KOREA ZINC

September 22nd, 2026

11th Letter to Shareholders from CEO of Korea Zinc

Dear Shareholders,

I am writing to express my deepest gratitude for your steadfast support following our Extraordinary General Meeting (the "EGM") on September 9th, as your trust provides the stability and focus needed to advance our shared mission of strengthening governance, executing our strategic vision, and creating sustainable long-term value, all while serving as a clear reaffirmation of confidence in the direction of Korea Zinc Co., Ltd. ("Korea Zinc" or the "Company") and the stewardship of our Board and management team.

Through a period of significant transformation, Korea Zinc is committed to earning shareholder trust continuously through rigorous performance, accountability, and active listening. We will continue to strengthen our governance, engage openly with all stakeholders, and execute our long-term strategy with discipline and humility. With your continued support, we remain sharply focused on advancing Project Crucible, driving sustainable growth, and building enduring value for every shareholder.

Overview of the EGM Results

Before diving into the results of the EGM, it helps to rewind and look at why this meeting had to happen in the first place. Back at the 52nd Annual General Meeting, Korea Zinc tried to update its Articles of Incorporation ("AOI"), specifically, to increase its separately elected Audit Committee members from one to two ahead of a revised Korean Commercial Act taking effect in September. Out of 124 listed companies that proposed this exact change, 123 sailed through with shareholder approval. Korea Zinc was the lone exception, thanks to a roadblock thrown up by MBK Partners ("MBK") and Young Poong Co. Ltd. ("Young Poong" or "YP"). Because of that opposition, the company had to burn precious time, money, and management energy on an extraordinary meeting to pass a statutory requirement that was going to become mandatory anyway.

Driven by a wave of broad and decisive support from global institutions, domestic funds, and individual investors alike, shareholders voted to approve all three agenda items at the EGM. The outcomes mark a clear mandate: the amendment expanding the Audit Committee has officially passed, four new independent directors have been chosen to join the board, and Mr. In-Kyu Baek has been elected as an independent director to serve specifically on the Audit Committee.

Most notably, Mr. Baek—nominated by the Korea Zinc Board—was elected as an independent director serving as a separately elected Audit Committee member with the support of 81.8% of all outstanding voting shares. This strong level of support reflects broad shareholder confidence in Mr. Baek's qualifications and reinforces the Company's continued efforts to strengthen the independence, expertise, and effectiveness of its governance framework.

Mr. Baek brings exceptional credentials to the role. A professor at Dankook University and a certified public accountant in both Korea and the United States, Mr. Baek spent 28 years with Deloitte, building deep expertise in accounting, auditing, financial advisory, and internal controls. The market took note: eight out of nine major proxy advisory firms-including ISS and Glass Lewis- strongly recommended his

election. His wealth of experience will significantly sharpen the Audit Committee's oversight, tighten internal controls, and reinforce the independence of the company's entire audit framework.

The EGM further strengthened the Board's composition and capabilities by electing four independent directors, notably Mr. Hyung-Kyu Lee and Ms. Eun-Sook Seo, who were recommended through a rigorous, independent process led by the Independent Director Candidate Recommendation Committee. Mr. Lee brings extensive legal and governance expertise to enhance regulatory oversight, while Ms. Seo contributes valuable perspective to financial, investment, and strategic decisions through her broad background in finance and public affairs.

The newly elected independent directors broaden the Board's expertise in finance, M&A, risk management, legal affairs, and international relations. In particular, Mr. Lee and Ms. Seo add vital perspective to the Company's oversight of strategy, capital allocation, and risk.

The results of the EGM go far beyond the approval of three agenda items. They reinforce the independence, expertise, and effectiveness of our Board and Audit Committee, while demonstrating shareholders' ongoing trust in Korea Zinc's commitment to advanced governance and sustainable value creation.

Results of 2026 Extraordinary General Meeting

#	Agenda	Proposer	KZ's Position	EGM Results
1	**Partial Amendment to the Articles of Incorporation** (Amendment to the AOI to Increase the number of separately elected Audit Committee members)	Korea Zinc	For	Approved
2	**Election of Four Directors by Cumulative Voting** (Proposed by Yumi Development and MBK/YP/YPC)			
2-1	Election of Hyung-Kyu Lee as an Independent Director	Korea Zinc	For	Approved
2-2	Election of Eun-Sook Seo as an Independent Director	Korea Zinc	For	Approved
2-3	Election of Jun-Bong Lee as an Independent Director	MBK/YP/YPC	-	Approved
2-4	Election of Hye-Seop Shim as an Independent Director	MBK/YP/YPC	-	Approved
3	**Election of an Independent Director Who Will Serve as a Member of the Audit Committee**[1)]			
3-1	Election of In-Kyu Baek as a Member of the Audit Committee	Korea Zinc	For	Approved
3-2	Election of Yoo-Kyung Park as a Member of the Audit Committee	MBK/YP/YPC	-	Rejected

1) Resolutions No. 3-1 and No. 3-2 were voted on as a single ballot. If more than one resolution satisfies the ordinary resolution threshold, the resolution receiving the highest number of votes was deemed approved.

Our Continuing Commitment to Governance Enhancement

Good governance is an ongoing commitment to strengthening independence, accountability, oversight, and shareholder rights. Over the past several years, Korea Zinc has pursued a comprehensive, Board-led governance reform program. This includes appointing an independent director as Board Chair, introducing a Board Skills Matrix and independent external Board evaluations, and strengthening Board oversight of major investments. We have also taken meaningful steps to enhance minority shareholder rights and introduced an open shareholder nomination process for separately elected Audit Committee

candidates, with qualification criteria and screening procedures disclosed in advance to enhance transparency and fairness.

These initiatives stem from a straightforward commitment: continuous listening, learning, and refinement. We have significantly broadened our dialogue with both domestic and international shareholders, engaging them directly alongside senior management and independent directors and we remain open to constructive perspectives from all stakeholders as we continue strengthening our governance practices.

In this respect, the spirit of Project Crucible mirrors our approach to governing Korea Zinc: just as a crucible fuses diverse elements into something stronger, we believe open, constructive debate among varied perspectives leads to better decisions and more resilient institutions. The governance milestones we've reached including full (100%) compliance with all 15 Korea Exchange core indicators mark significant progress, yet our work continues. We remain focused on deepening board independence, sharpening internal controls, reinforcing management accountability, and expanding shareholder rights to drive sustainable growth and build long-term value for every investor.

Two Years of Challenge—and Two Years of Execution

Two years have passed since MBK and Young Poong launched their unexpected hostile takeover bid for Korea Zinc. Throughout this period, our priority has remained clear: to maintain operational stability, execute our long-term strategy, and deliver sustainable value for our shareholders despite the uncertainty created by an ongoing hostile M&A.

Our financial results reflect the exceptional strength and resilience of our business model. In 2025, Korea Zinc achieved a record-breaking performance, posting consolidated revenue of KRW 16.6 trillion and an operating profit of KRW 1.23 trillion. This momentum accelerated dramatically in the first half of 2026: revenue surged 62.5% year-on-year to approximately KRW 12.4 trillion, while operating profit skyrocketed 151.5% to approximately KRW 1.33 trillion, surpassing our entire operating profit for the previous full year in just six months. Backed by 106 consecutive quarters and 44 consecutive years of operating profit, these milestones underscore our enduring operational excellence and market leadership.

These results reflect deliberate, multi-year strategic decisions to diversify our portfolio, expand production, grow our exposure to precious and rare metals, and advance the Troika Drive. Alongside this growth, we have maintained disciplined shareholder returns-including quarterly dividends and share cancellations-to translate strong operational performance into sustainable, per-share value.

Over the past two years, we have continued to invest in Korea Zinc's future. As AI, semiconductors, defense, the energy transition, and geopolitical shifts reshape the global critical minerals industry, we have advanced Project Crucible—our planned integrated smelter in the United States—to serve as a new global growth platform for the company.

Korea Zinc's Project Crucible combines five decades of proprietary technology and operating expertise with strategic partnerships and U.S. policy and financial support to strengthen global critical minerals supply-chain resilience. By positioning Korea Zinc as a trusted long-term partner to strategically vital industries, the initiative deepens critical minerals cooperation between Korea and the United States while advancing the economic and national security priorities of both nations.

Projects of this scale demand more than capital; they require leadership continuity, consistent decision-making, deep operational expertise, financial discipline, and enduring partnerships with governments and strategic stakeholders. Korea Zinc's fifty-two-year track record should therefore be measured not merely

by our financial returns, but by our unwavering operational stability while delivering complex, multi-year investments that secure the company's competitive edge for decades ahead.

Evaluating these track records side by side, shareholders must also scrutinize the alternative vision proposed for Korea Zinc. Nearly two years into their campaign, MBK and Young Poong have yet to outline credible operating and strategic blueprint-leaving critical questions unanswered about how they would manage the company, drive global growth, execute complex, multi-billion-dollar initiatives like Project Crucible, or sustainably build long-term value. Anyone seeking stewardship of Korea Zinc should be held to rigorous standards of operating capability, strategic clarity, financial discipline, and proven value creation.

Over the past two years, our response to uncertainty has remained grounded in a single priority: execution. By delivering record financial performance, maintaining operational stability, advancing the Troika Drive, strengthening shareholder returns, and moving forward with Project Crucible, we have focused on the fundamentals that truly matter. We deeply appreciate that the results of this EGM reflect our shareholders' continued confidence in our ability to build long-term value for Korea Zinc.

Epilogue: Periodic Table Roulette—Our Structural Advantage in Critical Minerals

At our Onsan refinery, Korea Zinc produces more than 20 distinct metals, materials, and chemical products. Twenty years ago, that number was 12. Expanding this capability has been a deliberate and unyielding pursuit, woven into the fabric of our 52-year history.

Reflecting on this recently, I was reminded of one of the fundamental characteristics that differentiates Korea Zinc's business model. While much of the global smelting industry remains focused on a relatively narrow range of primary metals, our strategy is built around capturing value across the periodic table.

To borrow a metaphor, the smelting business can sometimes resemble a high-stakes game of periodic table roulette.

Traditional zinc and copper refiners around the world typically place only a handful of bets—focusing primarily on their main metals while treating much of what remains as residue or waste. Korea Zinc has spent decades doing something different. What others may leave behind, we seek to recover, refine, and monetize. Our proprietary technologies and accumulated operating expertise allow us to extract hidden and often underappreciated value from each ton of raw material that passes through our operations.

This capability has become one of the important engines of our business—and, we believe, a source of differentiated value creation.

In this industry, a producer exposed to only four or five products may have a strong year when one or two perform particularly well, and an exceptional year when several do. Korea Zinc, by contrast, has built exposure across more than 20 products. We believe this breadth fundamentally changes the economics and resilience of our business model.

Recent performance provides tangible examples. In 2025, a sharp increase in the value of critical minerals such as antimony created meaningful additional value for our business. In the first half of 2026, silver and gold recovered through our advanced refining processes became important contributors to our record performance. Looking toward the remainder of this year and into the next, we see opportunities across a different set of products, including zinc, copper, sulfuric acid, and semiconductor-grade ultrapure sulfuric acid.

Of course, our multi-product strategy does not make Korea Zinc immune to downturns in metal prices or broader commodity cycles. No smelting business is. A broad decline across commodity markets can affect our earnings just as it can those of our peers. But that is precisely why the breadth of our portfolio matters. By creating multiple sources of value across different metals, materials, and chemical products—each with its own supply-demand dynamics—we reduce our dependence on any single commodity and increase the probability that strength in one part of the portfolio can help offset weakness elsewhere. We believe this structural diversification increases our probability of success across cycles and makes Korea Zinc more resilient when individual metal prices turn downward.

This is what we mean by our Periodic Table Strategy. It is not an attempt to predict which commodity will outperform next. Rather, it is about systematically building the technological capability to capture value across a broader range of elements and products, so that Korea Zinc has more opportunities to create value under different market conditions.

And our work is far from finished.

As we engage more deeply with our customers, our customers' customers, and the rapidly evolving world of advanced materials, we continue to identify new elements and products from the periodic table that Korea Zinc may be uniquely positioned to recover and commercialize. Our strategic ambition is to expand our playbook from more than 20 products today to approximately 30 over the next five years.

This is part of the spirit and DNA of Korea Zinc: disciplined planning, structural diversification, technological innovation, and a strategy that continues to evolve rather than stand still.

For more than five decades, we have learned that value in our industry is not always found in the most obvious places. Often, it lies in what others overlook—in an element present only in small quantities, in a material once treated as residue, or in a capability whose strategic importance becomes apparent only as the world changes.

Our job is to find that value before others do, develop the technology to capture it, and turn it into sustainable value for our shareholders.

That mindset has helped Korea Zinc navigate commodity cycles for more than half a century. As we expand our capabilities and enter the next chapter of our growth, we intend to remain lifelong students of our craft—continuously learning, adapting, and finding new value across the periodic table.

Our Path Forward: Turning Trust into Long-Term Value

The outcome of this EGM is both a vote of confidence and a clear mandate. We remain committed to strengthening Korea Zinc through disciplined execution, enhanced governance, and sustainable value creation. We are deeply grateful for your trust. We recognize that this trust is earned through consistent performance, transparent accountability, and disciplined action on behalf of all shareholders.

Over the past two years, Korea Zinc has maintained an unwavering focus on operational excellence amid an ongoing control dispute. By delivering record financial performance, advancing our Troika Drive strategy, strengthening governance, and enhancing shareholder returns, we have reinforced both our market position and our long-term vision. These milestones reflect our resilience and deepen our commitment to executing our strategy with the rigor, discipline, and humility that have defined our history.

Korea Zinc is entering a transformative new chapter centered on Project Crucible, an initiative designed to establish the company as a cornerstone of the global critical minerals supply chain and drive long-term

growth. Integrated with our Troika Drive strategy, Project Crucible will strengthen our global competitiveness, contribute to the resilience of critical minerals supply chains, and deliver sustainable value for our shareholders.

As we move forward, our priorities are clear. We will:

- Execute Our Strategy with Discipline: Advance Project Crucible and the Troika Drive with uncompromising standards for operational execution, financial discipline, prudent capital allocation, and risk management, safeguarding the core strengths that define Korea Zinc.
- Continue Strengthening Governance: Build upon established reforms by deepening Board independence, specialized expertise, and active oversight, while relentlessly protecting and enhancing shareholder rights.
- Create Sustainable Shareholder Value: Convert our operational excellence and strategic investments into enduring long-term value through disciplined capital deployment and a transparent, predictable framework for returns.
- Listen, Learn and Improve: Foster open, constructive dialogue with all shareholders and stakeholders-respecting diverse viewpoints-and actively integrate constructive feedback into our ongoing governance and strategic direction.

The EGM results give us confidence, but the work doesn't stop here. Good governance demands constant improvement, strategy demands steady execution, and shareholder trust is earned daily through results.

As we turn this next page, we remain guided by the spirit of Crucible: uniting diverse perspectives, capabilities, and partnerships to build something greater. We believe that this principle-paired with Korea Zinc's fifty-year operational heritage and our steady commitment to disciplined execution-will forge an even stronger, more resilient enterprise for the future.

We keep our promise simple: we translate your trust into disciplined execution, disciplined execution into sustainable growth, and sustainable growth into long-term value for our shareholders.

Thank you for your continued partnership.

Sincerely,

Yun B. Choi
Chief Executive Officer
KOREA ZINC COMPANY, LTD.