



October 8, 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
Contact: Yunia Kagawa
General Manager
CSR & Corporate Communication Office
TEL (03) 5470-3235

Announcement Regarding Number of Shares to be Issued under Third-Party Allotment

Showa Denko K.K. (the “Company”) hereby announces that, in connection with the issuance of new shares by way of the Third-Party Allotment, which its board of directors resolved on August 23, 2021 concurrently with the resolution on the issuance of new shares by way of public offering and the secondary offering of shares (secondary offering by way of over-allotment), the Company has received a notice from the allottee that it will subscribe for all of the shares which were scheduled to be issued, as set forth below:

(1) Number of shares to be issued	2,524,500	shares
	(Number of shares scheduled to be issued: 2,524,500 shares)	
(2) Total amount to be paid in	¥5,966,201,340	
	(¥2,363.32 per share)	
(3) Amount of stated capital to be increased	¥2,983,100,670	
	(¥1,181.66 per share)	
(4) Amount of the capital reserves to be increased	¥2,983,100,670	
	(¥1,181.66 per share)	
(5) Subscription period	October 12, 2021	(Tue)
(6) Payment date	October 13, 2021	(Wed)

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.

Reference

1. The Third-Party Allotment described above was resolved by the Company's board of directors on August 23, 2021 concurrently with the resolution on the issuance of new shares by way of public offering and the secondary offering of shares (secondary offering by way of over-allotment).

For the details of the Third-Party Allotment, please refer to the "Announcement Regarding Issuance of New Shares and Secondary Offering of Shares" announced on August 23, 2021 and the "Announcement Regarding Determination of Issue Price, Selling Price, etc." announced on September 6, 2021.

2. Change in the total number of issued shares as a result of the Third-Party Allotment

Total number of issued shares at present:	182,376,792 shares	(As of October 8, 2021)
Increase in number of shares as a result of the Third-Party Allotment:	2,524,500 shares	
Total number of issued shares after the Third-Party Allotment:	184,901,292 shares	

3. Use of proceeds raised this time

With respect to the net proceeds of 5,930,201,340 yen from the Third-Party Allotment, together with the net proceeds of 76,453,029,460 yen from the Japanese Public Offering and the International Offering, 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.

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.