



## MEDIA RELEASE

17 August 2023

### CCCS consults on the Proposed Acquisition by FUJIFILM Holdings America Corporation of CMC Materials KMG Corporation

1. The Competition and Consumer Commission of Singapore (“**CCCS**”) is inviting public feedback on the proposed acquisition by FUJIFILM Holdings America Corporation (“**Fujifilm**”) of CMC Materials KMG Corporation (“**KMG**”) and certain of its direct and indirect subsidiaries (the “**Proposed Transaction**”).
2. The Proposed Transaction will involve Fujifilm acquiring 100 per cent. of the issued and outstanding equity interests of the electronic chemicals business of Entegris, Inc., which is operated by KMG. KMG is currently fully owned by CMC Materials LLC, which, in turn, is fully owned by Entegris, Inc.
3. CCCS accepted an application from Fujifilm and CMC Materials LLC (collectively, “**the Applicants**”) on 11 August 2023 for a decision on whether the Proposed Transaction would infringe section 54 of the Competition Act 2004, which prohibits mergers that have resulted, or may be expected to result, in a substantial lessening of competition within any market in Singapore.

#### The Merger Parties

##### Fujifilm

4. Fujifilm is part of the FUJIFILM corporate group, a multinational conglomerate operating in a wide range of businesses. These business fields include electronic materials, chemicals, electronic imaging, graphic arts and printing, industrial products, optical devices, recording media, imaging colorants, healthcare, and pharmaceuticals.

##### KMG

5. KMG supplies high-purity process chemicals (“**HPPCs**”) used principally to clean, etch and dry silicon wafers in the production of semiconductors, photovoltaics (solar cells), and flat panel displays in multiple stages of their manufacturing processes.

## **The Proposed Transaction**

6. The Applicants submitted that Fujifilm and KMG overlap in the supply of cleaning solutions used principally in the semiconductor manufacturing process but can also be used in adjacent industries that have similar manufacturing processes (e.g., the manufacture of flat panel displays, hard disk drives and photovoltaics) (“**Cleans**”).
7. According to the Applicants, the Proposed Transaction will not result in a substantial lessening of competition in Singapore because:
  - a. Existing and potential competitors can easily expand or enter the market to exert competitive pressure on the merged entity.
  - b. The relevant product market is fragmented and highly competitive. Post-transaction, there will continue to be a large number of strong competitors who will exercise competitive constraint on the merged entity.
  - c. There is no material differentiation between Cleans supplied by different competitors, and customers would frequently dual or multi-source products, or require a supplier to license its competitors, so that customers can easily switch between qualified suppliers without any significant costs or delays.

## **Public Consultation**

8. CCCS is inviting public feedback on the Proposed Transaction from 17 Aug 2023 to 5 p.m. on 31 Aug 2023.
9. More information on the public consultation can be accessed and downloaded from the CCCS website at [www.cccs.gov.sg](http://www.cccs.gov.sg) under the section “[Public Consultation](#)”. If the submission or correspondence contains confidential information, please also provide CCCS with a non-confidential version of the submission or correspondence.

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## **About The Competition and Consumer Commission of Singapore (CCCS)**

The Competition and Consumer Commission of Singapore (“CCCS”) is a statutory board of the Ministry of Trade and Industry. CCCS administers and enforces the Competition Act 2004 which empowers CCCS to investigate and adjudicate anti-competitive activities, issue directions to stop and/or prevent anti-competitive activities and impose financial penalties. CCCS is also the administering agency of the Consumer Protection (Fair Trading) Act 2003, which protects consumers against unfair trade practices in Singapore. Our mission is to make markets work well to create opportunities and choices for businesses and consumers in Singapore.

For more information, please visit [www.cccs.gov.sg](http://www.cccs.gov.sg).

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