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Notice Concerning the Possible Loss Arising from Business Activities (Update to Disclosed Matters)

OSAKA SODA Co., Ltd. (the “Company”) hereby announces the current recovery status and future outlook regarding the “suspension of some production facilities due to manufacturing equipment problems at our Mizushima Plant,” as disclosed on April 25, 2023.

1. Current recovery status

Production partially resumed from May 8, 2023 after operation of allyl chloride manufacturing equipment was suspended by the Company as a result of malfunctions in the main equipment that occurred on April 4, 2023. We will continue to work toward full recovery.

2. Future outlook

In the recovery plan as of May 11, 2023, the Company plans to perform partial repairs of the main equipment in mid-June and restore manufacturing capacity to around 70%, then subsequently perform full repairs of the main equipment at the time of regular maintenance in March 2024. The effect of this change on the consolidated financial results for the fiscal year ending March 31, 2024 is expected to be a decline of ¥4.0 billion in net sales and ¥4.5 billion in operating income, mainly in basic chemicals. The impact on functional chemicals is expected to be minor.

(Reference) Consolidated financial results forecasts for the fiscal year ending March 31, 2024 (announced on May 11, 2023) and consolidated financial results for the previous fiscal year

(Millions of yen)

	Consolidated net sales	Consolidated operating income	Consolidated ordinary income	Profit attributable to owners of parent
Consolidated financial results forecasts for the fiscal year ending March 31, 2024	105,000	10,000	11,100	7,500
Consolidated financial results for the fiscal year ended March 31, 2023	104,208	15,557	17,164	10,570

*The consolidated financial results forecasts for the fiscal year ending March 31, 2024 includes the above impact.