



MEMBERSHIP

November 29, 2024

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Representative: Manabu Chikumoto
Representative Corporate Executive Officer,
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Listed on The Prime Market of TSE (stock
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**Nippon Sanso Holdings Corporation Announces
“Notice Regarding Early Repayment of Hybrid Loan (Subordinated Loan)”**

Mitsubishi Chemical Group Corporation’s consolidated subsidiary, Nippon Sanso Holdings Corporation (Head office: Shinagawa-ku, Tokyo; Representative Director, President CEO: Toshihiko Hamada) announced today that it will implement the early repayment of hybrid loan (subordinated loan)(“the Hybrid Loan”), which Nippon Sanso Holdings Corporation executed on March 22, 2019.

Please refer to the attached release for details.



November 29, 2024

To whom it may concern:

Company name:	Nippon Sanso Holdings Corporation
Name of representative:	Toshihiko Hamada Representative Director, President CEO (TSE Code: 4091, Prime Market of the TSE)
Contact person:	Keita Kajiyama General Manager, IR Phone: 81-3-5788-8512

Notice Regarding Early Repayment of Hybrid Loan (Subordinated Loan)

Nippon Sanso Holdings Corporation (NSHD; formerly Taiyo Nippon Sanso Corporation) hereby announces that it will implement the early repayment of following hybrid loan (subordinated loan) (“the Hybrid Loan”) executed on March 22, 2019.

1. Background to Early Repayment of the Hybrid Loan

As announced in the "Notice Regarding Financing through a Subordinated Loan" dated March 18, 2019 (“the Previous announcement”), NSHD has executed the Hybrid Loan as a means of raising funds to help maintain its financial soundness while avoiding a decline in capital efficiency due to share dilution.

Given the continued improvement of financial soundness and the cash-in-hand situation after the initial optional repayment date of March 22, 2024, NSHD has decided to make an early repayment on December 20, 2024 to increase the flexibility of its future financial strategy and contribute to improving the corporate value.

Since the financing through the Hybrid Loan, there has been a steady improvement in financial soundness therefore the replacement restrictions (*1) and exception clause (*2) stated in the contract for the Hybrid Loan will be fulfilled. As a result, there is no plan for replacement by hybrid debt financing prior to the implementation of early repayment. The repayment amount will be allocated from the proceeds of the ordinary loan which NSHD plans to execute on December 20, 2024.

*1 A restriction stating that, if NSHD repays the Hybrid Loan by early repayment (“the Early Repayment”), NSHD intends to raise funds through the issuance of replacement securities, etc., for which NSHD has gained approval from a rating agency as having equity that ranks pari passu with the common stock or the Hybrid Loan for 12 months prior to the date of performing the Early Repayment.

*2 In the event of the Early Repayment, it is possible that the fundraising in *1 above, will be omitted in the case that both of the following requirements are fulfilled:

- (1) NSHD's adjusted consolidated net debt to shareholders' equity ratio as of the end of the consolidated fiscal year or quarterly consolidated fiscal period immediately preceding the date of the Early Repayment, as calculated based on the financial data relating to the consolidated balance sheet that has been publicly announced by NSHD (including public announcements through financial statements), is 1.00x or less. In addition, NSHD's adjusted consolidated net debt to shareholders' equity ratio as of the end of the consolidated fiscal year or quarter immediately following the date of the Early Repayment is 1.00x or less.
- (2) The amount of consolidated shareholders' equity as of the end of the consolidated fiscal year or quarter immediately preceding the date of the Early Repayment, as calculated based on the financial data, is 175 billion yen or more than the amount of consolidated shareholders' equity as of the end of the second quarter of the fiscal year ending March 31, 2019.

2. Details of the Early Repayment

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| 1. Early repayment date | December 20, 2024 |
| 2. Early repayment amount | 75 billion yen (Tranche A stated in the Previous announcement) |
| 3. Reason for early repayment | Based on the clause regarding early repayment of the Existing Subordinated Loan |

Important Notice – Trading of Nippon Sanso Holdings Corporation Common Stock, Disclaimer Regarding Un-sponsored American Depository Receipts

Nippon Sanso Holdings Corporation ("NSHD") encourages anyone interested in buying or selling its common stock to do so on the Tokyo Stock Exchange, which is where its common stock is listed and primarily trades. NSHD's disclosures are not intended to facilitate trades in, and should not be relied on for decisions to trade, un-sponsored American Depository Receipts ("ADRs").

NSHD has not and does not participate in, support, encourage, or otherwise consent to the creation of any un-sponsored ADR programs or the issuance or trading of any ADRs issued thereunder in respect of its common stock. NSHD does not represent to any ADR holder, bank or depository institution, nor should any such person or entity form the belief, that (i) NSHD has any reporting obligations within the meaning of the U.S. Securities Exchange Act of 1934 ("Exchange Act") or (ii) NSHD's website will contain on an ongoing basis all information necessary for NSHD to maintain an exemption from registering its common stock under the Exchange Act pursuant to Rule 12g3-2(b) thereunder.

To the maximum extent permitted by applicable law, NSHD and its affiliates disclaim any responsibility or liability to ADR holders, banks, depository institutions, or any other entities or individuals in connection with any un-sponsored ADRs representing its common stock.