

May 11, 2022 Denka Company Limited



Full-scale Operation of New Production Line of Spherical Alumina in Singapore

<Image of xEV and 5G>

Denka Company Limited (Headquarters: Chuo-ku, Tokyo; President: Toshio Imai; hereinafter, "Denka") has started full-scale operation of the new production line of spherical alumina, which was constructed at Tuas Plant of Denka Advantech Pte. Ltd. (DAPL), the Denka's consolidated subsidiary in Singapore.

Denka's spherical alumina is widely used as high heat-transfer/thermally conductive materials for lithium ion batteries as well as automotive, communication, and other mega trend applications related to xEV and 5G communications. Its demands are increasing rapidly these years.

Through this full-scale operation of the new production line, Denka will expand its production capacity of spherical alumina to around five times than current capacity (vs. FY2018) and become the leading manufacturer with approximately 60 percent of the global market share.

Denka positions the environment and energy field, specifically xEV and 5G, as a priority field under its Denka Value-Up medium-term management plan.

This capacity expansion will enable Denka to respond rapidly to a global increase in demand for thermally conductive materials, which are essential to future automotive electrification and 5G communications. Denka will enhance BCP by establishing a dual-base production system, which consists of the base in Singapore and the existing production base, Omuta Plant (Omuta city, Fukuoka).

With the SDGs as its compass, Denka aims to become a company that is irreplaceable to society, creating a better world for all through work in which Denka specializes in and can perform better than anyone else.

1. Outline of the investment

· Invested base: Tuas Plant, Singapore

(Denka Advantech Pte. Ltd. Tuas Plant, 11A Tuas Avenue 20, Singapore 638823)

• Purposes of the investment: Production line and warehouse, etc. of spherical alumina

*The matter has been reflected in the forecast for consolidated financial results for the fiscal year ending March 31, 2023.

2. Spherical Alumina

This high sphericity alumina is developed by spheroidizing its materials using Denka's proprietary high temperature melting technologies. It is optimal for giving high heat conductivity to various types of resin and rubber, etc. This product supports a variety of particle size distributions and is available for a broad range of applications, including semiconductors, thermally conductive plastics, and filling materials for paint.

For reference:

• "Denka to Undertake Strategic Investment Aimed at Expanding Its Operations Related to Thermally Conductive Materials for Automotive Applications in an Effort to Secure Greater Production Capacity and a Leading Position in the Global Market" January 21, 2019 https://www.denka.co.jp/eng/storage/news/pdf/221/20190121_tim_for_automobile_eng.pdf

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