

**Tri Chemical Laboratories Inc.**  
**Financial Results for the 46th Fiscal Year**  
**(Fiscal Year Ended January 31, 2024)**

Tokyo Stock Exchange  
Stock Exchange Code: 4369

# 1. Financial Results for the Fiscal Year Ended January 31, 2024

Million yen

	(Ref.) FY2022	FY2023	Changes in amount	Changes in percentage
Net sales	13,803	11,246	(2,557)	(18.5)%
Operating profit	3,504	1,947	(1,556)	(44.4)%
Ordinary profit	6,186	3,276	(2,909)	(47.0)%
Net profit	4,832	2,470	(2,361)	(48.9)%

Both net sales and profits decreased significantly year-on-year mainly due to the impact of memory downturn.  
Ordinary profit includes 1,036 million yen as share of profit of entities accounted for using equity method.

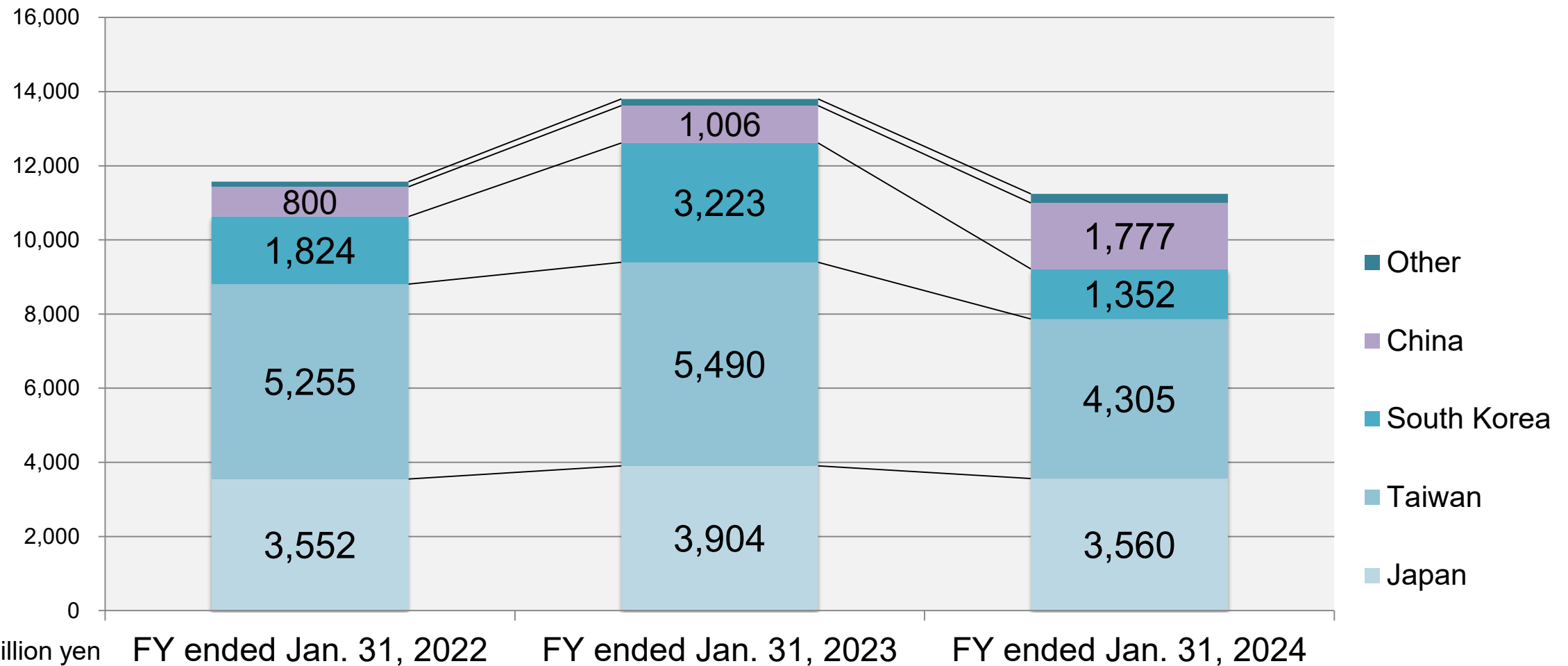
	As of Jan. 31, 2024	(Ref.) As of Jan. 31, 2023	Changes in amount	Main reasons for the changes	Million yen
Current assets	19,008	18,922	86	Current assets	Increase in inventories +1,282
Non-current assets	12,856	13,192	(336)		Decrease in cash and deposits (640)
Total assets	31,864	32,115	(250)		Decrease in accounts receivable (526)
Current liabilities	2,553	3,675	(1,121)	Non-current assets	Decrease in investment securities due to dividends from entities accounted for using equity method (1,422)
Non-current liabilities	1,740	2,563	(823)		Increase in property, plant and equipment due to capital investment +896
Total liabilities	4,294	6,239	(1,944)	Current liabilities	Decrease in accounts payable – trade (787)
Shareholders' equity	26,761	25,265	1,495		Decrease in income taxes payable (551)
Accumulated other comprehensive income	808	610	198	Non-current liabilities	Decrease in long-term loans payable (700)
Total net assets	27,570	25,876	1,694	Net assets	Increase in retained earnings due to recording profit +1,495
Total liabilities and net assets	31,864	32,115	(250)		

Million yen

	FY2023
Cash flows from operating activities	2,972
Cash flows from investing activities	(1,781)
Cash flows from financing activities	(1,858)
Net increase (decrease) in cash and cash equivalents	(640)
Cash and cash equivalents at end of term	10,497

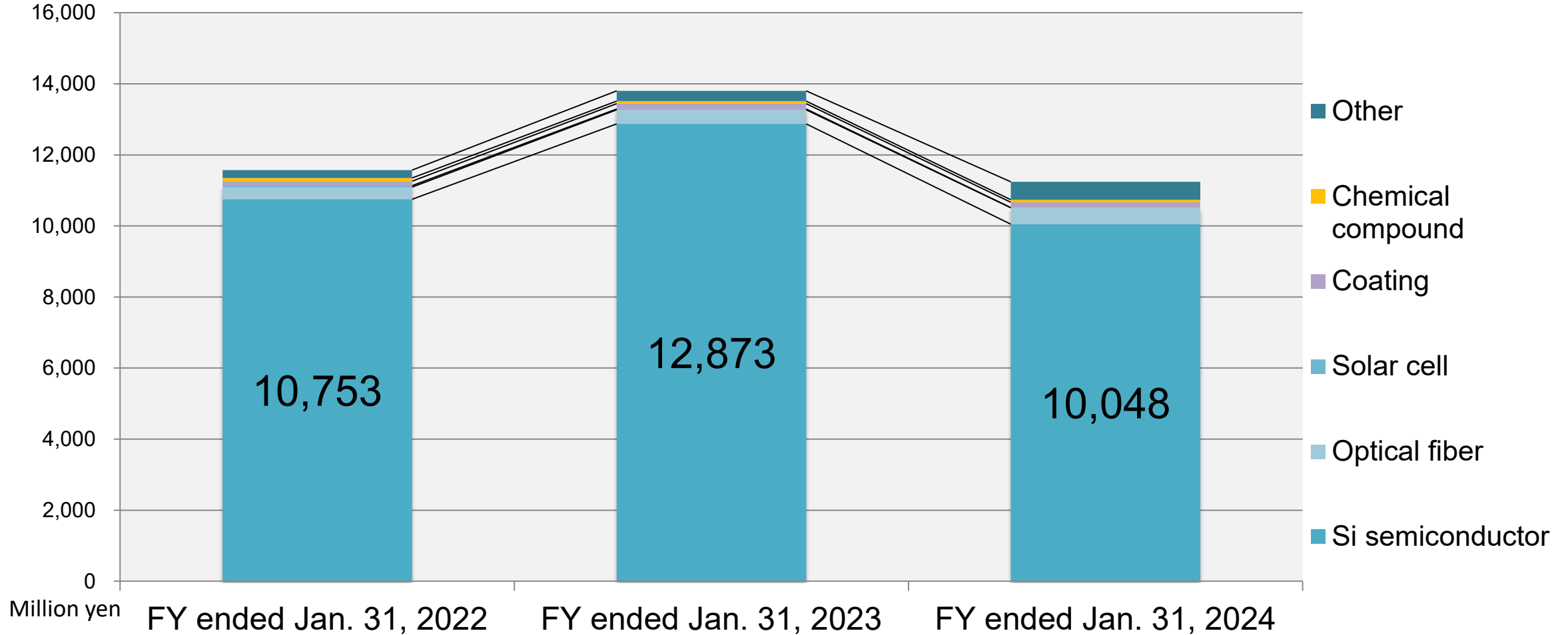
## Status of cash flows

Cash flows from operating activities	Profit before income taxes	+3,276
	Interest and dividend income received	+2,542
	Income taxes paid	(1,520)
Cash flows from investing activities	Decrease (increase) in inventories	(1,260)
	Purchase of property, plant and equipment	(1,739)
Cash flows from financing activities	Cash dividends paid	(973)
	Repayments of loans payable	(785)



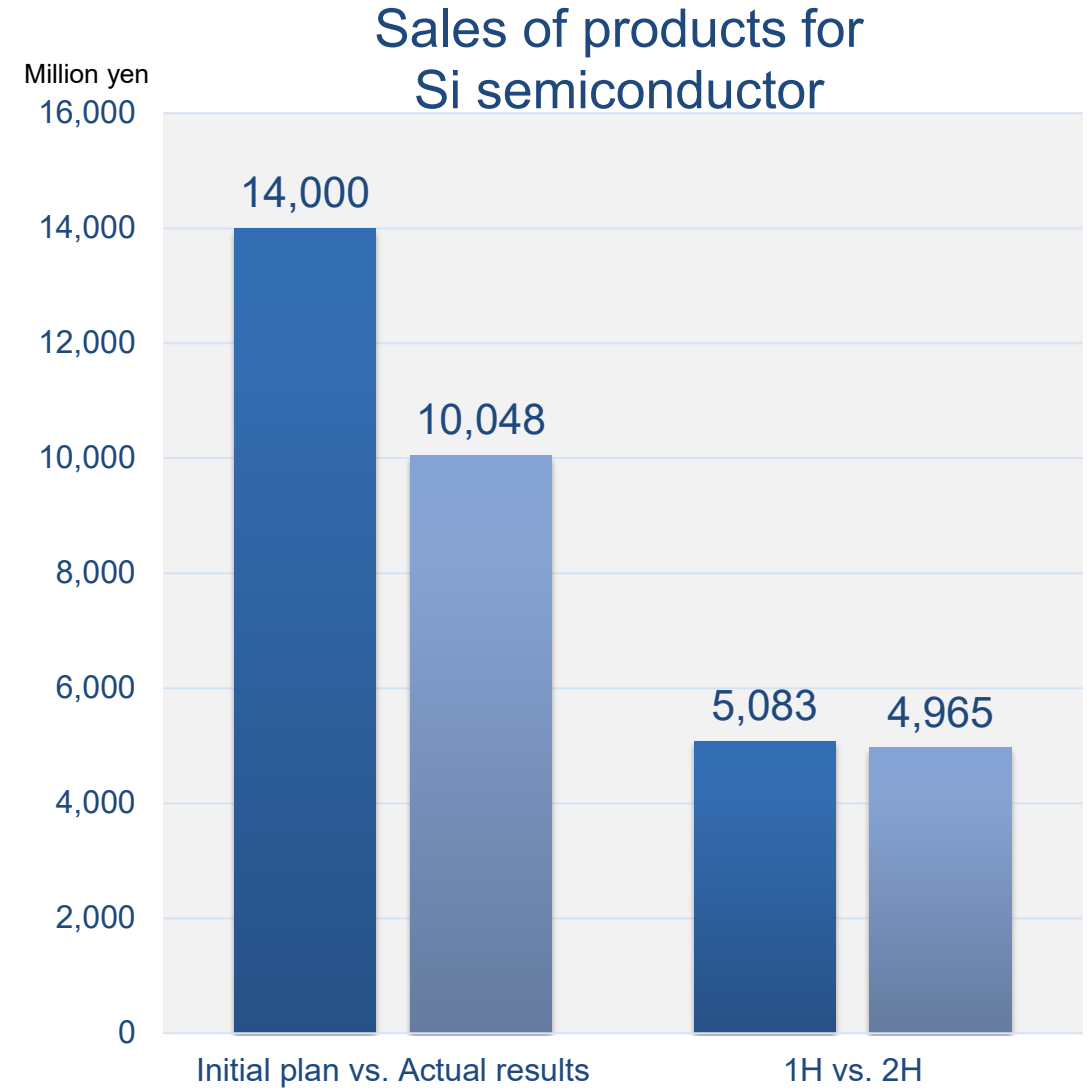
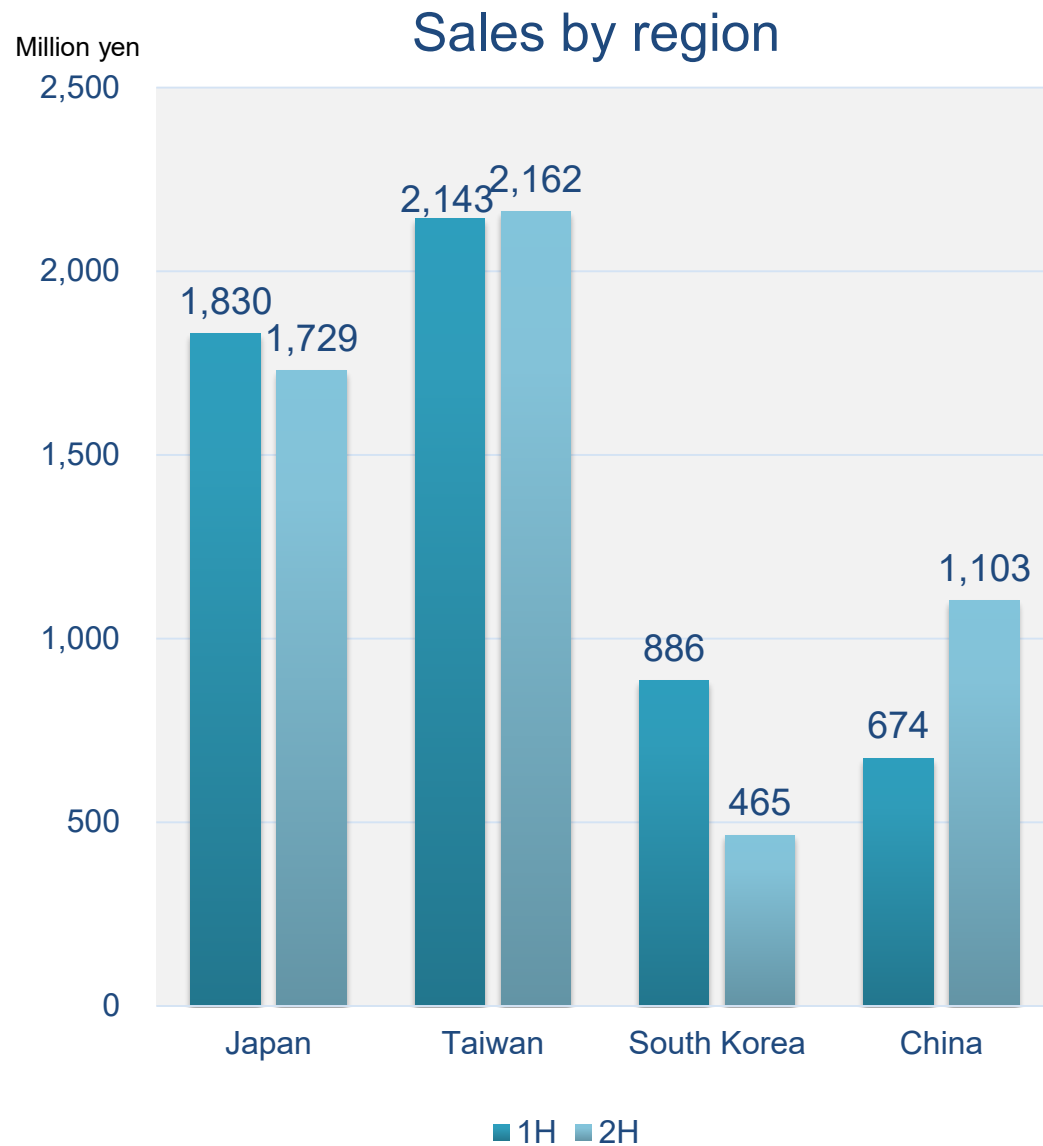
\*Approximate figures based on estimates by the Company

Sales of products for China increased significantly, while those for the rest of the regions decreased.

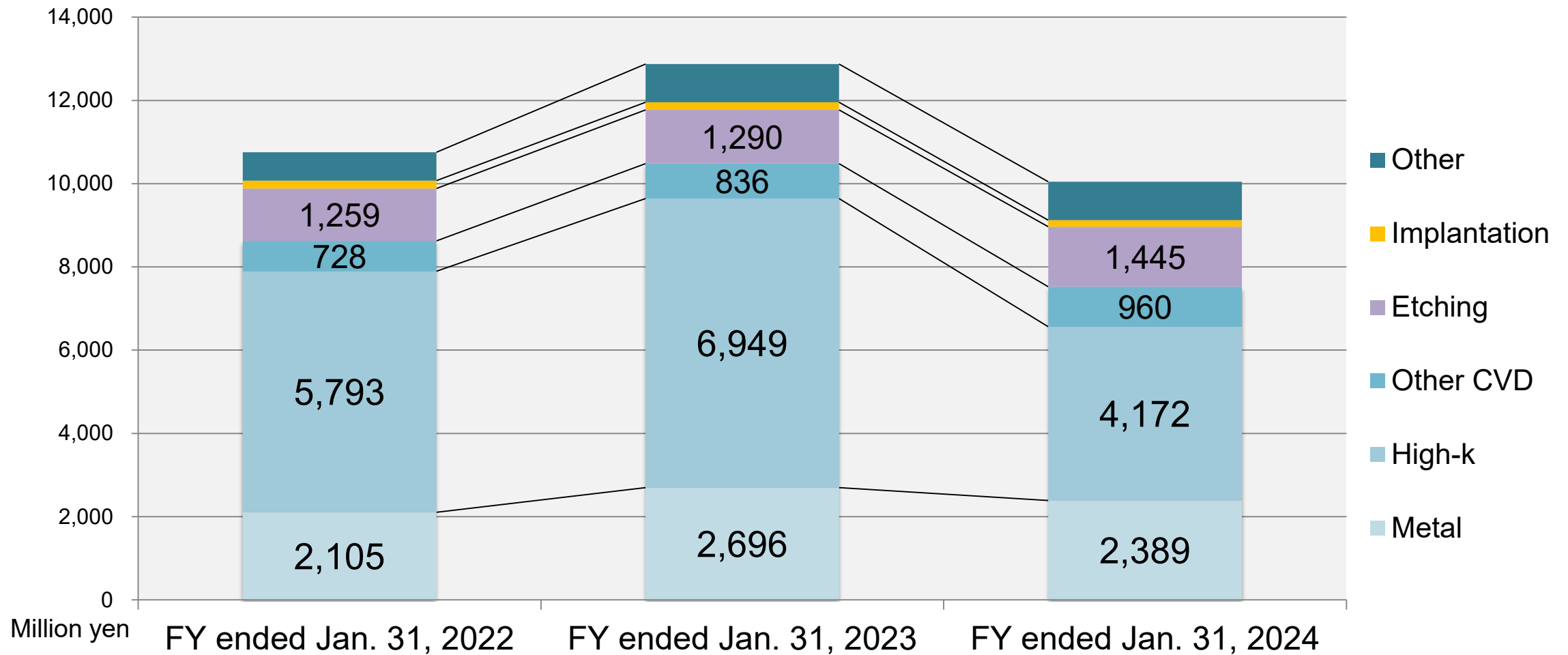


\*Approximate figures based on estimates by the Company

Sales of products for semiconductors decreased significantly.

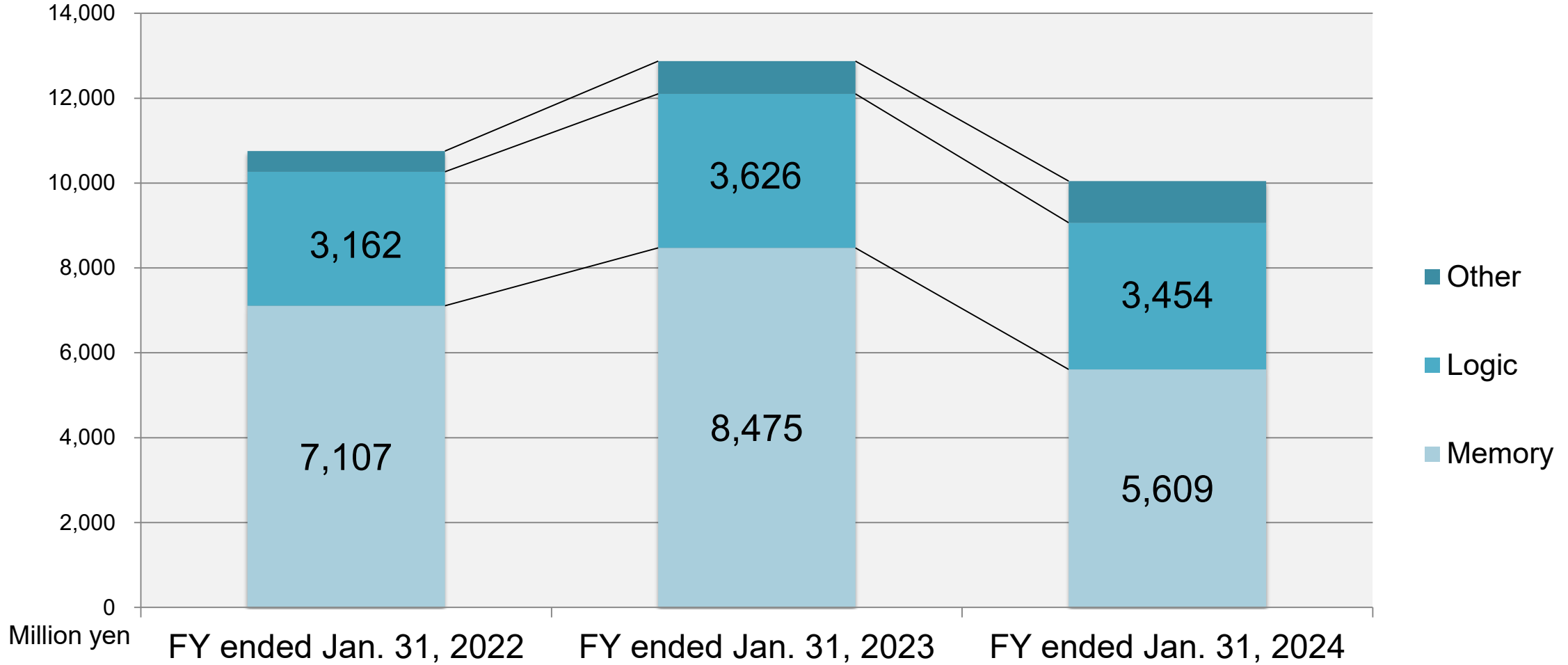






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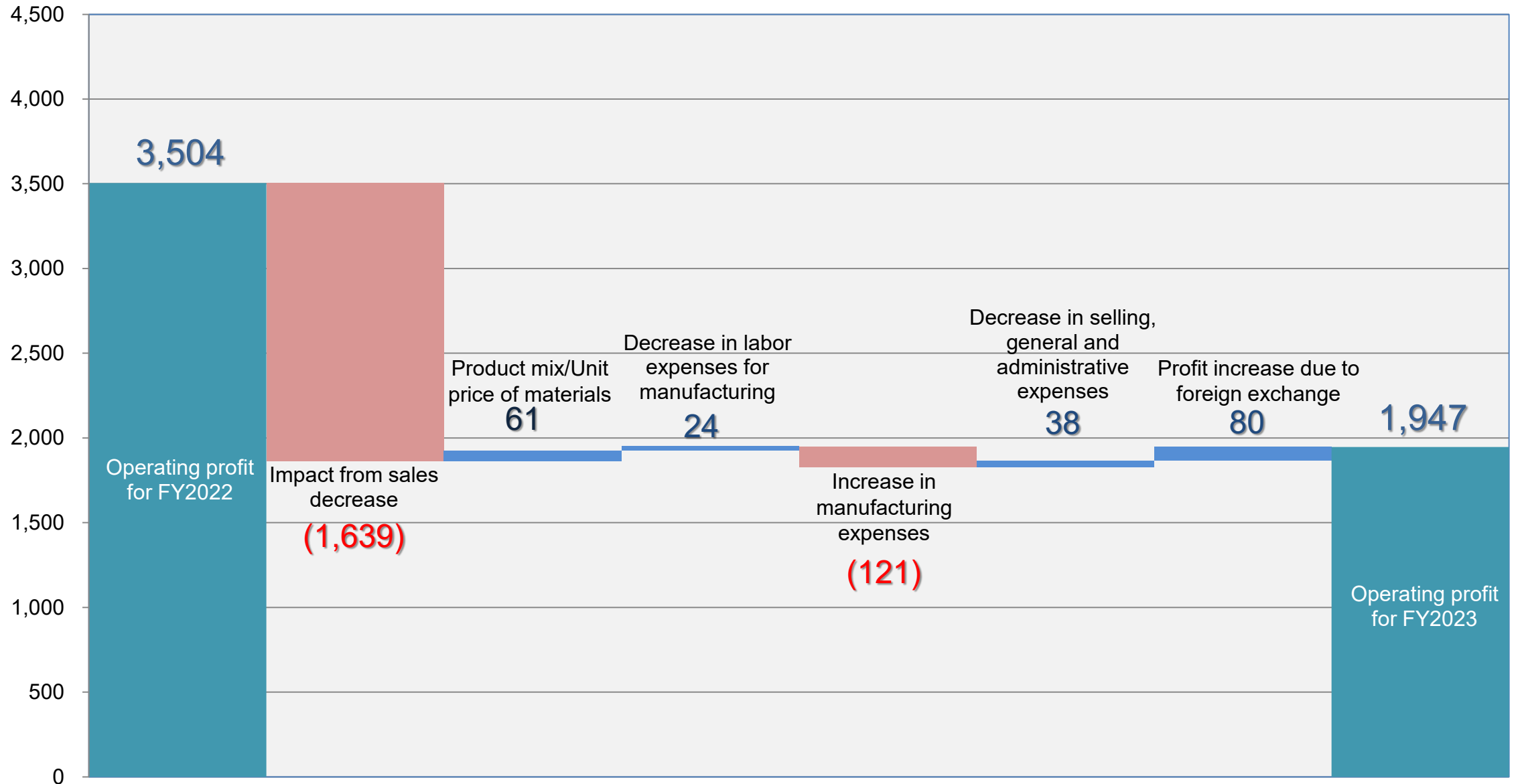
Sales of High-k materials for DRAM decreased significantly.



\*Approximate figures based on estimates by the Company

Sales of materials for memory declined markedly.

# Waterfall Chart for Increases/Decreases in Operating Profit of the Fiscal Year Ended January 31, 2024 (FY2023) No.11



\*Before transferring research and development expenses

Million yen

## 2. Plan for the Fiscal Year Ending January 31, 2025

Million yen

	Results for FY2023	Plan for FY2024	(Ref.) Changes in percentage
Net sales	11,246	14,890	32.4%
Operating profit	1,947	3,380	73.5%
Ordinary profit	3,276	4,880	48.9%
Net profit	2,470	3,730	51.0%

Assuming exchange rate of 140 yen/US dollar (operating profit sensitivity for FY2024: 1 yen approximately equals to 30 million yen)

Share of profit of entities accounted for using equity method increases from 1,036 million yen to 1,530 million yen.

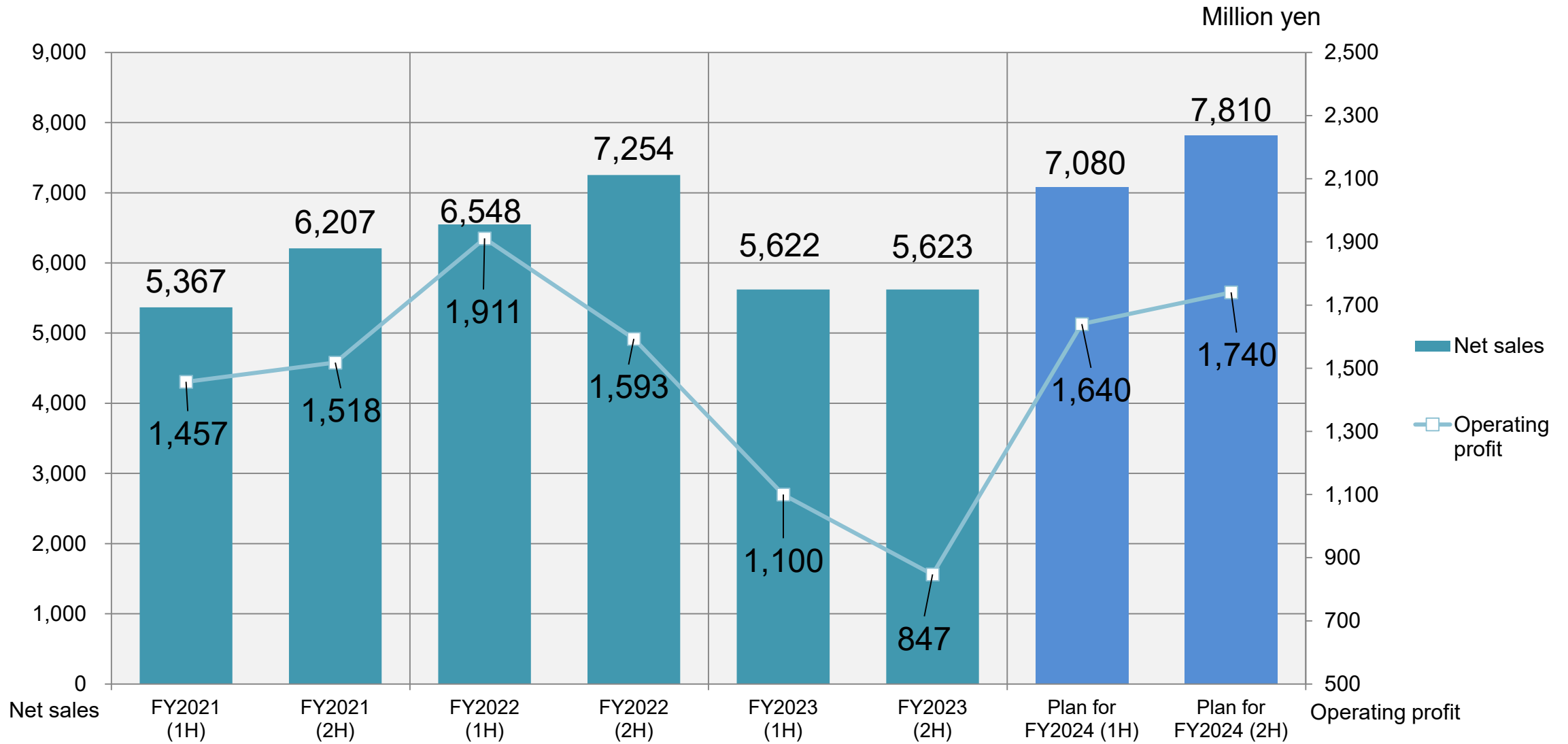
Foreign exchange gains and other gains recorded in FY2023 decreases by slightly over 300 million yen.

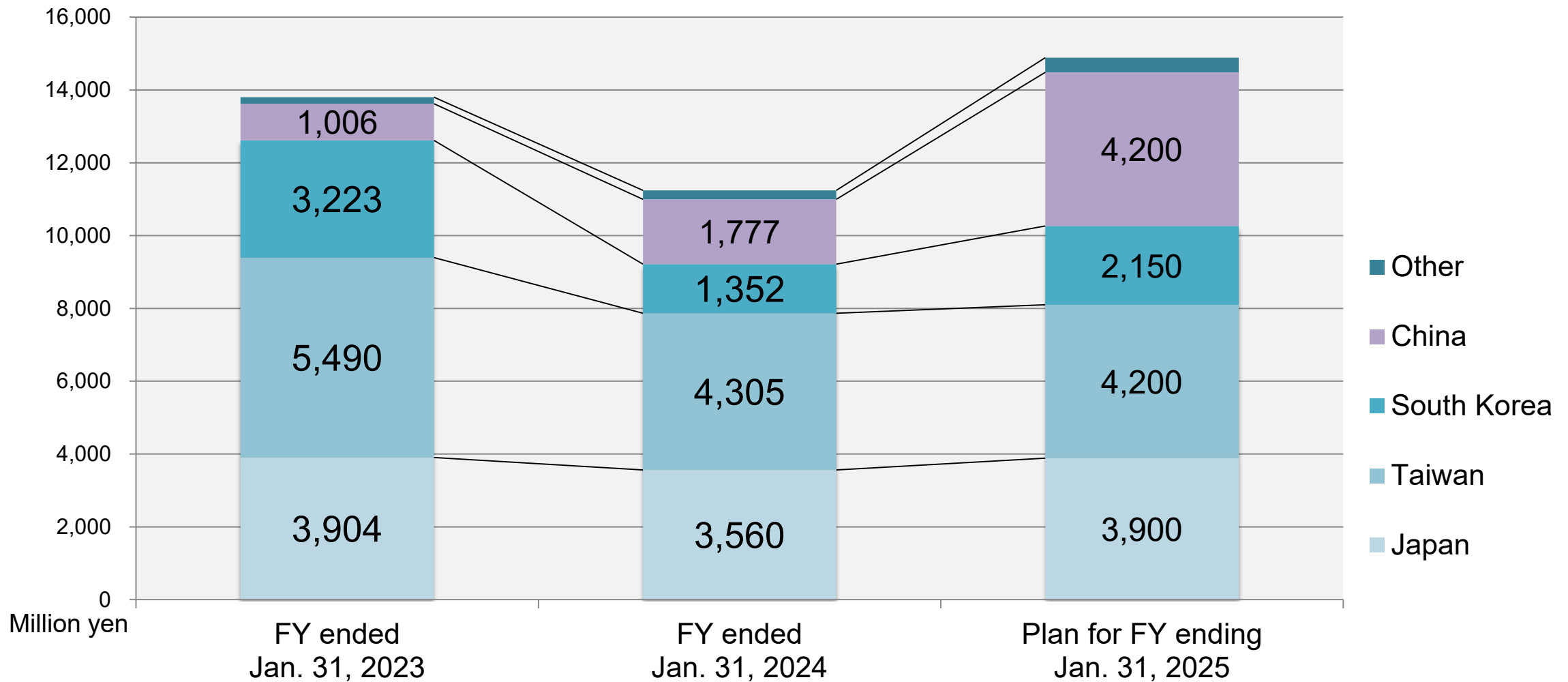
## External environment

- Operation of memory semiconductors will gradually recover toward the second half.
- Sales of products for logic semiconductors will remain strong on the whole.
- Raw material costs and expenses will be on a continuous rise or remain high.
- Sales of products for China are expected to increase significantly.

## Initiatives for FY ending Jan. 31, 2025

- Smooth progress of Minami-Alps Business Office construction work
- Development of materials for next-generation semiconductors in collaboration with manufacturers of semiconductors and manufacturing equipment, etc.
- Streamlining production and enhancing safety/quality control
- Continuing activities aimed at increasing shipments by Taiwanese subsidiary

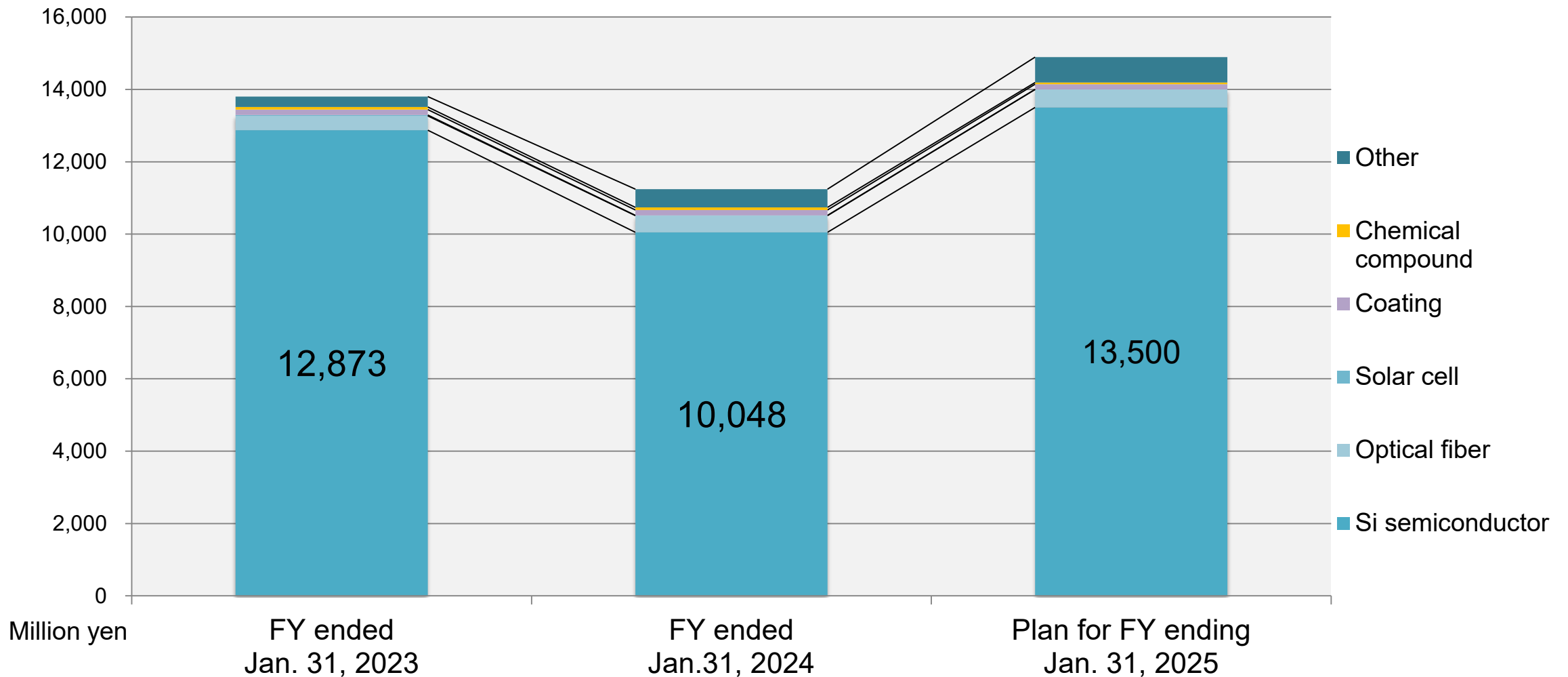




\*Approximate figures based on estimates by the Company

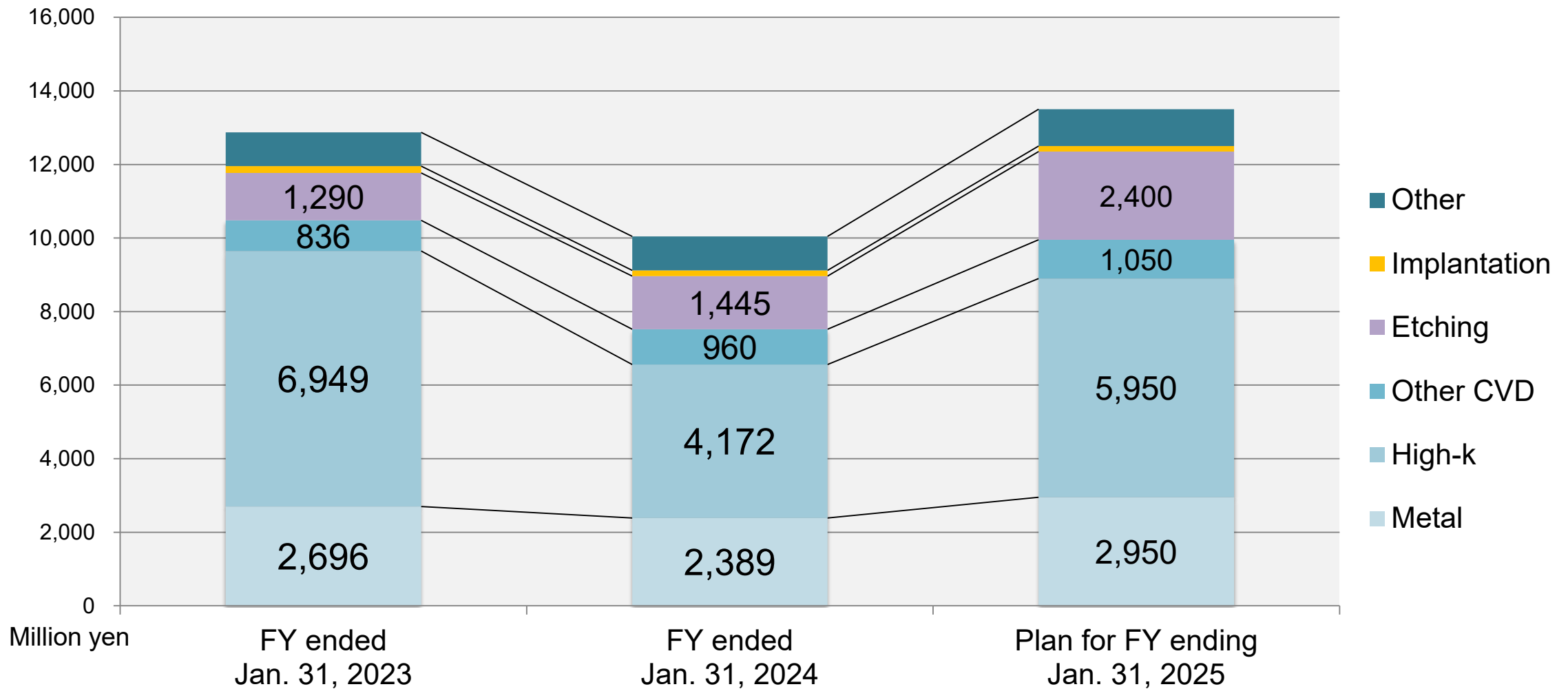
Sales of products for China will increase significantly.





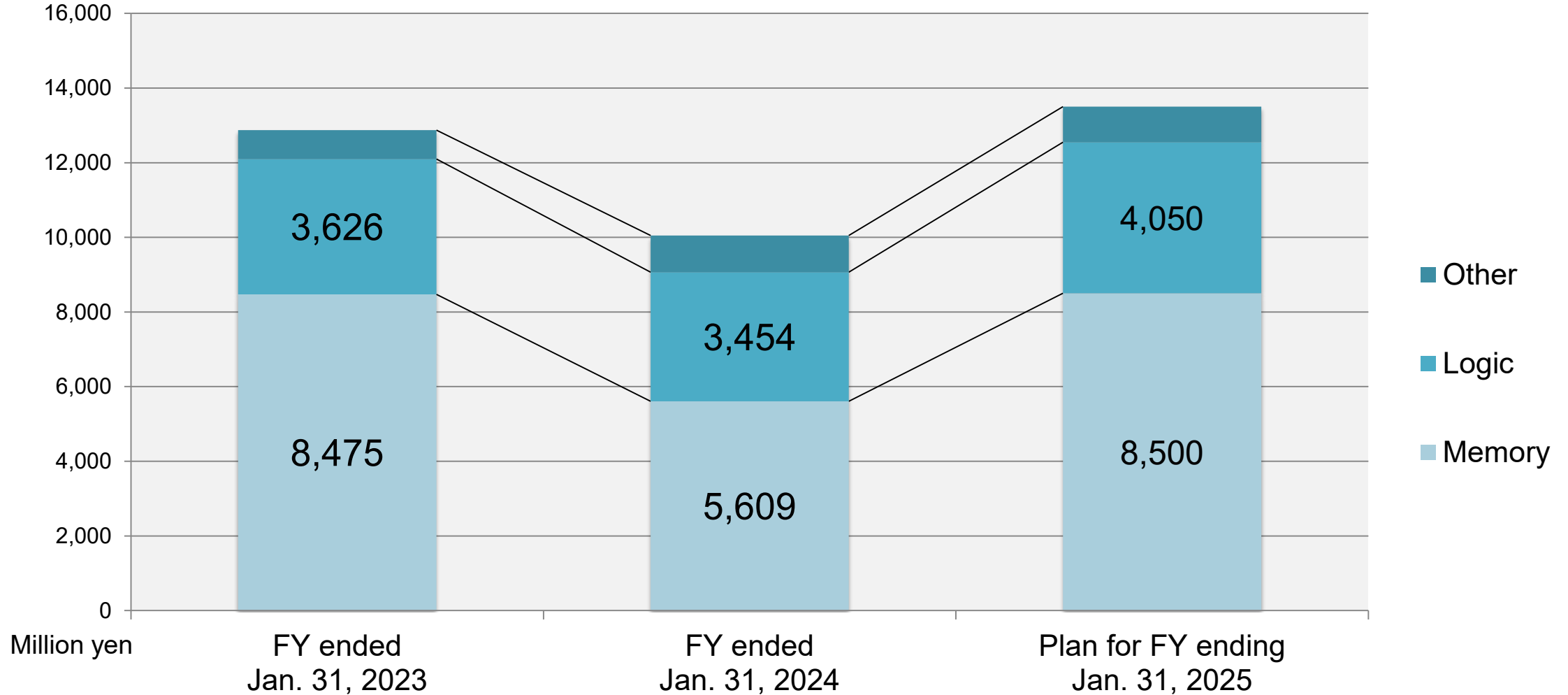
\*Approximate figures based on estimates by the Company

Materials for semiconductors will pick up mainly in the second half.



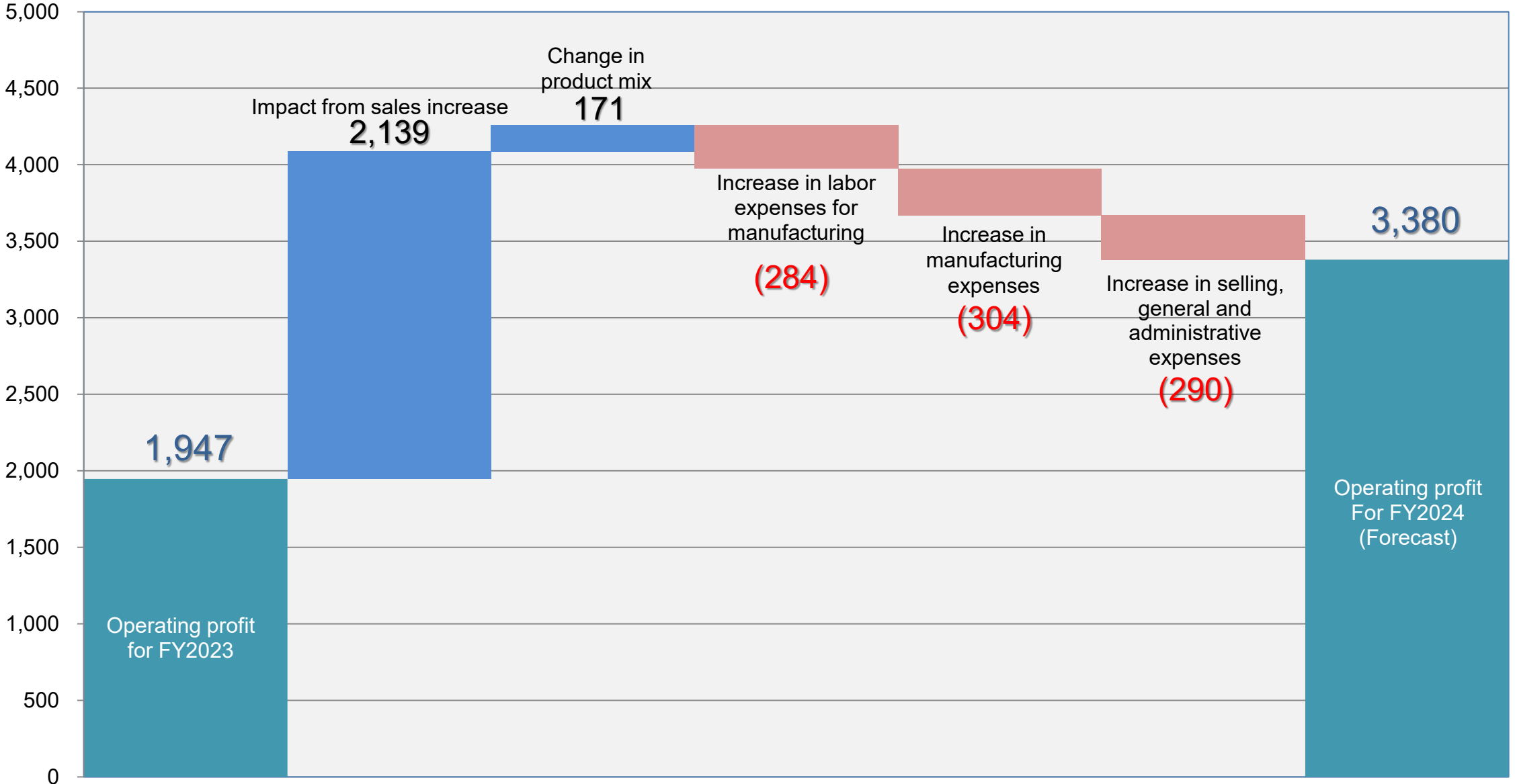
\*Approximate figures based on estimates by the Company

Etching materials and CVD materials will grow steadily.



\*Approximate figures based on estimates by the Company

Sales of products for both memory and logic will recover.



\*Before transferring research and development expenses

Million yen

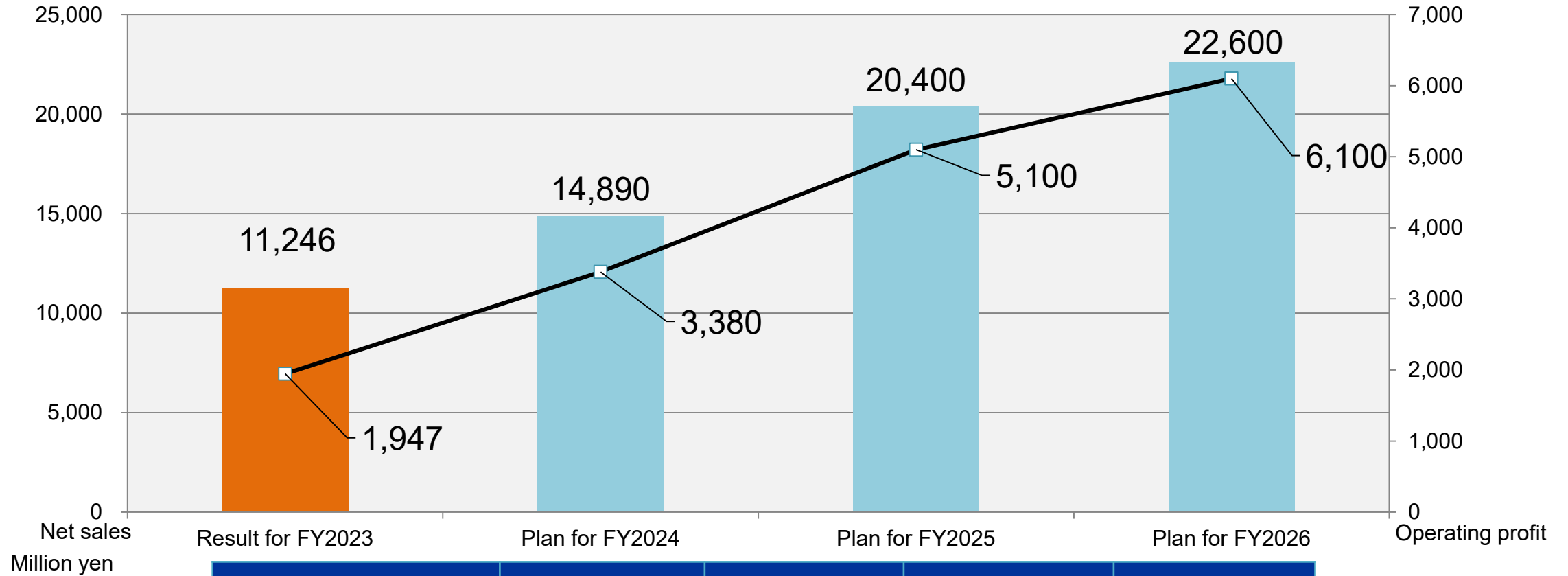
### 3. Medium-Term Management Plan

## Assumptions of the Medium-Term Management Plan

1. The semiconductor industry recovers gradually and gets on a growth track.
2. Exchange rate is assumed to be 140 yen/US dollar.
3. Presently predictable changes in purchase and selling prices have been taken into consideration.
4. Minami-Alps Business Office will be completed and commence operations in FY2025.
5. Capital investment plan and transition of depreciation (Estimation, Million yen)

	FY2024	FY2025	FY2026	Total
Total investment	3,343	6,607	3,520	13,470
Total depreciation	1,375	1,841	2,275	—

6. Personnel increase plan: Increasing by approx. 15 to 20 people each term
7. Share of loss (profit) of entities accounted for using equity method:  
Approx. 1,530 million yen per year expected as share of profit of entities accounted for using equity method for the three years



	Result for FY2023	Plan for FY2024	Plan for FY2025	Plan for FY2026
Net sales	11,246	14,890	20,400	22,600
Operating profit	1,947	3,380	5,100	6,100
Ordinary profit	3,276	4,880	6,600	7,600
Net profit	2,470	3,730	4,940	5,600

	Result for FY2023	Plan for FY2024	Plan for FY2025	Plan for FY2026
Net sales	11,246	14,890	20,400	22,600
Operating profit	1,947	3,380	5,100	6,100
Increase in net sales	—	3,643	5,510	2,200
Operating profit to net sales	17.3%	22.7%	25.0%	27.0%

Million yen

Aiming to maintain operating profit of about 25%



## External environment

- The semiconductor industry will recover gradually and start growing again.
- New processes and materials will be introduced as semiconductors are becoming more microscopic and sophisticated.  
→ Needs of new materials and higher performance for next-generation semiconductors will continue to be demanded.

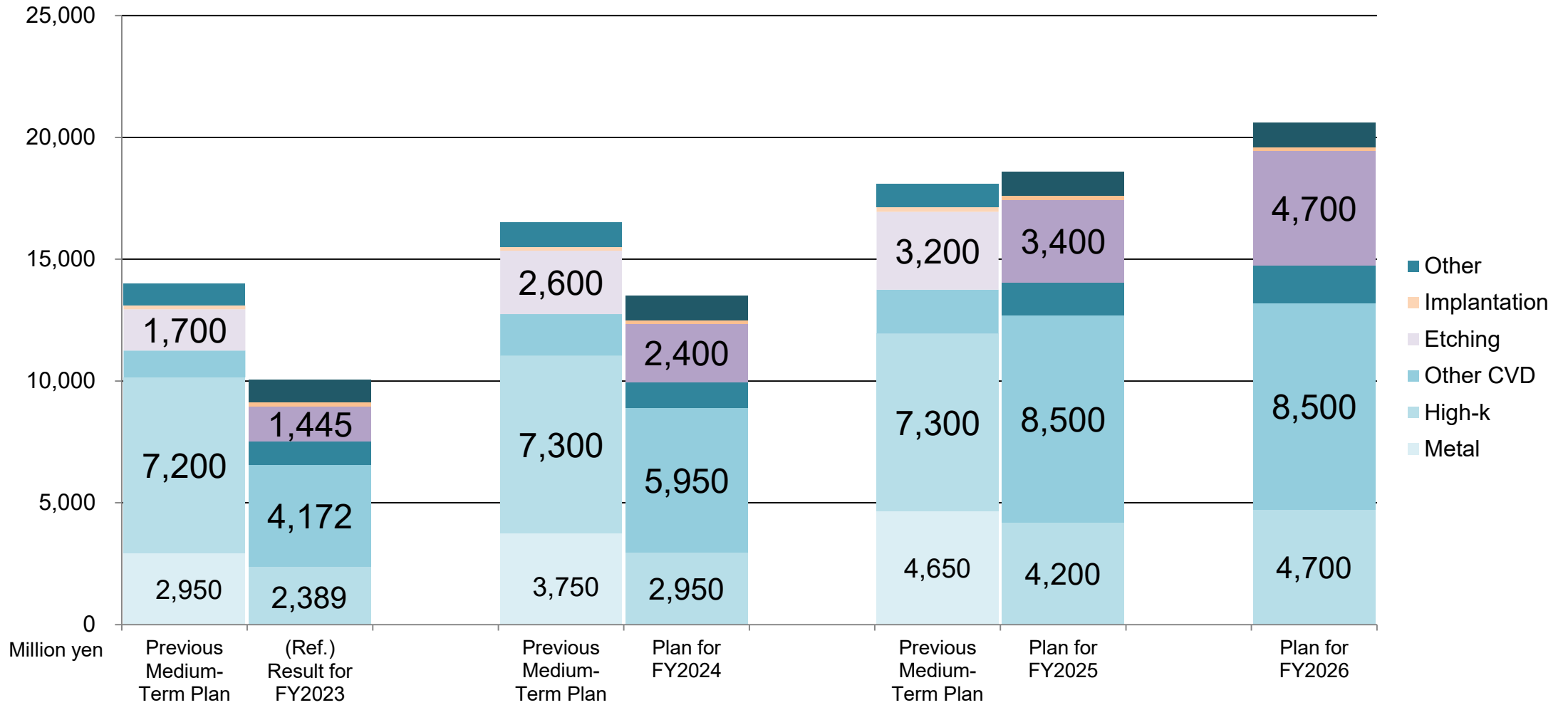
## Initiatives by the Company

- Continuing to improve production and development abilities in the Group.  
Establishment and automation of mass production system focusing on next-generation new materials (construction of new plants)  
Enhancement of production capacity of Taiwanese subsidiary's plant, and enhancement of collaboration with South Korean affiliate  
Improving management systems for safety, quality, and costs  
Improving the business continuity plan with the increase in bases, and pursuing sustainability activities



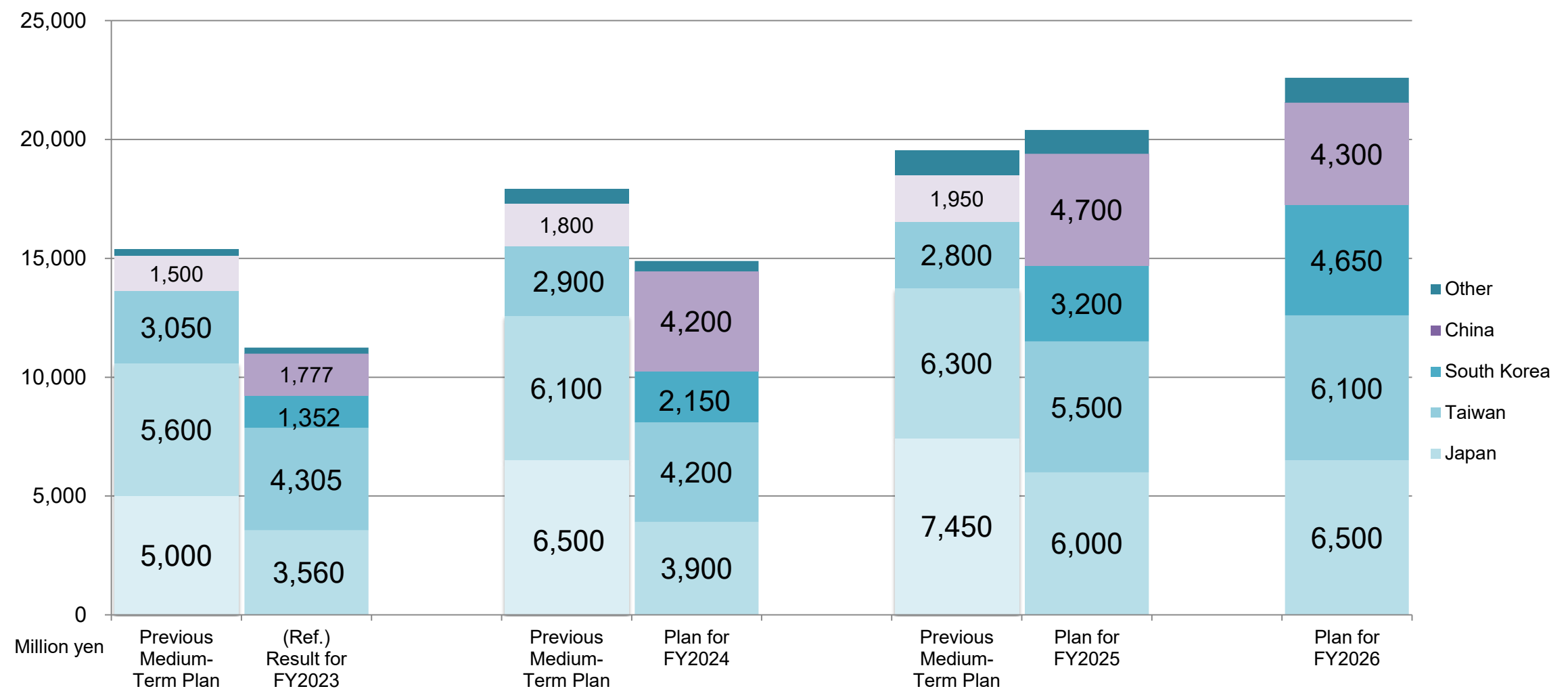
Scheduled to be completed and commence operations in the first half of FY2025 to produce new etching materials for next-generation 3D NAND and other products  
Will also be utilized as a development and mass production base for new materials that are expected to grow in the future  
Approx. 9,000 million yen will be invested (by FY2026)

Medium-Term Sales Plan (Si semiconductors) \*Including comparison with the previous medium-term plan.



High-k and metal materials will recover and etching materials will grow.

Medium-Term Sales Plan (by Region) \*Including comparison with the previous medium-term plan.



Net sales in each East Asian country will become closer to equal.

The plans, financial results forecasts, strategies, etc. discussed herein are based on the Company's management decisions that stand on information available as of the day of the presentation. Please note that due to a wide range of risks and uncertainties, actual results may differ significantly from those presented in these forward-looking statements.

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