

June 17, 2024

ADEKA CORPORATION

Notice of Organizational Revision

ADEKA CORPORATION (President and Chief Executive Officer, Representative Director: Hidetaka Shirozume) announced today that it will make the following organizational changes effective July 1, 2024.

1. Details of the revision

The Chemicals Division and Research & Development Division are abolished and reorganized into Electronic Materials Division and Environmental Materials Division.

Details of the organizational structure are described in the Appendix Organizational Structure Reorganization Chart.

2. Purpose of the revision

Since the establishment of the Foods Division in 1996 and the Polymer Additives Division in 2010, these divisions have operated under a business headquarters system, while the Electronics and IT materials and the Functional chemicals have operated as functionally separate organizations consisting of the Chemicals Division and Research & Development Division.

In ADEKA Group's mid-term management plan "ADX 2026" for FY2024 to FY2026, one of the basic strategies is to "Transition to a high profitability structure", aiming at further expansion of electronics and IT materials, the main earnings drivers, and expansion into growth markets in each business. As the environment surrounding us changes drastically, we recognize the need for further collaboration between sales and R&D in order to understand and promptly respond to changing customer needs as technology evolves, especially in the semiconductor, electronics, and mobility market.

We have therefore reorganized our sales departments and laboratories for Electronics and IT materials and the Functional chemicals under the newly established Electronic Materials Division and Environmental Materials Division, respectively, and shifted to a business headquarters system to speed up decision-making. In addition, the Battery Materials Department Laboratory will be incorporated into the Environmental Materials Division to accelerate the early commercialization of the environmental and energy fields that have been addressed since the previous mid-term management plan "ADX 2023" for FY2021 to FY2023.

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By reorganizing the Research & Development Planning Department from an Research & Development Division to an organization directly under the CEO, the R&D Division will oversee corporate research in areas such as carbon neutrality and life sciences, and promote the creation and commercialization of new research themes. The Research & Development Planning Department manages and oversees the research themes of the laboratories under the Business Division and promotes inter-company technology integration and innovation creation. In the life science field, we will promote efforts to commercialize medical materials and activate joint research (e.g., new animal drug discovery) with our consolidated subsidiary NIHON NOHYAKU CO., LTD., aiming to create synergies as soon as possible.

ADEKA Group aims to enhance social value and achieve sustainable growth by transforming its organization and business operations to be suitable for achieving consolidated operating profit of 53 billion yen and net sales of 500 billion yen, the management targets for FY2026 in the mid-term management plan “ADX 2026”.

3. Implementation date

Effective July 1, 2024

4. Reference : Main products handled by each division

Electronic Materials Division	Environmental Materials Division
High-purity semiconductor materials, Photo acid generators, Electroic curcuit board etching device and chemicals, Photo (light) curing resins, Photoinitiators, Imaging materials, etc.	Epoxy resins, Polyurethane raw materials, Water borne resins, Surfactants, Lubricant additives, Kitchen detergents, Cosmetic ingredients, Propylene glycol, Hydrogen peroxide and derivatives, Water-swelling seal materials, <u>Battery materials</u> , etc.

* The reportable sub-segments of our Chemicals, Electronics and IT materials and the Functional chemicals, will be renamed Electronics Materials and Environmental Materials, respectively, and some major products will be changed from the second quarter of the fiscal year ending March 31, 2025. The impact of segment changes on the Company's results of operations is immaterial.

■ Contacts

ADEKA CORPORATION

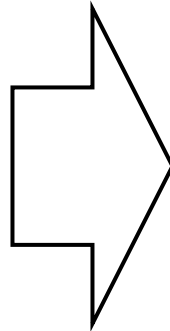
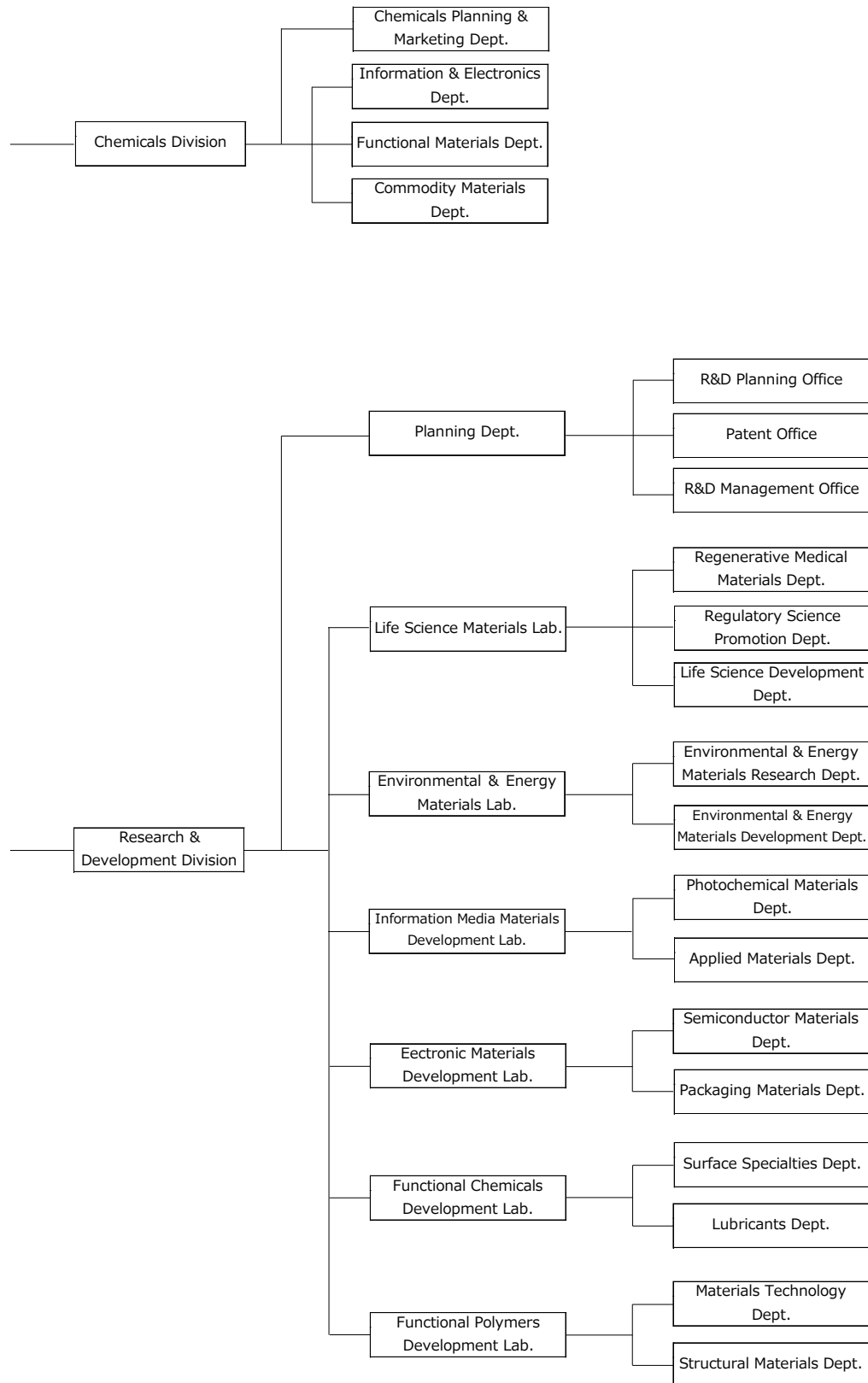
Publicity & Administration group , Legal Affairs & Publicity Department

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Organizational Structure Reorganization Chart

※“Dept.” : Department
 ※“Lab.” : Laboratory

【Present】



【Revision】

