

March 28, 2025
Mitsui Chemicals, Inc.

Mitsui Chemicals Transfers Shares in DM Novafoam

Mitsui Chemicals, Inc. (Tokyo: 4183; President & CEO: HASHIMOTO Osamu) today announced that it has transferred all of its shares in subsidiary DM Novafoam Ltd. (Obuse, Nagano; CEO: KOYAMA Toru) to Daicel Corporation (Tokyo: 4202; President & CEO: OGAWA Yoshimi) on March 27 following a previous decision.

Daicel, having obtained all of Mitsui Chemicals' shares in DM Novafoam (35 percent of issued shares) to turn DM Novafoam into a wholly owned subsidiary, then transferred all shares of DM Novafoam to JSK14 Co., Ltd.*¹ (Chiyoda, Tokyo; President & CEO: YOSHIKAWA Akira), a special-purpose company under Jigyo Syokei Kikou Co., Ltd. (Chiyoda, Tokyo; President & CEO: YOSHIKAWA Akira; "JSK"), on March 27.

*¹ JSK14 Co., Ltd. is a special-purpose company established by JSK through 100 percent investment for the transfer of DM Novafoam

■ Background and objectives

Mitsui Chemicals has positioned "Chemistry for Sustainable World" as its ideal vision, and portfolio reform as a basic strategy, within its VISION 2030 Long-Term Business Plan. Through pursuit of these ends, Mitsui Chemicals aims to become a truly global specialty company by leaning on the two key pillars of a high-growth, high-profitability global specialty chemicals business and a sustainable green chemicals business centered on competitive derivatives.

DM Novafoam was established in 1967, and has since cultivated a range of highly foamed plastic technologies in its mission to develop and manufacture reliable, eco-friendly cushioning materials, primarily for the domestic market. The company currently offers wide-ranging product groups spanning agricultural and industrial applications but is particularly notable for its Japan-leading shipment volume of cushioning materials for the shipment of fruit, which makes the company an essential part of fruit distribution in Japan. DM Novafoam provides a stable supply of quality products from three sites – its main plant in Nagano, as well as its plants in Aomori and Okayama – and is highly rated by its customers.

JSK strives to maintain small and medium-sized businesses – which it considers a treasure of Japan – and to preserve jobs, the economy and safety for future generations. In line with this goal, the company provides business succession investment, and offers management support for business successors, on the condition of perpetual holding – the premise that the shares will not be resold, consolidated, or transferred – to provide small and medium-sized businesses with medium- to long-term support.

The decision for this share transfer was based on the expectation that it would speed up Mitsui Chemicals' basic strategy of portfolio reform to become a global specialty chemical company while also allowing DM Novafoam to achieve stable business continuity buoyed by the ample support system and successful track record of JSK.

■ Overview of the transferred subsidiary

Company name	DM Novafoam Ltd.
Established	1967
Head Office	361-1 Karida, Obuse, Kamitakai, Nagano
Main business	Manufacture and sale of highly foamed plastic products (particularly cushioning materials for agricultural packaging)
Employees	189

■ Overview of stock transferee

Company name	Jigyo Syokei Kikou Co., Ltd.
Established	2018
Head Office	2-6-5 Kojimachi, Chiyoda, Tokyo
Main business	Business succession investments through perpetual holdings (Succession totaling 23 companies, total group sales revenue of 18.1 billion yen, and over 1,040 employees)
Employees	60

■ Impact on financial results

The impact of this transfer on the Mitsui Chemicals Group's financial results will be insignificant.