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October 1, 2026

To whom it may concern:

Company Name: Sumitomo Bakelite Co., Ltd.
Representative: Shinichi Kajiya
President and Representative Director
(Code: 4203 The Prime Market of Tokyo Stock Exchange)
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Notice Regarding the Recognition of Gain on Sale of Investment Securities (Extraordinary Income) in Standalone Financial Statements

Sumitomo Bakelite Co., Ltd. (the “**Company**”) hereby announces that, as a result of the sale of a portion of its investment securities, it has recorded a gain on sale of investment securities (extraordinary income) in the standalone financial statements.

1. Reason for the sale of Investment Securities

To improve asset efficiency by reducing cross-shareholdings

2. Details on the sales of Investment Securities

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|---|---|
| (1) Shares sold | 8 listed securities held by the Company |
| (2) period of sale | From May 2026 to September 2026 |
| (3) Gain on sale of investment securities | 14.3 billion yen |

3. Impact on Financial Results

The Company has recorded a gain on sale of investment securities of 14.3 billion yen as extraordinary income in the standalone financial statements for the second quarter of the fiscal year ending March 31, 2027. As the Company adopts International Financial Reporting Standards (IFRS), the gains on the sale are treated as other comprehensive income in the consolidated accounts, and therefore, there is no impact on the consolidated results.

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