

November 17, 2023

Sumitomo Metal Mining to Terminate the Tolling Contract for Smelting and Refining with Akita Zinc

Sumitomo Metal Mining Co., Ltd. (TSE: 5713) will terminate the tolling contract for smelting and refining with Akita Zinc Co., Ltd. on March 31, 2024. On termination of the contract, Sumitomo Metal Mining will transfer all held Akita Zinc shares (14% of its outstanding shares) to DOWA METALS & MINING CO., LTD., which currently holds 86% of Akita Zinc shares. This transfer of shares is scheduled for March 29, 2024.

Sumitomo Metal Mining produces crude zinc oxide at Shisaka Smelting Co., Ltd., a wholly-owned subsidiary located in Niihama City, Ehime Prefecture, and outsources the production of electrolytic zinc and other products to Akita Zinc through a contract for the concentration, smelting and refining of zinc. To achieve its Long-Term Vision of becoming the world leader in the non-ferrous metals industry, Sumitomo Metal Mining has decided to focus its business resources on key fields and will therefore terminate this tolling contract for smelting and refining.

Meanwhile, the crude zinc oxide business at Shisaka Smelting will be maintained as it is. Sumitomo Metal Mining does not regard the impact of the matter on its consolidated business performance as significant.

[Corporate Profile of Akita Zinc Co., Ltd.]

1. Head office address: 217-9, Furumichi-shimokawabata, Iijima, Akita, 011-0911 Japan
2. Date of establishment/incorporation: February 1971
3. Capital: 5 billion yen
4. Representative: Kensaku Fukuda, President and Representative Director
5. Employees: Approx. 200 (as of end of March 2023)
6. Shareholders: DOWA METALS & MINING CO., LTD.: 86%
Sumitomo Metal Mining Co., Ltd.: 14%
7. Businesses: Smelting and refining of Zinc, production of sulfuric acid

[Tolling contract for smelting and refining end date]
March 31, 2024

[Scheduled share transfer date]
March 29, 2024