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To Whom It May Concern:

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Notice Regarding the Partial Termination of the Contract for OEM of Cathode Materials for Lithium-Ion Batteries

Nippon Denko Co., Ltd. (the "Company") hereby announces a partial termination of the contract for OEM of cathode materials for lithium-ion batteries concluded with Sumitomo Metal Mining Co., Ltd. ("Sumitomo Metal Mining"). It will terminate as of the end of March 2026, prior to the expiration of the contract. The details are as follows.

1. Reasons for Termination

The Company has concluded a contract with Sumitomo Metal Mining as an OEM for a part of the cathode materials for lithium-ion batteries production. However, due to Sumitomo Metal Mining's shift in the production types of cathode materials for lithium-ion batteries, its contract for NCA (Nickel-Cobalt-Aluminum Oxide) will terminate as of the end of March 2026.

2. Future Outlook

Upon termination of this contract, the useful life of the OEM equipment, which is not expected to be used after the contract is terminated, will be shortened to the estimated remaining usage period. Consequently, each of gross profit, operating profit, ordinary profit, and profit before income taxes for the cumulative third quarter of the fiscal year ending December 31, 2025 decreased by ¥67 million, respectively. The impact on the consolidated financial results for the fiscal year ending December 31, 2025 is expected to be minimal, and the details are currently under review.