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May 9, 2025

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Name of representative: Tomio Ueno, President and Representative Director (Securities code: 5195; TSE Prime Market)  
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## **Notice Concerning Recording of Impairment Loss (Consolidated) and Loss on Valuation of Shares of Subsidiaries and Affiliates (Non-Consolidated), and Revisions to Consolidated Financial Results Forecast for the Fiscal Year**

Bando Chemical Industries, Ltd. (the “Company”) hereby announces the recording of impairment loss (consolidated) and loss on valuation of shares of subsidiaries and affiliates (non-consolidated) for the 4<sup>th</sup> quarter of the fiscal year ended March 31, 2025, and that it has revised its consolidated financial results forecast for the fiscal year ended March 31, 2025 as follows.

### 1. Impairment loss (consolidated)

The Company has recorded impairment losses of ¥5,035 million as other expenses for the 4<sup>th</sup> quarter of the fiscal year ended March 31, 2025. The material impairment losses were as follows.

The Company assessed for impairment of goodwill related to acquisition of shares of Aimeric MMT Co., Ltd. (“AIM”), a consolidated subsidiary, and has recorded impairment losses of ¥3,406 million as other expenses. The main reason is that the Company reflected the delay of approval by Food and Drug Administration (“FDA”) in U.S. on AIM’s latest business plan.

Additionally, the Company assessed for impairment of property, plant and equipment and intangible assets of the Company’s Advanced Elastomer Products Business, and has recorded impairment losses of ¥1,604 million as other expenses, due to identifying impairment indicators by decrease in its profitability.

### 2. Loss on valuation of shares of subsidiaries and affiliates (non-consolidated)

The Company has recorded losses of ¥4,049 million on valuation of shares of subsidiaries and affiliates for the 4<sup>th</sup> quarter of the fiscal year ended March 31, 2025. The details of losses on valuation of shares and affiliates were as follows.

The Company has recorded a loss of ¥3,243 million on valuation of shares of subsidiaries and affiliates related to AIM as extraordinary losses. This is due to a significant decline in the substantial value of shares of AIM by the above impairment loss.

Additionally, the Company has recorded ¥806 million of a loss on valuation of shares of subsidiaries and affiliates related to Bando USA, Inc. (“BUI”), a consolidated subsidiary, as extraordinary losses. This is due to a significant decline in the substantial value of shares of BUI by the decision to terminate its production.

3. Revisions to consolidated financial results forecast for the fiscal year

(1) Revisions to consolidated financial results forecast for the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

	Revenue	Core operating profit	Operating profit	Profit attributable to owners of parent	Basic earnings per share
Previous forecast (A)	Millions of yen 110,000	Millions of yen 7,000	Millions of yen 7,500	Millions of yen 5,000	Yen 117.58
Revised forecast (B)	115,500	7,700	3,500	1,500	35.40
Change (B-A)	5,500	7,00	(4,000)	(3,500)	
Change in ratio (%)	5.0	10.0	(53.3)	(70.0)	
(Reference) Results for the fiscal year ended March 31, 2024	108,278	7,584	7,772	6,180	142.55

(2) Reason for revision

Operating profit and profit attributable to owners of parent are expected to be lower than the previous forecast, due to the recording of the above impairment loss.

Cash dividends forecast remains unchanged despite the revision of consolidated financial results forecast.

Note: Forward-looking statements contained in this document, including financial results forecast, are based on information currently available to the Company and certain assumptions that the Company believes to be reasonable. The Company makes no assurances as to the actual results and/or other outcomes, which may differ significantly from these forecast due to various factors.