

January 31, 2022

For Immediate Release

Company Name:	Sumitomo Chemical Co., Ltd.
Representative:	Keiichi Iwata President and Representative Director
Securities Code:	4005
Stock Exchange Listing:	First Section of the Tokyo Stock Exchange
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Announcement on Changes in a Specified Subsidiary (Sub-subsidiary)

Sumitomo Chemical hereby announces that its Board of Directors resolved to implement a corporate reorganization between its wholly owned subsidiary in Brazil and this subsidiary's wholly owned subsidiary (the Company's sub-subsidiary) at a meeting of the Board of Directors held on January 31, 2022, and that this reorganization will result in the following changes in this sub-subsidiary.

1. Reason for Change

Sumitomo Chemical will conduct an absorption-type merger (the "Merger"), whereby Sumitomo Chemical do Brasil Representações Ltda ("Sumitomo Chemical Brazil"), a subsidiary of the Company, will be the absorbed company and Sumitomo Chemical Brasil Industria Quimica S.A., a sub-subsidiary of the Company, will be the surviving company. As a result of this Merger, Sumitomo Chemical Brasil Industria Quimica S.A. will change from a sub-subsidiary of the Company to a subsidiary of the Company.

In September 2019, the Company agreed with Nufarm Ltd., a major Australian agricultural chemical company, to acquire all shares of one Nufarm Brazilian subsidiary (currently Sumitomo Chemical Brasil Industria Quimica S.A.) and three Nufarm subsidiaries in Argentina, Chile, and Colombia, respectively, through Sumitomo Chemical Brazil and Sumitomo Chemical Chile S.A., both of which are subsidiaries of the Company. The acquisition was completed on April 1, 2020.

Business operations at Sumitomo Chemical Brasil Industria Quimica S.A., a sub-subsubsidiary of the Company, have been progressing smoothly since the acquisition, and the decision to conduct the Merger has been made in order to further improve business efficiency in the future.

2. Overview of the Sub-Subsidiary in Which There Will Be Changes

Company name	Sumitomo Chemical Brasil Industria Quimica S.A.	
Location	Avenida Parque Sul, No. 2,138, Distrito Industrial, Maracanaú - CE, Brazil	
Representative	Juan Ferreira	
Scope of business	Manufacturing and sale of agricultural chemicals	
Share capital	BRL793,289 thousand (16.4 billion yen) * ¹	
Date of establishment	September 6, 1968	
Major shareholder and its shareholding ratio	Sumitomo Chemical Brazil 100%	
Relationship with the Company	Capital relationship	Sub-subsidiary of the Company
	Personnel relationship	Employees of the Company concurrently serve as directors of Sumitomo Chemical Brasil Industria Quimica S.A.
	Business relationship	Sumitomo Chemical Brasil Industria Quimica S.A. sells the Company's products.
Operating results and financial position		
	Fiscal year ended March 31, 2021	
Net assets	BRL846,258 thousand (16.2 billion yen) * ²	
Total assets	BRL3,350,360 thousand (64.3 billion yen) * ²	
Net sales	BRL3,087,681 thousand (59.2 billion yen) * ²	

(Note)

Amounts in Japanese yen, translated from Brazilian Real (BRL) at the following exchange rates, are presented for reference only.

*1: BRL1 to 20.67 yen, prevailing on April 1, 2020

*2: BRL1 to 19.18 yen, prevailing on March 31, 2021

3. Date of Change

April 1, 2022 (scheduled)

4. Future Outlook

The impact of these changes in a sub-subsubsidiary on the financial results of the Sumitomo Chemical Group will be insignificant because these changes are due to a merger between consolidated subsidiaries.