



# Introduction of Nihon Kagaku Sangyo

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May 21, 2025

Security Code: 4094

# President's Message

## Paving the Path to the Future by Exploring the Potential of Metals

Over the many decades since its establishment, the Nihon Kagaku Sangyo (Nikkasan) Group has steadily continued to grow based on the two pillars of our business: the Chemicals business focusing on inorganic and organic metal chemicals and the Building Materials business focusing on processed metal products. The New Mid-Term Management Plan, which was formulated in October 2023 based on our Vision for 2030, expressed our determination to achieve a renaissance of growth through a “second establishment” of the company amid the increasing complexity of the operating environment.

In fiscal 2024 (100th fiscal year: April 1, 2024–March 31, 2025), based on this plan, we commenced the regeneration of existing business and the creation of new business and products.

In a global business environment undergoing rapid changes amid heightened geopolitical risk, fluctuating metal prices, and shifting supply chains, as a result of the concerted efforts of the whole company, we achieved net sales of 25,441 million yen (an increase of 2,997 million yen year-on-year) and operating income of 2,860 million yen (an increase of 683 million yen year-on-year), exceeding the initial targets.

**KADOYA Hiroki, President**



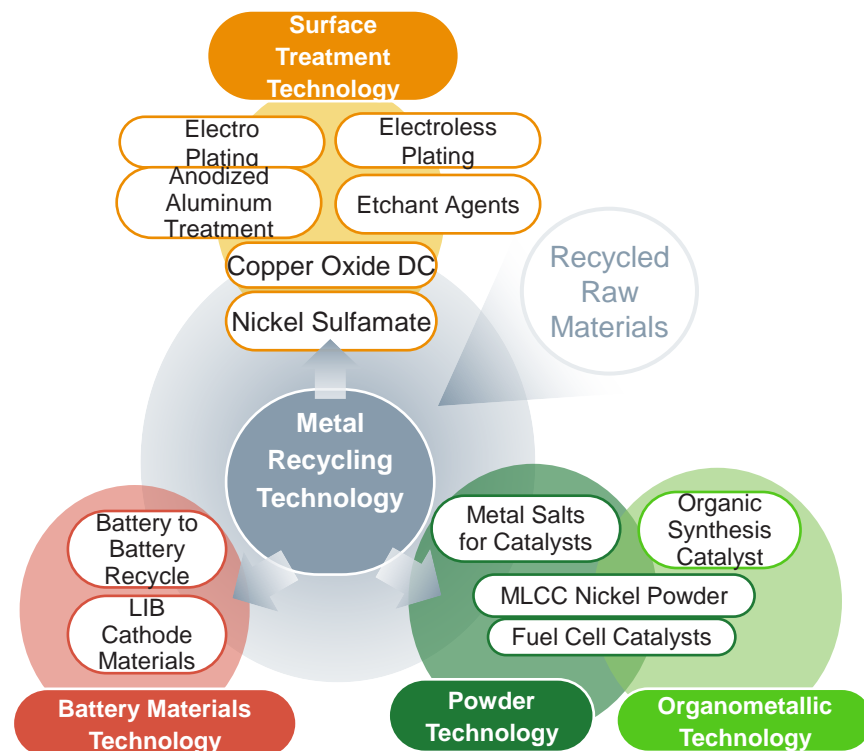
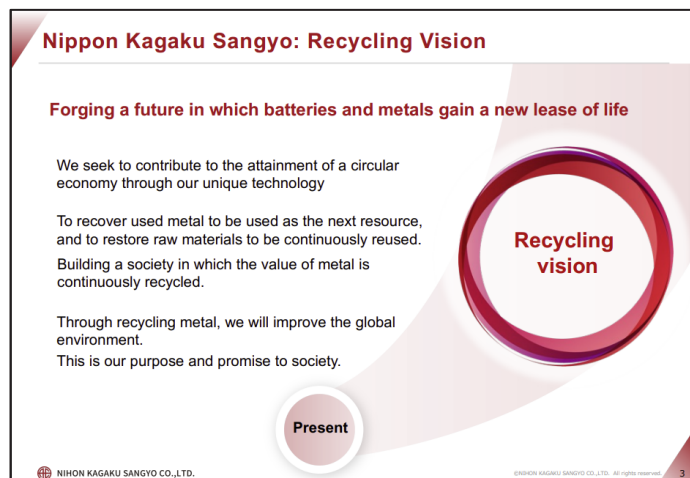
## President's Message

# Creating new value through core technology synergy

The strategy for growth in the Chemicals business is to realize the regeneration of existing business and creation of new business and products through synergy among our five core technologies (separation and refining, powdering, organic metals, surface treatment, and battery materials).

The first step of this strategy is the construction of a B-to-B recycling pilot plant, announced in September 2024, with the aim of contributing to a circular and net-zero society by recycling EV (electric vehicle) batteries. The company's regeneration of mineral resources and securing of new raw materials through our proprietary recycling technologies have been highly praised in terms of the effective utilization of resources not only within the company but throughout our entire supply chain, and were approved in the Ministry of Economy, Trade and Industry's Plan for Securing the Stable Supply of Critical Minerals.

Leveraging the development achievements of this pilot plant will lead to the creation of an advanced metals recycling business. Furthermore, we are looking to develop new functional materials by harnessing the synergy with our core technologies, particularly in the recycling business.



## President's Message

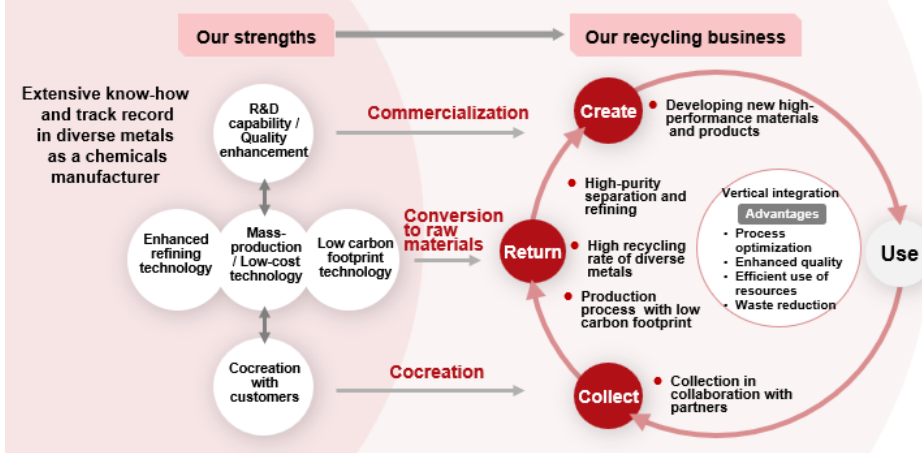
# Accelerating global expansion from Japan to Asia

The overseas chemicals business is the engine of Nikkasan's growth. While strategically promoting the global expansion of unique products developed in Japan, we will globally deploy our business model of recycling various metals, which has a proven track record over many years in Japan.

In addition to expanding our area of deployment by capturing demand in the growing Asian market, we will strive to expand our global supply chains by further strengthening partnerships not only with Japanese manufacturers operating in Asia but also with local manufacturers.



## Expanding our recycling business by leveraging our cumulative strengths



## Realizing safe and comfortable living environments with new value proposals

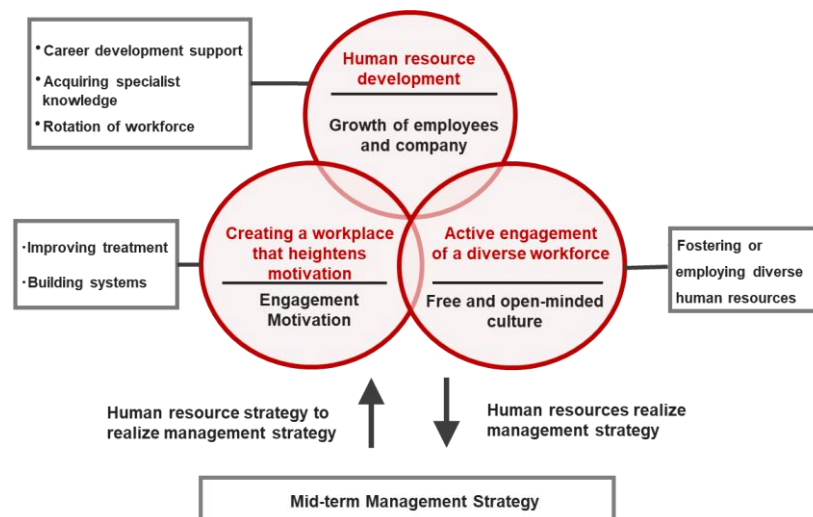
In the Building Materials business, we are further expanding our product lineup for fire prevention districts by leveraging fire-resistant, ventilating, and water-resistant technologies. By continuously exploring customers' needs in fire prevention districts and enhancing development systems, we are promoting the development of high-performance, high added-value products. In addition, we aim to provide new value so that the technologies arising from them will lead to the realization of the safer and more comfortable living environments that are increasingly demanded by society.

# President's Message

## Human resource strategy to enhance corporate value

Realizing a growth strategy is essential to enhance corporate value. Based on our fundamental policy that the growth of each individual leads to the growth of the company as a whole, we will devote even greater energy to developing human resources.

First of all, to encourage employees' growth, we will actively provide opportunities for practical learning. In addition to providing opportunities for career support training and acquisition of specialist knowledge, we will create opportunities to explore new possibilities through rotation of the workforce within and between divisions. We believe that the growth of each individual will lead to the revitalization of the entire organization and growth of the company as a whole.



We will strive to build a work environment where every employee, regardless of their age, can reach their full potential and achieve self-realization. Working to improve treatment and systems for employees, we will promote a more comfortable workplace so that they can devote themselves to their work with complete peace of mind. At the same time, by promoting the active engagement of a diverse workforce, we aim to nurture a free and open-minded corporate culture where employees cooperate and stimulate each other.

In these ways, we will foster human resources with both expertise and diversity who can respond flexibly in a rapidly changing business environment.

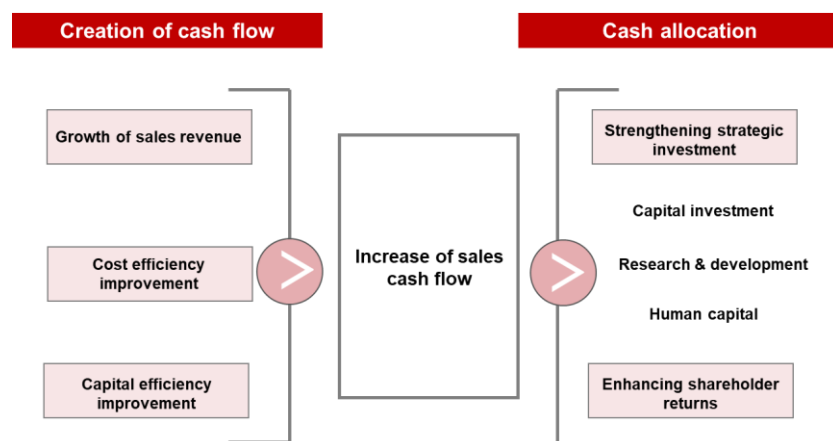




## Capital efficiency-focused management supporting continuous growth

The most important thing for realizing continuous growth is capital efficiency-focused management that looks to the future. The source of capital needed for growth investment is the cash flow that comes mainly from business operations.

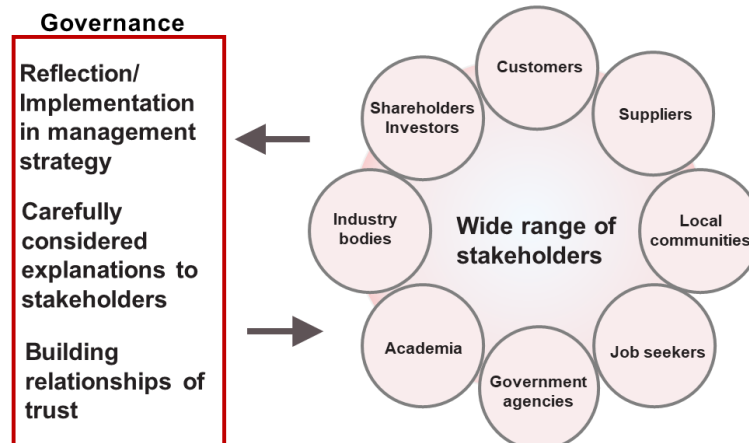
This will not only increase returns to shareholders, but also lead to spiral growth through the optimal distribution of capital investment for improving the efficiency of production, including digital transformation (DX) and increasing production capacity, R&D for the development of high added-value products and new materials, and human capital investment for securing and fostering outstanding human resources. Through this kind of optimal cash allocation, we aim to build the ideal business portfolio and maximize medium- to long-term corporate value.



## Strengthening governance to become a company that meets expectations and trust

Governance plays a major role in supporting continuous growth. Nikkasan will work to strengthen highly effective decision-making and oversight by building and appropriately implementing our corporate governance framework. We want to meet the expectations and trust of all our stakeholders by listening sincerely to their views, providing carefully considered explanations, and reflecting them in our management.

Based on our founding philosophy that a company is a public institution and remaining true to our original principles of honing our unique metal technologies and continuously creating new value, Nikkasan will continue to take on challenges so that we can contribute to achieving a sustainable society.

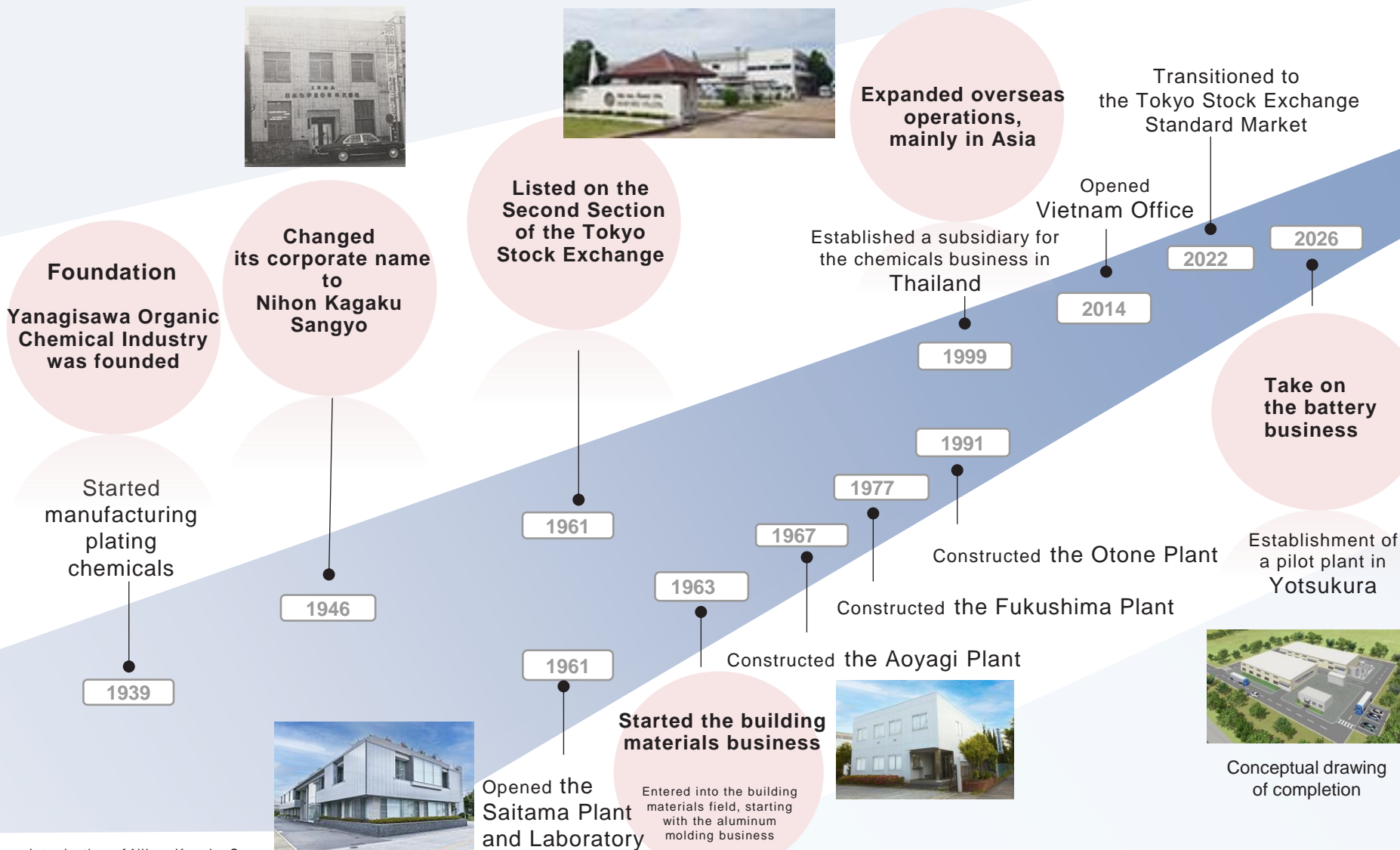


# Corporate Profile

<b>Company Name</b>	NIHON KAGAKU SANGYO CO.,LTD.
<b>Head Office Location</b>	8-1, Higashi Ueno 4-chome, Taito-ku, Tokyo, Japan
<b>Foundation</b>	August 1939
<b>Capital</b>	1,034 million Yen
<b>No. of Employees</b>	450 (as of March 31, 2025, Consolidated)
<b>Business</b>	Manufacturing and Sales of Industrial Chemicals and Molded Products
<b>Representative</b>	KADOYA Hiroki, President
<b>Listed Stock Exchange</b>	Tokyo Stock Exchange, Standard (4094)
<b>Financial Results / Unit Shares</b>	End of March / 100 shares



# History





# Business Locations

## Japan



# Business Locations Overseas



Thailand

Consolidated Subsidiary Company

## SIAM NKS CO., LTD.

Manufacturing and sales base for Southeast Asia and ASEAN

Sales and Production / Chemicals



Vietnam

## Hanoi Office

Sales / Chemicals



Corporate Slogan

**Paving the Path to the future  
by Exploring the Potential of Metals**

## Values

- ▶ Commitment to Metal Professionals
- ▶ Challenging Mindset
- ▶ Future-oriented

## Chemicals Business



We will contribute to the sustainability of industries and society by becoming a **one-of-a-kind chemicals manufacturer** offering high added value in the market by leveraging our unique technologies.

## Building Materials Business



We will further develop our unique metal processing technology, **deliver new value in the fields of housing construction materials and industrial metal processing**, and contribute to building a sustainable society.

# Vision/Our Strength

**One-of-a-kind chemicals  
manufacturer**

**Vision 2030**

**One-of-a-kind  
chemicals  
business**

**Cutting-edge  
new materials  
business**

**Advanced  
metal recycling  
business**

- Evolution and integration of proprietary technologies
- Transition to a highly profitable business entity

- Creation of high value-added products

- Development of a recycling-oriented society
- Development of a decarbonized society

**Targets for 2030**

**Expansion of  
customized  
products**

**Evolution of  
production  
structure**

**Development  
of  
new  
materials**

**Promotion of  
open  
innovation**

**Conversion of  
waste into raw  
materials and  
low-carbon  
technologies**

**Strengthening  
of alliance**

**Strategies**

**Achievements**

Over 80 years of experience in providing various chemicals based on metal compounds

**Strength**

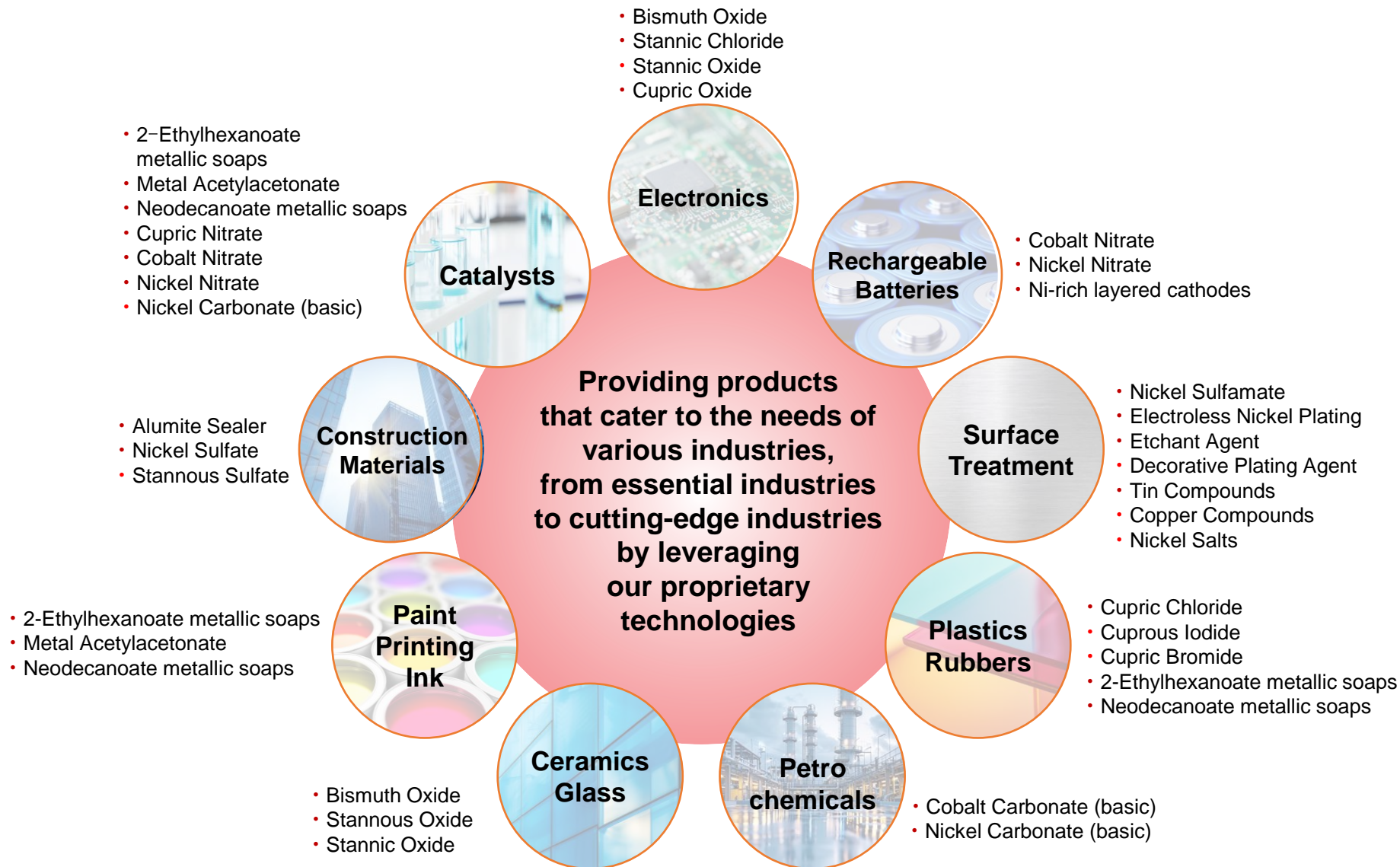
**Technical response capabilities**

Detailed technical response capabilities that have enabled us to develop and deliver chemicals that meet the diverse needs of various industries

**Research and development capabilities**

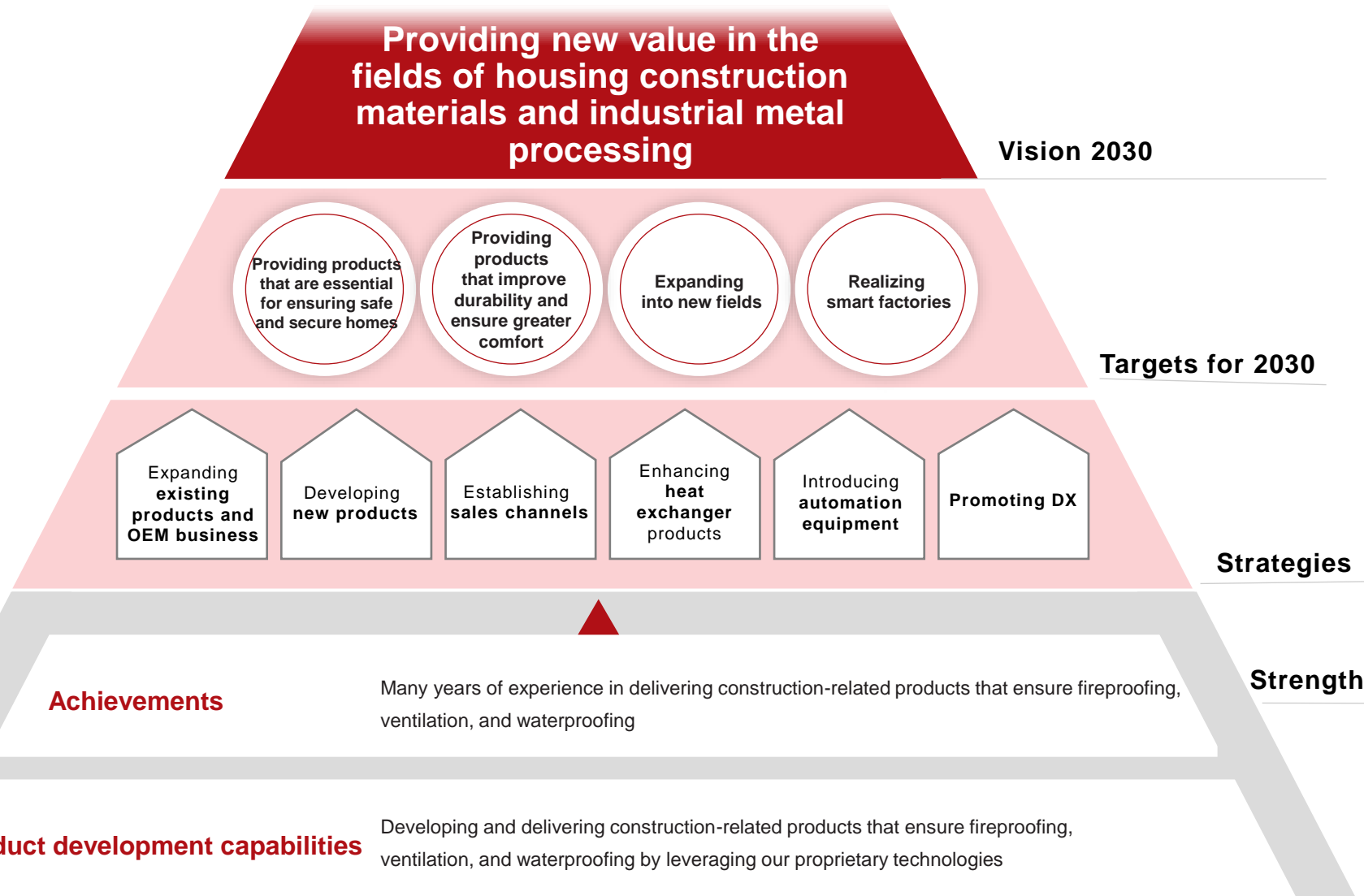
Research and development capabilities that consistently innovate and produce products contributing to the sustainability of society

# Target markets and major products





# Vision/Our Strength



# Major products

## Soffit ventilation opening products

(Fireproof and ventilation corner bead)

- Products that comply with regulations in fire prevention districts
- Specialized waterproofing products for non-fire prevention districts



## Interior products

- Earthquake-resistant reinforcement
- Door pocket panel for sliding doors
- Other metalworking products

**Providing products that ensure safe and secure living environments through cutting-edge processing technologies**

## Metalworking products for industries

- Heat exchanger



## Exterior products

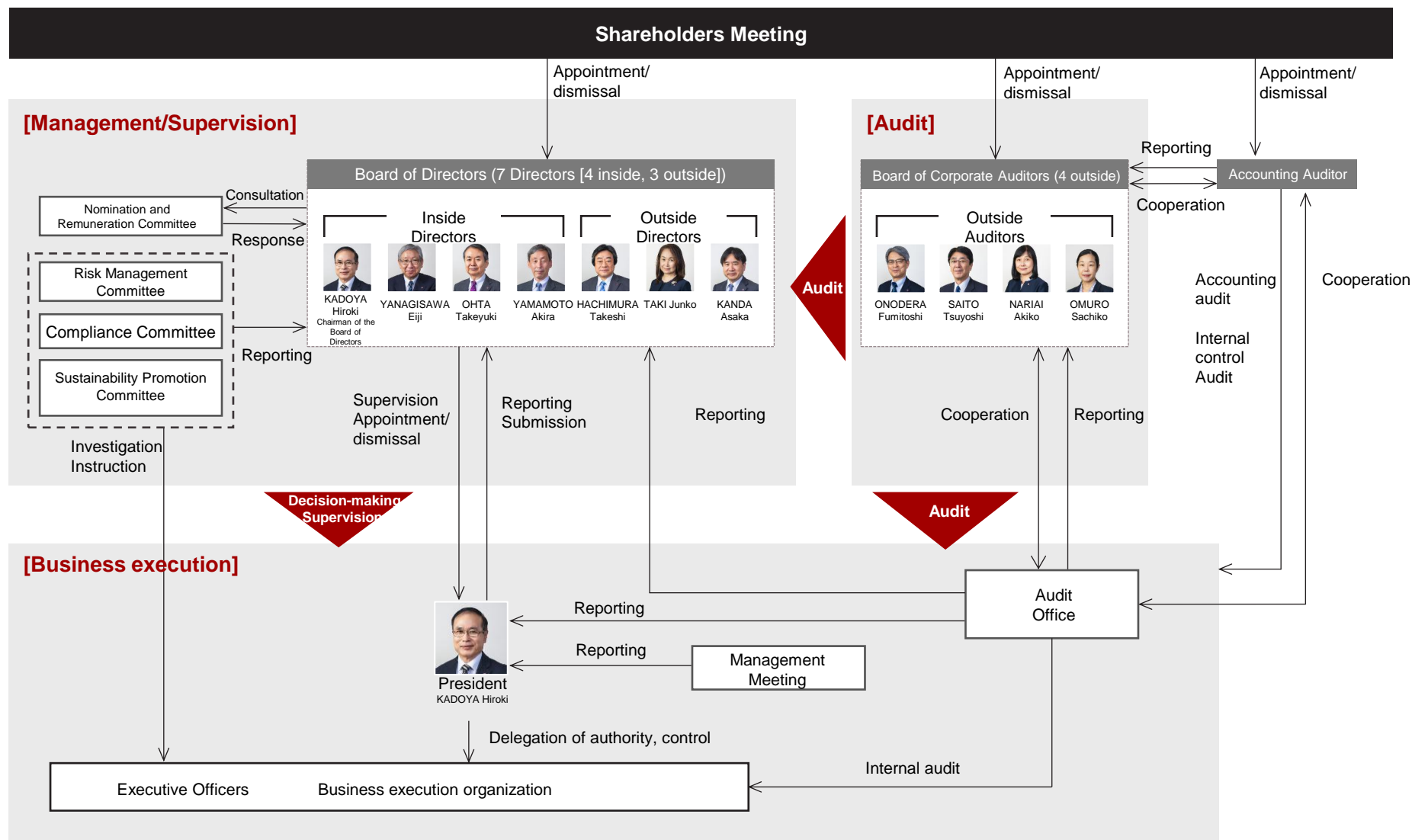
- Balcony ventilation drainage
- Foundation drainage
- Steel fascia
- Pipe space cover
- Rainwater tank frame
- Grating














## Exterior products

- Post box
- Simple eaves
- Approach handrail





## Main areas of expertise of our directors and auditors

		Corporate Management	Sale/ Marketing	Compliance/ Risk Management	Financial Affairs/ Accounting Affairs/ Tax Affairs	Manufacturing/ Technology/ Research	Sustainability	Internationality
KADOYA Hiroki		●	●			●	●	
YANAGISAWA Eiji		●	●	●	●			
OHTA Takeyuki		●		●	●			
YAMAMOTO Akira			●	●		●		
HACHIMURA Takeshi		●			●			●
TAKI Junko		●			●			●
KANDA Asaka		●		●			●	
ONODERA Fumitoshi		●	●	●				
SAITO Tsuyoshi		●			●			
NARIAI Akiko				●	●			
OMURO Sachiko				●			●	

## Directors

## Inside Directors


 4 male  
directors

## Outside Directors


 2 male directors  
and 1 female director

## Auditors

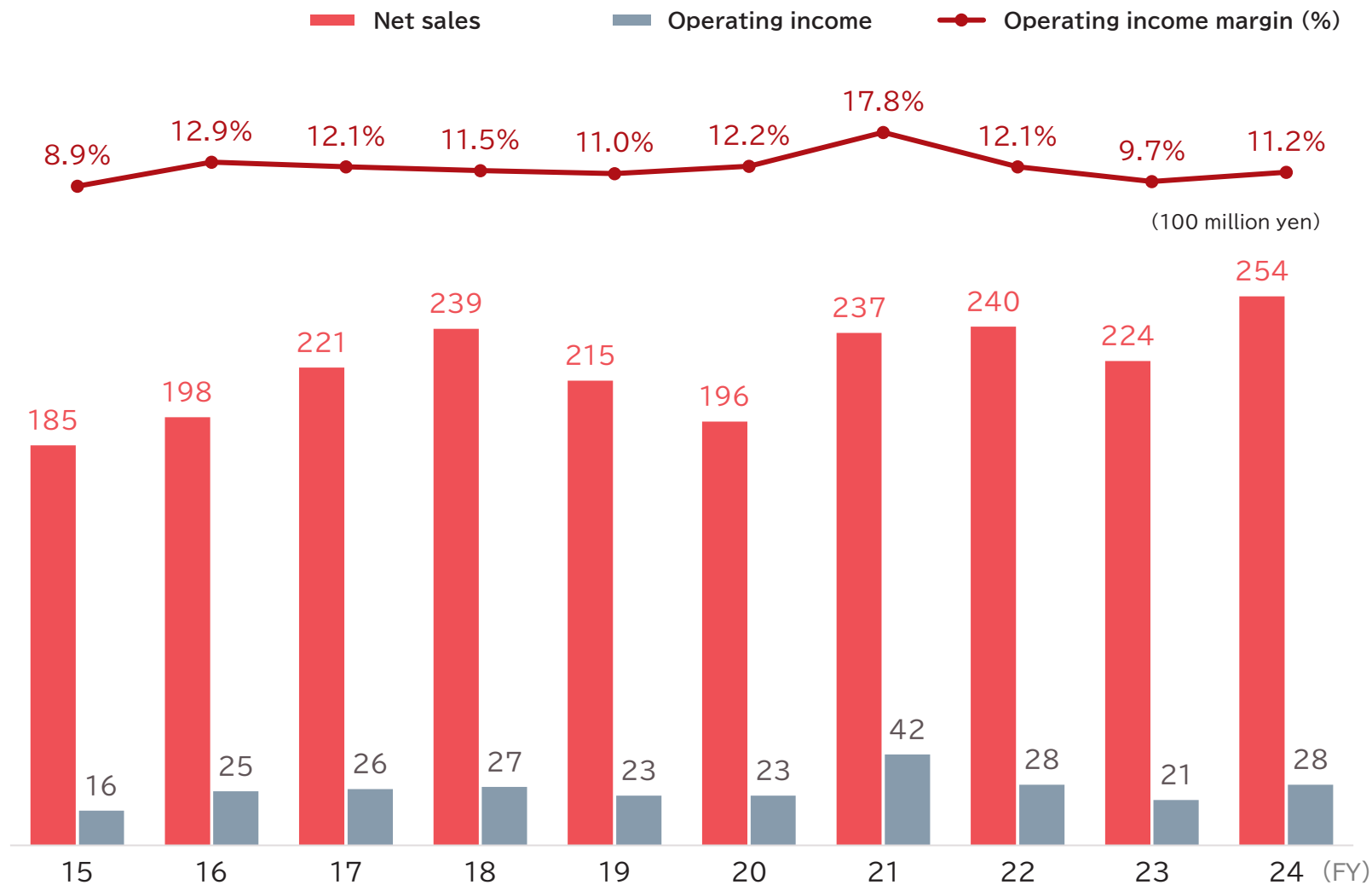
## Inside Auditors

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## Outside Auditors

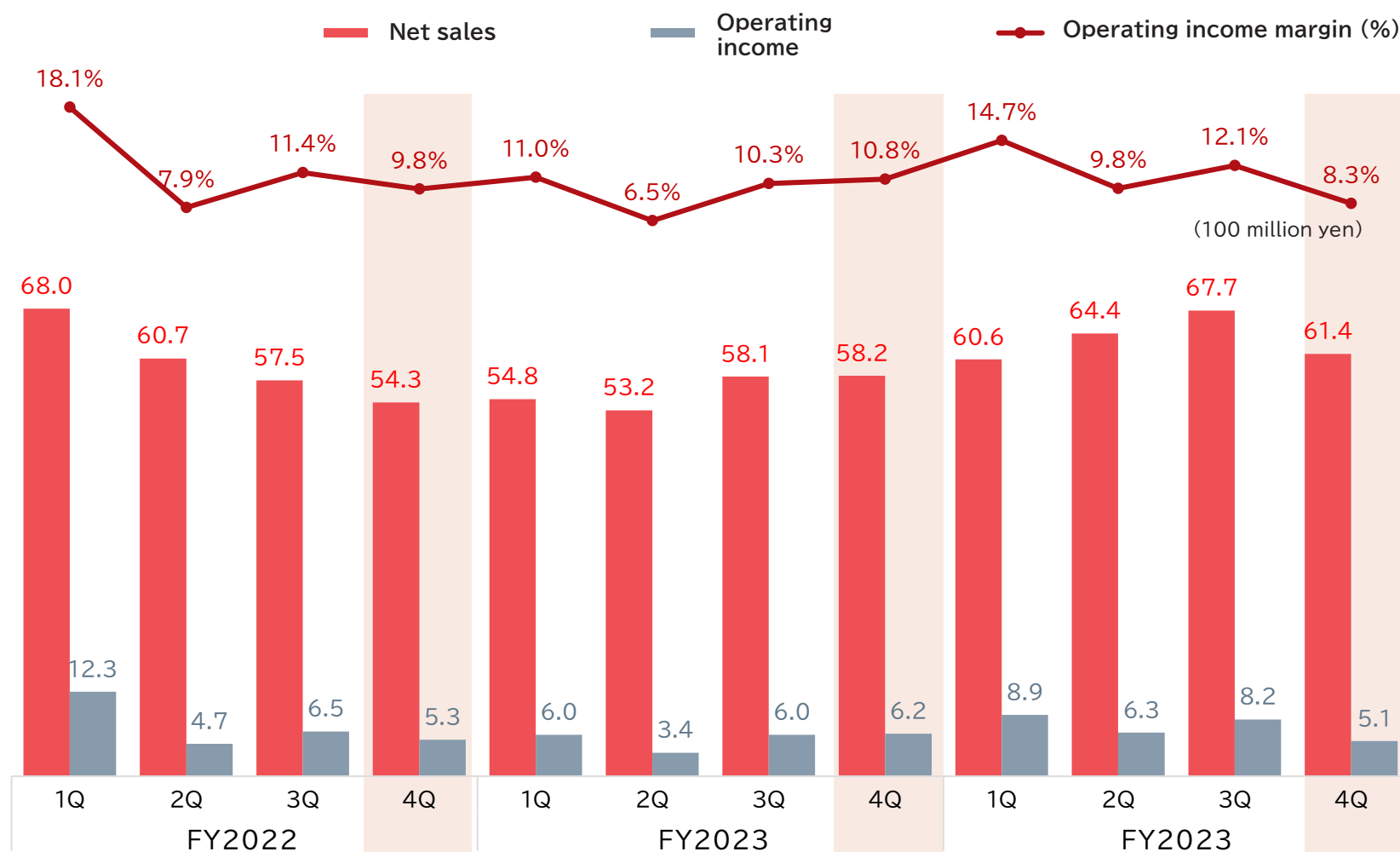

 2 male auditors and  
2 female auditors
Ratio of female directors  
in the Board of Directors
 3 female  
directors  
(27%)
Ratio of outside members  
in the Board of Directors
 7 outside  
directors  
(64%)

## Net sales/Operating income/Operating income margin (%)

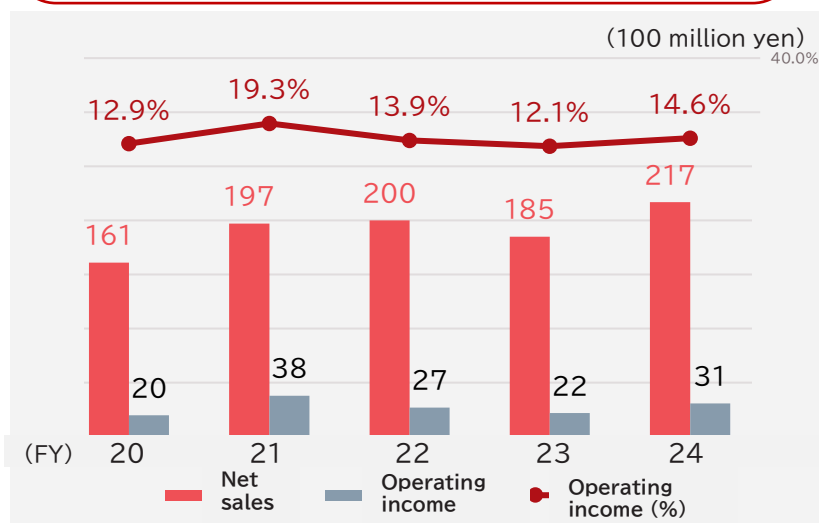




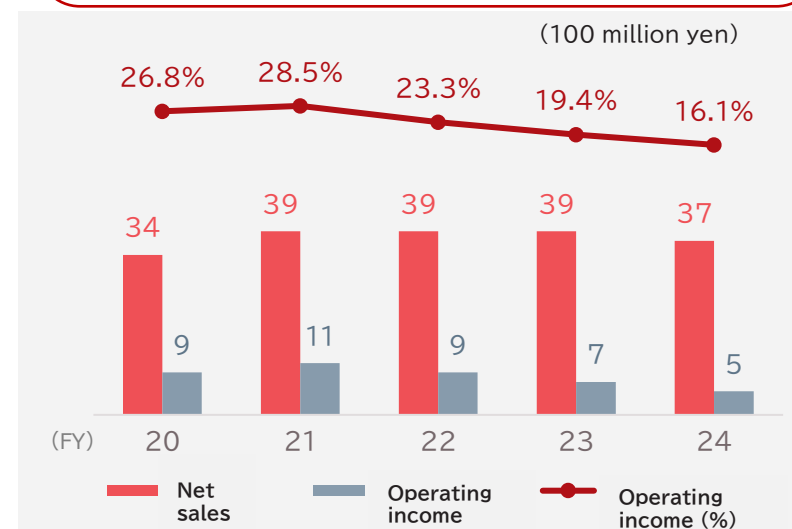
## Quarterly Net sales/Operating income/Operating income margin (%)



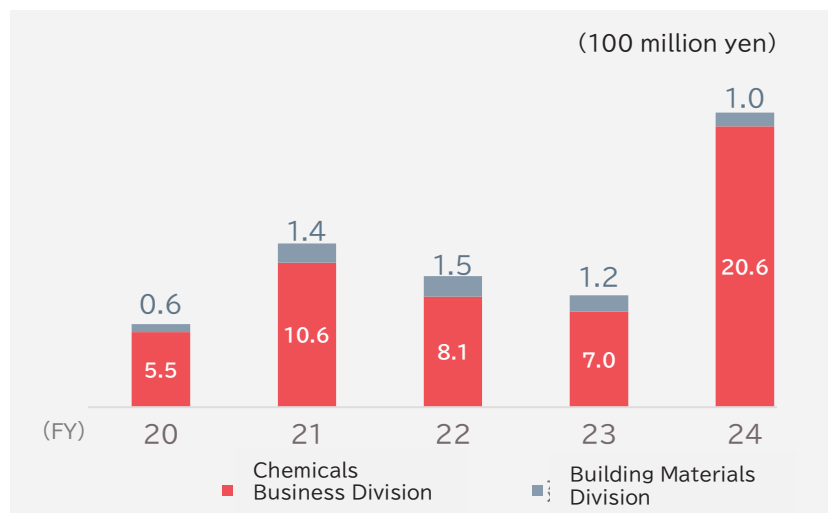
### Chemicals Business Division Net sales/Operating income/O. I. %



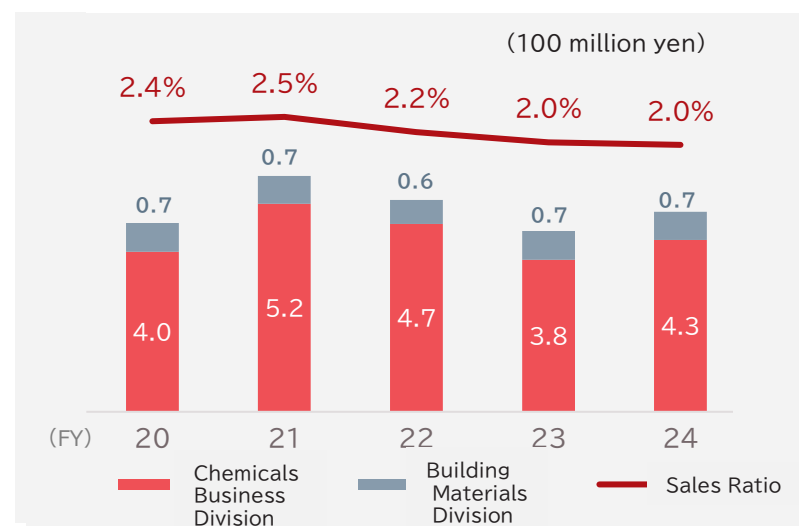
### Building Materials Division Net sales/Operating income/O. I. %



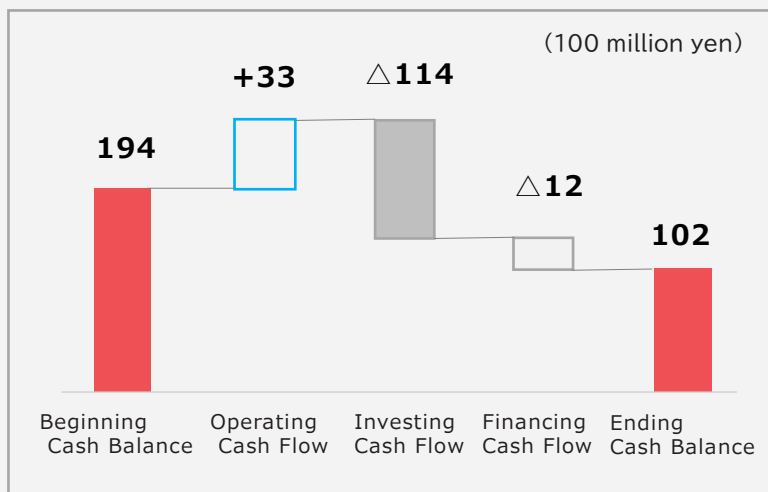
### Capital investment



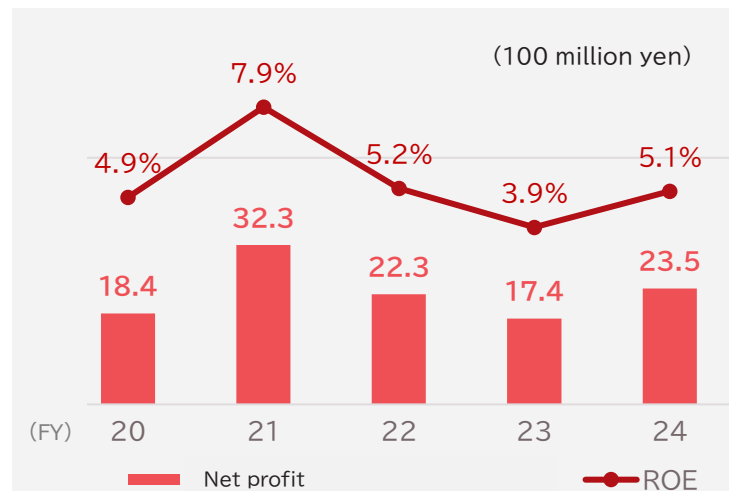
### R&D Expenses / Sales Ratio



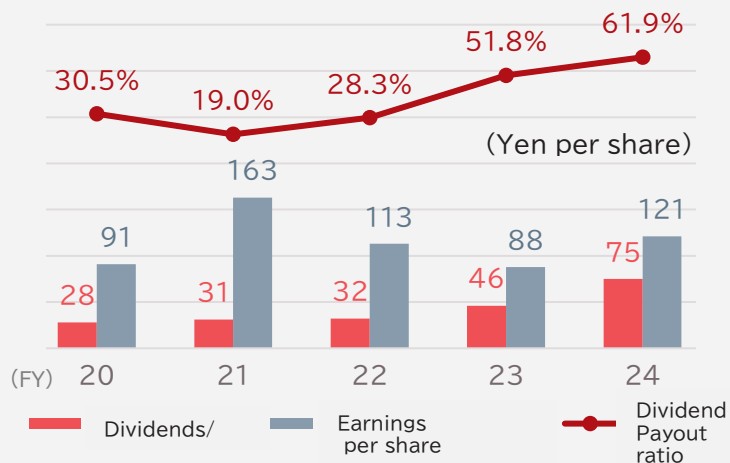
## Cash Flow (FY2024)



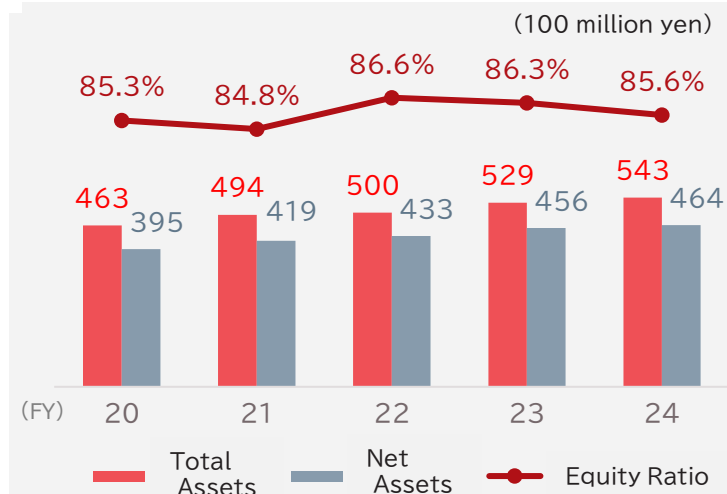
## ROE/Net profit



## Dividends/Earnings per share/Dividend payout ratio



## Equity Ratio / Total Assets / Net Assets



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