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Guide to This Report

What VISION does the Hodogaya Chemical Group seek to realize?

The Group has established a new VISION: "Refining Originality, Co-creating the Future: With our pioneering DNA of Honpo Koshi, we create value and turn dreams into reality." Taking our 110th anniversary as a new starting point, this VISION sets out our aspiration to achieve discontinuous growth through co-creation with diverse stakeholders.

►Mid-term Management Plan Basic Policies of CODE/CHORD 2030 P.13

How will we build a stronger earnings base?

Alongside the OLED materials business that drives our growth, we are transforming our business portfolio to establish second and third pillars of earnings. We outline the growth scenarios and challenges for each segment, including expansion into nucleic acid medicines and semiconductor materials, strengthening the specialty chemicals business through an overseas acquisition, and fundamental structural reforms.

►Message from the President PP.5-8 ►Business Overview: Challenges and Measures PP.24-28

What is our approach to investment and finance going forward?

To accelerate growth investments, we are evolving our capital policy to make appropriate use of leverage while maintaining financial soundness. We provide details on our cash allocation over the period of the Mid-term Management Plan and our shareholder return policy, which targets a DOE of 3.0% or higher in the fiscal year ending March 31, 2031.

►Financial Strategy and Capital Policy PP.19-20

What are the sources of value creation that support discontinuous growth?

Our pioneering spirit of Honpo Koshi and the distinctive technological capabilities we have cultivated over many years are the sources of our value creation. We introduce our integrated R&D, production, and sales business model, the shift in our investment paradigm, and our efforts to promote co-creation with stakeholders, together with our strategy for leveraging these strengths to develop the next pillars of earnings.

►Message from the President PP.5-8 ►Cutting Edge PP.15-16

What governance framework supports the sustainable enhancement of corporate value?

Under our structure as a company with an Audit & Supervisory Committee, which enables swift management decision-making, we are advancing a monitoring model that emphasizes the supervisory function. We describe initiatives to enhance the independence and diversity of the Board of Directors, including the establishment of the Nominating & Compensation Committee chaired by an Outside Director, the appointment of a female Outside Director, and the appointment of a female Executive Officer.

►Governance Supporting Strategy Execution PP.38-47

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Management Philosophy

Management Philosophy

Through constant innovation of chemical technology, we will provide high-quality products and services throughout the world and contribute to the creation of an environmentally conscious society.

PURPOSE

Your Dream is Our Business

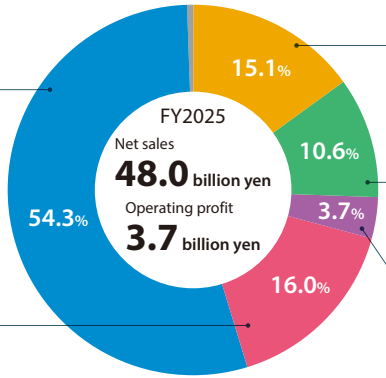
VISION

Refining Originality, Co-creating the Future:
With our pioneering DNA of Honpo Koshi, we create value and turn dreams into reality

* Honpo Koshi: Literally meaning "the first of its kind in Japan." Rather than following in the footsteps of others' success, we always stay one step ahead of others and boldly take on new businesses. We ourselves become the first arrow (the pioneer).

At a Glance

Net sales composition



Net sales **26.0** billion yen
Operating profit **3.5** billion yen
(Operating margin 13.5%)

Net sales **7.2** billion yen
Operating profit **0.3** billion yen
(Operating margin 4.5%)

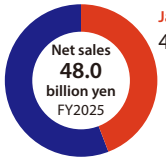
Net sales **5.1** billion yen
Operating profit **0.06** billion yen
(Operating margin 1.3%)

Net sales **7.7** billion yen
Operating profit
-0.5 billion yen
(Operating margin -7.6%)

Net sales **1.7** billion yen
Operating profit **0.3** billion yen
(Operating margin 20.3%)

* Sales ratio of the Other segment was 0.3%.

Global network



Japan 44.4%
Overseas 55.6%

Overseas
6 countries and regions
- HODOGAYA CHEMICAL (U.S.A.), INC.
- SFC CO., LTD.
- HODOGAYA CHEMICAL KOREA CO., LTD.
- HODOGAYA (SHANGHAI) TRADING CO., LTD.
- HODOGAYA CHEMICAL EUROPE GmbH
- Taipei Office
- Framochem Francia-Magyar Finomkemiai Kft.

Japan
6 bases
- Head Office
- Osaka Branch Office
- Koriyama Plant
- Yokohama Plant
- Nanyo Plant / Nanyo Branch Plant
- Tsukuba Research Laboratory

(As of September 1, 2026)



Functional Colorants Segment

Strength Ability to boldly challenge new business domains that support a prosperous future by constantly refining our organic synthesis and purification technologies

OLED Materials and Advanced Device Materials Businesses
- Emitting materials, transport materials, capping layer materials
- Bio materials (oligonucleotide products)
- Imaging materials for copier toner
- Dyes for color filters
- Perovskite solar cell materials
- Semiconductor materials (resist materials)

Colorants Business
- Aluminum coloring dyes
- Stationery dyes
- Dyes for hair color treatment
- Natural dyes (for food and industrial use)

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Specialty Polymers Segment

Strength Ability to deliver high value-added specialty products globally, achieving both prosperous lifestyles and environmental harmony, by establishing a Global Niche Top position centered on our phosgenation technology

Functional Polymers & Specialty Chemicals Business
- Urethane materials (PTG, BIO-PTG, PTG-SOFTENA, etc.)
- Phosgene derivatives (intermediates for pharmaceutical, functional polymers and electronics)
- Adhesives
- Release agents

Construction Materials Business
- Waterproof materials for civil engineering and construction (urethane based)
- Waterproofing and leak-plugging work

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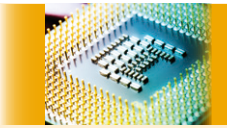

Basic Chemicals Segment

Strength Creativity to explore new applications demanded by the times—from clothing, food, and shelter to cutting-edge fields—drawing on our long-held hydrogen peroxide production technologies and a robust stable supply network

Peroxide Business
- Hydrogen peroxide
- Sodium percarbonate
- Peracetic acid (disinfectant agents, food additives)
- Industrial chemicals

P.26



Agro-Science Segment

Strength Co-creating new, environmentally friendly markets through original product development based on our formulation technology.

Agrochemicals and Agricultural Materials Businesses
- Herbicides
- Insecticides
- Fungicides
- Agricultural materials (oxygen supply materials)

P.27



Logistics Segment

Strength Shaping next-generation safety and security by integrating advanced technologies with our know-how in handling hazardous materials and chemicals.

Logistics Business
- Warehousing (hazardous substances and chemicals / general goods) Yokohama Branch, Koriyama Branch, Nanyo Branch
- Consigned freight forwarding
- ISO tank container storage services

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The Hodogaya Chemical Group's History of Innovation



Otosuke Isomura
Founder

Hodogaya Chemical was founded in 1916 as the first company in Japan to manufacture caustic soda using an electrolysis method.

Since its foundation 111 years ago, Hodogaya Chemical has responded to the needs of the times by applying technologies developed over those long years, and through continuous innovation, created a wide range of products from dyes and agricultural chemicals to pharmaceutical intermediates, polyurethane materials and OLED materials, which support people's lifestyles and society.

As a corporate group, all members of the Hodogaya Chemical Group are committed to executing CODE/CHORD 2030 and contributing to the development of society through the creation of products and services that benefit people for the next 100 years.

1915
Hodogaya Soda Works founded in present-day Hodogaya Ward, Yokohama City, Kanagawa.

•1916
Toyo Soda Co., Ltd. (present-day Koriyama Plant) opened.



•1939
Tsurumi Plant (current Yokohama Plant) was established.
Name changed to Hodogaya Chemical Co., Ltd.



•1967
New York Office opened. (incorporated in 1986)

•1971
Nanyo Plant opened.



•1978
Hodogaya Vandex Construction Products Co., Ltd. established. (changed its name to Hodogaya Construction Products Co., Ltd. in 2017).

•1991
Tsukuba Research Laboratory was established.



•1993
Hodogaya Contract Laboratory Co., Ltd. founded.

•1994
HODOGAYA AGROS Co., Ltd. founded. (Changed its trade name to HODOGAYA AGROTECH Co., Ltd. in 2011.)

•1997
Hodogaya Logistics Co., Ltd. founded.
Shanghai Office opened. (Incorporated in 2014)

•2006
Some of the shares of Nippon Polyurethane Industry Co., Ltd. sold. (all shares sold off in 2012.)

•2008
Office in South Korea opened (incorporated in 2011).
HODOGAYA UPL Co., Ltd. established.

•2010
Düsseldorf Office opened. (incorporated in 2018)
Taipei Office opened.
Shares of SFC Co. Ltd. (South Korea) acquired.

•2015
Transitioned to company with Audit & Supervisory Committee.

•2022
Transition to the Prime Market of the Tokyo Stock Exchange.
Head office moved (Shiodome)

•2023
Completed construction of SFC BioPark (South Korea)

•2025
SFC Co., Ltd. (South Korea) absorbed REXCEL Co., Ltd. (South Korea).

2026
Celebrated its 110th anniversary

•2026
Acquisition of equity interests in Framochem (Hungary) (making it a wholly owned subsidiary)

* Non-consolidated figures through 1976, but consolidated figures since 1977.
* The figures for 1946–1950 are unknown because of postwar disposal.

Products developed

1915
Production of caustic soda using an electrolysis method launched (first for Japan).



1926
Production of phosgene started (first commercialized in Japan).

1927
Dye production launched.



1950
Production of agrochemicals started.

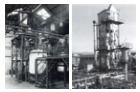


1963
Production of urethane materials (PTG) launched (first for Japan).

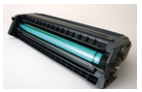
1966
Hydrogen peroxide production started.

1967
Production of urethane waterproof materials started (first in Japan).

1978
Production of charge control agents (CCA) for toners launched.



1984
Charge transport materials (CTM) production launched.



2001
Production of OLED materials and hole transport materials (HTM) launched.

2004
OLED materials and electron transport materials (ETM) developed.

2017
Production of OXYATTACK (disinfectant agent for food products), a peracetic acid formulation, started.
Urethane waterproof material Sugomaku production launched.

2020
Mass production of materials for PCR diagnostic kits launched.

2021
Began production of metal-free dyes for aluminum coloring.

2024
Started production of PTG-SOFTENA.

Needs of society

1920
- **1914** World War I
- **1923** The Great Kanto Earthquake

Broke free of chemical industry's reliance on imports

1930
- **1939** World War II

Became an integrated chemicals manufacturer as society industrialized and modernized

1940
- **1950** Postwar rebuilding
- **1960** Rapid economic growth
- **1973** Oil crises

Developed various products that supported post-war recovery

1980
- **1985** Plaza Accord
- **1991** Economic bubble burst

Expanded business fields to electronic materials with an eye toward the emergence of an electronics era

2000
- **2008** The collapse of Lehman Brothers
- **2011** Great East Japan Earthquake
- **2020** Novel coronavirus disease (COVID-19)

Creating an environmentally conscious society through new materials and products with low environmental impact

Technological roots and change

Original products (1916–)

- Caustic soda
- Salt electrolysis
  - Chlorine
  - Hydrogen

Raw materials and intermediates	Major product groups	-1980	-2000	Present day
Aromatic compounds	Organic and optical device materials	Materials for copiers		OLED materials
				Bio materials
Natural materials	Various dyes	Aluminum coloring dyes		Color filter dyes
			Stationery dyes	
				Dyes for hair color treatment
Organic compounds	Urethane materials	Raw materials of spandex		
Phosgene	Pharmaceutical/agrochemical raw materials Industrial chemical raw materials	Raw materials for release agents		Pharmaceutical intermediates
	Urethane waterproof materials	Construction materials		
Aromatic compounds	Various herbicides	Herbicides		
			Technical grade active ingredients (in-house and in-licensed)	Agricultural materials
Hydrogen	Hydrogen peroxide and its derivatives	Hydrogen peroxide	Sodium percarbonate	Peracetic acid