Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

October 16, 2025

To whom it may concern:

Company Name: Daicel Corporation
Name of Representative: Yasuhiro Sakaki, President and CEO
(TSE Prime: 4202)
Contact: Inquiries: Masahiko Hirokawa, General Manager, IR & Corporate Communications Group, Business Support Headquarters
(Phone: 046-253-2111)

Notice Regarding Group Reorganization Plan Involving a Company Split with a Consolidated Subsidiary

At a meeting of its Board of Directors held on October 16, 2025, Daicel Corporation (the "Company") resolved to proceed with consideration of a policy (the "Policy") under which the Company will succeed to all businesses of its consolidated subsidiary, Polyplastics Co., Ltd. ("Polyplastics"), by way of an absorption-type company split (the "Absorption-type Company Split"). The business to be succeeded (the "Target Business") excludes the business of holding and managing shares of subsidiaries and affiliates owned by Polyplastics.

In accordance with the Policy, the Company plans to formally decide on absorption-type company split (the "Absorption-type Company Split") at its Board of Directors meeting scheduled for January 15, 2026, and will make a further timely disclosure at that time. As the Absorption-type Company Split is expected to be a simplified absorption-type company split involving a consolidated subsidiary, certain disclosure items and details have been omitted.

1. Purpose of the Absorption-type Company Split

   In line with the Company's medium-term strategy "Accelerate 2025", Daicel has been working to transform its business structure and further strengthen its engineering plastics business. As part of this initiative, the Company made Polyplastics a wholly owned subsidiary in 2020. Since then, Polyplastics has promptly decided and executed investments to expand the capacity of its overseas manufacturing bases, including the commencement of the POM production facilities in China. In terms of business performance as well, Polyplastics achieved record-high consolidated profits in the previous fiscal year, demonstrating the tangible benefits of becoming a wholly owned subsidiary.

   With the Absorption-type Company Split, the Company aims to create a "New Daicel" by integrating the Target Business of Polyplastics into the Company. Through (i) sharing of technical service and solution-provision know-how, which represents Polyplastics' core strengths, (ii) enhancing collaboration with the Company's Safety, Materials and other businesses, (iii) utilization of human resources for the growth of the group as a whole, and (iv) improving the efficiency of corporate functions, the Company seeks to maximize corporate value.

2. Outline of the Absorption-type Company Split

   (1) Schedule of the Absorption-type Company Split

Board of Directors resolution approving the Policy	October 16, 2025
Board of Directors resolution approving the Absorption-type Company Split Agreement	January 15, 2026 (planned)
Execution of Absorption-type Company Split Agreement	January 15, 2026 (planned)
Effective date of Absorption-type Company Split	April 1, 2026 (planned)

   The Absorption-type Company Split is expected to satisfy the requirements for a simplified company split under Article 796, Paragraph 2 of the Companies Act with respect to Daicel, and a short-form company split under Article 784, Paragraph 1 of the Companies Act with respect to Polyplastics. Accordingly, neither company intends to obtain approval from its shareholders' meeting.

   (2) Method of the Company Split

   The Absorption-type Company Split (a simplified absorption-type company split) is expected to be implemented with Polyplastics as the splitting company and the Company as the succeeding company.

   (3) Others

   Other information relating to the Absorption-type Company Split will be promptly announced once finalized.

3. Overview of the Companies Involved in the Split (as of March 31, 2025)

	Splitting Company	Splitting Company
(1) Name	Polyplastics Co., Ltd.	Daicel Corporation
(2) Head Office	2-18-1 Konan, Minato-ku, Tokyo	3-1 Ofuka-cho, Kita-ku, Osaka
(3) Representative	Takashi Miyamoto, President and CEO	Yasuhiro Sakaki, President and CEO
(4) Business Description	Manufacture, import, and sale of polymers, plastics, industrial chemicals, and products worked therefrom	Manufacture and sale of cellulose, organic chemicals, synthetic resins, and pyrotechnic products
(5) Capital	JPY 3,000 million	JPY 36,275 million
(6) Date of Establishment	May 4, 1964	September 8, 1919
(7) Number of Shares Issued	6,000,000	276,942,682
(8) Fiscal Year-End	March 31	March 31
(9) Major Shareholders and Shareholding Ratios	Daicel Corporation — 100%	The Master Trust Bank of Japan, Ltd. (Trust Account) — 15.88% Custody Bank of Japan, Ltd. (Trust Account) — 10.67% Nippon Life Insurance Company — 6.56%
(10) Financial Condition and Operating Results		
Fiscal Year	Fiscal year ended March 2025 (Non-consolidated)	Fiscal year ended March 2025 (Consolidated)
	Polyplastics Co., Ltd.	Daicel Corporation
Net Assets	JPY 32,127 million	JPY 375,037 million
Total Assets	JPY 126,077 million	JPY 813,831 million
Net Assets per Share	JPY 5,354.58	JPY 1,357.77
Net Sales	JPY 114,227 million	JPY 586,531 million
Operating Income	JPY 7,974 million	JPY 61,011 million
Ordinary Income	JPY 21,327 million	JPY 62,320 million
Net Income	JPY 18,940 million	JPY 49,480 million
Net Income per Share	JPY 3,156.70	JPY 181.44

Note: “Net Income” for Daicel represents “Profit attributable to owners of parent”.

4. Overview of the Business to Be Succeeded (Planned)

(1) Description of the Business to Be Succeeded
The Target Business of Polyplastics.

(2) Operating Results of the Business to Be Succeeded (FY2025)
Net Sales: JPY 114,227 million

(3) Items and Book Values of Assets and Liabilities to Be Succeeded (Approximate Figures)

Assets		Liabilities	
Items	Book Value	Items	Book Value
Current Assets	JPY 72,471 million	Current Liabilities	JPY 93,617 million
Non-current Assets	JPY 21,479 million	Non-current Liabilities	JPY 333 million
Total	JPY 93,950 million	Total	JPY 93,950 million

5. Status After the Absorption-type Company Split
The Company will also consider changes to the name of Polyplastics, including that of its domestic and overseas affiliates. However, as of today, there are no plans to change (i) the Campany’s name, or (ii) the head office, representative title or name, business description, capital, or fiscal year-end of either company as a result of the Absorption-type Company Split. Should any changes be decided upon as a result of further consideration, the Company will make a disclosure accordingly.

6. Outlook
The impact of the Absorption-type Company Split on the Company’s consolidated business results is expected to be minor. Should any matters requiring disclosure arise in the future, the Company will promptly make an announcement

- End -