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For Immediate Release

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Representative:	Nobuaki Mito Representative Director & President
Securities Code:	4005
Stock Exchange Listings:	Prime Section of the Tokyo Stock Exchange
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(Progress of Disclosure Matters) Notice Regarding the Recording of Gain on Sale of a Portion of the Class A Ordinary Shares Sumitomo Chemical Holds in Petro Rabigh, and Associate Accounted for Using the Equity Method and Loss on Valuation of Newly Acquired Petro Rabigh Class B Ordinary Shares in Consolidated Financial Statements, and Extraordinary Losses in Non-Consolidated Financial Statements Pertaining to the Class B Ordinary Shares

On August 7, 2024, Sumitomo Chemical Co., Ltd. (“Sumitomo Chemical”) published the announcement “Notice Regarding Sale of a Portion of the Shares Sumitomo Chemical Holds in Petro Rabigh, an Associate Accounted for Using the Equity Method and Recording of Loss on Debt Waiver for a Loan to Petro Rabigh.”

Sumitomo Chemical now announces that it completed the sale of a portion of its Class A ordinary shares^{*1} in Rabigh Refining and Petrochemical Company (“Petro Rabigh”) to Saudi Arabian Oil Company (“Saudi Aramco”), which had previously been agreed to, on October 8, 2025.

As a result of this sale, Sumitomo Chemical’s equity stake in Petro Rabigh’s Class A shares has decreased from nearly 37.5% to 15%, and Saudi Aramco has now become the largest shareholder of Petro Rabigh’s Class A shares, holding a nearly 60%.

Furthermore, the subscription in Class B ordinary shares* issued by Petro Rabigh, which was announced in Sumitomo Chemical’s “Notice Regarding Sale of a Portion of the Shares Sumitomo Chemical Holds in Petro Rabigh and Other Related Matters” dated September 1, 2025, was also completed on October 21, 2025.

Sumitomo Chemical hereby announces the impact on its financial results arising from the partial sale of the Petro Rabigh Class A ordinary shares and the subscription to Petro Rabigh Class B ordinary shares, as outlined below.

1. Background and Overview

To improve Petro Rabigh’s financial structure and support its turnaround plan, Sumitomo Chemical and Saudi Aramco entered into a share transfer agreement on August 7, 2024. Under this contract, it was agreed that Sumitomo Chemical would (a) sell a portion of its Petro Rabigh Class A ordinary shares to Saudi Aramco and (b) contribute all proceeds from that share sale to Petro Rabigh, while Saudi Aramco would

also make an additional contribution of the same amount to Petro Rabigh.

Furthermore, Sumitomo Chemical and Saudi Aramco agreed with Petro Rabigh to implement the capital contribution by subscribing to a new class of Class B ordinary shares that would be issued by Petro Rabigh, pursuant to a subscription agreement executed on August 30, 2025.

The sale of Petro Rabigh Class A ordinary shares by Sumitomo Chemical to Saudi Aramco has been completed, and Sumitomo Chemical and Saudi Aramco have subscribed to the Class B ordinary shares issued by Petro Rabigh. Subsequently, Petro Rabigh will implement a capital reduction by reducing the par value of the Class A ordinary shares, subject to the approval of the Capital Market Authority and the approval at an extraordinary general meeting of its shareholders thereafter. These actions are coordinated parts of a structured plan to help Petro Rabigh prepay its debts and to reduce its accumulated losses.

Sumitomo Chemical and Saudi Aramco have also been working with Petro Rabigh to advance a series of restructuring efforts aimed at formulating Petro Rabigh's turnaround strategy and establishing an optimal operational structure of the company for the future. With the completion of this share sale, Saudi Aramco will become the largest shareholder, and it will aim to achieve closer integration between Saudi Aramco and Petro Rabigh. Petro Rabigh will accelerate the implementation of its revitalization strategy intended to enhance their financial position. Sumitomo Chemical will continue to support the execution of the turnaround plan of Petro Rabigh, which remains an associate of the Company accounted for using the equity method, even after this share sale.

2. Impact on Sumitomo Chemical's Financial Results

For the third quarter of the fiscal year ending March 31, 2026, Sumitomo Chemical expects to record a profit of approximately 35 billion yen before tax in its consolidated financial statements.

Regarding the partial sale of Petro Rabigh Class A ordinary shares, Sumitomo Chemical expects to record in its consolidated financial statements approximately 50 billion yen as other operating profit under core operating profit, which includes the difference between the proceeds from the Class A share sale and the carrying amount of the shares sold recorded by applying the equity method. As a result of continuing to record the share of losses of Petro Rabigh in accordance with the equity method relating to the Class A ordinary shares subject to the share transfer agreement since August 2024, the carrying amount of the shares under the equity method has significantly decreased, and thus the gain on sale of shares is expected to increase. Meanwhile, for the newly acquired Petro Rabigh Class B ordinary shares, as a dividend deferral period of several years has been set from the time of issuance, the Company will measure the fair value of the shares in accordance with accounting standards and expect to record the difference of approximately 15 billion yen between the fair value and the consideration paid for the shares as financial expense. The net amount combining the gain on sale of shares and the financial expense will be a profit of approximately 35 billion yen.

In its non-consolidated financial statements, the Company expects to record a loss on valuation of shares of approximately 17 billion yen pertaining the acquired Petro Rabigh Class B ordinary shares for the third quarter of the fiscal year ending March 31, 2026. The impact of the partial sale of Petro Rabigh Class A ordinary shares on the Company's non-consolidated financial results for the fiscal year ending March 31, 2026 is expected to be immaterial as in the fiscal year ended March 31, 2025. The Company recorded a provision for loss on sale of shares of subsidiaries and associates based on the sales price stipulated under

the share purchase agreement with Saudi Aramco.

The above figures are estimates based on currently available information and are not definite. If any matters requiring disclosure arise in the future, we will promptly announce them.

3.Future Outlook

Sumitomo Chemical's consolidated earnings forecast for the fiscal year ending March 31, 2026, which includes the above-mentioned gain on sale of shares, loss on valuation of shares, and other factors affecting financial results, is currently under review. The Company will provide the forecast at the time of the announcement of its second quarter financial results for the fiscal year ending March 31, 2026.

*1 Class A ordinary shares refer to ordinary shares with voting rights, and as a result of the issuance of the new Class B ordinary shares, the name of the existing ordinary shares was changed to Class A ordinary shares.

*2 Class B ordinary shares have no voting rights, and certain dividends rights are granted at varying rates each year from 2028 onwards.

(Reference) Overview of Petro Rabigh

Company Name:	Rabigh Refining and Petrochemical Company
Location:	Rabigh, the Kingdom of Saudi Arabia
Establishment:	September 2005
President & CEO:	Othman A. Al-Ghamdi
Share Capital:	21.97 billion SAR (as of October 21, 2025)
Shareholding Ratio:	Class A ordinary shares (as of October 21, 2025) Saudi Aramco: 60.0% Sumitomo Chemical: 15.0% Public investors: 25.0% Class B ordinary shares (as of October 21, 2025) Saudi Aramco: 50.0% Sumitomo Chemical: 50.0%
Major Business:	Manufacture and sale of refined petroleum products and petrochemicals