

[Translation]



December 20, 2023

To whom it may concern

Company Name: ENEOS Holdings, Inc.
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Notice regarding transfer of partial shares in Pan Pacific Copper Co., Ltd. (change in consolidated subsidiary (sub-subsidiary)) and partial interest of Los Pelambres Copper Mine

ENEOS Holdings, Inc. announces that its wholly-owned subsidiary, JX Metals Corporation (President: Hayashi Yoichi) and Marubeni Corporation (President: Kakinoki Masumi) today agreed that JX Metals Corporation will transfer 20% shares of Pan Pacific Copper Co., Ltd. (President: Hori Kazuhiro), of which JX Metals Corporation holds 67.8%, and 3.27% interest of Los Pelambres Copper Mine, of which JX Metals Corporation indirectly holds 15.79%, to Marubeni Corporation.

We expect no material impact from the above on our consolidated earnings for the period ending March 31, 2024.

REFERENCE

“Structural Reform of JX Metals’ Base Businesses”

Structural Reform of JX Metals' Base Businesses

JX Metals Corporation (President: Hayashi Yoichi; “the Company”) today agreed with Marubeni Corporation (President: Kakinoki Masumi; “Marubeni”) on the transfer to Marubeni of 20% of shares in Pan Pacific Copper Co., Ltd. (President: Horii Kazuhiro, “PPC”), in which the Company has a 67.8% shareholding, as well as 3.27%¹ of the interests in the Los Pelambres Copper Mine, in which the Company has an indirect share of 15.79%.

In its mineral resources business and smelting and refining business, the Company has long partnered with Marubeni, which has a wealth of knowledge and expertise in the copper resource business, in areas including joint investment in the Los Pelambres Copper Mine and dealings with PPC, which handles raw materials procurement and sales in the Company’s copper smelting and refining business. The Company positions the mineral resources business and the smelting and refining business as its “Base Businesses” that strengthen supply chains and support growth in “Focus Businesses” such as semiconductor materials. “Base Businesses” are also significant from the perspective of the realization of a sustainable society by promoting resource circulation and decarbonization. Solidifying the partnership with Marubeni through this transfer is expected to generate synergy in various areas, such as leveraging Marubeni’s networks to expand the clientele and enhancing resilience in raw materials procurement. This will enable the Company’s Base Businesses to become even more competitive.

In conjunction with this transfer, PPC (revenue: 1,133.2 billion yen; interest-bearing debts: 195.4 billion yen)² is expected to switch from a consolidated subsidiary to an equity-method affiliate. As a result, consolidated revenue of Focus Businesses, which are positioned at the core of the Company’s growth strategy, will increase significantly as a proportion of overall revenue, and the ratio of consolidated operating profit to revenue will also rise sharply. In addition, consolidated interest-bearing debts will reduce considerably, leading to a major improvement in the JX Metals Group’s profitability and financial standing.

The Company will continue to accelerate efforts to reinforce its Base Businesses and improve its capital efficiency, as well as to promote initiatives to realize the Sustainable Copper Vision and resource circulation. At the same time, it will take proactive and flexible measures to further expand focus businesses at the core of its growth strategy and realize the JX Metals Group’s long-term vision for 2040.

Notes:

- 13.06% of shares in Nippon LP Resources B.V., which has a 25% shareholding in Minera Los Pelambres.
- Results for the fiscal year ended March 31, 2023 (non-consolidated).

For reference:

1. Marubeni overview

Head office	4-2 Ohtemachi 1-chome, Chiyoda-ku, Tokyo
Representative	Kakinoki Masumi, President and CEO
Capital	263.3 billion yen
Main business	Using the broad business networks, both within Japan and overseas, to conduct importing and exporting (including third country trading), as well as domestic business, encompassing a diverse range of business activities across wide-ranging fields including lifestyle, IT solutions, food, agri business, forest products, chemicals, metals & mineral resources, energy, power, infrastructure project, aerospace & ship, finance, leasing & real estate business, construction, industrial machinery & mobility, next generation business development and next generation corporate development.
Total Assets	7,953.6 billion yen (as of March 31, 2023 (consolidated))
Employees	4,340 (Marubeni Group employees: 45,995)

2. Information on transfer of PPC shares

(1) PPC overview (as of December 1, 2023 unless otherwise specified)

Head office	The Okura Prestige Tower, 10-4 Toranomom 2-chome, Minato-ku, Tokyo		
Representative	Hori Kazuhiro, Representative Director, President & Chief Executive Officer		
Capital	5 billion yen		
Date of establishment	October 3, 2000		
Main business	<ul style="list-style-type: none"> • Purchase of copper concentrates • Production, outsourcing, and sale of refined copper as well as sulfuric acid, precious metals, and other by-products of copper smelting 		
Major shareholders and shareholding ratio	JX Metals Corporation 67.8%, Mitsui Mining & Smelting Co., Ltd. 32.2%		
Employees	56		
PPC operating results and financial position over the last three years (unit: million yen)			
Fiscal year ended	March 31, 2021	March 31, 2022	March 31, 2023
Net assets	65,249	62,804	82,894
Total assets	356,905	450,992	517,119
Revenue	783,936	936,044	1,133,238
Operating profit	2,796	13,704	22,736
Income before income taxes	1,207	10,158	19,052
Net profit	627	6,935	13,076

(2) Shareholdings before and after transfer

Pre-transfer shareholding	8,018 shares
Shares to be sold	2,365
Sale price	14.5 billion yen
Post-transfer shareholding	5,653 shares (proportion of shares held: 47.8%)

(3) Schedule

Contract date	December 22, 2023
Timing of share transfer	March 2024 (Planning)

3. Information on transfer of interests in the Los Pelambres Copper Mine

(1) Los Pelambres Copper Mine overview (as of December 1, 2023)

Location	Coquimbo Region, Republic of Chile		
Started production	January 2000		
Mineral reserves (as of December 31, 2022)	Approx. 6 billion tons (copper grade: 0.50%)		
Copper production (2022 Results)	275,000 tons / Year		
Share of interests	Company Name	Before the transaction	After the transaction
	Antofagasta plc	60.00%	60.00%
	the Company	15.79%	12.52%
	Marubeni	9.21%	12.48%
	Mitsubishi Materials Corporation	10.00%	10.00%
	Mitsubishi Corporation	5.00%	5.00%

(2) Shareholdings before and after transfer (Nippon LP Resources)

Pre-transfer shareholding	25,263 shares
Shares to be sold	5,224
Post-transfer shareholding	20,039 shares (proportion of shares held: 50.1%)

Note: Sales price has not been disclosed due to contractual confidentiality obligations related to this transaction.

(3) Schedule

Contract date	December 22, 2023
Timing of share transfer	March 2024(Planning)