

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.



June 27, 2025

Company name : Toho Zinc Co., Ltd
 Name of representative: ITO Masahito, President
 and Representative Director
 (Securities code:5707)
 Inquiries: NIKI Takemasa Managing
 Executive Officer and CFO
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Plan for Conforming to the Criteria for Continued Listing on the Prime Market (Entering the improvement Period)

As of March 31, 2025, TOHO ZINC Co., LTD. (“the Company”) does not conform to the criteria to support listing on the Tokyo Stock Exchange (“TSE”) Prime Market. To address this issue, the Company has prepared a plan to conform to the criteria for continued listing on the TSE prime market, as follows.

1. Status of the Company’s conformity to the criteria for the continued listing and plan period

As of March 31, 2025, Toho Zinc Co., LTD (“The Company”) does not conform to the criterion for tradable share market capitalization for continued listing on the TSE Prime Market. The Company undertakes a variety of measures to satisfy the criterion, described as below and attached material.

In the case that the criterion for tradable share market capitalization cannot be confirmed by the end of the improvement period on March 31, 2026, the Company will be designated as a Security Under Supervision (Confirmation) by the TSE.

In the subsequent case that the TSE determines, based on the share distribution report submitted by the Company as of March 31, 2026, that the Company does not conform to the criterion for tradable share market capitalization, the Company will be designated as Securities to be Delisted, and the shares will be delisted from the Prime Market on October 1st, 2026. While the Company is continuing to prioritize to remain listed on the Prime Market, the Company also consider and implement all possible measures without delay to avoid the Company’s shares to be delisted.

As of March 31 2025	No, of Shareholders	No, of Tradable Shares	Tradable Share Market Cap.	Tradable Share Ratio
The Company’s status	12,584	108,309 units	¥6.2bn	79.7%
Criterion for continued listing	800	20,000 units	¥10.0bn	35.0%
Status of conformance	Conforming	Conforming	Non-Conforming	Conforming
Plan period	—	—	March 31, 2026	—

Notes: The Company's conformity status is calculated based on the Company's share distribution report and other information available to the TSE' as of the record date.

2. The Company's policy, issues and measures to conform to the criteria for continued listing

The Company announced the business revitalization plan in December 2024, and completed third party allotment of ¥7.5 billion capital increase in March 2025. The Company has been working to maximize the corporate value and shareholder value, with a solid foundation in place for growth toward becoming a leading recycling company that supports social infrastructure.

As for the details, please refer to the attached " Notice Concerning Progress based on the Plan for Conforming to Criteria for Continued Listing on the Prime Market."

End

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5707

Plan for Conforming to the Criteria for Continued Listing on the Prime Market (Entering the improvement period)

June 27th, 2026



The plans presented in this document are based on information currently available to the Company and on certain assumptions deemed reasonable.

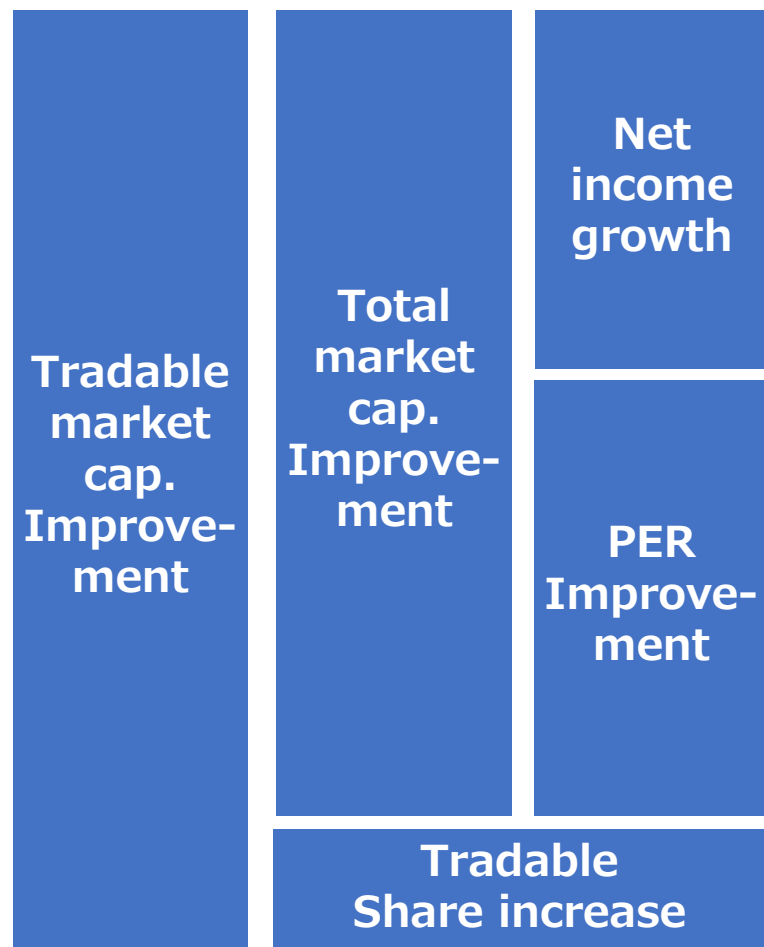
The Company's conformity to the criteria for continued listing and plan period

As of March 31, 2025, Toho Zinc Co., LTD("The Company") does not conform to the criterion for tradable share market capitalization for continued listing on the TSE Prime Market. The Company undertakes a variety of measures to satisfy the criterion by March 31, 2026.

	No. of Shareholders	No. of Tradable Shares	Tradable Share Market Capitalization	Tradable Share Ratio
The company's status (As of March 31, 2025)	12,584 shareholders	108,309 units	¥6.2bn	79.7%
Criterion for continued listing	800 shareholders or more	20,000 units or more	¥10bn or more	35% or more
Status of conformance	Conforming	Conforming	Non-conforming	Conforming

The Company's policy to conform to criteria for continued listing

To achieve over ¥10 bn of Tradable Market Cap, the Company focus on maximizing net income through the execution of Business Revitalization Plan. The Company also aim to improve PER and tradable shares increase by advocating our business growth potential, by way of enhancing the disclosure content and opportunities for dialogue with shareholders and investors.



Execution of Business Revitalization Plan

- Completion of on withdrawal and reorganization of unprofitable businesses(the mineral resources and zinc smelting)
- Profit growth in core and growth businesses (lead and silver smelting, environmental recycling, electronic components and advanced materials)

Enhancement in IR activities and information disclosure

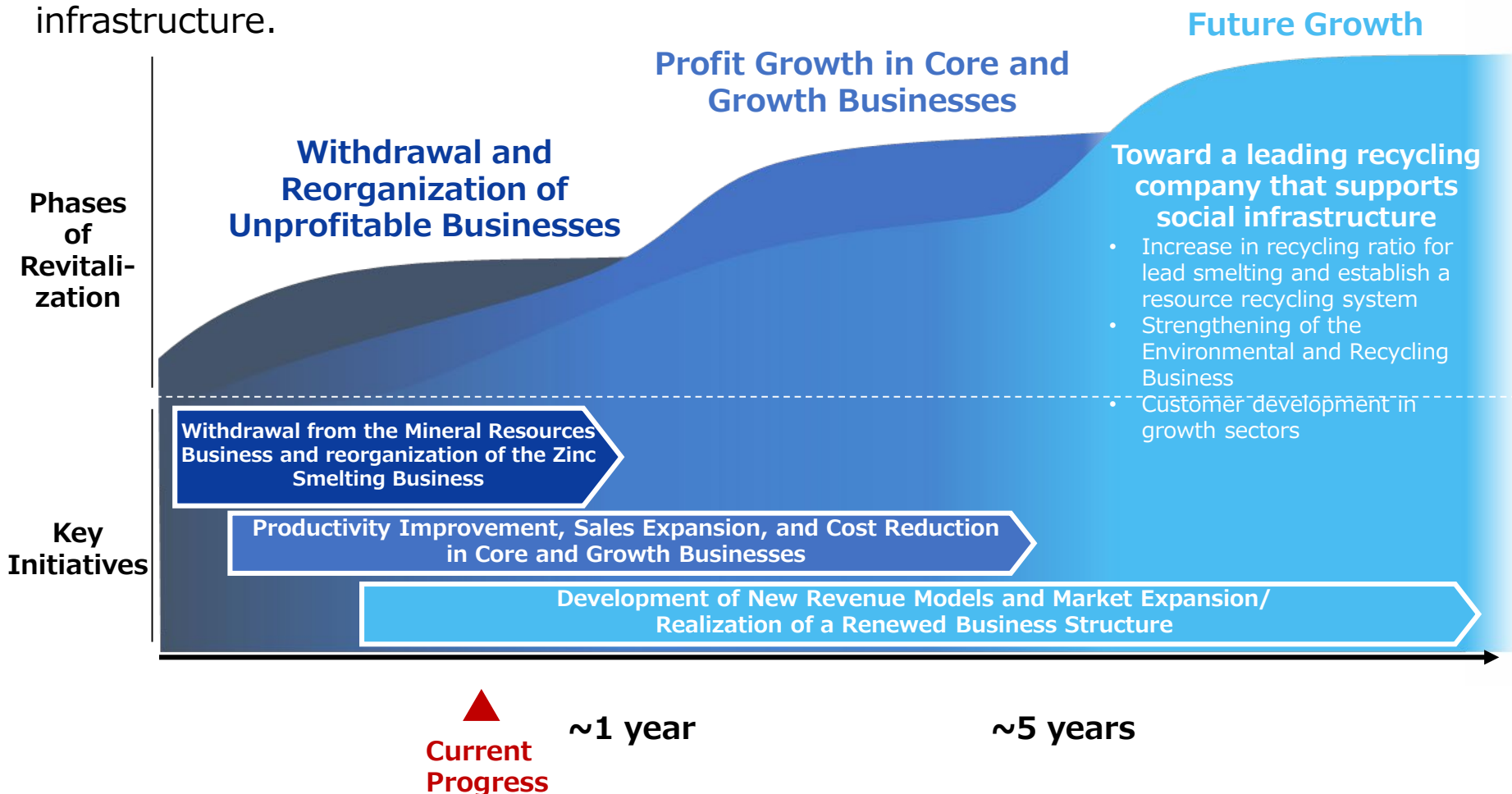
- Enhancement of IR material and press release contents
- Enhancement of opportunities for dialogue with shareholders and investors: Holding IR meeting, individual investors meeting
- Strengthening initiatives and communication regarding our sustainability activities.

Strengthening IR Structure

- Assigning IR personnel to implement the above measures and expand the investor base.

Overview of the Business Revitalization Plan

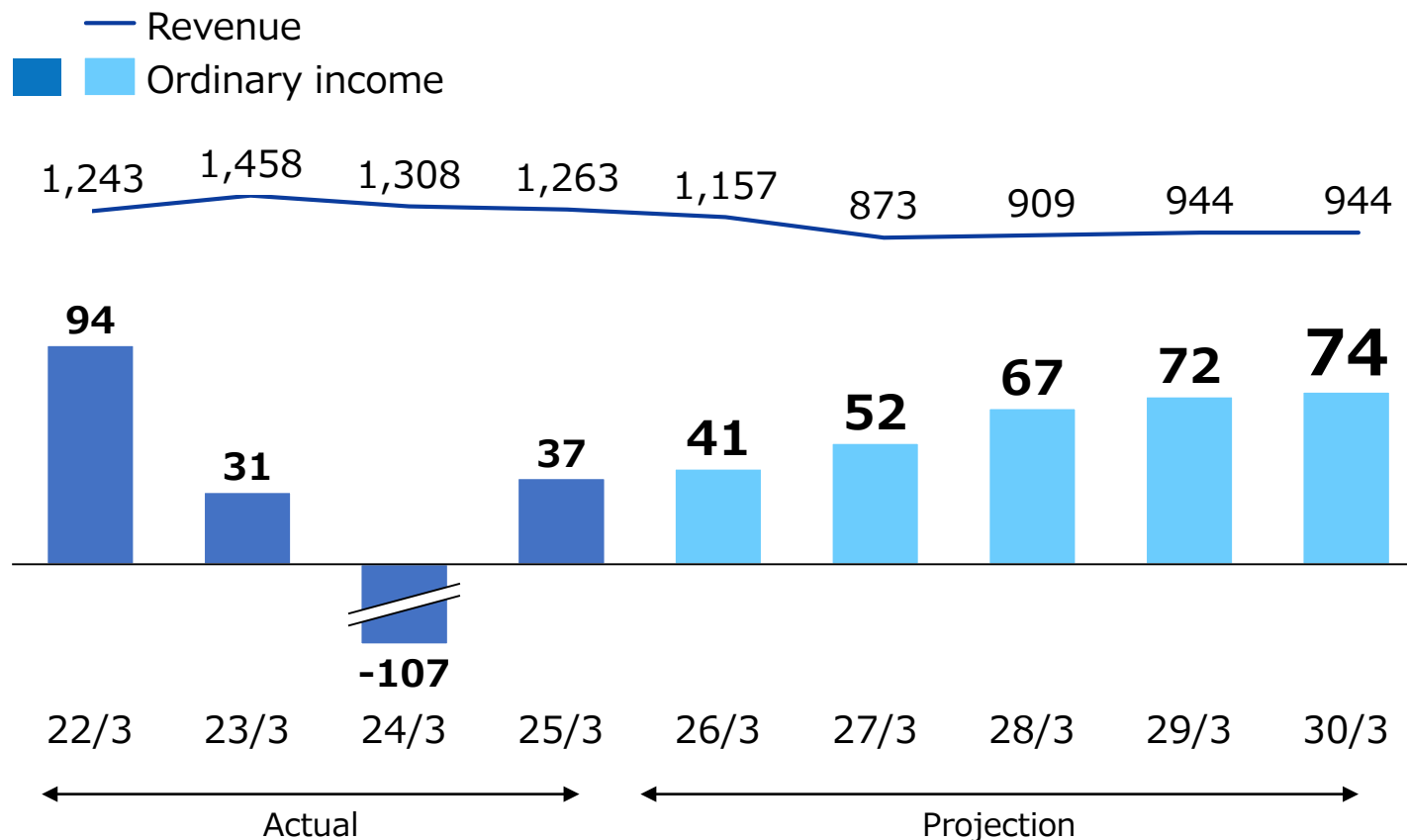
The withdrawal and reorganization of unprofitable businesses are expected to be completed within approximately one year and are currently progressing as planned. Over the course of five years, we aim to complete the rebuilding of our management foundation and become a leading recycling company that supports social infrastructure.



Financial Projections of the Business Revitalization Plan

By the end of the business revitalization period (FY2029), we aim to achieve 7.4 billion yen in ordinary income by profit growth in Core and growth businesses and cost reduction, and to establish a foundation that enables sustained growth beyond FY2030.

(100 million yen)



Toward Further Growth Beyond FY2030

Initiatives under the Business Revitalization Plan – Zinc Smelting

In FY2024, we completed the shutdown of facilities and the implementation of a voluntary early retirement program. By the end of FY2025, we plan to complete the withdrawal from our existing zinc smelting operations and reorganize the business into a metal recycling operation.

FY2024

- ✓ **Completed shutdown of major smelting facilities** (March 2025)
- ✓ **Conducted voluntary early retirement program and finalized labor-management agreement** (March 2025)

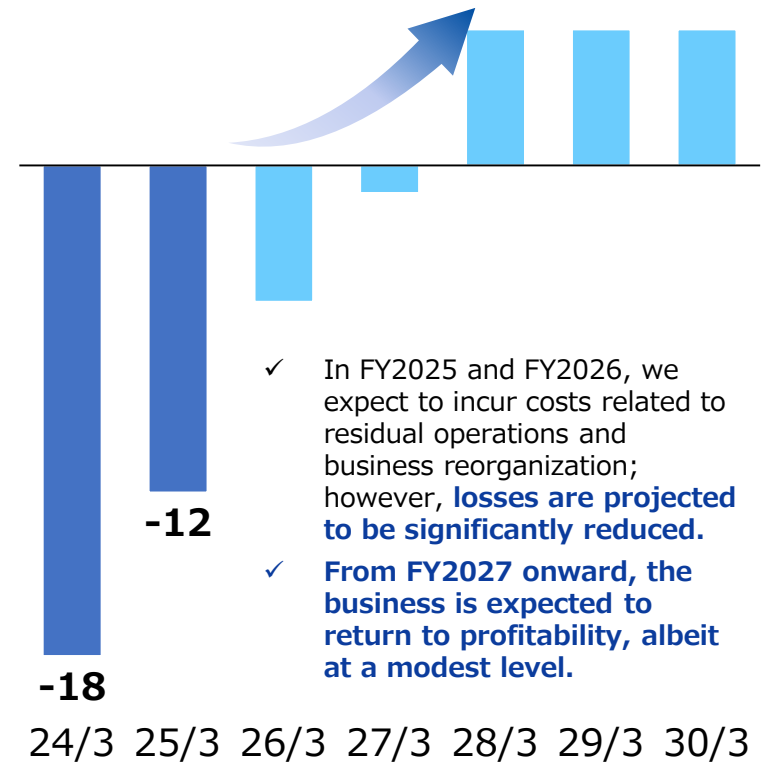


From FY2025 Onward

- ✓ Product shipments are scheduled during the first half of FY2025, **with completion of residual operations related to the decommissioned smelting facilities expected within the fiscal year.**
- ✓ **Personnel reassignments will be carried out** in coordination with the completion of these residual tasks.
- ✓ We are also formulating plans for new facility installations to support the reorganization into a metal recycling business.

(100 million yen)

■ ■ Ordinary income



Initiatives under the Business Revitalization Plan – Mineral Resources

In FY2024, we completed the sale of our Australian mining assets. From FY2025 onward, while some minor costs are conservatively anticipated, the impact on overall performance is expected to be minimal.

FY2024

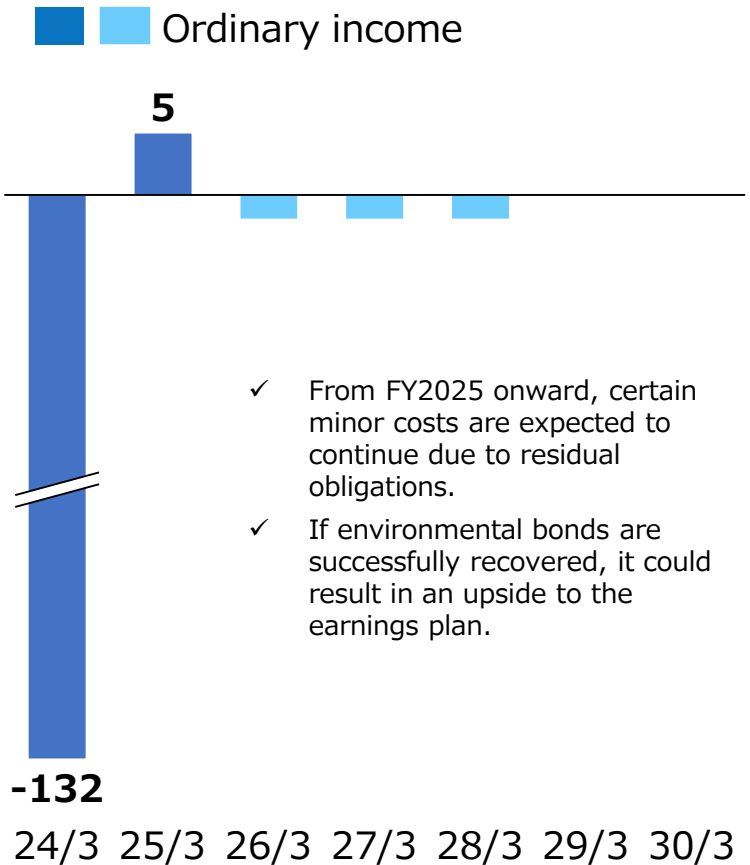
- ✓ **Completed the sale and related procedures of the three mines:** Abra, Rasp, and Endeavor



From FY2025 Onward

- ✓ Regarding Endeavor, we are working toward the recovery of environmental bonds submitted to authorities, by July 2026.
- ✓ Regarding Abra, at the creditors' meeting held in May 2025, the proposed rehabilitation plan was approved, and **the transfer of Company's shares to the new shareholder has been completed.**

(100 million yen)



Initiatives under the Business Revitalization Plan – Core and Growth

We are positioning the Lead and Silver Smelting Business at main core of our operations, aiming to increase production, improve recycling ratios, and enhance profitability. In addition, we are working to expand the Environmental Recycling Business and other businesses.

Business

Characteristics

Key initiatives



Lead and Silver Smelting

- **No. 1 share of the domestic market for lead smelting (40% of metal production)**, which is expected to grow for industrial applications in addition to robust demand for lead-acid battery applications

- **Expand lead production** and improve profit.
- **Increase the recovery and sales of precious metals such as gold and silver**, as well as rare metals like bismuth, which are contained in lead ore and recycled materials.
- Enhance collaboration with lead battery users, manufacturers, and collection companies to raise the lead recycling ratio and **establish a closed-loop lead recycling system.**



Environmental Recycling

- **Collect industrial waste and manufacture zinc oxide**, used in tires, through a proprietary production process.

- **Expanding zinc oxide production** by strengthening the collection of dust.
- Entering the lithium-ion battery recycling business as a new initiative.



Electronic Components and Advanced Materials

- Sendust Coils
- Electrolytic iron used in aircraft, where we hold the No.1 global market share (80%)

- Expansion of Sales Channels and Applications for Existing Products
- Development of New Products in Advanced Materials (Electrolytic Iron)

Enhancement in IR activities and information disclosure

Enhancement of information disclosure

Providing information through the following initiatives

- Enhancing English disclosure information for overseas investors, such as financial result announcements, financial statements, notice of Shareholder's meetings and other disclosures
- Promoting the disclosure of non-financial information such as materiality of important sustainability related items
- Promoting the disclosure related to global climate change and reduction of environmental impact on the earth
- Enhancing information on Company's Homepage.

Dialogue with shareholders and investors

Enhancing communication opportunities

- Creating opportunities for dialogue with shareholders/investors by the president and directors including external directors
- Holding on-site/online IR/SR meetings and presentations regarding the company's initiatives other than financial results (dialogues based on themes of interest to shareholders/investors, such as changes in the business environment, the company's business model and strengths, and future growth strategies)

