



MEDIA RELEASE

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CCCS Clears Merger of Electronic Chemicals Businesses

1. The Competition and Consumer Commission of Singapore (“**CCCS**”) has cleared 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. Following its assessment, CCCS has concluded that the Proposed Transaction, if carried into effect, will not infringe the section 54 prohibition of the Competition Act 2004 (the “**Act**”), which prohibits mergers that have resulted, or may be expected to result, in a substantial lessening of competition (“**SLC**”) within any market in Singapore.

Background

4. On 11 August 2023, CCCS accepted an application from Fujifilm and CMC Materials LLC for a decision on whether the Proposed Transaction would infringe section 54 of the Act.

Fujifilm

5. 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

6. 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.

CCCS’s Assessment

7. CCCS conducted a public consultation from 17 to 31 August 2023 and sought feedback from key stakeholders, including suppliers of HPPCs and customers of Fujifilm and KMG.

Relevant markets affected by the Proposed Transaction

8. CCCS assessed the impact of the Proposed Transaction on competition in the supply of cleaning solutions used principally in the semiconductor manufacturing process (“**Cleans**”) on:

- a) a global scale,
- b) a narrower nationwide scale,
- c) as well as within narrower segments by molecular level (e.g. for each overlapping HPPC molecule between Fujifilm and KMG).

Competition assessment

9. CCCS found that the Proposed Transaction is unlikely to lead to an SLC in any of the relevant markets considered by CCCS for the following reasons:
 - a) The combined market share of the merged entity generally does not cross the indicative thresholds set out in the *CCCS Guidelines on the Substantive Assessment of Mergers*.¹ Where the merged entity’s market shares exceed the thresholds, the incremental market shares are low;
 - b) Fujifilm and KMG are not each other’s closest competitor in the relevant markets, and the merged entity will continue to face significant competition from existing strong competitors post-merger;
 - c) Customers generally multi-source and can switch between suppliers with relative ease; and

¹ Merged entity has a combined market share of 40% or more, or the merged entity will have a market share of between 20% to 40% and the post-merger CR3 is 70% or more.

- d) The low price transparency of HPPCs and the qualification process reduce the risk of collusion between market players.
10. Further information on the notification and CCCS's Grounds of Decision will be made available in due course on [CCCS Public Register](#) at www.cccs.gov.sg .

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About The Competition and Consumer Commission of Singapore (CCCS)

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 also administers and enforces 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.

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