

News Release

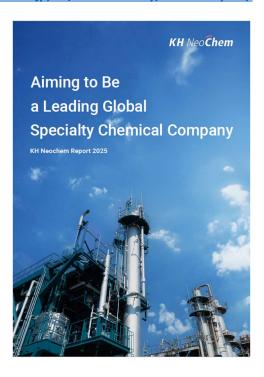
October 31, 2025 KH Neochem Co.. Ltd.

KH Neochem Group has released the English version of its integrated report,

KH Neochem Report 2025: Aiming to Be a Leading Global Specialty Chemical Company.

KH Neochem Co., Ltd. (TSE: 4189, President and CEO: Michio Takahashi, "KH Neochem") has released its integrated report, *KH Neochem Report 2025: Aiming to Be a Leading Global Specialty Chemical Company*, which is now available on our website.

URL: https://www.khneochem.co.jp/en/sustainability/annual-report/



This report aims to provide stakeholders, including shareholders and investors, with a deeper understanding of our corporate philosophy and business overview.

The report outlines our corporate philosophy and business activities, highlighting how the KH Neochem Group, with its 77-year heritage, is creating value and contributing to the resolution of social issues through its distinctive chemical materials. Centered on our newly launched 5th Medium-Term Business Plan, it describes our initiatives to realize VISION 2030 through both management perspectives and voices from employees across the Group.

Guided by our corporate mission, "Realizing a brighter tomorrow for society through the power of chemistry," we aim to contribute to a sustainable society while achieving continuous growth as a leading global specialty chemical company.

We will continue to strengthen constructive dialogue with shareholders, investors, and all stakeholders to further enhance mutual understanding and trust.



Highlights of KH Neochem Report 2025:

- 1. Aiming to be a leading global specialty chemical company
 - ✓ Message from the CEO
 - ✓ Looking Back on Our 4th Medium-Term Business Plan and Presenting Our 5th Medium-Term Business Plan
- 2. "Connections" between our value system and practices
 - ✓ Employee Roundtable Discussion: Expectations for Our 77th Year
 - ✓ Our Manufacturing DNA
- 3. Changing society through "the power of chemistry"
 - ✓ Aiming for a Sustainable Society
 - ✓ Special Feature: KH Neochem's Carbon Neutral Declaration
 - ✓ KH Neochem's Value Creation



Overview of KH Neochem Report 2025:

Publication Date	August 2025 (Japanese version)
	October 2025 (English version)
Number of Pages	92
Reporting Period	January 2024 to December 2024
	Includes certain disclosures and business activities from January 2024 onwards.
Scope	Our company, group companies, and affiliates
Contents:	 Introduction Provides an overview of the report's key messages and introduces KH Neochem in a way that is accessible to new readers. It also illustrates how the values and culture cultivated over our 77-year history have been passed down and continue to define who we are today. Step to Achieving VISION 2030 Explains the philosophy embedded in our corporate mission and how it is practiced through our strengths and value creation initiatives. The section also reviews the 3rd and 4th Medium-Term Business Plans and presents the newly launched 5th Plan, outlining our roadmap toward sustainable growth. KH Neochem's Value Creation Features a message from the CEO and our value creation story, highlighting our seven promises (materialities) and related KPIs, along with both financial and non-financial highlights. It conveys how KH Neochem continues to take on challenges to become a leading global specialty chemical company. Growth Strategy Reviews the 4th Medium-Term Business Plan and presents the key initiatives of the 5th Plan from the perspectives of the CSO, CFO, and CMO. Also features "Changing Society Through 'The Power of Chemistry' — KH Neochem's Carbon Neutral Declaration" and outlines each business domain and its strategic direction.



5. Driving Forces Behind Value Creation

Highlights our CTO's message on building robust plants, our manufacturing DNA, and plant DX initiatives. Also features the CHRO's view on human resource strategy and an employee roundtable discussion.

6. Governance

✓ Presents the management foundation that supports sustainable growth, focusing on corporate governance and risk management. It also includes perspectives from outside directors, initiatives in compliance and environmental management, and climate-related disclosures based on the TCFD framework.

7. Data Section

 Summarizes our consolidated financial statements, time-series data for key financial and non-financial indicators, and general corporate information.

For more detailed information on environmental and safety initiatives, please visit the Responsible Care (RC) Activities section on our website.

Responsible Care (RC) Activities: https://www.khneochem.co.jp/en/sustainability/environment/rc/

About KH Neochem

Corporate Overview (as of December 31, 2024)

Company name: KH Neochem Co., Ltd. President & CEO: Michio Takahashi

Establishment: December 2010 (Our predecessor Kyowa Yuka, was established in November 1966)

Capital: 8.8bn JPY

Head office: 2-3-1, Nihonbashi-Muromachi, Chuo-ku, Tokyo 103-0022, Japan

Number of employees: 829 (Consolidated)

Business: Research, manufacture, and sale of petrochemical products

Main products: Performance materials (refrigeration lubricant raw materials, cosmetics ingredients)

Electronics materials (high-purity solvents for semiconductors and flat panel displays)

Basic chemicals (solvents for coatings and inks, raw materials for plasticizer)

Group Companies: Kurogane Kasei Co., Ltd. / Kurogane Fines Inc. / KH Neochem Americas, Inc. /

Shanghai Seika Trading Co., Ltd.

Corporate History

1948 Kyowa Sangyo Co., Ltd., the forerunner of Kyowa Hakko Kogyo Co., Ltd., began Japan's first mass production of Acetone and Butyl alcohol from syrup using fermentation.

1949 Established Kyowa Hakko Kogyo Co., Ltd.

1966 Established Kyowa Yuka Co., Ltd. (A subsidiary chemical manufacturer of Kyowa Hakko Kogyo Co., Ltd.)

Name changed to Kyowa Hakko Chemical Co., Ltd. through joint investment of the Chemical Department of Kyowa Hakko Co., Ltd. and Kyowa Yuka Co., Ltd.

2011 Spun off from Kyowa Hakko Kirin Group as an independent entity. Merged Kyowa Hakko Chemical Co., Ltd. and KJ Holdings Co., Ltd.



- 2012 Name changed to KH Neochem Co., Ltd.
- 2016 Listed on the First Section of the Tokyo Stock Exchange.
- 2018 Formulated VISION 2030
- 2019 Established open innovation hub KH i-Lab
- 2022 Moved to the Prime Market following the restructuring of the Tokyo Stock Exchange's market segments.

For inquiries regarding this matter, please contact:

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