

Manufacturing plant completed for SNECTON<sup>®</sup>, a low-dielectric organic insulating resin supporting data communications in the 5G and AI era

—Established a supply framework capable of supporting advances in high-speed, high-capacity communications—



Exterior of SNECTON manufacturing plant



SNECTON

Denka Company Limited (Head Office: Chuo-ku, Tokyo; Representative Director, President and CEO: Ikuo Ishida) hereby announces that today May 18 it has completed construction of a manufacturing plant for SNECTON<sup>®</sup> low-dielectric organic insulating resin at Denka's Chiba Plant (Ichihara City, Chiba Prefecture).

SNECTON is a resin material with low-dielectric properties developed by Denka based on its proprietary polymerization technology. As communication speeds and capacities continue to increase, transmission loss<sup>\*1</sup>, in which signals are converted into heat and lost during the transmission process, has become a major issue for printed circuit boards used in various electronic devices. Thanks to its excellent electrical properties of low-dielectric constant<sup>\*2</sup> and low dissipation factor<sup>\*3</sup>, SNECTON significantly reduces transmission loss and delivers performance on par or superior to that of conventional high-performance materials such as fluorocarbon resins. Another key feature is that it achieves both laminating processability and adhesion to copper foil, areas that have traditionally posed challenges for fluorocarbon resins. SNECTON also offers excellent heat resistance, thereby contributing to enhanced reliability and improved energy saving in printed circuit boards for data centers and telecommunications equipment.

Given these outstanding features, SNECTON is seeing increasing adoption in tandem with the widespread adoption of 5G and Beyond 5G as well as advancements in the AI server and data center fields, and its adoption is expected to expand further in the future. Anticipating future demand trends, Denka had been proceeding with the construction of a dedicated plant with the aim of establishing a stable product supply system and expanding its business. With the completion of this plant, Denka will be able to effectively meet growing market demand and accelerate the further growth of its SNECTON

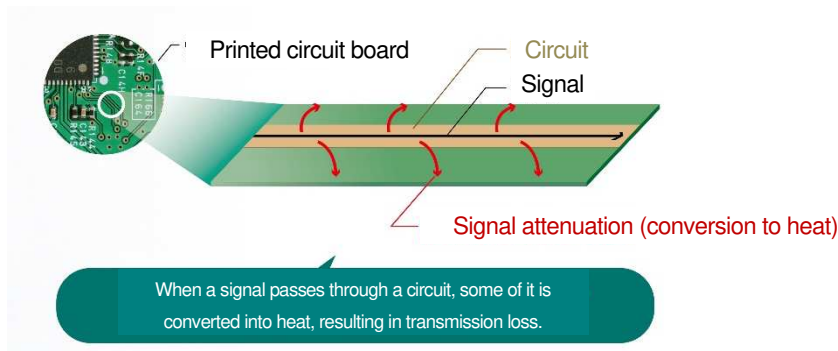
business.

Based on its Management Plan “Mission 2030,” Denka is implementing initiatives aimed at returning to a growth trajectory and achieving further growth. Under “Mission 2030 Phase 2,” covering FY2026 through FY2028, we are “rebuilding earnings power” by focusing on enhancing profits through the concentration of resources on growth drivers, particularly in the ICT & Energy and Healthcare fields. SNECTON is positioned as one of the growth drivers in the ICT & Energy field, and the completion of this plant is one facet of the growth strategy being pursued in Phase 2.

Denka Company Limited will continue contributing to people’s daily lives and society by applying its world-class chemistry know-how based on its Purpose: “Make the world a better place as specialists in chemistry.”

End of Press Release

\*1 Transmission loss: A phenomenon in which a portion of the electrical signal is converted into heat and lost as it travels through a printed circuit board. As communication speeds increase, this factor leads to signal attenuation and higher power consumption. It is one of the key challenges in achieving high-speed, high-capacity communications.



\*2 Dielectric constant: A dielectric constant is a measure that represents how much an electric signal unevenly distributes (polarizes) as it travels along a circuit. The lower the dielectric constant for a material, the faster and more accurate it can transmit signals.

\*3 Dissipation factor: A measure of how easily electrical energy is lost (the degree of signal attenuation) as an electrical signal passes through a material. Materials with a lower dissipation factor are less likely to convert signals into heat, enabling efficient signal transmission even over long distances. This is a particularly emphasized performance indicator for high-performance, large circuit boards.

[Overview of facility]

- Location: On the premises of Denka’s Chiba Plant, (6, Goi Minamikaigan, Ichihara-shi, Chiba)
- Description: SNECTON manufacturing plant
- Investment: Approximately 7 billion yen

[Reference: Past press releases related to this matter (Denka official website)]

- May 21, 2024: “Announcement of the decision to invest in capital expenditure on the construction of a plant for the

production of low-dielectric organic insulating material - Strategic investment of approximately 7 billion yen will contribute to the establishment of higher speed telecommunications technology.-”

[https://www.denka.co.jp/storage/news/pdf/1232/20240521\\_denka\\_SNECTON.pdf](https://www.denka.co.jp/storage/news/pdf/1232/20240521_denka_SNECTON.pdf)

- February 12, 2025: “Denka Launches SNECTON, a Low-Dielectric Organic Insulating Resin”

[https://www.denka.co.jp/storage/news/pdf/1282/20250212\\_denka\\_snecton2.pdf](https://www.denka.co.jp/storage/news/pdf/1282/20250212_denka_snecton2.pdf)

<p>[For Inquiries from Media] Corporate Communications Dept. TEL: 03-5290-5511</p>
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