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Denka



March 28, 2025

To whom it may concern:

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(Securities Code: 4061: Prime Market)
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Announcement Concerning Sale of Non-current Assets and Recording of Extraordinary Profit

Denka Company Limited (the “Company”) announces that its Board of Directors today approved a resolution to sell certain noncurrent assets that it owns, the details of which are stated below.

Details

1. Reason for Sale

On September 9, 2024, the Company approved a resolution on the suspension of operations of its Ofuna Plant (Kamakura-shi, Kanagawa) by the end of March 2026, as part of a portfolio transformation based on the “Mission 2030” management plan.

Since then, the Company had been considering the effective use of the plant’s facilities, plant site, and goodwill, including the possibility of their sale. As there would be no effective utilization of using the plant site within the Group, the Company decided to sell it in order to improve capital efficiency. Until the plant’s operations are suspended on March 31, 2026, the Company will lease the land from the purchaser and continue to operate the plant as a manufacturing base.

2. Details of Assets to be Sold

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|------------------------------------|---|
| (1) Details and location of assets | Land (46,911.93 m ²), 2-13-1 Dai, Kamakura-shi, Kanagawa |
| (2) Profit on sale | Approx. 8 billion yen |
| (3) Current status | In use as a manufacturing base |
| (4) Sale price | The sales price will not be disclosed at the request of the purchaser. However, it is a fair and appropriate price that reflects market value. The profit on sale is an estimate obtained by deducting the book value and costs related to the sale from the sales price. |

3. Overview of Purchaser

These details will not be disclosed at the request of the purchaser. There are no capital relationships, personnel relationships, or business relationships between the Company and the purchaser or any noteworthy matters in which the Company and the purchaser are related parties.

4. Sale Schedule

Date of resolution by Board of Directors	March 28, 2025
Date of conclusion of agreement (scheduled)	March 28, 2025
Date of transfer (scheduled)	April 21, 2025

5. Future Outlook

The transfer of the subject noncurrent assets is scheduled for April 2025, and will have no effect on the consolidated financial results of the Company for the fiscal year ending March 31, 2025.

The Company plans to record the profit on sale of the subject noncurrent assets of approximately 8 billion yen as extraordinary income in its non-consolidated and consolidated results for the fiscal year ending March 31, 2026. As the financial results forecasts for the fiscal year ending March 31, 2026 are currently being scrutinized, they will be announced at the time of the announcement of the financial results for the fiscal year ending March 31, 2025 scheduled for May 13, 2025.

End

[For Inquiries from Media]

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