DIC's Chemitronics Business

August 24, 2026

Chemitronics Business Division

ENGLISH TRANSLATION OF JAPANESE-LANGUAGE DOCUMENT

This is a translation of the original Japanese-language document and is provided for convenience only.
In all cases, the Japanese-language original shall take precedence.

Color & Comfort

DIC Corporation

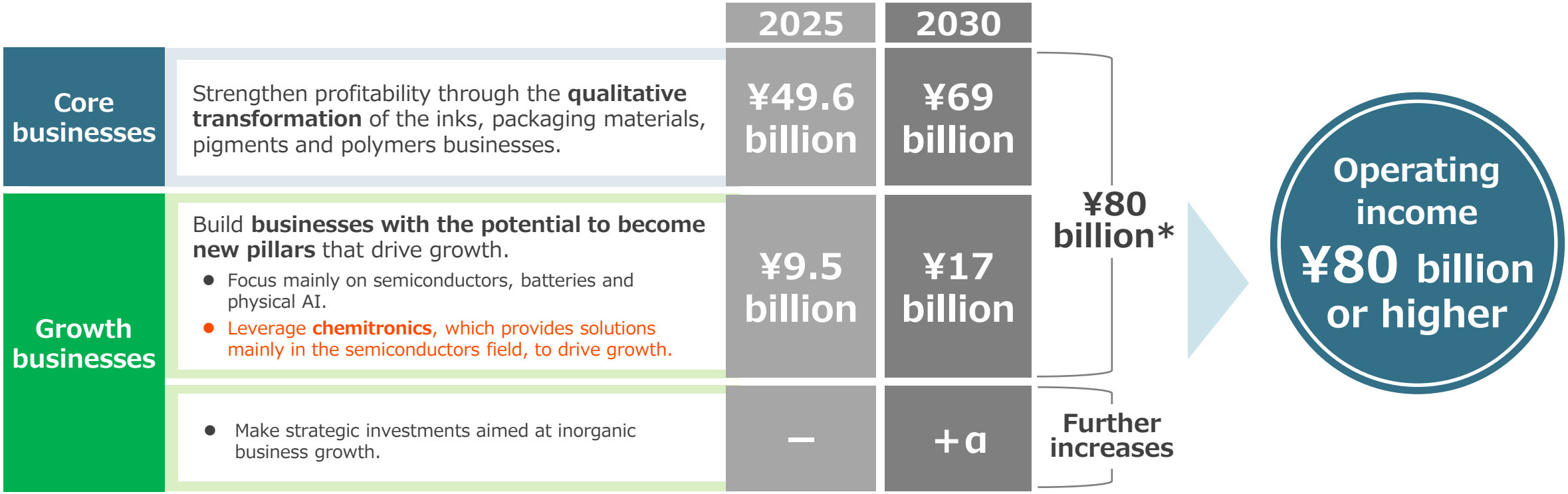
Contents

About the Chemitronics Business

Positioning of the Chemitronics Business in Phase 2 of the DIC Vision 2030 Long-Term Management Plan

Target Business Portfolio and the Role of Chemitronics

- Generate operating income of ¥80 billion or higher by pursuing the qualitative transformation of our three core businesses, which currently serve as the pillars of profitability, and foster growth businesses in areas exhibiting outstanding potential.
- Chemitronics is a growth business that is driving the transformation of DIC's business portfolio into one centered on such promising, high-value-added areas as materials for semiconductors and electronics applications.



* The total for operating income (¥80 billion) includes shared and other costs, and so differs from the sum of operating income targets for core and growth businesses.

Accelerate Business Portfolio Transformation through the Balanced Allocation of Management Resources

- Invest to strengthen the profitability of core businesses and to build a foundation for growth businesses.
- Withdraw from unprofitable and noncore businesses, and reallocate management resources to growth areas.

・Packaging & Graphic
・Color & Display
・Functional Products
(★Chemitronics)

	DIC111 (FY2019–2021)	Phase 1 of DIC Vision 2030 (FY2022–2025)	Phase 2 of DIC Vision 2030 (FY2026–2030)
Strategic investments	2021: Acquires the Colors & Effects business from BASF SE (pigments) 2020: Acquires Sensient Imaging Technologies Corporation (jet inks) 2020: Acquires Liaoning Tianqi Technology Co., Ltd. (gravure inks) 2020: Acquires Seller Ink (specialty inks) 2019: Acquires Ideal Chemi Plast Pvt. Ltd. (coating resins)	**2025: Expands production capacity for maleimide resins★** **2023: Acquires PCAS Canada Inc.★** (photoresist polymers) (now called Innovation DIC Chimitroniques Inc.) 2022: Acquires Guangdong TOD New Materials Co., Ltd. (coating resins) 2022: Acquires Sapici S.p.A. (adhesives)	**2029: Construction of new epoxy resins production facility for semiconductor application to be completed★** **2027: Production capacity for active ester curing agent for epoxy resins to be expanded★** **2026: Expands production capacity for photoresist polymers★**
Withdrawals	2021: Dissolves joint venture Kangnam Chemical Co., Ltd. (general-purpose resins) 2019: Dissolves joint venture Aekyung Chemical Co., Ltd. (general-purpose resins) 2019: Reduces stake in joint venture DIC Covestro Polymer Ltd. from 50% to 20% (general-purpose resins) 2019: Divests sheet molding compound and molded products business in Japan	2025: Withdraws from the firefighting foams business 2024: Withdraws from the liquid crystal (LC) materials business 2024: Divests DIC Decor, Inc. (architectural interior materials and housing materials, construction materials) 2023: Divests SEIKO PMC Corporation 2023: Withdraws from the para tertiary butylphenol (PTBP) business	2027: Planned divestment Taiyo Holdings Co., Ltd.

This chart focuses on chemitronics-related developments. Information is limited to that which can be disclosed as of the date of this presentation.

Overview of the Chemitronics Business

Today’s Speaker

Minoru Hara

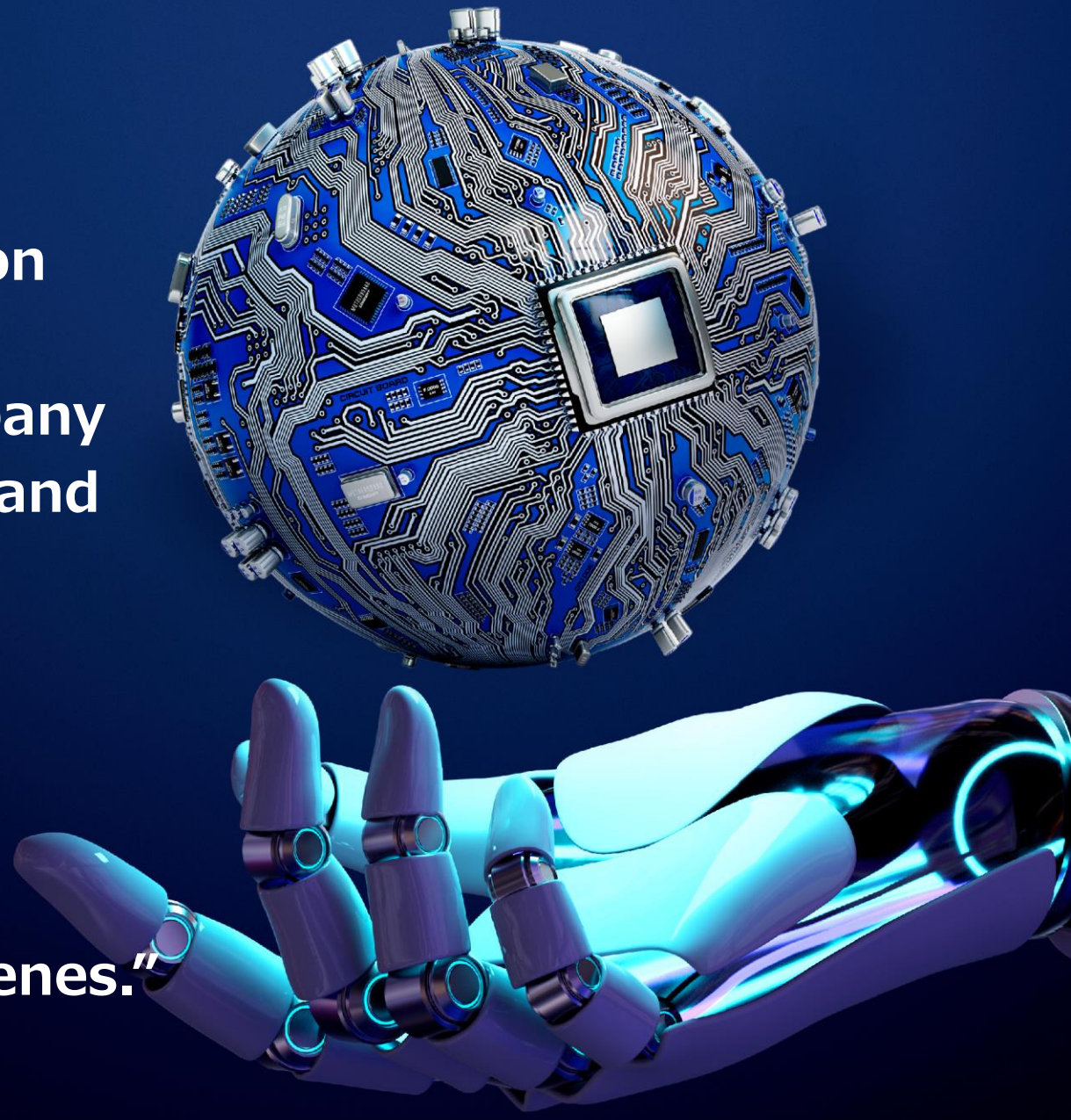
General Manager, Chemitronics Business Division

2001	Joins DIC
2024	Named General Manager of the Chemitronics Business Division
2026	Appointed Executive Officer and General Manager of the Chemitronics Business Division

After a career in marketing in the optical and electronics materials businesses, and having served as president of an overseas resin production subsidiary, Mr. Hara was named General Manager of the newly established Chemitronics Business Division in January 2024.

DIC has long supported the evolution of electronics through the power of chemistry. Looking ahead,the Company will provide cutting-edge materials and solutions that contribute to an AI-integrated society.

“DIC is supporting the evolution of semiconductors from behind the scenes.”



Chemitronics: Driving Growth in the Functional Products Segment

DIC CHEMITRONICS

Note: Fiscal year 2025 actual

Value provided

Packaging & Graphic

Sales ratio	Net sales	Operating income	Operating margin
	¥549.7 bn	¥31.1 bn	5.7%

Packaging materials that bring safety and peace of mind

Color & Display

Sales ratio	Net sales	Operating income	Operating margin
	¥246.4 bn	¥5.0 bn	2.0%

Color and display materials that make life colorful

Functional Products

Sales ratio	Net sales	Operating income	Operating margin
	¥290.9 bn	¥23.1 bn	7.9%

Functional products that add comfort

Principal products

Packaging & Graphic

Packaging inks

Packaging materials

←Polystyrene
↓Multilayer films

Packaging adhesives

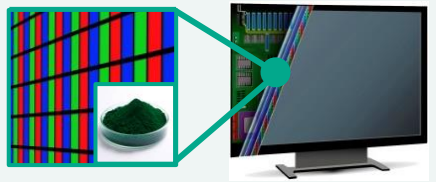
Jet inks

Security inks
(for anti-counterfeiting purposes)

For Deposit Return Schemes, etc.

Color & Display

Pigments for display



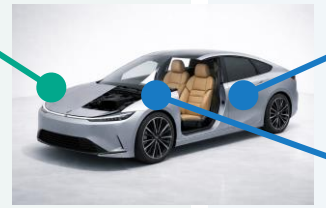
Pigments for cosmetics

Pigments for specialty applications

Agriculture

Building materials

Pigments for coatings

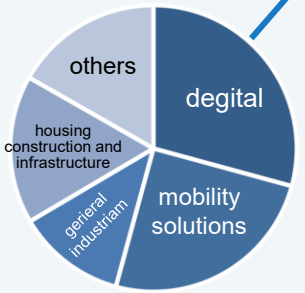


Pigments for plastics

Pigments for inks

Functional Products

Breakdown of Segment Sales by Demand Industry (Reference)



◆ **Digital materials** (used principally in electrical and electronics equipment and displays)◆

Epoxy resins

UV-curable resins

Industrial tapes

Hollow-fiber membrane modules

◆ **Industrial materials** (used primarily in mobility solutions (vehicles, etc.))◆

Automotive exterior and interior coatings:

Waterborne resins　Polyurethane resins

Acrylic resins　Polyester resins

Automotive components: PPS compounds

Full-Term Outlook for the Chemitronics Business

- **While representing only around 7% of consolidated net sales, the chemitronics business is expected to account for approximately 18% of operating income.**

Chemitronics Business Net sales

¥78.1 billion

+19.7% from ¥65.3 billion in FY2025

Operating income

¥14.1 billion

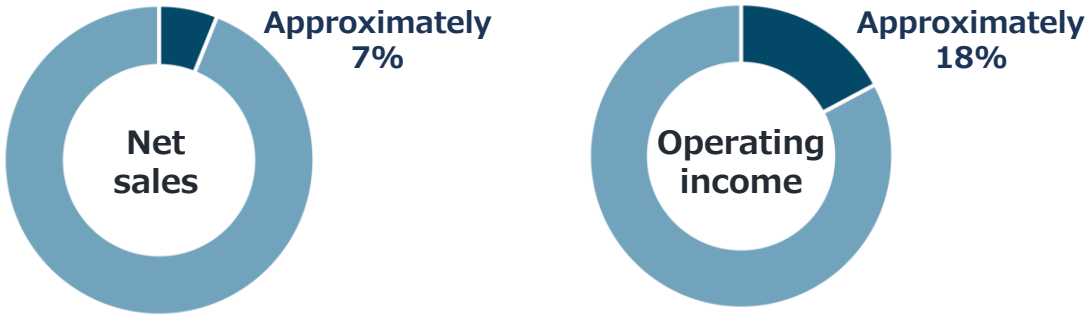
+80.6% from ¥7.8 billion in FY2025

Operating margin

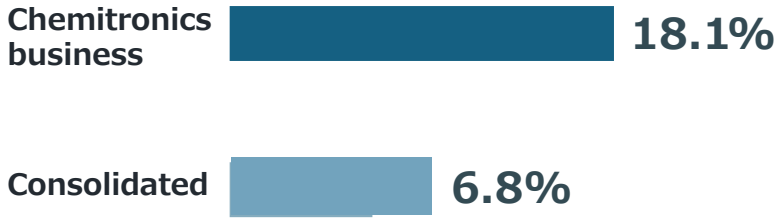
18.1%

Up from 12.0% in FY2025

Chemitronics Business as a Percentage of Consolidated Operating Results in FY2026 (Forecast)



Comparison of the Chemitronics Business and Consolidated Operating Margins in FY2026 (Forecast)

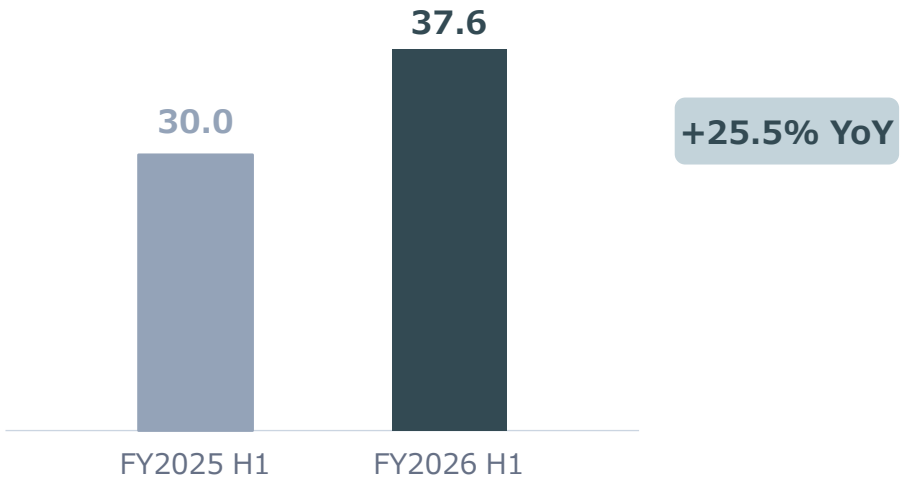


The Chemitronics Business in the First Half of Fiscal Year 2026: A Pronounced Increase in Profitability

- **Growing demand for AI semiconductors and expanding adoption in mobile devices drove increases in both sales and profits.**

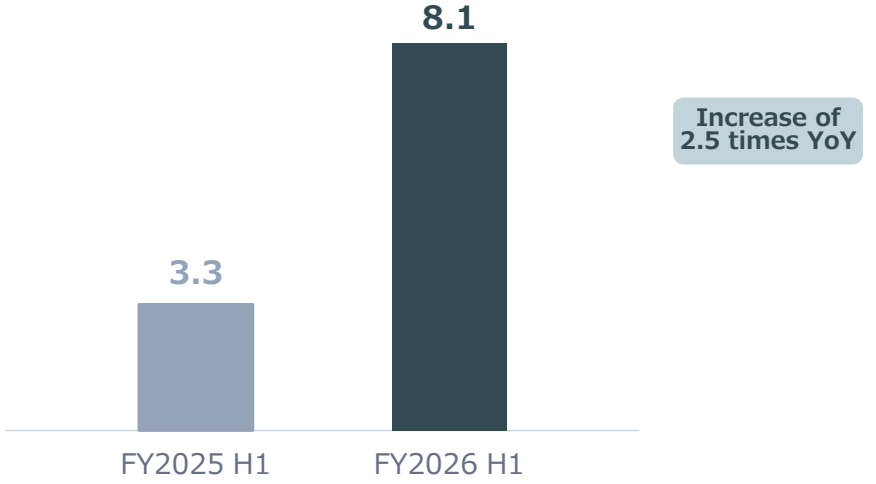
Chemitronics Business Net Sales and Operating Income in the Six Months Ended June 30, 2026

Net Sales (Billions of Yen)



Underpinned by higher sales of low-dielectric resins and industrial adhesive tapes

Operating Income (Billions of Yen)



Increase in operating margin from 10.9% to 21.6%

What Is Chemitronics?

- **With the creation of the Chemitronics Business Division in fiscal year 2024, products, technologies and production related to electronics materials were consolidated across all sectors.**

Chemistry + **Electronics** ▶ **Chemitronics**

1 Expertise in synthetic resins

Applying diverse molecular design and precision synthesis technologies for resins to electronics materials

2 Support for customers in the area of electronics materials

Integrated production, sales and technical capabilities facilitates a swift response to an extensive network of customers in the electronics materials field

3 Integration of mass production and quality

Outstanding quality and reliable supply capabilities backed by more than half a century of experience

A business platform that brings together DIC's extensive capabilities to help customers address challenges in the area of advanced electronics materials

118 Years of DIC History

Promotes expansion of printing inks business → **Diversifies operations by building on base in printing inks, organic pigments and synthetic resins** → **Seeks to advance global position through M&A and takes steps to advance environmental protection** → **Aims for a new phase of growth**

1908	1925	1952	1962	1986	2008	2021
Established as Kawamura Ink Manufactory	Begins production of organic pigments	Formally enters the synthetic resins market	Changes Company name to Dainippon Ink and Chemicals	Acquires the graphic arts materials division of Sun Chemical Corporation	Changes Company name to DIC Corporation	Acquires BASF's Colors & Effects pigments business

Printing inks

Offset inks
Gravure inks
News inks

Flexo inks
Packaging adhesives

Multilayer films
Polystyrene

Jet inks
Security inks

Packaging & Graphic

Organic pigments

Enhanced color

Pigments for printing inks
Pigments for coatings
Pigments for plastics

Health foods
Natural colorants

Pigments for color filters
Pigments for cosmetics
Pigments for specialty applications

Color & Display

Synthetic resins

Improved ink performance

Acrylic resins
Polyurethane resins
Epoxy resins
Polyester resins
Waterborne resins
UV-curable resins

PPS compounds
Industrial Adhesive tapes
Hollow-fer membrane modules

Functional Products

https://www.dic-global.com/en/about/history.html

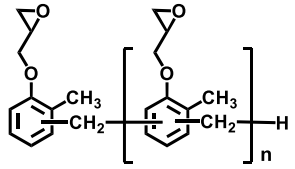
Milestones in the Area of Resins for Electronics Applications

Supporting the evolution of electronics from behind the scenes for more than half a century

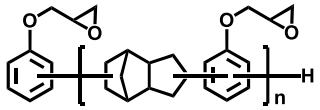
1962
Commences mass production of phenolic resins

1971
Commences mass production of epoxy resins

1985
Makes full-scale entry into the market for epoxy resins for electronics applications

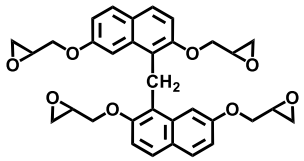


1994
Develops dicyclopentadiene (DCPD) epoxy resin

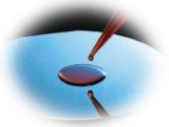


2003
Develops active ester curing agent for epoxy resins

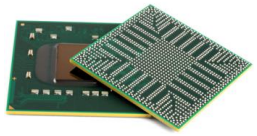
2010
Develops specialty epoxy resins



2016
Begins mass production of photoresist polymers



2023
Acquires manufacturer of semiconductor photoresist polymers (now called Innovation DIC Chimitroniques Inc.)



2024
Commences mass production of maleimide resins

2025 forward
Develops next-generation low-dielectric resins

Chemitronics Solutions in the Supply Chain

Chemitronics business

《Semiconductors》

Front-end processes → **Back-end processes** → **Wiring and mounting** → **Assembly**

Front-end processes

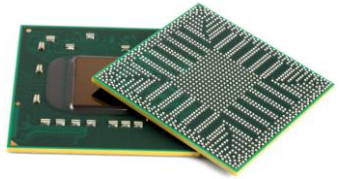
Circuit pattern formation

❑ **For semiconductor photoresists**

- *PHENOLITE®* (phenolic resin)
- *MEGAFACE®* (surfactant)

Back-end processes

Semiconductor chip packaging



❑ **For semiconductor packaging**

EPICLON® (epoxy resin)

- Insulating resins for packaging substrates
- Insulating resins for primary underfill
- Insulating resins for encapsulation

Wiring and mounting

Circuit board wiring, mounting

❑ **Materials for printed circuit boards**

EPICLON® (epoxy resin)

- Insulating resins for motherboards
- Resins for solder resist inks
- Insulating resins for secondary underfill

❑ **Insulating films for flexible printed circuits**

- Low-dielectric bonding sheets

Assembly

Assembly

❑ **Materials for adhesives and bonding solutions**

DAITAC® series

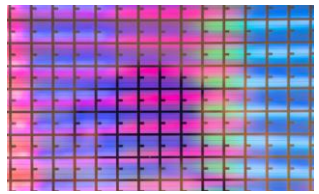
- Ultrathin double-sided adhesive tapes
- Foamed double-sided adhesive tapes
- Shatter-proof adhesive tapes
- Electromagnetic shielding tapes
- Demolition tapes

《Flat panel displays》

Thin-film transistor array production → **Cell panel–related processes**

Thin-film transistor array production

Pixel circuit formation

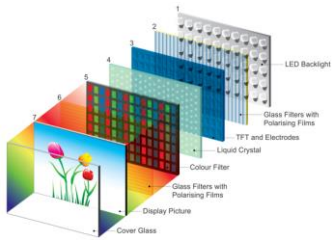


❑ **For flat panel display photoresists**

PHENOLITE® (phenolic resin)
MEGAFACE® (surfactant)

Cell panel–related processes

Flat panel display cell assembly



❑ **Optical materials for polarizing plates**

❑ **Optical materials for touch panels**

For hard coats, refractive index adjustment

❑ **Optical materials for backlight units**

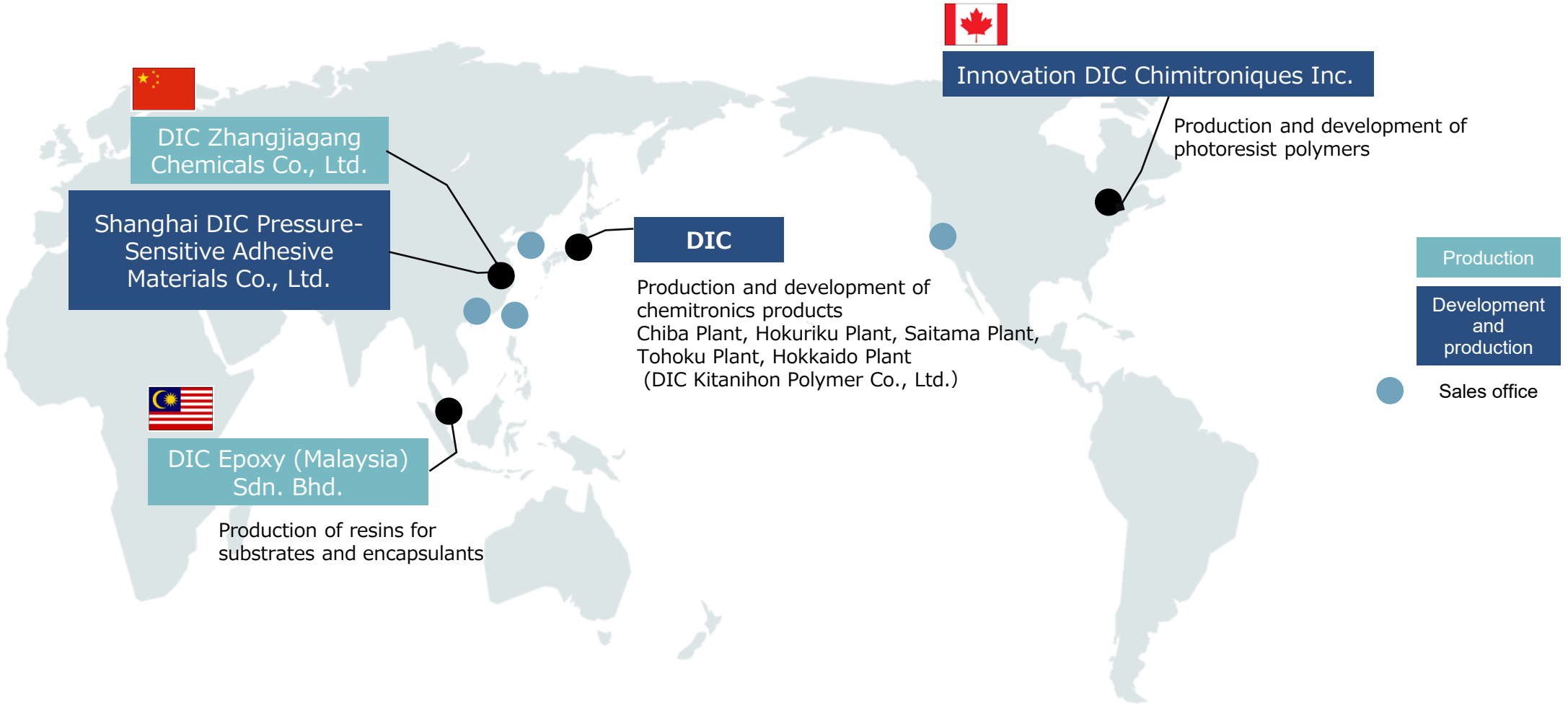
LUXYDIR® *GRANDIC®*

(UV-curable resins and coating materials)

MEGAFACE® (surfactant)

Chemitronics Business Production and Development Bases

DIC has secured stable supply capabilities and a customer-focused development framework centered on Japan, Asia and North America.

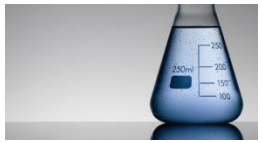


DIC's Position in the Supply Chain

DIC provides polymers and other materials essential to a wide range of electronics.

Monomers (basic chemicals)	Polymers	Electronics materials	Semiconductor fabrication (front- and back-end processes)	Semiconductor devices	End markets
・Ethylene ・Propylene ・Benzene ・Phenol ・Epichlorohydrin ・Acrylic acid ・Methacrylic acid ・Fluorinated monomers etc.	**・Epoxy resins** **・Phenolic resins** **・Active ester resins** **・Acrylic resins** **・Surfactants** **etc.**	・Photoresists ・Chemical mechanical polishing (CMP) slurries ・Copper-clad laminates ・Semiconductor encapsulants ・Underfill materials ・Interlayer insulating materials ・Die-bonding films **・Adhesive sheets** **・Industrial adhesive tapes** etc.	**Front-end processes (wafer processing)** ・Lithography (photoresists) ・Etching (plasma resistance) ・Film formation (polyamide insulating film, etc.) ・CMP (wafer surface smoothing materials) **Back-end processes (packaging)** ・Encapsulation (epoxy resins) ・Bonding (films, pastes) ・Protection (coating materials)	・Logic devices (CPUs, GPUs) ・Memories (DRAMs NANDs) ・Power semiconductors (silicon carbide, gallium nitride) ・Sensors etc.	・Smartphones ・Data centers/AI ・Automobiles (EVs, advanced driver-assistance systems) ・Household electronics, IoT ・Industrial equipment etc.

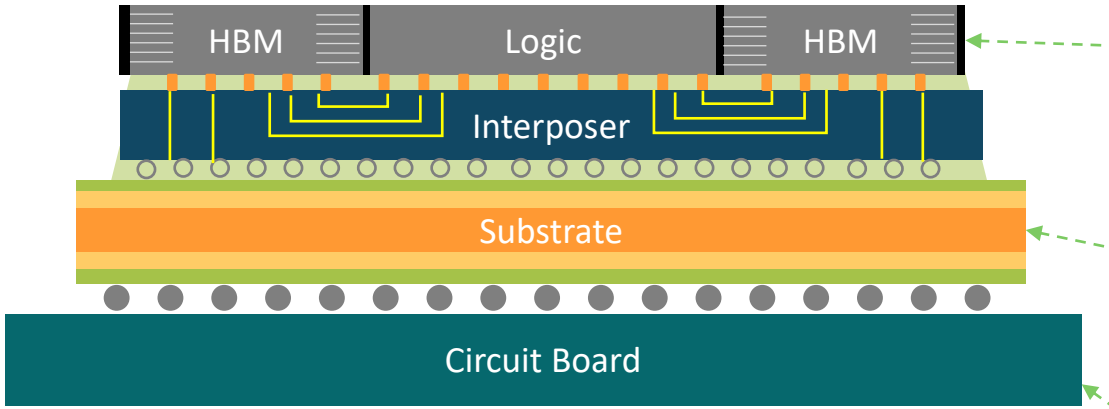
Color & Comfort

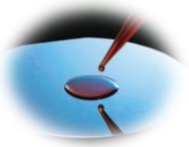


Applications for Chemitronics Polymers

- **Chemitronics polymers are unsung heroes that support stringent performance features required of materials for semiconductor fabrication.**

Structure of Advanced Packaging for AI Semiconductors



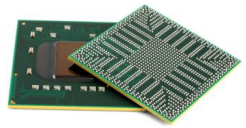


Photolithography

・Helps achieve greater miniaturization of semiconductors and improve yields

Encapsulants

・Contributes to chip protection and greater reliability



Packaging substrate materials

・Supports high-density packaging and reliability

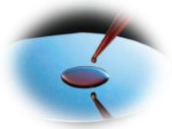
Printed circuit board materials

・Critical for high-speed, high-band communications

Materials for Front-End Processes

Milestones in the Area of Photoresists

Supporting the evolution of semiconductors by applying resin design technologies honed over more than half a century to front-end processes



2024
Commences mass production of maleimide resins

2016
Begins mass production of photoresist polymers

2025 forward
Develops next-generation low-dielectric resins

2023
Acquires manufacturer of semiconductor photoresist polymers (now called Innovation DIC Chimitroniques Inc.)

2003
Develops active ester curing agent for epoxy resins

2010
Develops specialty epoxy resins

1985
Makes full-scale entry into the market for epoxy resins for electronics applications

1994
Develops dicyclopentadiene (DCPD) epoxy resin

1971
Commences mass production of epoxy resins

1962
Commences mass production of phenolic resins

Front-End Processes: DIC's Competitive Advantages

- Innovation DIC Chimitroniques has supplied photoresist materials since 1989, earning a reputation for quality backed by a history of excellence.
- DIC's analytical and management capabilities enable it to easily meet quality control requirements, which are growing increasingly stringent as semiconductors evolve.
- DIC provides prompt, integrated support, from the design and development of low-metal content, high-purity polymers through to prototyping and mass production.
- DIC promotes an approach to development whereby developers engage directly in technical discussions with customers to ensure issues and needs are addressed.

Polymer design Monomer development → Polymer synthesis Prototyping → Customer evaluation → Mass production Quality assurance

Precision Polymerization Technology for Advanced Resists

DIC CHEMITRONICS

Conventional (free radical) polymerization

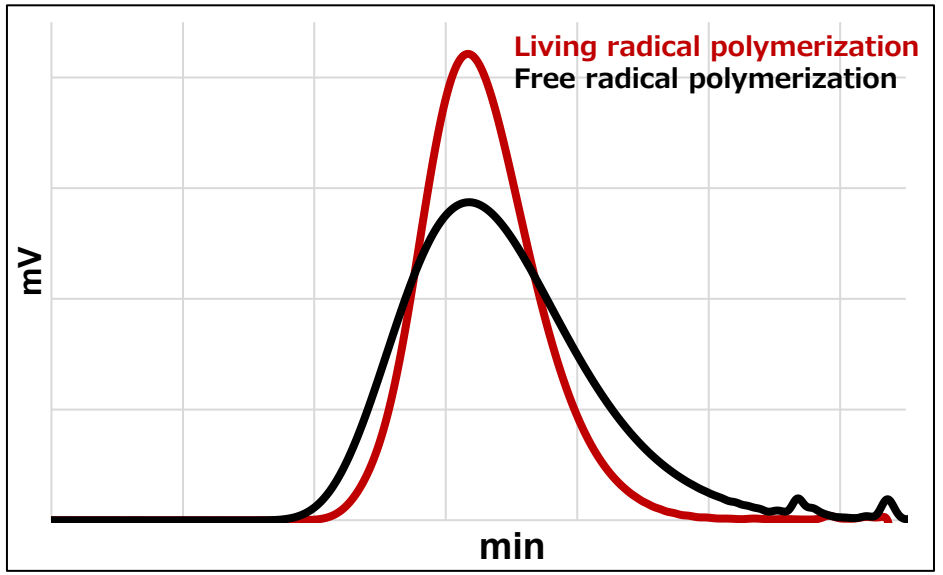
Low solubility

Low glass-transition temperature (Tg), risk of elution

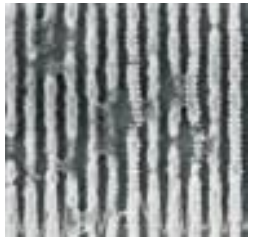
Low reactivity

Precision (living radical) polymerization

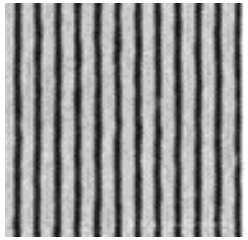
GPC



- Narrower molecular weight distribution → Reduces solubility and line-width variations
- Higher Tg → Suppresses acidic behavior and reduces line-width variations
- Lower oligomer → Suppresses ingress of liquids and the elution of low-molecular -weight substances



With controlled polymer



※Illustration

Suitable for advanced semiconductors

Production Facility for Polymers Used in Front-End Processes

- With the aim of responding to growing demand for photoresist materials, production capacity at Innovation DIC Chimitroniques in Canada has been increased. The new production facility began operating in fiscal year 2026.
- Supplies to customers have begun. Production will be increased going forward to a level judged appropriate to accommodate further business expansion going forward.

Exterior of Innovation DIC Chimitroniques' new production facility

Ceremony to commemorate the completion of the new production facility

Materials for Back-End Processes

Technological Trends in Back-End Processes: Current AI- Related Demand Is Accelerating DIC's Competitiveness

The increasing speed of semiconductor devices used in AI and 5G/6G communications applications necessitates printed circuit boards with low transmission loss.

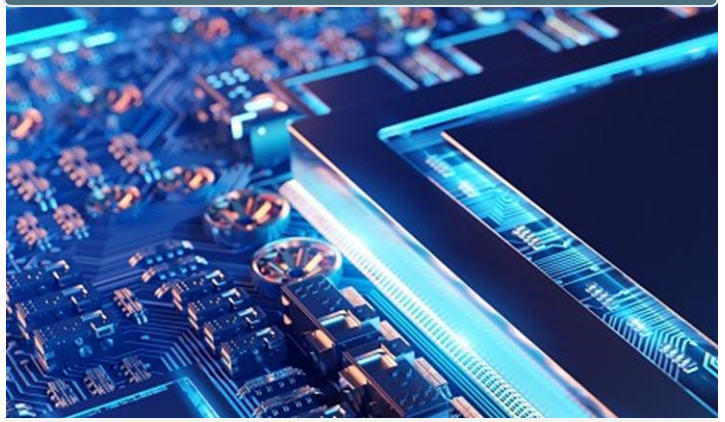
Megatrends

5G / 6G

AI

Autonomous driving

Semiconductor devices



Printed circuit boards compatible with high-speed, high-band communications
(motherboards, packaging substrates)

$$\text{Transmission loss} = k \times f \times \sqrt{\varepsilon} \times \tan\delta$$

ε : Dielectric constant　　tanδ: Dielectric loss tangent

f : Frequency　　k: Factor

Electronics materials

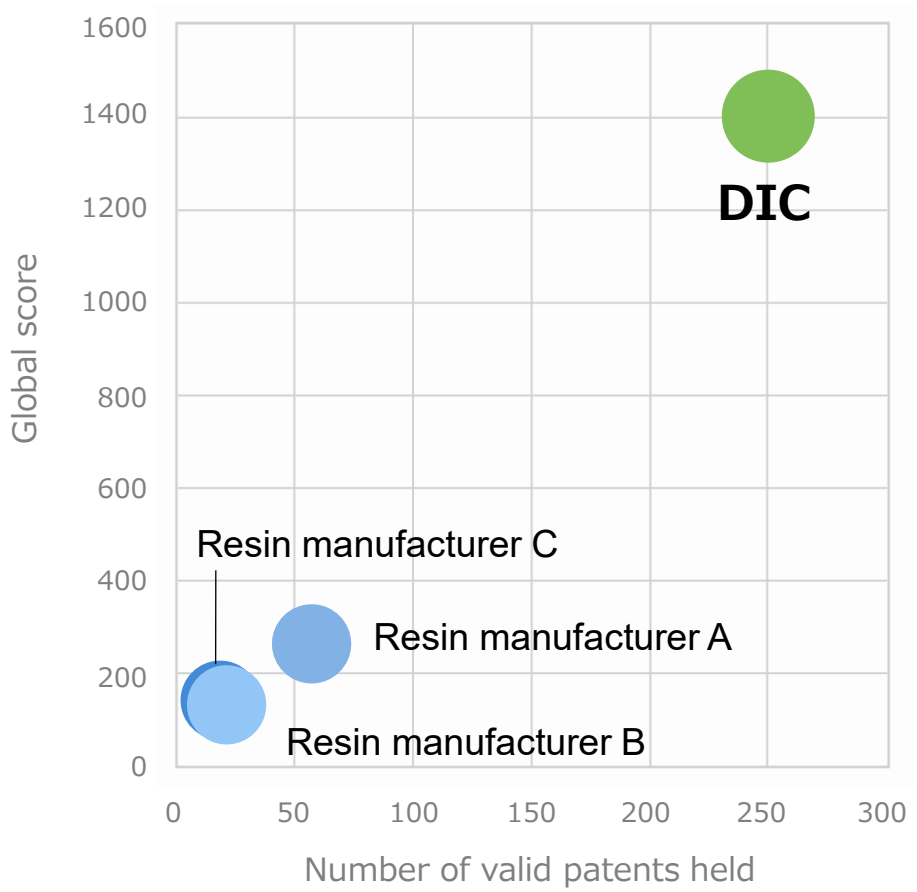
- Copper-clad laminates
- Interlayer insulating materials
- Encapsulants
- Underfill materials
- Resist inks

etc.

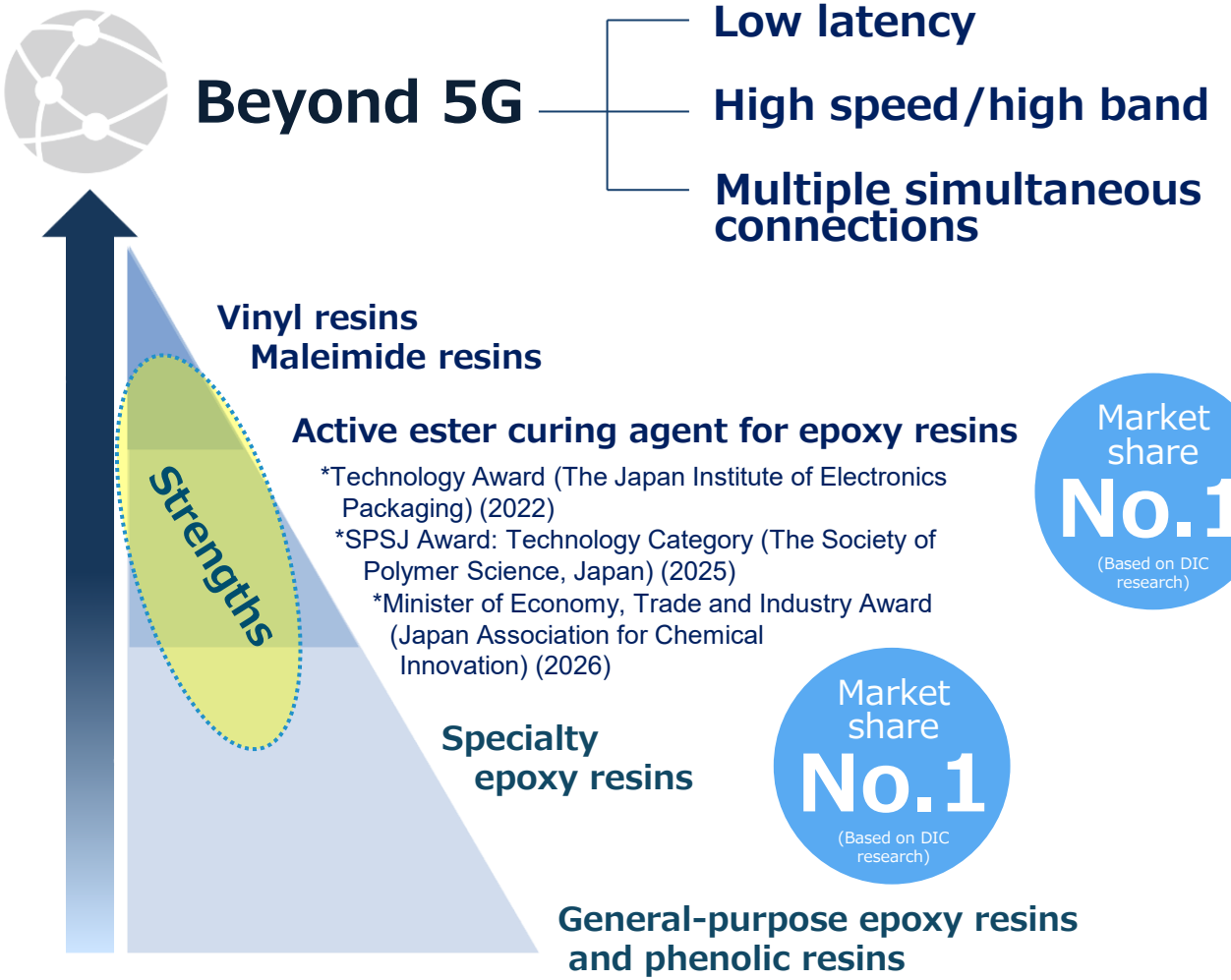
Low dielectric constant and dielectric loss tangent

Back-End Processes: DIC's Competitive Advantages

- **Fourth in the world in patents for epoxy resins used in circuit boards and a dominant leading position among resin manufacturers.**
- **Proprietary molecular design capabilities that deliver required properties regardless of resin type.**



Source: Research by Patent Result Co., Ltd.



Production Facility for Resins Used in Back-End Processes (Planning for Future Expansion)

- In preparation for the future expansion of demand, production capacity will gradually be increased, primarily at the Chiba Plant, DIC's principal production base for resins for electronics applications.
- In 2025, the decision was made to invest in a new semiconductor-grade epoxy resins production facility. Construction has begun, with operations scheduled to commence in 2029.
- With the aim of improving quality and ensuring stable supplies, efforts to expand production capacity are proceeding on schedule.

Site of the new production facility at the Chiba Plant

Artist's conception of the completed production facility

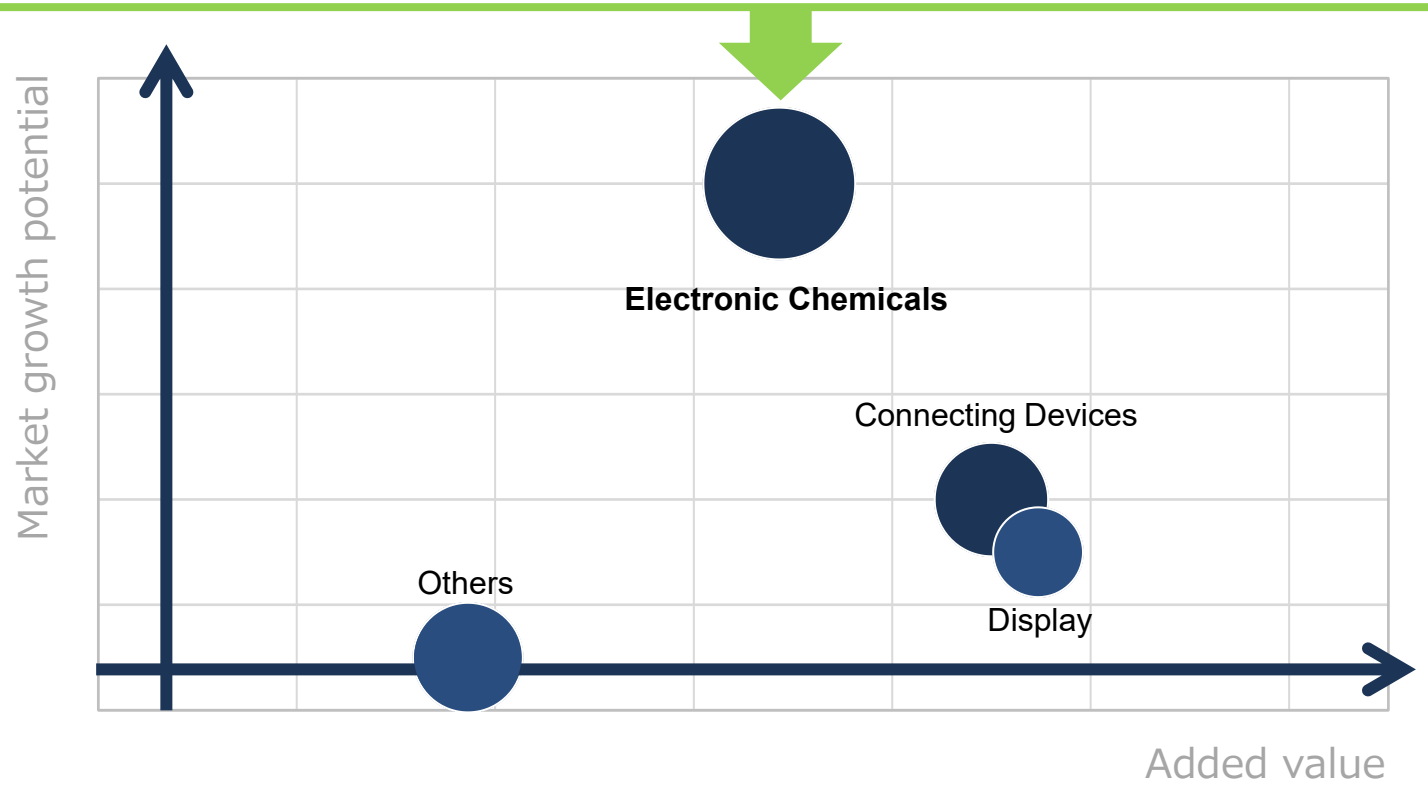
* This plan has been approved as a "plan for ensuring stable supply" by Japan's Ministry of Economy, Trade and Industry under the Act on the Promotion of Ensuring National Security through Integrated Implementation of Economic Measures, as a result of which DIC is expected to receive a subsidy of up to ¥3 billion, or one-third of the total amount invested.

Summary

Growth Strategies for Chemitronics Polymers

- **Leverage proprietary molecular design technology to continue responding to state-of-the-art needs and maintain a leading market share.**
- **Promote development efforts that address the need for higher quality and new polymers for front-end processes, as well as for low transmission loss and high reliability in back-end processes.**
- **Continue to make decisive investments to build a solid base for mass production to capture rapidly growing demand.**

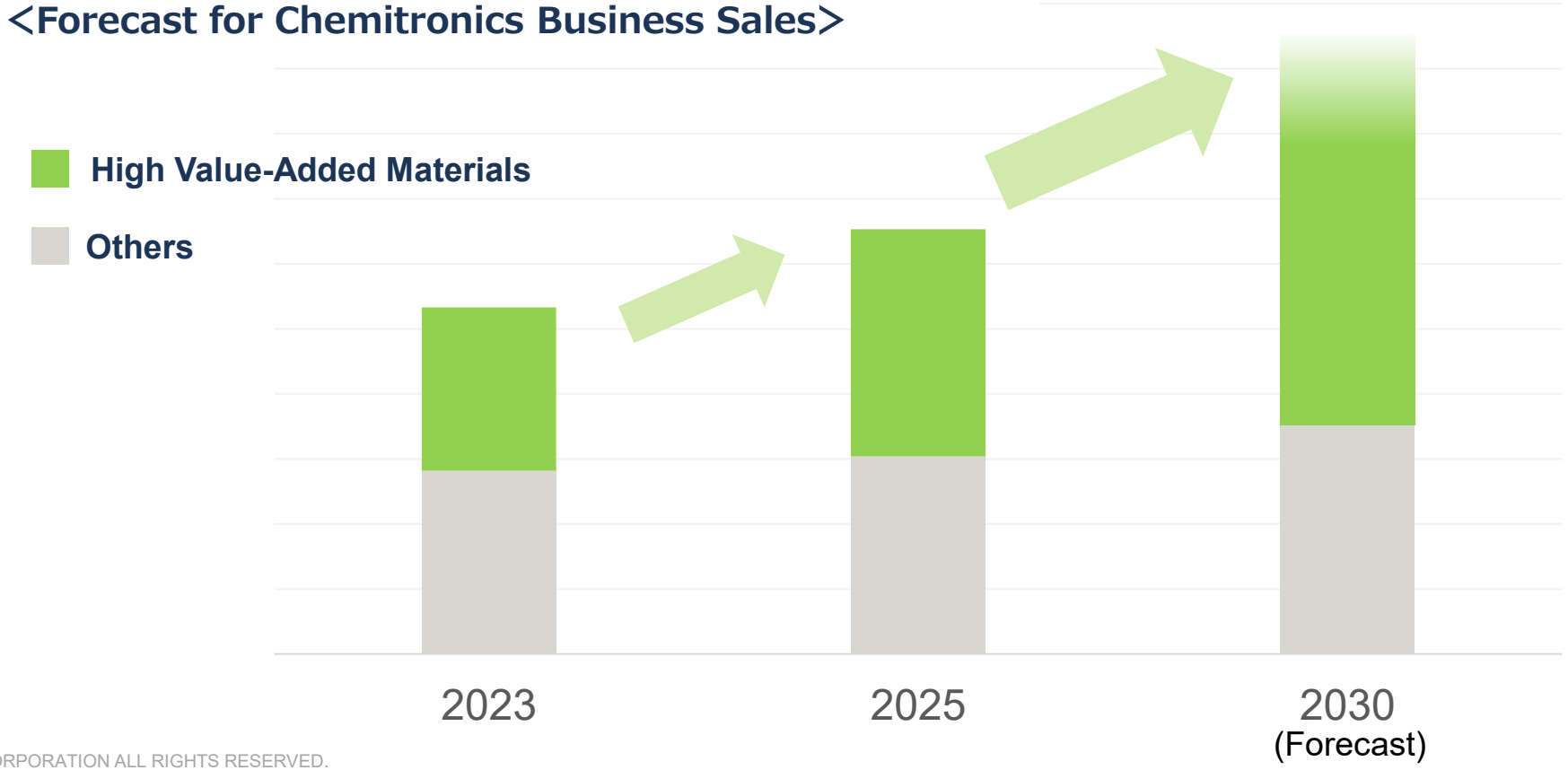
Maleimide resins (2025), photoresist polymers (2026), active ester curing agent for epoxy resins (2027), epoxy resins for use in semiconductors (2029)



Chemitronics Business Summary

- **Market tailwinds: Demand for advanced semiconductors, driven by use in AI and other factors, is propelling demand for high-value-added materials.**
- **As a consequence, DIC's chemitronics business is expected to see significant growth between now and fiscal year 2030.**
- **Strategic investments will ensure sufficient production capacity.**

<Forecast for Chemitronics Business Sales>



Low-Dielectric Materials: Contributing to an AI-Integrated Society

DIC CHEMITRONICS

Chemitronics solutions

- The expanded use of higher frequency bands for 5G/6G communications necessitates printed circuit boards with higher reliability, as well as lower latency and power consumption.
- DIC is advancing the development of next-generation low-loss solutions that support an AI-integrated society not only by developing low-dielectric resins, but also by integrating compounding, dispersion, precision coating and inorganic materials technologies.

Organic materials design

Low-dielectric resins

***EPICLON*® NE-V**

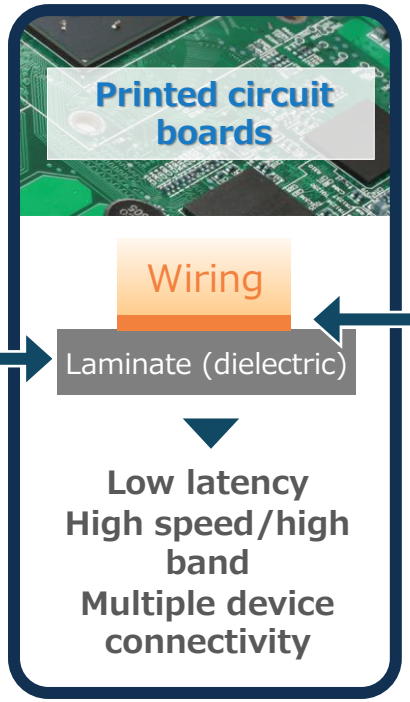
***EPICLON*® NE-X**

Reduced dielectric loss

Compounding/ processing

Low-dielectric adhesive sheet

***DAITAC*® BDS**

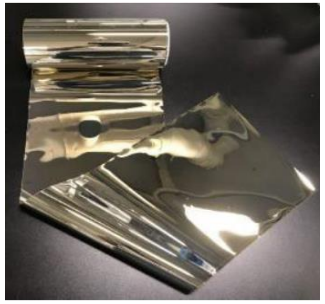


Inorganic materials design

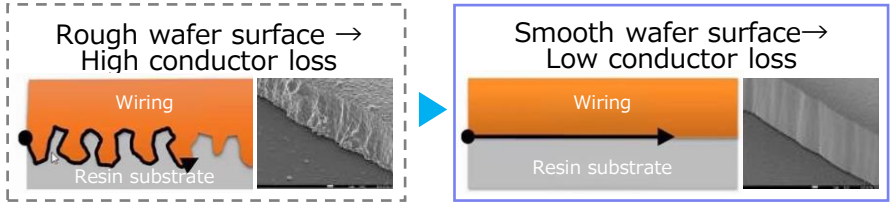
Silver nanoparticle conductive materials

***PLAZMO*®**

Reduced conductor loss



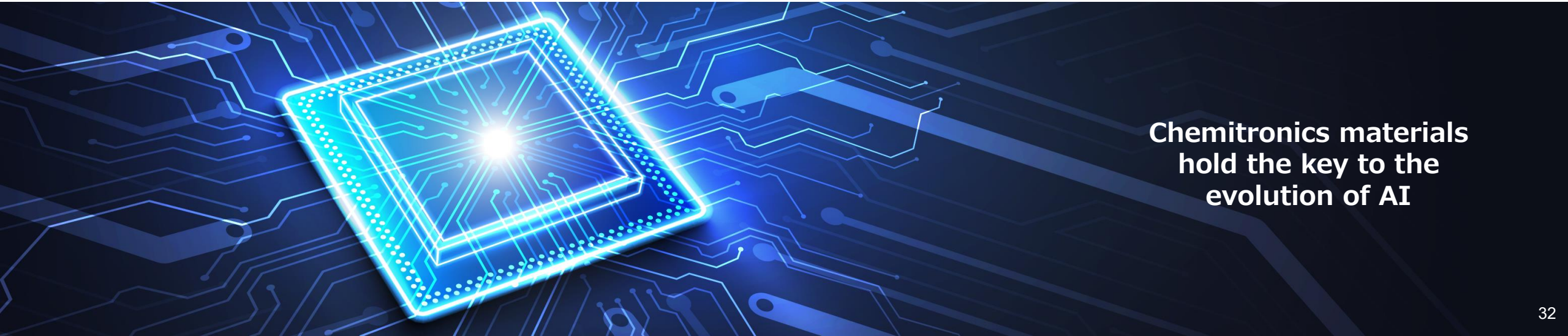
PLAZMO®coating film



From Electronics to Photonics

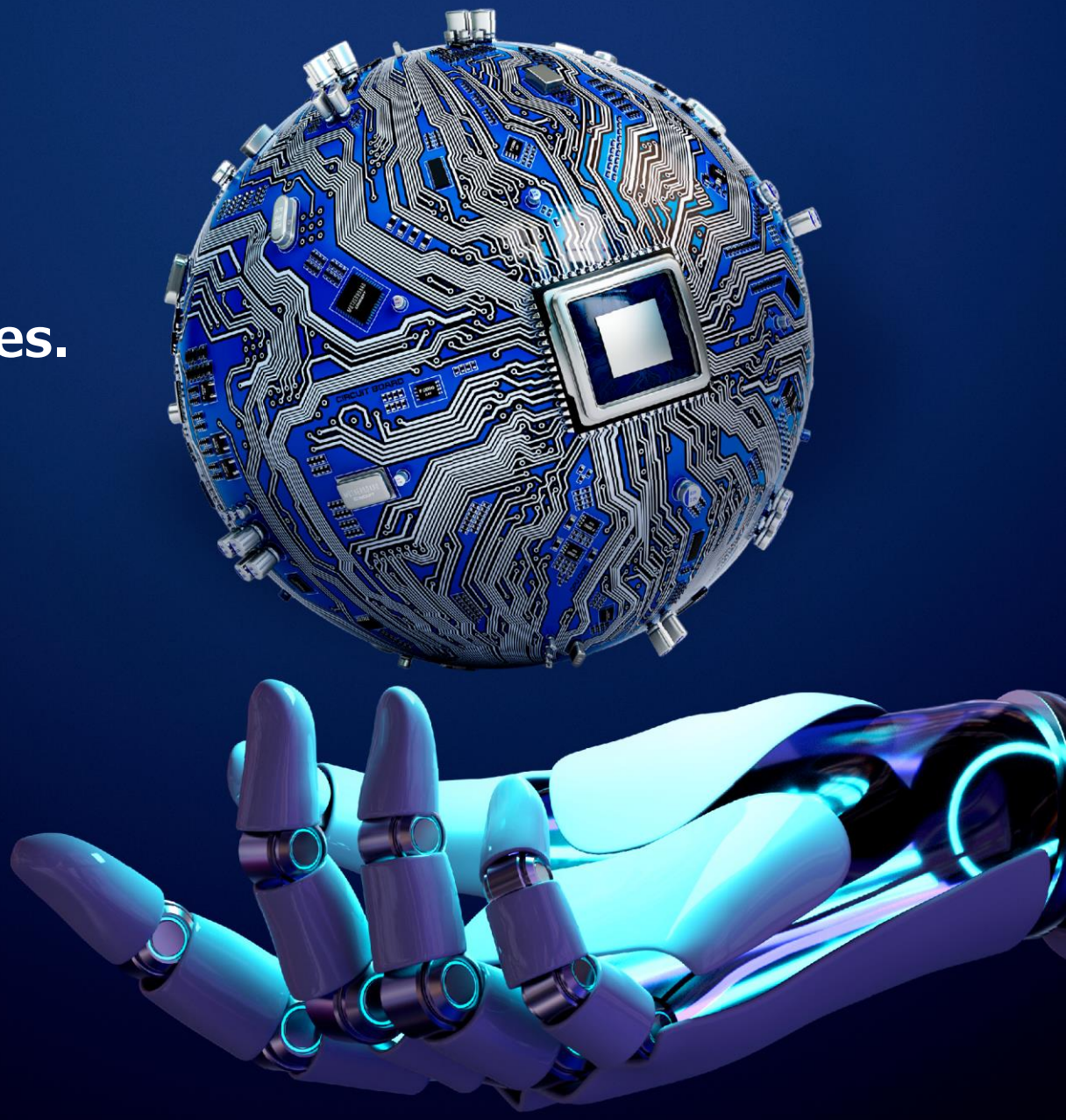
Looking ahead, DIC will expand applications for the polymer technologies it has cultivated for use in electronics into photonics. The Company is working to develop polymer optical waveguide materials for co-packaged optics (CPO) that deliver low absorption loss, thereby contributing to the realization of next-generation optical communications technologies crucial to high-speed, high-band communications.

DIC: Continuing to take on new challenges.



DIC is supporting the evolution of semiconductors from behind the scenes.

Expect great things from DIC as it seeks to leverage the power of chemistry to contribute to an AI-integrated society.



Thank you for your attention.

Disclaimer regarding forward-looking statements

Statements herein, other than those of historical fact, are forward-looking statements that reflect management’s projections based on information available as of the publication date. These forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from such statements. These risks and uncertainties include, but are not limited to, economic conditions in Japan and overseas, market trends, raw materials prices, interest rate trends, currency exchange rates, conflicts, litigations, disasters and accidents, as well as the possibility the Company will incur special losses related to the restructuring of its operations.