



NEWS RELEASE

Resonac Holdings Corporation
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Notice Regarding Rationalization Measures for the Graphite Electrode Business

Resonac Holdings Corporation (hereinafter “the Company”) announces that Resonac Corporation (hereinafter “REC”), a consolidated subsidiary of the Company, is implementing a series of rationalization measures, including workforce reductions, in response to the deteriorating business environment surrounding the graphite electrode business operated by a consolidated sub-subsidiary of the Company (a subsidiary of REC).

Today, REC has decided to reduce personnel at its German site (hereinafter “German Site”), which is operated by a sub-subsidiary of REC.

Details are as follows, including an overview of the rationalization measures.

1. Reason for Workforce Reduction at the German Site

The graphite electrode business has faced a severe environment due to sluggish demand trends and aggressive low-price sales by competitors. In response, we have been promoting a series of global rationalization measures, including site closures. As part of these efforts, we have now decided to reduce personnel at the German Site to lower fixed costs.

2. Overview of the Decision Regarding the German Site

| | |
|-----------------------------|--|
| (1) Target Company | Resonac Graphite Germany GmbH (REC sub-subsidiary) |
| (2) Business Description | Manufacturing and sales of graphite electrodes |
| (3) Target Personnel | 41 employees (as of September 30, 2025, total employees: 65) |
| (4) Agreement Date with WC* | November 10, 2025 |
| (5) Retirement Date | Sequentially from FY2026 onward |

* Date when the Works Council (WC) and Resonac Graphite Germany GmbH signed the agreement

3. Summary of Rationalization Measures

(1) Measures Decided to Date and Expected Fixed Cost Reduction

Through the implementation of the measures below, we expect to reduce annual fixed costs for the graphite electrode business by approximately JPY 11.7 billion compared to FY2024. With respect to headcount in the division, we have decided to reduce the total by about 40% (approximately 700 employees) compared with the end of FY2024.

| Measure | Incurred Cost | Progress / Timing |
|---|-----------------------------------|------------------------|
| Closure of Malaysia and China sites | JPY 4.8 billion (booked in Q1) | Visible from 2H FY2025 |
| Workforce reduction at German Site | JPY 0.92 billion | Visible from FY2026 |
| Workforce reduction at North America site | JPY 0.42 billion | Visible from FY2026 |
| Others (personnel reallocation, HQ cost reduction, etc.) | JPY 0.06 billion | Visible from FY2026 |
| Total | JPY 6.2 billion* | |

* Most costs will be booked in FY2025

(2) Future Plans

With this resolution, the series of rationalization measures has reached a milestone. Going forward, we will expedite completion and realization of effects while responding promptly to market conditions as necessary.

4. Impact on Financial Results

The FY2025 earnings forecast already incorporates certain assumptions regarding costs and effects of these measures. Therefore, this resolution does not change the current outlook. The FY2026 forecast has not yet been prepared; however, we plan to include both the incurred costs and the expected fixed cost reduction effects when formulating guidance.

For further information, contact:

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