

NAGASE GROUP PROFILE

Nagase & Co.,Ltd.

– Company Presentation

 **NAGASE** | Delivering next.

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▶ At a glance

March, 2024



Consolidated Net Sales

JPY **900.1** billion

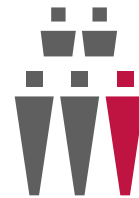
Profit Attributable
to Owners of the Parent

JPY **22.4** billion



Number of business partners

Approx. **18,000**
companies



Number of Employees
(Consolidated)

7,528

▶ NAGASE Group's Growing Global Network



※ As of March, 2024



▶ A History of Approximately 190 Years Surpassing the Traditional Trading Firm Framework

From 1832

From 1900

From 1970

From 2010

Established a position as a trading company specializing in chemicals

Story 1 From dye trading to the chemicals field

Drove global expansion of the NAGASE Group

Story 2 Trade with key overseas manufacturers

Strengthened manufacturing, processing and R&D functions

Story 3 Epoxy resin production began

Story 4 R&D base established

Ambitiously developed Next-Generation Business

Food

Semiconductors

Life sciences

R&D (biotechnologies)

▶ Stories to Understand NAGASE

Story 1

From dye trading to the chemicals field

In 1832, Denbei Nagase founded Urokogataya in Nishijin, Kyoto. Following trading in natural dyes, the business started to carry synthetic dyes, thereby establishing a foundation in the chemicals industry.



First generation: Denbei Nagase

Story 2

Trade with key overseas manufacturers

The NAGASE Group expanded partnerships with leading manufacturers such as Basel Chemical Co., Eastman Kodak Co., DuPont, and General Electric (GE).



Panoramic view of Ciba in 1893

Story 3

Epoxy resin production began

In 1970, the NAGASE Group established Nagase-CIBA Ltd. (currently Nagase ChemteX Corporation), as a joint venture to manufacture Ciba's epoxy resin. With these steps, the Group laid an even stronger foundation for its manufacturing capabilities.



Nagase-Chiba
(currently Nagase ChemteX)

Story 4

R&D base established

The NAGASE Group established the Nagase Bio Innovation Center in 1990 and the Nagase Application Workshop in 2007, so that it could incorporate the voice of customers into its business operations from the R&D stage.



Nagase Bio Innovation Center



A sustainable world where people live with peace of mind

The NAGASE Group's vision for society is to realize a sustainable world where people live with peace of mind, as described in the NAGASE Vision. All of our corporate activities aim to realize this vision, while contributing to value propositions for everyone. To achieve this vision, we will seek to engage more deeply in dialogues with our stakeholders, and reflect everyone's opinions in our corporate activities, to take us one step closer to realizing the type of society that we should aim to be.

“We will continuously contribute to the solution of social and environmental problems through our corporate business activities, in order to achieve the sustainable growth of the NAGASE Group and society as a whole.”

This principle is common to our entire corporate philosophy.

Integrity in
business activities

Positive relations
with society

Consideration for the
environment

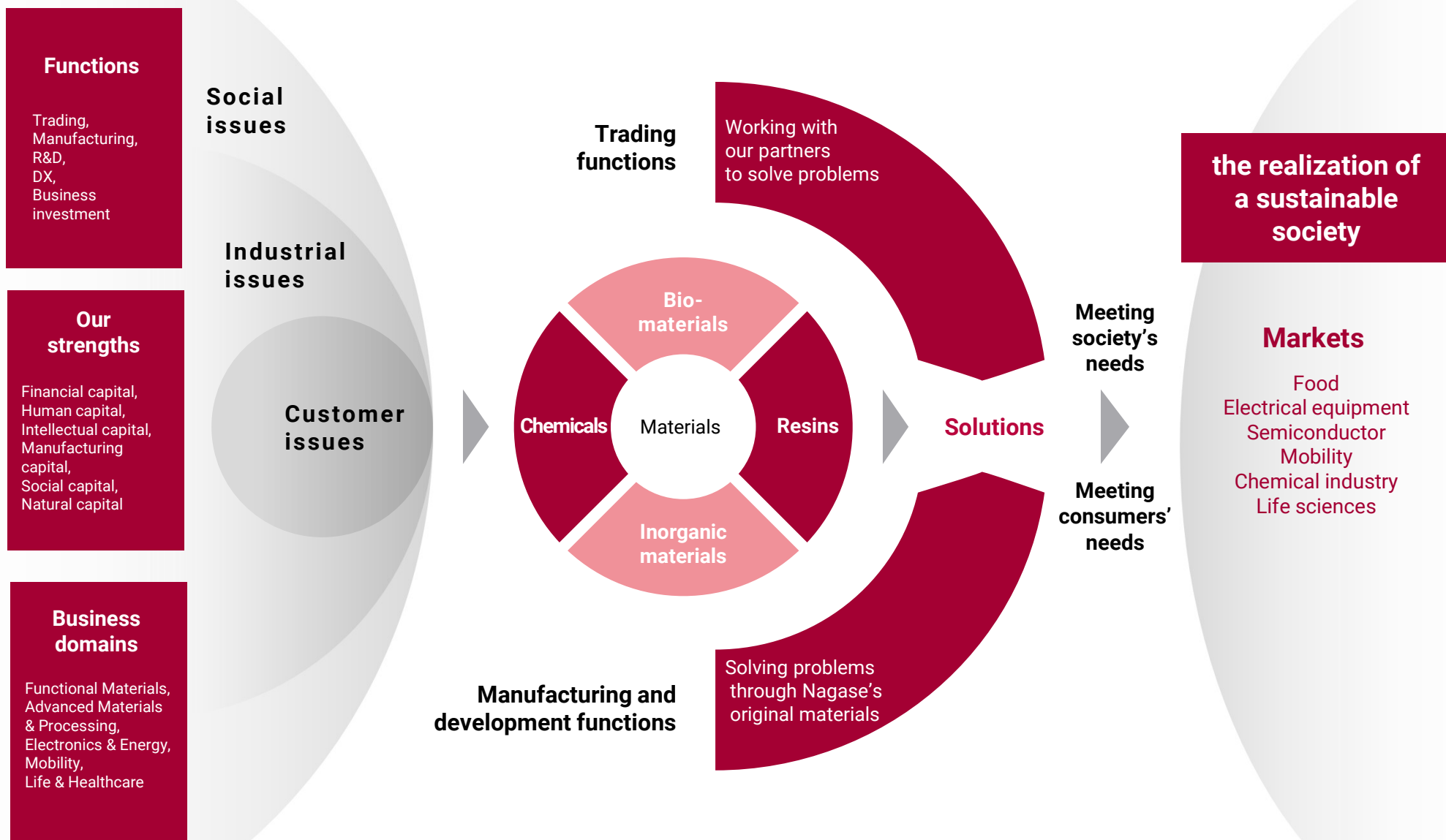
Integrated Report

This communication tool is designed to help our diverse stakeholders better understand the NAGASE Group’s wide-ranging business fields and business activities, as well as its unique value creation process.

https://www.nagase.co.jp/english/sustainability/environmental_report/



Solving Manufacturing Challenges through Materials





▶ **NAGASE Group Slogan (Tagline)**

Delivering next.

The new slogan represents how the NAGASE Group will provide value to the global market up to and beyond its 200th anniversary in 2032.

It evokes these characteristics in a simple phrase.






It expresses NAGASE's aspirations of building up "next" with our stakeholders.

"Next" is the key to a better future.

Business Segment



► Segment Information

	Fiscal 2023 Gross Profit	Percentage of Gross Profit	
 Functional Materials	Jpy 28.1 billion	17.1 %	Performance Chemicals Business Specialty Chemicals Business
 Advanced Materials & Processing	Jpy 23.6 billion	14.3 %	Polymer Global Account Business
 Electronics & Energy	Jpy 34.2 billion	20.8 %	Electronics Business Advanced Functional Materials Department
 Mobility	Jpy 15.2 billion	9.2 %	Mobility Solutions Business
 Life & Healthcare	Jpy 63.4 billion	38.5 %	Life & Healthcare Products Business



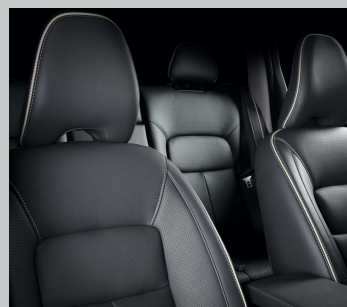
Functional Materials Segment

Performance Chemicals Business

In the Performance Chemicals Business, we provide highly functional materials to business fields, including the coatings and inks, urethane, printing and film, and liquid crystal industries. With the keywords of “environment” and “biotechnology,” the division also focuses on the development of sustainable commercial materials and responds to customer needs by making full use of functions such as manufacturing, research, and processing.

Main products and services

- Raw materials for resins, resins, pigments, solvents, additives for paints and inks, urethane materials, flame retardants, release agents



Specialty Chemicals Business

In the Specialty Chemicals Business, we have established businesses in a diverse array of industries over many years. Today, we handle more than 10,000 different products. In addition, we are working to expand into new fields as we keep our eyes on the elemental technologies of our business partners.

Main products and services

- Petrochemical products, raw materials for metalworking oils, surfactants and raw materials, environmental equipment and chemicals (wastewater, exhaust gas, energy saving)
- Resin raw materials and additives, electronics chemicals, UV curing agent materials, chemicals outsourcing coordination, etc





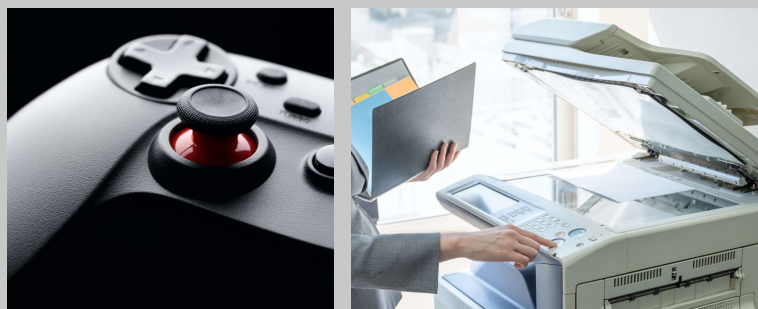
Advanced Materials & Processing Segment

Polymer Global Account Business

In the Polymer Global Account Business, we work with global companies to sell synthetic resins. We also focus on environmentally friendly businesses such as providing recycled materials and biomass plastics

Main products and services

- Engineering plastics, commodity plastics, packaging materials, other plastics-related products and services



Electronics & Energy Segment

Electronics Business

In the Electronics Business, we provide various functional materials and their constituent materials for the silicon wafer, semiconductor, electronic component, and display industries, and works with partner companies to develop products that meet market and customer needs.

Main products and services

- Precision polishing materials, touch panel materials, functional paints, conductive/insulating materials, adhesive/encapsulating materials, high heat resistant films, optical lenses, high frequency devices, low dielectric materials, sensing devices, optical materials for XR, semiconductor/electronic device equipment





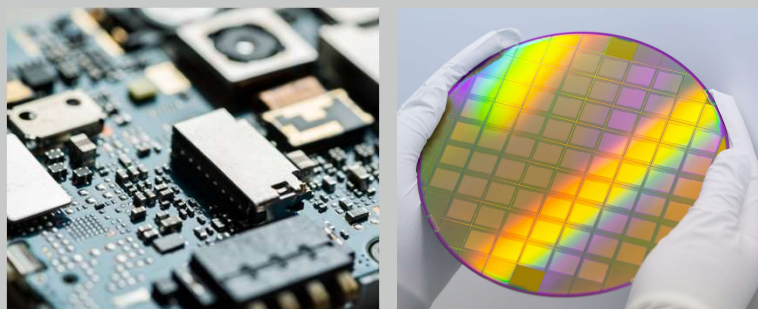
Electronics & Energy Segment

Advanced Functional Materials Business

In the Advanced Functional Materials Business, we develop Nagase ChemteX Corporation's modified epoxy resins in Japan and overseas. They are developed based on our compounding design, compounding, precision cleaning, surface treatment, and photosensitive resin design technologies in the fields of electricity, mobility, environment and energy, semiconductors, 3D printing, and displays.

Main products and services

- Formulated epoxy resins and related products, photolithography materials for semiconductors and flat panel displays, 3D printing related materials



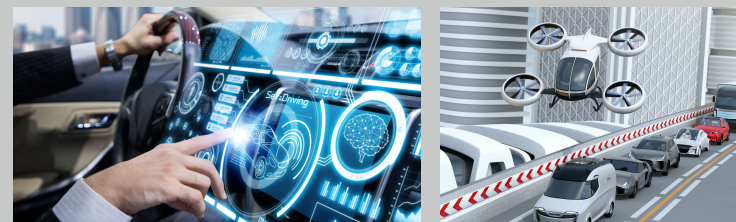
Mobility Segment

Mobility Solutions Business

In the Mobility Solutions Business, we contribute to the realization of a safe, secure and comfortable mobility society by grasping the needs of the mobility industry, including automobiles, agricultural machinery, construction machinery and aircraft, and by pursuing new technological innovations and offering diverse solutions.

Main products and services

- Automotive interior/exterior, functional components: Various resins, functional coatings, adhesives, light-weight components, decorative parts, HMI components
- CASE-related: xEV-related components, heat management components, battery materials, various sensors, LiDAR-related components, self-driving-related technologies





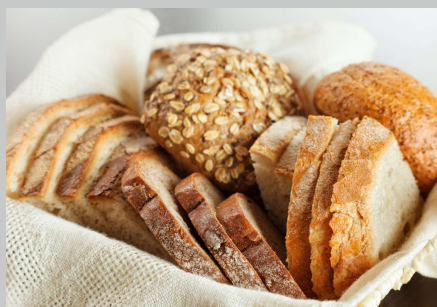
Life & Healthcare Segment

Life & Healthcare Products Business

In the Life & Healthcare Products Business, we contribute to healthy and affluent lifestyles by providing solutions through the Group's manufacturing, processing, procurement, logistics, research, application development, and regulatory functions in the pharmaceutical, medical, cosmetics, house-hold, and food markets.

Main products and services

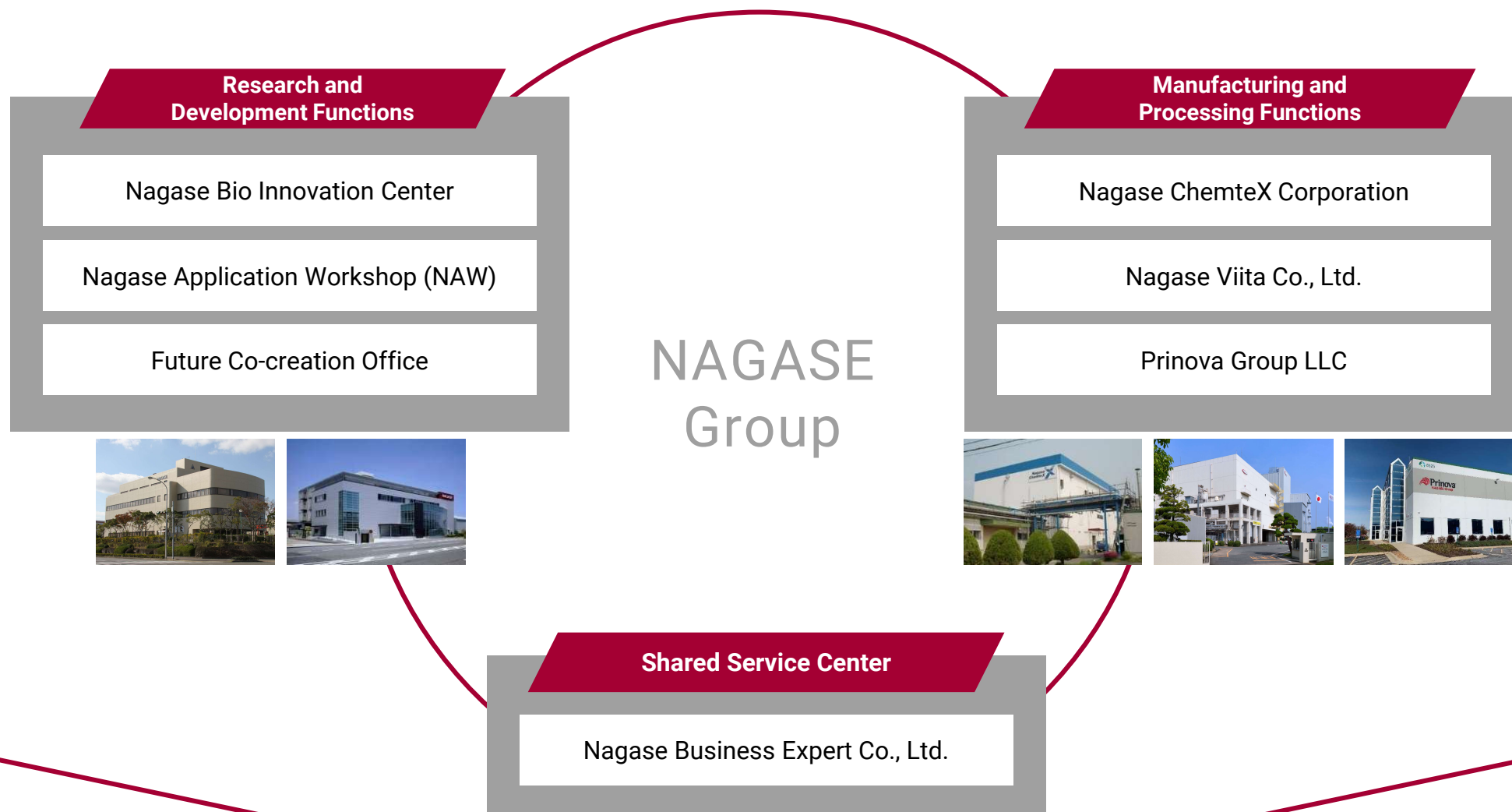
- Pharmaceuticals, in vitro diagnostics, raw materials for cosmetics and house-hold products, food materials, premixes (OEM, ODM), agricultural, marine, livestock-related materials.



Business Function



▶ The NAGASE Group's Unique Functions



Integration of Biology with Cutting-Edge Technologies

Nagase Bio Innovation Center

Through R&D activities in the biotechnology field, the Nagase Bio Innovation Center aims to create new value that leads to contributions to society, such as solutions to people's health and environmental problems. With "Unavailable Made Available In a Sustainable Way," as its guiding principle, the Nagase Bio Innovation Center will make process innovation happen by harnessing biotechnology.

Established : 1990

Location : Kobe High Tech Park, 2-2-3 Murotani,
Nishi-ku, Kobe City, Hyogo

Examples of activities

Fermentation process development of Trehangelin, which is an anti-aging ingredient for personal care.

Fermentation process of "longevity vitamin" ergothioneine, a natural rare amino acid.



Providing Customers with a Place for Open Innovation

Nagase Application Workshop (NAW)

The Nagase Application Workshop (NAW) is an open innovation laboratory with a free-thinking environment befitting a lab operated by a trading company. As a development partner to customers, NAW provides evaluation and analysis of unique new technologies and materials and it advances the development of new applications, among other activities. NAW continues to pursue new possibilities for functionality and design in the fields of plastics and coating.

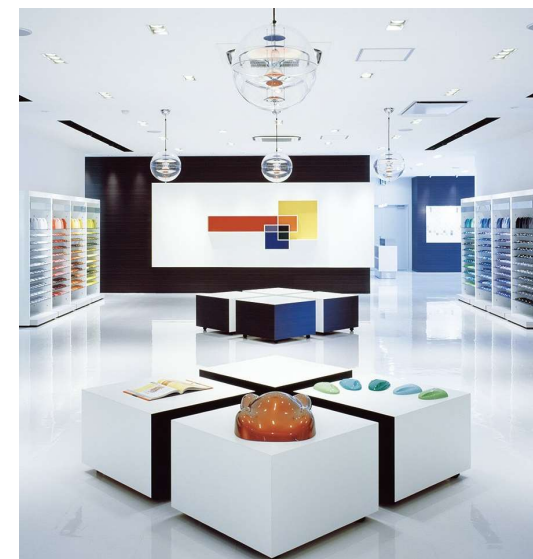
Established : 2007

Location : 2-4-45, Higashi Tsukaguchicho,
Amagasaki City, Hyogo

Examples of activities

Development of formulas and applications for eco-friendly materials matched to customer needs

Proposals of color designs that fit customer needs



Create an original business

Future Co-creation Office

Development of blockchain, sensors, and systems that can be used at the head office division and group companies. New developments in the medical and energy fields, which are expected to grow in the future. We will use startup investment to acquire information in new areas for building the foundation of the next development area.



Examples of activities

- **Diagnosis support equipment and system in the medical field**
Providing capsule endoscope "CapsoCam Plus", medical image analysis program "Attractive", "QIR"
- **Data management platform for materials informatics**
Provision of U.S. "Uncountable" to Japan region, development of original materials informatics system
- **Contribution to carbon neutrality centered on renewable energy and storage batteries**
Participating in energy business that contributes to carbon neutrality. Provision and development of energy products and related services such as renewable energy and storage batteries.
- **"Axonerve™ intellectual property core", a semiconductor design technology specialized in search functions**
Developing 5G network and cloud application acceleration support solution

Established : 2017

Location : 2-6-4 Otemachi Chiyoda-ku Tokyo

We will create a brighter future through chemistry

Nagase ChemteX Corporation

Nagase ChemteX Corporation is a core manufacturing subsidiary of the NAGASE Group and possesses creative technologies in a variety of areas including electronics and biotechnology. With synthesis technology, formulation technology and biotechnology as its core technologies, Nagase ChemteX has been creating the world's first materials and products with top industry shares. It is a value creation company that can fulfill the requirements of customers around the world. As such, Nagase ChemteX continues to ambitiously develop new technologies and products.

Established : 1970


Location : 1-1-17 Shinmachi, Nishi-ku, Osaka

Net sales : Approx. ¥25.0 billion

Number of employees : Approx. 520

(Fiscal year ended March 31, 2024)


Functional Resins



Main products
Encapsulants (sheets, liquids), epoxy adhesives



Functional Chemicals



Main products
Special epoxy resins, transparent conductive coating, low-endotoxin material

Precision Processing Materials



Main products
Materials for photolithography, resins for 3D printers, Ag nano ink

Smart Biotechnology for Better Living

Nagase Viita Co., Ltd.

Hayashibara Co., Ltd., as the NAGASE Group's core company in the life sciences field, supplies ingredients for products such as food, cosmetics, pharmaceuticals, health foods, and functional dyes. Hayashibara will continue to work on inventive development of new materials using its well-honed biotechnology capabilities and increase its presence in the global market. It became a member of the NAGASE Group in 2012.

※Effective April 1, 2024, Hayashibara Co., Ltd. changed its company name to Nagase Viita Co., Ltd.

Established : 1932
 Location : 1-1-3 Shimoishii, Kita-ku, Okayama
 Net sales : Approx. \34.0 billion
 Number of employees : Approx. 780
 (Fiscal year ended March 31, 2024)

Food Ingredients



Main products
 TREHA™, SUNMALT™, PULLULAN

Personal Care Ingredients



Main products
 AA2G™, Tornare™, Alpha Glucosyl Hesperidin


Health Food Ingredients



Main products
 Hayashibara Hesperidin™ S, Fibryxa™, Ascofresh™



Functional Dyes



Main products
 Dyes for information recording, dyes for information displays, analytical dye productions

Pharmaceutical Ingredients



Main products
 MALTOSE PH, TREHALOSE SG, PULLULAN

Trusted Partner.

Prinova Group LLC

Prinova is engaged in the sales of food ingredients, processing and contract manufacturing of multi-component pre-mixes and blends mainly in North America, Europe and China. Our core competencies are related to ingredient sourcing, R&D for blends & flavors or experience and relationships in the sports nutrition segment.

Founded : 1978
 Location : Illinois, USA
 Net sales : Approx. \193.0 billion
 Number of employees : Approx. 1,340
 (as of March 2024)



Raising the Efficiency of Back-office Operations

Nagase Business Expert Co., Ltd.

Nagase Business Expert Co., Ltd. has highly specialized staff conduct operations, with the aim of rationalizing and improving the productivity of Group management and developing human resources who contribute to the Group. Concurrently, Nagase Business Expert is contracted to provide support for legal compliance with product laws and regulations, trade security control and related matters, and to carry out intra-Group operations, on a comprehensive basis. In these ways, the company also fulfills the role of maintaining governance.

Description of business

Personnel services	Payroll processing, social insurance, attendance management services, etc.
General administrative services	Building and facility operation and management, fixed asset management, environmental ISO administration office duties, disaster readiness activities, auto leases, general affairs
Logistics	Trade-related documents, and customs clearance and shipping arrangements, etc.
Sales support	Support for sales activities, support for internal control, trading risk management (legal affairs, intellectual property, credit, quality, chemical related laws and regulations, security trade control)
Finance and accounting	Group finance, financial reporting, tax services, management accounting, etc.
Financial services	Receivables/payables administration, domestic and international receipts/disbursements, etc.
ICT	Support and training for use of ICT systems and tools such as RPA and ChatBot

Established : 2017

Location : 2-6-4 Otemachi Chiyoda-ku Tokyo

Number of employees : Approx. 240

(as of March 2024)



Concentrate investment in areas of focus and development

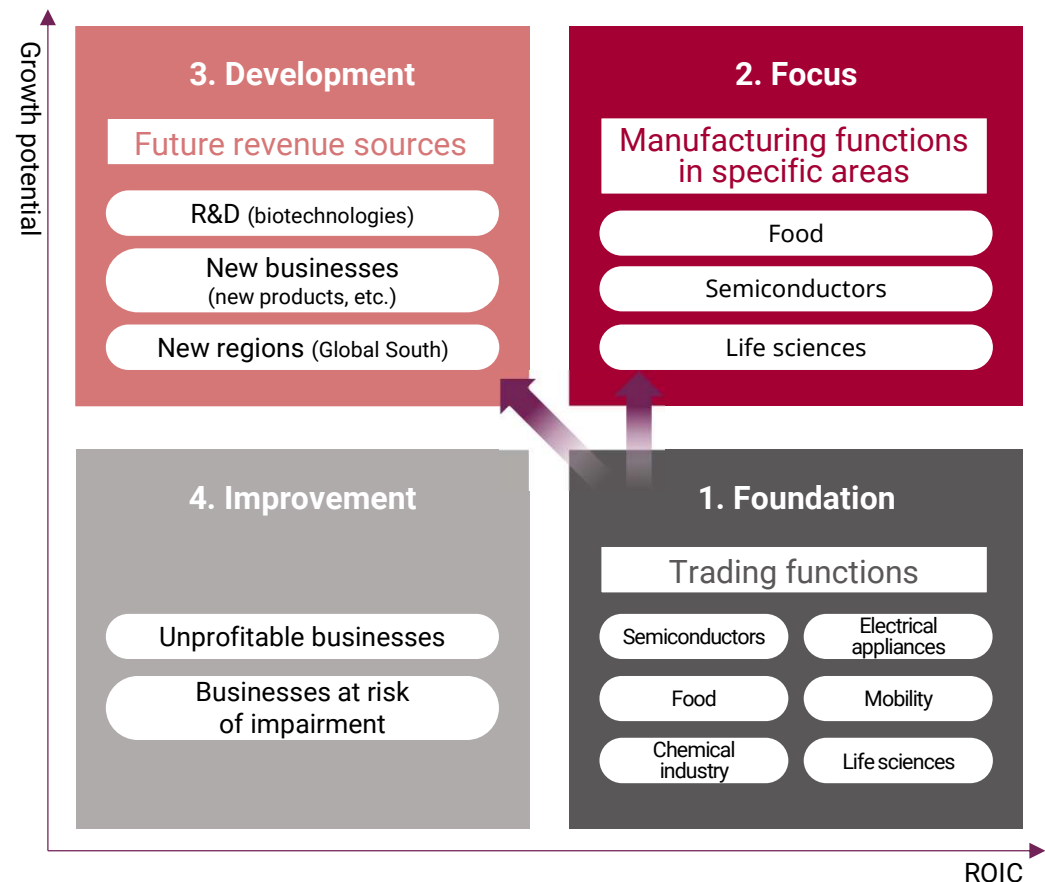


▶ A growth strategy for the future

NAGASE possesses manufacturing and R&D functions as well as its trading functions. We will utilize management resources and data generated by our trading functions (one of our core operations) in our focus and development areas



Potential investment for focus and development areas, from 2023 onward (approximately ¥80 billion)



▶ To Contribute to Realizing a Better Society

Social contribution activities Develop specialized personnel



Grand Contest on Chemistry for High School Students 2023
<https://s-gracon.jp/2023/>

Main initiatives

- R&D grants through the Nagase Science and Technology Foundation
- Supporting the Grand contest on Chemistry for High School Students in 2023

Social contribution activities Support for athletes



Shinya Wada and Takumi Hasebe (Guide Runner),
 a blind track-and-field runner

Main initiatives

- Support for Shinya Wada, a blind track-and-field runner and Takumi Hasebe (Guide Runner)
- Support for the activities of the Japan Blind Marathon Association
- Sponsorship agreements with various sports clubs and athletes

▶ NAGASE Cup Athletics Competition

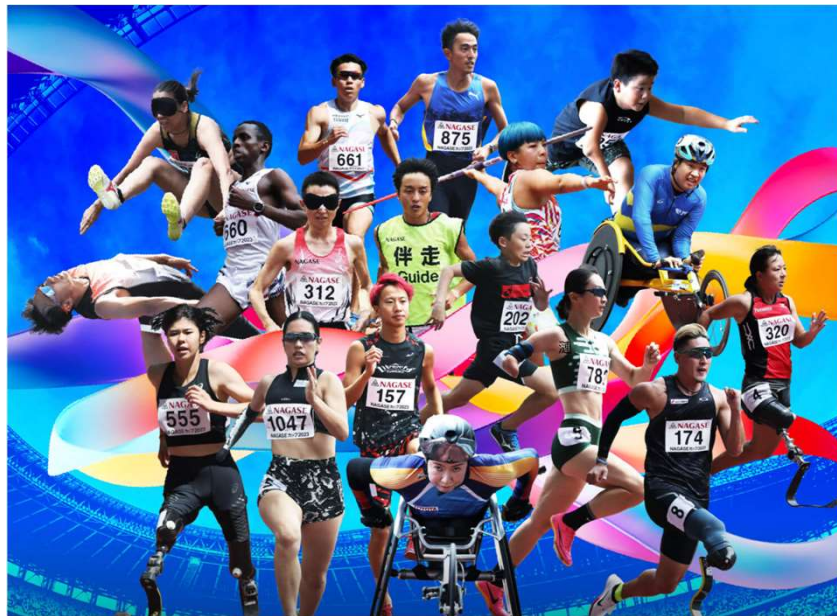
(Official Site : [NAGASE CUP – WPA APPROVED COMPETITION](#)) ※Japanese only



NAGASECUP_SINCE2022

An Inclusive Athletics Competition Anyone Can Join

= Starts in 2022 as an athletics competition for people with and without disabilities



New world record



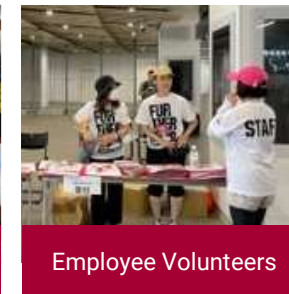
Shinya Wada & Takumi Hasebe



Participation of foreign athletes



Races run together by able-bodied athletes and para-athletes



Employee Volunteers



Participation of elementary students

- Held by Japan Para Athletics and the Tokyo Athletics Association, and **specially sponsored by Nagase & Co.**
- WPA Approved Competition = New world records and Asia records
- The 2nd NAGASE Cup (2023) became one of the largest athletics competitions in Japan (the NAGASE Cup has among the highest number of para athletes competing (according to research by Nagase & Co.))

Corporate Information

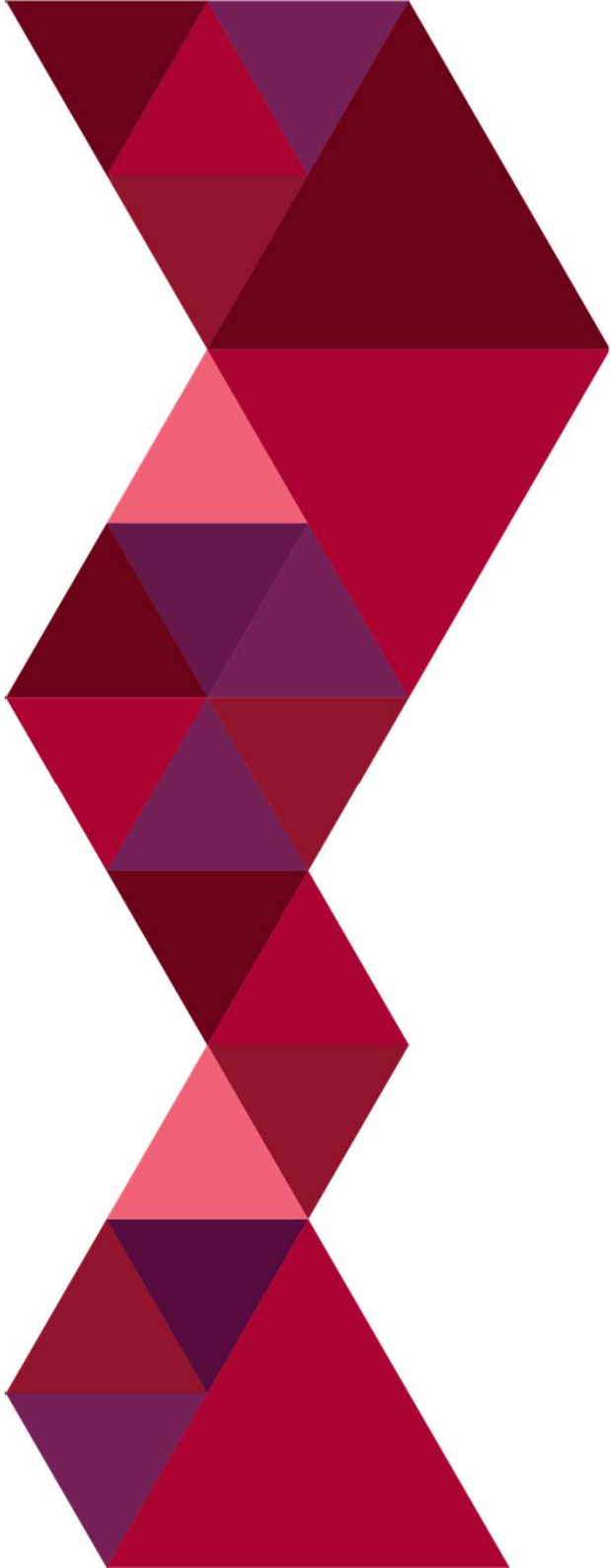
Company Name	Nagase & Co., Ltd.
Founded	June 18, 1832
Establishment	December 9, 1917
Representative	Hiroyuki Ueshima, Representative Director and President
Capital	¥9,699 million
Employees	975 (Consolidated: 7,528)
Main Business	Import/export and domestic sales of chemicals, plastics, electronics materials, food ingredients, and medical materials
Main Offices	Osaka Head Office, Tokyo Head Office, Nagoya Branch Office Nagase Bio Innovation Center Nagase Application Workshop (NAW)



Tokyo Head Office
Photo: Mitsubishi Estate Co., Ltd.



Osaka Head Office



NAGASE

Delivering next.