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November 27, 2025

To Whom It May Concern:

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Representative: Yasushi Aoki, President & CEO
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Notice Regarding the Addition of the Incineration Ash Melting Furnace, and Other Facilities at the Kashima Plant

Nippon Denko Co., Ltd. (the "Company") hereby announces that it has resolved, at a meeting of the Board of Directors held on November 27, 2025, to add an incineration ash melting furnace and other facilities at the Kashima Plant (Kashima City, Ibaraki Prefecture).

1. Reason for addition

In the Incineration Ash Recycling business, we realize perfect recycling of waste by melting and solidifying incineration ash generated from general and industrial wastes incinerated by municipalities. This process renders the incineration ash harmless, and the valuable metals and slag generated by melting are recycled. Currently, most incineration ash is landfilled and demand for recycling is increasing due to a decrease in the remaining capacity of landfill sites.

In the Medium/Long-Term Business Plan announced on November 29, 2023, the Company set the goal of gradually expanding the capacity of incineration ash melting furnaces as a measure for the Incineration Ash Recycling business, where demand is expected to grow. As part of this measure, the Company has decided to build common facilities for incineration ash melting furnaces No. 5 and No. 6, as well as a main body of the incineration ash melting furnace No. 5 in addition to its four existing furnaces at the Kashima Plant.

The Company will decide on the addition of the incineration ash melting furnace No. 6 at an appropriate timing.

2. Overview of the addition

Facilities to be added	(1) Common facilities for incineration ash melting furnaces No. 5 and No. 6 (2) Incineration ash melting furnace No. 5 (EM5)
Installation location	Kashima Plant (Kashima City, Ibaraki Prefecture)
Incineration ash treatment capacity	Approximately 35,000 t/year (EM5)
Amount of capital investment	Approximately 12 billion yen
Commencement of commercial operation (EM5)	Scheduled for December 2027

3. Future outlook

There is no impact of this matter on the financial results for the fiscal year ending December 31, 2025. The Company shall make a prompt disclosure as necessary when any matter needs to be disclosed.