



September 6, 2021

To whom it may concern

Name of Listed Company: Showa Denko K.K.
Code Number: 4004 TSE First Section
Name of Representative: Kohei Morikawa, President & CEO
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Announcement Regarding Determination of Issue Price, Selling Price, etc.

Showa Denko K.K. (the “Company”) hereby announces the issue price, selling price and certain other matters relating to the issuance of its new shares and the secondary offering of shares which its board of directors resolved on August 23, 2021, as set forth below.

1. Issuance of new shares by way of public offering

(1) Class and number of shares to be offered	32,665,500 shares of common stock of the Company, the aggregate of (i) through (iii) described below: (i) 15,070,500 shares of common stock of the Company, issued for purchase by the Japanese Underwriters in the Japanese Public Offering; (ii) 15,529,500 shares of common stock of the Company, issued for purchase by the International Underwriters in the International Offering; and (iii) A maximum of 2,065,500 shares of common stock of the Company, additionally issued for purchase by the International Underwriters upon exercise of the option in the International Offering.
(2) Issue price (offer price) ¹	¥2,465 per share
(3) Total amount of issue price ²	¥80,520,457,500
(4) Amount to be paid in ¹	¥2,363.32 per share
(5) Total amount to be paid in ²	¥77,199,029,460
(6) Amount of stated capital ² and additional capital reserves to be increased	The amount of stated capital to be increased: ¥38,599,514,730 The amount of the additional capital reserves to be increased:

Note: This press release does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The securities referred to in this press release have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “Securities Act”). The securities may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act. The securities referred to above will not be publicly offered or sold in the United States.

		¥38,599,514,730
(7) Subscription period (in Japanese Public Offering)		From September 7, 2021 (Tue) through September 8, 2021 (Wed)
(8) Payment date		September 13, 2021 (Mon)

Notes:

- 1 The Underwriters shall purchase the shares at the amount to be paid in and offer the shares at the issue price (the offer price).
- 2 These figures are based on the assumption that the International Underwriters exercise all of the options set forth in (1)(iii) above.

2. Secondary offering of shares (secondary offering by way of over-allotment)

(1) Class and number of shares to be sold	2,524,500 shares of common stock of the Company
(2) Selling price	¥2,465 per share
(3) Total amount of selling price	¥6,222,892,500
(4) Subscription period	From September 7, 2021 (Tue) through September 8, 2021 (Wed)
(5) Delivery date	September 14, 2021 (Tue)

3. Issuance of new shares by way of third-party allotment (the "Third-Party Allotment")

(1) Amount to be paid in	¥2,363.32 per share
(2) Total amount to be paid in	Up to ¥5,966,201,340
(3) Amount of stated capital and capital reserves to be increased	Amount of stated capital to be increased: Up to ¥2,983,100,670 Amount of the capital reserves to be increased: Up to ¥2,983,100,670
(4) Subscription period	October 12, 2021 (Tue)
(5) Payment date	October 13, 2021 (Wed)

Reference

1. Calculation of issue price and selling price

(1) Calculation reference date and price:	September 6, 2021 (Mon)	¥2,542
(2) Discount rate:		3.03%

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2. Syndicate cover transaction period:

From September 9, 2021 (Thu) through October 8, 2021 (Fri)

3. Use of proceeds raised this time

With respect to the net proceeds from the Japanese Public Offering, the International Offering and the Third-Party Allotment, which the Company estimates to be, in total, up to 82,383,230,800 yen, the Company intends to use 5,900,000,000 yen as investment funds for manufacturing facilities for high-purity gases for electronics, etc. in chemicals segment and 5,800,000,000 yen as investment funds for manufacturing facilities for SiC power semiconductor-related materials and lithium-ion battery materials, etc. in electronics segment by the end of December 2023, with the remaining amount of approximately 70,600,000,000 yen as investment funds for production facilities for CMP slurries, copper-clad laminates, photosensitive films and rear door modules made of molded resin in Showa Denko Materials segment, as well as improvements to the Packaging Solution Center and increases to the production capacity of regenerative medicine manufacturing bases, etc. by the end of March 2024.

For more information regarding the use of proceeds, please refer to the press release “Announcement Regarding Issuance of New Shares and Secondary Offering of Shares” dated August 23, 2021.

End.

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