

KH Neochem has completed expansion project for refrigeration

lubricant raw materials at Chiba Plant

KH Neochem Co., Ltd. (TSE: 4189, President and CEO: Michio Takahashi, “KH Neochem”) has completed expansion project for refrigeration lubricant raw materials at Chiba Plant in July 2024.

1. Purpose of expansion project

Recently, there has been growing demand for KH Neochem’s refrigeration lubricant raw materials due to the expansion of the air conditioner market such as in emerging countries and the shift to environmentally friendly refrigerants to protect the ozone layer and prevent global warming. Refrigeration lubricant is a lubricating oil used inside the device that compresses refrigerants in air conditioners. With the tightening of international environmental regulations, demand for environmentally friendly refrigeration lubricants is expected to grow further in the future.

Through this expansion project, KH Neochem will strengthen and optimize the production capacity of the entire Chiba Plant, including for refrigeration lubricant raw materials, further enhancing profitability of the plant. By enhancing the supply of refrigeration lubricant raw materials, KH Neochem will help to bring about an environmentally friendly society.

2. Equipment overview

Location	11-1 Goi Minami-kaigan, Ichihara City, Chiba Prefecture
Production item	Refrigeration lubricant raw materials, etc.
Capacity expansion	Annual production capacity 1.5 times the previous level



About KH Neochem

Corporate Overview (as of December 31th, 2022)

Company name: KH Neochem Co., Ltd.
President & CEO: Michio Takahashi
Establishment: December 2010 (Our predecessor Kyowa Yuka, was established in November 1966)
Capital: 8.8bn JPY
Head office: 2-3-1, Nihonbashi-Muromachi, Chuo-ku, Tokyo 103-0022, Japan
Number of employees: 825 (Consolidated)
Business: Research, manufacture, and sale of petrochemical products
Main products: Performance materials (refrigeration lubricant raw materials, cosmetics ingredients)
Electronics materials (high-purity solvents for semiconductors and flat panel displays)
Basic chemicals (solvents for coatings and inks, raw materials for plasticizer)
Group Companies: Kurogane Kasei Co., Ltd. / Kurogane Fines Inc. / KH Neochem Americas, Inc. /
Shanghai Seika Trading Co., Ltd.

Corporate History

1948 Kyowa Sangyo Co., Ltd., the forerunner of Kyowa Hakko Kogyo Co., Ltd., began Japan's first mass production of Acetone and Butyl alcohol from syrup using fermentation.
1949 Established Kyowa Hakko Kogyo Co., Ltd.
1966 Established Kyowa Yuka Co., Ltd. (A subsidiary chemical manufacturer of Kyowa Hakko Kogyo Co., Ltd.)
2004 Name changed to Kyowa Hakko Chemical Co., Ltd. through joint investment of the Chemical Department of Kyowa Hakko Co., Ltd. and Kyowa Yuka Co., Ltd.
2010 Established KJ Holdings Co., Ltd
2011 Spun off from Kyowa Hakko Kirin Group as an independent entity.
Merged Kyowa Hakko Chemical Co., Ltd. and KJ Holdings Co., Ltd.
2012 Name changed to KH Neochem Co., Ltd.
2016 Listed on the First Section of the Tokyo Stock Exchange.
2019 Established open innovation hub KH i-Lab
2022 Moved to the Prime Market following the restructuring of the Tokyo Stock Exchange's market segments.

For inquiries regarding this matter, please contact:

Corporate communications and Investor Relations

KH Neochem Co., Ltd.

kouhou@khneochem.co.jp