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Press Release

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**Notice Regarding Commencement of Tender Offer for
Shares of Fuji Oil Company, Ltd. (Securities Code: 5017)**

Idemitsu Kosan Co., Ltd. (the “Tender Offeror”) hereby announces that, by the board of directors’ resolution dated September 11, 2025, it decided to acquire shares of common stock (the “Target Company Shares”) of Fuji Oil Company, Ltd. (Code: 5017, Prime Market of Tokyo Stock Exchange, Inc. (the “TSE”); the “Target Company”) through a tender offer (the “Tender Offer”) under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended; the “Act”), as described below.

1. Purpose of Purchase
- (1) Overview of Tender Offer

As of today, the Tender Offeror is the largest shareholder of the Target Company, holding 17,035,520 Target Company Shares (ownership ratio (Note 1): 22.06%) listed on the Prime Market of the TSE and has the Target Company as its equity-method affiliate.

(Note 1) The “ownership ratio” refers to the ratio (rounded to the nearest hundredth, which also applies with regard to subsequent descriptions of ownership ratio) to the number of shares (77,240,335 shares; the “Base Number of Shares”) obtained by subtracting the number of treasury shares owned by the Target Company as of June 30, 2025 (943,342 shares) as described in the “Consolidated Financial Results for the Three Months Ended June 30, 2025 (Under Japanese GAAP)” published by the Target Company on August 7, 2025 (the “Target Company’s First-Quarter Financial Results”) from the total number of issued shares of the Target Company as of June 30, 2025 as described in the Target Company’s First-Quarter Financial Results (78,183,677 shares).

By the board of directors’ resolution dated September 11, 2025, the Tender Offeror decided to implement the Tender Offer as part of the transactions intended to acquire all of the Target Company Shares (including shares of the Target Company with transfer restrictions that were granted to the Target Company’s directors and executive officers as restricted stock-based compensation (“Restricted Shares”) and excluding

the Target Company Shares owned by the Tender Offeror and the Non-Tendering Shareholder (as defined below) and the treasury shares owned by the Target Company) and delist the Target Company Shares (the “Transactions”).

Further, on September 11, 2025, the Tender Offeror entered into a non-tender agreement for the Tender Offer with the Government of the Kingdom of Saudi Arabia (the “Non-Tendering Shareholder”) (the “Non-Tender Agreement”), which is the third largest shareholder of the Target Company (number of shares owned: 5,811,390 shares; ownership ratio: 7.52%), under which Non-Tendering Shareholder agreed in writing on matters including not tendering any of the Target Company Shares the Non-Tendering Shareholder holds in the Tender Offer, and that if the Tender Offer is completed successfully, the Non-Tendering Shareholder will support the proposals relating to the Squeeze-out Procedure (as defined below; the same applies hereinafter) at the Special Shareholders’ Meeting (as defined in “(4) Post-Tender Offer Reorganization Policy (Matters Regarding “Two-Step Acquisition”)” below; the same applies hereinafter). The Tender Offeror determined that, as the Non-Tendering Shareholder are stable suppliers of crude oil that supports the oil refining business of the Target Company and the Tender Offeror Group (as defined in “(I) Background, Purpose, and Decision-Making Process Leading to Decision to Implement Tender Offer” in “(2) Background, Purpose, and Decision-Making Process Leading to Decision to Implement Tender Offer, and Post-Tender Offer Management Policy” below; the same applies hereinafter), having the Non-Tendering Shareholder remain as shareholders of the Target Company after the Transactions will enable the Tender Offeror Group, including the Target Company, to maintain a good relationship with the Non-Tendering Shareholder after the Transactions and preserve the stability of crude oil supply, which will as a result enable the Tender Offeror Group to enhance its ability to respond to geopolitical risks and fluctuations in the international crude oil market and secure long-term stability of crude oil supply and the foundation to build sustainable cooperative relationships, and that such shareholder composition will not only enhance the reliability of the domestic oil refining business and energy supply through stable crude oil procurement but also contribute to improvement of corporate value; therefore, the Tender Offeror executed the Non-Tender Agreement. For an overview of the Non-Tender Agreement, please see “(6) Matters Regarding Critical Agreement Related to Tender Offer” below.

With respect to the Tender Offer, the Tender Offeror has set a minimum planned purchase quantity of 27,693,547 shares (ownership ratio: 35.85%), which is the number of shares obtained by subtracting the number of Target Company Shares owned by the Tender Offeror (17,035,520 shares), the Non-Tendering Shares (5,811,390 shares), 828,800 shares owned by passive index funds (Note 2), which are considered investors who will not tender in the Tender Offer as further described below, and the Restricted Shares owned by the Target Company’s directors and executive officers (a total of 124,300 shares) as of today, from the number of shares obtained by multiplying the Base Number of Shares (77,240,335 shares) by two-thirds (51,493,557 shares; rounded up to the nearest whole number), and if the total number of shares tendered in the Tender Offer (the “Tendered Shares”) falls below this minimum planned purchase quantity, the Tender Offeror will purchase no Tendered Shares. On the other hand, as described above, the Tender Offeror intends to delist the Target Company Shares and has therefore not set a maximum planned purchase quantity, and if the total number of Tendered Shares is equal to or exceeds the minimum planned purchase quantity, the Tender Offeror will purchase all of the Tendered Shares.

(Note 2) A passive index fund is a fund that aims to secure a return on par with market averages by managing the fund for the purpose of linking investment results with indices, such as stock price indices, which serve as benchmarks for the markets for stocks and other investment assets.

The reasons for setting the minimum planned purchase quantity at 27,693,547 shares (ownership ratio: 35.85%) are as follows:

First, the “Fair M&A Guidelines” formulated by the Ministry of Economy, Trade and Industry on June 28, 2019 (the “M&A Guidelines”) indicate that “as the scale of passive index funds has increased in recent years as a trend in the Japanese capital markets, some of these investors refrain, as a matter of policy, from tendering their shares in response to a tender offer regardless of the appropriateness of the transaction terms,” so the Tender Offeror is aware that, in general, some passive index funds will not tender their shares in tender offers in principle, regardless of the tender offer terms, and instead have a policy of exercising their voting rights in support of share consolidation proposals at shareholders’ meetings in the process of squeeze-out procedures thereafter, and the Tender Offeror understands that this is also the case with the passive index funds that own Target Company Shares. The Tender Offeror understands that against this background, there have been several cases in which a certain number of shares owned by passive index funds were deducted from the minimum planned purchase quantities in cases implemented on or after January 2020 where the target companies were made wholly owned subsidiaries through tender offers in which maximum planned purchase quantities were not set, and has confirmed that among those cases, there were several cases in which share consolidation proposals were approved at shareholders’ meetings in the process of squeeze-out procedures even though the ratio of voting rights owned by the tender offerors after successful completion of the tender offers was less than two-thirds.

Second, with regard to the passive index funds that own Target Company Shares, the Tender Offeror reviewed the details of the shareholder identification survey of the Target Company shareholders as of the end of March 2025 conducted by the Target Company, which were shared by the Target Company on May 21, 2025, and the database information concerning the status of shares held by institutional investors through funds from information vendors that provide various data services such as information on financial markets, and analyzed the tendering status of institutional investors in the tender offer project of which the Tender Offeror announced the implementation in November 2024; and the Tender Offeror conducted interviews with the domestic institutional investors that manage those funds regarding their general response policy for tendering in tender offers and policy for exercising voting rights at shareholders’ meetings after successful completion of a tender offer, on the premise of anonymity and generalizations and without directly referring to the Transactions, and received responses from a portion of such investors as a result of these interviews. As a result, it has been confirmed that among the total of 7,951,600 shares (ownership ratio: 10.29%) owned by passive index funds that own Target Company Shares as of the end of March 2025, a total of 828,800 shares (ownership ratio: 1.07%) are owned by institutional investors who stated in the aforementioned interviews, premised on anonymity and generalizations and without directly referring to the Transactions, that they do not intend to tender in tender offers, but in principle intend to exercise their voting rights in support of proposals for share consolidations at shareholders’ meetings in squeeze-out procedures thereafter, and therefore, although the Tender Offeror has not confirmed their intention of not tendering their shares in the Tender Offer and of supporting each proposal related to the Special Shareholders’ Meeting, the Tender Offeror understands that those shares are reasonably expected not to be tendered in the Tender Offer and that the

voting rights of those funds will be exercised in support of the proposals for the Share Consolidation (as defined in “(4) Post-Tender Offer Reorganization Policy (Matters Regarding “Two-Step Acquisition”)” below; the same applies hereinafter).

Based on the above, after the Tender Offer is successfully completed, in light of the total of the number of shares owned by the Tender Offeror (the expected minimum ownership ratio in that case is 57.91%), the number of the Non-Tendering Shares (ownership ratio: 7.52%), the number of shares owned by the aforementioned passive index funds (ownership ratio: 1.07%), and the number of Restricted Shares (Note 3) owned by directors and executive officers of the Target Company (ownership ratio: 0.16%), resulting in an expected total minimum ownership ratio of 66.67%, the Tender Offeror believes that the proposals for the Share Consolidation can be passed.

(Note 3) The Restricted Shares cannot be tendered in the Tender Offer due to the transfer restrictions; however, at the board of directors’ meeting held on September 11, 2025, the Target Company passed a resolution indicating that the Target Company will express an opinion in support of the Tender Offer premised on delisting, and in the process of that resolution, seven out of 11 directors of the Target Company participated in the deliberations and resolutions, and all directors who participated in the resolutions exercised their voting rights in support of the resolution, none of the four directors who did not participate in the deliberations and resolutions hold any Restricted Shares, and one executive officer, who is the only person that owns Restricted Shares among executive officers who do not concurrently serve as directors (as described in “(VI) Establishment of Independent Consideration System at Target Company” in “(3) Measures to Ensure Fairness of Tender Offer Price, Measures to Avoid Conflicts of Interest, and Other Measures to Ensure Fairness of Tender Offer” below, that executive officer is a member of the Target Company’s project team for the Transactions) expressed their support for the Transactions. Therefore, all of the Target Company’s directors and the person who owns Restricted Shares among executive officers who do not concurrently serve as directors are expected to support the proposals for the Share Consolidation if the Tender Offer is successfully completed.

Based on the above considerations, the Tender Offeror has set the minimum purchase quantity in the Tender Offer at 27,693,547 shares (ownership ratio: 35.85%) in order to maximize the possibility of achieving the purpose of the Tender Offer, which is to take the Target Company private, while respecting the decision of general shareholders of the Target Company on whether to tender.

As the Tender Offeror intends to delist the Target Company Shares, making the Tender Offeror and the Non-Tendering Shareholder the sole shareholders of the Target Company, if the Tender Offeror fails to acquire all of the Target Company Shares (including the Restricted Shares but excluding the Target Company Shares owned by the Tender Offeror and the Non-Tendering Shareholder as well as the treasury shares owned by the Target Company) through the Tender Offer, the Tender Offeror will implement the procedures described in “(4) Post-Tender Offer Reorganization Policy (Matters Regarding “Two-Step Acquisition”)” below to make the Tender Offeror and the Non-Tendering Shareholder the sole shareholders of the Target Company (the “Squeeze-out Procedure”). As described in “(4) Post-Tender Offer Reorganization Policy (Matters Regarding “Two-Step Acquisition”)” below, the Tender Offeror intends to request that the Target Company hold the Special Shareholders’ Meeting around December 2025; therefore, the Tender Offeror believes that the delisting of the Target Company Shares will be completed in around January or February 2026.

In the case of the Tender Offer, if the total number of voting rights of the Target Company owned by the Tender Offeror and the Non-Tendering Shareholder after successful completion of the Tender Offer is less than two-thirds of the total number of voting rights of all shareholders of the Target Company, the possibility of the proposals for the Share Consolidation to be carried out as a Squeeze-out Procedure not being approved at the Special Shareholders' Meeting cannot be completely ruled out. However, even if such approval cannot be obtained, the Tender Offeror aims to ultimately acquire all of the Target Company Shares (including the Restricted Shares but excluding the Target Company Shares owned by the Tender Offeror and the Non-Tendering Shareholder as well as the treasury shares owned by the Target Company), and intends to delist the Target Company Shares; as such, the Tender Offeror intends to aim to additionally acquire the Target Company Shares and delist the Target Company Shares through methods including on-market purchases or off-market over-the-counter acquisitions until the number of voting rights reaches the level at which the proposals for the Share Consolidation would be realistically approved at the Target Company's general meeting of shareholders (the specific level will be determined based on the ratio of voting rights exercised at the Special Shareholders' Meeting and the Target Company's latest shareholder composition), taking into consideration the tendering status in the Tender Offer, the ownership status and attributes of the Target Company's shareholders at that time, and trends in market stock prices. In terms of additional acquisitions, the Tender Offeror intends to acquire the Target Company Shares at their market price in the case of on-market transactions and at a price evaluated as economically equivalent to the Tender Offer Price (as defined in "(2) Background, Purpose, and Decision-Making Process Leading to Decision to Implement Tender Offer, and Post-Tender Offer Management Policy" below) in the case of methods other than on-market transactions, unless an event requiring a price adjustment, such as a share consolidation or share split of the Target Company Shares, occurs. The specific times/dates and methods of such additional acquisitions and the period required for general shareholders meeting approval of the proposals for the Share Consolidation thereafter cannot be determined at this time because they depend on various circumstances such as market conditions; however, the Tender Offeror will do its utmost to implement the Share Consolidation as soon as practicable.

Furthermore, according to the "Notice Concerning Expression of Opinion in Support of Tender Offer for Company Shares by Idemitsu Kosan, an Other Associated Company, and Recommendation to Tender Shares" published by the Target Company on September 11, 2025 (the "Target Company Press Release"), at its board of directors' meeting held on September 11, 2025, the Target Company resolved to express its opinion to support the Tender Offer and to recommend that its shareholders tender their shares in the Tender Offer.

For details of the Target Company's board of directors' resolutions described above, please refer to the Target Company Press Release and "(VII) Approval of All Target Company Directors Without Conflicts of Interest and Opinion of All Target Company Auditors That They Have No Objections" of "(3) Measures to Ensure Fairness of Tender Offer Price, Measures to Avoid Conflicts of Interest, and Other Measures to Ensure Fairness of Tender Offer" below.

- (2) Background, Purpose, and Decision-Making Process Leading to Decision to Implement Tender Offer,

and Post-Tender Offer Management Policy

(I) Background, Purpose, and Decision-Making Process Leading to Decision to Implement Tender Offer

The company group composed of the Tender Offeror and its 181 subsidiaries and 58 affiliates (as of today) (collectively, the “Tender Offeror Group”) conducts (i) fuel oil business (Note 4), (ii) basic chemicals business (Note 5), (iii) functional materials business (Note 6), (iv) power and renewable energy business (Note 7), (v) resources business (Note 8), and (iv) other businesses (Note 9). The Tender Offeror was established by Mr. Sazo Idemitsu, the founder, as Idemitsu Shokai in Moji City, Fukuoka Prefecture (currently, Moji Ward, Kitakyushu City) in June 1911 and started sales of petroleum mainly in the Kanmon area. In March 1940, Mr. Sazo Idemitsu established Idemitsu Kosan Co., Ltd. in Tokyo, and Idemitsu Shokai merged with Idemitsu Kosan Co., Ltd. as a company disappearing in an absorption-type merger in November 1947. The Tender Offeror was listed on the First Section of the TSE in October 2006, and as a result of the restructuring of market divisions of the TSE as of April 4, 2022, it currently is listed on the Prime Market of the TSE.

(Note 4) “Fuel oil business” refers to the business of transportation of crude oil and petroleum products, refining of petroleum, manufacture of petroleum-related products, sale of petroleum products and service station-related products, purchase and sale of crude oil and other relevant products overseas, and manufacture and sale of petroleum products.

(Note 5) “Basic chemicals business” refers to the business of manufacture and sale of petrochemical raw materials and products.

(Note 6) “Functional materials business” refers to the business of manufacture and sale of lubricants, engineering plastics and adhesive substrates, electronic materials, high-performance asphalt, chemical pesticides, biopesticides, etc.

(Note 7) “Power and renewable energy business” refers to the business of power generation and electricity supply and sales, as well as the development and operation of renewable energy power sources.

(Note 8) “Resources business” refers to the business of survey, exploration, development, and sale of oil, natural gas, and geothermal resources, and the production, procurement, and sale of coal.

(Note 9) “Other businesses” refers to insurance agency business, etc.

On the other hand, the Target Company established AOC Holdings, Inc. through a share transfer between Fuji Oil Company, Ltd. (“Former Fuji Oil”) and Arabian Oil Company, Ltd. (“Arabian Oil”) in January 2003. In October 2013, AOC Holdings, Inc. amalgamated with Former Fuji Oil in the form of an absorption-type merger with AOC Holdings, Inc. as the surviving company and changed its company name to its current company name, Fuji Oil Company, Ltd. In April 2025, the Target Company amalgamated with Arabian Oil in the form of an absorption-type merger with the Target Company as the surviving company, and as of September 11, 2025, the Target Company has five consolidated subsidiaries and four affiliates. Further, the shares issued by the Target Company were listed on the First Section of both TSE and the Osaka Securities Exchange in January 2003 and were delisted from the Osaka Securities Exchange in April 2004. In addition, as a result of the restructuring of the TSE market segments on April 4, 2022, the Target Company is currently listed on the Prime Market of the TSE.

The Target Company Group (referring to the company group composed of the Target Company and five consolidated subsidiaries and four affiliates (as of today); the same applies hereinafter), the main business

of which is refinement, storage, procurement, sale, and purchase of petroleum and transportation, receipt, and shipment of petroleum products and other relevant products, has established its long-term management direction for 2050 as follows:

<The Target Company Group's long-term management direction for 2050>

- The Sodegaura Refinery will continue to be an important base of value creation (Note 10) to fulfill the mission of stable supply of energy.
- Recognizing that contributing to a low-carbon/recycling-oriented society is both our social responsibility and the most important management issue for the future of the Target Company, we will become a company that supplies carbon-neutral energy and oil products that reduce the amount of CO2 emissions generated during their production.

(Note 10) A base to create not only monetary value but also social and environmental value, such as contributing to a low-carbon and recycling-oriented society, for all stakeholders, including shareholders, customers, local communities, and employees, through the supply of energy needed by society, while transforming itself in accordance with social changes. In other words, the Target Company aims to increase its corporate value by positioning the Sodegaura Refinery as a core management resource and a medium- to long-term growth base to work toward “priority issues,” which are management ambidexterity for existing business (petroleum refining business) and new businesses (renewable energy supply business, etc.) pursuant to the “two basic policies” set forth based on the “long-term management direction” provided in the Third Medium-Term Business Plan.

To promote initiatives in line with this direction, under the Third Medium-Term Business Plan for four years (FY2021 to FY2024), the Target Company, with the aim of expanding earnings on a stable basis while reducing environmental burdens at the same time, set as its basic policy reinforcement of the base of its oil refining business and strengthening of efforts towards a decarbonized society, and has focused on (i) maintaining and enhancing operational reliability, (ii) strengthening cost competitiveness and establishing competitive advantages, (iii) thoroughly reducing environmental burdens at refineries, and (iv) pursuing businesses contributing to decarbonization.

On July 1, 2019, the Tender Offeror succeeded to 5,144,000 Target Company Shares (6.58% of the then total issued shares) from Showa Shell Sekiyu K.K. due to a succession of the entire business of Showa Shell Sekiyu K.K. through an absorption-type company split with the Tender Offeror as the company succeeding in the absorption-type company split and Showa Shell Sekiyu K.K. as the company splitting in the absorption-type company split. Thereafter, on March 26, 2024, the Tender Offeror acquired all of the 5,051,600 Target Company Shares (6.46% of the then total issued shares) held by Sumitomo Chemical Company, Limited in an off-market transaction. As a result, the Tender Offeror came to own 10,195,600 Target Company Shares (13.04% of the then total issued shares) and became the largest shareholder (a major shareholder) of the Target Company.

Thereafter, on April 16, 2024, the Tender Offeror and the Target Company entered into a capital and business alliance agreement, and as a part of that capital and business alliance, Tender Offeror acquired all 6,839,920 Target Company Shares owned by JERA Co., Inc. (8.75% of the then total issued shares) in an off-

market transaction on August 1, 2024. As a result, together with the 10,195,600 Target Company Shares (13.04% of the then total issued shares) it had owned at that time, the Tender Offeror came to own 17,035,520 Target Company Shares (21.79% of the then total issued shares) and made the Target Company its equity-method affiliate.

As part of the preparation of the next Medium-Term Management Plan, from late March 2025, the Tender Offeror began considering the expected environmental conditions for petroleum products and the supply system based on them. During that process, the Tender Offeror reached the conclusion that it is important to strengthen its supply system for petroleum products in order for it to fulfill its social responsibility, which is to provide a stable supply of energy in the future, because although domestic demand for fuel oil is gradually declining, domestic demand for JET fuel (Note 11) is expected to increase significantly as the number of flights is expected to increase for achievement of the goal to increase the number of inbound foreign visitors to Japan to 60 million by 2030, up from 31.88 million inbound visitors in 2019, announced by the Japan Tourism Agency of the Ministry of Land, Infrastructure, Transport and Tourism in March 2024 in “Tourism Vision to Support the Future of Japan,” and according to the demand forecast report for fuel oil taking into account each country’s policy and economic conditions announced by FACTS GLOBAL ENERGY (Note 12) in 2024, mid- to long-term demand for fuel oil is expected to increase, and demand is expected to remain steady overseas, especially in the Asia-Pacific Rim, while the time required to respond to equipment problems, work style reforms, and regular repairs at refineries is on the rise. Based on these considerations, the Tender Offeror has come to believe that it is essential to build a foundation for stable supply of energy by making the Target Company its wholly owned subsidiary to make decision-making more flexible and expedited, and by developing a production system with a long-term perspective with the Tender Offeror Group and the Target Company acting in an integrated manner. Therefore, in mid-April 2025, the Tender Offeror initially communicated to the Target Company that it had begun considering the Transactions with the main purpose of strengthening the supply system.

(Note 11) “JET fuel” is a type of liquid fuel made by refining crude oil, which is the same as gasoline and light oil, and refers to the fuel that powers jet engines in aircraft.

(Note 12) “FACTS GLOBAL ENERGY” refers to a global energy consultant company of the United Kingdom, which provides major independent survey, analysis, consulting, and advisory services for the petroleum, gas/LNG, and NGL markets.

Further, in late March 2025, in order to further examine the Transactions, the Tender Offeror appointed Nishimura & Asahi (Gaikokuho Kyodo Jigyo) as its legal advisor independent of the Tender Offeror Group and the Target Company Group, and in mid-April 2025, JPMorgan Securities Japan Co., Ltd. (“JPMorgan Securities”) as its financial advisor and third-party calculation agent independent of the Tender Offeror Group and the Target Company Group.

Then, around mid-April 2025, the Tender Offeror considered that, in the current situation where the Target Company operates its business independently as a listed company under the capital structure where it is the Tender Offeror’s equity-method affiliate, both companies operate under their individual management policies and thereby are not able to sufficiently utilize each other’s business foundations, including refining facilities, as well as human resources and information, which will impose certain limits on the creation of

synergies. As such, the Tender Offeror believes that, by engaging in business activities under the same business enterprise and the same management strategy after privatizing the Target Company, both companies will be able to realize a more in-depth collaboration system, make decision-making more flexible and expedited, and compared to the case where the Target Company is made an equity-method affiliate, further develop their fuel oil businesses, through pursuing further synergies as described below.

(i) Optimizing petroleum products production system

The Tender Offeror believes that both companies will be able to supply petroleum products in a swift and efficient manner by promptly exchanging with each other products and feedstock in response to various changes in demand and supply, including those due to unexpected equipment problems.

(ii) Developing a stable energy supply foundation with a long-term perspective

Through implementation of capital investment and mutual utilization of resources within the entire group, such as effective use of docks and tanks, a stable energy supply foundation is expected to be developed more efficiently.

(iii) Strengthening cost competitiveness by mutual utilization and centralization of functions and infrastructure of both companies

By centralizing the procurement of raw materials, materials, and equipment, and the procurement of construction-related materials, further cost reductions are expected. In addition, by utilizing the Target Company's pier, which is one of the largest in Japan, efficient import and export can be expected to strengthen competitiveness.

(iv) Developing a low-carbon energy supply system

Through a structural reform made from a long-term perspective in collaboration with the Sodegaura Refinery of the Target Company and the Chiba Complex of the Tender Offeror, developing a low-carbon energy supply base will be considered.

From the above, on May 13, 2025, the Tender Offeror presented to the Target Company a non-legally binding initial proposal document to acquire all of the Target Company Shares (excluding the treasury shares owned by the Target Company) and to take the Target Company private as a wholly owned subsidiary of the Tender Offeror (the "Initial Proposal Document").

In general, the disadvantages of delisting include a decrease in funding capacity, an impact on business partners and other stakeholders, and a decrease in employee motivation, but the Target Company has already obtained high creditworthiness from social stakeholders and after implementation of the Transactions, the Target Company will strive to enhance its corporate value at the group level through the realization of synergies with the Tender Offeror. Because the Target Company can leverage the financial strength, popularity and brand strength, and social credibility of the Tender Offeror Group, the disadvantages of taking the Target Company private through the Transactions are considered to be limited.

Initially, the Tender Offeror was proposing making the Target Company its wholly owned subsidiary; however, later, in the process of considering maximizing synergies and increasing the Target Company Group's corporate value, the Tender Offeror came to believe that it would be optimal for the Non-Tendering Shareholder and Kuwait Petroleum Corporation, which is the third largest shareholder of the Target Company (number of shares owned: 5,811,390 shares; ownership ratio: 7.52%) to remain as shareholders of the Target Company after the delisting of the Target Company Shares because they are stable suppliers of crude oil that supports the oil refining business of the Tender Offeror Group and from the perspective of maintaining and

strengthening the Tender Offeror's relationship with them and maintaining the stability of crude oil supply to the Tender Offeror Group, including the Target Company, after implementation of the Transactions. Accordingly, the Tender Offeror started discussions with the Non-Tendering Shareholder from early July 2025 and with Kuwait Petroleum Corporation from early June 2025, and explained that the Tender Offeror expects that both of them will not tender their Target Company Shares in the Tender Offer and will remain Target Company shareholders after the Transactions, and continued discussions with them. Thereafter, the Tender Offeror proceeded with discussions on the specific details of agreements; thereafter, on September 11, 2025, it executed the Non-Tender Agreement with the Non-Tendering Shareholder. On the other hand, the Tender Offeror also proceeded with discussions on the specific details of an agreement with Kuwait Petroleum Corporation, but in early September 2025, it expressed its intention to sell its Target Company Shares on the occasion of the Transactions. In response to this, the Tender Offeror confirmed that Kuwait Petroleum Corporation intended to tender all of the Target Company Shares owned by it in the Tender Offer (no agreement has been executed to agree on the tendering).

In addition, the Tender Offeror conducted due diligence on the Target Company from mid-June 2025 to early September 2025.

Thereafter, the Tender Offeror further examined the terms and conditions of, as well as other matters pertaining to, the Transactions, including the purchase price per Target Company Share in the Tender Offer (the "Tender Offer Price"). As a result, the Tender Offeror made the first proposal to the Target Company and the Special Committee (as defined in "(II) Decision-making Process Leading to Target Company's Decision to Support Tender Offer and Reason Therefor" below; the same applies hereinafter) on August 8, 2025, with the Tender Offer Price set at JPY 400, taking into account all factors as a whole, including the following: (i) the proposed price was above JPY 320, the closing price of the Target Company Shares on the Prime Market of the TSE on the same date, above JPY 325, the simple average closing price for the latest one-month period (rounded to the nearest whole number; the same applies hereinafter to calculation of simple average closing prices), above JPY 304, the simple average closing price for the latest three-month period, and above JPY 303, the simple average closing price for the past six-month period; and (ii) the following premiums have been added to the Target Company Shares: (a) 25.00% (rounded to the nearest hundredth; the same applies hereinafter to calculation of the premium rate on share prices) over JPY 320, which is the closing price of the Target Company Shares on the Prime Market of the TSE on August 8, 2025; (b) 31.58% over JPY 304, the simple average closing price for the latest three-month period; and (c) 32.01% over JPY 303, the simple average closing price for the latest six-month period. In addition, the Tender Offeror proposed to the Target Company and the Special Committee in the initial proposal that it expected the Non-Tendering Shareholder and Kuwait Petroleum Corporation to remain as shareholders of the Target Company even after the Transactions, and that the Tender Offeror would set a lower limit on the number of shares to be purchased in the Tender Offer so that the Tender Offeror's ownership ratio would be 35.05% after successful completion of the Tender Offer. Subsequently, on August 16, 2025, the Tender Offeror received from the Special Committee a request to reconsider the Tender Offer Price because the Special Committee judged the proposed price to be insufficient as a price resulting from a fair distribution of the increase in the Target Company's corporate value expected to be realized through implementation of the Transactions to general shareholders of the Target Company, as a result of comprehensively taking into consideration matters such as the following: (i) the results of the share valuation by Mizuho Securities Co., Ltd. ("Mizuho Securities"), the financial

advisor and third-party calculation agent of the Target Company, and Plutus Consulting (“Plutus”), the third-party calculation agent of the Special Committee; (ii) premium levels in cases of transactions similar to the Transactions (specifically, tender offer cases which were publicly announced on or after June 28, 2019, the date on which the Ministry of Economy, Trade and Industry released the M&A Guidelines, in which the tender offers, contemplating to delist listed companies that were equity-method affiliates, were completed successfully (excluding cases in which leaked media coverage was made); (iii) fluctuations in the market price of the Target Company Shares (including JPY 565, the closing price of the Target Company Shares on June 14, 2024); and (iv) synergies expected to be realized through implementation of the Transactions. In addition, the Special Committee also requested that the Tender Offeror (i) reconsider the handling of the Non-Tendering Shareholder and Kuwait Petroleum Corporation because the Special Committee believed that it was important for the Tender Offeror to acquire all of the Target Company Shares in the Transactions, taking into consideration the fact that there were currently no oil transactions between the Target Company and the Non-Tendering Shareholder and Kuwait Petroleum Corporation, the perspective of giving explanations to general shareholders, and enhancing the Target Company’s corporate value; and (ii) reconsider the lower limit on the number of shares to be purchased, because the Special Committee believed it important to set a lower limit that met both the level at which the proposals related to the Share Consolidation would be surely passed (two-thirds or more of the voting rights of the Tender Offeror after the Tender Offer) and what is known as the majority of minority (“MoM”) level, from the perspective of appropriateness of the terms and conditions of the Transactions and fairness of procedures (including avoiding coercion of general shareholders).

On August 21, 2025, the Tender Offeror made the second proposal to the Target Company and the Special Committee, with the Tender Offer Price set at JPY 425, because it believed that the proposed price would provide an opportunity for shareholders of the Target Company Shares to sell their shares at a reasonable price, based on the following: (i) the proposed price was above JPY 320, the closing price of the Target Company Shares on the Prime Market of the TSE on August 20, 2025, above JPY 327, the simple average closing price for the latest one-month period, above JPY 309, the simple average closing price for the latest three-month period, and above JPY 302, the simple average closing price for the latest six-month period; and (ii) the following premiums have been added to the Target Company Shares: (a) 32.81% over JPY 320, the closing price of the Target Company Shares on the Prime Market of the TSE on the same date, (b) 37.54% over JPY 309, the simple average closing price for the latest three-month period, and (c) 40.73% over JPY 302, the simple average closing price for the latest six-month period. The Tender Offeror also proposed to the Target Company and the Special Committee in the second proposal that it was necessary to have the Non-Tendering Shareholder and Kuwait Petroleum Corporation remain as shareholders of the Target Company after the Transactions based on the following reasons, among others: (i) while the Target Company does not engage in any oil transactions with large shareholders, the Tender Offeror believes that leaving room to have diverse oil suppliers in the future, through procurement from the Non-Tendering Shareholder and Kuwait Petroleum Corporation, will be advantageous to its corporate value, from the perspective of increasing stability of oil procurement by the Target Company and enhancing its competitiveness, (ii) the Tender Offeror expects to generate synergies with the Target Company while leveraging its existing business relationships with the Non-Tendering Shareholder and Kuwait Petroleum Corporation and maintaining good relationships with them, and (iii) since the Non-Tendering Shareholder and Kuwait Petroleum Corporation consist of the government of an oil-producing country and a state-owned oil corporation, it is possible to explain to general

shareholders of the Target Company that they are shareholders of a different nature from general shareholders. The Tender Offeror further proposed to the Target Company and the Special Committee in the second proposal that it believed that it was necessary and appropriate to set a lower limit on the number of shares to be purchased in the Tender Offer so that the Tender Offeror's ownership ratio would be 35.05% after successful completion of the Tender Offer, from the perspective of enhancing the stability of successful completion of the Tender Offer and providing reasonable sales opportunities to general shareholders of the Target Company, and bringing the proposals for the Share Consolidation to a level at which they can be approved, based on matters such as the number of shares held by passive index management funds, the ratio of voting rights exercised at the most recent five ordinary shareholders meetings of the Target Company, and the ratio of voting rights exercised at special shareholders meetings at which proposals for share consolidations are made tending to decrease compared to that in ordinary shareholders meetings.

Subsequently, on August 26, 2025, the Tender Offeror received from the Special Committee a request to reconsider the Tender Offer Price because the Special Committee judged the proposed price to be still insufficient as a price resulting from a fair distribution of the increase in the Target Company's corporate value expected to be realized through implementation of the Transactions to general shareholders of the Target Company, as a result of comprehensively taking into consideration matters such as the following: (i) the results of the share valuation by Mizuho Securities, the financial advisor and third-party calculation agent of the Target Company, and Plutus, the third-party calculation agent of the Special Committee; (ii) premium levels in cases of transactions similar to the Transactions (specifically, tender offer cases which were publicly announced on or after June 28, 2019, the date on which the Ministry of Economy, Trade and Industry released the M&A Guidelines, in which the tender offers, contemplating to delist listed companies that were equity-method affiliates, were completed successfully (excluding cases in which leaked media coverage was made); (iii) fluctuations in the market price of the Target Company Shares (including JPY 565, the closing price of the Target Company Shares on June 14, 2024); and (iv) synergies expected to be realized through implementation of the Transactions. In addition, the Special Committee also requested that the Tender Offeror (i) reconsider the handling of the Non-Tendering Shareholder and Kuwait Petroleum Corporation because the Special Committee believed that it was important for the Tender Offeror to acquire all of the Target Company Shares in the Transactions, taking into consideration the fact that there were currently no oil transactions between the Target Company and the Non-Tendering Shareholder and Kuwait Petroleum Corporation, the perspective of giving explanations to general shareholders, and enhancing the Target Company's corporate value; and (ii) reconsider the lower limit on the number of shares to be purchased, because the Special Committee believed it important to set a lower limit that met both the level at which the proposals related to the Share Consolidation would be surely passed (two-thirds or more of the voting rights of the Tender Offeror after the Tender Offer) and the MoM level, from the perspective of appropriateness of the terms and conditions of the Transactions and fairness of procedures (including avoiding coercion of general shareholders).

On August 28, 2025, the Tender Offeror made the third proposal to the Target Company and the Special Committee, with the Tender Offer Price set at JPY 450, because it believed that the proposed price would provide an opportunity for shareholders of the Target Company Shares to sell their shares at a reasonable price, based on the following: (i) the proposed price was above JPY 338, the closing price of the Target Company Shares on the Prime Market of the TSE on August 27, 2025, above JPY 332, the simple average closing price for the latest one-month period, above JPY 313, the simple average closing price for the latest three-month

period, and above JPY 303, the simple average closing price for the latest six-month period; and (ii) the following premiums have been added to the Target Company Shares: (a) 33.14% over JPY 338, the closing price of the Target Company Shares on the Prime Market of the TSE on the same date, (b) 35.54% over JPY 332, the simple average closing price for the latest one-month period, (c) 43.77% over JPY 313, the simple average closing price for the latest three-month period, and (d) 48.51% over JPY 303, the simple average closing price for the latest six-month period. The Tender Offeror also proposed to the Target Company and the Special Committee in the third proposal that it was necessary to have the Non-Tendering Shareholder and Kuwait Petroleum Corporation remain as shareholders of the Target Company after the Transactions based on the following reasons, among others: (i) while the Target Company does not engage in any oil transactions with large shareholders, the Tender Offeror believes that leaving room to have diverse oil suppliers in the future, through procurement from the Non-Tendering Shareholder and Kuwait Petroleum Corporation, will be advantageous to its corporate value, from the perspective of increasing stability of oil procurement by the Target Company and enhancing its competitiveness, and (ii) the Tender Offeror expects to generate synergies with the Target Company while leveraging its existing business relationships with the Non-Tendering Shareholder and Kuwait Petroleum Corporation and maintaining good relationships with them. The Tender Offeror further proposed to the Target Company and the Special Committee in the third proposal that setting a lower limit on the number of shares to be purchased in the Tender Offer so that the Tender Offeror's ownership ratio would be 35.05% after successful completion of the Tender Offer would be appropriate, from the perspective of enhancing the stability of successful completion of the Tender Offer, based on matters such as setting a lower limit that meets the MoM level could instead harm the sales opportunity for general shareholders of the Target Company who want to sell their Target Company Shares in the Tender Offer. Subsequently, on September 1, 2025, the Tender Offeror received from the Special Committee a request to reconsider the Tender Offer Price because the Special Committee judged the proposed price to be still insufficient as a price resulting from a fair distribution of the increase in the Target Company's corporate value expected to be realized through implementation of the Transactions to general shareholders of the Target Company, as a result of comprehensively taking into consideration matters such as the following: (i) the results of the share valuation by Mizuho Securities, the financial advisor and third-party calculation agent of the Target Company, and Plutus, the third-party calculation agent of the Special Committee; (ii) premium levels in cases of transactions similar to the Transactions (specifically, tender offer cases which were publicly announced on or after June 28, 2019, the date on which the Ministry of Economy, Trade and Industry released the M&A Guidelines, in which the tender offers, contemplating to delist listed companies that were equity-method affiliates, were completed successfully (excluding cases in which leaked media coverage was made); (iii) fluctuations in the market price of the Target Company Shares (including JPY 565, the closing price of the Target Company Shares on June 14, 2024); and (iv) synergies expected to be realized through implementation of the Transactions. In addition, the Special Committee also requested that the Tender Offeror (i) reconsider the handling of the Non-Tendering Shareholder and Kuwait Petroleum Corporation taking into consideration the possibility that the Non-Tendering Shareholder and Kuwait Petroleum Corporation remaining as shareholders of the Target Company after the Transactions could cause general shareholders to question whether the Non-Tendering Shareholder and Kuwait Petroleum Corporation judged the Tender Offer Price to be insufficient; and (ii) reconsider the lower limit on the number of shares to be purchased, because the Special Committee believed it important to set a lower limit that met both the level at which the proposals

related to the Share Consolidation would be surely passed (two-thirds or more of the voting rights of the Tender Offeror after the Tender Offer) and the MoM level, from the perspective of appropriateness of the terms and conditions of the Transactions and fairness of procedures (including avoiding coercion of general shareholders).

On September 2, 2025, the Tender Offeror made the fourth proposal to the Target Company and the Special Committee, with the Tender Offer Price set at JPY 470, because it believed that the proposed price would provide an opportunity for shareholders of the Target Company Shares to sell their shares at a reasonable price, based on the following: (i) the proposed price was above JPY 336, the closing price of the Target Company Shares on the Prime Market of the TSE on September 1, 2025, above JPY 333, the simple average closing price for the latest one-month period, above JPY 315, the simple average closing price for the latest three-month period, and above JPY 304, the simple average closing price for the latest six-month period; and (ii) the following premiums have been added to the Target Company Shares: (a) 39.88% over JPY 336, the closing price of the Target Company Shares on the Prime Market of the TSE on the same date, (b) 41.14% over JPY 333, the simple average closing price for the latest one-month period, (c) 49.21% over JPY 315, the simple average closing price for the latest three-month period, and (d) 54.61% over JPY 304, the simple average closing price for the latest six-month period. The Tender Offeror again proposed to the Target Company and the Special Committee in the fourth proposal that it was necessary to have the Non-Tendering Shareholder and Kuwait Petroleum Corporation remain as shareholders of the Target Company after the Transactions. The Tender Offeror further proposed to the Target Company and the Special Committee in the fourth proposal to set a lower limit on the number of shares to be purchased in the Tender Offer (at the amount resulting from (i) multiplying by two-thirds the total number of issued shares of the Target Company less the number of treasury shares owned by the Target Company and (ii) then deducting the number of shares owned by the Tender Offeror, the number of shares owned by the Non-Tendering Shareholder and Kuwait Petroleum Corporation, the number of shares owned by the passive index funds which were estimated conservatively to the extent possible, and the number of Restricted Shares owned by the Target Company's directors and executive officers) so that the Tender Offeror's ownership ratio would be 48.05% after successful completion of the Tender Offer. Subsequently, on September 4, 2025, the Tender Offeror received from the Special Committee a request to reconsider the Tender Offer Price because the Special Committee judged the proposed price to be still insufficient as a price resulting from a fair distribution of the increase in the Target Company's corporate value expected to be realized through implementation of the Transactions to general shareholders of the Target Company, as a result of comprehensively taking into consideration matters such as the following: (i) the results of the share valuation by Mizuho Securities, the financial advisor and third-party calculation agent of the Target Company, and Plutus, the third-party calculation agent of the Special Committee; (ii) premium levels in cases of transactions similar to the Transactions (specifically, tender offer cases which were publicly announced on or after June 28, 2019, the date on which the Ministry of Economy, Trade and Industry released the M&A Guidelines, in which the tender offers, contemplating to delist listed companies that were equity-method affiliates, were completed successfully (excluding cases in which leaked media coverage was made); (iii) fluctuations in the market price of the Target Company Shares (including JPY 565, the closing price of the Target Company Shares on June 14, 2024); and (iv) synergies expected to be realized through implementation of the Transactions. In addition, the Special Committee also requested that the Tender Offeror (i) reconsider the handling of the Non-Tendering Shareholder (Kuwait Petroleum Corporation had decided

that it would tender in the Tender Offer in early September 2025, and the Tender Offeror decided to respect that decision), taking into consideration the possibility that the Non-Tendering Shareholder remaining as a shareholder of the Target Company after the Transactions could cause general shareholders to question whether the Non-Tendering Shareholder judged the Tender Offer Price to be insufficient; and (ii) reconsider the lower limit on the number of shares to be purchased, because the Special Committee believed it important to set a lower limit that met both the level at which the proposals related to the Share Consolidation would be surely passed (two-thirds or more of the voting rights of the Tender Offeror after the Tender Offer) and the MoM level, from the perspective of appropriateness of the terms and conditions of the Transactions and fairness of procedures (including avoiding coercion of general shareholders).

On September 5, 2025, the Tender Offeror made the final proposal to the Target Company and the Special Committee, with the Tender Offer Price set at JPY 480, because it believed that the proposed price would provide an opportunity for shareholders of the Target Company Shares to sell their shares at a reasonable price, based on the following: (i) the proposed price was above JPY 340, the closing price of the Target Company Shares on the Prime Market of the TSE on September 4, 2025, above JPY 334, the simple average closing price for the latest one-month period, above JPY 317, the simple average closing price for the latest three-month period, and above JPY 305, the simple average closing price for the latest six-month period; and (ii) the following premiums have been added to the Target Company Shares: (a) 41.18% over JPY 340, the closing price of the Target Company Shares on the Prime Market of the TSE on the same date, (b) 43.71% over JPY 334, the simple average closing price for the latest one-month period, (c) 51.42% over JPY 317, the simple average closing price for the latest three-month period, and (d) 57.38% over JPY 305, the simple average closing price for the latest six-month period. The Tender Offeror also proposed to the Target Company and the Special Committee in the final proposal to set a lower limit on the number of shares to be purchased in the Tender Offer (at the amount resulting from (i) multiplying by two-thirds the total number of issued shares of the Target Company less the number of treasury shares owned by the Target Company and (ii) then deducting the number of shares owned by the Tender Offeror, the number of shares owned by the Non-Tendering Shareholder, the number of shares owned by the passive index funds who stated in the interviews conducted by the Tender Offeror that they do not intend to tender in tender offers, but in principle intend to exercise their voting rights in support of proposals for share consolidations at shareholders' meetings in squeeze-out procedures thereafter, and the number of Restricted Shares owned by the Target Company's directors and executive officers) so that the Tender Offeror's ownership ratio would be 57.91% after successful completion of the Tender Offer. Subsequently, on September 7, 2025, the Tender Offeror received from the Special Committee a response that it intended to submit a report dated September 10, 2025 to the Target Company's board of directors to the effect that on the premise of the proposed price in the Tender Offeror's final proposal and the minimum planned purchase quantity in the Tender Offer, implementation of the Transactions is considered to be fair for the Target Company's general shareholders. Although the Tender Offer Price is lower than the consolidated book value of net assets per share (882.62 yen) calculated based on the Target Company's consolidated book value as of the end of June 2025, given that the consolidated book value of net assets per share represents the expected value that would be realized in the case where a company is dissolved and liquidated at the present time (the "Liquidation Value") and is equivalent to the amount in the case where it is assumed that all assets and liabilities held by a company could be sold at book value, (a) the Tender Offeror intends to have the Target Company continue business activities after the Transactions and does not intend to dissolve or

liquidate the Target Company, and therefore it would not be reasonable to place importance on the consolidated book value of net assets per share in the valuation of the share value of the Target Company, which is a going concern, and further, (b) it would not be appropriate to estimate that the consolidated book value of net assets represents the Liquidation Value because the Target Company will incur costs, including substantial depreciation associated with disposals of machinery, equipment, and delivery equipment which have specifications unique to the Target Company and thereby lack versatility; due to these and other factors, the Liquidation Value per share could be below the Tender Offer Price.

Through the aforementioned process, the Tender Offeror decided to set the Tender Offer Price at JPY 480 and to implement the Tender Offer by the board of directors' resolution dated September 11, 2025.

(II) Decision-making Process Leading to Target Company's Decision to Support Tender Offer and Reason Therefor

According to the Target Company Press Release, as described in "(I) Background, Purpose, and Decision-Making Process Leading to Decision to Implement Tender Offer" above, on May 13, 2025, the Target Company received the Initial Proposal. Upon receiving the Initial Proposal, to ensure the fairness of the Tender Offer Price and the fairness of the Transactions including the Tender Offer, in mid-May 2025, the Target Company appointed Mizuho Securities as a financial advisor and third-party calculation agent independent of the Tender Offeror Group and the Target Company Group, as well as from the success or failure of the Transactions, and Iwata Godo as its legal advisor independent of the Tender Offeror Group and the Target Company Group, as well as from the success or failure of the Transactions.

In addition, in light of the fact that the Transactions will constitute an acquisition of an equity-method affiliate by a major shareholder and top Target Company shareholder, and the fact that there are structural conflicts of interest and information asymmetry issues between Tender Offeror and the Target Company or the Target Company's general shareholders, with the aim of exercising caution in the Target Company's decision-making regarding the Transactions, eliminating the risk of arbitrariness and conflicts of interest in the decision-making process of the Target Company's board of directors, and ensuring fairness, the Target Company established, by resolution of a meeting of its board of directors held on May 22, 2025, a special committee (the "Special Committee") that would be independent from the Target Company Group and the Tender Offeror Group, as well as from the success or failure of the Transactions, and that would consist of three members: Mr. Ryo Sato (outside director of the Target Company), Ms. Mutsumi Kanai (outside auditor of the Target Company and certified public accountant), and Mr. Mikiharu Mori (attorney and representative partner at Tokyo International Law Office), who was recommended by Iwata Godo for his extensive knowledge and insight as a corporate attorney (the "Special Committee"; please refer to "(IV) Establishment of Independent Special Committee at Target Company and Acquisition of Reports from Special Committee" in "(3) Measures to Ensure Fairness of Tender Offer Price, Measures to Avoid Conflicts of Interest, and Other Measures to Ensure Fairness of Tender Offer" below for the circumstances of the Special Committee's establishment and other relevant factors, the details of matters considered by it, and the content of its decisions). Further, as described in "(IV) Establishment of Independent Special Committee at Target Company and Acquisition of Reports from Special Committee" in "(3) Measures to Ensure Fairness of Tender Offer Price, Measures to Avoid Conflicts of Interest, and Other Measures to Ensure Fairness of Tender Offer" below, the Special Committee decided on June 11, 2025 to engage Plutus Consulting ("Plutus") as the Special

Committee's independent third-party calculation agency, in consideration of Plutus' expertise, track record, etc. and the fact that Plutus is independent from the Tender Offeror Group and the Target Company Group, as well as from the success or failure of the Transactions. In addition, as described in "(VII) Approval of All Target Company Directors Without Conflicts of Interest and Opinion of All Target Company Auditors That They Have No Objections" in "(3) Measures to Ensure Fairness of Tender Offer Price, Measures to Avoid Conflicts of Interest, and Other Measures to Ensure Fairness of Tender Offer" below, the Target Company established an internal framework to consider, negotiate, and make decisions regarding the Tender Offer from a perspective independent from the Tender Offeror Group and the Target Company Group (including the scope of Target Company officers and employees who would be involved in such consideration, negotiation, and decision-making relating to the Tender Offer, and their duties), and proceeded with its examination of the Tender Offer.

Following the establishment of the above-referenced internal framework, the Special Committee, while receiving advice from Mizuho Securities and Iwata Godo, conducted discussions and negotiations regarding the terms and conditions of the Transactions including the Tender Offer Price with Tender Offeror through Mizuho Securities, the Target Company's financial advisor.

Specifically, on August 8, 2025, the Target Company and Special Committee received from Tender Offeror an initial proposal relating to the Tender Offer for Target Company Shares, under which, on the assumption that the Non-Tendering Shareholder and Kuwait Petroleum Corporation would remain shareholders of the Target Company even after the Transactions, the Tender Offer Price was set at 400 yen per share (a 25.00% premium over the closing price for the Target Company Shares on the TSE Prime Market of 320 yen at that time) and the minimum number of shares to be purchased was such that Tender Offeror's ownership ratio after the completion of the Tender Offer would be 35.05%. In response, the Special Committee comprehensively considered the proposal, because [1] with respect to the proposed price, considering (a) the results of analyses using the DCF method of the Target Company Share valuation by Mizuho Securities and by Plutus (including the results of multi-faceted analyses of the shares of affiliated companies and loss carryforwards for which multiple valuation methods can conceivably be used) (b) the premium levels in examples of transactions similar to the Transactions (specifically, TOBs (excluding cases in which leaked media coverage was made) intended to delist a listed equity-method affiliate which were announced and successfully completed on and after June 28, 2019, the date the M&A Guidelines were released by the Ministry of Economy, Trade and Industry), (c) fluctuations in the market price of the Target Company Shares, and (d) the synergy effects expected to be achieved through implementation of the Transactions (including synergy effects in doing business as well as synergy effects from the further utilization of loss carryforwards expected in a case where Tender Offeror reduces the Target Company's capital after the Transactions), the Special Committee believed that the increase in corporate value expected to be realized by implementation of the Transactions was at an insufficient level as a fair distribution price to the Target Company's general shareholders; and [2] with respect to the minimum number of shares to be purchased, from the perspective of the fairness and reasonableness of the transactional terms and conditions and the fairness of procedures, the Special Committee believed that the minimum should be set so as to satisfy the MoM level (MoM here refers to the threshold number of shares that exceed the majority (24,291,018 shares) of 48,582,035 shares, calculated by subtracting the number of Target Company Shares held by Tender Offeror (17,035,520 shares), the number of Non-Tendered Shares (5,811,390 shares) and the number of Target

Company Shares held by Kuwait Petroleum Corporation (5,811,390 shares) as of the filing date of this document from the Reference Number of Shares (77,240,335 shares)), and on August 16, 2025, the Special Committee requested that Tender Offeror reconsider the details of its proposal in relation to the Tender Offer Price and minimum number of shares to be purchased.

Then, on August 21, 2025, the Target Company and the Special Committee received a second proposal from Tender Offeror setting the Tender Offer Price at 425 yen per share (a premium of 29.97% over the closing price of 327 yen for the Target Company Shares on the TSE Prime Market at that time), based on the premise that the Non-Tendering Shareholder and Kuwait Petroleum Corporation would remain as shareholders of the Target Company after the Transactions, and to maintain the minimum number of shares to be purchased such that Tender Offeror's ownership ratio would be 35.05% after the Tender Offer was completed. Upon receiving this proposal, the Special Committee, (1) after comprehensive consideration based on (a) to (d) above, considered the proposed price to be of an insufficient level in terms of a price that would fairly distribute to the Target Company's general shareholders the increase in corporate value expected to be achieved through implementation of the Transactions, and (2) from the perspective of the fairness and appropriateness of the transaction terms and conditions and procedural fairness, considered it important that a minimum number of shares to be purchased that satisfies the above MoM level be set, and again requested on August 26, 2025 that Tender Offeror reconsider the details of the proposal including the Tender Offer Price.

Later, on August 28, 2025, the Target Company and the Special Committee received a third proposal from Tender Offeror setting the Tender Offer Price at 450 yen per share (a premium of 33.53% over the closing price of 337 yen for the Target Company Shares on the TSE Prime Market at that time), based on the premise that the Non-Tendering Shareholder and Kuwait Petroleum Corporation would remain as shareholders of the Target Company after the Transactions, and to maintain the minimum number of shares to be purchased such that Tender Offeror's ownership ratio would be 35.05% after the Tender Offer was completed. Upon receiving this proposal, the Special Committee, (1) regarding the proposed price, after comprehensive consideration based on (a) to (d) above, considered the price to be an insufficient level as a price that would fairly distribute to the Target Company's general shareholders the increase in corporate value expected to be achieved through implementation of the Transactions, and (2) regarding the minimum number of shares to be purchased, from the perspective of the fairness and appropriateness of the transaction terms and conditions and procedural fairness, considered it important that a minimum that satisfies the above MoM level be set, and again requested on September 1, 2025 that Tender Offeror reconsider the details of the proposal including the Tender Offer Price.

Subsequently, on September 2, 2025, the Target Company and the Special Committee received a fourth proposal from Tender Offeror that the Tender Offer Price be set at 470 yen per share (a premium of 37.83% over the closing price of 341 yen for the Target Company Shares on the TSE Prime Market at that time), based on the premise that the Non-Tendering Shareholder and Kuwait Petroleum Corporation would remain as shareholders of the Target Company after the Transactions, that the minimum number of shares to be purchased would be set to make Tender Offeror's ownership ratio 48.05% after the Tender Offer was completed, and that Tender Offeror would not plan to raise the Tender Offer Price or to reduce the number of shares to be purchased going forward. Upon receiving this proposal, the Special Committee, (1) regarding the proposed price, after comprehensive consideration based on (a) to (d) above, considered the price to be an insufficient level as a price that would fairly distribute to the Target Company's general shareholders the

increase in corporate value expected to be achieved through implementation of the Transactions, and (2) regarding the minimum number of shares to be purchased, from the perspective of the fairness and appropriateness of the transaction terms and conditions and procedural fairness, considered it important that a minimum that satisfies the above MoM level be set, and again requested on September 4, 2025 that Tender Offeror reconsider the details of the proposal including the Tender Offer Price.

Following this, on September 5, 2025, the Target Company and the Special Committee received the fifth proposal from Tender Offeror that the Tender Offer Price be set at 480 yen per share (a premium of 39.94% over the closing price of 343 yen for the Target Company Shares on the TSE Prime Market at that time), based on the premise that the Non-Tendering Shareholder would remain as a shareholder of the Target Company after the Transactions (in early September 2025, Kuwait Petroleum Corporation indicated its intent to take the Transactions as an opportunity to sell its Target Company Shares, and Tender Offeror confirmed Kuwait Petroleum Corporation's intent to tender all of the Target Company Shares held by it (5,811,390 shares; ownership ratio: 7.52%) in the Tender Offer.), that the minimum number of shares to be purchased would be set to make Tender Offeror's ownership ratio 57.91% after the Tender Offer was completed, and that Tender Offeror had no plan to make another proposal going forward, because this proposal was the result of giving maximum deference to the opinions of the Special Committee, and because Tender Offeror was accountable to its shareholders and needed to make efforts to maintain the stability of the Transactions. Upon receiving this proposal, the Special Committee, (1) believing the proposed price to be of a sufficient level as a price that would fairly distribute to the Target Company's general shareholders the increase in corporate value expected to be achieved through implementation of the Transactions, and (2) believing that the minimum number of shares to be purchased would satisfy the MoM level (MoM here refers to the threshold number of shares that exceeds the majority (27,196,713 shares) of 54,393,425 shares, calculated by subtracting the number of Target Company Shares held by Tender Offeror (17,035,520 shares) and the number of Non-Tendered Shares (5,811,390 shares) as of the filing date of this document from the Reference Number of Shares (77,240,335 shares)), and would also ensure the fairness and appropriateness of the transaction terms and conditions as well as procedural fairness, that on the presumption that the commencement of the Tender Offer would be publicly announced on September 9, 2025, it would provide the Target Company's Board of Directors with opinions including to the effect that the implementation of the Transactions appeared to be fair to the Company's general shareholders.

On September 8, 2025, the Company and the Special Committee were notified by Tender Offeror to the effect that it was considering publicly announcing the commencement of the Tender Offer on September 11, 2025, and on September 10, 2025, the Special Committee gave consideration again to the content of Tender Offeror's proposal and decided to advise the Company's Board of Directors to the effect that the implementation of the Transactions appeared to be fair to the Company's general shareholders.

Furthermore, on September 9, 2025, the Target Company carefully discussed and considered whether the Transactions would contribute to enhancement of the Target Company's corporate value and whether the terms and conditions of the Transactions were appropriate, in light of the content of the September 10, 2025 share valuation report received from Mizuho Securities (the "Company Share Valuation Report (Mizuho Securities)"), the content of the September 10, 2025 share valuation report received from Plutus (the "Special Committee Share Valuation Report (Plutus)"), and legal advice concerning points of note for the decision-making with regard to the Transactions including the Tender Offer received from Special Committee legal

advisor Iwata Godo, and with utmost deference to the content of the report submitted by the Special Committee on September 10, 2025 (the “Report”).

As a result, the Target Company has concluded, from the following perspectives, that the Transactions will contribute to enhancing the Target Company’s corporate value.

Specifically, the Target Company believes that the Transactions will enable it to achieve the synergies listed in (a) to (e) below, and based on this, has determined that the Transactions will contribute to enhancing the Target Company’s corporate value.

(a) Optimization of petroleum product production structures

Currently, the Sodegaura Refinery is the only refinery owned by the Target Company, which makes it impossible to exchange hydrocarbon oil with other refineries, but the Target Company believes that implementing the Transactions and thereby adding the Target Company to the Tender Offeror Group will enable rapid and efficient responses, through exchanges of hydrocarbon oil with five refineries owned by Tender Offeror in the event of any equipment problems or sudden changes in supply and demand at the Sodegaura Refinery.

(b) Establishing a stable energy supply foundation by building production systems rooted in a long-term perspective

The Target Company has unique customers other than Tender Offeror, and therefore believes that Tender Offeror can expand and enhance its supply structures. At the same time, the Target Company believes that being able to consolidate its customers within Tender Offeror will lead to improved sales prices and productivity for the Target Company.

(c) Joint management of regular maintenance work

The costs necessary for regular maintenance work, including labor costs, have increased greatly in recent years, and workstyle reforms have meant longer work periods, resulting in longer periods when refineries are unable to operate. In light of these circumstances, the Target Company believes that pursuing further cooperation with Tender Offeror and performing joint management initiatives such as optimization of regular maintenance work timing and personnel allocation during regular maintenance work will lead to reduced costs and shortened work periods in connection with regular maintenance.

(d) Cost reductions for both companies through completely centralization of raw material and equipment procurement and expansion of both companies’ existing businesses through maximally effective use of facilities including the Target Company’s pier which is one of the largest in Japan

In addition to cost reductions achieved through centralization of raw material and equipment procurement, it is believed that cost reductions through centralization of subsidiary material procurement can also be expected. Also, while the Target Company has found it difficult in the past to compare costs with other refineries, the Target Company believes that by using information provided by Tender Offeror, which operates multiple refineries, it will be possible to identify the strengths and weaknesses of the Target Company’s Sodegaura Refinery and by extension identify areas that should

be strengthened and improved, enabling management decisions that contribute to further business development.

(e) Transformation of the Target Company's Sodegaura Refinery and Tender Offeror's Chiba Site into low-carbon energy supply sites by implementing structural reforms from a long-term perspective

The Target Company's Sodegaura Refinery and Tender Offeror's Chiba Site are located close to one another, and therefore, it is believed that it is possible for one facility to continue supplying petroleum products while the other converts to a new fuel supply site. The Target Company also believes that the establishment of a major carbon-neutral center that connects the Target Company's Sodegaura Refinery, Tender Offeror's Chiba Site, and other facilities with pipelines to accommodate products and raw materials among them can be expected.

Furthermore, with respect to the Tender Offer Price, based on the discussions and negotiations described above as well as the points discussed below in (i) to (ix), the Target Company concluded that the Tender Offer Price is appropriate and that the Target Company's shareholders are provided a reasonable opportunity to sell their shares.

(i) According to the results of the share valuation of the Target Company Shares set forth in the Target Company Share Valuation Report (Mizuho Securities) prepared by Mizuho Securities as described in "(II) Acquisition of Share Valuation Report from Target Company's Independent Third-party Calculation Agent" in "(3) Measures to Ensure Fairness of Tender Offer Price, Measures to Avoid Conflicts of Interest, and Other Measures to Ensure Fairness of Tender Offer" below, the Tender Offer Price exceeds the upper limit of the market price method calculation results, falls within the range of the DCF method calculation results, and represents an amount that exceeds the median value;

(ii) According to the results of the share valuation of the Target Company Shares set forth in the Special Committee Share Valuation Report (Plutus) prepared by Plutus as described in "(III) Acquisition of Share Valuation Report and Fairness Opinion from Special Committee's Independent Third-party Calculation Agent" in "(3) Measures to Ensure Fairness of Tender Offer Price, Measures to Avoid Conflicts of Interest, and Other Measures to Ensure Fairness of Tender Offer" below, the Tender Offer Price exceeds the upper limit of the market price method calculation results, falls within the range of the DCF method calculation results, and represents an amount that exceeds the median value, and further, the Fairness Opinion described in "(III) Acquisition of Share Valuation Report and Fairness Opinion from Special Committee's Independent Third-party Calculation Agent" in "(3) Measures to Ensure Fairness of Tender Offer Price, Measures to Avoid Conflicts of Interest, and Other Measures to Ensure Fairness of Tender Offer" below expresses the opinion that the Tender Offer Price of 480 yen per share is a fair from a financial standpoint to the Target Company's general shareholders in light of the valuation results of the Target Company Shares;

(iii) The Tender Offer Price represents a price that adds the following premiums over the closing price of the Target Company Shares on the TSE Prime Market on September 10, 2025, the business day preceding the date of announcement of implementation of the Tender Offer, and on the simple

averages of past closing prices, and the levels of such premiums are considered reasonable in comparison with the average premium level in comparable cases of other companies (specifically, the average values of premium levels and median values between 45.42% and 59.37% for 21 cases of TOBs (excluding cases in which leaked media coverage was made) for delisting a listed equity-method affiliate announced and successfully completed from June 28, 2019, when the M&A Guidelines were released by the Ministry of Economy, Trade and Industry, to August 22, 2025 (the average values of premium levels of the above 21 cases: 54.48% over the share price on the business day preceding the date of announcement, 57.06% over the simple average closing price for the one month up to the business day preceding the date of announcement, 59.37% over the simple average closing price for the three months up to the business day preceding the date of announcement, and 58.55% over the simple average closing price for the six months up to the business day preceding the date of announcement; and the median values of premium levels of the above 21 cases: 45.42% over the share price on the business day preceding the date of announcement, 50.64% over the simple average closing price for the one month up to the business day preceding the date of announcement, 53.19% over the simple average closing price for the three months up to the business day preceding the date of announcement, and 54.32% over the simple average closing price for the six months up to the business day preceding the date of announcement);.

(Valuation Reference Date: September 10, 2025)

| | Reference Closing Price | Simple Average of Closing Prices | | |
|--------------|-------------------------|----------------------------------|---------------|---------------|
| | | Past 1 Month | Past 3 Months | Past 6 Months |
| Market Price | 332 yen | 334 yen | 320 yen | 305 yen |
| Premium | 44.58% | 43.71% | 50.00% | 57.38% |

(iv) The Tender Offer Price is an amount that (a) exceeds the share acquisition price of 330 yen per share when Tender Offeror acquired Target Company Shares that were held by Sumitomo Chemical Co. Ltd. (5,051,600 shares, 6.46% of the total number of issued shares at the time) through an off-market transaction on March 26, 2024 and (b) exceeds the share acquisition price of 360 yen per share when Tender Offeror acquired all Target Company Shares held by K.K. JERA (6,839,920 shares, 8.75% of the total number of issued shares at the time) through an off-market transaction on August 1, 2024;

(v) Kuwait Petroleum Company, the Target Company's third-largest shareholder, is believed to be independent from Tender Offeror, and the fact that Kuwait Petroleum Company, from such a standpoint, has indicated an intent to tender all of the Target Company Shares that it holds (5,811,390 shares; ownership ratio: 7.52%) in the Tender Offer can be said to be a factor supporting the fairness of the Tender Offer Price;

(vi) It is recognized that consideration has been given to the interests of the Target Company's general shareholders by setting the minimum number of shares to be purchased at a level that satisfies the MoM and through other means, as described in "(3) Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures for Ensuring the Fairness of the Tender Offer" below;

(vii) The Special Committee conducted continuous discussions and negotiations with Tender

Offeror through Mizuho Securities, in view of the share valuation results for the Target Company Shares obtained from the analyses conducted by Mizuho Securities and Plutus and legal advice etc. received from Iwata Godo, and the Tender Offer Price was raised to a level at which Tender Offeror asserted multiple times that it has no plans to further increase the price;

(viii) The Special Committee expressed an opinion regarding the terms and conditions of the Transactions other than the Tender Offer Price, including the minimum and maximum number of shares to be purchased, conditions for withdrawal etc., and matters relating to the two-step acquisition, to the effect that the terms and conditions do not lack consideration for preventing coercion, are not otherwise disadvantageous to general shareholders, and are appropriate; and

(ix) Although the Tender Offer Price is lower than the consolidated book value of net assets per share (882.62 yen) (the Tender Offer Price is equivalent to 54.38% of the consolidated book value of net assets per share at that time), given that the consolidated book value of net assets represents the expected value that would be realized in the case where a company is dissolved and liquidated at the present time (the “Liquidation Value”) and is considered equivalent to the amount in the case where it is assumed that all assets and liabilities held by a company could be sold at book value, (a) the Target Company as a going concern, it is planned that the Target Company will continue business activities within the Tender Offeror Group after implementation of the Transactions, and it is not anticipated that the Target Company will be dissolved and liquidated after the Transactions, and additionally, the Target Company has received confirmation from Tender Offeror on multiple occasions that it has no plans to dissolve and liquidate the Target Company after the Transactions, and therefore, valuation based on an assumption of liquidation of the Target Company would not be reasonable, and further, (b) when the Target Company performed calculations regarding the Liquidation Value using multiple hypotheses for the sole purpose of considering the reasonableness of the terms and conditions of the Transactions, among the assets and liabilities held by the Target Company, tangible fixed assets and intangible fixed assets (excluding land) are based on the Target Company’s proprietary specifications, particularly machinery and equipment, making it difficult to sell them at book value and also, regarding land, the Liquidation Value per share was roughly calculated to be below the Tender Offer Price because it is difficult to sell at book value in light of market value information.

As set forth in “Notice of Revision of Earnings Forecast” dated August 9, 2024, the Target Company revised downward its consolidated earnings forecast for the cumulative second quarter and full fiscal year through March 2025. Please note that this downward revision was due to such factors as a temporary equipment suspension and a production plan revision following a lightning strike in late July 2024, and a loss on the sale of all shares of Tokyo Sekiyu Kogyo K.K., a consolidated subsidiary of the Target Company at the time. It is not that the Target Company intentionally formulated and announced the downward revision for the purpose of lowering the Target Company’s share price. Additionally, as set forth in “Notice of Revision of Earnings Forecast” dated November 8, 2024, the Target Company again revised downward its consolidated earnings forecast for the fiscal year through March 2025. This downward revision was due to such factors as the recording of an inventory asset valuation loss at the end of the first half of the fiscal year through March 2025, as well as the reductions in Dubai crude oil prices based on market trends at the time and a revision of the foreign exchange rate to reflect the yen’s expected appreciation. The Target Company did not intentionally

formulate and announce the downward revision for the purpose of lowering the Target Company's share price.

Based on the above, the Target Company concluded that the Transactions including the Tender Offer will contribute to enhancing the Target Company's corporate value and that the terms and conditions relating to the Transactions including the Tender Offer will contribute to the common interests of shareholders including general shareholders, and therefore, at a board of directors meeting held today, the Target Company resolved to express an opinion in support of the Tender Offer and to recommend that the Target Company's shareholders tender their shares in the Tender Offer.

For details of the above board of directors resolution, please refer to "(VII) Approval of All Target Company Directors Without Conflicts of Interest and Opinion of All Target Company Auditors That They Have No Objections" in "(3) Measures to Ensure Fairness of Tender Offer Price, Measures to Avoid Conflicts of Interest, and Other Measures to Ensure Fairness of Tender Offer" Below.

(III) Management Policy After Tender Offer

Going forward, the Tender Offeror and the Target Company will discuss and decide on specific business strategies of the Tender Offeror Group and the Target Company Group after the Tender Offeror delists the Target Company Shares. The Tender Offeror is considering, as its basic policy, to aim for optimization of the petroleum products production system by realizing a more in-depth collaboration system and making decision-making more flexible and expedited. Moreover, the Tender Offeror and the Target Company intend to build a foundation for stable supply of energy and contribute to Japan's energy security by developing a production system with a long-term perspective with the Target Company and the Tender Offeror Group acting in an integrated manner.

In addition, in terms of the Target Company's management system after the Transactions, while the Tender Offeror has agreed with the Non-Tendering Shareholder under the Non-Tender Agreement that it will have the right to nominate one outside director of the Target Company, other matters will be determined through further discussions with the Target Company. The Tender Offeror currently dispatches two part-time directors to the Target Company, and it expects to dispatch a certain number of directors to the Target Company after the Transactions, thereby attempting to enhance the collaborative framework even further. After the Transaction management structure is premised on maintaining the employment of the Target Company Group's employees and does not expect to make major changes to their employment terms.

(3) Measures to Ensure Fairness of Tender Offer Price, Measures to Avoid Conflicts of Interest, and Other Measures to Ensure Fairness of Tender Offer

As of today, the Target Company is not a subsidiary of the Tender Offeror, and the Tender Offer does not constitute a tender offer by a controlling shareholder. In addition, it is not expected that the whole or a part of the Target Company's management will make a direct or indirect investment in the Tender Offeror, and the Transactions including the Tender Offer do not constitute a so-called Management Buyout (MBO).

However, considering various matters, including the fact that (i) the Tender Offeror is an other associated company of the Target Company holding 17,035,520 shares (ownership ratio: 22.06%), and the Target Company is an equity-method affiliate of the Tender Offeror; and (ii) the 11 directors of the Target Company include one director who served as a managing executive officer of the Tender Offeror (Mr. Hiroshi Maezawa), one director who concurrently serves as a managing executive officer of the Tender Offeror

(Mr. Junzo Yamamoto), one director who is dispatched from the Non-Tendering Shareholder (Mr. Mohammed Alshubrumi), and one director who is dispatched from the shareholder for which there was a possibility that it would enter into an agreement with the Tender Offeror not to tender shares in the Tender Offer (Kuwait Petroleum Corporation) (Mr. Khaled Al-Sabah), and other employees of the Target Company include those who came from or who are dispatched from the Tender Offeror, in the Transactions, including the Tender Offer, the Target Company and the Tender Offeror have taken the measures set forth below to ensure the fairness of the Transactions and to avoid conflicts of interest, from the perspective of ensuring the fairness of the Tender Offer Price from the time of the Tender Offer, eliminating arbitrariness in the decision-making process related to the Transactions, ensuring fairness, transparency, and objectivity in the decision-making process, and avoiding any doubts about conflicts of interest.

The Tender Offeror has set 27,693,547 shares (ownership ratio: 35.85%) as the minimum number of shares to be purchased in the Tender Offer. This figure exceeds the majority of the Target Company Shares held by the Target Company's shareholders who do not have any conflicts of interest with the Tender Offeror, i.e., the MoM, 27,196,713 shares, which is the majority of the 54,393,425 shares obtained by subtracting the number of Target Company Shares owned by the Tender Offeror as of today (17,035,520 shares) and the Non-Tendering Shares (5,811,390 shares) from the Base Number of Shares (77,240,335 shares). The measures taken by the Tender Offeror and other matters in the following descriptions are based on the explanations from the Target Company.

(I) Acquisition of Share Valuation Report from Tender Offeror's Independent Third-party Calculation Agent

Before determining the Tender Offer Price, the Tender Offeror requested that JPMorgan Securities, its third-party calculation agent independent of the Tender Offeror Group and the Target Company Group, calculate the value of the Target Company Shares in order to ensure the fairness of the Tender Offer Price.

For the details, please refer to "(I) Basis for Valuation" of "(4) Basis for Valuation of Purchase Price" of "2. Overview of Purchase" below.

(II) Acquisition of Share Valuation Report from Target Company's Independent Third-party Calculation Agent

(i) Name of Calculation Agent and Relationship with Target Company and Tender Offeror

According to the Target Company Press Release, the Target Company requested Mizuho Securities, as a third-party calculation agent independent from the Tender Offeror Group and the Target Company Group, as well as from the success or failure of the Transactions, to calculate the share value of the Target Company Shares and received the Target Company Share Valuation Report (Mizuho Securities) on 10 September, 2025. Mizuho Securities is not a related party of the Tender Offeror Group or the Target Company Group, and does not have any material interests in the Transactions. Mizuho Securities is a member of the Mizuho Financial Group, Inc., as are Mizuho Bank, Ltd. ("Mizuho Bank") and Mizuho Trust & Banking Co., Ltd. ("Mizuho Trust"), and Mizuho Bank has the status of a shareholder of the Tender Offeror and of the Target Company and conducts financing transactions as a part of ordinary bank transactions with Tender Offeror and the Target Company, and Mizuho Trust conducts financing transactions as a part of ordinary bank transactions with the Target Company, but neither of them has any noteworthy material interests in the Transactions. Also, Mizuho

Securities has established and implemented appropriate conflict of interest management systems, such as information barrier measures between Mizuho Securities and Mizuho Bank and Mizuho Trust in accordance with Article 36 of the Financial Instruments and Exchange Act and Article 70-4 of the Cabinet Office Order on Financial Instruments Business, etc. (Cabinet Office Order No. 52 of 2007; as amended), and conducted the share valuation of the Target Company Shares from a standpoint independent from Mizuho Bank's and Mizuho Trust's status as shareholders and lenders. When having the share valuation of the Target Company Shares conducted, the Target Company determined that Mizuho Securities has established and implemented appropriate conflict of interest management systems, and selected Mizuho Securities as its third-party calculation agency. As discussed in “(3) Measures to Ensure Fairness of Tender Offer Price, Measures to Avoid Conflicts of Interest, and Other Measures to Ensure Fairness of Tender Offer” below, Tender Offeror and the Target Company have implemented measures to ensure the fairness of the Tender Offer Price and measures to avoid conflicts of interest, and therefore, the Target Company believes that adequate consideration has been given to the interests of the Target Company's general shareholders, and no opinion concerning the fairness of the Tender offer Price (a fairness opinion) has been obtained from Mizuho Securities. In addition, the fees paid to Mizuho Securities in relation to the Transactions do not include any contingency fees paid subject to the successful completion etc. of the Transactions.

(ii) Summary of Calculation

As a result of examining valuation methods in the Tender Offer, and based on the belief that it is appropriate to evaluate the share value of the Target Company Shares from multiple perspectives with the assumption that the Target Company is a going concern, Mizuho Securities conducted per-share valuations of the Target Company Shares using the market price method, since the Target Company Shares are listed on the TSE Prime Market and market prices are available, and the DCF method to reflect the circumstances of the Target Company's future business activities in the valuation.

The ranges of the per-share valuations of the Target Company Shares calculated by Mizuho Securities using the above methods are as follows:

| | |
|----------------------|--------------------|
| Market price method: | JPY 305 to JPY 334 |
| DCF method: | JPY 217 to JPY 638 |

The range of per-share value of the Target Company Shares obtained from the market price method is 305 yen to 334 yen, which using September 10, 2025 as the reference date, was calculated based on 332 yen, the closing price of Target Company Shares quoted on the TSE Prime Market on the reference date, 334 yen, the simple average closing price for the most recent one-month period, 320 yen, the simple average closing price for the most recent three-month period, and 305 yen, the simple average closing price for the most recent six-month period.

Using the DCF method, based on various factors including revenue forecasts and investment plans in the business plan for the March 2026 term to the March 2031 term (the “Business Plan”) prepared by the Target Company as the period that can reasonably be predicted at present, the Target Company's financial information for the first quarter of the March 2026 term, and publicly available information, the Target Company's corporate value and share value were calculated by discounting free cash flows expected to be

generated by the Target Company from the second quarter of the March 2026 term onward to present value at a certain discount rate, and the range of per-share value for the Target Company Shares was calculated to be 217 yen to 638 yen. The discount rate was set at the weighted average capital cost, and a rate of 2.75% to 3.25% was adopted. Also, when calculating continuing value, the perpetual growth method was adopted, and for the perpetual growth method, after comprehensively considering external environmental factors etc., the perpetual growth rate was set at Δ 0.25% to 0.25% and the continuing value was calculated to be 125,919 million yen to 157,651 million yen. In calculating the continuing value, in light of the Target Company's business cycle, in which large-scale periodic maintenance is conducted once every four years and small-scale periodic maintenance is conducted in the intermediate years, in addition to financial figures for the March 2031 term, which is the final fiscal year of the Business Plan, four-year financial information for the period from the March 2028 term to the March 2031 term was taken into consideration.

When formulating the Business Plan, it was assumed that the Target Company's current business, including the oil refining business, will be continued, and no large-scale changes in business activities were anticipated. Also, in light of the Target Company's external environment and other factors, such as carbon neutrality, although there is a possibility of conducting a concrete investigation of new businesses, such as the supply of biofuels in the future, as no new businesses are currently planned for implementation and it is difficult to make specific estimates of the impact on revenue, such new businesses have not been incorporated into the Business Plan. Furthermore, given that the Target Company has a business cycle of conducting large-scale periodic maintenance once every four years and small-scale periodic maintenance in the intermediate years, the Business Plan is premised on the continuation of this business cycle.

Furthermore, to investigate the appropriateness of the terms and conditions of the Transactions, the Business Plan was formulated by a team comprising Target Company employees independent from the Tender Offeror Group, and the Tender Offeror Group (including personnel seconded from Tender Offeror and former employees of Tender Offeror) did not participate in the process of preparing the Business Plan. When the Target Company formulated the Business Plan for the Transactions, the Special Committee conducted question and answer sessions concerning the content of the draft Business Plan, its important assumptions, and other matters and confirmed and approved the reasonableness of the content of the final Business Plan, its important assumptions, the preparation process, and other matters.

The financial forecasts based on the Business Plan that Mizuho Securities assumed when performing calculations using the DCF method are as follows. Such financial forecasts include fiscal years in which substantial year-on-year fluctuations in profit and free cash flow are expected. Specifically, large-scale periodic maintenance will be performed in the March 2026 term and the March 2030 term and small-scale periodic maintenance will be performed in the March 2028 term, and consequently, temporary suspensions of refinery operations for certain periods are planned and capital investment amounts are expected to increase, and as a result, operating income is projected to decrease by 10,048 million yen year-on-year in the March 2026 term, increase by 29,330 million yen year-on-year in the March 2027 term, decrease by 10,602 million yen year-on-year in the March 2028 term, increase by 10,162 million yen year-on-year in the March 2029 term, decrease by 16,557 million yen year-on-year in the March 2030 term, and increase by 14,831 million yen year-on-year in the March 2031 term, while free cash flow is projected to decrease by 38,532 million yen year-on-year in the March 2026 term, increase by 8,928 million yen year-on-year in the March 2027

term, increase by 10,424 million yen year-on-year in the March 2028 term, increase by 10,621 million yen year-on-year in the March 2029 term, decrease by 40,703 million yen year-on-year in the March 2030 term, and increase by 40,057 million yen year-on-year in the March 2031 term.

Also, with respect to the synergy effects expected to be generated from implementation of the Transactions, except for the reduction in listing expenses resulting from delisting the Target Company Shares, at this time, it is difficult to make specific estimates of the impact on revenue, and therefore, such effects are not incorporated into the financial forecasts in the Business Plan and are not included in the calculations performed by Mizuho Securities using the Business Plan as the basis for its calculations (Note 13).

(Unit: million yen)

| | March 2026 term (9 months) | March 2027 term | March 2028 term | March 2029 term | March 2030 term | March 2031 term |
|---------------------|----------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Net sales | 504,439 | 787,333 | 693,000 | 787,024 | 631,213 | 786,484 |
| Operating income | △2,195 | 13,713 | 3,111 | 13,273 | △3,284 | 11,547 |
| Operating income | 3,038 | 21,646 | 11,516 | 21,195 | 5,668 | 21,172 |
| Free cash flow | △16,762 | △3,714 | 6,710 | 17,332 | △23,372 | 16,686 |

(Note 13) In the calculation of the share value of the Target Company Shares, the materials and information indicated below were analyzed and examined. The materials, etc. listed below include materials relating to the Target Company's subsidiaries and affiliates (as defined in Article 8 of the Ordinance on Terminology, Forms, and Preparation Methods of Consolidated Financial Statements (Ordinance No. 28 of 1976); collectively referred to as "Affiliates").

- (1) The Target Company's securities reports, quarterly reports, and other publicly-disclosed financial information;
- (2) Various materials relating to the status of business and finances prepared or produced by the Target Company and disclosed to Mizuho Securities;
- (3) Various materials relating to financial projections prepared or produced by the Target Company and disclosed to Mizuho Securities (including the Business Plan);
- (4) The result of interviews conducted with the Target Company's management team and responses to Q&A lists received from relevant departments relating to the performance and projections of the Target Company's business and financial status;
- (5) Share prices of the Target Company's ordinary shares and share trading status; and
- (6) Various other materials obtained by Mizuho Securities from the Target Company or general surveys conducted by the Target Company and determined to be necessary and appropriate by Mizuho Securities.

Also, in calculating the share value of the Target Company Shares, Mizuho Securities assumed the following matters:

- (1) Mizuho Securities relied on and assumed that all financial and other information provided by the Target Company to Mizuho Securities or discussed by Mizuho Securities with the Target Company that served as a substantial basis for the valuation (the "Information") is accurate and complete. Mizuho Securities did not independently verify the accuracy and completeness of the Information, and assumes no responsibility or obligation to independently verify the

Information. Therefore, if there are any matters that would render such information material incorrect or if there are facts or circumstances that were not disclosed as of the valuation reference date or facts or circumstances that occur after the valuation reference date (including facts that potentially existed as of the valuation reference date and subsequently became apparent), the evaluation results may differ. Furthermore, Mizuho Securities assumes that the Target Company's management is not aware of any facts that would render the financial and other information provided by the Target Company to Mizuho Securities or discussed by Mizuho Securities with the Target Company incomplete or misleading.

- (2) Mizuho Securities assumes that financial forecasts and other forward-looking information provided to Mizuho Securities (including forecasts of future revenues and expenses, expected cost reductions, and the Business Plan) were reasonably prepared and created by the Target Company's management based on the best forecasts and judgments currently available regarding the future business performance and financial condition of the Target Company and its Affiliates, and further, without independently verifying the feasibility of such financial forecasts and business plans, Mizuho Securities relied on those financial forecasts and business plans and expresses no opinion regarding the analyses of forecasts stated in the Target Company Share Valuation Report (Mizuho Securities) or the assumptions underlying them. Regarding the synergy effects for the Target Company and Tender Offeror resulting from the Transactions, other than the reduction in listing maintenance costs due to delisting of the Target Company, Mizuho Securities is not aware of any matters that can be quantitatively evaluated as potentially having a material impact on the valuation at the time of issuance of the Target Company Share Valuation Report (Mizuho Securities), and the valuation stated in the Target Company Share Valuation Report (Mizuho Securities) does not incorporate any synergy effects other than the reduction in listing maintenance costs due to delisting of the Target Company.
- (3) Among the Information that Mizuho Securities requested to prepare the Target Company Share Valuation Report (Mizuho Securities), for information that was not provided or disclosed by the Target Company, information that was provided or disclosed but whose impact on the Target Company's corporate value is uncertain at this time, or information that Mizuho Securities could not use as the basis for its evaluation through other methods, Mizuho Securities used assumptions that it deems reasonable and appropriate with the Target Company's consent. If such assumptions by Mizuho Securities differ from the facts in material respects, the evaluation results may differ.
- (4) Mizuho Securities assumes that the Transactions will not be taxable to the Target Company under Japanese corporate tax law and that other tax matters relating to the Transactions will not affect the share value of the Target Company Shares. Also, without conducting independent verification, Mizuho Securities assumes that the Transactions will be completed in a timely manner and that all material governmental, regulatory, and other consents and approvals (whether pursuant to laws and regulations or contracts) necessary for implementation of the Transactions can be obtained without any adverse impact on the Target Company or on the benefits expected from the Transactions, and that the details of such consents and approvals will not affect the share value of the Target Company Shares. Further, Mizuho Securities assumes that where orders, measures, or any other dispositions have been issued or imposed on the Target Company by regulatory authorities or otherwise, except for those disclosed by the Target Company, there is currently no impact on the Target Company's future performance or no such impact will occur in the future. Mizuho Securities is not a legal, regulatory, or tax expert, and has relied on the assessments conducted by the Target Company's outside experts with respect to such matters.

- (5) Mizuho Securities has not conducted an independent evaluation or assessment of the assets and liabilities (including derivative transactions, off-balance sheet assets and liabilities, and other contingent liabilities) or provisions of the Target Company or its Affiliates, has not analyzed the appropriateness of their accounting or tax valuations or the appropriateness of their accounting or tax treatment, and has not independently received or requested from third parties any evaluation, assessment, or analysis. Mizuho Securities does not assume any obligation to inspect the assets or facilities of the Target Company or its Affiliates and has not conducted any evaluation of the shareholders equity or solvency of the Target Company or its affiliates under laws relating to insolvency, bankruptcy, etc.
- (6) Mizuho Securities assumes that neither the Target Company nor any of its Affiliates has previously concluded any contracts, agreements, or other written documents that would have a material impact on the share value of the Target Company Shares or made any such decisions, and will not conclude such agreements or make such decisions in the future, and that the implementation of the Transactions will not at any future point result in a breach of any material agreements to which the Target Company or its Affiliates are bound as parties and will not give rise to any right to terminate such material agreements or any right to declare a default or exercise remedial measures under such agreements.
- (7) Mizuho Securities assumes that, other than the matters disclosed in the Information, there are no lawsuits or disputes involving the Target Company or its Affiliates, no other related contingent liabilities, and no off-book liabilities relating to environmental, tax, intellectual property, or other such matters, and that the Target Company's current insurance coverage amounts relating to its business are adequate for its business operations.

(III) Acquisition of Share Valuation Report and Fairness Opinion from Special Committee's Independent Third-party Calculation Agent

(i) Name of Calculation Agent and Relationship with Target Company and Tender Offeror

According to the Target Company Press Release, the Special Committee appointed Plutus as a third-party calculation agency independent of the Tender Offeror Group and the Target Company Group, as well as from the success or failure of the Transactions, and requested Plutus to express an opinion concerning the fairness of the calculation of share value of the Target Company Shares and the Tender Offer Price (a fairness opinion) and received the Special Committee Share Valuation Report (Plutus) on September 10, 2025. Plutus is not a related party of the Target Company or the Tender Offeror and does not have any material interests in the Transactions including the Tender Offer. As described in “(3) Measures to Ensure Fairness of Tender Offer Price, Measures to Avoid Conflicts of Interest, and Other Measures to Ensure Fairness of Tender Offer” below, Tender Offeror and the Target Company have implemented measures to ensure the fairness of the Tender Offer Price and measures to avoid conflicts of interest, and therefore, the Special Committee believes that adequate consideration has been given to the interests of the Target Company's general shareholders, and a fairness opinion (the “Fairness Opinion”) was obtained from Plutus. In addition, the fees paid to Plutus in relation to the Transactions do not include any contingency fees paid subject to the successful completion etc. of the Transactions.

(ii) Summary of Calculation

As a result of examining valuation methods in the Tender Offer, and based on the belief that it is appropriate to evaluate the share value of the Target Company Shares from multiple perspectives with the

assumption that the Target Company is a going concern, Plutus conducted per-share valuations of the Target Company Shares using the market price method, since the Target Company Shares are listed on the TSE Prime Market and market prices are available, and the DCF method to reflect the circumstances of the Target Company's future business activities in the valuation.

The ranges of the per-share valuation of the Target Company Shares calculated by Plutus using the above methods are as follows:

| | |
|----------------------|--------------------|
| Market price method: | JPY 305 to JPY 334 |
| DCF method: | JPY 265 to JPY 618 |

The range of per-share value of the Target Company Shares obtained from the market price method is 305 yen to 334 yen, which using September 10, 2025 as the reference date, was calculated based on 332 yen, the closing price of Target Company Shares quoted on the TSE Prime Market on the reference date, 334 yen, the simple average closing price for the most recent one-month period, 320 yen, the simple average closing price for the most recent three-month period, and 305 yen, the simple average closing price for the most recent six-month period.

Using the DCF method, based on various factors including revenue forecasts and investment plans in the business plan for the March 2026 term to the March 2031 term (the "Business Plan") prepared by the Target Company as the period that can reasonably be predicted at present, the Target Company's financial information for the first quarter of the March 2026 term, and publicly available information, the Target Company's corporate value and share value were calculated by discounting free cash flows expected to be generated by the Target Company from the second quarter of the March 2026 term onward to present value at a certain discount rate, and the range of per-share value for the Target Company Shares was calculated to be 265 yen to 618 yen. The discount rate was set at the weighted average capital cost, and a rate of 3.1% to 3.8% was adopted. Also, when calculating continuing value, the perpetual growth method was adopted, and for the perpetual growth method, after comprehensively considering external environmental factors etc., the perpetual growth rate was set at 0.0% and the continuing value was calculated to be 120,357 million yen to 147,364 million yen. In calculating the continuing value, in light of the Target Company's business cycle, in which large-scale periodic maintenance is conducted once every four years and small-scale periodic maintenance is conducted in the intermediate years, in addition to financial figures for the March 2031 term, which is the final fiscal year of the Business Plan, four-year financial information for the period from the March 2028 term to the March 2031 term was taken into consideration.

When formulating the Business Plan, it was assumed that the Target Company's current business, including the oil refining business, will be continued, and no large-scale changes in business activities were anticipated. Also, in light of the Target Company's external environment and other factors, such as carbon neutrality, although there is a possibility of conducting a concrete investigation of new businesses, such as the supply of biofuels in the future, as no new businesses are currently planned for implementation and it is difficult to make specific estimates of the impact on revenue, such new businesses have not been incorporated into the Business Plan. Furthermore, given that the Target Company has a business cycle of conducting large-scale periodic maintenance once every four years and small-scale periodic maintenance in the intermediate years, the Business Plan is premised on the continuation of this business cycle.

Furthermore, to investigate the appropriateness of the terms and conditions of the Transactions, the Business Plan was formulated by a team comprising Target Company employees independent from the Tender Offeror Group, and the Tender Offeror Group (including personnel seconded from Tender Offeror and former employees of Tender Offeror) did not participate in the process of preparing the Business Plan. When the Target Company formulated the Business Plan for the Transactions, the Special Committee conducted question and answer sessions concerning the content of the draft Business Plan, its important assumptions, and other matters and confirmed and approved the reasonableness of the content of the final Business Plan, its important assumptions, the preparation process, and other matters.

The financial forecasts based on the Business Plan that Plutus assumed when performing calculations using the DCF method are as follows. Such financial forecasts include fiscal years in which substantial year-on-year fluctuations in profit and free cash flow are expected. Specifically, large-scale periodic maintenance will be performed in the March 2026 term and the March 2030 term and small-scale periodic maintenance will be performed in the March 2028 term, and consequently, temporary suspensions of refinery operations for certain periods are planned and capital investment amounts are expected to increase, and as a result, operating income is projected to decrease by 10,048 million yen year-on-year in the March 2026 term, increase by 29,330 million yen year-on-year in the March 2027 term, decrease by 10,602 million yen year-on-year in the March 2028 term, increase by 10,162 million yen year-on-year in the March 2029 term, decrease by 16,557 million yen year-on-year in the March 2030 term, and increase by 14,831 million yen year-on-year in the March 2031 term, while free cash flow is projected to decrease by 42,137 million yen year-on-year in the March 2026 term, increase by 34,779 million yen year-on-year in the March 2027 term, increase by 9,947 million yen year-on-year in the March 2028 term, increase by 11,653 million yen year-on-year in the March 2029 term, decrease by 42,135 million yen year-on-year in the March 2030 term, and increase by 41,494 million yen year-on-year in the March 2031 term.

Also, with respect to the synergy effects expected to be generated from implementation of the Transactions, at this time, it is difficult to make specific estimates of the impact on revenue, and therefore, such effects are not incorporated into the financial forecasts in the Business Plan and are not included in the calculations made by Plutus using the Business Plan as the basis for its calculations.

(Unit: million yen)

| | March 2026 term (9 months) | March 2027 term | March 2028 term | March 2029 term | March 2030 term | March 2031 term |
|---------------------|----------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Net sales | 504,439 | 787,333 | 693,000 | 787,024 | 631,213 | 786,484 |
| Operating income | △2,195 | 13,713 | 3,111 | 13,273 | △3,284 | 11,547 |
| Operating income | 3,441 | 21,781 | 11,664 | 21,354 | 5,829 | 21,336 |
| Free cash flow | △17,664 | △2,676 | 7,271 | 18,925 | △23,211 | 18,283 |

(iii) Summary of Fairness Opinion

On September 10, 2025, the Special Committee received from Plutus the Fairness Opinion, which states that the Tender Offer Price of 480 yen per share is fair to the Target Company's general shareholders

from a financial perspective. The Fairness Opinion expresses the opinion that, in light of the results of the share valuation calculation performed based on the Business Plan prepared by the Target Company, the Tender Offer Price of 480 yen per share is fair to the Target Company's general shareholders from a financial perspective. The Fairness Opinion was issued by Plutus based on the results of its valuation of the Target Company Shares, which was conducted after receiving disclosures from the Target Company concerning the current status of its business, the Business Plan, and related explanations, as well as question and answer sessions conducted with the Target Company regarding the overview, background, and objectives of the Tender Offer, examination by Plutus, to the extent that it deemed it necessary, of the Company's business environment, economic, market, and financial conditions, and other factors, and a review process by a review committee independent from the Plutus engagement team (Note 14).

(Note 14) In preparing the Fairness Opinion, Plutus assumes that all basic information received from the Target Company, publicly available materials, and information heard from the Target Company is accurate and complete and did not independently investigate or verify the accuracy and completeness of such information and materials and assumes no obligation to do so. Therefore, Plutus does not assume any responsibility arising from any deficiency in these materials or non-disclosure of material facts.

Plutus assumes that the business plan and other materials used as foundational materials for the Fairness Opinion were reasonably prepared based on the best projections and judgments available at the time of their preparation and do not guarantee the feasibility of their realization, and expresses no opinions regarding the analyses or projections that served as the basis for their preparation or the underlying assumptions that form the foundation therefor.

Plutus is not a professional legal, accounting, or tax agency, does not express any opinions whatsoever concerning legal, accounting, or tax issues relating to the Tender Offer, and assumes no obligation to do so.

Plutus has not performed any analysis or evaluation of the individual assets and liabilities (including off-balance-sheet assets and liabilities and other contingent liabilities) of the Target Company or its affiliated companies or any other independent evaluation or appraisal and has not received any evaluation reports or appraisal reports regarding such assets and liabilities, and therefore, the payment capacity of the Target Company and its affiliated companies has not been evaluated.

The Fairness Opinion expresses an opinion from a financial perspective regarding the fairness of the Tender Offer Price for the purpose of consideration when the Target Company expresses an opinion regarding the Tender Offer, and consequently, does not express any opinion as to whether the Tender Offer is superior to any transactions that could be alternative thereto, the benefits that may arise from implementation of the Tender Offer, or whether the Tender Offer should be implemented or not.

The Fairness Opinion expresses no opinion whatsoever to the holders of securities issued by the Target Company, creditors, or other related parties, and therefore, Plutus bears no responsibility whatsoever to shareholders or third parties who relied on the Fairness Opinion. Plutus does not intend to solicit investment etc. in the Target Company and does not have the authority to do so, and therefore, the Fairness Opinion does not recommend that shareholders

tender their shares in the Tender Offer or take any other action in relation to the Tender Offer. The Fairness Opinion expresses an opinion as of the date of its submission regarding whether the Tender Offer Price is fair from a financial perspective to the Target Company's general shareholders based on financial and capital markets, economic conditions, and other circumstances as of the date of submission and based on information provided to or obtained by Plutus as of that date. Plutus bears no obligation to revise, modify, or supplement its opinion, even if these underlying assumptions change due to future changes in circumstances. The Fairness Opinion does not imply or suggest any views other than those expressly stated therein and does not imply or suggest any views with respect to matters arising after the date of its submission.

On September 10, 2025, the Special Committee received from Plutus the Fairness Opinion, which states that the Tender Offer Price of 480 yen per share is fair to the Target Company's general shareholders from a financial perspective. The Fairness Opinion expresses the opinion that, in light of the results of the share valuation calculation performed based on the Business Plan prepared by the Target Company, the Tender Offer Price of 480 yen per share is fair to the Target Company's general shareholders from a financial perspective. The Fairness Opinion was issued by Plutus based on the results of its valuation of the Target Company Shares, which was conducted after receiving disclosures from the Target Company concerning the current status of its business, the Business Plan, and related explanations, as well as question and answer sessions conducted with the Target Company regarding the overview, background, and objectives of the Tender Offer, examination by Plutus, to the extent that it deemed it necessary, of the Company's business environment, economic, market, and financial conditions, and other factors, and a review process by a review committee independent from the Plutus engagement team (Note 14).

When calculating the share value of the Target Company Shares, in principle, Plutus adopted the information provided by the Target Company, publicly available information, and other information as is and did not independently verify the accuracy or completeness of such materials and information on the assumption that all such information was accurate and complete. Further, Plutus did not independently evaluate or assess, and did not request any third-party institution to appraise or assess, the assets and liabilities (including off-balance-sheet assets and liabilities and other contingent liabilities) of the Target Company and its affiliated companies. In addition, Plutus assumes that the information relating to Target Company's financial forecasts was reasonably prepared based on the best available projections and judgments of the Target Company's management, and the Special Committee conducted question and answer sessions with the Target Company regarding those financial forecasts and confirmed the reasonableness of their content and assumptions. Plutus conducted question and answer sessions with the Target Company regarding the Business Plan that served as the basis for its calculations, and analyzed and examined the content thereof.

(IV) Establishment of Independent Special Committee at Target Company and Acquisition of Report from Special Committee

According to the Target Press Release, in order to exercise great care in its decision-making concerning the Transactions, eliminate arbitrariness and the risk of conflicts of interest in decision-making by the Target

Company's board of directors, and ensure the fairness of such decision-making, pursuant to a resolution of the board of directors adopted at a meeting held on May 22, 2025, the Target Company established a Special Committee independent from the Tender Offeror Group and the Target Company Group, as well as from the success or failure of the Transactions, and comprising three members: Mr. Ryo Sato (an outside director of the Target Company), who has extensive experience and insight as a corporate manager, Ms. Mutsumi Kanai (an outside auditor of the Target Company), who has extensive experience and insight as a certified public accountant, and Mr. Mikiharu Mori (attorney and representative partner at Tokyo International Law Office), who was recommended by Iwata Godo, has extensive knowledge and insight as a corporate legal affairs attorney, and was selected as an outside expert to serve as a member of the special committee, whose appointment in addition to outside officers in order to supplement the expertise relating to M&A (specialized knowledge regarding procedural fairness and corporate valuation) is not denied by the M&A Guidelines. Among the Target Company's outside directors, Mr. Junzo Yamamoto, who concurrently serves as senior executive officer of Tender Offeror, Mr. Hiroshi Maezawa, who formerly worked for Tender Offeror, Mr. Mohammed Alshubrumi who is a related party of the Non-Tendering Shareholder, and Mr. Khaled Al-Sabah, who is a related party of the shareholder (Kuwait Petroleum Corporation) which was potentially to execute with Tender Offeror a non-tendering agreement in relation to the Tender Offer, were not selected as members of the Special Committee in order to eliminate the possibility of being affected by structural conflicts of interest in the Transactions. Further, a contingency fee was not adopted as remuneration for the members of the Special Committee. The Special Committee elected Mr. Mikiharu Mori as committee chairperson through a mutual vote among committee members. The Target Company selected these three individuals as members of the Special Committee at the time of its establishment, and no changes to the committee's membership have been made.

When it decided to establish the Special Committee, the Target Company's board of directors referred the following matters to the Special Committee: (i) the legitimacy and appropriateness of the objectives of the Transactions (including whether the Transactions contribute to enhancing the Target Company's corporate value), (ii) the fairness and appropriateness of the terms and conditions of the Transactions, including the Tender Offer Price in the Tender Offer, (iii) the fairness of the procedures relating to the Transactions, (iv) whether conducting the Transactions can be considered to be disadvantageous to the Target Company's minority shareholders (Note 15), and (v) based on (i) to (iv) above and other matters, whether the Target Company's board of directors should decide to express an opinion in support of the Tender Offer and to recommend that the Target Company's shareholders tender their shares in the Tender Offer (the "Consultation Matters"). Further, the Target Company's board of directors resolved that when making decisions regarding the Transactions, it would give maximum deference to the opinions of the Special Committee, and if the Special Committee determined that the terms and conditions of the Transactions are not appropriate, that the Target Company's board of directors would not make a decision to implement the Transactions (including expressing an opinion in support of the Tender Offer and recommending that the Target Company's shareholders tender their shares in the Tender Offer).

(Note 15) A partial revision (revision of compliance matters relating to MBO, etc.; referred to as the "Listing Regulations Revision") of the Securities Listing Regulations of TSE came into effect on July 22, 2025, and since the Transactions correspond to a "tender offer ... where the tender offeror is ... an other associated company" (Securities Listing Regulations, Article 441, Paragraph 1, Item (2)) decided after the effective date of the

Listing Regulations Revision, the Transactions are subject to application of the Listing Regulations Revision. Under the Listing Regulations Revision, the provision on a “tender offer ... where the tender offeror is ... an other associated company” requires that an opinion be obtained regarding the matter of fairness to general shareholders. Referral Matter (4) inquires as to whether the implementation of the Transactions can be considered disadvantageous to the Target Company’s minority shareholders, but the issues of the Referral Matters were dated May 22, 2025, before the public release of the Listing Regulations Revision, and were based on the TSE Listing Regulations at the time. Given the foregoing, it is expected that the Target Company’s board of directors will provide a response that takes into account the Listing Regulations Revision. Therefore, in light of the Listing Regulations Revision, the Special Committee will respond to Referral Matter (4) by indicating whether it believes that the Transactions are fair to the Target Company’s general shareholders.

Additionally, the Target Company’s board of directors granted the following authority to the Special Committee: (i) the authority to conduct investigations relating to the Transactions at the Target Company’s expense (including the ability to question Target Company officers or employees involved in the Transactions or the Target Company’s advisors relating to the Transactions on matters necessary for consideration of the Consultation Matters and to seek explanations or advice), (ii) the authority to request that the Target Company (a) convey the Special Committee’s proposals, other opinions, or questions to Tender Offeror and (b) arrange opportunities for the Special Committee itself to discuss and negotiate with Tender Offeror (including Tender Offeror’s advisors relating to the Transactions), and even if the Special Committee does not request such arrangements, when the Target Company conducts discussions and negotiations with Tender Offeror, the Target Company shall promptly report the details to the Special Committee, and the Special Committee may, based on those details, express opinions to the Target Company regarding the policy on discussions and negotiations with Tender Offeror and provide necessary instructions and requests, and (iii) the authority to appoint the Special Committee’s own attorneys, calculation agencies, certified public accountants, and other advisors at the Target Company’s expense when determined to be necessary. In response, the Special Committee confirmed that Mizuho Securities, the Target Company’s third-party calculation agency and financial advisor, and Iwata Godo, the Target Company’s legal advisor pose no issues with respect to independence and expertise, and therefore, approved each as the Target Company’s third-party calculation agency and financial advisor and legal advisor, respectively, and the Special Committee confirmed that it may obtain professional advice from them as necessary.

The Special Committee met a total of 18 times from May 29, 2025 to September 10, 2025 and conducted careful discussions and consideration of the Consultation Matters. Specifically, the Special Committee (i) conducted interviews with Tender Offeror regarding the background and circumstances leading to the proposal for the Transactions, synergies to be generated from implementation of the Transactions, Tender Offeror’s managerial policy after the Transactions, and the conditions and anticipated structure etc. of the Transactions, (ii) conducted interviews with the Target Company’s project team members regarding the status of evaluation and consideration of the details of the proposal from Tender Offeror by the Target Company’s management (limited to those independent from the Tender Offeror Group, the Non-Tendering Shareholder, and the shareholder (Kuwait Petroleum Corporation) which was potentially to execute with Tender Offeror a non-tendering agreement in relation to the Tender Offer), the details of discussions with Tender Offeror, and the details and methods of preparation of the Business Plan that served as the basis for

the share valuation of the Target Company Shares by Mizuho Securities and Plutus, (iii) conducted interviews with Mizuho Securities regarding the details and progress etc. of the Transactions and the details and methods etc. of the valuation of the Target Company Shares; (iv) obtained the Special Committee Share Valuation Report (Plutus) and the Fairness Opinion from Plutus and conducted interviews etc. of Plutus regarding the details and methods etc. of the valuation of the Target Company Shares, and (v) conducted interviews etc. of Iwata Godo regarding legal advice, including advice on measures to be taken to ensure procedural fairness in the Transactions, various procedures for the Transactions, methods for the Special Committee's deliberations regarding the Transactions, and negotiations etc. with Tender Offeror regarding the Tender Offer Price and other terms and conditions.

As a result of careful discussion and consideration of the Consultation Matters under the circumstances described above, the Special Committee unanimously submitted the Report concerning the Consultation Matters with the content attached to the Target Company Press Release to the Target Company's board of directors on September 10, 2025. For the content of the Special Committee's opinions regarding the Consultation Matters and the reasons therefor, please refer to the Report attached to the Target Company Press Release.]

(V) Acquisition of Advice from Target Company's Independent Law Firm

According to the Target Company Press Release, to ensure the fairness and appropriateness of decision-making by the Target Company's board of directors, the Target Company engaged Iwata Godo as its legal advisor independent from the Tender Offeror Group and the Target Company Group, as well as from the success or failure of the Transactions, and received legal advice including advice on measures that should be taken to ensure the fairness of procedures in the Transactions, the various procedures of the Transactions, methods of deliberation by the Special Committee relating to the Transactions, and negotiations with Tender Offeror concerning the Tender Offer Price and other terms and conditions.

Iwata Godo is not a related party of the Tender Offeror Group or the Target Company Group and does not have any material interests relating to the Transactions. Iwata Godo is the Target Company's legal advisor, but the amount paid by the Target Company to Iwata Godo as consideration for legal advice is less than the Target Company's standard for the independence of outside officers and is not an amount that would give rise to any doubts concerning the fairness of Iwata Godo's legal advice regarding the Transactions, and the fees paid to Iwata Godo do not include contingency fees to be paid contingent on the successful completion etc. of the Transactions. Also, Iwata Godo is an external law firm that provides legal services to multiple clients not limited to the Target Company, and as one of Iwata Godo's clients, the Target Company continuously requests legal advice regarding business and management decisions, taking into account Iwata Godo's areas of expertise and specialization, and has entered into a legal advisory agreement with Iwata Godo for the receipt of legal advice from an outside legal expert, and the Target Company has concluded that the execution of such a legal advisory agreement does not impair Iwata Godo's independence from the Target Company.

(VI) Establishment of Independent Consideration System at Target Company

As stated in "(II) Decision-making Process Leading to Target Company's Decision to Support Tender Offer and Reason Therefor" in "(2) Background, Purpose, and Decision-Making Process Leading to Decision

to Implement Tender Offer, and Post-Tender Offer Management Policy” above, in mid-May 2025, the Target Company started to establish a system for considering, negotiating, and making decisions related to the Transactions from the perspective of enhancing the Target Company’s corporate value and ensuring the common interests of the Target Company’s shareholders, from a position independent of the Tender Offeror, in consideration of legal advice from Iwata Godoon measures to be taken to ensure the fairness of the proceedings in the Transactions, various procedures for the Transactions, methods of deliberation by the Special Committee in relation to the Transactions, and negotiations with the Tender Offeror regarding the Tender Offer Price and other terms.

Specifically, in accordance with the Special Committee’s instructions, the Target Company established a project team consisting of eleven members in total (Mr. Takahiko Yamamoto, Senior Managing Executive Officer, Mr. Masahiro Hirano, Executive Officer and Head of the Planning Department, Mr. Motohiro Nakayama, Executive Officer and Head of the General Affairs Department, Mr. Takashi Hikita, Head of the General Affairs Section, and seven other employees of the Target Company) for the Target Company to consider, negotiate, and make decisions on the Transactions, including responses to due diligence on the Target Company conducted by the Tender Offeror, consideration and preparation of the Business Plan, and consideration of the Target Company’s management policy after the Transactions. In establishing that system, the Target Company was careful not to appoint a team member who concurrently serves as an officer or employee of the Tender Offeror Group, including the Tender Offeror (excluding the Target Company), or who used to serve as an officer or employee of the same. In particular, the Target Company prepared the Business Plan, which is the basis for the calculation of the Target Company’s share value, with advice from Mizuho Securities, its financial advisor, and by carrying out multiple question-and-answer sessions with Mizuho Securities, Plutus, and the Special Committee. In addition, the Target Company proceeded with such preparations with the confirmation of Iwata Godo, its legal advisor, and the Special Committee regarding the fairness of the preparation process, including the independence of officers and employees involved in its preparation.

In addition, for the reasons stated in “(VII) Approval of All Target Company Directors Without Conflicts of Interest and Opinion of All Target Company Auditors That They Have No Objections” below, four people (i.e., Mr. Hiroshi Maezawa, Mr. Junzo Yamamoto, Mr. Mohammed Alshubrumi, and Mr. Khaled Al-Sabah) were not appointed as members of that system, and this treatment continues to date; also, none of those four people has given any instructions or the like on the system in relation to the consideration and negotiation of, or the decision-making process for, the Transactions.

When establishing the consideration system for the Transactions (including the scope of officers and employees of the Target Company involved in the consideration and negotiation of, and the decision-making process for, the Transactions, and their duties), including the afore-mentioned treatment, the Target Company took into consideration advice from and obtained the Special Committee’s confirmation that there were no problems in terms of independence or fairness.

(VII) Approval of All Target Company Directors Without Conflicts of Interest and Opinion of All Target Company Auditors That They Have No Objections

According to the Target Company Press Release, the Target Company’s Board of Directors conducted

careful deliberations and consideration of the Transactions from the perspective of enhancing the Target Company's corporate value and the appropriateness of the terms and conditions relating to the Transactions based on legal advice received from Iwata Goto and the content of the Target Company Share Valuation Report (Mizuho Securities), the Special Committee Share Valuation Report (Plutus), and the Fairness Opinion while giving maximum deference to the content of the Report submitted by the Special Committee.

As a result, as discussed in “(II) Decision-making Process Leading to Target Company's Decision to Support Tender Offer and Reason Therefor” in “(2) Background, Purpose, and Decision-Making Process Leading to Decision to Implement Tender Offer, and Post-Tender Offer Management Policy”, the Target Company determined that the Transactions including the Tender Offer will contribute to enhancing the Target Company Group's corporate value and that the Tender Offer Price is appropriate and provides a reasonable opportunity for the Target Company's shareholders to sell their shares, and at a meeting held on September 11, 2025, the Target Company's board of directors resolved to express an opinion in support of the Tender Offer and to recommend that the Target Company's shareholders tender their shares in the Tender Offer.

Also, seven of the Target Company's 11 directors excluding Mr. Hiroshi Maezawa, Mr. Junzo Yamamoto, Mr. Mohammed Alshubrumi, and Mr. Khaled Al-Sabah attended the deliberations and resolutions, and the resolutions were adopted by all directors in attendance. All four of the Target Company's corporate auditors attended the above board of directors meeting and all of the corporate auditors in attendance expressed opinions to the effect that they had no objection to the above resolution. From the perspective of preventing the suspicion of conflicts of interests and ensuring the fairness of the Transactions, among the Target Company's directors, Mr. Junzo Yamamoto, who concurrently serves as senior executive officer of Tender Offeror, Mr. Hiroshi Maezawa, who formerly worked for Tender Offeror, Mr. Mohammed Alshubrumi, who is a related party of the Non-Tendering Shareholder, and Mr. Khaled Al-Sabah, who is a related party of the shareholder (Kuwait Petroleum Corporation) which was potentially to execute with Tender Offeror a non-tendering agreement in relation to the Tender Offer, did not participate at all in the deliberations on proposals relating to consideration of the Transactions at the Target Company's board of directors meetings and did not participate at all in consideration of the Transactions from the Target Company's standpoint or in discussions and negotiations with Tender Offers regarding the Transactions.

(VIII) Measures to Ensure Opportunities for Purchases by Other Purchasers

The Tender Offeror has not made an agreement with the Target Company that restricts bidders other than the Tender Offeror (“Counterbidders”) from making contact with the Target Company, such as an agreement containing transaction protection clauses that prohibit the Target Company from making contact with counterbidders. Furthermore, the Tender Offeror set the tender offer period as 30 business days, which is longer than 20 business days, the minimum period required by law. By setting a tender offer period longer than the minimum period required by law, the Tender Offeror intends to ensure the appropriateness of the Tender Offer Price by ensuring opportunities for any persons other than the Tender Offeror to make competitive purchases, etc. of the Target Company Shares, while ensuring opportunities for the Target Company's shareholders to make appropriate decisions on whether to tender their shares in the Tender Offer.

(IX) Consideration to Avoid Coercion

As described in “(4) Post-Tender Offer Reorganization Policy (Matters Regarding “Two-Step

Acquisition”))” below, the Tender Offeror (i) will, promptly after completion of the settlement of the Tender Offer, request that the Target Company hold the Special Shareholders’ Meeting, the proposals to be made at which will include the Share Consolidation and, subject to the Share Consolidation being effective, changes to the Target Company’s articles of incorporation that will eliminate provisions on share unit number, and will not adopt a method that does not ensure the Target Company shareholders’ right to demand a purchase of shares and right to demand pricing; and (ii) when consolidating the shares, the Tender Offeror will request that the Target Company petition a court for permission for a voluntary sale, after ensuring that, as a result of such sale, the monetary amount provided to Target Company shareholders (excluding the Tender Offeror, the Non-Tendering Shareholder, and the Target Company) will be the same as the value obtained when the number of Target Company Shares held by each shareholder is multiplied by the Tender Offer Price. Therefore, the Tender Offeror has ensured the opportunity for the Target Company’s shareholders to appropriately decide on whether to tender their shares in the Tender Offeror, and to the extent of the measures stated in (i) and (ii) above, has given consideration to avoid coercion.

(4) Post-Tender Offer Reorganization Policy (Matters Regarding “Two-Step Acquisition”)

As stated in “(1) Overview of Tender Offer” above, if the Tender Offeror fails to acquire all of the Target Company Shares through the Tender Offer (including the Restricted Shares but excluding the Target Company Shares held by the Tender Offeror and the Non-Tendering Shareholder and treasury shares held by the Target Company), once the Tender Offer is completed successfully, the Tender Offeror will implement the Squeeze-out Procedure to acquire all of the Target Company Shares using the following methods:

Specifically, following successful completion of the Tender Offer, the Tender Offeror will, promptly after completion of the settlement of the Tender Offer, request that the Target Company hold a special shareholders’ meeting (the “Special Shareholders’ Meeting”), the proposals to be made at which will include (i) consolidation of the Target Company Shares in accordance with Article 180 of the Companies Act (the “Share Consolidation”), and (ii) subject to the Share Consolidation being effective, changes to the Target Company’s articles of incorporation that will eliminate provisions on share unit number. The Tender Offeror considers that it is desirable for the Target Company to hold the Special Shareholders’ Meeting as soon as possible from the perspective of improving the Target Company’s corporate value. Therefore, the Tender Offeror plans to ask the Target Company to make a public notice during the tender offer period setting the record date for the Special Shareholders’ Meeting so that the record date will be a date shortly after the commencement date of the settlement of the Tender Offer (the “Settlement Commencement Date”) and to target to hold the Special Shareholders’ Meeting around December 2025. According to the Target Company Press Release, if the Tender Offeror makes that request, the Target Company will respond to it. The Tender Offeror and the Non-Tendering Shareholder will support each of the proposals above at the Special Shareholders’ Meeting.

If the proposals concerning the Share Consolidation are approved at the Special Shareholders’ Meeting, the Target Company shareholders will each, as of the effective date of the Share Consolidation, hold a number of Target Company Shares corresponding to the share consolidation ratio approved at the Special Shareholders’ Meeting. If the Share Consolidation results in fractional shares that are less than one share, in accordance with the procedures set forth in Article 235 of the Companies Act and other relevant laws and regulations, the Target Company shareholders holding such fractional shares will be provided with money to be obtained

through the sale of Target Company Shares equivalent to the sum of such fractional shares (if the sum of such fractional shares is less than one share, such fractional shares will be discarded; the same applies hereinafter) to the Target Company or the Tender Offeror. With respect to the sale price of the Target Company Shares equivalent to the sum of such fractional shares, the Tender Offeror will request that the Target Company petition a court for permission for a voluntary sale, after ensuring that, as a result of such sale of fractional shares, the monetary amount provided to Target Company shareholders who did not apply for the Tender Offer (excluding the Tender Offeror, the Non-Tendering Shareholder, and the Target Company) will be the same as the value obtained when the number of Target Company Shares held by each shareholder is multiplied by the Tender Offer Price. Furthermore, although the consolidation ratio of the Target Company Shares has not yet been decided as of today, the Tender Offeror will request that the consolidation ratio be determined such that as a result of the Share Consolidation, the shareholders of the Target Company who did not tender their Target Company Shares in the Tender Offer (excluding the Tender Offeror, the Non-Tendering Shareholder, and the Target Company) will each hold fractional shares less than one share and that after the settlement of the sale of the sum of such fractional shares, the Tender Offeror and the Non-Tendering Shareholder will own all of the Target Company Shares (excluding treasury shares owned by the Target Company).

For the purpose of protecting the rights of general shareholders in relation to the Share Consolidation, if the Share Consolidation is implemented and results in fractional shares that are less than one share, the Companies Act allows Target Company shareholders to demand that the Target Company purchase all fractional shares less than one share held by them at a fair price, as well as to petition a court for a decision regarding the sale price of their Target Company Shares, in accordance with Articles 182-4 and 182-5 of the Companies Act and other relevant laws and regulations. As described above, in connection with the Share Consolidation, the Target Company Shares to be owned by Target Company shareholders who did not apply for the Tender Offer (excluding the Tender Offeror, the Non-Tendering Shareholder, and the Target Company) will be fractional shares less than one share. Therefore, the Target Company shareholders who oppose the Share Consolidation will be able to petition a court for a decision regarding the sale price of their Target Company Shares, in accordance with Articles 182-4 and 182-5 of the Companies Act and other relevant laws and regulations. If any such petition is filed, the purchase price will be ultimately determined by the court.

In addition, the Tender Offer is not intended to solicit the Target Company shareholders to approve the relevant proposals at the Special Shareholders' Meeting.

Implementing the procedures described above may take extra time, or the implementation methods may change, depending on the status of amendments to, execution of, and interpretation by relevant authorities of the relevant laws and regulations. However, even in such event, if the Tender Offer is completed successfully, measures will be taken by which monetary consideration will be ultimately provided to Target Company shareholders who did not apply for the Tender Offer (excluding the Tender Offeror, the Non-Tendering Shareholder, and the Target Company), and the value of such consideration will be calculated to be the price obtained when the number of Target Company Shares owned by the relevant Target Company shareholders is multiplied by the Tender Offer Price.

Under an allotment agreement for the Restricted Shares, (a) if, during the transfer restriction period, matters related to a share consolidation (limited to the case where, as a result of the share consolidation, the Restricted Shares owned by the parties who are allotted Restricted Shares will be in fractions of less than one

share) is approved at a general shareholders meeting of the Target Company (however, limited to the case where the effective date of the share consolidation falls before expiration of the transfer restriction period), the transfer restriction will be lifted for all of the Restricted Shares held by the allottees as of the date of such approval, as at the time immediately before the business day preceding the effective date of the share consolidation, with a resolution of the Target Company's board of directors, (b) in the case set forth under (a) above, the Target Company will acquire, as of the business day preceding the effective date of the share consolidation, and without consideration, all of the Restricted Shares held by the allottees as of the same date, in relation to which the transfer restriction is not lifted. In accordance with provision (a) of the aforementioned allotment agreement, the Restricted Shares will be subject to the Share Consolidation as the transfer restriction is expected to be lifted as at the time immediately before the business day preceding the effective date of the Share Consolidation.

The Target Company will promptly announce the specific procedures, implementation timing, and other matters concerning the above once they are determined after consultation between the Tender Offeror and the Target Company. The Target Company shareholders are each personally responsible for consulting with tax experts regarding the handling of taxes relating to applications for the Tender Offer, and the procedures described above.

(5) Likelihood of and Reasons for Delisting

As of today, the Target Company Shares are listed on the Prime Market of the TSE. However, since the Tender Offeror has not set a maximum limit on the planned purchase quantity in the Tender Offer, depending on the result of the Tender Offer, the Target Company Shares may be delisted through prescribed procedures in accordance with the delisting standards set out by the TSE. In addition, even if the Target Company Shares do not fall under the delisting standards at the time of the successful completion of the Tender Offer, as described in “(4) Post-Tender Offer Reorganization Policy (Matters Regarding “Two-Step Acquisition”)” above, the Tender Offeror plans to implement procedures with the aim of acquiring all of the Target Company Shares (including the Restricted Shares but excluding the Target Company Shares held by the Tender Offeror, the Non-Tendering Shareholder, and treasury shares held by the Target Company) after the successful completion of the Tender Offer, in which case, the Target Company Shares will be delisted through prescribed procedures in accordance with the TSE's delisting standards. It will not be possible to trade the Target Company Shares on the Prime Market of the TSE after the delisting. For the reasons for aiming at the delisting, as well as the impact on general shareholders and the view thereof, please see “(2) Background, Purpose, and Decision-Making Process Leading to Decision to Implement Tender Offer, and Post-Tender Offer Management Policy” and “(4) Post-Tender Offer Reorganization Policy (Matters Regarding “Two-Step Acquisition”)” above.

(6) Matters Regarding Critical Agreement Related to Tender Offer

On September 11, 2025, the Tender Offeror executed the Non-Tender Agreement with the Non-Tendering Shareholder, regarding all of the Target Company Shares owned by the Non-Tendering Shareholder, the outlines of which are as provided below. The Tender Offeror has not executed any agreements regarding the Transactions with the Non-Tendering Shareholder other than the Non-Tender Agreement.

(a) Except with the Tender Offeror's prior written consent, the Non-Tendering Shareholder shall not,

directly or indirectly, tender all or part of their Target Company Shares in the Tender Offer or enter into any agreement, transaction or arrangement that results in such Target Company Shares being tendered in the Tender Offer.

- (b) From the execution date of the Non-Tender Agreement until completion of the Squeeze-out Procedure, except with the Tender Offeror's prior written consent, the Non-Tendering Shareholder shall not assign, grant security over, or otherwise dispose of all or part of their Target Company Shares, and it shall not acquire any Target Company Shares or any rights pertaining to Target Company Shares, or enter into any arrangement or agreement to do any of these acts.
- (c) From the execution date of the Non-Tender Agreement until completion of the Squeeze-out Procedure, except (i) as permitted by the Non-Tender Agreement, (ii) as required by applicable laws, or (iii) with the Tender Offeror's prior written consent, the Non-Tendering Shareholder shall refrain from exercising its right to request the convening of a general meeting of shareholders of the Target Company, or to propose agenda items, and from taking any action that is intended to prevent or delay the Tender Offer.
- (d) The provisions of (b) and (c) above shall cease to apply on the earliest to occur of the following: (i) the Tender Offer failing to be completed, (ii) the Tender Offeror withdrawing the Tender Offer pursuant to applicable law, and (iii) the Non-Tender Agreement terminating pursuant to (h) below.
- (e) The Non-Tendering Shareholder shall (a) not take any action that is intended to prevent or delay the Share Consolidation, (b) not direct or encourage any member of the Target Company's board of directors to object to the Target Company's board of directors convening a special meeting of the Target Company's shareholders for the purpose of approving the Share Consolidation, and (c) at such Special Shareholder Meeting, vote in support of the proposals for the Share Consolidation, including proposals with respect to the Target Company amending its articles of incorporation in accordance with the Share Consolidation.
- (f) Following the Consolidation of Shares, the Non-Tendering Shareholder will have the right to nominate one outside director of the Target Company so long as its shareholding ratio after completion of the Squeeze-out Procedure does not fall below the ratio to the total number of issued shares of the Target Company at the time of the Squeeze-out Procedure.
- (g) Following the Consolidation of Shares, the Non-Tendering Shareholder and the Tender Offeror shall discuss in good faith to enter into an agreement that sets forth terms for regulating their relationship with each other as shareholders of the Target Company following the Consolidation of Shares.
- (h) Unless terminated earlier (i) by mutual agreement of the parties in writing or (ii) by either party giving written notice to the other party if the Tender Offer is not successfully completed within six months of the date of the Non-Tender Agreement, the Non-Tender Agreement shall continue until the first anniversary of the date of the Non-Tender Agreement.

2. Overview of Purchase

(1) Overview of Target Company

| | | |
|------|---------|--|
| (I) | Name | Fuji Oil Company, Ltd. |
| (II) | Address | 7-29, Kitashinagawa 6-chome, Shinagawa-ku, Tokyo |

| | | | |
|--------|---|--|--------|
| (III) | Title and name of representative | Shigeto Yamamoto, Representative Director, President, and Presidential Executive Officer | |
| (IV) | Business outline | Import of crude oil, refining of oil, and production, processing, storage, import and export, and sale of petroleum products and petrochemical basic products | |
| (V) | Capital stock | JPY 24,467 million | |
| (VI) | Date of establishment | January 31, 2003 | |
| (VII) | Major shareholders and shareholding ratios (as of March 31, 2025) | Idemitsu Kosan Co., Ltd. | 22.01% |
| | | The Master Trust Bank of Japan, Ltd. (Trust Account) | 8.90% |
| | | Kuwait Petroleum Corporation | 7.50% |
| | | Government of the Kingdom of Saudi Arabia | 7.50% |
| | | Nippon Yusen Kabushiki Kaisha | 3.55% |
| | | Custody Bank of Japan, Ltd. (Trust Account) | 3.29% |
| | | Kiyo Koyama | 1.80% |
| | | ENEOS Holdings, Inc. | 1.74% |
| | | Yusuke Kida | 1.35% |
| | Japan Airlines Co., Ltd. | 1.33% | |
| (VIII) | Relationship between Tender Offeror and Target Company | | |
| | Capital relationship | As of today, the Tender Offeror is the largest shareholder of the Target Company, holding 17,035,520 Target Company Shares (ownership ratio: 22.06%), and has the Target Company as its equity-method affiliate. | |
| | Personnel relationship | One outside director of the Target Company has the status of an employee of the Tender Offeror, and one other employee came from the Tender Offeror. In addition, as of August 31, 2025, three employees of the Tender Offeror are dispatched to the Target Company, and one employee of the Target Company is dispatched to the Tender Offeror. | |
| | Business relationship | The Target Company entered into a capital and business alliance agreement with the Tender Offeror on April 16, 2024. The Target Company also has a product sales agreement with the Tender Offeror in place, and engages in continuous trading of main fuel products. | |
| | Status as related party | Since the Target Company is an equity-method affiliate of the Tender Offeror, it constitutes a related party. | |

(Note) Information in “(VII) Major shareholders and shareholding ratios (as of March 31, 2025)” is cited from “Major Shareholders” in the Target Company’s annual securities report.

(2) Schedule, Etc.

(I) Schedule

| | |
|--|-------------------------------|
| Date of resolution by board of directors | September 11, 2025 (Thursday) |
| Date of public notice of | September 12, 2025 (Friday) |

| | |
|---|---|
| commencement of Tender Offer | |
| Name of newspaper in which public notice is to be published | Public notice will be made electronically via the Internet, and a notice to that effect will be published in the Nihon Keizai Shimbun. URL of the electronic notice: (https://disclosure2.edinet-fsa.go.jp/) |
| Filing date of tender offer registration statement | September 12, 2025 (Friday) |

(II) Purchase Period Originally Specified in Registration Statement

From September 12, 2025 (Friday) to October 28, 2025 (Tuesday) (30 business days)

(III) Possibility of Extension Upon Request of the Target Company

Not applicable.

(3) Purchase Price

JPY 480 per share of common stock

(4) Basis for Valuation of Purchase Price

(I) Basis for the Valuation

In order to secure the fairness of the Tender Offer Price, in determining it, the Tender Offeror requested that JPMorgan Securities, its financial advisor and third-party calculation agent independent of the Tender Offeror Group and the Target Company Group, calculate the value of the Target Company Shares.

As a result of JPMorgan Securities considering the methods to calculate the value of the Target Company Shares from among multiple share valuation methods, it calculated the value of the Target Company Shares using the average market price method, to take into account trends in the market prices of the Target Company Shares, and the DCF Method, to reflect the status of future business activities in the calculation, as the calculation methods. The Tender Offeror obtained the share valuation report dated September 10, 2025 (the “Tender Offeror Valuation Report”) from JPMorgan Securities. JPMorgan Securities is not a related party of the Tender Offeror or the Target Company and does not have a material interest in the Transactions, including the Tender Offer. Further, since the Tender Offeror assessed and determined the Tender Offer Price through discussions and negotiations with the Target Company after comprehensively taking into account the factors described in “(II) Details of Valuation” below, the Tender Offeror has not obtained an opinion on the fairness of the Tender Offer Price (a fairness opinion) from JPMorgan Securities.

According to the Tender Offeror Valuation Report, the applied methods and the range of the per share value of the Target Company Shares calculated using those methods are as described below.

Average market share price method: JPY 305 to JPY 334

DCF method: JPY 335 to JPY 617

Under the average market share price method, JPMorgan Securities set the base date as September 9, 2025, based on publicly available information, and assessed the range of the per share value of the Target

Company Shares to be JPY 305 to JPY 334 based on the closing price of JPY 332 of the Target Company Shares on the Prime Market of the TSE on the base date, JPY 334, the simple average closing price for the past one month up to the same date, JPY 320, the simple average closing price for the past three months up to the same date, and JPY 305, the simple average closing price for the past six months up to the same date.

Under the DCF method, based on the Target Company's business plan and financial forecast during the fiscal year ending March 2026 and the fiscal year ending March 2031, profits and investment plans in the Business Plan, and the results of interviews with the Tender Offeror and the Target Company and of due diligence procedures, the use of all of which by JPMorgan Securities was consented to by the Tender Offeror, as well as other various factors, including publicly available information, JPMorgan Securities assessed the range of the per share value of the Target Company Shares to be JPY 335 to JPY 617 through a share value calculation that discounted to the present value using a discount rate for a certain range of the free cash flows expected to be generated by the Target Company in and after the second quarter of the fiscal year ending March 2026.

The Target Company's business plan and financial forecast, which JPMorgan Securities used as the assumption for its analysis using the DCF method, included fiscal years in which a substantial decrease in profit and free cash flow compared to the previous fiscal year is expected. Specifically, in the fiscal years ending March 2026, March 2028, and March 2030, a significant decrease in both operating profit and free cash flow is expected due to the planned suspension of operations of the Target Company's refinery for a certain period for regular maintenance, and the operating profit for the fiscal years ending March 2026, March 2028, and March 2030 is expected to be 17,021 million yen, 1,945 million yen (a 82.8% reduction compared to the previous period), and 5,904 million yen (a 146.9% reduction compared to the previous period), respectively. The free cash flow for the fiscal years ending March 2026 and March 2030 is expected to be 10,912 million yen (a 150.2% reduction compared to the previous period) and 5,208 million yen (a 151.5% reduction compared to the previous period). The Target Company's future financial forecasts relied on under the DCF method assume that the Transactions would be implemented and anticipate the synergy effects expected to be realized by the implementation of the Transactions. A supplementary explanation of the Tender Offeror Valuation Report and the underlying preconditions for calculating the value of the Target Company Shares, the matters considered, and the consideration limitations are as described in (Note 16).

Based on the calculation details and results described in the Tender Offeror Valuation Report obtained from JPMorgan Securities, the Tender Offeror has decided to set the Tender Offer Price as JPY 480 per share, which is the range of DCF method on September 11, 2025, by comprehensively taking into account, among others, the results of due diligence conducted on the Target Company from mid-June 2025 to early September 2025, whether the Target Company's board of directors was in support of the Tender Offer, trends in the market prices of the Target Company Shares for the last one year (highest closing price: JPY 382; lowest closing price: JPY 242), the future outlook of the Target Company's domestic and overseas businesses, including earnings forecasts, and the prospect of shareholders tendering in the Tender Offer, as well as through discussions and negotiations with the Target Company.

The Tender Offer Price of JPY 480 per share is an amount that includes the following premiums: a premium of 44.58% over the closing price of the Target Company Shares on the Prime Market of the TSE of JPY 332 as of September 10, 2025, the business day immediately preceding the announcement date of the Tender Offer; a premium of 43.71% over the simple average closing price of JPY 334 for the latest one-month

period until that date; a premium of 50.00% over the simple average closing price of JPY 320 for the latest three-month period until that date; and a premium of 57.38% over the simple average closing price of JPY 305 for the latest six-month period until that date.

(Note 16) In conducting the valuation of the share price of the Target Company Shares, which is the basis for the Tender Offeror Valuation Report, JPMorgan Securities has relied upon and assumed the accuracy and completeness of all information that was publicly available information or furnished to or discussed with JPMorgan Securities by the Tender Offeror or the Target Company, or otherwise reviewed by or for JPMorgan Securities, and JPMorgan Securities has not independently verify (nor has it assumed responsibility or liability for independently verifying) the accuracy or completeness of such information. JPMorgan Securities has not conducted or been provided with any valuation or appraisal of any assets or liabilities of the Tender Offeror or the Target Company, nor has it provided with such an evaluation or appraisal; nor has not evaluated the solvency of the Tender Offeror or the Target Company under any applicable laws relating to bankruptcy, insolvency, or similar matters. In relying on financial analyses or forecasts provided to JPMorgan Securities or derived from, the Tender Offeror and the Target Company, JPMorgan Securities has assumed that they had been reasonably prepared based on assumptions reflecting the best currently available estimates and judgements by management of the Tender Offeror and of the Target Company, as of the date of the Tender Offeror Valuation Report, as to the expected future results of operations and financial condition of the Tender Offeror and the Target Company to which such analyses or forecasts relate. JPMorgan Securities expresses no view as to any such analyses or forecasts or the assumptions on which they were based. JPMorgan Securities has also assumed that the Tender Offer and other transactions contemplated by the Tender Offeror would be consummated as contemplated, and will have all of the effects described in the related materials furnished to JPMorgan Securities by the Tender Offeror. JPMorgan Securities is not an expert in legal, regulatory, tax, accounting, or other matters, and has relied on the assessments made by advisors to the Tender Offeror with respect to such matters. JPMorgan Securities further assumes that all material governmental, regulatory or other consents and approvals necessary for the consummation of the Tender Offer will be obtained without any adverse effect on the Tender Offeror or the Target Company or on the contemplated benefits of the Tender Offer. The Tender Offeror Valuation Report, and the results of the valuation of the share price of the Target Company Shares that was the basis of such report, are necessarily based on the information available to JP Morgan as of the date of such report and the economic, market and other conditions in effect as of such date. It should be understood that subsequent developments may affect the Tender Offeror Valuation Report, and the results of the valuation of the share price of the Target Company Shares that was the basis of such report, and that JPMorgan Securities does not have any obligation to update, revise or reaffirm its analyses and valuation. Furthermore, the Tender Offeror Valuation Report, and the results of the valuation of the share price of the Target Company Shares that was the basis of such report, do not recommend a specific purchase price to the Tender Offeror or its board of directors, nor recommend that a specific purchase price is the sole appropriate purchase price. JPMorgan Securities has acted as the financial advisor to the Tender Offeror with respect to the Tender Offer and will receive a fee from the Tender Offeror for the services as such financial advisor, and a certain portion of which will

become payable only if the Tender Offer is consummated. In addition, the Tender Offeror has agreed to indemnify JPMorgan Securities for certain liabilities that may arise from such services. During the two year preceding the date of the Tender Offeror Valuation Report, neither JPMorgan Securities nor its affiliates have provided any other material financial advisory, commercial banking service, or investment banking services to the Tender Offeror or the Target Company. In addition, JPMorgan Securities and its affiliates hold, on a proprietary basis, less than 1% of the outstanding shares of each of the Tender Offeror and the Target Company. In the ordinary course of their business, JPMorgan Securities and its affiliates may actively trade the debt and equity securities issued by the Tender Offeror or the Target Company for its own account or for the accounts of their customers and, accordingly, JPMorgan Securities and its affiliates may at any time hold long or short positions in such securities. The Target Company's financial forecast on which JPMorgan Securities based its analysis of the value of the Target Company Shares (the "Financial Forecast") was approved by the Tender Offeror for JPMorgan Securities' use. The Tender Offeror has not released the Financial Forecast to the public, and it was not prepared for the purpose of being made available to the public. The Financial Forecast is inherently uncertain and relies on many variables and preconditions that cannot be managed or controlled by management of the Tender Offeror or of the Target Company (including but not limited to the general economy, competitive conditions, and factors relating to current interest rates). Therefore, the Target Company's actual performance may be significantly different from the Financial Forecast. The above calculation results of the valuation of the share price of the Target Company Shares, on which the Tender Offeror Valuation Report is based, and the descriptions of the outlined calculation methods do not include all of the analyses performed by JPMorgan Securities or the reference data. Since the Tender Offeror Valuation Report was prepared through a complicated process, a part of the analysis results or the summarized descriptions do not necessarily represent all of the content of the analysis accurately. The results of JPMorgan Securities' analysis should be considered as a whole, and if only a part of the analysis results or their summaries is referenced instead of considering the analysis results as a whole, the process on which JPMorgan Securities' analysis was based may not necessarily be understood accurately. JPMorgan Securities performed the analysis by comprehensively taking into consideration the respective analyses and factors as a whole without putting a particular emphasis on a specific analysis or factor. In addition, JPMorgan Securities neither asserts that each of the analyses or factors it considered individually contributes to JPMorgan Securities' analysis nor expresses an opinion on how much they contribute.

(II) Details of Valuation

Through the aforementioned process set forth in "(I) Background, Purpose, and Decision-Making Process Leading to Decision to Implement Tender Offer" of "(2) Background, Purpose, and Decision-Making Process Leading to Decision to Implement Tender Offer, and Post-Tender Offer Management Policy" of "1. Purpose of Purchase" above, the Tender Offeror decided to set the Tender Offer Price at JPY 480 and to implement the Tender Offer by the board of directors' resolution dated September 11, 2025.

(III) Relationship with Calculation Agent

JPMorgan Securities, the Tender Offeror's third-party calculation agent, is not a related party of the

Tender Offeror or the Target Company, and it has no material interest in the Transactions, including the Tender Offer.

(5) Number of Shares Planned for Purchase

| Share Type | Planned Purchase Quantity | Minimum Planned Purchase Quantity | Maximum Planned Purchase Quantity |
|--------------|---------------------------|-----------------------------------|-----------------------------------|
| Common stock | 54,393,425 (shares) | 27,693,547 (shares) | - (shares) |
| Total | 54,393,425 (shares) | 27,693,547 (shares) | - (shares) |

(Note 1) If the total number of Tendered Shares does not reach the minimum planned purchase quantity (27,693,547 shares), none of the Tendered Shares will be purchased. If the total number of Tendered Shares equals or exceeds the minimum planned purchase quantity (27,693,547 shares), all Tendered Shares will be purchased.

(Note 2) No maximum planned purchase quantity has been set with respect to the Tender Offer. Therefore, the planned purchase quantity indicates the maximum number of Target Company Shares that the Tender Offeror can purchase through the Tender Offer (54,393,425 shares). The planned purchase quantity is the remainder after subtracting the number of Target Company Shares owned by the Target Company as of today (17,035,520 shares) and the number of Non-Tendering Shares (5,811,390 shares) from the Base Number of Shares (77,240,335 shares).

(Note 3) Shares constituting less than one unit are also targets of the Tender Offer. In the event that the Target Company shareholders exercise their right to demand a purchase of shares of less than one unit in accordance with the Companies Act, the Target Company may purchase its own shares during the tender offer period in accordance with the relevant laws and regulations.

(Note 4) There are no plans for the Tender Offeror to acquire the treasury shares owned by the Target Company through the Tender Offer.

(6) Changes in Ownership Ratio as a Result of Purchase

| | | |
|--|---------|--|
| Number of voting rights associated with shares owned by Tender Offeror prior to Tender Offer | 170,355 | (Percentage of shares owned prior to Tender Offer 22.06%) |
| Number of voting rights associated with shares owned by specially related parties prior to Tender Offer | 59,108 | (Percentage of shares owned prior to Tender Offer 7.65%) |
| Number of voting rights associated with shares owned by Tender Offeror following Tender Offer | 714,289 | (Percentage of shares owned following Tender Offer 92.48%) |
| Number of voting rights associated with shares owned by specially related parties following Tender Offer | 58,113 | (Percentage of shares owned following Tender Offer 7.52%) |
| Number of voting rights held by all | 772,071 | |

| | | |
|--------------------------------|--|--|
| shareholders of Target Company | | |
|--------------------------------|--|--|

(Note 1) “Number of voting rights associated with shares owned by Tender Offeror prior to Tender Offer” indicates the number of voting rights associated with shares owned by the Tender Offeror (17,035,520 shares) as of today (170,355 voting rights).

(Note 2) “Number of voting rights associated with shares owned by specially related parties prior to Tender Offer” indicates the total number of voting rights associated with shares owned by specially related parties (excluding, however, specially related parties who are excluded from being a specially related party under Article 3(2)(i) of the Cabinet Office Order on Disclosure Required for Tender Offer for Share Certificates by Persons Other Than Issuers, as amended; the “Cabinet Office Order”) for the purpose of calculating the percentage of ownership of shares under each item of Article 27-2(1) of the Act). However, since the shares owned by specially related parties (excluding the Non-Tendering Shares and the treasury shares owned by the Target Company) are also subject to the Tender Offer, the “Number of voting rights associated with shares owned by Tender Offeror prior to Tender Offer” indicates the number of voting rights associated with the Non-Tendering Shares (58,113 voting rights). Furthermore, the Tender Offeror will check shares of the Target Company owned by specially related parties, and if it is necessary to make any corrections, the Tender Offeror will promptly publish such corrections.

(Note 3) “Number of voting rights associated with shares owned by Tender Offeror following Tender Offer” indicates the number of voting rights obtained by adding the “Number of voting rights associated with shares owned by Tender Offeror prior to Tender Offer” to the number of voting rights associated with the planned purchase quantity for the Tender Offer (54,393,425), as described in “(5) Number of Shares Planned for Purchase” above.

(Note 4) “Number of voting rights held by all shareholders of Target Company” indicates the number of voting rights held by all shareholders (number of one unit: 100 shares) as of March 31, 2025, as described in the annual securities report for the 23rd period submitted by the Target Company on June 25, 2025. However, given that shares of less than one unit are also targets of the Tender Offer, for the purpose of calculating the “Percentage of shares owned prior to Tender Offer” and the “Percentage of shares owned following Tender Offer,” the “Number of voting rights held by all shareholders of Target Company” was calculated to be the number of voting rights (772,403 shares) associated with the Base Number of Shares (77,240,335 shares) .

(Note 5) “Percentage of shares owned prior to Tender Offer” and “Percentage of shares owned following Tender Offer” are both rounded to the nearest hundredth.

(7) Amount of Consideration for Tender Offer
JPY 26,108,844,000

(Note) The amount of consideration for the Tender Offer is calculated by multiplying the planned purchase quantity (54,393,425 shares) by the Tender Offer Price (JPY 480).

(8) Settlement Method

(I) Name and Head Office Location of Financial Instruments Business Operators, Banks, and Other

Institutions Conducting Settlement of Purchases

Daiwa Securities Co. Ltd.

1-9-1 Marunouchi, Chiyoda-ku, Tokyo

(II) Commencement Date of Settlement

November 5, 2025 (Wednesday)

(III) Settlement Method

Following expiration of the tender offer period, without delay, notifications of the purchases through the Tender Offer will be mailed to the addresses or locations of those who consent to an offer to purchase or make an offer to sell shares in connection with the Tender Offer (“Tendering Shareholders”) (or the addresses of the standing proxies for foreign shareholders). Purchases will be made in cash. At the Tendering Shareholders’ instruction (or the instruction of standing proxies for foreign shareholders) and on or after the Settlement Commencement Date, without delay, proceeds from sales of shares subject to the purchases will be (i) remitted from the tender offer agent to a place designated by the Tendering Shareholders (or standing proxies for foreign shareholders) (after subtracting any applicable remittance fees) or (ii) paid into accounts of the Tendering Shareholders opened with the tender offer agent at which those shareholders’ applications to tender their shares in the Tender Offer were accepted.

(IV) Method of Return of Shares

If no shares are purchased in accordance with the conditions described in “(I) Existence of Conditions Described in Each Item of Article 27-13(4) of the Act and Details Thereof” and “(II) Existence of Conditions for Withdrawal of Tender Offer, Details Thereof, and Method for Disclosing Withdrawal” of “(9) Other Conditions and Methods for Purchase” below, the shares that need to be returned will be returned by restoring them to the state they were in at the time of the tender in the accounts of the Tendering Shareholders opened with the tender offer agent without delay, on or after the second business day following the last day of the tender offer period (or, if the Tender Offer is withdrawn, the date of such withdrawal).

(9) Other Conditions and Methods for Purchase

(I) Existence of Conditions Described in Each Item of Article 27-13(4) of the Act and Details Thereof

If the total number of Tendered Shares does not reach the minimum planned purchase quantity (27,693,547 shares), none of the Tendered Shares will be purchased. If the total number of Tendered Shares equals or exceeds the minimum planned purchase quantity (27,693,547 shares), all Tendered Shares will be purchased.

(II) Existence of Conditions for Withdrawal of Tender Offer, Details Thereof, and Method for Disclosing Withdrawal

If any of the matters set forth in Articles 14(1)(i)(a) to (j) and (m) to (t), 14(1)(iii)(a) to (h) and (j), and 14(2)(iii) to (vi) of the Order for Enforcement of the Financial Instruments and Exchange Act (Cabinet Order No. 321 of 1965, as amended; the “Order”) should occur, the Tender Offer may be withdrawn. “Facts equivalent to those set forth in sub-items (a) through (i)” as set forth in Article 14(1)(iii)(j) of the Order means (i) cases where it is found that past statutory disclosure documents submitted by the Target Company contain

false statements regarding material matters or omit statements regarding material matters to be stated, and the Tender Offeror did not know, and could not have known even with the exercise of reasonable care, that such statements were false or omitted, and (ii) cases where any of the facts set forth in (a) through (g) of the same item occurs in any of the Target Company's material subsidiaries.

If the Tender Offer is withdrawn, an electronic public notice will be made, and notice of such electronic public notice will be published in the Nihon Keizai Shimbun. However, if issuing the public notice by the last day of the tender offer period proves difficult, an announcement will be made via the methods prescribed in Article 20 of the Cabinet Office Order, and a public notice will be issued immediately thereafter.

(III) Existence of Conditions for Reduction in Purchase Price, Details Thereof, and Method for Disclosing Reduction

In accordance with Article 27-6(1)(i) of the Act, in the event that the Target Company engages in any of the actions described in Article 13(1) of the Order during the tender offer period, the purchase price may be reduced in accordance with the standards provided in Article 19(1) of the Cabinet Office Order. If the purchase price is reduced, an electronic public notice will be made, and notice of such electronic public notice will be published in the Nihon Keizai Shimbun. However, if issuing the public notice by the last day of the tender offer period proves difficult, an announcement will be made via the methods prescribed in Article 20 of the Cabinet Office Order, and a public notice will be issued immediately thereafter. If the purchase price is reduced, purchases will be made at the reduced price even with respect to Tendered Shares that were tendered on or before the date on which such public notice was made.

(IV) Matters Regarding Rights Held by Tendering Shareholders to Terminate Their Agreements

The Tendering Shareholders may terminate their agreements related to the Tender Offer at any time during the tender offer period. When terminating an agreement to tender shares, please complete the termination via the following procedure, by no later than 4:00 pm on the last day of the tender offer period.

If terminating an agreement through an operation in Online Trade, please carry out the termination procedure by 4:00 pm on the last day of the tender offer period in accordance with the method stated on that screen. For an issue handled in Online Trade, it is also possible to terminate an agreement that was tendered at your transacting branch by carrying out the termination procedure through an operation in Online Trade. However, if applying to terminate an agreement involving shares of less than one unit, that will be accepted at your transacting branch.

If terminating an agreement by mail or at the head office of the tender offer agent or one of its branch offices nationwide, please fill out the necessary matters in the prescribed termination document and terminate the agreement by 4:00 pm on the last day of the tender offer period by mailing the termination document or bringing it in person to the head office of the tender offer agent or one of its branch offices nationwide where your tender was accepted. However, the case of mailing will be conditional upon the termination document arriving by 4:00 pm on the last day of the tender offer period. Business hours will differ depending on the head office or nationwide branch office, so please confirm them in advance before terminating.

It is also possible to terminate an agreement that was tendered in Online Trade by carrying out the termination procedure by mailing the termination document or bringing it in person to the head office or a branch.

*When visiting the head or branch office, please make an appointment in advance in order for the tender offer agent to improve the quality of its services. Please check the tender offer agent's website (<https://www.daiwa.jp/doc/230313.html>) for details.

Party authorized to receive the termination documents:

Daiwa Securities Co. Ltd. 1-9-1 Marunouchi, Chiyoda-ku, Tokyo
(Or other domestic branches of Daiwa Securities Co. Ltd.)

(V) Disclosure Method Where Terms and Conditions of Purchase are Changed

Except when prohibited under Article 27-6(1) of the Act and Article 13 of the Order, the Tender Offeror may change the purchase conditions during the tender offer period.

If the Tender Offeror changes any purchase conditions, an electronic public notice will be made regarding such changes, and notice of such electronic public notice will be published in the Nihon Keizai Shimbun. However, if issuing the public notice by the last day of the tender offer period proves difficult, an announcement will be made via the methods prescribed in Article 20 of the Cabinet Office Order, and a public notice will be issued immediately thereafter. If the Tender Offeror changes any purchase conditions, purchases of Tendered Shares will be made in accordance with the changed purchase conditions even with respect to Tendered Shares that were tendered on or before the date on which such public notice was made.

(VI) Disclosure Method Where an Amended Statement is Submitted

If an amended statement is submitted to the Director-General of the Kanto Local Finance Bureau (excluding, however, the cases set forth in the proviso to Article 27-8(11) of the Act), details indicated in the amended statement relating to the content described in the public notice for commencing a tender offer will be immediately announced via the methods prescribed in Article 20 of the Cabinet Office Order. Furthermore, the Tender Offeror will immediately amend the tender offer explanation statement, and any Tendering Shareholders who have already received an original tender offer explanation statement will be provided with an amended version thereof. However, if the scope of the amendment is narrow, a document containing the reasons for the amendment, the amended items, and the content following the amendment will be prepared, and such document will be sent to the Tendering Shareholders for the purpose of amending the previously provided tender offer explanation statement.

(VII) Disclosure Method for Results of Tender Offer

The results of the Tender Offer will be publicly announced on the day following the last day of the tender offer period in accordance with the methods prescribed in Article 9-4 of the Order and Article 30-2 of the Cabinet Office Order.

(10) Date of Public Notice for Commencement of Tender Offer

September 12, 2025

(11) Tender Offer Agent

Daiwa Securities Co. Ltd. 1-9-1 Marunouchi, Chiyoda-ku, Tokyo

3. Post-Tender Offer Policies and Future Outlook

(1) Post-Tender Offer Policies

Please refer to “(2) Background, Purpose, and Decision-Making Process Leading to Decision to Implement Tender Offer, and Post-Tender Offer Management Policy,” “(4) Post-Tender Offer Reorganization Policy (Matters Regarding “Two-Step Acquisition”),” and “(5) Likelihood of and Reasons for Delisting” of “1. Purpose of Purchase” above.

(2) Future Outlook

Any facts concerning the impact of the Tender Offer on the Tender Offeror’s performance that should be disclosed will be promptly published if they arise.

4. Other Information

(1) Existence and Details of Agreements Between Tender Offeror and Target Company or Target Company Officers

(I) Existence and Details of Agreements Between Tender Offeror and Target Company

According to the Target Company Press Release, at the board of directors’ meeting held on September 11, 2025, the Target Company resolved to (i) express its opinion to support the Tender Offer and (ii) recommend that its shareholders tender their shares in the Tender Offer.

For details, please refer to the Target Company Press Release as well as “(VII) Approval of All Target Company Directors Without Conflicts of Interest and Opinion of All Target Company Auditors That They Have No Objections” of “(3) Measures to Ensure Fairness of Tender Offer Price, Measures to Avoid Conflicts of Interest, and Other Measures to Ensure Fairness of Tender Offer” of “1. Purpose of Purchase” above.

(II) Existence and Details of Agreements Between Tender Offeror and Target Company Officers
Not applicable

(2) Other Information Deemed Necessary for Investors in Deciding Whether to Apply for Tender Offer

(I) Publication of “Consolidated Financial Results for Three Months Ended June 30, 2026 (Under Japanese GAAP)”

The Target Company published the Target Company’s First-Quarter Financial Results on August 7, 2025. An outline of the Target Company’s First-Quarter Financial Results based on this publication is as indicated below. For further details, please see the contents of the publication.

Outline of Consolidated Financial Results for Three Months Ended June 30, 2026 (Under Japanese GAAP)

(i) Profit and Loss (Consolidated)

(In millions of yen)

| Fiscal Year | Fiscal Year Ending March 2026 (first cumulative quarterly consolidated accounting period) |
|-------------|--|
|-------------|--|

| | |
|---|----------|
| Net sales | 63,705 |
| Operating profit | (13,422) |
| Ordinary profit | (13,703) |
| Profit attributable to owners of parent | (14,585) |

(ii) Per Share (Consolidated)

(In yen)

| Fiscal Year | Fiscal Year Ending March 2026 (first cumulative quarterly consolidated accounting period) |
|------------------------------|--|
| Quarterly earnings per share | (188.83) |
| Dividends per share | — |

(II) Publication of “Notice of Revision of Projected Dividends for Fiscal Year Ending March 2026 (No Dividends)”

The Target Company resolved at its board of directors’ meeting held on September 11, 2025 to amend the year-end dividend forecast for the fiscal year ending March 2026 and not to pay year-end dividends for the fiscal year ending March 2026, if the Tender Offer is successfully completed. For further details, please refer to “Notice of Revision of Projected Dividends for Fiscal Year Ending March 2026 (No Dividends)” published by the Target Company on September 11, 2025.

(Reference) Idemitsu Kosan Co., Ltd.’s Forecasts of Consolidated Financial Results for Fiscal Year Ending March 2026 (from April 1, 2025 to March 31, 2026) (published on August 8, 2025) and Consolidated Financial Results for Previous Fiscal Year

(In millions of yen)

| | Net sales | Operating income | Ordinary income | Net income attributable to owners of parent | Net income per share (In yen) |
|---|-----------|------------------|-----------------|---|-------------------------------|
| Consolidated Financial Forecast for Current Fiscal Year (Fiscal Year Ending March 2026) | 7,900,000 | 37,000 | 56,000 | 50,000 | 40.83 |
| Consolidated Financial Results for Previous Fiscal Year (Fiscal Year Ending March 2025) | 9,190,225 | 162,185 | 214,764 | 104,055 | 77.83 |

End

Soliciting Regulations

This press release is intended to announce the Tender Offer to the public and has not been prepared for the purpose of soliciting an offer to sell shares. If shareholders wish to make an offer to sell their shares, they should read the tender offer explanation statement concerning the Tender Offer first and make an offer to sell their shares at their own discretion. This press release shall neither be, nor constitute a part of, an offer to sell or purchase, or solicitation to sell or purchase any securities, and neither this press release (or a part of this press release) nor its distribution shall be interpreted to constitute the basis of any agreement in relation to the Tender Offer, and this press release may not be relied upon at the time of entering into any such agreement.

Forward-Looking Statements

This press release contains forward-looking statements concerning future plans and strategies of the Tender Offeror and the Tender Offeror Group in the case of acquisition by the Tender Offeror of Target Company Shares. These statements are the Tender Offeror's expectations based on its assumptions and beliefs in light of information currently available to the Tender Offeror. The Tender Offeror, therefore, wishes to caution readers that actual results might differ materially from the Tender Offeror's expectations due to various risks and uncertainty. The Tender Offeror is under no obligation to update the information in the forward-looking statements to reflect matters such as actual performance or other circumstances, or changes in terms.

U.S. Regulations

The shares of common stock of the Target Company, a company incorporated in Japan, are subject to the Tender Offer. The Tender Offer will be implemented in compliance with the procedures and information disclosure standards set forth in Japanese law, which procedures and standards are not necessarily identical to the procedures and information disclosure standards applied in the United States. Specifically, Section 13(e) and Section 14(d) of the U.S. Securities Exchange Act of 1934 (as amended, the "1934 Securities Exchange Act") or the rules promulgated under such Article do not apply to the Tender Offer, and the Tender Offer is not necessarily in compliance with the procedures and standards thereunder. The financial information contained in this press release and the documents referenced herein is based on Japanese GAAP, which may differ significantly from GAAP in the U.S. and other countries. In addition, because the Tender Offeror is a corporation incorporated outside the United States and all or part of its officers are non U.S. residents, it may be difficult for shareholders to exercise rights or demands against them that can be asserted based on U.S. securities laws. It may also not be possible to initiate an action against a corporation that is based outside of the U.S. or its officers in a court outside of the U.S. on the grounds of a violation of U.S. securities-related laws. Furthermore, there is no guarantee that a corporation that is based outside of the U.S. or its affiliates may be compelled to submit themselves to the jurisdiction of a U.S. court.

Unless otherwise stated, all procedures in connection with the Tender Offer shall be conducted in the Japanese language. While a part or all of the documents in connection with the Tender Offer may be prepared in English, the Japanese-language documents shall prevail in case of any discrepancies between the Japanese-language documents and the corresponding English-language documents.

There is a possibility that the Tender Offeror, the financial advisors of the Tender Offeror and the Target Company, and the tender offer agent (including their affiliates) may, including in the scope of their ordinary business, to the extent permitted by laws and regulations relating to financial instruments transactions and other applicable laws and regulations of Japan and in accordance with the requirements of Rule 14e-5(b) of the 1934 Securities Exchange Act, on their own account or on their customers' account, purchase or take any action aimed at purchasing shares of common stock of the Target Company outside the Tender Offer prior to commencement of or during the tender offer period of the Tender Offer. There is a possibility that such a purchase may be made at the market price through a market transaction or at a price determined through off-market negotiations. If information regarding such a purchase is disclosed in Japan, it will also be disclosed on the English website of the relevant purchaser (or via any other public disclosure method).

If a shareholder exercises its right to demand the purchase of shares of less than one unit in accordance with the Companies Act, the Target Company may buy back its own shares during the tender offer period of the

Tender Offer in accordance with the procedures required by laws and regulations.

This press release and the documents referenced herein contain “forward-looking statements” as defined in Section 27A of the U.S. Securities Act of 1933 (as amended) and Section 21E of the 1934 Securities Exchange Act. The actual results may differ materially from the projections implied or expressly stated as “forward-looking statements” due to known or unknown risks, uncertainties, or other factors. The Tender Offeror and its affiliates do not guarantee that the projections implied or expressly stated as “forward-looking statements” will be achieved. “Forward-looking statements” contained herein and the documents referenced herein were prepared based on information available to the Tender Offeror as of the date of this press release and, unless required by laws and regulations, neither the Tender Offeror nor its affiliates shall not be obliged to amend or revise the statements in order to reflect future events or circumstances.

Other Countries

The announcement, issuance, or distribution of this press release may be legally restricted in some countries or territories. In such cases, shareholders should be aware of, and comply with, such restrictions. The announcement, issuance, or distribution of this press release shall not be interpreted as an offer to purchase or a solicitation of an offer to sell shares in connection with the Tender Offer, but simply as the dissemination of information.