



May 30, 2024

Company name	Mitsubishi Materials Corporation
Representative	Naoki Ono, Chief Executive Officer (Securities code: 5711, Prime Market, Tokyo Stock Exchange)
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Regarding Signing of Agreement to Acquire Shares of H.C. Starck Holding

Mitsubishi Materials Group ("MMC Group") hereby announces that it has reached an agreement with Masan High-Tech Materials Corporation ("MHT") to acquire all of the shares of H.C. Starck Holding (Germany) GmbH ("H. C. Starck"), which is engaged in the tungsten business (the "Acquisition"), and signed a definitive agreement on the Acquisition with Masan Tungsten Limited Liability Company ("MTC"), a group company of MHT.

1. Purpose of the Acquisition

H.C. Starck is one of the world's leading manufacturers with a history of more than 100 years and is producing and selling high-quality powders made mainly of tungsten, tungsten carbide and its alloys in Europe, North America and China, and also has a sales network in Japan with a prominent presence in each region. H.C. Starck owns among the world's largest tungsten recycling capabilities.

In the Medium-term Management Strategy FY2031, MMC Group sets a goal of becoming "a leading company in tungsten products recognized by customers globally" as one of our business strategies. Regarding cemented carbide cutting tools, which are mainly made of tungsten, we are promoting initiatives to collect used cemented carbide cutting tools and to secure recycling capacities on a global basis.

As a result of the Acquisition, MMC Group will have bases of the tungsten business in four major markets: Japan, Europe, North America and China. MMC Group has decided the Acquisition based on the belief that the collaboration between Japan New Metals Co., Ltd. (consolidated subsidiary of MMC) and H.C. Starck will create synergies and increase corporate value through strengthening R&D capabilities, promoting cross-selling, and utilizing recycling technologies and capabilities while leading to the global business development of tungsten recycling. In conjunction with the Acquisition, MMC Group also entered into long-term, win-win APT and tungsten oxide offtake agreement with MTC, marking the next step of business cooperation between MMC Group and MHT Group.

2. Overview of the Relevant Companies, etc.

1) Overview of H.C. Starck (as of December 31, 2023)

(1)	Name	H.C. Starck Holding (Germany) GmbH		
(2)	Address	Gosler, Germany		
(3)	Title and Name of the Representative	Dr. Hady Seyeda (Managing Director)		
(4)	Business Details	Manufacture, sales and recycling of tungsten powder, tungsten carbide powder, tungsten chemical		
(5)	Capital Stock	EUR 25,000 thousand (approx. JPY 4 million)		
(6)	Year of Establishment	1920		
(7)	Major Shareholders and Shareholding Ratio	Masan Tungsten Limited Liability Company 100%		
(8)	Relationship between the Listed Company and the Relevant Company	Capital relationship	Not applicable.	
		Personal relationship	Not applicable.	
		Business Relationship	Not applicable.	
(9)	Consolidated Operating Results and Consolidated Financial Position of the Company for the Last Three Years			
	Fiscal Year	2023 Period	2022 Period	2021 Period
	Consolidated Net Assets	EUR 27,783 thousand (JPY 4,362 million)	EUR 55,623 thousand (JPY 7,843 million)	EUR 9,794 thousand (JPY 1,283 million)
	Consolidated Total Assets	EUR 367,162 thousand (JPY 57,644 million)	EUR 379,936 thousand (JPY 53,571 million)	EUR 323,438 thousand (JPY 42,370 million)
	Consolidated Net Assets Per Share	EUR 27,783 thousand (JPY 4,362 million)	EUR 55,623 thousand (JPY 7,843 million)	EUR 9,794 thousand (JPY 1,283 million)
	Consolidated Net Sales	EUR 352,625 thousand (JPY 55,362 million)	EUR 401,986 thousand (JPY 56,680 million)	EUR 320,939 thousand (JPY 42,043 million)
	Consolidated Operating Profit	EUR -10,050 thousand (JPY -1,578 million)	EUR 7,556 thousand (JPY 1,065 million)	EUR 9,776 thousand (JPY 1,281 million)
	Consolidated Ordinary Profit	EUR -15,770 thousand (JPY -2,476 million)	EUR -5,639 thousand (JPY -795 million)	EUR 12,984 thousand (JPY 1,701 million)
	Profit Attributable to Owners of Parent	EUR -21,971 thousand (JPY -3,449 million)	EUR -7,225 thousand (JPY -1,019 million)	EUR 7,689 thousand (JPY 1,007 million)

2) Overview of MTC (as of December 31, 2023)

(1) Name	Masan Tungsten Limited Liability Company	
(2) Address	Ho Chi Minh City, Vietnam	
(3) Title and Name of the Representative	Craig Richard Bradshaw (CEO)	
(4) Business Details	Smelting and powder production of tungsten Recycling of tungsten and other rare metals	
(5) Capital Stock	VND 3,243 billion (approx. JPY 19 billion)	
(6) Year of Establishment	2014	
(7) Net Assets	VND 4,599 billion (approx. JPY 27 billion)	
(8) Total Assets	VND 16,289 billion (approx. JPY 95 billion)	
(9) Major Shareholders and Shareholding Ratio	Nui Phao Mining Co., Ltd (100% Owned subsidiary of MHT) 99.99%	
(10) Relationship between the Listed Company and the Relevant Company	Capital Relationship	Not applicable.
	Personal Relationship	Not applicable.
	Business Relationship	Not applicable.
	Status of Related Parties	Not applicable.

3) Overview of MHT (as of December 31, 2023)

(1) Name	Masan High-Tech Materials Corporation	
(2) Address	Ho Chi Minh City, Vietnam	
(3) Title and Name of the Representative	Craig Richard Bradshaw (CEO)	
(4) Business Details	Smelting and powder production of tungsten Recycling of tungsten and other rare metals	
(5) Capital Stock	VND 10,992 billion (approx. JPY 64 billion)	
(6) Year of Establishment	2010	
(7) Net Assets	VND 13,624 billion (approx. JPY 79 billion)	
(8) Total Assets	VND 40,372 billion (approx. JPY 235 billion)	
(9) Major Shareholders and Shareholding Ratio	Masan Horizon Co., Ltd 86.39%	

3. Status of Percentage of Shares Acquired, Acquisition Price, and Voting Rights before and after the Acquisition

(1) Percentage of Voting Rights Owned before the Acquisition	Percentage of voting rights owned: 0%
(2) Percentage of Shares Acquired	100%

(3) Acquisition Price	USD 134.5 million (approx. JPY 21 billion)
(4) Percentage of Voting Rights Owned after the Acquisition	Percentage of voting rights owned: 100%

* As the Acquisition will be carried out by MM Netherlands (a 100% consolidated subsidiary of MMC), the ownership percentage after the acquisition above shows the percentage of ownership held by MM Netherlands.

4. Schedule of Acquisition

May 29, 2024 Signing on definitive agreement

*The Acquisition is expected to be completed by the end of March 2025 following necessary internal procedures and approval by the relevant authorities.

5. Future Outlook

The impact of the Acquisition on the Group's consolidated financial results for the fiscal year ending March 2025 is minimal.

(Reference) Consolidated financial results forecast for the fiscal year ending March 2025 (announced on May 14, 2024) and consolidated financial results for the previous fiscal year

	Consolidated Net Sales (JPY million)	Consolidated Operating Profit (JPY million)	Consolidated Ordinary Profit (JPY million)	Net Profit Attributable to Owners of Parent (JPY million)
Consolidated Financial Results Forecast for the (Fiscal Year Ending March 2025)	1,950,000	41,000	63,000	45,000
Consolidated Financial Results for the Previous Fiscal Year (Fiscal Year Ended March 2024)	1,540,642	23,276	54,102	29,793

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