in Asia



Basic strategies of the Medium-term Business Plan



Three-year Medium-term Business Plan (Numerical Target) | 3. Medium- and Long-term Initiatives



*1 Net Profit and ROE for the FY2023 include gains on sale of cross-shareholdings.

Note: Assumptions for Formulating the Medium-Term Management Plan
Plan for FY2024
Naphtha price: 61,000 yen/KL Exchange rate: 114 yen/USD

Three-year Medium-term Business Plan

(Results for the first half of the year ending March 2025) | 3. Medium- and Long-term Initiatives



Strategy 1: Intensify global management and generate synergies.

- Completed construction of a new plant building and equipment installation at the Vietnam facility. Progress of construction of an additional new line at the North America facility.
- Spread and promoted the quality control standards by expanding facilities which participate in the Global Quality Control Consortium.
- Selected reform themes and reorganized system requirements through the project for adopting a next-generation global core system.
- Resumed the global production summit, ensuring that manufacturing challenges and examples of improvement were shared among manufacturing facilities.

Strategy 3: Take on the challenge toward new businesses and products.

- Promoted industry/academia, industry/industry, and industry/academia/government partnerships (currently collaborating in the compounds and films field and with circular economy and improvement of the global environment as themes).
- Selected energy-related themes as part of efforts to consider new businesses.
- Developed rubber substitute elastomers and new window films for building and automotive applications.
- Launched the Diversity, Equity, and Inclusion Promotion Project to promote the development of environment in which new ideas can be generated.

Strategy 2: Stay ahead of customers' expectations.

- Held technical exchanges with major customers (seven meetings during the first half) to uncover hidden needs.
- Advanced the development of rubber substitute elastomers through using materials informatics (MI) at the R&D division.
- Implemented initiatives for resolving problems with customers by proposing solutions for future industry issues and trends.
- Continued the operations of SFA/CRM and verified their effects.

Strategy 4: Contribute to solving environmental and social issues.

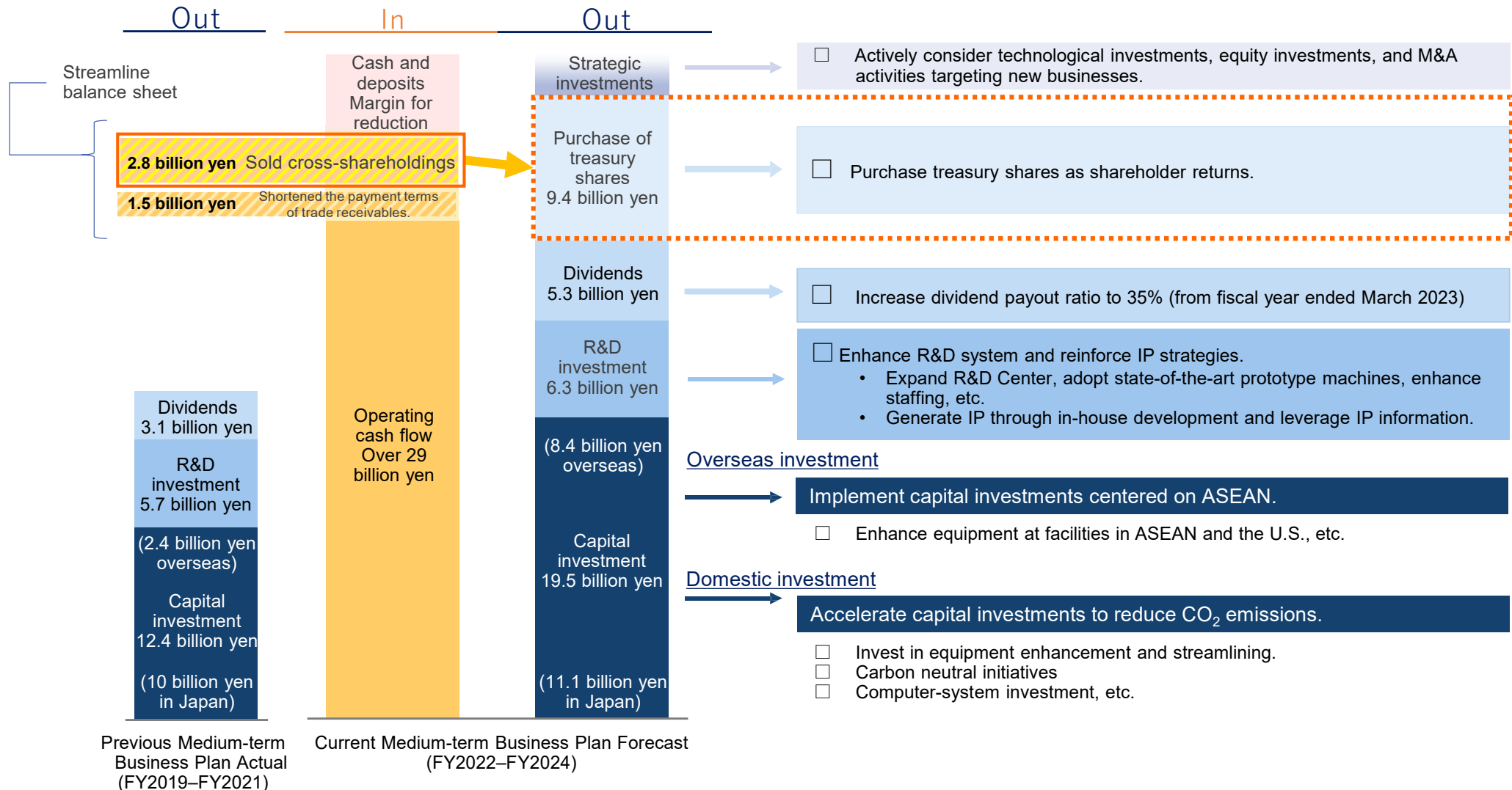
- Reanalyzed the degree of effects for climate change risks and opportunities based on the 1.5° C scenario and disclosed information in accordance with the TCFD recommendations.
- Reduced CO₂ emissions by improving the non-fossil rate for purchased electricity.
- Identified human rights risks and commenced human rights due diligence.
- Implemented SDGs / Sustainability training programs for employees

Expansion of Growth Investments

| 3. Medium- and Long-term Initiatives



➤ Aim to achieve a cash allocation focused on growth investments.



Investment (results and forecasts)

| 3. Medium- and Long-term Initiatives



Capital and IT System Investment

Three-year Medium-term Business Plan
Initial Investment Plan : 19.5 billion yen

(Unit: 100 million yen)	Major projects	Total amount		Overseas ratio	Depreciation	
		Domestic	Overseas			
FY2022 results	Expansion of facilities in ASEAN countries Reinforcement of facilities in Japan Domestic and overseas investment in streamlining	47	33	14	30%	31
FY2023 results	Expansion of facilities in ASEAN and the U.S. Expansion and reinforcement of facilities in Japan Domestic and overseas carbon neutral initiatives Domestic and overseas investment in streamlining Domestic and overseas IT systems investments	64	32	32	50%	34
FY2024 forecasts	Expansion of facilities in ASEAN and the U.S. Expansion and reinforcement of facilities in Japan Domestic and overseas carbon neutral initiatives Domestic and overseas investment in streamlining Domestic and overseas IT systems investments	84	46	38	45%	38
Total		195	111	84	43%	103

Major Capital investment

| 3. Medium- and Long-term Initiatives



★

RIKEN VIETNAM CO., LTD.

Expanding PVC compound production facilities

Constructing a new plant building, setting up a new production line, and expanding warehouse facilities

Expanding sales in the Vietnamese market, which is expected to grow, by capturing demand for automotive components and general electrical wire applications centered on wire harnesses.

<Progress>

- ✓ Started operations in November 2024
- ✓ Total investment: Approximately 1.7 billion yen



🇺🇸

RIKEN ELASTOMERS CORPORATION

Expanding PVC compound production facilities

Adding a new line in the existing building

<Progress>

- ✓ Scheduled to start operations in January 2025
- ✓ Total investment: Approximately 1.6 billion yen

●

RIKEN TECHNOS (Mie Factory)

Expanding thermoplastic elastomer compounds production facilities

Adding a new line in the existing building

<Progress>

- ✓ Scheduled to start operations in the 3rd quarter of 2025
- ✓ Total investment: Approximately 1.2 billion yen

Investments in streamlining and R&D

- ✓ Productivity improvement, labor-saving/manpower-saving, and energy conservation investments
- ✓ Automation of production planning
- ✓ Investments for improving the efficiency of development evaluations
- ✓ Investment in FY2024: Approximately 0.5 billion yen

DX investments

- ✓ Reorganized requirements for adopting a next-generation global core system.
- ✓ IoT investments (Sensing, RFID, OT networks)
- ✓ Renewal and integration of Group core system at US subsidiaries
- ✓ Investment in FY2024: Approximately 0.8 billion yen

Research and development initiatives

New product development and research initiatives

- **Development of rubber substitute elastomer and improvement of its performance**
 - Development of new cross-linked thermoplastic elastomers which are suitable for rubber substitute applications

Rubber substitute cross-linked thermoplastic elastomers

- EPDM substitute
- NBR substitute
- Butyl rubber substitute
- General-purpose rubber substitute

- **Developed new window films for building and automobile applications.**
 - Developed high thermal barrier films.



Open innovation initiatives

- **Promoted collaboration with external parties.**
 - Stepped up efforts to work with several academic organizations to consider recycling end-of-life PVC products.
 - Started to consider methods to improve the global environment with the Planetary Boundaries in mind.

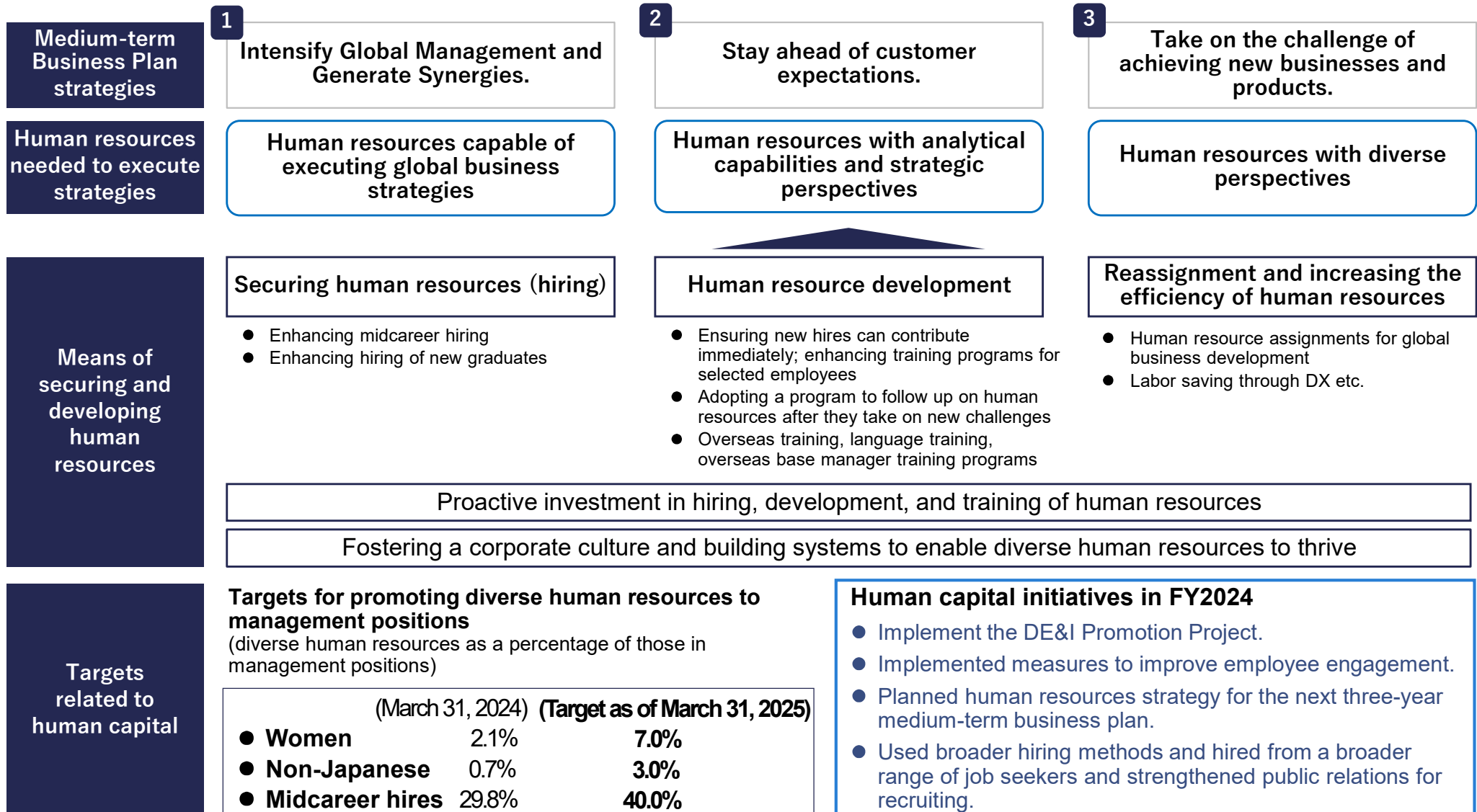
* The Planetary Boundaries is a concept to define the spheres in which mankind can live with the global environment and their limits. Put forward by Dr. Johan Rockström, et al., the concept sets limits that the global environment will tolerate on an item-by-item basis.

Investment in Human Capital

| 3. Medium- and Long-term Initiatives



➤ To achieve the goals of the Medium-term Business Plan, we will advance efforts to secure and develop human resources.



Climate change initiatives

| 3. Medium- and Long-term Initiatives



Climate change initiatives

➤ Indicators and targets of CO₂ emissions

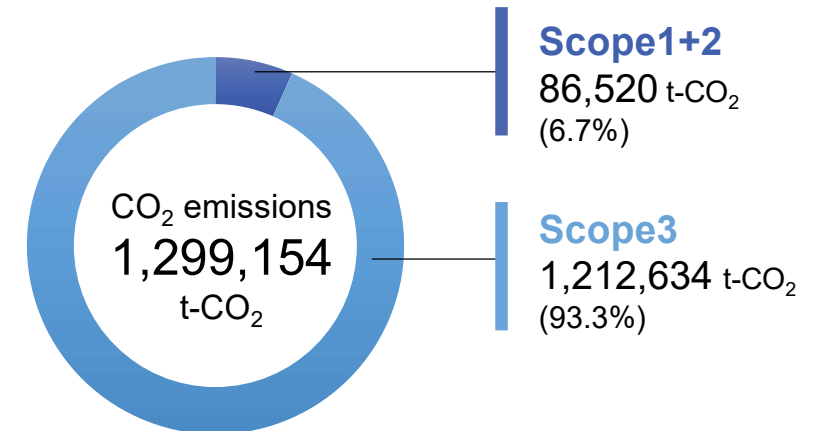
Non-consolidated (Scope 1, 2)	target for 2030	46.2% decrease from FY2019 (24,139)
Group (Scope1+2)	target for 2050	Carbon neutrality (0)

➤ CO₂ emissions results

		FY2022	FY2023
Scope1+2	Non-consolidated	41,139	40,859
	Group	86,220	86,520
Scope3 *	Group	935,410	1,212,634

(t-CO₂)

(t-CO₂)



* Calculated as Group emissions excluding non-applicable categories.

➤ Worked to reduce CO₂ emissions toward carbon neutrality

- Inspected and repaired manufacturing equipment to maintain and improve energy efficiency.
- Replaced existing facilities to those with less energy consumption (boilers, transformers, etc.).
- Introduction of additional solar power generation facilities.
- Planning to implement energy conservation for boilers (fuel oil to natural gas).

Environmentally friendly investments in RIKEN (THAILAND) CO., LTD.

Introduction of solar power generation systems into factory sites

<Progress>

- ✓ Scheduled to start operations in the 3rd quarter of 2025
- ✓ Total Investment: Approximately 0.3 billion yen

Shareholder Return (Acquisition of treasury shares)

| 3. Medium- and Long-term Initiatives



➤ **The Company has resolved, at a meeting of the Board of Directors held on July 31, 2024, the matters concerning the acquisition of treasury shares, in order to exercise agile management of capital policy corresponding to any changes of business environment, improve capital efficiency and enhance shareholder returns, and implemented the acquisition of treasury shares.**

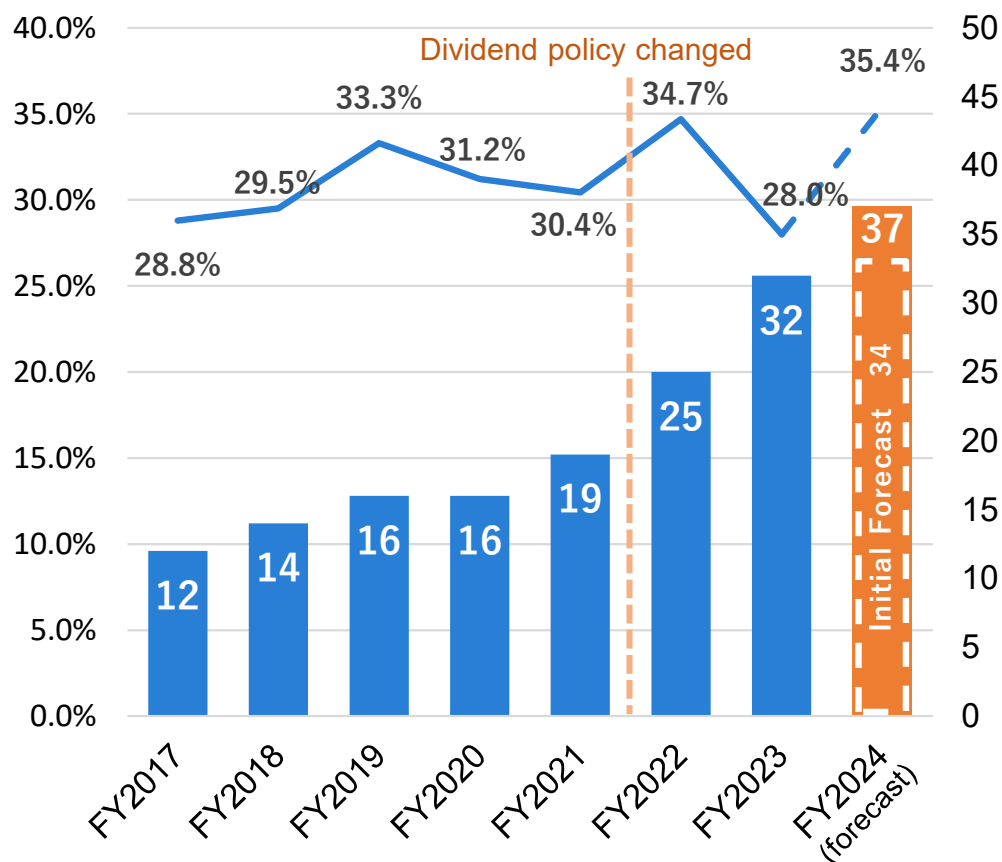
➤ **Details of matters related to acquisition**

- | | |
|--|--|
| (1) Class of shares acquired | Common shares |
| (2) Total number of shares acquired | 2.5 million shares |
| (3) Total amount of share acquisition costs | 2.4 billion yen |
| (4) Acquisition period | From August 9, 2024 to October 31, 2024 |
| (5) Acquisition funds | Allocated own funds |

All acquired shares are planned to be cancelled

- We aim to pay stable dividends while considering the balance between our financial situation and businesses.
- We increased our consolidated dividend payout ratio to around 35% from the fiscal year ended March 2023, and plan to increase dividends again for the fiscal year ending March 2025.

Dividend payout ratio and dividend trend



Dividend policy

- We will pay stable dividends, duly accounting for future business investment and capital adequacy with one aim being to achieve a consolidated dividend payout ratio of around 35%.

Note: The annual dividend for the year ended March 2024 was calculated from per-share profit for the period minus the impact of gains on sale of investment securities. The total return ratio was 129.1%, including purchase of treasury shares.

Projected dividend for fiscal year ending March 2025

- **Dividend to increase by five yen to 37 yen** from 32 yen last fiscal year (Revised upward by three yen from initial forecast)
- **Consolidated dividend payout ratio: 35.4% (forecast)**
- **Total return ratio: 78.7% (forecast)**

Reduction of Strategic Shareholdings

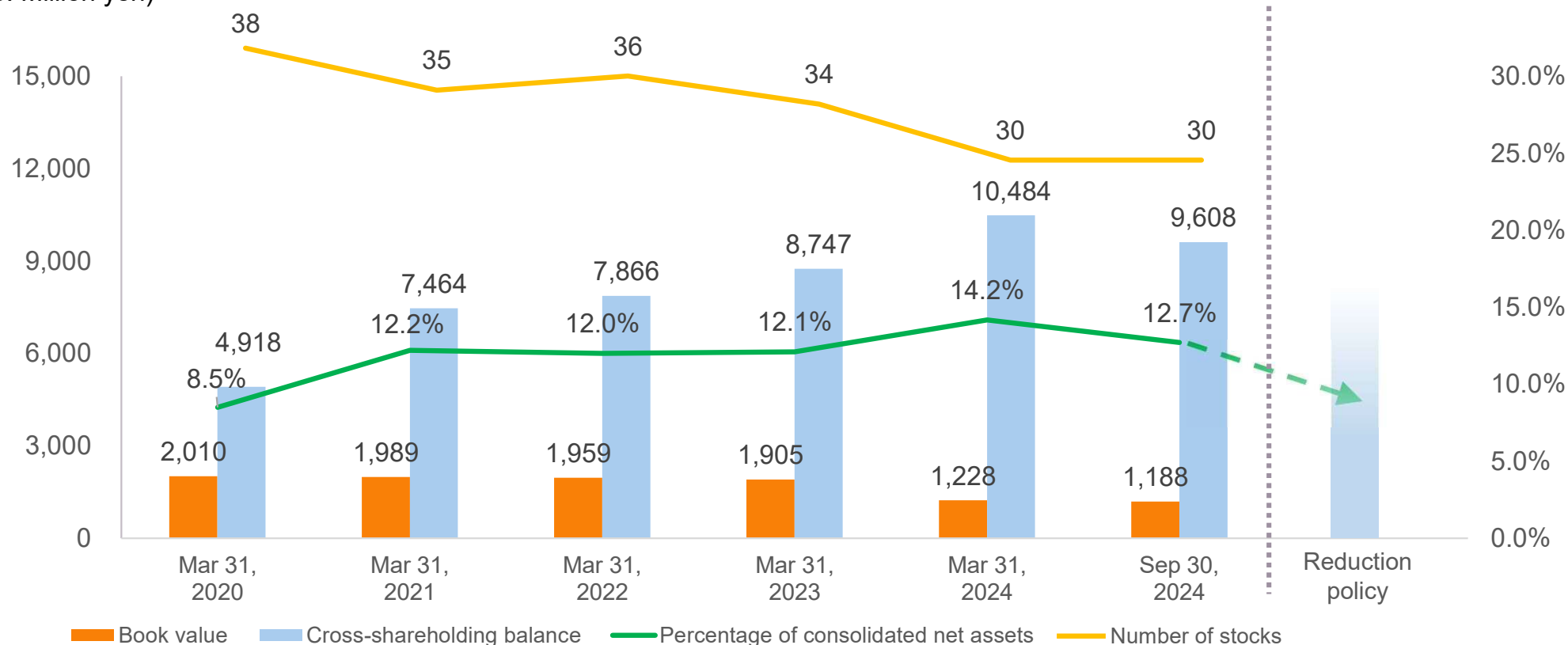
| 3. Medium- and Long-term Initiatives



- Reducing cross-shareholdings in line with the policy of maintaining the balance of holdings at less than 10% of consolidated net assets.
- Sold part of 6 of the 30 stocks held during the fiscal year ending March 2025.

Changes in status of cross-shareholdings

(Value: Million yen)

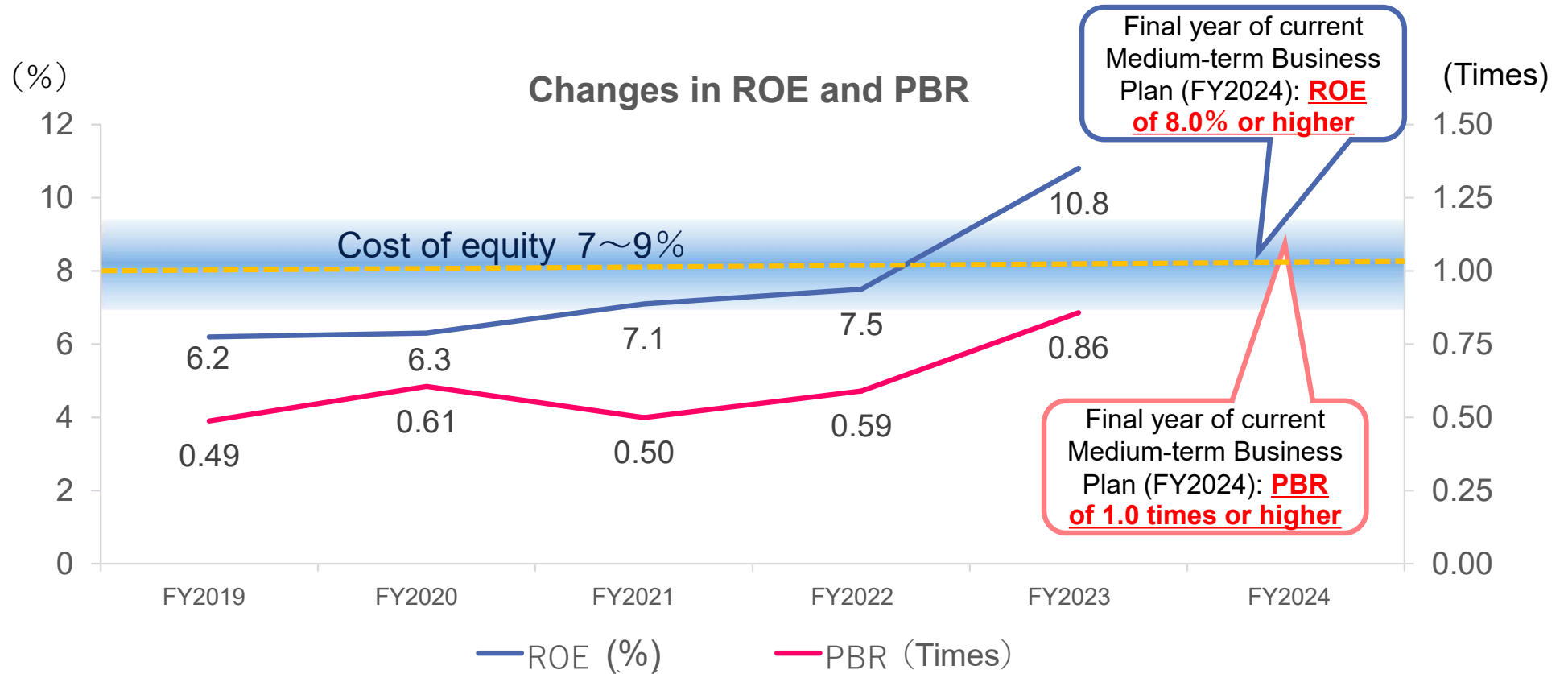


Sustainable Growth and Increased Corporate Value

3. Medium- and Long-term Initiatives



➤ Aim to achieve **ROE of 8.0% or higher and PBR of 1.0 times or higher** for the fiscal year ending March 2025 through active implementation of each strategy.



ROIC	6.5%	6.2%	7.1%	8.0%	9.3%	11.0%
WACC	6~8%					

Disclaimer

Plans, projections, strategies, and other statements that are not historical facts presented in this document constitute forward-looking statements based on information available at the time of preparation and involve various risks and uncertainties. Actual results may differ significantly from these projections due to changes in the business environment and other factors.

Furthermore, information presented in this document concerning companies other than the Company or its group companies is based on publicly available information. The Company does not guarantee the accuracy of such information.

For inquiries, please contact:

webmaster@rikentechnos.co.jp

Corporate Planning Department/Accounting Department



Corporate Profile



Company Name	RIKEN TECHNOS CORPORATION
Date of Establishment	March 30, 1951
Capital Stock	8,514 million yen
Representative	Kazuaki Tokiwa Representative Director, President & CEO
Number of Employees	1,905 consolidated employees and 793 non-consolidated employees (As of September 30, 2024)
Head Office	Waterras Tower, 2-101, Kanda-Awajicho, Chiyoda-ku, Tokyo 101-8336 JAPAN



Management Philosophy: The RIKEN TECHNOS Way



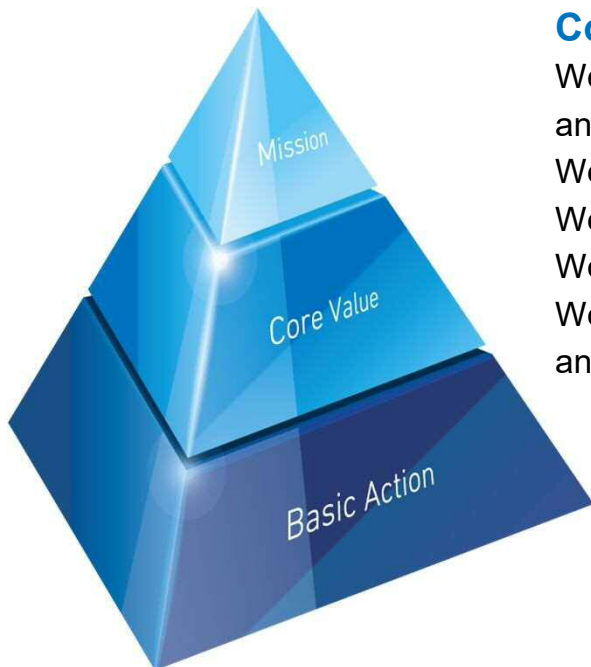
The spirit of venture, which has been passed down since our founding days, represents the very strength of RIKEN TECHNOS CORPORATION and its “RIKEN TECHNOS-ness.” The RIKEN TECHNOS Way, our corporate philosophy, was formulated based on this “RIKEN TECHNOS-ness.”

The word “challenger” used in our mission statement is meant to convey two meanings – a manufacturer that produces high-quality products and an organization that takes on challenges to create new value and satisfaction for people, companies, and society. To make further advances into the future, we will continue taking on new challenges.

Mission “Mission and Purpose”

We are a challenger that harnesses the power of science to improve the quality of life and create a safe, affluent society.

We continuously provide new value and satisfaction to people, companies and society through our original and superior formulations and manufacturing technologies of multiple resins.



Core Value “Fundamental Values”

We establish a bond of trust
and work for the mutual benefit all.
We create new value.
We continually push ourselves to achieve more.
We enjoy our work and love what we do.
We work together to find solutions
and produce the best results for everyone.

Basic Action “Specific Action Guidelines”










Lead without fear.
Take charge and enjoy your work.
Build a team by trusting and helping one other.
Listen attentively and speak sincerely.
Come with smile and leave with smile.
Stay ahead of customers' expectations.
Seek new things and ways.
Be a real professional through self-improvement.
Set goals and achieve on time.

Business Segments



➤ With a focus on our three main product lines (compounds, films, and food packaging), based on comprehensive technologies related to synthetic resin processing, we supply products to a wide range of industries and engage in business in Japan and around the world through application-specific processing.

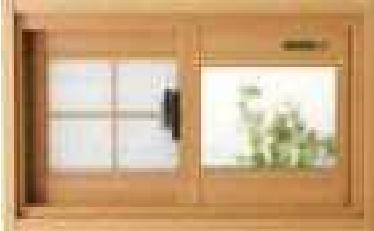

Segments

Main product line	Description	Transportation	Daily Life & Healthcare	Electronics	Building & Construction
Compounds	Compounds are composite materials with new properties created by mixing several different additives with a base resin. They are used primarily for extrusion molding and injection molding. We develop, manufacture, and sell polyvinyl chloride resins as well as thermoplastic elastomers and highly functional fire-resistant and electroconductive compounds.	<ul style="list-style-type: none"> Wire harness compounds Sash compounds 	<ul style="list-style-type: none"> Syringe gasket compounds Blood transfusion equipment compounds 	<ul style="list-style-type: none"> Electrical wire compounds 	<ul style="list-style-type: none"> Heat insulation sash compounds 
Films	We manufacture high-quality films using manufacturing methods adapted to the characteristics of the compounded resin. We also develop and manufacture and sell film products that contribute to design freedom and functionality by layering multiple films and applying coatings to surfaces.	<ul style="list-style-type: none"> RIVEX® window films 	<ul style="list-style-type: none"> Antivirus and antibacterial films 	<ul style="list-style-type: none"> Semiconductor-related films 	<ul style="list-style-type: none"> High-end wall covering films 
Food Packaging	As a pioneer that developed Japan's first polyvinyl chloride resin wrap, RIKEN TECHNOS pursues high-quality and functional wraps for food packaging for household and commercial applications, and develops and manufactures, and sells wraps suitable for foods, automated packaging machines, and so on.	<ul style="list-style-type: none"> PVC wraps Botanical wraps 			

Contributing to the Environment through Business



- We pursue energy conservation, resource conservation, recycling, and other initiatives in our traditional PVC and elastomer businesses as well.
- Boosting sales of these products will help protect the environment.

Resin	Properties	Our products	Sales expansion status and policies
<p style="text-align: center; font-size: 24pt; font-weight: bold;">PVC</p>	<ul style="list-style-type: none"> ■ About 60% of PVC comes from the natural material of salt. <ul style="list-style-type: none"> • PVC can provide a range of functions according to the application, including durability, workability, fire resistance, and weather resistance. • At 21.3 MJ/kg, PVC resource energy consumption is less than half that of other resins that consist mainly of hydrocarbons from petroleum (polyethylene and polypropylene), which consume 45.6–46.5 MJ/kg, giving it a low environmental impact. 	<p>PVC resin interior window sashes (Recyclable as a forming material)</p> 	<p>Strong demand for resin sashes is expected to continue due to the Japanese government's zero emission home (ZEH) initiative, so our policy is to focus on expanding sales of PVC compounds.</p>
<p style="text-align: center; font-size: 24pt; font-weight: bold;">Elastomers</p>	<ul style="list-style-type: none"> ■ With rubberlike characteristics, elastomers can help reduce CO₂ emissions and conserve energy. <ul style="list-style-type: none"> • Thermoplastic elastomers are recyclable and can be molded more quickly than conventional rubber, making it possible to reduce CO₂ emissions. • They are also lightweight materials, so they can help conserve energy by reducing vehicle weights and fuel consumption. 	<p>Highly oil-resistant TPV ACTYMER® K (Offering features equivalent to those of oil-resistant rubber)</p> 	<p>We expect the continuation of trends toward material changes and rubber substitutes intended to improve fuel consumption for vehicles and reduce vehicle weight, so our policy is to focus on expanding sales of applicable functional materials.</p>

*Source: Vinyl Environmental Council website

Global Network



- Production Companies
- Sales Companies

- RIKEN TECHNOS CORPORATION
- Domestic subsidiaries
 - RIKEN CABLE TECHNOLOGY CO., LTD.
 - RIKEN CHEMICAL PRODUCTS CO., LTD.
 - KYOEI PLASTIC MFG CO., LTD.
 - IMI Co., LTD.



Value Creation History



➤ Since our founding in 1951, we have continued to broaden our range of products while expanding our network across Japan and around the world.

