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February 8, 2024

To Whom It May Concern:

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**Notice Concerning the Difference between Financial Results for the Fiscal 2023,
 Consolidated Earnings Forecast and Results in the Previous Period**

Nippon Denko Co., Ltd. (“We”) hereby announces the difference between its consolidated financial results for the fiscal 2023 (January 1, 2023 to December 31, 2023), which it disclosed on February 8, 2024, the consolidated earnings forecast disclosed on August 7, 2023 and the financial results in the previous period (January 1, 2022 to December 31, 2022).

1. Difference between the consolidated financial results for the fiscal 2023 and the consolidated earnings forecast
 (Millions of yen, except per share figures)

	Net sales	Operating Profit	Ordinary Profit	Profit attributable to owners of parent	Earnings per share (yen)
Previous forecast (A) (August 8, 2023)	78,000	—	2,500	3,000	21.78
Year ended December 31, 2023 (B)	76,406	4,741	2,465	4,182	30.43
Change (B–A)	(1,594)	—	(35)	1,182	—
% change	(2.0)	—	(1.4)	39.4	—

2. Difference between the consolidated financial results for the fiscal 2023 and the results in the previous period
 (Millions of yen, except per share figures)

	Net sales	Operating Profit	Ordinary Profit	Profit attributable to owners of parent	Earnings per share (yen)
Year ended December 31, 2022 (A)	79,341	8,815	10,367	7,949	54.45
Year ended December 31, 2023 (B)	76,406	4,741	2,465	4,182	30.43
Change (B–A)	(2,935)	(4,073)	(7,901)	(3,766)	—
% change	(3.7)	(46.2)	(76.2)	(47.4)	—

3. Background to the difference

In the fiscal year ended December 31, 2023, both revenue and profit decreased from the previous fiscal year ended December 31, 2022, mainly because of the impact of inventories due to the drop in the manganese ore market conditions in the domestic ferroalloys business. On the other hand, as a result of steadily advancing the structure reforms of the mainstay domestic ferroalloys business in our eighth medium-term business plan period (FY2021-FY2023), we anticipate securing stability in future earnings. As a consequence of recognizing additional deferred tax assets, profit attributable to owners of parent exceeded our previous forecast.