



Q2/FYE March 2024
Earnings Conference

November 29, 2023



I. Global Agrochemical Markets

II. Q2/FYE March 2024 Earnings

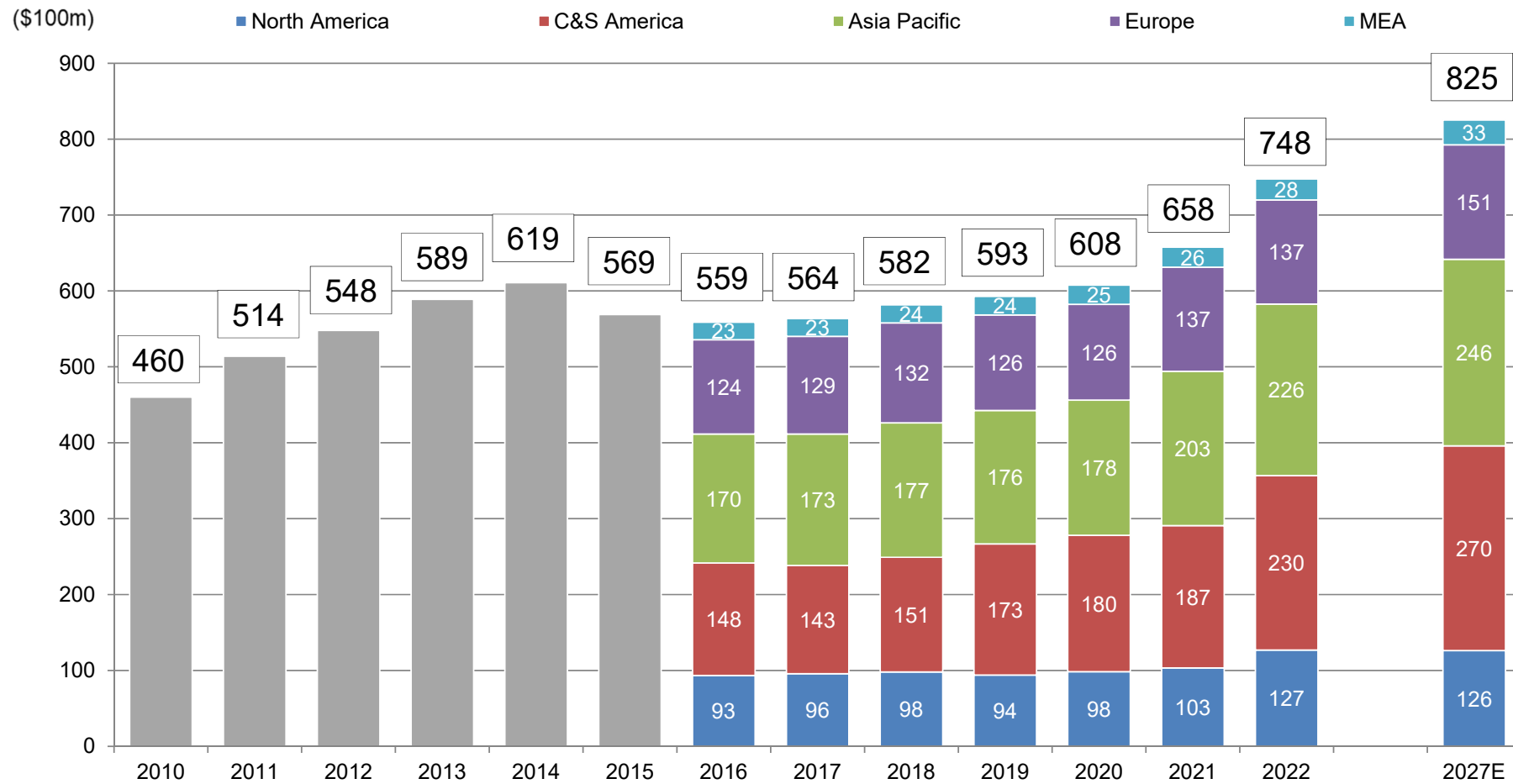
III. FYE March 2024 Full Year Earnings Forecast

IV. Status of Mid-term Management Plan Initiatives

V. Q&A

I. Global Agrochemical Markets

Global Agrochemical Markets



Source) Agbio Investor

North America

Demand for agrochemicals was sluggish due to a low rate of pest outbreaks compared to previous years attributable to cold weather in certain regions as well as the impact of distribution inventory

Latin America

Although demand for agrochemicals trended upward in terms of actual consumption due to higher agricultural production and the expansion of crop land in Brazil, the impact of distribution inventory resulted in a significant decrease in shipments, particularly non-selective herbicides

Europe

Market contraction due to unseasonable weather such as low temperatures in Northern Europe and drought in Southern Europe

Asia

Demand for agrochemicals was sluggish due to the late arrival of the rainy season in India and the subsequent delays in crop planting due to low rainfall

Japan

Demand for agrochemicals was sluggish due to minor pest outbreaks attributable to extreme heat and other unseasonable weather, and the impact of distribution inventory from previous fiscal years

II. Q2/FYE March 2024 Earnings

Q2/FYE March 2024 Earnings (YoY)

(¥100m/ %)

	Q2/FYE Mar 2024 Results	Q2/FYE Mar 2023 Results	YoY	Growth %
Net Sales	406	431	-24	-5.8
Domestic Agrochemical Sales	66	67	-1	-2.4
Overseas Agrochemical Sales	302	325	-23	-7.1
Other agrochemicals	10	9	0	8.1
Chemical Products excluding agrochemicals	20	20	-0	-1.1
Other	7	8	-0	-9.4
Cost of Sales	295	303	-8	-2.8
Gross Profit	111	128	-16	-12.9
SG&A	99	97	1	2.0
Operating Income	11	30	-18	-61.2
Ordinary Income	9	31	-22	-70.3
Profit Attributable to Owners of Parent	6	25	-18	-73.1

Q2/FYE March 2024 Earnings (YoY)

Net sales	¥43.1 bn → ¥40.6 bn	(-¥2.4 bn)
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Operating income	¥3.0 bn → ¥1.1 bn	(-¥1.8 bn)
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Profit increase due to yen depreciation	+¥0.3 bn
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Decrease from overseas business	-¥1.9 bn
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Decrease in domestic agrochemical sales	-¥0.1 bn
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SG&A expenses increase	-¥0.1 bn
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Q2/FYE March 2024 Earnings (vs. initial plans)

(¥100m/ %)

	Q2/FYE Mar 2024 Results	Q2/FYE Mar 2024 Initial Plan	YoY	Growth %
Net Sales	406	450	-43	-9.6
Domestic Agrochemical Sales	66	70	-3	-5.6
Overseas Agrochemical Sales	302	342	-39	-11.5
Other agrochemicals	10	10	0	4.6
Chemical Products excluding agrochemicals	20	20	0	0.8
Other	7	8	-0	-6.4
Cost of Sales	295	322	-27	-8.4
Gross Profit	111	127	-16	-12.7
SG&A	99	108	-9	-8.3
Operating Income	11	19	-7	-38.1
Ordinary Income	9	16	-6	-40.6
Profit Attributable to Owners of Parent	6	11	-4	-36.7

Q2/FYE March 2024 Earnings (vs. initial plans)

Net sales	¥45.0 bn → ¥40.6 bn	(-¥4.3 bn)
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Operating income	¥1.9 bn → ¥1.1 bn	(-¥0.7 bn)
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SG&A expenses decrease	+¥0.9 bn
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Profit increase due to yen depreciation	+¥0.6 bn
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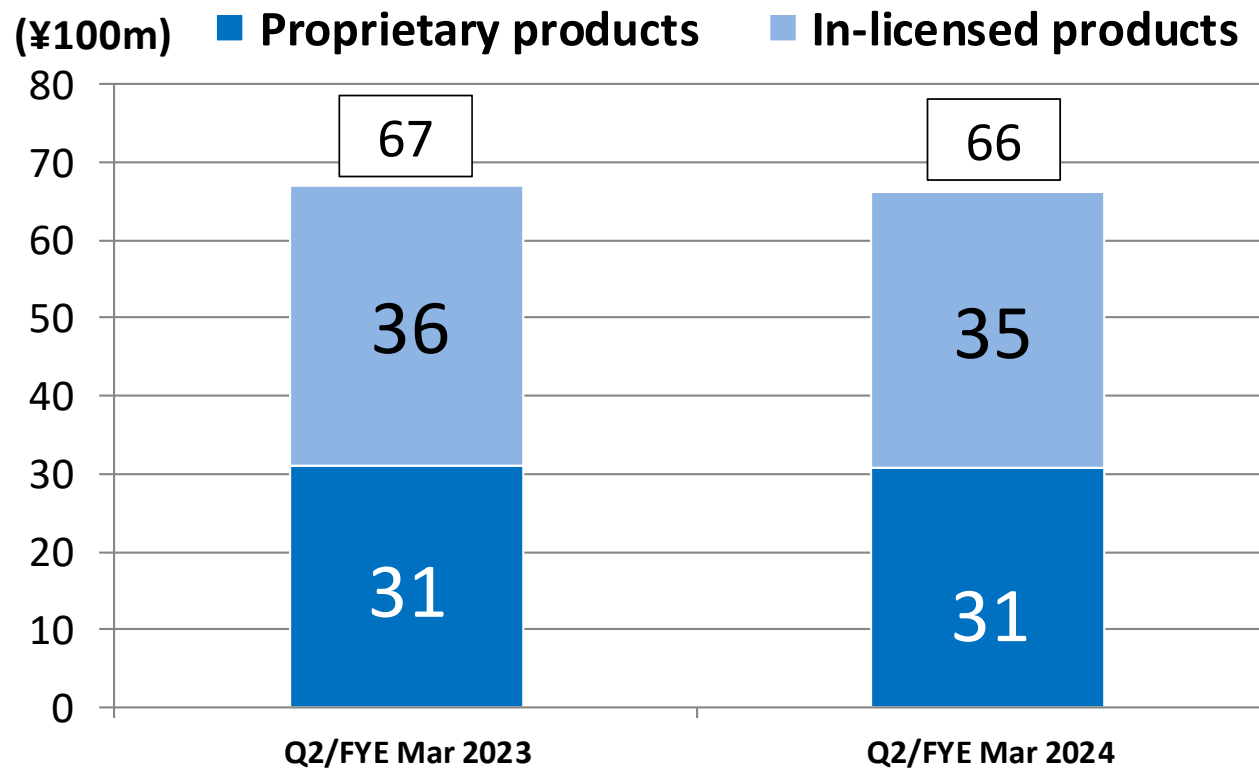
Increase in know-how technical fees	+¥0.1 bn
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Decrease from overseas business	-¥2.2 bn
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Decrease in domestic agrochemical sales	-¥0.1 bn
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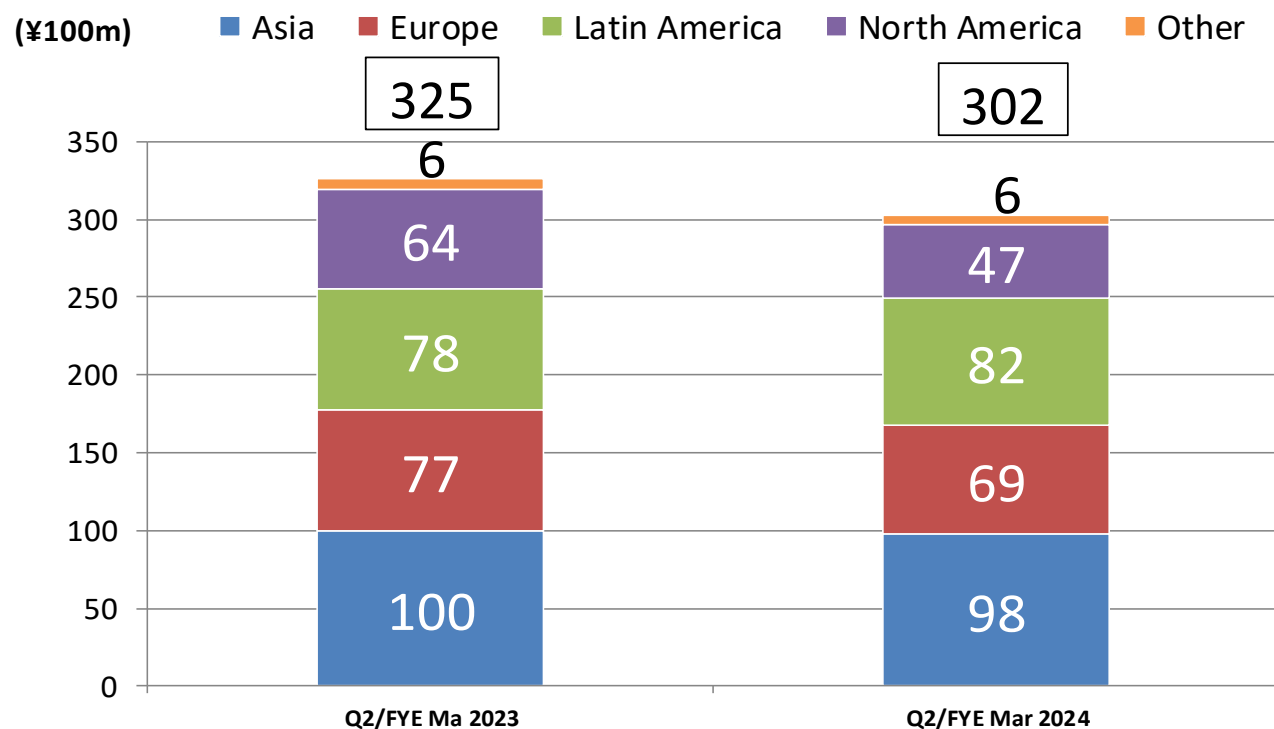
Agrochemicals (Domestic) - Composition of Net Sales (YoY)

Sales decreased due to unseasonable weather such as extreme heat, and distribution inventory



Agrochemicals (Overseas) - Net Sales by Region (YoY)

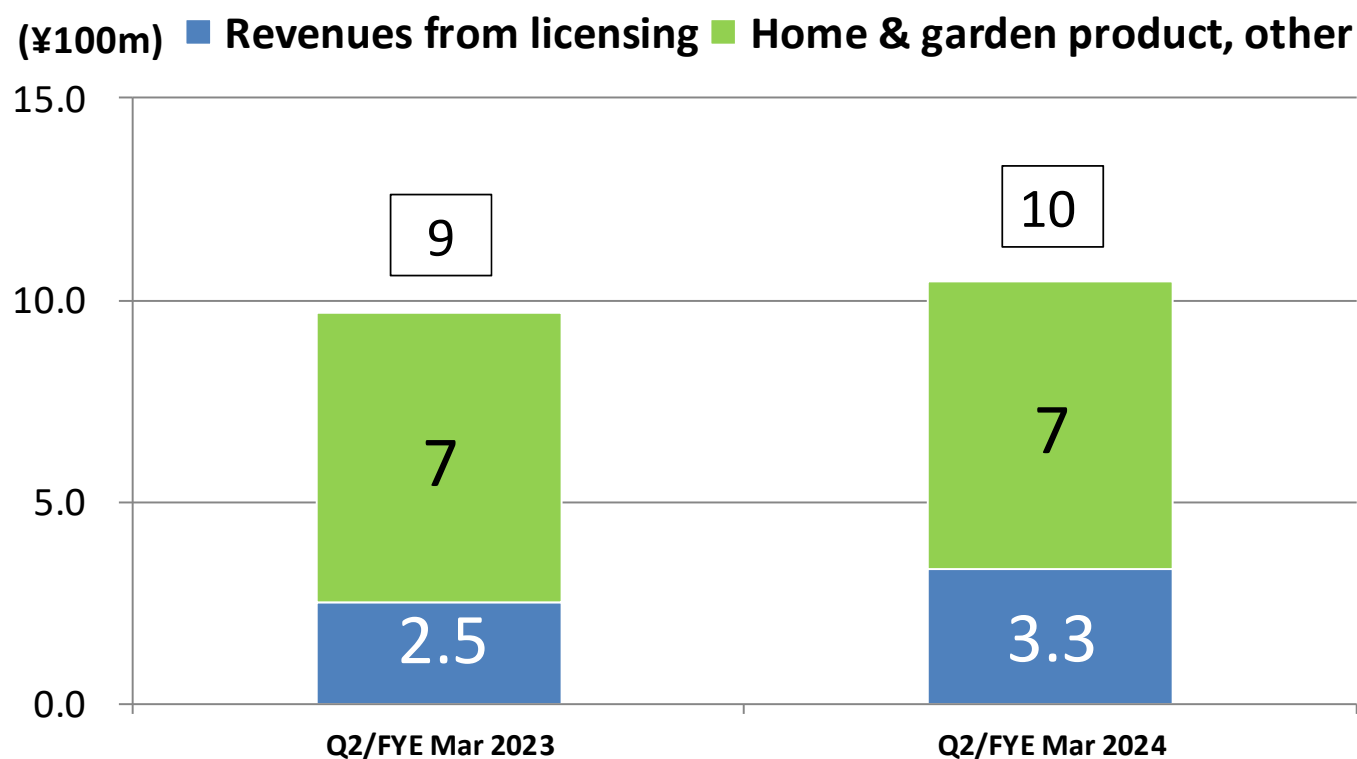
Sales decreased due to unseasonable weather in certain regions and distribution inventory



Q2/FYE Mar 2023 Actual foreign currency rates
130.60 yen/dollar 137.11 yen/euro

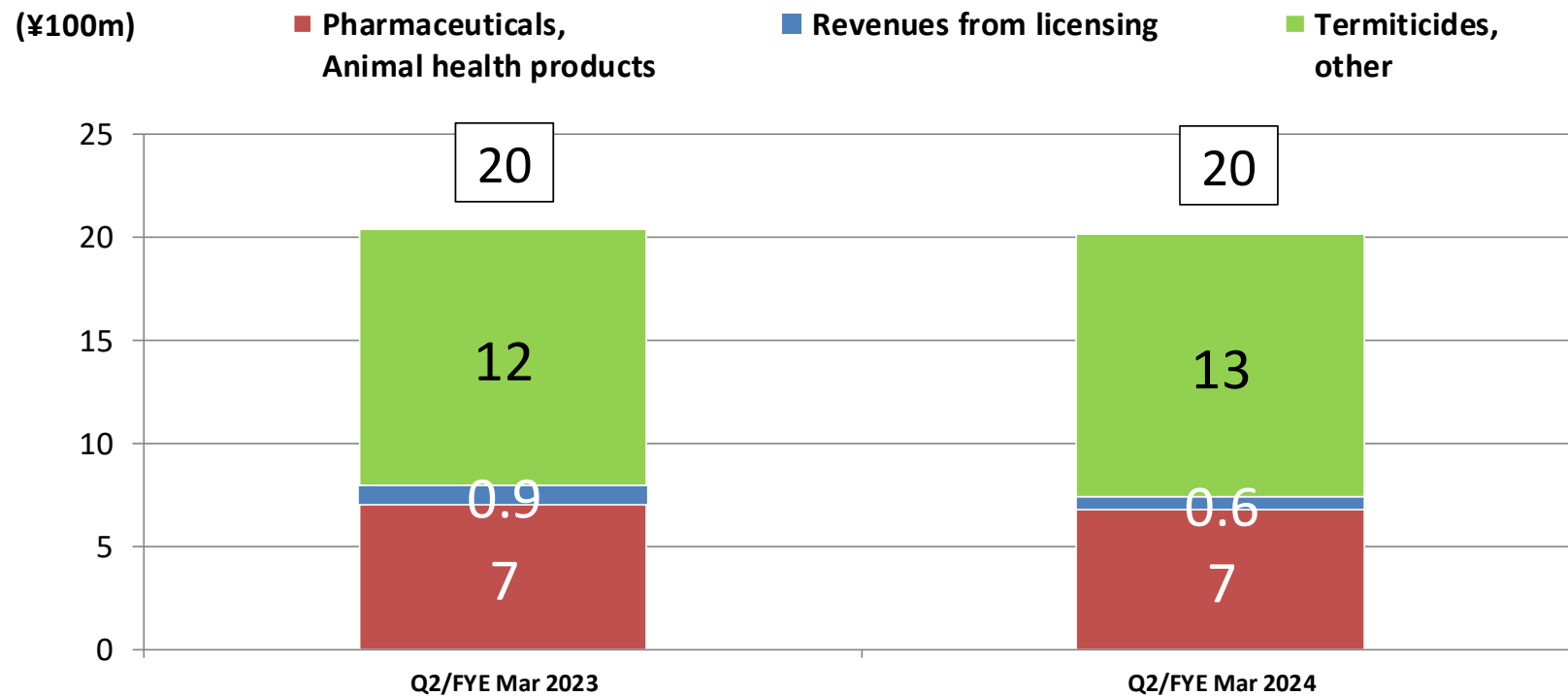
Q2/FYE Mar 2024 Actual foreign currency rates
137.53 yen/dollar 149.92 yen/euro

Know-how technical fees increased slightly



Chemical Products (Non-agrochemical products) (YoY)

Largely unchanged YoY



Major Earnings of Domestic Group Companies (YoY)

(¥m/%)

		Q2/FYE Mar	Q2/FYE Mar		
		2024 Results	2023 Results	YoY	Growth %
Nihon Nohyaku	Net sales	24,474	28,871	-4,396	-15.2
	Operating income	1,756	3,202	-1,446	-45.2
	Net profit	2,388	3,322	-933	-28.1
Nichino Service	Net sales	1,958	1,998	-39	-2.0
	Operating income	28	64	-35	-55.8
	Net profit	7	35	-28	-78.9
Nichino Ryokka	Net sales	893	939	-46	-4.9
	Operating income	12	20	-8	-40.0
	Net profit	4	9	-4	-47.6
Nihon Ecotech	Net sales	420	422	-1	-0.3
	Operating income	11	33	-22	-65.7
	Net profit	9	28	-18	-65.7
AgriMart	Net sales	1,275	1,243	31	2.6
	Operating income	221	200	21	10.7
	Net profit	143	129	13	10.6

Major Earnings of Domestic Group Companies (vs. initial plans)

(¥m/%)

		Q2/FYE Mar 2024 Results	Q2/FYE Mar 2024 Initial Plan		
				YoY	Growth %
Nihon Nohyaku	Net sales	24,474	24,160	315	1.3
	Operating income	1,756	710	1,045	147.1
	Net profit	2,388	1,188	1,200	101.1
Nichino Service	Net sales	1,958	2,161	-203	-9.4
	Operating income	28	98	-69	-70.9
	Net profit	7	70	-62	-89.3
Nichino Ryokka	Net sales	893	923	-30	-3.2
	Operating income	12	5	6	110.3
	Net profit	4	1	3	212.4
Nihon Ecotech	Net sales	420	421	-0	-0.1
	Operating income	11	4	7	164.5
	Net profit	9	4	5	138.8
AgriMart	Net sales	1,275	1,400	-124	-8.9
	Operating income	221	216	5	2.6
	Net profit	143	138	5	3.7

Major Earnings of Overseas Group (YoY)

(¥m/%)

		Q2/FYE Mar 2024 Results	Q2/FYE Mar 2023 Results			Net Sales Currency conversion rate (¥)	
				YoY	Growth %		
Nichino America	Net sales	4,663	6,433	-1,769	-27.5	US dollar	
	Operating income	104	634	-529	-83.5	2023.3 Q2 Actual	132.87
	Net profit	85	490	-405	-82.5	2024.3 Q2 Actual	140.20
Taiwan Nihon Nohyaku	Net sales	245	286	-41	-14.3	Taiwan dollar	
	Operating income	30	47	-17	-37.1	2023.3 Q2 Actual	4.48
	Net profit	25	40	-14	-36.5	2024.3 Q2 Actual	4.53
Nichino India	Net sales	5,896	5,829	66	1.1	Indian rupee	
	Operating income	63	41	21	51.9	2023.3 Q2 Actual	1.72
	Net profit	-84	11	-96	—	2024.3 Q2 Actual	1.74
Sipcam Nichino Brasil	Net sales	7,313	6,907	405	5.9	Brazilian real	
	Operating income	32	411	-379	-92.2	2023.3 Q2 Actual	24.51
	Net profit	-453	-81	-371	—	2024.3 Q2 Actual	26.20
Nichino Europe	Net sales	2,528	2,550	-22	-0.9	British pound	
	Operating income	121	174	-52	-29.9	2023.3 Q2 Actual	163.01
	Net profit	74	177	-102	-57.8	2024.3 Q2 Actual	174.84

Major Earnings of Overseas Group (vs. initial plans)

(¥m/%)

		Q2/FYE Mar 2024 Results	Q2/FYE Mar 2024 Initial Plan			Net sales Currency conversion rate (¥)	
				YoY	Growth %		
Nichino America	Net sales	4,663	5,853	-1,190	-20.3	US dollar	
	Operating income	104	421	-316	-75.1	2024.3 Initial plans	130.00
	Net profit	85	233	-147	-63.3	2024.3 Q2 Actual	140.20
Taiwan Nihon Nohyaku	Net sales	245	275	-30	-11.0	Taiwan dollar	
	Operating income	30	34	-4	-12.5	2024.3 Initial plans	4.00
	Net profit	25	28	-2	-8.9	2024.3 Q2 Actual	4.53
Nichino India	Net sales	5,896	8,187	-2,291	-28.0	Indian rupee	
	Operating income	63	504	-441	-87.5	2024.3 Initial plans	1.60
	Net profit	-84	282	-367	—	2024.3 Q2 Actual	1.74
Sipcam Nichino Brasil	Net sales	7,313	8,724	-1,411	-16.2	Brazilian real	
	Operating income	32	573	-541	-94.4	2024.3 Initial plans	25.00
	Net profit	-453	-43	-409	—	2024.3 Q2 Actual	26.20
Nichino Europe	Net sales	2,528	2,088	439	21.0	British pound	
	Operating income	121	112	9	8.5	2024.3 Initial plans	160.00
	Net profit	74	86	-11	-13.6	2024.3 Q2 Actual	174.84

III. FYE March 2024 Full Year Earnings Forecast

FYE March 2024 Earnings Forecast (YoY)

(¥100m/ %)

	FYE Mar 2024 Forecast	FYE Mar 2023 Results	YoY	Growth %
Net Sales	1,040	1,020	19	1.9
Domestic Agrochemical Sales	230	221	8	4.1
Overseas Agrochemical Sales	737	726	10	1.4
Other agrochemicals	18	17	0	0.7
Chemical Products excluding agrochemicals	38	37	0	0.9
Other	17	17	-0	-4.0
Cost of Sales	743	715	27	3.8
Gross Profit	297	305	-9	-2.7
SG&A	226	218	8	3.8
Operating Income	71	87	-16	-18.8
Ordinary Income	59	77	-18	-24.2
Profit Attributable to Owners of Parent	40	44	-5	-10.9

FYE March 2024 Earnings Forecast (YoY)

Net sales ¥102.0 bn → ¥104.0 bn (+¥1.9 bn)

Operating income ¥8.7 bn → ¥7.1 bn (-¥1.6 bn)

Profit increase due to yen depreciation +¥1.1 bn

Decrease from overseas business -¥1.6 bn

SG&A expenses increase -¥0.8 bn

Decrease in domestic agrochemical sales -¥0.3 bn

FYE March 2024 Earnings Forecast (vs. initial plans)

(¥100m/ %)

	FYE Mar 2024 Forecast	FYE Mar 2024 Initial Plan	vs. initial plans	Growth %
Net Sales	1,040	1,040	0	0.0
Domestic Agrochemical Sales	230	233	-3	-1.3
Overseas Agrochemical Sales	737	734	3	0.4
Other agrochemicals	18	18	0	0.0
Chemical Products excluding agrochemicals	38	38	0	0.0
Other	17	17	0	0.0
Cost of Sales	743	728	13	1.9
Gross Profit	297	311	-13	-4.4
SG&A	226	228	-1	-0.7
Operating Income	71	83	-12	-14.5
Ordinary Income	59	75	-16	-21.3
Profit Attributable to Owners of Parent	40	47	-7	-14.9

FYE March 2024 Earnings Forecast (vs. initial plans)

Net sales **¥104.0 bn → ¥104.0 bn** (\approx initial plans)

Operating income **¥8.3 bn → ¥7.1 bn** **(-¥1.2 bn)**

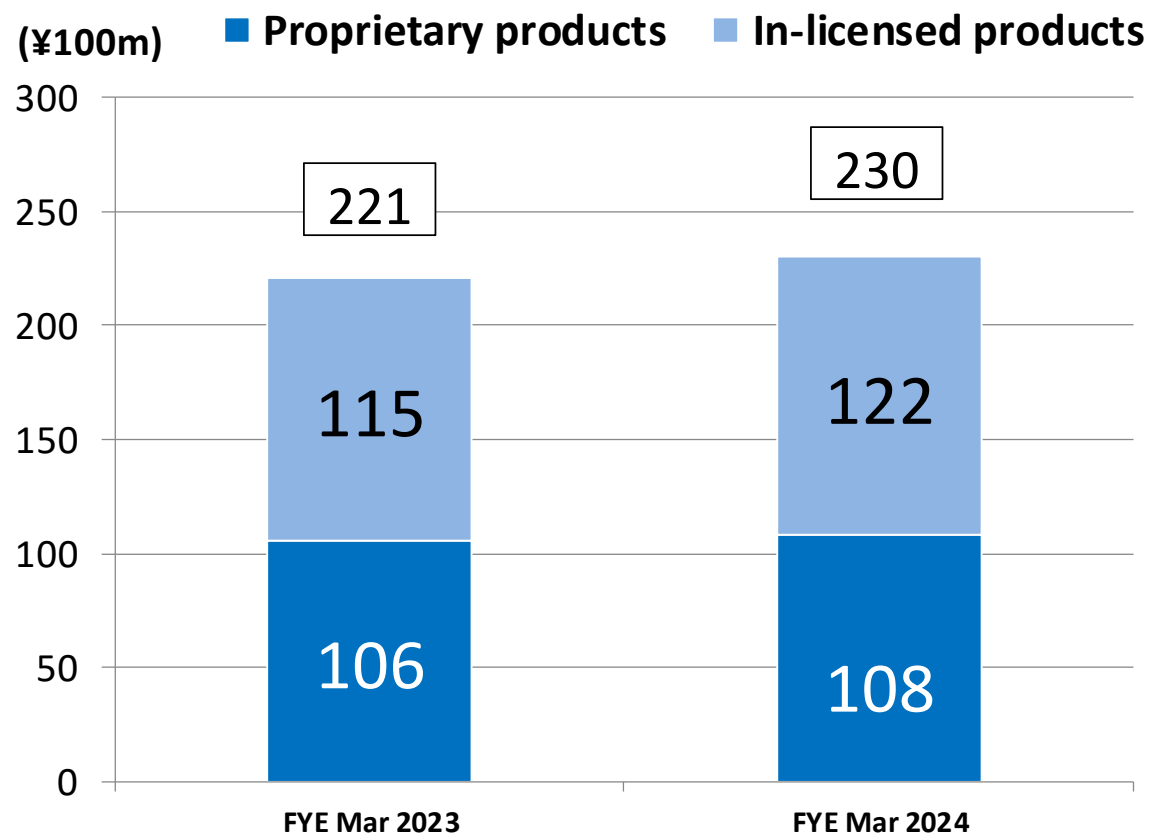
Profit increase due to yen depreciation **+¥1.5 bn**

SG&A expenses decrease **+¥0.1 bn**

Decrease from overseas business **-¥2.6 bn**

Decrease in domestic agrochemical sales **-¥0.2 bn**

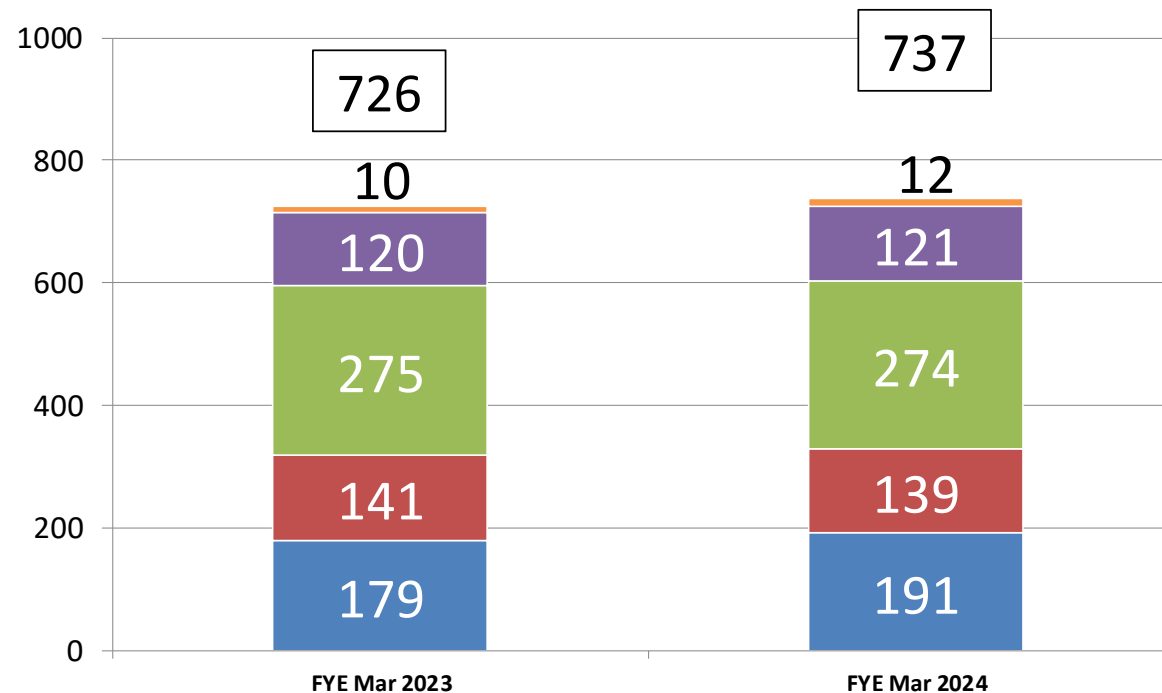
Sales growth from increased sales of Corteva products



Agrochemicals (Overseas) - Net Sales by Region (YoY)

Increased sales in Asia region

(¥100m) ■ Asia ■ Europe ■ Latin America ■ North America ■ Other

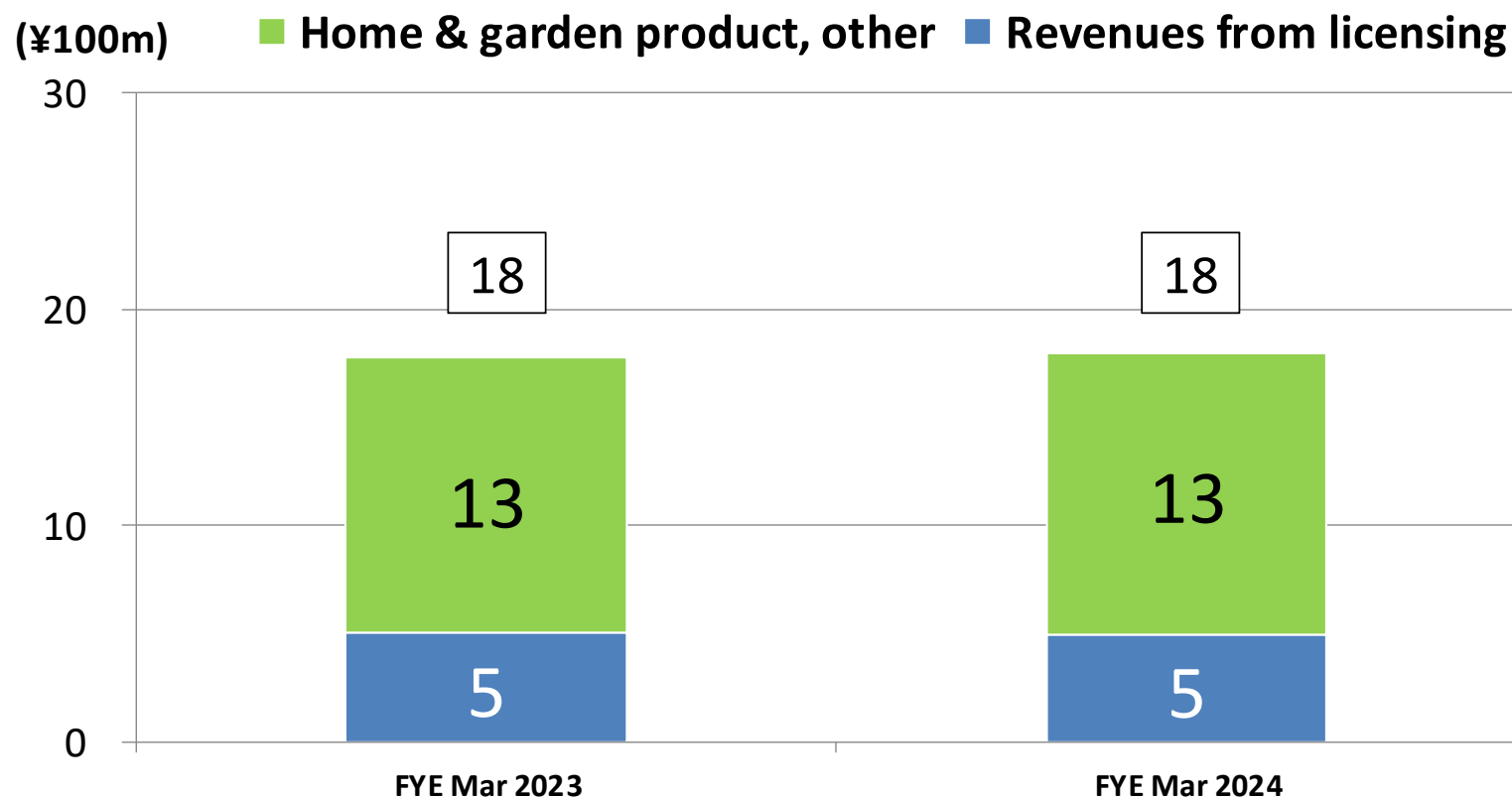


FYE Mar 2023 Actual foreign currency rates
131.30 yen/dollar 138.96 yen/euro

FYE Mar 2024 2H Assumed foreign currency rates
140 yen/dollar 157 yen/euro

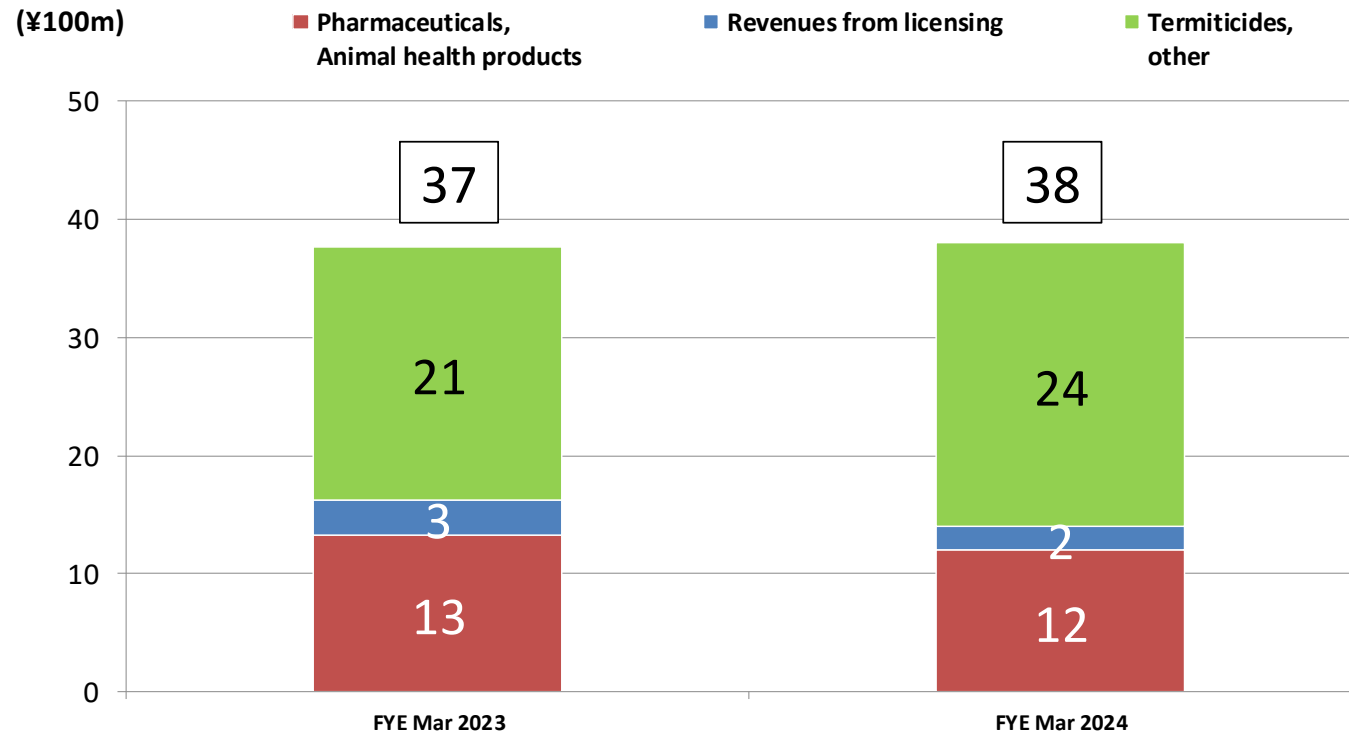
Agrochemicals (Others) (YoY)

Largely unchanged



Chemical Products (Non-agrochemical products) (YoY)

Increased sales for termiticides, other.



Main Forecasts for Domestic Group Companies (YoY)

(¥m/%)

		FYE Mar 2024	FYE Mar 2023		
		Forecast	Results	YoY	Growth %
Nihon Nohyaku	Net sales	53,103	52,755	347	0.7
	Operating income	3,457	4,036	-579	-14.3
	Net profit	3,715	4,137	-422	-10.2
Nichino Service	Net sales	4,273	4,419	-146	-3.3
	Operating income	174	230	-56	-24.6
	Net profit	116	145	-29	-20.3
Nichino Ryokka	Net sales	1,925	1,911	14	0.7
	Operating income	13	46	-32	-70.2
	Net profit	4	29	-25	-86.0
Nihon Ecotech	Net sales	860	871	-11	-1.4
	Operating income	34	31	3	11.5
	Net profit	24	28	-3	-13.6
AgriMart	Net sales	2,430	2,221	208	9.4
	Operating income	229	237	-8	-3.5
	Net profit	146	153	-6	-4.3

Main Forecasts for Domestic Group Companies (vs. initial plans)

(¥m/%)

		FYE Mar 2024 Forecast	FYE Mar 2024 Initial Plan	vs. initial plans	Growth %
Nihon Nohyaku	Net sales	53,103	54,949	-1,846	-3.4
	Operating income	3,457	3,296	160	4.9
	Net profit	3,715	3,210	504	15.7
Nichino Service	Net sales	4,273	4,543	-270	-6.0
	Operating income	174	222	-48	-21.9
	Net profit	116	156	-40	-25.7
Nichino Ryokka	Net sales	1,925	1,925	—	—
	Operating income	13	13	—	—
	Net profit	4	4	—	—
Nihon Ecotech	Net sales	860	860	—	—
	Operating income	34	34	—	—
	Net profit	24	24	—	—
AgriMart	Net sales	2,430	2,430	—	—
	Operating income	229	229	—	—
	Net profit	146	146	—	—

Main Forecasts for Overseas Group Companies (YoY)

(¥m/%)

		FYE Mar 2024	FYE Mar 2023			Net sales	
		Forecast	Results	YoY	Growth %	Currency conversion rate (¥)	
Nichino America	Net sales	12,136	12,034	103	0.8	US dollar	
	Operating income	1,001	1,253	-252	-20.1	2023.3 Actual	134.89
	Net profit	719	953	-233	-24.5	2024.3 Forecast	140.08
Taiwan Nihon Nohyaku	Net sales	561	532	28	5.4	Taiwan dollar	
	Operating income	52	49	2	5.0	2023.3 Actual	4.45
	Net profit	44	43	0	1.0	2024.3 Forecast	4.21
Nichino India	Net sales	12,939	12,406	532	4.3	Indian rupee	
	Operating income	315	279	36	13.0	2023.3 Actual	1.69
	Net profit	52	82	-29	-36.2	2024.3 Forecast	1.66
Sipcam Nichino Brasil	Net sales	25,420	25,639	-218	-0.9	Brazilian real	
	Operating income	1,675	3,106	-1,430	-46.1	2023.3 Actual	26.03
	Net profit	135	1,184	-1,049	-88.6	2024.3 Forecast	26.37
Nichino Europe	Net sales	7,260	6,782	477	7.0	British pound	
	Operating income	558	586	-27	-4.7	2023.3 Actual	162.86
	Net profit	420	456	-36	-8.0	2024.3 Forecast	179.44

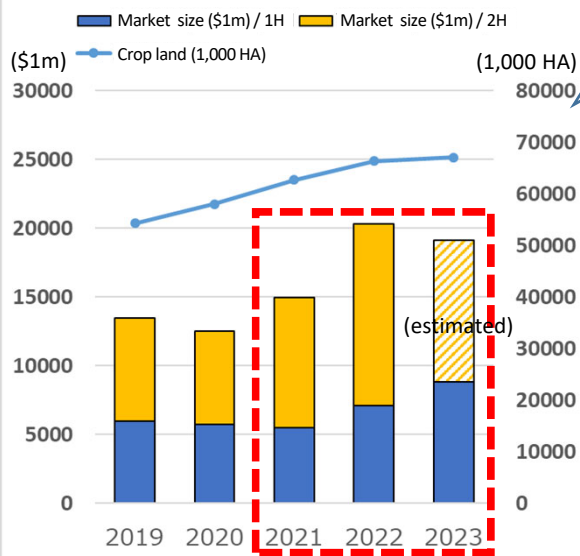
Main Forecasts for Overseas Group Companies (vs. initial plans)

(¥m/%)

		FYE Mar 2024 Forecast	FYE Mar 2024 Initial Plan	vs. initial plans	Growth %	Net sales Currency conversion rate (¥)		2024.3 H2 Assumed foreign currency rates (¥)
Nichino America	Net sales	12,136	11,695	442	3.8	US dollar		
	Operating income	1,001	1,092	-91	-8.3	2024.3 Initial plans	130.00	140.00
	Net profit	719	591	127	21.6	2024.3 Forecast	140.08	
Taiwan Nihon Nohyaku	Net sales	561	491	69	14.2	Taiwan dollar		
	Operating income	52	45	6	14.1	2024.3 Initial plans	4.00	4.00
	Net profit	44	38	5	14.0	2024.3 Forecast	4.21	
Nichino India	Net sales	12,939	14,244	-1,304	-9.2	Indian rupee		
	Operating income	315	413	-98	-23.8	2024.3 Initial plans	1.60	1.60
	Net profit	52	124	-72	-57.9	2024.3 forecast	1.66	
Sipcam Nichino Brasil	Net sales	25,420	24,475	945	3.9	Brazilian real		
	Operating income	1,675	2,641	-966	-36.6	2024.3 Initial plans	25.00	26.43
	Net profit	135	1,111	-976	-87.8	2024.3 Forecast	26.37	
Nichino Europe	Net sales	7,260	7,064	195	2.8	British pound		
	Operating income	558	570	-12	-2.2	2024.3 Initial plans	160.00	182.00
	Net profit	420	471	-51	-10.9	2024.3 Forecast	179.44	

Brazilian Market and Sipcam Nichino Brasil (SNB) Trends

(1) Brazilian market trends (consumption based)



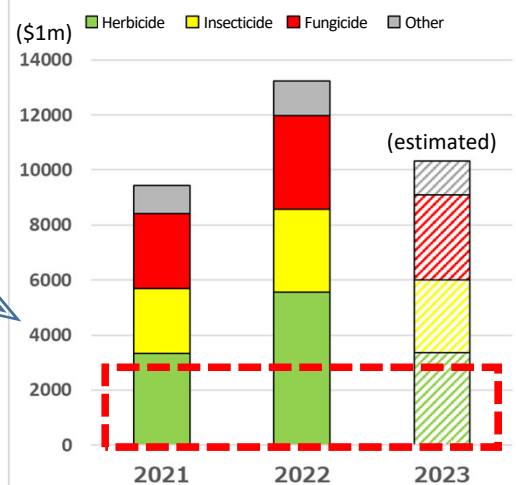
(Creating based on Kynetec materials)

The herbicide field, which increased significantly in the previous year, saw a significant slowdown (particularly due to the drop in prices of non-selective herbicides such as glyphosate agents)

Cultivation land for major crops increased.
Actual consumption (value basis) slowed in 2H

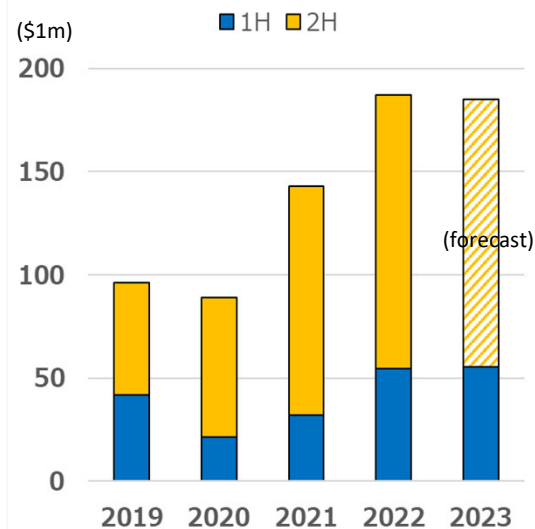
(Reference)
Manufacturer shipment value (Jan to Sep):
69% YoY
Herbicide 48% (non-selective herbicide 30%)
Insecticide 88%
Fungicide 85% (based on Painel materials)

(2) Market trends (by sector, 2H, consumption based)



(Creating based on Kynetec materials)

(3) SNB net sales trends



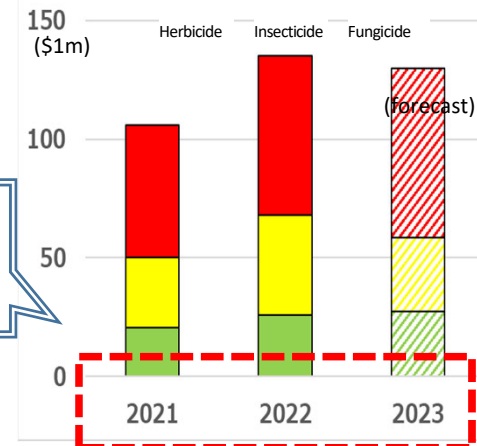
The direct impact on sales due to the rapid contraction of the market non-selective herbicides is minor. The challenge is to improve profitability by reducing procurement costs, etc.

* SNB herbicide is comprised of selective herbicides.

SNB growing steadily

SNBの売上高推移(下半期, 分野別, 百万ドル)

(4) SNB net sales trends (2H, by sector, \$1m)



Dividend Plan

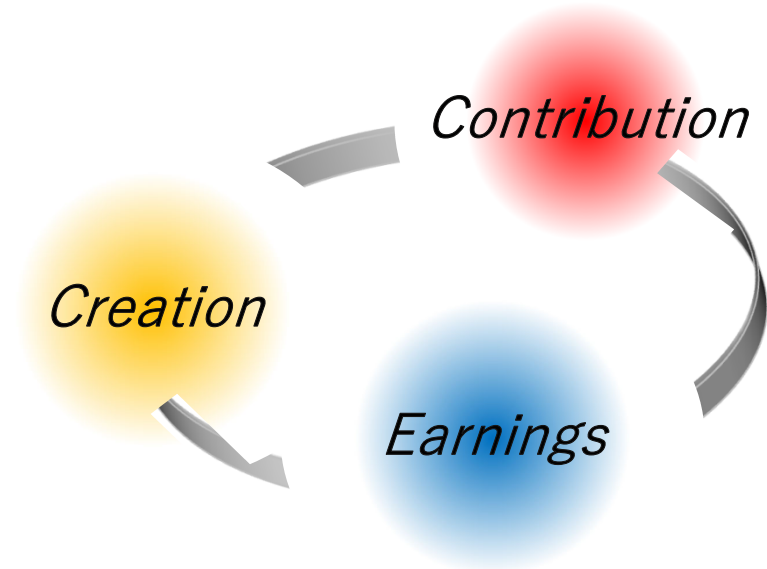
Plan to increase dividends by ¥2

			20.3	21.3	22.3	23.3	24.3E
Profit attributable to owners of parent		Million yen	1,477	4,344	4,405	4,488	4,000
Total dividends		Million yen	315	1,181	1,181	1,260	1,417
Dividends per share	Interim	Yen	—	7.5	7.5	8.0	9.0
	Year-end	Yen	4.0	7.5	7.5	8.0	9.0
	Total	Yen	4.0	15.0	15.0	16.0	18.0
Dividend payout ratio		%	21.3	27.2	26.7	28.0	35.4

IV. Status of Mid-term Management Plan Initiatives

Nichino Group – Growing Global Global Innovator for Crop & Life

- Supporting agricultural production and healthy lifestyles by providing advanced technologies that meet customer needs, such as new agrochemicals, pharmaceuticals, and animal health products
- Contributing to a sustainable society by expanding products/services that contribute to the SDGs (Eco-harmonized products and labor-saving technologies)



Ideal State of NICHINO Group

Ideal State in 2030

Corporate image	Penetration of "Nichino brand and Nichino quality" globally through attractive new product technologies and CSR (SDGs) management
Scale of business	Operating margin of 10% or more Over ¥125 bn sales (Overseas sales ratio: 70%) Existing businesses ¥100 bn + New businesses ¥25 bn
Sales force	Domestic market share of 10% or more Expanding business from overseas bases to surrounding areas Establishment of new businesses
R&D	Establishment of Life Science R&D bases in Japan and overseas
Production	Almost all in-house TG manufacturing functions Realization of production automation
Human Resources and Governance	Establishment of work styles regardless of place and time

Back
Cast

In the future

Recognized as a leading company in the life science field Major contributions to solving social issues and sustainable development
Operating margin of 15% or more Over ¥200 bn sales Existing businesses ¥150 bn + New businesses ¥50 bn
Within the global Top10 No.1 in Japan (as a agrochemical business) Pharmaceuticals, animal health care products, and new businesses are the pillars of earnings
Constantly developing agrochemicals and pharmaceuticals and animal health care products for global markets
Completion of TG manufacturing in-house Production of other life sciences products Cost competitiveness and unique technologies
Diverse human resources of the entire group work globally

Ensuring Growing Global 2

Group KPI

Operating profit Sales
¥6.4 Bil **¥89 Bil**

Divided payout ratio
30% or more

Execute further
growth strategy

Target sales
¥100 Bil

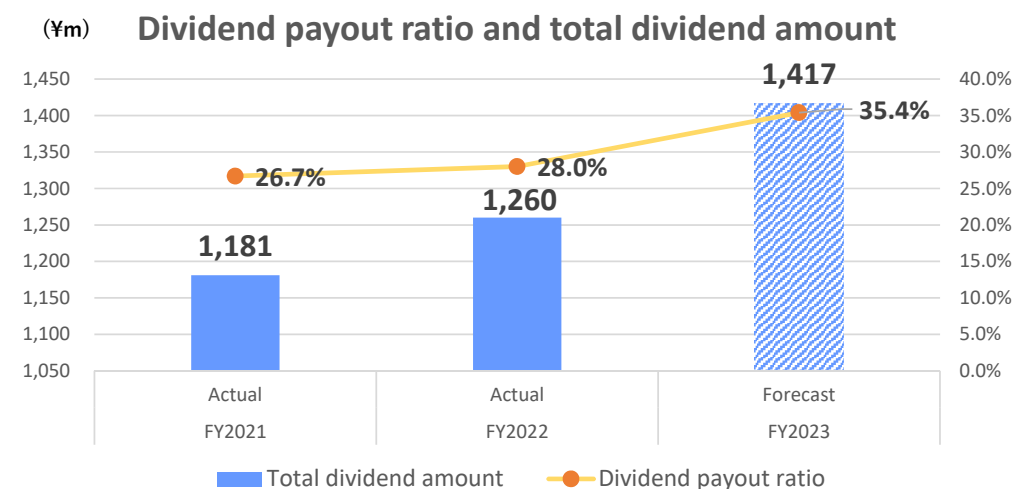
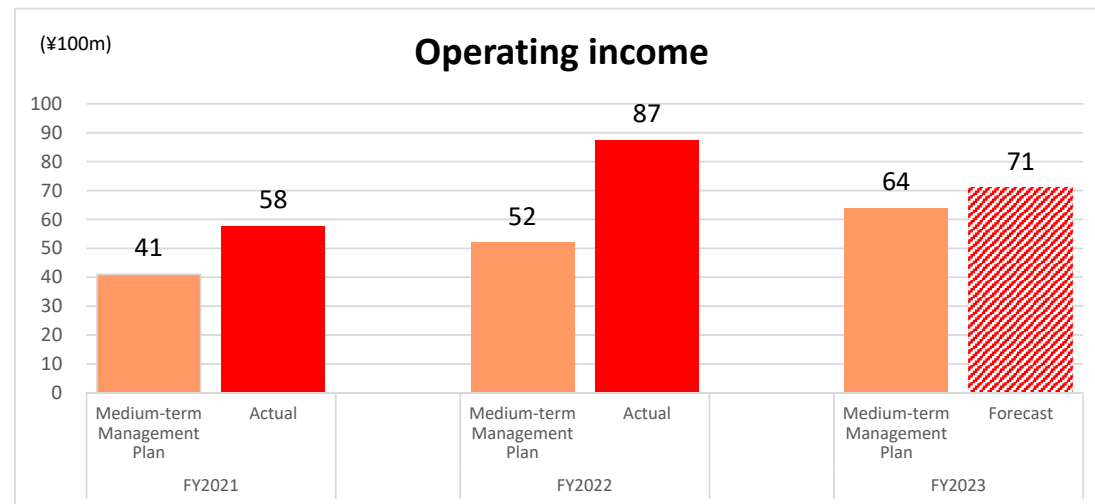
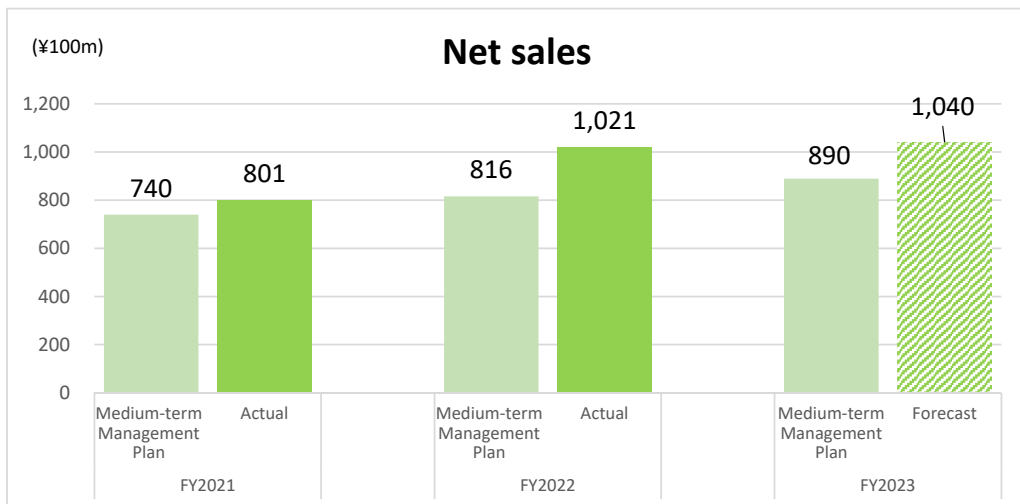
Global
expansion
up until now

Reinforcement of business infrastructure

- Improve profitability
- Technological innovation and establishment of next-generation businesses
- Sustainable growth in corporate value



Mid-term Management Plan Results and Forecast



Goal: Achieve net sales of ¥100m

**In each FY, results and forecasts outperformed Medium-term Management Plan major KPI (net sales and operating income)
Projecting dividend payout ratio will exceed plans this FY**

Basic Policies for Mid-Term Management Plan (3 years)

Profitability improvement

- Maximization of priority products
- Strengthen domestic agrochemicals sales
- Cost reduction through optimal TG manufacturing system
- Expand the synergy of the group companies

Technological innovation and Establishment of next-generation businesses

- Promote R&D and global expansion
- Expand into bio pesticides and crop protection materials sector
- DX initiatives

Sustainable growth in corporate value

- Strengthen CSR activities and ESG management
- Promote Business Reform and Work Style Reform

◆ Profitability Improvement

- Expand sales of our proprietary products, including our 4 major priority products
- Expand Corteva business
- Secure profit capable of absorbing foreign currency and inflation fluctuations
- Strengthen cost reduction negotiations and promote internalization of TG manufacturing
- Continue to review sales prices (address products with soaring costs)
- Strengthen Group company alliances and functions
- Full-scale operations at Nichino India new plant (increased production of benzpyrimoxan)

◆ Technological innovation and Establishment of next-generation businesses

- Speed up drug development R&D
- Establish inexpensive TG manufacturing method
- Accelerate realization of new business projects
- Identify new business candidates
- Promote acquisition and commercialization of bio pesticides and crop protection materials
- Promote DX (backbone system, smart factories, smart agriculture, AI business utilization)

◆ Sustainable growth in corporate value

- Respond to increased disclosure scope for corporate governance information
- Efforts to improve non-financial value (human rights DD, enhance CSR reports)
- Expand CSR (SDGs) management to Group companies
- Start operations based on new project management (simultaneous global development)
- Strengthen "NICHINO" branding activities

◆ Human resource utilization

- Formulate human resource investment strategy
- Participation in collaborative projects by young employees, interaction by internal and external human resources
- Human resource development (HR Committee, multiple internal roles, developing female managers)

◆ Profitability Improvement

- Expanded Corteva business
- Strengthened cost reduction negotiations and promote internalization of TG manufacturing
- Promoted efforts to launch Nichino Chile
- Expanded proprietary products

benzpyrimoxan	Obtained compound agents registration in India
pyrifluquinazon	Launched full sales in India for cotton and vegetables
flubendiamide	Obtained registration and launched sales in Philippines

◆ Technological innovation Establishment of next-generation businesses

- NNI-2101 development progress
- Technological innovation
 - Smart Agriculture: Expanded AI image diagnosis app diagnostic crops, added almanac function, AI prediction function
- Next-generation businesses
 - Advanced efforts towards drug discovery for veterinary drugs
 - Launched sales of Cross Value microbial materials
 - Nichino Europe acquired Interagro Ltd. (adjuvants, bio-stimulants)
 - Research progress on establishing semi-fermented product production technology

◆ Sustainable growth in corporate value

- Promoted CSR activities (CSR site renewal)
- Promoted initiatives to reduce GHG emissions and carbon neutrality
- Global Strategic Project (GSP) business process unification progress
- DX promotion project promotion (conduct training, promote automation)
- Strengthened NICHINO branding activities

◆ Human resource utilization

- Currently formulating succession plan to select future executive candidates for medium to long term development
- Employee participation in collaborative projects (GSP, DX promotion projects, etc.)

Establishment of Nichino Chile (NCL)

- Established a local subsidiary in Santiago, Chile in October 2023
- Chile's agrochemical market size is \$826 million, ranking 6th in the Americas, with fruit trees and horticulture representing \$582 million, trailing only the United States and Mexico

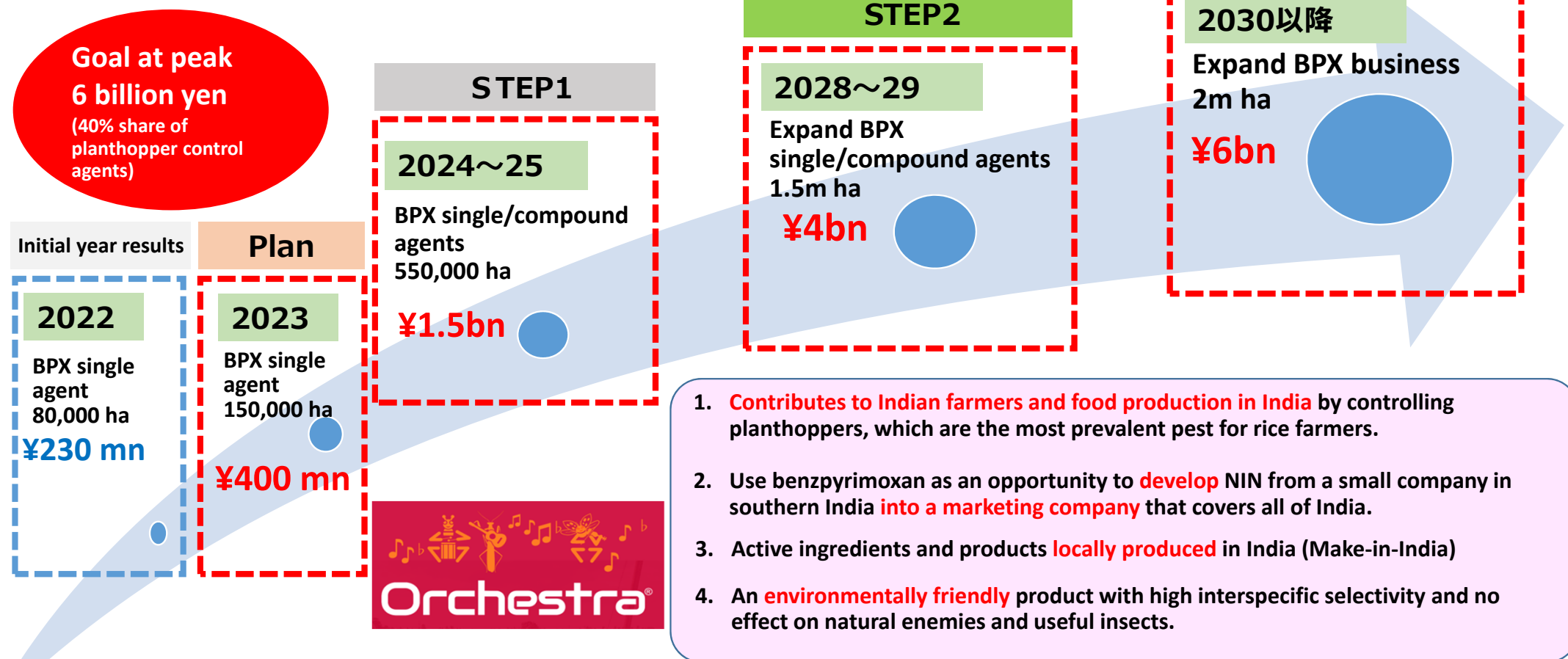
(Source: i-map, as of 2021)

⇒ **Highly compatible with our products, which excel in the fruit tree and horticulture segments**

- Strengthen relationships with local sales companies
- Accelerate sales, market adoption, and development support activities for our products

⇒ **Strengthen and expand business activities in the country to further develop the market**

Sales goals for benzpyrimoxan (BPX) in India



Launched sales of Benzpyrimoxan compound agents (Orchestra Duet) in India

- Obtained pesticide registration in July 2023
- Compound agents combining benzpyrimoxan, which has novel effects, and pymetrozine, an active ingredient with excellent biological effects and safety
- Ease of use further improved by further expanding the range of suitable spraying periods.
- Launched sales for 2024 dry season crop (Rabi crop)*
- Projecting peak sales of 4 billion yen

* Paddy rice cultivation in India is generally based on the following two patterns

- Rainy season crop (Kharif crop)
Seeding and planting from June to August, harvesting from September to October
- Dry season crop (Rabi crop)
Seeding and planting from November to January, and harvesting from February to April



Overview of Nichino India capital investments

New construction and operation of No. 4 Multi-Purpose Plant (Humnabad Plant)

- In addition to benzpyrimoxan (BPX) technical grade, the plant is capable of manufacturing other technical grades besides
- Investment amount: Approx. ¥1 billion
- Construction completed in April 2023, scheduled to be in operation by the end of this fiscal year
- Production capacity: Annual production of 200t (BPX technical grade)

Strengthen technical grade production capacity

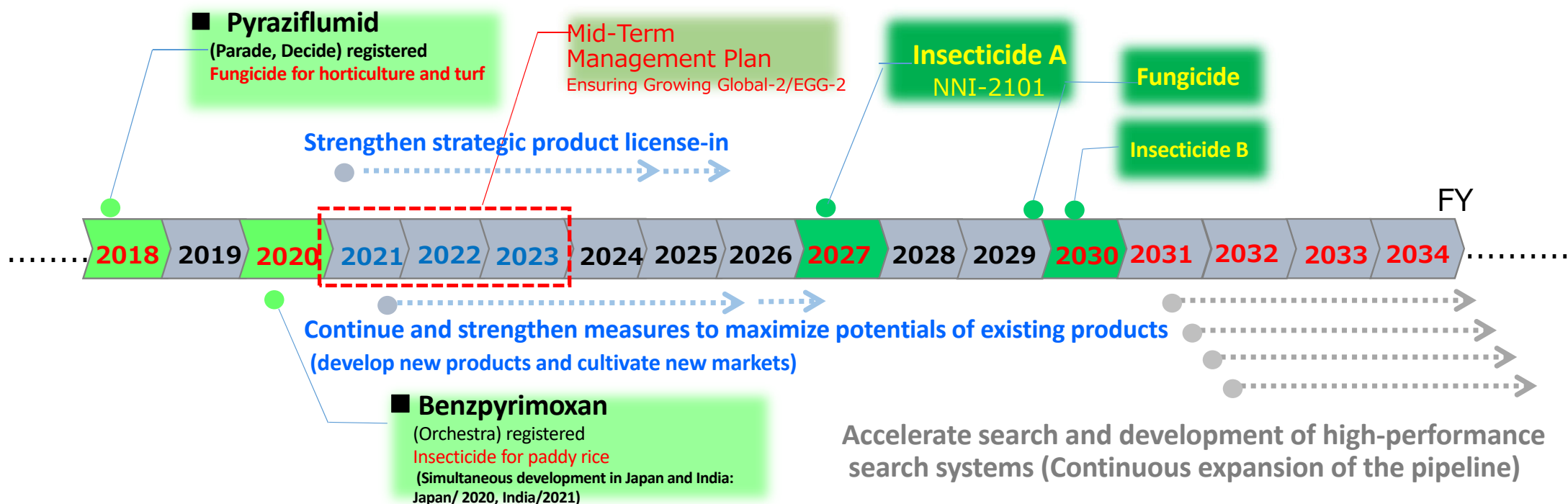
- Increase production of our own technical grades (insecticide tolfenpyrad, BPX, etc.) in India to achieve cost reductions
- Plan further facility expansions to enable increases in manufactured products



No.4 Multi-Purpose Plant

R&D Progress and Global Expansion

Continuous and stable discovery of new AIs and development (Pipeline expansion and early commercialization)



- Steady progress in expanding pipeline compounds amid increasing difficulty in discovery of new AIs
- Steadily commercialize new products through strategic R&D investment
- Strengthen registration and development capabilities by strengthening group-wide collaboration

Development progress and plans for priority products

Insecticide benzpyrimoxan

- Sales launched: India (single agents) in 2022
- Registration obtained: India (compound agents) in 2023, Vietnam (single agents) in 2023

Insecticide pyrifluquinazon

- Sales launched: Oman, Saudi Arabia, Dominican Republic in 2023
- Registration obtained: Canada, Tunisia, Israel, El Salvador in 2022
- Registration review pending: Nicaragua, Chile, New Zealand/scheduled for registration in 2024, Vietnam/scheduled for registration in 2025, Taiwan/scheduled for registration in 2027

Herbicide pyraflufen-ethyl

- Registration obtained: Egypt in 2023
- Registration review pending: Algeria/scheduled for registration in 2023, Morocco, Korea, India/scheduled for registration in 2024



Development progress and plans for priority products

Insecticide flubendiamide

- Sales launched: Argentina in 2023
- Registration obtained: Philippines, Ecuador in 2023
- Registration review pending: Colombia/scheduled for registration in 2024

Insecticide tolfenpyrad

- Sales launched: Oman, Vietnam in 2023
- Registration obtained: Algeria, Saudi Arabia in 2023
- Registration review pending: Honduras/scheduled for registration in 2023, Tunisia, El Salvador/scheduled for registration in 2024,, Ecuador /scheduled for registration in 2025

Fungicide pyraziflumid

- Registration obtained: Canada, Jordan, Peru in 2023
- Registration review pending: Colombia, Ecuador, Vietnam, Ukraine/scheduled for registration in 2024, USA, Mexico/scheduled for registration in 2025

Expand life sciences business

Strategically expand business from existing businesses to **new areas and new technologies** and move them forward to commercialization step by step

		Life science field		
		[Areas of expertise] Food (Agriculture)	[Existing areas] Health	[New Fields] Life
Resources and technologies	[Core technologies] Organic chemical synthesis	Agrochemicals Animal health care products (livestock)	Pharmaceuticals	Animal health care products (pets)
	[New technologies] Bioresources fermentation, natural products	Bio pesticides Biostimulants High value-added crops	Health aids	Cosmetics, fragrances, environment purification
	[New technologies] Service AI · ICT	Smart Agriculture (AI Diagnosis by images) [Under development]		disease-carrying insects (AI Diagnostic Counting) [Under development]

- Expansion as a Life Science Division of ADEKA Group
- Efforts to rapidly maximize synergies through business alliances

Efforts towards drug discovery for Animal health products (joint research with ADEKA Corporation)



- Promoting joint research towards creating new products through technological collaboration between the two companies in the life science field
- Searching for compounds that have promise as antiparasitic agents
 - ⇒ In July 2023, four patent application reports were published internationally by the World Intellectual Property Organization (WIPO)
- Antiparasitic drug market size: Over 1 trillion yen
 - ⇒ Fields projected for future growth in scale based on social needs

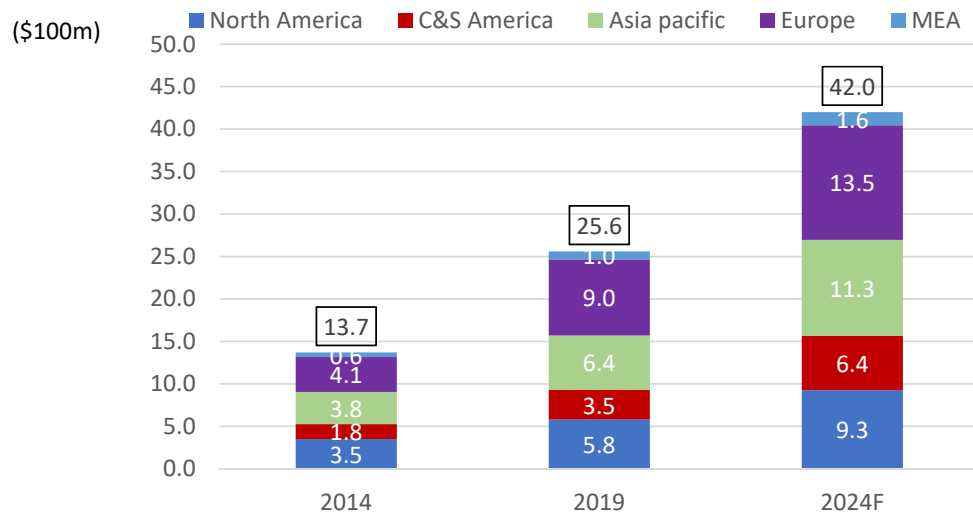
**Pursue possibilities as an antiparasitic agent
based on this group of compounds**

Biostimulants

Microbial materials

クロスバリュー®

Microbial materials containing *Bacillus* bacteria can be expected to strengthen crop resistance to environmental stress, stabilizing yield and improving quality

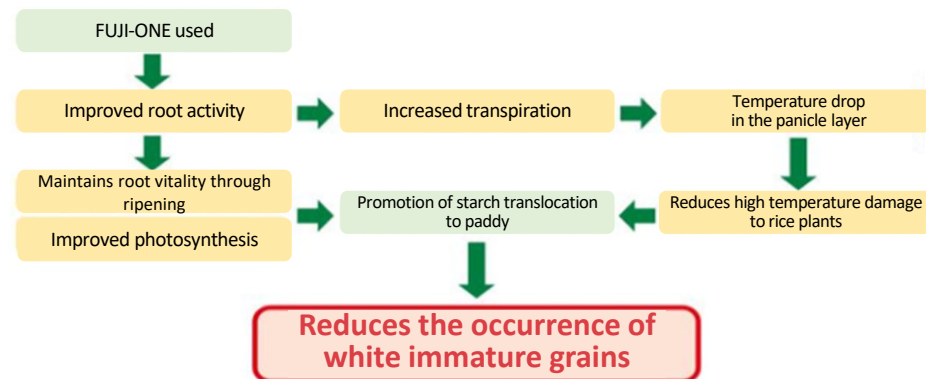


Source: Agbioinvestor

Climate Change Response

Reduces the occurrence of white immature rice grains

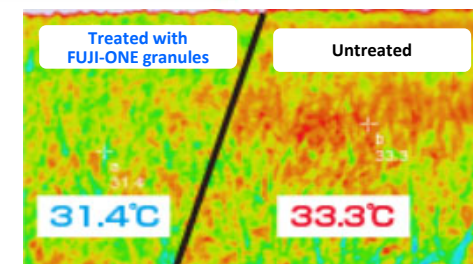
フジワン® 粒剤



Mature grain



White immature grain



NIHON NOHYAKU CO., LTD.

CSR 7 priority issues and major policies (through 2023)

E: Environment

Raising the level of environmental management

(Environmental Conservation, RC Activities)

- Reduce environmental load
- Global expansion of RC Environmental Protection Activities

G: Governance

Strengthening corporate and organizational governance

(Corporate Governance, CSR Management)

- Rebuild audit structure
- Expand and strengthen internal control system

Overall: ESG in common

Expansion of compliance and risk management

(Sustainability Management: BCP)

- Global expansion and management
- Enhance BCP
- Promote and disseminate information on SDGs

S: Society

Expansion of human rights management

(D&I and Human Resource Development)

- Global expansion of human resource development
- Promote female advancement in the workplace and employment opportunities for persons with disabilities
- Ensuring human rights along the supply chain

Enhancing the safety culture

(Occupational Safety and Health, Product Safety)

- Promote global zero accidents
- Provide high quality
- Promote work reform in logistics

Development of technologies and products that meet the needs of society

(Pursuit of Customer Satisfaction)

- Develop environmentally friendly products
- Contribute to Smart Agriculture
- Strengthen communication with customers

Community involvement (Dialogue with Stakeholders)

- Enhance CSR report
- Support regional stimulation

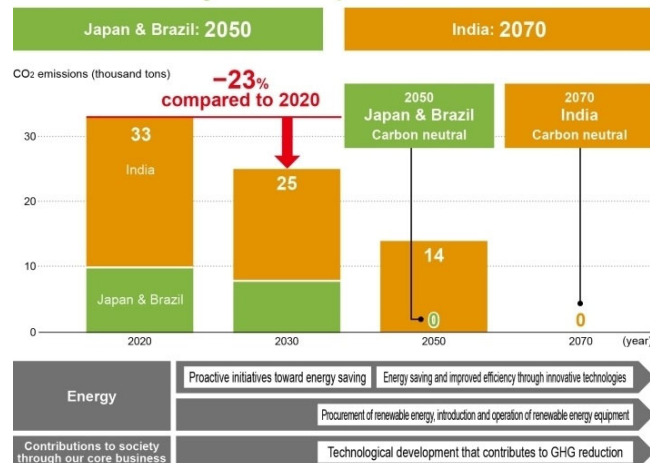
CSR 7 priority issues (E: Raising the level of environmental management)

■ Installation of install solar power generation equipment at Nichino Service Co., Ltd. Fukushima Plant

- Started operating from July 2023
- Annual power generation (planned value) is approximately 490,000 kWh
- CO2 equivalent: 223 tons, equivalent to 19.8% of Fukushima Plant total emissions

The Nihon Nohyaku Group* aims to be carbon neutral

* Nihon Nohyaku and other Group companies that have manufacturing sites



CO₂ Emissions Reduction Policy

Reduction of GHG emissions associated with business activities

2030 target (Scope 1+2)

23% reduction (compared to FY2020)

We aim to gradually become carbon neutral while watching changes in energy policies in each country.



Contributing to Group GHG reductions

* Nihon Nohyaku and domestic and overseas group companies with manufacturing bases

CSR 7 priority issues (S: Development of technologies and products that meet the needs of society)

Smart Agriculture: Expand the Leime AI Disease, Pest & Weed Analysis Smartphone App functions

NEW

“Other vegetable”
diagnosis function

Compatibility for diagnosis of

20 crops

130k0 downloads

Over **800** diagnostic targets

NEW

Almanac function

NEW

AI prediction

View information on
pests and diseases to
watch out for based
on local diagnosis
data!

The number of diagnoses
increases nearby
Increase in number of
almanac searches

AI diagnostic app overseas expansion

Overseas app name:
NICHINO AI DIAGNOSIS

Japanese
version
released

2020

Start overseas
expansion

2022

India, Taiwan,
Vietnam

2023

Korea

