



June 17, 2022
Kureha Corporation

Notice Regarding Transfer of Shares of NANTONG SKT NEW MATERIAL CO.

Kureha Corporation hereby informs that it has signed an equity transfer agreement to sell all of its shares held in the company's equity affiliate NANTONG SKT NEW MATERIAL CO., LTD. ("SKT") to Henan Shuanghui Investment Development Co., Ltd. ("Shuanghui"), a co-owner of SKT.

1. Reasons for the share transfer

SKT was established jointly by Kureha, Shuanghui (43% capital contribution) and Toyota Tsusho Corporation (15% capital contribution) in 2003 with the aim of expanding the polyvinylidene chloride (PVDC) business in China.

However, our business has been adversely impacted by an anti-dumping duty imposed on PVDC resin exports from Japan since April 2017. We have also seen declining demand for PVDC film in the Chinese retort pork sausage market in recent years.

For this reason, we have found it difficult to further expand the SKT business and therefore determined to sell all our interests in the company.

2. Overview of SKT

(1) Company name	NANTONG SKT NEW MATERIAL CO., LTD.
(2) Location	No.8 Ji Xing Road, NETDA, Jiangsu, China 226009
(3) Primary business	Production & sales of PVDC compounds
(4) Capital	US\$38.08 million
(5) Date of foundation	March 25, 2003
(6) Capital contribution by Kureha (%)	42.0%

3. Schedule of the share transfer

The sale and transfer of shares is to be completed by July 2022

4. Impact on Kureha financial results

Kureha expects only marginal impact of the above share transfer on its consolidated financial results for fiscal year ending March 31, 2023.

For further information, please contact:

Kureha Corporation, Public & Investor Relations Department, +81-3-3249-4651