

June 24, 2025

Company name: Mitsui Chemicals, Inc.
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Name of representative: Representative Director and President
(Securities code: 4183 :Prime Market)
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Notice Regarding Transfer of Equity Method Affiliate (Transfer of Equity Interest)

Mitsui Chemicals, Inc. (“the Company”) hereby announces that its Board of Directors resolved to transfer all of the Company’s equity interest in Shanghai Sinopec Mitsui Chemicals, Co., Ltd. (“SSMC”), an equity method affiliate of the Company, to Sinopec Shanghai Gaoqiao Petrochemical Co., Ltd. (“Gaoqiao Petrochemical”) today (hereafter “Transfer of Equity Interest”).

1. Background to Transfer of Equity Interest

We are working to transform our Basic & Green Materials business (“B&GM”) including phenols business into a strong green chemicals business that supports Japanese industry through restructuring, development of high-performance materials, and the shift to green chemicals.

The business environment surrounding B&GM is facing a severe profit situation due to a gradual decline in demand in Japan caused by a declining population, while the construction of new large plants overseas continues. This situation is expected to continue for the next few years. Therefore, currently, we are working on downsizing our naphtha crackers and restructuring and enhancing the performance of our derivatives, including phenols and polyolefins.

In that process, we are working to restructure our phenols business to minimize revenue volatility. We are planning to close our phenol plant in Ichihara works at the end of October this year. We are also promoting the optimization of our overseas phenols business with a view to finding the best owner for this business. In 2023, we transferred all of our shares of a consolidated subsidiary operating phenols business in Singapore.

We have also been promoting optimization of SSMC in a similar manner and after taking various circumstances into account, including cost competitiveness and integrated operations with existing facilities, we have concluded that transferring all of our equity interest to Gaoqiao Petrochemical, which is a subsidiary of China Petrochemical Corporation (SINOPEC), the largest manufacturer and distributor of petroleum and petrochemical products in China, and also our joint venture partner concerning SSMC, is the best decision.

2. Overview of SSMC

(1) Company Name	Shanghai Sinopec Mitsui Chemicals, Co., Ltd.
(2) Company Address	No.51 Tianhua Road Shanghai Chemical Industry Park, Shanghai, China
(3) Representative	Chairman of the Board : Wang Jing Yi
(4) Business	Production and sale of phenol and its derivatives (i.e. phenol, acetone,

	bisphenol A and cumene)		
(5) Capital	2,147 million RMB		
(6) Establishment	April 10, 2006		
(7) Major investors and investment ratio	the Company : 50% Gaoqiao Petrochemical : 50%		
(8) Relationship between the Company and SSMC	Capital relationship	SSMC is an equity method affiliate of the Company.	
	Personnel relationship	One Vice chairperson, three directors of SSMC are the personnel of the Company.	
	Business relationship	None	
(9) Results of operations and financial condition for the last three years (in million yen)			
Fiscal Years	Fiscal year ended March31, 2023	Fiscal year ended March31, 2024	Fiscal year ended March31, 2025
Net Assets	47,171	35,886	28,069
Total Assets	48,852	36,968	29,916
Net sales	63,554	48,080	45,804
Profit	2,357	△7,340	△10,621

3. Overview of the transferee

(1) Company Name	Sinopec Shanghai Gaoqiao Petrochemical Co., Ltd.		
(2) Company Address	No.78 Lijin Road Pudong New Area, Shanghai, China		
(3) Representative	Wang Jing Yi		
(4) Business	Petrochemical business		
(5) Major shareholder and shareholder equity ratio	China Petrochemical Corporation (SINOPEC) : 100%		
(6) Relationship between the Company and the transferee	Equity relationship	None	
	Personnel relationship	None	
	Business relationship	The company and the transferee jointly operate Shanghai Sinopec Mitsui Elastomers, Co., Ltd. which produces and sales EPT(※) in China (investment ratio : the transferee 50%, the Company 50%).	
	Related party or affiliate relationship	None	

(※)Ethylene-propylene terpolymer

4. Overview of Transfer of Equity Interest

(1) Equity interest ratio retained by the Company before the transfer	50%
(2) Equity interest ratio transferred	50%
(3) Equity interest ratio retained by the Company after the transfer	0%

5. Schedule

(1) Date of decision on the Transfer of Equity Interest by the Board of Directors of the Company	June 24, 2025
(2) Date of Agreement	End of June, 2025 (schedule)
(3) Date of Transfer	October, 2025 (schedule)

6. Financial Impact

There is no revision to the consolidated financial outlook of the Company for the fiscal year ending March 31, 2026.

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.
