



January 5, 2026

To whom it may concern

Company name: NIHON NOHYAKU CO., LTD.
Representative: Hiroyuki Iwata, Representative
Director, President
(Stock Exchange Code: 4997, Prime
Market of the Tokyo Stock Exchange)
Contact: Masaki Yoshioka, General Manager of
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Notice Regarding Settlement of Litigation Filed against Our Consolidated Subsidiary

NIHON NOHYAKU CO., LTD. (the “Company”) hereby announces that, at the meeting of its Board of Directors held on December 31, 2025, the Company resolved that its consolidated subsidiary, Sipcam Nichino Brasil S.A. (“SNB”), would enter into a settlement with FMC QUÍMICA DO BRASIL LTDA (“FMC”). This settlement concerns a claim for damages previously filed by FMC in connection with a heavily armed robbery incident. Details are as follows.

1. Summary of the process from litigation to settlement

On July 26, 2023, a heavily armed robbery took place at SNB during which products that SNB had been packaging in fulfillment of a contract with FMC were stolen. In response, FMC filed a claim for damages of 45 million reais against SNB on October 10, 2023.

On May 14, 2025, the court ordered SNB to pay 45 million reais along with interest on this amount and the cost of the lawsuit. As stated in the Company’s announcement dated June 24, 2025, the Group decided to appeal against the judgment, based on the understanding that there are differences in opinion regarding the contractual scope of liabilities.

After comprehensively considering the terms of the proposed settlement, the Company determined that resolving the matter through a settlement would be the most reasonable course of action. Accordingly, at the meeting of its Board of Directors held on December 31, 2025, the Company resolved that SNB would enter into a settlement with FMC.

As a result, all litigation related to this matter is expected to be concluded.

2. Details of the plaintiff

Name: FMC QUÍMICA DO BRASIL LTDA.

Address: Avenida Doutor José Bonifácio Coutinho Nogueira, No. 150, Commercial Complexes 103, 105, 107, 108 and 109, Jardim Madalena District, in the municipality of Campinas, State of São Paulo, CEP 13091-611

Representative: CEO Renato de Almeida Guimaraes

3. Settlement Amount

USD 7.2 million (equivalent to approximately 39.6 million reais, based on an exchange rate of 1 USD = 5.5real) (equivalent to approximately 1,116 million yen,

based on an exchange rate of 1 USD = 155 yen)

This settlement will be submitted to the São Paulo State Court of Appeals jointly by SNB and FMC, and will become final upon completion of the court's approval procedures.

4. Future outlook

As a result of this settlement, the Company will record the full settlement amount stated above as an extraordinary loss in the consolidated financial results for the fiscal year ending March 31, 2026.

However, the impact on profit attributable to owners of parent will be limited to approximately half of the above amount, reflecting the Company's 50% ownership interest in SNB.

There is no change to the consolidated financial forecast for the fiscal year ending March 31, 2026, as announced on November 10, 2025.