

July 29, 2024

## Resonac Contracts the Fundraising through New Subordinated Loan and the Early Repayment of Existing Subordinated Loan

Resonac Holdings Corporation (President: Hidehito Takahashi, hereinafter referred to as "REH") hereby announces that it will make an early repayment of JPY 137.5 billion, out of the JPY 275 billion subordinated loan concluded on April 27, 2020 (hereinafter referred to as "Existing Subordinated Loan"), on July 31, 2024. In addition, to allocate the necessary funds for this repayment, REH has concluded a contract for a new subordinated loan (hereinafter referred to as "New Subordinated Loan," collectively with the early repayment of the Existing Subordinated Loan, referred to as "this Refinancing") of JPY 137.5 billion dated July 29, 2024. Details of this Refinancing are as in the following.

### 1. Purpose of this Refinancing

The purpose of this Refinancing is to comply with the replacement clause\*1 of the Existing Subordinated Loan while aiming for proper control of financial expenses, diversification of repayment deadlines, and increased flexibility in financial strategy. The New Subordinated Loan is expected to be recognized by Japan Credit Rating Agency, Ltd. as having the same level of equity credit attributes as the Existing Subordinated Loan and will continue to contribute to the maintenance and enhancement of REH's financial position without diluting its shares.

\*1: The clause stipulating that "in the event of an early repayment, borrower should intend to procure funds through means approved by a rating agency as having equal or greater equity credit attributes than the Existing Subordinated Loan."

### 2. Overview of the New Subordinated Loan

1.	Amount Raised	JPY 137.5 billion
2.	Use of Funds	Repayment of Existing Subordinated Loan
3.	Date of Contract	July 29, 2024
4.	Execution Date	July 31, 2024
5.	Repayment Date	July 31, 2059 However, after five years from the borrowing execution date, early repayment of all or part of the principal is possible on each interest payment date.
6.	Replacement Clause	REH intends to procure funds approved by a rating agency as having equal or greater equity credit attributes than the New Subordinated Loan within 12 months prior to the early repayment date of the New Subordinated Loan. However, after the interest payment date of July 31, 2029, if certain financial indicators are met, there is a possibility that the aforementioned fundraising may be deferred.
7.	Clause on Interest Payment	REH has the discretion to defer the payment of all or part of the interest on the New Subordinated Loan.
8.	Subordination Clause	In the event that liquidation, bankruptcy, rehabilitation, reorganization proceedings, or proceedings equivalent to these under non-Japanese law are initiated and

		ongoing for REH, the right to demand payment of claims based on the New Subordinated Loan Agreement shall arise subject to the condition precedent that all claims, excluding subordinated claims, have been paid in full or otherwise fully satisfied. No provision of the New Subordinated Loan Agreement shall be amended in any way that would be disadvantageous to creditors other than those of the subordinated claims.
9.	Equity Credit Attributes (Expected)	"Intermediate: 50%" (Japan Credit Rating Agency, Ltd.)
10.	Lenders	Mizuho Bank, Ltd., Development Bank of Japan Inc., MUFG Bank, Ltd.

### 3. Details of the Early Repayment of the Existing Subordinated Loan

1.	Early Repayment Date	July 31, 2024
2.	Early Repayment Amount	JPY 137.5 billion
3.	Reason for Early Repayment	Based on the clause regarding early repayment of the Existing Subordinated Loan, the repayment will be made before the possible early repayment date (April 28, 2025) with the agreement of all lenders.

### 4. Impact on Performance

The impact of the aforementioned series of transactions on the consolidated performance forecast for the fiscal year ending in December 2024 for REH is expected to be insignificant.

#### [About the Resonac Group]

The Resonac Group is a group of chemical companies that produces and sells products related to semiconductor and electronic materials, mobility, innovation enabling materials, chemicals, etc. The Group has a wide variety of materials and advanced material technologies applicable to midstream to downstream of supply chains of various products. In January 2023, the Showa Denko Group and the Showa Denko Materials Group (former Hitachi Chemical Group) merged into the Resonac Group and made a start as a new corporate group. The new 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 Group recorded net sales of about 1,300 billion yen in 2023, and its overseas sales accounted for 53% of net sales. The Group has deployed production/sales bases in 22 countries and regions, and continues operating its business globally (as of February 2024).

For detail, please refer to our Website.

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

For additional information, contact:

Media Relations Group, Brand Communication Department (Phone: 81-3-6263-8002)