日本電解株式会社
Nippon Denkai, LTD.

September 30, 2024

Name of Company: Nippon Denkai, Ltd.
Representative: Hidemasa Nakajima,
President and Chief Executive Officer
(Stock Code: 5759, TSE Growth)
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Notice Regarding Execution of Technology License and Support Agreement with Hindalco Industries Limited

As announced in the "Notice Regarding Execution of a Memorandum of Understanding for Cooperation with Hindalco Industries Limited " dated June 14, 2024 (hereinafter referred to as "Previous Disclosure"), Nippon Denkai, Ltd. ("Nippon Denkai") has been in discussions towards collaboration with Hindalco Industries Limited ("Hindalco"), an Indian company engaged inter alia in the manufacturing of copper cathodes and copper rods, and has signed a Technology License and Support Agreement ("Agreement") on September 28, 2024. We hereby announce the details as follows:

1. Purpose and Details of the Agreement

Nippon Denkai shall provide license, know-how and technical support to Hindalco to produce electrodeposited copper foil for lithium-ion batteries in India. The period for technical support and consultancy is seven years from the date of signing of this agreement (September 28, 2024). As per the agreement, Nippon Denkai will support Hindalco in basic designing, achieving customer qualifications and operating a new manufacturing facility for copper foils in India.

Nippon Denkai believes that this strategic and long-term cooperative relationship with Hindalco will play a defining role in establishing a supply chain for lithium-ion batteries worldwide, including India. In consideration for the license, know-how and technical support under this agreement, Nippon Denkai and Hindalco have agreed that Nippon Denkai receives an initial payment, and subsequently, a royalty payment based on Hindalco's net sales volume.

2. Outline of Hindalco

1. Name	Hindalco Industries Limited
2. Location	One Unity Center, Tower 4, 21st Floor, Senapati Bapat Marg, Prabhadevi, Mumbai, India
3. Title and Name of Representative	Rohit Pathak [CEO Birla Copper]
4. Business Description	Manufacturing of copper cathodes and copper rods
5. Capital	2,220 MINR
6. Establishment Date	December 15, 1958
7. Major shareholders and shareholding ratio	The information is undisclosed at the request of the counterparty
8. Relationship with Nippon Denkai	
Capital Relationship	None
Personnel Relationship	None
Business Relationship	None
Status as Related Party	None

9. Consolidated financial position and consolidated operating results for the past three years				
	2021-22	2022-23	2023-24	Unit
Net Worth	781,910	948,060	1,061,460	MINR
Total Assets	2,230,620	2,248,170	2,319,070	MINR
Sales Revenues	1,950,590	2,232,020	2,159,620	MINR
Operating Profit	285,020	228,740	242,320	MINR
Net Profit	137,300	100,970	101,550	MINR

3. Sale of Equipment of Nippon Denkai

Nippon Denkai is in discussions about the specific terms and conditions of the sale of a portion of our equipment necessary for the manufacture of copper foil for lithium-ion batteries, as announced in Previous Disclosure. Further details will be announced as soon as the equipment purchase agreement is signed.

4. Outlook on Financial Impact

We expect to record revenue of approximately 140 million yen in the second quarter of the fiscal year ending March 31, 2025, as a result of the initial payment received for the license, know-how and technical support. The timing and amount of royalty payment have not been confirmed at this time, however, when it is deemed necessary to disclose, we will promptly disclose this information.