August 5, 2026

For immediate release

Company name: Sanyo Chemical Industries, Ltd.
Representative: Masahiro Harada, President & CEO
Code Number: 4471, Tokyo Stock Exchange, Prime Market
Contacts: Mitsuru Maeda, Senior Manager of Public & Investor Relations Department
(Tel: +81-75-541-4312)

Notice Regarding Decision on Matters Concerning Purchase of Treasury Shares and Cancellation of Treasury Shares (Purchase of Treasury Shares Pursuant to the Provisions of the Articles of Incorporation Pursuant to Article 165, Paragraph (2) of the Companies Act and Cancellation of Treasury Shares Pursuant to Article 178 of the Companies Act)

Sanyo Chemical Industries, Ltd. (the "Company") hereby announces that it has resolved, at a meeting of its Board of Directors held on August 5, 2026, the matters concerning the purchase of treasury shares pursuant to the provisions of Article 156 of the Companies Act, as applied by replacing the relevant terms pursuant to the provisions of Article 165, Paragraph (3) of the same Act, and resolved to cancel its treasury shares pursuant to the provisions of Article 178 of the Companies Act. The details are described below.

1. Reason for acquisition and cancellation of treasury shares

The Company's Medium-Term Management Plan 2030 aims to improve capital efficiency as its capital strategy to achieve sustainable growth and enhance its corporate value over the medium to long term. Also, in line with the launch of the Medium-Term Management Plan 2030, the Company has changed its shareholder return policy from one based on the dividend payout ratio to one based on the total payout ratio, a combination of dividends and treasury share acquisition, and plans to flexibly acquire its treasury shares during the period of the Medium-Term Management Plan (FY 2026 to FY 2030).

Based on these policies and plans, the Company intends to purchase and cancel its treasury shares in order to return profits to shareholders by improving capital efficiency and enhancing corporate value.

2. Details of matters related to acquisition

(1) Class of shares to be acquired	The Company's common shares
(2) Total number of shares to be acquired	Up to 500,000 shares (Note) (2.2% of total number of issued shares (excluding treasury shares))
(3) Total amount of share acquisition costs	Up to 2.5 billion yen
(4) Acquisition period	Thursday, August 6, 2026 to Friday, February 26, 2027
(5) Method of acquisition	Market purchase based on discretionary trading contracts on the Tokyo Stock Exchange

(Note) As described in the “Notice Regarding a Share Split and Partial Amendment to the Articles of Incorporation in Connection with the Share Split” separately disclosed today, the Company plans to implement a share split at a ratio of four shares for every one share of the Company's common shares on October 1, 2026 as the effective date. From the effective date of the share split, the total number of shares to be acquired will be read as “up to 2,000,000 shares.”

3. Details of cancellation

The Company passed two resolutions regarding the cancellation of treasury shares currently held by the Company and the cancellation of treasury shares to be acquired as described in 2 above. Details of the resolutions are described below.

(1) Cancellation of treasury shares held by the Company

(i)	Class of shares to be cancelled	The Company's common shares
(ii)	Total number of shares to be cancelled	1,000,000 shares (4.3% of total number of issued shares before cancellation)
(iii)	Scheduled date of cancellation	Monday, August 31, 2026

(2) Cancellation of treasury shares to be acquired as described in 2 above

(i)	Class of shares to be cancelled	The Company's common shares
(ii)	Total number of shares to be cancelled	Total number of treasury shares acquired as described in 2 above
(iii)	Scheduled date of cancellation	Wednesday, March 31, 2027

(Note) The number of shares to be cancelled will be announced again after the completion of the purchase of treasury shares as described in 2 above.

(Reference)

Treasury shares held as of March 31, 2026

Total number of issued shares (excluding treasury shares): 22,275,373 shares

Number of treasury shares: 1,259,379 shares

(Note) The number of treasury shares does not include 154,100 shares of the Company held by the trust whose beneficiaries are Directors, etc. of the Company which was established upon the introduction of the share-based compensation plan for Directors, etc.

As described in “Notice Regarding Revision of Earnings Forecast and Revision of Dividend Forecast (Increase in Dividend)” separately disclosed today, the full-year earnings forecast and dividend forecast have been revised, and the total payout ratio for the current fiscal year including the effect of this purchase of treasury shares is expected to be 62.6%.