

May 19, 2022

JX Nippon Mining & Metals Corporation

Sale of Shares in LS-Nikko Copper Inc.

JX Nippon Mining & Metals Corporation (President: Seiichi Murayama; "the Company") has decided to divest entire 49.9% stake that its group company, Japan Korea Joint Smelting Co., Ltd., holds in LS-Nikko Copper Inc. (CEO: Suk-goo Doh; "LSN"). The shares are to be sold for 930 billion won to LS Corporation (Chairman: Ja Eun Koo; "LSC") that owns a 50.1% stake in LSN.

Founded in 1936, LSN is Korea's only copper smelting company. Since the investment in LSN in 1999, the Company has worked with LSN to build efficient copper smelting business systems, particularly in East Asia.

Meanwhile, in 2019 the Company developed the JX Nippon Mining & Metals Group Long-Term Vision 2040 and classified each existing business as "focus business" and "base business". The "focus business" forms the core of the Company's growth strategy and the "base business" supports the Company's organizational basis. As part of this process, the Company decided to rigorously enhance its competitiveness and undertake a timely review of its asset portfolio to strengthen the "base business" including copper smelting and refining. As a result of the thorough examination from various perspectives, the Company concluded that it was desirable to sell all of the shares in LSN and focus its management resources on areas deemed more important.

While we strengthen the "base business" through this divestiture, at the same time, the JX Nippon Mining & Metals Group is steadily taking steps to further expand the "focus business" centered on the advanced materials field. The initiatives include the decision to construct a new factory in Hitachinaka, Ibaraki Prefecture. The Company group will continue to take actions proactively and in an agile manner to realize its Long-Term Vision 2040.

LSN Overview (as of May 19, 2022)

Company name	LS-Nikko Copper Inc.
Business activities	Manufacture and sale of electrolytic copper
Location	148 Sanam-ro, Onsan-eup, Ulju-gun, Ulsan, Korea
Stockholders and holdings	LSC 50.1%, Japan Korea Joint Smelting Co., Ltd.* 49.9% * comprising JX Nippon Mining & Metals 80%, Mitsui Mining & Smelting Co. Ltd. 10%, Marubeni Corporation 10%