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M.9723 - SHOWA DENKO K.K. / HITACHI CHEMICAL COMPANY

SECTION 1.2

Description of the concentration

1. The Proposed Transaction concerns the acquisition of Hitachi Chemical Company, Ltd. (“Hitachi Chemical”) by Showa Denko K.K. (“SDK”) (the “Proposed Transaction”). Following the Proposed Transaction, SDK will own and control 100% of the voting rights of Hitachi Chemical.
2. SDK is a publicly listed company that is active primarily in Japan and other Eastern Asian countries (China, South Korea, Taiwan, Hong Kong, Malaysia, and Singapore) in the production and sale of petrochemicals, chemicals, electronics, inorganics, aluminum, and construction materials. In the EEA, SDK is mainly active in the production and sale of graphite electrodes, continuous aluminum cast rod, chloroprene, allyl alcohol, and vinyl acetate.
3. Hitachi Chemical is a publicly listed company that is active primarily in Japan and other Eastern Asian countries (China, South Korea, Taiwan, Hong Kong, Malaysia, and Singapore) in the production and sale of functional materials such as electronic, inorganic, polymer science and printed wiring board materials, and the production and sale of advanced components and systems, such as automotive components, energy storage devices and systems, electronic components, and life science instruments. In the EEA, Hitachi Chemical is mainly active in the production and sale of lead storage batteries, insulation parts, capacitors, diagnostics, and printed wiring boards.
4. The Proposed Transaction will be implemented under the terms and conditions of the tender offer participation agreement of December 18, 2019, and is subject to customary closing conditions, including all regulatory approvals. The Proposed Transaction is expected to close in the first quarter of 2020.