

## Notice Concerning Variances between Non-Consolidate Financial Results in Consolidated Subsidiaries for Fiscal Year 2024 and Fiscal Year 2023

Sumitomo Chemical announces that there were variances between the non-consolidated financial results for the fiscal year ending March 31, 2025 (FY2024), and the fiscal year ending March 31, 2024 (FY2023), in its consolidated subsidiaries, Sumitomo Pharma, Co., Ltd. and Taoka Chemical Co., Ltd.

The impact of this matter on the Company's consolidated financial forecast is immaterial.

### 1. Sumitomo Pharma, Co., Ltd. (TSE Prime Market: 4506)

The non-consolidated financial results for FY2024 and FY2023

(Millions of yen)

	Net sales	Operating income	Ordinary income	Net income
FY2024 (A)	136,412	11,603	12,028	106,187
FY2023 (B)	98,205	(50,004)	(6,527)	(588,120)
Variance in amount (A-B)	38,207	61,607	18,554	694,307
Variance in percentage (%)	38.9%	-	-	-

### Reason for the Variance

Sales revenue in FY2024 increased due to increases in sales of LATUDA® in North America as well as MEPEM® and TWYMEEG® in China. In addition to the increase in sales revenue, operating income and ordinary income for FY2024 exceeded its FY2023 financial results due to a significant reduction in selling, general and administrative expenses as well as research and development expenses, resulting from the effects of streamlining efforts, including the reduction of research and development investments through selection and concentration. Net income for FY2024 exceeded its FY2023 financial results due to ordinary income as well as the recording of a gain on the sale of investment securities.

## 2. Taoka Chemical Co., Ltd. (TSE Standard Market: 4113)

The non-consolidated financial results for FY2024 and FY2023

(Millions of yen)

	Net sales	Operating income	Ordinary income	Net income
FY2024 (A)	26,836	1,608	1,727	1,320
FY2023 (B)	25,951	853	948	690
Variance in amount (A-B)	886	755	779	630
Variance in percentage (%)	3.4%	88.6%	82.2%	91.4%

### Reason for the Variance

Sales revenue for FY2024 increased mainly from an increase in sales of resin raw materials, which led to the financial results to exceed its FY2023 financial results. Operating income, ordinary income, and net income for FY2024 exceeded its FY2023 financial results due to such factors as the increase in sales of resin raw materials, as well as a company-wide improvement in market prices and initiatives to lower costs.