

To Whom It May Concern

Notice Regarding Establishment of a Subsidiary (Change in Subsidiary)

At a meeting held today, the NAGASE & CO., LTD. ("Company") Board of Directors approved a resolution to establish a wholly owned subsidiary in the People's Republic of China. The Company intends to designate the subsidiary as a specified subsidiary, since the total investment is expected to be equivalent to 10% or greater of the Company's capital.

1. Purpose of Establishment

The growth story of Medium-Term Management Plan **ACE 2.0** describes the four business categories of *Foundation*, *Focus*, *Development*, and *Improvement* under which the Company engages in trading, manufacturing, and research functions. The establishment of this subsidiary is one element of the initiatives aimed at strengthening manufacturing functions in the semiconductor field, the *Focus* business of the Company.

The Company acquired the SACHEM business in Asia for high-purity chemicals for advanced semiconductors in June 2025, and manufactures in Japan and the People's Republic of China. As demand for advanced semiconductors continues to grow rapidly, the company will establish a new company to meet this strong demand.

2. Overview of the Subsidiary

(1) Name	Nagase Circrea (Wuxi) New Material Co., Ltd. (Temporary Name)	
(2) Location	Wuxi, People's Republic of China	
(3) Representative name and title	Min Li, Chair	
(4) Business lines	Manufacture of high-purity chemicals for semiconductors	
(5) Capital	30 million dollars (US)	
(6) Date of establishment	April 2026 (tentative)	
(7) Shareholders	Nagase & Co., Ltd. 60% SACHEM Wuxi Co., Ltd.* 40%	
(8) Fiscal year end	March 31	
(9) Relationship with the Company	Equity relationship	The subsidiary will be a wholly owned subsidiary of the Company.
	Personal relationships	No existing personnel relationships.
	Business relationships	Intergroup transactions.

*SACHEM Wuxi Co., Ltd. is a wholly owned subsidiary of the Company.

3. Future Outlook

The impact of this transaction on the Company's operating results for the fiscal year ending March 31, 2026, is expected to be minimal. We will promptly disclose any new matters that arise requiring disclosure.

End