

Summary of Questions and Answers at a Briefing on Resonac Holdings, 2022 Financial Results

17:00 – 18:30, Friday, February 14, 2023

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*All contents are based on the information available as of the date and time of the briefing.

[General]

Q. You said you are going to focus on the human resources development as a CEO. Can you tell us your views on that matter in a specific way?

A. I want our employees to share Resonac values and grow experiencing a lot along the way. Our portfolio has a broad range of businesses, offering a variety of experiences to them. It is my belief that working in various businesses, with a focus on maximizing corporate/enterprise value in a healthy competition, enables their growth.

Q. Page 17 of writes ‘Getting rid of products making losses’ in the context of a structural reform. What is your timeline on that matter?

A. While its aim is to achieve 2025 income target, we are working on it starting this year. It takes some time for some products to discontinue, including products with obligations to supply.

[Semiconductor and Electronic Materials segment]

Q. Why do you expect the segment will be unprofitable on CQ1, 2023?

A. A significant drop in hard disk media demand in CQ4, 2022 is likely to continue through CQ1. Products mainly for semiconductor memory and products with higher customer inventory level suffers greater decrease in demand compared to others. Although semiconductor materials will maintain profitability, a weak demand for hard disk media and goodwill amortization lead to a forecast of making operating loss.

[Chemicals segment]

Q. What made and will make the income change in the segment, from CQ3 to CQ4 2022 and CQ4 to CQ1 2023?

A. For petrochemicals, it was tough CQ4 in terms of income, with naphtha price declining. CQ1 will remain tough. For graphite electrodes, CQ4 made a stable income but an increase in utility cost will reduce income in CQ1. Basic Chemicals was and will remain steady through 4Q and 1Q.

* Performance forecast and other statements pertaining to the future as contained in this presentation are based on the information available as of today and assumptions as of today regarding risk factors that could affect our future performance. Actual results may differ materially from the forecast due to a variety of risk factors, including, but not limited to, the influence of the coronavirus disease 2019 (COVID-19) on the world economy, the international situation, costs of naphtha and other raw materials, demand or market conditions for our products such as graphite electrodes and other commodities and foreign exchange rates. We undertake no obligation to update the forward-looking statements unless required by law.