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KIZUNA Bonds Our Future Lives

November 5, 2026

Company Name: ARAKAWA CHEMICAL INDUSTRIES, LTD.
Representative: Nobuyuki Takagi
Representative Director and President
(Securities code: 4968, Tokyo Stock Exchange Prime Market)
Contact: Nobuyuki Fuke
Director and Executive Officer,
Corporate Planning H.Q
Telephone: +81-6-6209-8500

Notice Concerning the Recording of Extraordinary Loss in Non-consolidated Financial Results

ARAKAWA CHEMICAL INDUSTRIES, LTD. (the "Company") announces that at the meeting of the Board of Directors held on November 5, 2026, the Company resolved to record a provision for doubtful accounts from affiliated companies as an extraordinary loss as follows:

1. Recording of Extraordinary Loss in Non-consolidated Financial Results

In light of the financial condition of Chiba Arkon Production Limited, a consolidated subsidiary of the Company, the Company has recorded a provision for doubtful accounts from affiliated companies of 1,335 million yen for loans to the said subsidiary. This amount was recorded as an extraordinary loss in the Company's non-consolidated financial results for the second quarter (interim period) of the fiscal year ending March 31, 2027.

2. Impact on Consolidated Financial Results

The aforementioned extraordinary loss is recorded only in the Company's non-consolidated financial statements and will be eliminated in consolidation. Therefore, there is no impact on the consolidated financial results.