Financial Results for the Third Quarter Ended December 31, 2025

JAPAN PURE CHEMICAL CO.,LTD.

Securities Code: 4973

January 26, 2026

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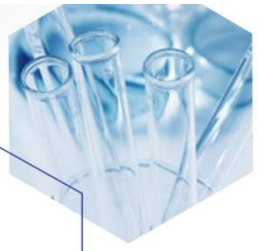

Summary of Financial Results

Key points on how to read the Company's business results

- Sales vary significantly between selling noble metals with chemicals and selling chemicals alone.
- Noble metals have a significant impact on sales because they are expensive and their prices fluctuate.

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Plating Method

Term	Applications	Features
Electrolytic plating	–	Plating method on metal surfaces with electric current
Pure gold plating	Printed circuit boards (CPU, GPU, etc.) for PCs, smartphones, etc.	High-purity gold plating
Hard gold plating	Connectors for smartphones, automotive, industrial machinery, etc.	Gold plating that is hardened with alloy components
Palladium (Pd) plating	Lead frames for PCs, automotive, industrial machinery, etc.	Used as an undercoat for gold plating. PPF stands for Pre Plated Lead frame.
Electroless plating	—	Plating method by chemical reaction without electric current
Immersion plating	Semiconductor memory (DRAM, NAND) Substrates with semiconductors for servers, PCs, smart phones, etc.	Plating method for forming by replacing metal on surface by utilizing solubility (ionization tendency) of each metal
Auto catalytic plating(Au)	Semiconductor Mounted Substrate CPU, GPU, etc. for servers, PCs, etc.	Plating method capable of forming thick coatings by utilizing chemical reaction with reducing agents
Auto catalytic plating(Pd)	Semiconductor Mounted Substrate for PC, server	Plating method capable of forming thick coatings by utilizing chemical reaction with reducing agents used as a base for gold plating

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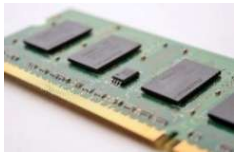
Product Lineup

Plating Methods		Applications	Product Lineup	
Electrolytic plating	Pure gold		1. Pure gold plating enabling uniform coating even on rough surfaces 2. Pure gold plating with higher hardness	TEMPERESIST Series
	Hard gold (Alloy)		Gold saving hard gold plating for micro connectors: OROBRGHT BAR7	OROBRIGHT BAR7
	Palladium (Pd)		Palladium plating for thin coating applicable to PPF: PALLABRIGHT NANO2	PALLABRIGHT NANO2
Electroless plating	Immersion gold		Immersion gold plating compatible with mid- to high-P Ni: IM-GOLD IB2X Immersion gold plating with less Ni corrosion: IM-GOLD CN Immersion gold plating without Ni plating: IM-GOLD PC	IM-GOLD IB2X IM-GOLD CN IM-GOLD PC
	Auto catalytic gold		Auto catalytic gold plating for thin coating using gold sulfite: HY-GOLD Auto catalytic gold plating for thin coating using gold cyanide: HY-GOLD CN	HY-GOLD HY-GOLD CN
	Auto catalytic palladium		Auto catalytic palladium plating for ENEPIG: NEO PALLABRIGHT 2 Direct auto catalytic palladium plating: NEO PALLABRIGHT DP	NEO PALLABRIGHT 2 NEO PALLABRIGHT DP
Peripheral fields			Base metals (copper, tin, nickel) Alloy plating, Post-treatment agents	

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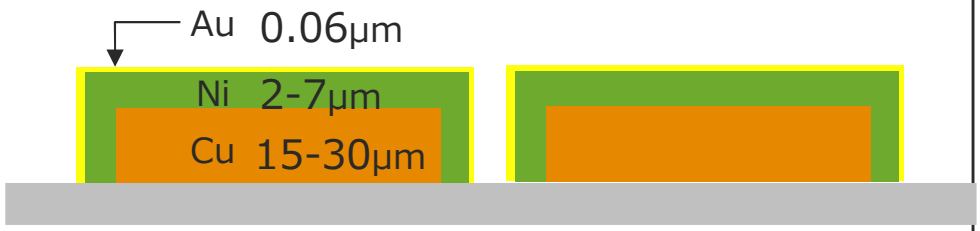
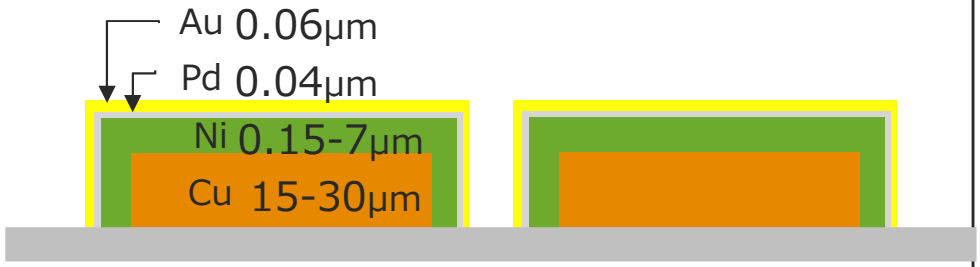
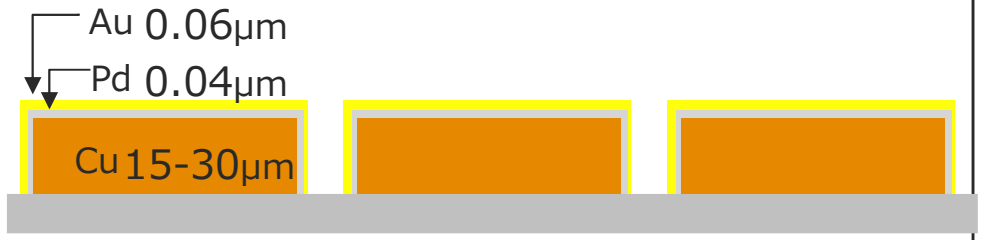
Plating Process Description

Term	Description	Composition of plating
ENIG	Electroless Nickel Immersion Gold. Composition of plating is Cu-Ni-Au.	
ENEPIG	Electroless Nickel Electroless Palladium Immersion Gold. Composition of plating is Cu-Ni-Pd-Au.	
DIG	Direct Immersion Gold. Since Ni plating is omitted, used for fine pitch compared to ENIG. Composition of plating is Cu-Au.	
EPIG	Electroless Palladium Immersion Gold. Composition of plating is Cu-Pd-Au.	

Au: gold, Pd: palladium, Ni: nickel, Cu: copper,
Micrometer (μm): one millionth of one meter

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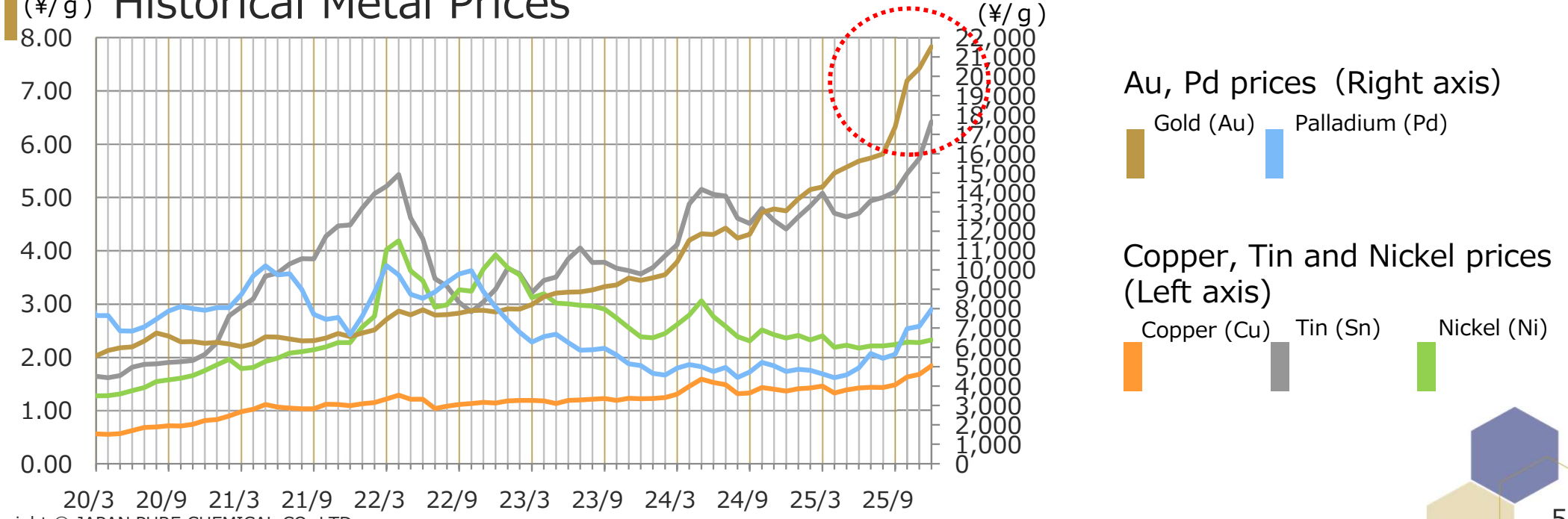
FY2026/3 External Environment of the 3rd quarter

Market Conditions in the Electronic Components Industry

- Supported by expanding infrastructure demand for AI applications, demand for AI servers and data centers continued to remain strong. Meanwhile, demand for personal computers showed a steady recovery, while demand for consumer electronics such as smartphones and for industrial equipment including factory automation (FA) machinery showed only a gradual recovery.
- In the automotive electronics segment, although demand was supported by the wider adoption of advanced driver assistance systems (ADAS) and connected functionalities, growth in demand remained limited due to the impact of U.S. tariff measures and the reassessment of electric vehicle (EV) policies in Europe and the United States.

Historical Metal Prices



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FY2026/ 3　3rd Quarter Financial Summary (cumulative)

Overview of Our Financial Results: Revenue Increased, Profit increased

- **Net Sales:** Driven by a recovery in consumer demand for smartphones and personal computers, as well as expanding generative AI–related demand, sales for semiconductor packages, modules, and memory applications remained solid. In addition, higher noble metal prices contributed to a year-on-year increase of 21.9%.
- **Operating Profit:** Gross profit increased due to sales expansion in new areas and higher volumes; however, expenses rose due to upfront investment in R&D. Consequently, operating profit increased by 4.8% year on year.
- **Quarterly Net Profit:** In addition to higher operating profit, gains on the sale of specified investment shares led to a year-on-year increase of 7.7%.

(M¥)	FY2025/3	FY2026/3					
	3Q	1Q	2Q	3Q	Total	Increase/ Decrease ratio	3Q Progress ratio (Disclosed on 10/24)
Net sales	10,061	3,406	4,129	4,730	12,267	+21.9%	87.6%
Operating profit	417	92	178	166	437	+4.8%	85.8%
Ordinary profit	563	184	193	242	620	+10.1%	92.6%
Net profit	1,331	135	489	810	1,434	+7.7%	98.9%
Net profit per share (Yen)	230.83	23.40	84.60	140.00	248.10	–	–

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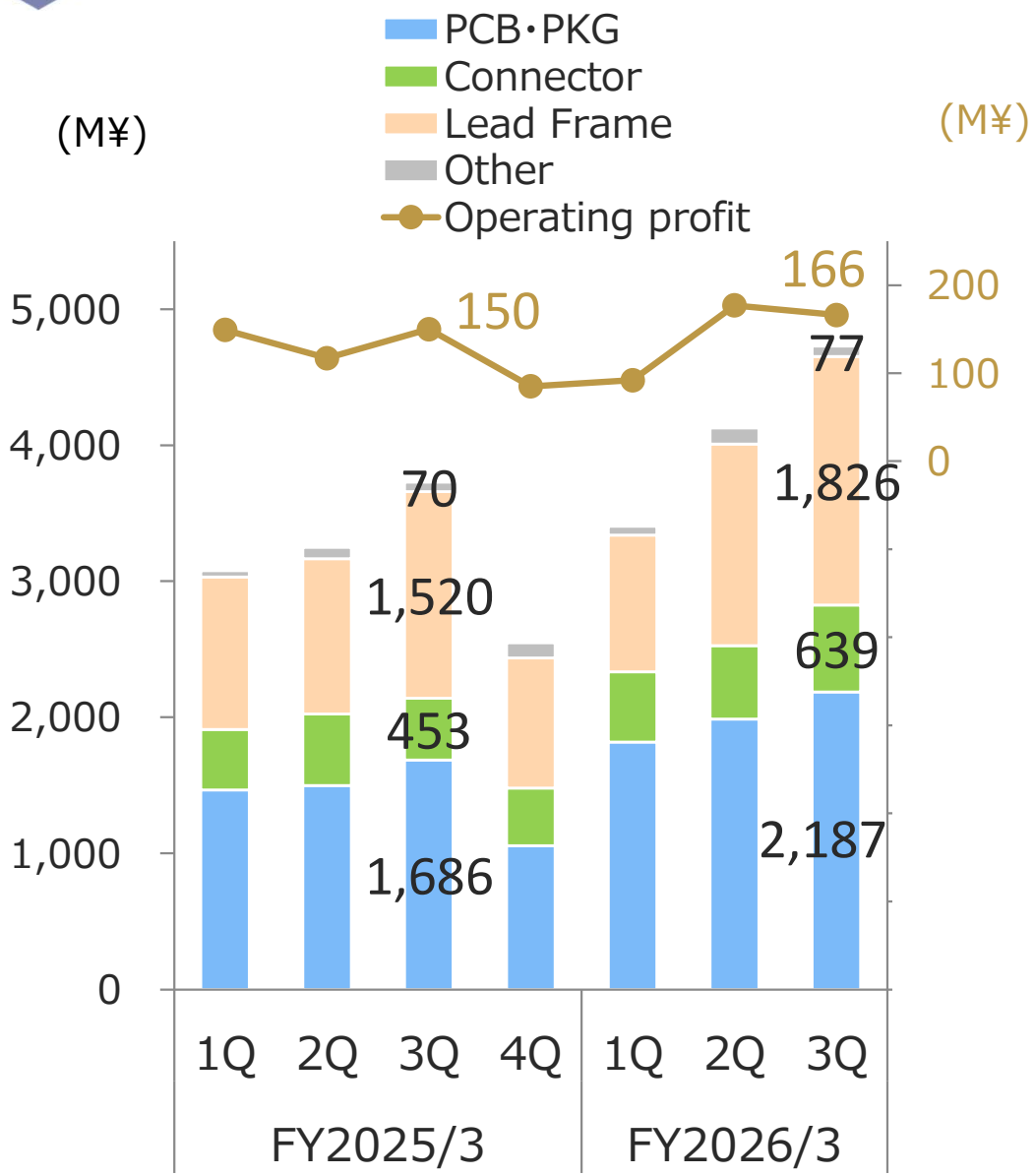
Net sales and operating income (Quarterly basis)



Overview by Category

- Plating chemicals for printed circuit boards and semiconductor substrates

  Sales increased, driven by recovery in consumer electronics (smartphones/PCs) and solid demand for generative AI–related semiconductor packages, optical modules, and memory.

- Plating chemicals for connectors

  Sales increased as recovery in smartphones and industrial equipment offset sluggish automotive demand.

- Plating chemicals for lead frame

  Sales increased, supported by solid consumer demand and higher noble metal prices, despite weak automotive demand.

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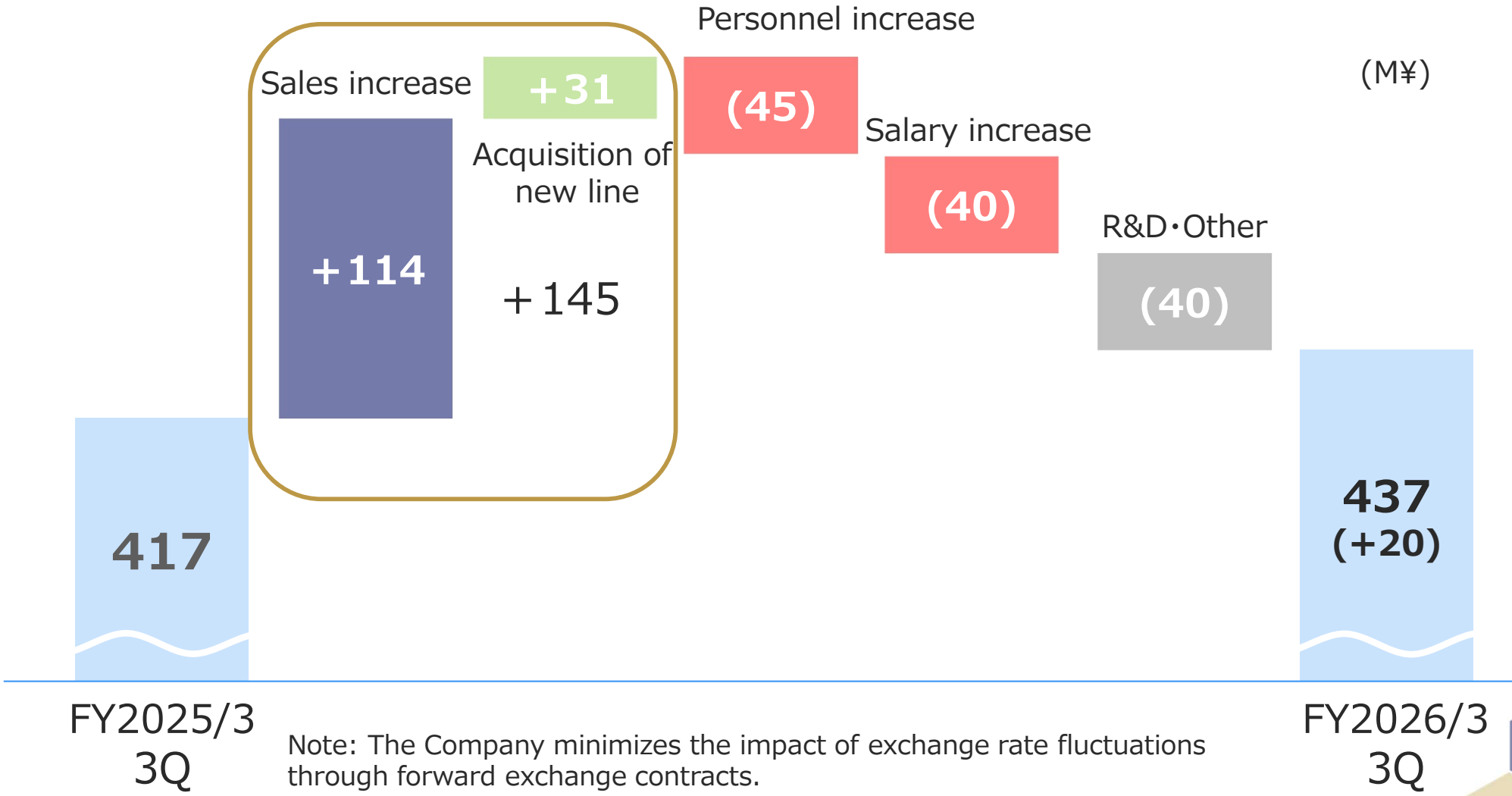
YoY Operating Profit breakdown

- Higher sales volumes driven by demand recovery, together with increased orders for new production lines, contributed to higher profits.
- Profit growth was secured by absorbing higher costs from continued investment in human capital and R&D.



Note: The Company minimizes the impact of exchange rate fluctuations through forward exchange contracts.

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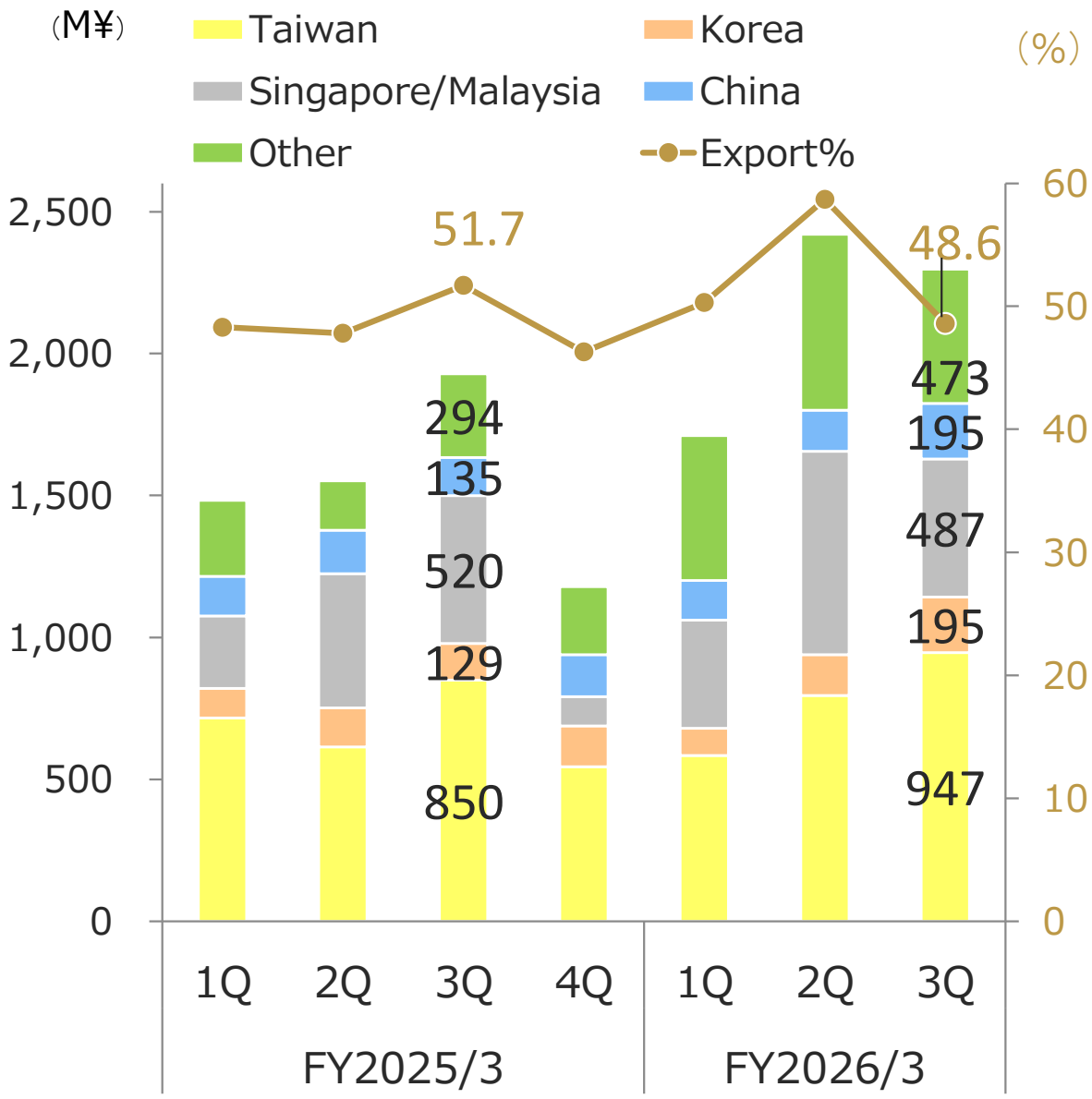
Net Sales by Export Regions (Quarterly basis)



Reason for Increase/Decrease

- Taiwan

  Despite inventory adjustments in automotive applications, revenue increased due to steady demand for AI server–related optical modules and consumer lead frames.

- Singapore･Malaysia

  Revenue decreased due to temporary inventory adjustments by customers.

- Other

  Increased demand for PC- and server-related packaging applications in the Philippines

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FY2026/ 3　3rd Quarter Financial Summary (cumulative)

- Solid performance is expected in servers and data centers, supported by expanding AI infrastructure demand
- Automotive sector faces prolonged inventory adjustment risks amid slowing EV demand
- Revised the full-year forecasts for net sales and profits, reflecting recent performance and fluctuations in noble metal prices
- Incorporated additional disposals of specified investment shares
- Dividends: Year-end dividend of JPY 137 per share (+JPY 74); annual dividend of JPY 200 per share (Flexible shareholder returns will be continued alongside the reduction of specified investment shares under the Medium-Term Management Plan)

(M¥)	FY2025/3	FY2026/3	Y oY	Disclosed Oct 24
Net sales	12,611	17,500	+38.8%	+25.0%
Operating profit	502	540	+7.4%	+5.9%
Ordinary profit	657	730	+11.0%	+9.0%
Gain on Specified investment shares	1,512	1,650	+9.1%	+22.2%
Net profit	1,579	1,750	+10.8%	+20.7%
Dividend (¥)	126	200	+74	+74
ROE	11.3%	10.6%	—	—

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Progress in sales of specified investment shares

- Regarding our specified investment shares, the company has set a target in its medium-term management plan (FY2025-2027) to reduce the ratio of policy holdings to net assets to below 20%.
- The share sale proceeded in accordance with the announcement released on October 24, 2025, titled “(Update on Disclosed Matter) Notice Regarding Recording of Gain on Sale of Investment Securities (Extraordinary Income) ” and was completed as scheduled.
- Taking market conditions into account, the Company plans to conduct additional disposals.

	2024 Dec	2025 Mar	2025 Jun	2025 Sep	2025 Dec
Amount sold * (million yen)	553	275	–	493	933
Market value of shares held (million yen)	7,108	5,974	6,740	8,416	9,308
Net assets (million yen)	14,149	13,594	13,891	15,566	16,659
Percentage of net assets (%)	50.2	43.9	48.5	54.1	55.9

* Amount sold during the relevant quarter

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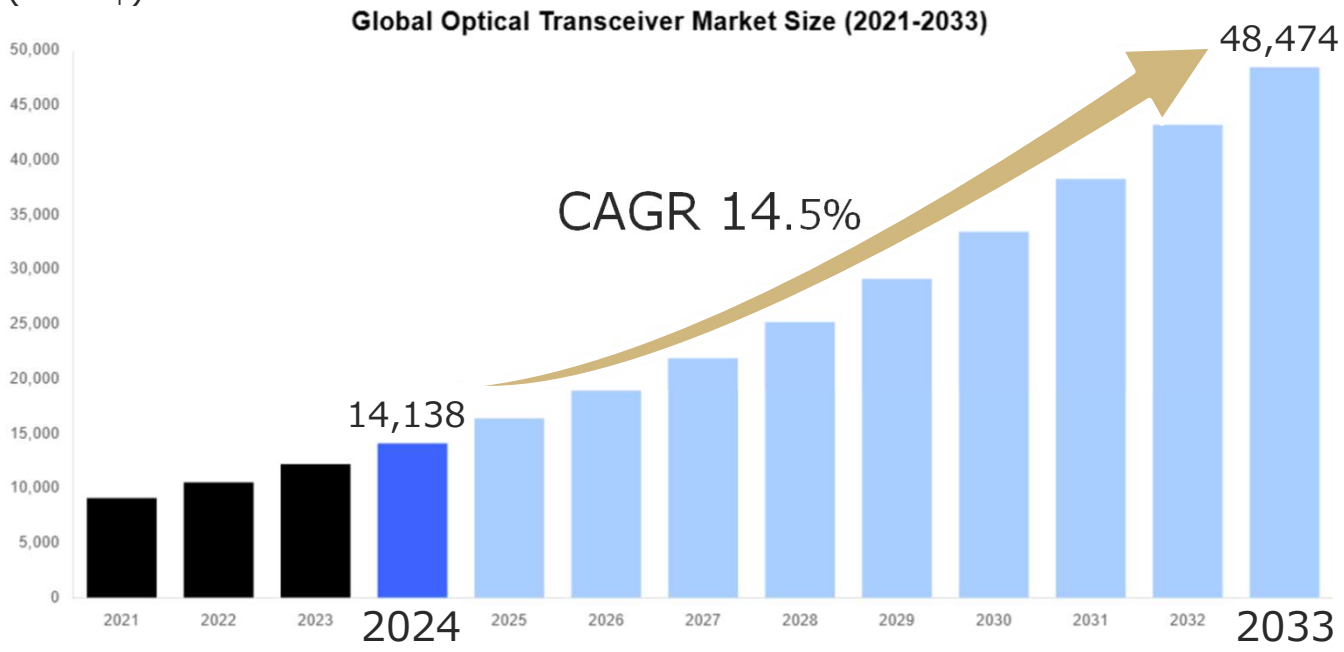
Topic:
Expanding Growth Opportunities in Optical Transceiver Applications

- Optical transceivers for AI servers require high reliability for long-term stable operation, and the Company's electroless Pd (palladium) plating technology — long regarded as a core strength—is increasingly being recognized as an industry standard, driving expanding customer discussions and adoption.

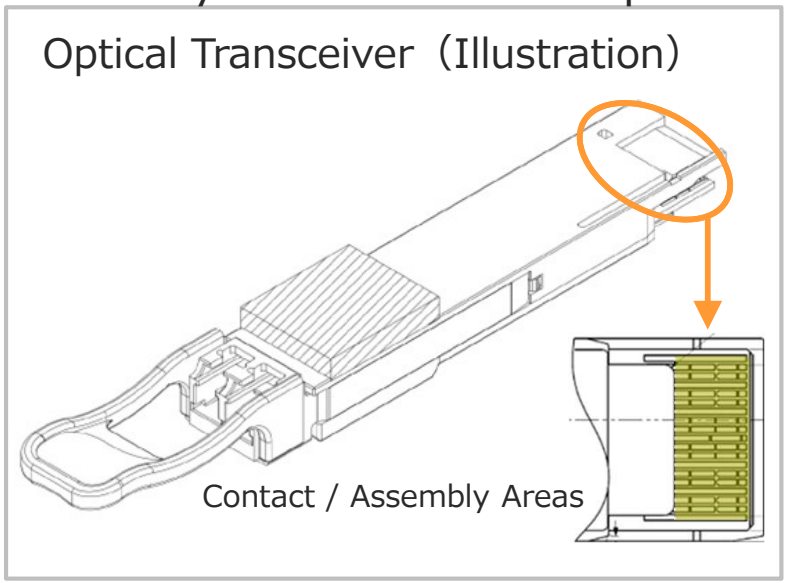
- Strengthen electroless Pd plating as a core competence to capture growing AI server demand and drive sustainable share expansion.

(M US$)



Source : Straits Research Analysis
https://straitsresearch.com/vertex/insights/optical-transceiver-market/global?utm_source=chatgpt.com

Electroless plating is widely used, particularly in connector components



Source : QSFP-DD-Hardware-Rev7.1 (P66,69)

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Appendix: Company Introduction

History

July 1971	Establishment of JAPAN PURE CHEMICAL CO.,LTD.
November 1999	Implementation of MBO
December 2002	JASDAQ market listing
March 2004	Listing on TSE Second Section
March 2005	Listing on TSE First Section
February 2019	Establishment of General incorporated foundation, JPC Scholarship Foundation
April 2020	Certification as public interest incorporated foundation, JPC Scholarship Foundation
April 2022	Moved to the Prime Market on TSE

Business Summary

- Fine chemical company supplying electronic materials which support development of the electronic components industry
- Top-class share in the worldwide market by narrowing the business targets to noble metal plating process
- Construct sales and technical support systems that can respond quickly to the rapidly changing industry
- Fab-light company that does not have large-scale manufacturing plants
- Provide technology to minimize the amount of noble metals used for connecting electronic components and contribute to effective use of mineral resources

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Disclaimer

The materials used in the preparation of forecasts of results and predictions are based upon predicted trends in the industries related to the Company's operations. Accordingly, economic conditions both in Japan and overseas, fluctuations in exchange rates and other factors may influence forecasts of results. The predictions and forecasts made are based upon the information available as of December 31, 2025.

There are a number of factors that cannot be predicted with certainty that may have an influence on these forecasts, including market conditions, competitors' actions, the performance of newly introduced products and services, and the global IT market and related markets. Accordingly, actual results may vary significantly from the forecasts presented in this document.

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