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Regarding our views on patent infringement lawsuits

We hereby announce our views on the Notice Concerning Response to Lawsuits Concerning Patent Infringement, which was published on February 4,2020

- 1. Date entered January 29, 2020
- 2. Party filing the lawsuit

Asahi Kasei Corporation (Securities Code: 3407, Hereinafter referred to as "Asahi Kasei")

3. Causes and Background of the Suit

On February 1, 2018, Asahi Kasei sent a letter infringement of the patent to us and our Chinese distributor, and we returned a questionnaire to Asahi Kasei regarding the letter. Without responding to the questionnaire, on August 13, 2018, we filed a patent infringement lawsuit against our distributor in Shenzhen, China, seeking an injunction against the sale of our single-walled separator products in China and compensation for damages (currently pending).

Asahi Kasei filed a patent lawsuit against us and our consolidated subsidiaries, W-SCOPE KOREA CO., LTD. ,based on a patent similar to a patent lawsuit filed in China, targeting manufacturing and sales in Korea.

4. Contents of the lawsuit

In accordance with the Korean patent (Patent No. 10-0977345) relating to separator for lithium ion secondary batteries owned by Asahi Kasei, the Company seeks an injunction against the manufacture, sale, and damages of the batteries separator products manufactured and sold by W-SCOPE in Korea.

5. Impact on business performance

The lawsuit is limited to a part of the single-layer separator that we sell.

In addition, our core products will significantly shift to EV coating separators and high heat-resistance separators that use new technology, and the impact on this year and future plans is expected to remain minor.

It is expected to take several years or more before the case is concluded, and no immediate conclusion is expected.

Furthermore, there has been no impact on our cooperative relationships with our major suppliers. We are currently working with patent attorney corporations and legal professional corporations in the future at W-SCOPE KOREA CO., LTD., which received the complaint.