November 10, 2026

Listed Company Name: Sumitomo Metal Mining Co., Ltd.
Code: 5713
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Notice regarding Recording of Impairment Loss

Sumitomo Metal Mining Co., Ltd. (TSE: 5713; "the Company") announces that one of its consolidated subsidiaries recorded an impairment loss during the first six months of the fiscal year ending March 31, 2027 (April 1, 2026 – September 30, 2026), as described below.

1. Recording of impairment loss

At Coral Bay Nickel Corporation (Republic of the Philippines; "CBNC"), a nickel smelting subsidiary belonging to the Company's Smelting & Refining segment, an evaluation of the increase in the book value of property, plant and equipment resulting from a change in the estimate of asset retirement obligations, based on the current business plan, resulted in an impairment loss of 42,553 million yen being recorded in cost of sales.

CBNC has recorded a liability for asset retirement obligations based on reasonable estimates, made in accordance with its business plan, of the costs required to fulfill restoration and other obligations under local mining laws and regulations. It also expects production to end during the period covered by the next 3-Year Business Plan (3-Year Business Plan 2030; FY2028 to FY2030) and, during the first six months of this fiscal year, revised the amount recorded for asset retirement obligations after revising its approach to fulfilling restoration obligations, including the dismantling and removal of facilities after production ends.

Although the book value of property, plant and equipment associated with asset retirement obligations increased as a result of this revision and other factors, the book value of fixed assets, 41,984 million yen, was written down to the recoverable amount following an overall economic assessment and calculation of the recoverable amount, taking into consideration the slump in nickel and cobalt prices, rising production costs, and declines in ore quality. The recoverable amount was measured based on value in use.

2. Impact on results

The above impairment loss has been reflected in the "Consolidated Financial Results for the Six Months Ended September 30, 2026 [IFRS]" announced today.