



August 7, 2025

Company name: DAIICHI KIGENSO KAGAKU KOGYO CO., LTD.
Representative: Hiroshi Kokubu
Chairman of the Board, Chief Executive Officer
(Securities code 4082; Prime Market, Tokyo Stock
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Notice Concerning Recording of Non-Operating Expenses (Foreign Exchange Losses)

DAIICHI KIGENSO KAGAKU KOGYO CO., LTD. (the “Company”) hereby announces that the Company recorded non-operating expenses (foreign exchange losses) for the first quarter of the fiscal year ending March 31, 2026 (April 1, 2025 to June 30, 2025), as follows.

1. Details of non-operating expenses (foreign exchange losses)

For the first quarter of the fiscal year ending March 31, 2026, the Company recorded foreign exchange losses of 722 million yen as non-operating expenses. These losses were incurred on foreign currency-denominated assets and liabilities held by the Company, and will fluctuate depending on the future foreign exchange market.

Foreign exchange losses include a foreign exchange loss of 103 million yen on long-term accounts receivable - other related to our Vietnam operations. However, since the full amount of long-term accounts receivable - other was recorded as allowance for doubtful accounts, the same amount was recorded as non-operating income (reversal of allowance for doubtful accounts of 103 million yen). In addition, to mitigate foreign exchange fluctuation risk related to foreign currency-denominated loans receivable to our Vietnamese subsidiary we conducted derivative transactions and recorded non-operating income (gain on valuation of derivatives) of 169 million yen. As a result, effective foreign exchange losses for the first quarter of the fiscal year ending March 31, 2026 are 449 million yen. In addition to the above derivative transactions, the Company has introduced forward exchange contracts for receivables arising from ordinary commercial transactions as a measure to address foreign exchange fluctuation risk associated with the uncertainty of the future foreign exchange market.

2. Impact on business results

The above non-operating expenses are reflected in the Consolidated Financial Results for the Three Months Ended June 30, 2025 [Japanese GAAP] announced on August 7, 2025. Since the foreign exchange market may fluctuate going forward, the Company has not revised its financial results forecast at this time. If it becomes necessary to revise the financial results forecast in the future, the Company shall promptly make an announcement.