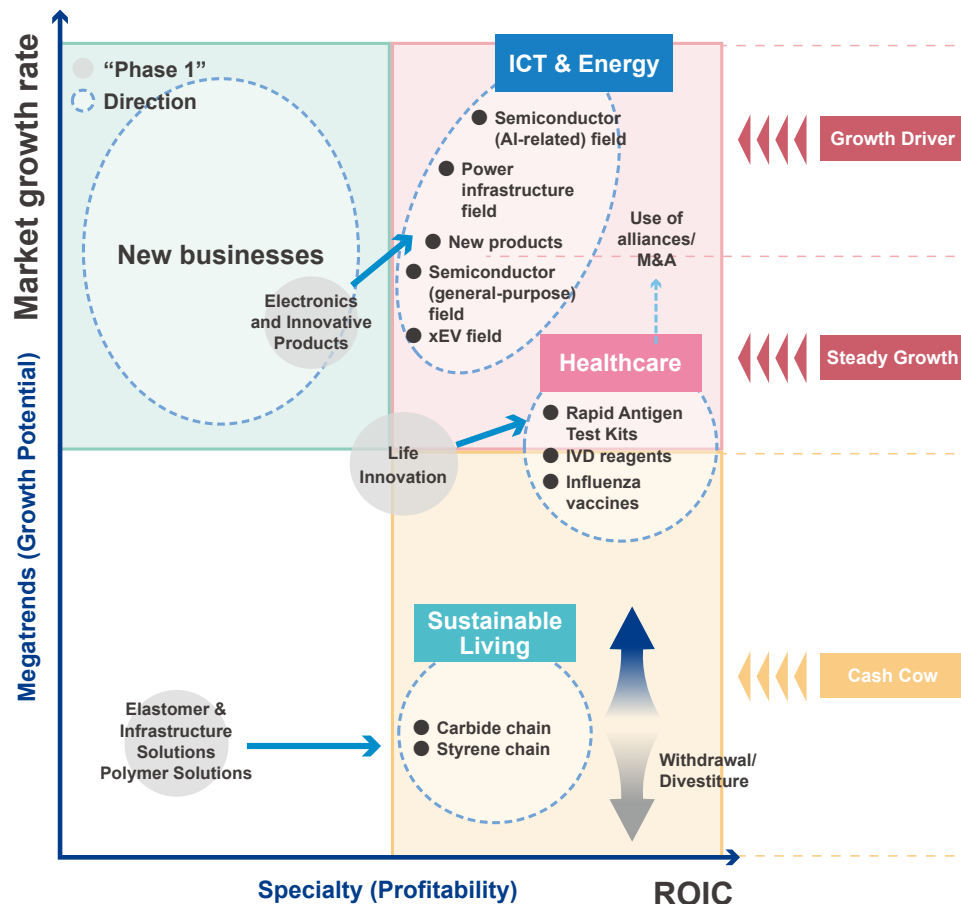


Market Growth × Denka's Portfolio Strategy

Four Quadrant Analysis

In ICT & Energy, we will focus on cutting-edge thermal management, a forte of Denka, with the rapidly growing AI and power infrastructure markets serving as growth drivers. In Healthcare, we will pursue steady growth while advancing a growth strategy that leverages alliances and M&A in the diagnostics field. In Sustainable Living, we aim to turn businesses into cash cows through business model transformation and structural reforms.



Execute three strategies with clearly differentiated priorities:
 “Strategic expansion,” “Achieving returns on upfront investments,” and
 “Improving capital efficiency and transforming business models”

Strategy	Strategic Expansion	Achieving Returns on Upfront Investments	Improving Capital Efficiency and Transforming Business Models
ICT & Energy Supply key materials for thermal management and establish them as de facto standards in cutting-edge fields	[Semiconductors (AI-Related)] SNECTON Spherical alumina Spherical silica Development of new grades (Boron nitride, etc.) [Power Infrastructure] Acetylene black DENKA ALSINK	[Semiconductors (General-Purpose)] Spherical alumina Spherical silica High-performance films [xEV] Spherical alumina Silicon nitride (powder) Acetylene black	[xEV] Printed circuit boards (Ceramic substrates, metal substrates)
Healthcare Achieve steady growth in the existing diagnostics business and become a frontrunner in forming industry alliances, including M&A	[Diagnostics (New)] A frontrunner in forming alliances, (including M&A)	[Diagnostics] Rapid Antigen Test Kits IVD reagents [Prevention] Influenza vaccines	
Sustainable Living Decisively transform the portfolio to focus exclusively on businesses that can remain competitive after optimizing and restructuring business chains and turning them into cash cows			Carbide chain (Chloroprene rubber, etc.) Styrene chain (Styrene monomer, functional resins, etc.)