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Apr 21, 2023

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Representative Director, President and Executive Officer
(Code No. 4043, Prime Market, TSE)
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Notice Concerning the Change in a Subsidiary Company due to the Transfer of Shares

Tokuyama Corporation (hereinafter referred to as “Tokuyama” or “the Company”) today announced details of the Company’s decision, at a Board of Directors’ meeting held on April 21, 2023, to transfer 17% of its 51% stake (hereinafter referred to as “the Share Transfer”) in EXCEL SHANON CORPORATION (hereinafter referred to as “EXCEL SHANON”) to Panasonic Holdings Corporation (hereinafter referred to as “Panasonic Holdings”), which currently maintains a 49% stake in EXCEL SHANON.

Following the Share Transfer, which is scheduled to take place on July 3, 2023, Panasonic Holdings will hold a 66% stake in EXCEL SHANON and the Company 34%. As a result, EXCEL SHANON will be excluded from Tokuyama’s scope of consolidation as a subsidiary company and become an equity-method affiliate. Moreover, EXCEL SHANON will continue its efforts to expand the use of plastic sashes under the control of Panasonic Housing Solutions Co., Ltd., an operating company that engages in the manufacture and sale of housing equipment and construction materials.

1. Reason for the Change in Subsidiary

In June 2020, EXCEL SHANON reported an increase in its capital through a third-party allocation of shares to Panasonic Corporation (Panasonic Holdings name at that time) while continuing to engage in business operations. In this instance, Tokuyama has decided to undertake the Share Transfer to ensure the further development of EXCEL SHANON’s plastic sash business. Meanwhile, the Company will continue to offer its support to the operations of EXCEL SHANON as its becomes an equity-method affiliate following the Share Transfer.

2. Overview of the Consolidated Subsidiary Whose Shares are to be Transferred

Company name: EXCEL SHANON CORPORATION

Head Office Location: 2-7-8, Nihonbashi-bakuro-cho, Chuo-ku, Tokyo 103-0002, Japan

Representative Name: Kunimitsu Ikeda

Business activities: Manufacture and sale of plastic sashes, related products, and construction materials for residential use

Net Sales: ¥6 billion (FY2021, fiscal year which ended March 31, 2022)

3. Overview of the Other Party of the Share Transfer

Company name: Panasonic Holdings Corporation

Head Office Location: 1006 Oaza Kadoma, Kadoma City, Osaka 571-8501, Japan

Representative Director, President: Yuki Kusumi

Business activities: Responsible for a wide range of activities related to the Panasonic Group, including management strategy development, governance, technology and new business development investment

Consolidated Net Sales : ¥7,388.8 billion (FY2022, fiscal year which ended March 31, 2022)

(End)