

April 28, 2025

Notice Regarding Early Repayment of Subordinated Loan

Resonac Holdings Corporation (President: Hidehito Takahashi, hereinafter referred to as "REH") hereby announces that it has decided to make an early repayment of the subordinated loan (hereinafter referred to as "the subordinated loan") that was contracted on April 27, 2020, effective as of April 28, 2025, as outlined below.

1. Reason for early repayment

The subordinated loan has contributed to improving the financial position of REH, as evidenced by the recognition of 50% capital adequacy by Japan Credit Rating Agency, Ltd.

Since obtaining the subordinated loan, REH has focused its management resources on the promising semiconductor and electronic materials business, reformed its business portfolio, slimmed its assets through the sale of shares held as cross-shareholdings, thereby improving its financial position and strengthened profitability. As a result, REH satisfied the criteria stipulated in the exception clause under the replacement terms^{*1}. Thus REH has decided to implement early repayment using its own funds and loan financing, aiming to enhance its corporate value further.

2. Details of the early repayment of the subordinated loan

Early repayment date	April 28, 2025
Early repayment amount	137.5 billion yen ^{*2}
Reason for early repayment	Pursuant to the early repayment clause of the subordinated loan

3. Impact on the consolidated performance of the company

The impact of the aforementioned series of transactions on the consolidated performance forecast for REH for the fiscal year ending in December 2025 is insignificant.

^{*1}: Clause stating that "In the event of early repayment, the funds should be procured through means approved by the rating agencies as having capital nature equal to or greater than the existing subordinated loan."

^{*2}: The initially procured amount was 275 billion yen. Of this, 137.5 billion yen was repaid early as of July 31, 2024, and for this repayment, a new subordinated loan with special covenants amounting to 137.5 billion yen was procured as of July 31, 2024.

[About Resonac]

Resonac is a functional chemical company that produces and sells products related to semiconductor and electronic materials, mobility, innovation enabling materials, chemicals, etc. The Company has a wide variety of materials and advanced material technologies applicable to midstream to downstream of supply chains of various products. In January 2023, Showa Denko and former Hitachi Chemical merged into the Resonac. The trade name “RESONAC” was created as a combination of two English words, namely, the word of “RESONATE” and “C” as the first letter of CHEMISTRY. As a “co-creative chemical company,” Resonac aims to continue growing and enhance its corporate value through co-creation. The Company recorded net sales of about 1.4 trillion yen in 2024, and its overseas sales accounted for 56% of net sales. The Company has deployed production/sales bases in 24 countries and regions and continues operating its business globally (as of February 2025).

For detail, please refer to our Website.

Resonac Holdings Corporation: <https://www.resonac.com/>

For additional information, contact:

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