

Code No. 1662  
June 5, 2024  
Michiro Yamashita, President  
**Japan Petroleum Exploration Co., Ltd. (JAPEX)**  
1-7-12 Marunouchi, Chiyoda-ku, Tokyo

To All Shareholders:

**Notification of the Convocation to  
the 54<sup>th</sup> Ordinary General Meeting of the Shareholders**

The 54<sup>th</sup> Ordinary General Meeting of the Shareholders of Japan Petroleum Exploration Co., Ltd. (hereinafter referred to as the “JAPEX”) will be held according to the details below, and we kindly ask for your attendance.

In convening this general meeting of shareholders, JAPEX has taken measures for electronic provision for the information contained in the Reference Documents for Shareholders’ Meeting (matters subject to the measures for electronic provision), and posted such information on the websites below on the Internet. Please access the sites to confirm the details.

[JAPEX website]

<https://www.japex.co.jp/en/ir/library/shareholdersmtg/>

[Tokyo Stock Exchange’s website (Listed Company Search)]

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

(Please access the website shown above, and enter “Japan Petroleum Exploration” in the “Issue name (company name)” field, or JAPEX’s security code, “1662,” in the “Code” field, and press “search.” On the search results page, please select “Basic information” followed by “Documents for public inspection/PR information.” Please choose “Notice of General Shareholders Meeting/Informational Materials for a General Shareholders Meeting” from “Filed information available for public inspection,” and access and confirm the information you are searching for.)

[General Shareholders’ Meeting document website]

<https://d.sokai.jp/1662/teiji/>

If you are unable to attend the meeting, you may exercise your voting rights through a written document (Voting Rights Exercise Form) or by electronic means (via the Internet). Please read the attached “Reference Documents for Shareholders’ Meeting,” and exercise your voting rights after referring to “4. Guidance on the Exercise of Voting Rights” on the following page, prior to 5:35 p.m., Tuesday, June 25, 2024.

Thank you very much for your attention and cooperation.

**NOTE:** This document is an abridged translation of the Japanese “Notification of the Convocation to the 54<sup>th</sup> Ordinary General Meeting of the Shareholders,” “Reference Documents for Shareholders’ Meeting” and “Financial Report” of JAPEX. This translation is intended for reference and convenience purposes only. In the event of any discrepancy between this translation and the Japanese original, the original shall prevail. JAPEX does not guarantee the accuracy and/or the completeness of this translation and shall have no liability for any errors or omissions therein.

Details:

1. Date and Time: 10:00 a.m., June 26, 2024 (Wednesday)
2. Location: Station Conference Tokyo “Sapia Hall” (Sapia Tower 5F)  
1-7-12 Marunouchi, Chiyoda-ku, Tokyo
3. Agenda:  
Announcements: 1) Business report and consolidated financial report of the 54<sup>th</sup> Term (from April 1, 2023 to March 31, 2024), and audit reports from the accounting auditor and Board of Corporate Auditors on the consolidated financial report  
2) Financial report of the 54<sup>th</sup> Term (from April 1, 2023 to March 31, 2024)

Resolution items:

- Item 1: Appropriation of Surplus
- Item 2: Partial Amendments to Articles of Incorporation
- Item 3: Election of Eleven (11) Directors
- Item 4: Election of Two (2) Corporate Auditors
- Item 5: Payment of Bonuses to Directors
- Item 6: Revision of the Amount of Compensation for Directors
- Item 7: Re-establishment of Compensation Framework for the Performance-linked Share-based Compensation Plan for Directors, etc.

4. Guidance on the Exercise of Voting Rights

[Exercise of Voting Rights in Writing (Voting Rights Exercise Form)]

Please indicate your approval or disapproval of each proposition on the enclosed Voting Rights Exercise Form and then send it back so that it reaches us no later than 5:35 p.m., Tuesday, June 25, 2024.

[Exercise of Voting Rights by Electronic Means (via the Internet)]

- (1) To exercise your voting rights via the Internet, you must use the following voting service website (<https://soukai.mizuho-tb.co.jp/>) designated by the Company. You are cordially requested to exercise your voting rights via the Internet prior to 5:35 p.m., Tuesday, June 25, 2024.
- (2) Please register your approval or disapproval of each proposition, by using the code and password provided on your Voting Rights Exercise Form enclosed herewith and following the directions on the screen. Please check the “Guidance on the Exercise of Voting Rights via the Internet, etc.” shown on page 3 of this notice for the details.

[Treatment of Voting Rights Exercised Repeatedly]

- (1) If you exercise your voting rights both in writing and via the Internet, we will only accept the exercise of your voting rights via the Internet as valid.
- (2) If you exercise your voting rights more than once via the Internet, we will only accept the last exercise of your voting rights as valid.

END

---

\*Upon your arrival at the Ordinary General Meeting of Shareholders, please submit the enclosed Voting Rights Exercise Form to the venue reception. Thank you.

\*Among the matters subject to the measures for electronic provision, the following matters are not described in the documents to be delivered to shareholders who have requested delivery of the document in paper-based format in accordance with laws and regulations and with Article 17 of the Company’s Articles of Incorporation.

- 1) “(5) System to Ensure Proper Business Operations and the State of Its Operation” and “(6) Basic Policy on Control of the Company” included in “2. Current State of the Company” of the business report
  - 2) “Consolidated Statement of Changes in Equity” and “Notes to Consolidated Financial Statements” of the consolidated financial report
  - 3) “Statement of Changes in Equity” and “Notes to Financial Statements” of the financial report
- The business report, consolidated financial report and financial report audited by Corporate Auditors include items 1) to 3) above.

The consolidated financial report and financial report audited by the Accounting Auditor include items 2) and 3) above.

\*If there are any modifications to the matters subject to the measures for electronic provision, notice to that effect will be posted to the above Internet websites, along with the unmodified and modified information.

\*The results of this general meeting of shareholders will be posted on the JAPEX website after the meeting.

## **Guidance on the Exercise of Voting Rights via the Internet, etc.**

### **How to scan the login QR code “Smart Voting”**

You can log in to the website for exercising voting rights without entering your code for the exercise of voting rights and password.

- 1 Please scan the QR code printed at the bottom right of the Voting Rights Exercise Form.
- \* “QR code” is a registered trademark of DENSO WAVE INCORPORATED.
- 2 Thereafter, please follow the instructions shown on the screen to register your approval or disapproval of each proposition.

You can exercise your voting rights by “Smart Voting” **ONCE ONLY**.

If you wish to change your vote after you have exercised your voting rights, please access the website for PCs, and log in by entering your “code for the exercise of voting rights” and “password” printed on the Voting Rights Exercise Form, to exercise your voting rights again.

\* If you scan the QR code again, you will be transferred to the website for PCs.

### **How to enter your code for the exercise of voting rights and password**

The website for exercising voting rights:

<https://soukai.mizuho-tb.co.jp/>

- 1 Please access the website for exercising voting rights.
- 2 Please enter your “code for the exercise of voting rights,” which is printed on the Voting Rights Exercise Form.
- 3 Please enter your “password,” which is printed on the Voting Rights Exercise Form.
- 4 Thereafter, please follow the instructions shown on the screen to register your approval or disapproval of each proposition.

If you have any questions about how to use your PC, smartphone, or mobile phone to exercise your voting rights via the Internet, please call the number below.

Internet Helpline: Stock Transfer Agency Department of Mizuho Trust & Banking Co., Ltd.

Phone: 0120-768-524 (toll free)

(Opening hours: 9:00 a.m. to 9:00 p.m., excluding year-end and New Year holidays)

Institutional investors may use the electronic platform for the exercise of voting rights for institutional investors operated by ICJ Inc.

## Reference Documents for Shareholders' Meeting

### Item 1: Appropriation of Surplus

JAPEX works to materialize the sustainable enhancement of its corporate value through proactive investments and an expansion of its business foundation utilizing retained earnings, while distributing the fruits therefrom to shareholders through dividends. Our basic policy is to pay dividends in line with our business performance for each fiscal period, with a target consolidated dividend payout ratio of 30%. We will do our utmost to maintain an annual dividend of 50 yen per share, even if we suffer from a temporary setback in our business performance due to changes in the business environment and other factors (excluding, however, a fiscal year in which a drastic change in profit attributable to owners of parent is recorded due to extraordinary income or losses and other special factors, in which case the amount of dividends will be determined in consideration of the impact).

Based on the above policy, the year-end dividends for the 54<sup>th</sup> term will be as follows:

#### Details Concerning the Year-End Dividends

- (1) Type of dividend property: Money
- (2) Distribution and total amount of dividend property:  
175 yen per share of common stock  
Total amount of dividends: 9,261,768,250 yen
- (3) Effective date of distribution of surplus: June 27, 2024

**Item 2: Partial Amendments to Articles of Incorporation**

1. Reason for the amendments

Necessary changes will be made to Article 25 (Convener and Chairman of the Board of Directors Meeting) of the current Articles of Incorporation in order to provide flexibility in the operation of the Board of Directors by having the person with the authority to convene a meeting of the Board of Directors and the chairman of a meeting of the Board of Directors selected by the Board of Directors, instead of designating them in advance in the Articles of Incorporation.

2. Details of the amendments

The proposed amendments will be made as per the table below.

(Amendments are underlined)

Current Articles of Incorporation	Proposed Amendments
<p>(Convener and Chairman of the Board of Directors Meeting) Article 25</p> <p>1. Unless otherwise prescribed in the laws and regulations, <u>the President</u> shall convene, and act as a chairman of, any meeting of the Board of Directors.</p> <p>2. If the <u>President</u> is absent or unable to act as chairman of a meeting of the Board of Directors, any other Director shall act as chairman according to the procedure previously determined by the Board of Directors.</p>	<p>(Convener and Chairman of the Board of Directors Meeting) Article 25</p> <p>1. Unless otherwise prescribed in the laws and regulations, a <u>Director previously determined by the Board of Directors</u> shall convene, and act as a chairman of, any meeting of the Board of Directors.</p> <p>2. If the <u>Director determined pursuant to the preceding paragraph</u> is absent or unable to act as chairman of a meeting of the Board of Directors, any other Director shall act as chairman according to the procedure previously determined by the Board of Directors.</p>

### Item 3: Election of Eleven (11) Directors

Upon the closing of this general meeting of shareholders, the terms of office of all Directors, Osamu Watanabe, Masahiro Fujita, Yoshitaka Ishii, Michiro Yamashita, Toshiaki Nakajima, Kazuhiko Tezuka, Tetsuo Ito, Yukari Yamashita, Hideichi Kawasaki, Kumiko Kitai and Yoshikuni Sugiyama will expire. We kindly ask our shareholders to elect a total of eleven (11) Directors.

The candidates for Director are as listed below:

Candidate No.	Name (Date of birth)	Brief history, Position and responsibilities in JAPEX	JAPEX shares owned
1	Masahiro Fujita (November 12, 1954)  <u>Renominated</u>	<p>April 1977    Joined Ministry of International Trade and Industry (MITI)</p> <p>July 2008    Director-General of Trade and Economic Cooperation Bureau, Ministry of Economy, Trade and Industry (METI)</p> <p>Nov. 2010    Executive Officer at SUMITOMO CORPORATION</p> <p>June 2018    Representative Director, Executive Vice President at SUMITOMO CORPORATION</p> <p>April 2019    Representative Director, Assistant to President and CEO at SUMITOMO CORPORATION</p> <p>June 2019    Representative Director, Executive Vice President at JAPEX</p> <p>Oct. 2019    Representative Director, President, Chief Executive Officer</p> <p>April 2024    Representative Director, Chairman (up to the present date)</p> <p>&lt;Significant positions concurrently held&gt; Director at JAPEX Offshore, Ltd.</p>	13,205 shares
<p>[Number of years served as Director] Five years</p> <p>[Attendance at the Board of Directors meetings held in the fiscal year ended March 31, 2024] 14 out of 14 meetings (100%)</p> <p>[Reasons for nomination as a candidate for Director] In addition to having distinguished insights through extensive administrative experience including energy administration in government positions and a management career in other private sectors doing international resource and energy business, Masahiro Fujita has held the position of Representative Director and President at JAPEX in the period between 2019 and 2024, significantly contributing to the Group's business development. Since assuming the position of Chairman, he has appropriately provided management guidance from a broader perspective; therefore, we have continuously nominated him as a candidate for Director.</p>			







Candidate No.	Name (Date of birth)	Brief history, Position and responsibilities in JAPEX	JAPEX shares owned
4	Toshiaki Nakajima (May 1, 1962)  <u>Renominated</u>	April 1986    Joined JAPEX June 2010    General Manager of Corporate Planning Dept. June 2011    General Manager of Corporate Strategy Dept. June 2019    Executive Officer June 2021    Managing Executive Officer June 2022    Director, Managing Executive Officer <p style="text-align: right;">(up to the present date)</p>	4,451 shares
		<p>[Number of years served as Director] Two years</p> <p>[Attendance at the Board of Directors meetings held in the fiscal year ended March 31, 2024] 14 out of 14 meetings (100%)</p> <p>[Reasons for nomination as a candidate for Director] Toshiaki Nakajima has extensive experience in and knowledge of operations in the areas of our finance &amp; accounting and corporate strategy divisions. Currently serving as Director and Managing Executive Officer in charge of the Corporate Communication Office and the Corporate Strategy Dept., he has significantly contributed to appropriate administration and management of JAPEX; therefore, we have continuously nominated him as a candidate for Director.</p>	
5	Kazuhiko Tezuka (November 6, 1960)  <u>Renominated</u>	Dec. 1983    Joined JAPEX June 2005    General Manager of Development & Engineering Laboratory, Research Center June 2011    General Manager of Development & Engineering Laboratory, Research Center, Technical Division April 2014    General Manager of Advanced Technology Laboratory, Research Center, Technical Division June 2014    General Manager of Research Center, Technical Division June 2020    Executive Officer, President of Technical Division April 2022    Managing Executive Officer, President of Technical Division June 2023    Director, Managing Executive Officer, President of Technical Division <p style="text-align: right;">(up to the present date)</p> <p>&lt;Significant positions concurrently held&gt; Director at JGI, Inc. Director at JAPEX Offshore, Ltd.</p>	3,422 shares
		<p>[Number of years served as Director] One year</p> <p>[Attendance at the Board of Directors meetings held in the fiscal year ended March 31, 2024] 10 out of 10 meetings (100%)</p> <p>[Reasons for nomination as a candidate for Director] In addition to specializing in research and development related to the exploration of crude oil, natural gas and other energy resources, Kazuhiko Tezuka has extensive experience in and knowledge of operations in the areas of our research divisions. Currently serving as Director, Managing Executive Officer and President of Technical Division, he has significantly contributed to the Group's business development. We expect JAPEX management will benefit from his experience and knowledge, and have continuously nominated him as a candidate for Director.</p>	

Candidate No.	Name (Date of birth)	Brief history, Position and responsibilities in JAPEX	JAPEX shares owned
6	Jiro Funatsu (August 4, 1964) <u>Newly nominated</u>	<p>April 1988    Joined JAPEX</p> <p>June 2012    General Manager of Administration Dept., Hokkaido District Office, Domestic Project Division</p> <p>June 2013    General Manager of Administration Dept.</p> <p>June 2018    General Manager of Administration &amp; Legal Dept.</p> <p>July 2020    General Manager of Human Resources Dept.</p> <p>April 2023    Executive Officer</p> <p>April 2024    Managing Executive Officer    (up to the present date)</p>	535 shares
	<p>[Number of years served as Director] —</p> <p>[Attendance at the Board of Directors meetings held in the fiscal year ended March 31, 2024] —</p> <p>[Reasons for nomination as a candidate for Director] Jiro Funatsu has extensive experience in and knowledge of operations in the areas of our internal control, administration &amp; legal, and human resources divisions. Currently serving as Managing Executive Officer and in charge of Administration &amp; Legal Dept. and Human Resources Dept., he has significantly contributed to appropriate administration and management of JAPEX. We expect JAPEX management will benefit from his experience and knowledge, and have therefore newly nominated him as a candidate for Director.</p>		
7	Tetsuo Ito (March 15, 1948) <u>Renominated</u>	<p>April 1975    Appointed prosecutor</p> <p>June 2001    Head of Special Investigation Force, Tokyo District Public Prosecutors Office</p> <p>Jan. 2009    Deputy Prosecutor-General, Supreme Public Prosecutors Office</p> <p>April 2011    Recorded attorney (Daiichi Tokyo Bar Association) (up to the present date)</p> <p>April 2011    Of Counsel at Nishimura &amp; Asahi</p> <p>June 2016    Director at JAPEX (up to the present date)</p> <p>July 2023    Attorney at Sawayaka Law Office (up to the present date)</p> <p>&lt;Significant positions concurrently held&gt; Attorney at Sawayaka Law Office</p>	—
	<p>[Number of years served as Director] Eight years</p> <p>[Attendance at the Board of Directors meetings held in the fiscal year ended March 31, 2024] 14 out of 14 meetings (100%)</p> <p>[Reasons for nomination as a candidate for Outside Director and outline of expected roles] Although Tetsuo Ito has no experience of being directly involved in corporate management, he has extensive knowledge and experience as a legal and risk management specialist. Currently serving as an Outside Director, he has supervised and provided wide-ranging proposals for JAPEX management. We continuously expect him to accurately identify business challenges JAPEX faces, and pose questions that contribute to reasonable and appropriate decision-making; and therefore, have renominated him as a candidate for Outside Director.</p> <p>In addition, if Tetsuo Ito is appointed as an Outside Director, he is expected to assume responsibility for supervising the process of selecting candidates for officer and determining officer compensation from an objective and neutral standpoint as a member of the Nomination and Compensation Advisory Committee.</p>		

Candidate No.	Name (Date of birth)	Brief history, Position and responsibilities in JAPEX	JAPEX shares owned
	Yukari Yamashita (October 23, 1959) <u>Renominated</u>	<p>Oct. 1985    Joined The Institute of Energy Economics, Japan</p> <p>June 2011    Board Member, Unit Manager of Global Environment &amp; Sustainable Development Unit at The Institute of Energy Economics, Japan</p> <p>July 2011    Board Member, Director, Charge of Energy Data and Modelling Center at The Institute of Energy Economics, Japan</p> <p>June 2019    Director at JAPEX (up to the present date)</p> <p>June 2020    Managing Director, Charge of Energy Data and Modelling Center at The Institute of Energy Economics, Japan (up to the present date)</p> <p>&lt;Significant positions concurrently held&gt; Managing Director, Charge of Energy Data and Modelling Center at The Institute of Energy Economics, Japan</p>	—
8	<p>[Number of years served as Director] Five years</p> <p>[Attendance at the Board of Directors meetings held in the fiscal year ended March 31, 2024] 13 out of 14 meetings (93%)</p> <p>[Reasons for nomination as a candidate for Outside Director and outline of expected roles] Although Yukari Yamashita has no experience of being directly involved in corporate management, she has extensive knowledge through her research activities in a research lab studying energy economics and energy and environmental policy, etc. Currently serving as an Outside Director, she has supervised and provided wide-ranging proposals for JAPEX management. We continuously expect her to provide us with valuable proposals that will be beneficial for JAPEX to aim for its long-term development as an integrated energy company; and therefore, have renominated her as a candidate for Outside Director. In addition, if Yukari Yamashita is appointed as an Outside Director, she is expected to assume responsibility for supervising the process of selecting candidates for officer and determining officer compensation from an objective and neutral standpoint as a member of the Nomination and Compensation Advisory Committee.</p>		
	Hideichi Kawasaki (January 10, 1947) <u>Renominated</u>	<p>April 1970    Joined Oki Electric Industry Co., Ltd.</p> <p>April 2001    Executive Officer at Oki Electric Industry Co., Ltd.</p> <p>April 2004    Senior Vice President at Oki Electric Industry Co., Ltd.</p> <p>June 2005    Managing Director at Oki Electric Industry Co., Ltd.</p> <p>April 2009    Vice President, Representative Director at Oki Electric Industry Co., Ltd.</p> <p>June 2009    President, Representative Director at Oki Electric Industry Co., Ltd.</p> <p>April 2016    Chairman of the Board, Representative Director at Oki Electric Industry Co., Ltd.</p> <p>June 2018    Chairman of the Board at Oki Electric Industry Co., Ltd.</p> <p>June 2020    Director at JAPEX (up to the present date)</p>	1,000 shares
9	<p>[Number of years served as Director] Four years</p> <p>[Attendance at the Board of Directors meetings held in the fiscal year ended March 31, 2024] 14 out of 14 meetings (100%)</p> <p>[Reasons for nomination as a candidate for Outside Director and outline of expected roles] Hideichi Kawasaki has distinguished insights regarding corporate management, in general, through his extensive corporate management experience at an entity engaged in global operations in telecommunications and other fields. Currently serving as an Outside Director, he has supervised and provided wide-ranging proposals for JAPEX management. We continuously expect him to provide us with valuable proposals in addressing various business challenges JAPEX faces, based on his extensive experience; and therefore, have renominated him as a candidate for Outside Director. In addition, if Hideichi Kawasaki is appointed as an Outside Director, he is expected to assume responsibility for supervising the process of selecting candidates for officer and determining officer compensation from an objective and neutral standpoint as a member of the Nomination and Compensation Advisory Committee.</p>		

Candidate No.	Name (Date of birth)	Brief history, Position and responsibilities in JAPEX	JAPEX shares owned
10	<p>Kumiko Kitai (October 29, 1952)</p> <p><u>Renominated</u></p>	<p>April 1976    Joined Ministry of Labor</p> <p>July 1999    Deputy Governor of Shizuoka Prefecture</p> <p>Aug. 2005    Director General of Equal Employment, Children and Families Bureau, Ministry of Health, Labour and Welfare</p> <p>Sept. 2006    Director General of Secretariat, Central Labour Relations Commission</p> <p>Aug. 2007    Executive Director of Japan Industrial Safety and Health Association</p> <p>April 2012    Recorded attorney (Daini Tokyo Bar Association) (up to the present date)</p> <p>July 2014    Attorney at Kachidoki Law Office (up to the present date)</p> <p>June 2022    Director at JAPEX (up to the present date)</p> <p>&lt;Significant positions concurrently held&gt;</p> <p>Attorney at Kachidoki Law Office</p> <p>Independent Auditor at OSAKI ELECTRIC CO., LTD.</p>	—
<p>[Number of years served as Director] Two years</p> <p>[Attendance at the Board of Directors meetings held in the fiscal year ended March 31, 2024] 14 out of 14 meetings (100%)</p> <p>[Reasons for nomination as a candidate for Outside Director and outline of expected roles] Although Kumiko Kitai has no experience of being directly involved in corporate management, she has distinguished insights gained through her extensive administrative experience primarily in the areas of labor administration in government positions, etc., as well as extensive knowledge of labor legislation, and of other laws and risk management. Currently serving as an Outside Director, she has provided wide-ranging proposals regarding various challenges JAPEX faces, including human resources strategy and health management. We continuously expect her to supervise and provide wide-ranging proposals for JAPEX management from the viewpoint of a legal and risk management expert, and have therefore renominated her as a candidate for Outside Director.</p>			

Candidate No.	Name (Date of birth)	Brief history, Position and responsibilities in JAPEX	JAPEX shares owned
11	Yoshikuni Sugiyama (October 11, 1954)  <u>Renominated</u>	<p>April 1978    Joined The Yomiuri Shimbun</p> <p>June 2010    Director at The Yomiuri Shimbun Tokyo Head Office</p> <p>June 2011    Director at The Yomiuri Shimbun Holdings (up to the present date)</p> <p>June 2011    Managing Director at The Yomiuri Shimbun Tokyo Head Office</p> <p>June 2012    Senior Managing Director at The Yomiuri Shimbun Tokyo Head Office</p> <p>June 2014    Representative Director, President at The Yomiuri Shimbun Seibu Head Office</p> <p>June 2015    Representative Director, President at The Yomiuri Shimbun Osaka Head Office</p> <p>June 2019    Board Director at Nippon Television Holdings, Inc.</p> <p>June 2020    Representative Director, President at Nippon Television Holdings, Inc.</p> <p>June 2022    Director at JAPEX (up to the present date)</p> <p>June 2022    Representative Director, Chairman at Nippon Television Holdings, Inc. (up to the present date)</p> <p>&lt;Significant positions concurrently held&gt;</p> <p>Representative Director, Chairman at Nippon Television Holdings, Inc.</p> <p>Representative Director, Chairman at NTV Network Corporation</p> <p>Director at The Yomiuri Shimbun Holdings</p>	—
<p>[Number of years served as Director] Two years</p> <p>[Attendance at the Board of Directors meetings held in the fiscal year ended March 31, 2024] 12 out of 14 meetings (86%)</p> <p>[Reasons for nomination as a candidate for Outside Director and outline of expected roles] Yoshikuni Sugiyama has distinguished insights and extensive corporate management experience gained at a newspaper company and other media businesses. Currently serving as an Outside Director, he has provided wide-ranging proposals from an objective and neutral standpoint regarding necessary measures for increasing JAPEX's corporate value, based on domestic and global conditions. We continuously expect him to supervise JAPEX management and to provide wide-ranging proposals that contribute to the promotion of JAPEX's sustainable growth and the enhancement of our medium- to long-term corporate value, and have therefore renominated him as a candidate for Outside Director.</p>			

- (Notes)
- The number of JAPEX shares owned by each candidate includes the number of shares to be delivered after the candidate's retirement under the share-based compensation plan.
  - Candidate Michiro Yamashita is concurrently serving as the President of JAPEX Garraf Ltd., with which JAPEX is engaged in crude oil transactions. In addition, he is concurrently serving as the President of JAPEX Offshore, Ltd., with which JAPEX is entrusted funds via the cash management system. Candidate Yoshitaka Ishii is concurrently serving as the President of Fukushima Gas Power Co., Ltd., to which JAPEX is providing collateral, underwrites bonds issued, and has concluded an outsourcing agreement with. In addition, he is concurrently serving as the Job Executer at Abashiri Biomass Power 2 LLC and Abashiri Biomass Power 3 LLC, to which JAPEX is providing debt guarantee.  
No significant interest-based relationship exists between other candidates for Director and JAPEX.
  - Tetsuo Ito, Yukari Yamashita, Hideichi Kawasaki, Kumiko Kitai and Yoshikuni Sugiyama are candidates for Outside Director. These five candidates have been registered with the Tokyo Stock Exchange as Independent Officers, pursuant to the rules of the Exchange, and they are scheduled to continue to be Independent Officers, subject to the approval of their reappointment under this proposal.
  - JAPEX has concluded a limited liability agreement with Candidates Tetsuo Ito, Yukari Yamashita, Hideichi Kawasaki, Kumiko Kitai and Yoshikuni Sugiyama to limit their liability as stipulated in Article 423, Paragraph 1, of the Companies Act. The amount of liability under the agreement is limited to the amount provided by laws and regulations. JAPEX is scheduled to renew this agreement with them, subject to the approval of their reappointment under this proposal.
  - JAPEX has concluded a directors and officers liability insurance contract stipulated in Article 430-3, Paragraph 1 of the Companies Act with an insurance company, and JAPEX bears the entire premium. If the appointment of each candidate for Director is approved as proposed under this proposal, they shall be included as the insured under the said insurance contract. JAPEX plans to renew this insurance contract under the same conditions, at the next renewal.
  - The registered name of Yukari Yamashita is Yukari Niwa. This document adopts the name she uses in her business

- duties.
7. Regarding JAPAN POST Co., Ltd., for which Candidate Yoshikuni Sugiyama had served as Outside Director since June 2018 to June 2020, it received business suspension order, business improvement order, etc. from the Ministry of Internal Affairs and Communications and the Financial Services Agency in December 2019 due to its inappropriate insurance sales practices, etc. He was not involved in any of the actions that were subject to reprimand and he successfully fulfilled his duties as Outside Director, by contributing to the clarification of the facts and development of the measures to prevent recurrence.

**Item 4: Election of Two (2) Corporate Auditors**

Upon closing of this general meeting of shareholders, Corporate Auditors Mitsuyoshi Nakamura and Hiroshi Motoyama are scheduled to resign from office. We kindly ask our shareholders to elect two (2) Corporate Auditors.

The candidates for Corporate Auditor are as listed below.

As a candidate for Corporate Auditor, Shinichi Takahata is to be elected as a substitute for Corporate Auditor, Mitsuyoshi Nakamura, his term of office shall, pursuant to the provisions of the Company's Articles of Incorporation, expire at the original expiry of the term of office of Corporate Auditor, Mitsuyoshi Nakamura.

The Board of Corporate Auditors consented to this proposal.

Candidate No.	Name (Date of birth)	Brief history, Position in JAPEX	JAPEX shares owned
1	Shinichi Takahata (June 24, 1961)  Newly nominated	April 1984    Joined JAPEX Feb. 2016    General Manager of Technical Planning & Coordination Dept., Technical Division June 2019    Executive Officer, Vice President of Technical Division June 2020    Executive Officer, General Manager of Nagaoka District Office April 2023    Advisor to President, Assistant of the executive in charge of Corporate Strategy Dept.    (up to the present date)	2,700 shares
	[Number of years served as Corporate Auditor] — [Attendance at the Board of Directors meetings held in the fiscal year ended March 31, 2024] — [Attendance at the Board of Corporate Auditors meetings held in the fiscal year ended March 31, 2024] — [Reasons for nomination as a candidate for Corporate Auditor] In addition to specializing in crude oil and natural gas exploration, Shinichi Takahata has extensive experience in and knowledge of our domestic project division. We expect JAPEX audit will benefit from his experience and knowledge, and have therefore newly nominated him as a candidate for Corporate Auditor.		

Candidate No.	Name (Date of birth)	Brief history, Position in JAPEX and Significant Positions Concurrently Held	JAPEX shares owned
2	Yoshitaka Kato (September 17, 1951)  Newly nominated	Nov. 1974    Joined Tetsuzo Ota Audit Office (later Ernst & Young ShinNihon LLC) Sep. 1978    Recorded certified public accountant (up to the present date) May 1998    Representative Partner at Ota Showa Audit Corporation (later Ernst & Young ShinNihon LLC) June 2006    Managing Executive Partner at Ernst & Young ShinNihon Audit Corporation (later Ernst & Young ShinNihon LLC) Aug. 2008    Chairman and CEO at Ernst & Young ShinNihon LLC June 2015    Outside Corporate Auditor at Sumitomo Chemical Company, Limited (up to the present date) June 2015    Outside Corporate Auditor at Mitsui Fudosan Co., Ltd. June 2016    Outside Audit & Supervisory Board Member at SUMITOMO CORPORATION (up to the present date) <Significant positions concurrently held> Outside Corporate Auditor at Sumitomo Chemical Company, Limited Outside Audit & Supervisory Board Member at SUMITOMO CORPORATION	—
[Number of years served as Corporate Auditor] — [Attendance at the Board of Directors meetings held in the fiscal year ended March 31, 2024] — [Attendance at the Board of Corporate Auditors meetings held in the fiscal year ended March 31, 2024] — [Reasons for nomination as a candidate for Outside Corporate Auditor] Although Yoshitaka Kato has no experience of being directly involved in corporate management, he has specialist knowledge and extensive experience in finance, accounting, taxation, and risk management through his organizational management as Chairman and CEO of an audit firm and his many years of work as a certified public accountant. For these reasons, we have judged that he is able to carry out audits of the execution of duties by Directors, and have therefore newly nominated him as a candidate for Outside Corporate Auditor.			

- (Notes)
1. No significant interest-based relationship exists between each candidate for Corporate Auditor and JAPEX.
  2. Yoshitaka Kato is a candidate for Outside Corporate Auditor. Although he was formerly a member of the audit firm (currently Ernst & Young ShinNihon LLC) that is the Company's accounting auditor, he has never been directly involved in JAPEX's accounting audits, and approximately 10 years have passed since he retired from the audit firm in June 2014. He also satisfies the independence standards set forth by JAPEX and the Tokyo Stock Exchange. We have judged that he is able to supervise the management of the Company from an independent standpoint. He is scheduled to be registered with the Tokyo Stock Exchange as Independent Officer, pursuant to the rules of the Exchange, subject to the approval of his appointment under this proposal.
  3. If the appointment of Candidate Yoshitaka Kato is approved as proposed under this proposal, JAPEX intends to conclude, pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, a limited liability agreement with him to limit his liability as stipulated in Article 423, Paragraph 1 of the same Act. The amount of liability under the agreement is limited to the amount provided by laws and regulations.
  4. JAPEX has concluded a directors and officers liability insurance contract stipulated in Article 430-3, Paragraph 1 of the Companies Act with an insurance company, and JAPEX bears the entire premium. If the appointment of each candidate for Corporate Auditor is approved as proposed under this proposal, they shall be included as the insured under the said insurance contract. JAPEX plans to renew this insurance contract under the same conditions, at the next renewal.



**Item 5: Payment of Bonuses to Directors**

In consideration of the business performance, etc. of the fiscal year ended March 31, 2024, the Company proposes to pay a total bonus amount of 68,479,000 yen to the seven (7) Directors that are not Outside Directors (of the total of twelve (12) Directors) tenured during the fiscal year ended March 31, 2024.

Since this proposal is in line with the policy, etc. on determination of the amount of compensation, etc. for Directors, which has already been decided at the Board of Directors following deliberations at the Nomination and Compensation Advisory Committee, we believe that it is appropriate.

**Item 6: Revision of the Amount of Compensation for Directors**

The amount of compensation for Directors of JAPEX was resolved at the 52<sup>nd</sup> Ordinary General Meeting of Shareholders held on June 28, 2022, to be up to 50 million yen monthly (including up to 5 million yen monthly for Outside Directors), and has remained unrevised to date. However, due to the increasing roles and responsibilities of Outside Directors in order to enhance the Group's corporate value and the need to secure talented outside personnel with diverse abilities, we kindly ask our shareholders to revise the portion for Outside Directors in the total amount of compensation for Directors to be up to 6 million yen monthly.

Since this proposal is in line with the policy, etc. on determination of the amount of compensation, etc. for Directors, which has already been decided at the Board of Directors following deliberations at the Nomination and Compensation Advisory Committee, we believe that it is appropriate.

The amount of compensation for Directors (including compensation for Outside Directors) shall remain at an amount up to 50 million yen monthly, and does not include the portion representing employee salaries for Directors who serve concurrently as employees.

In addition, the number of Directors is currently 11 (including five (5) Outside Directors), and the number of Directors and the number of Outside Directors will remain unchanged if Item 3 is approved and adopted as originally proposed.

**Item 7: Re-establishment of Compensation Framework for the Performance-linked Share-based Compensation Plan for Directors, etc.**

This proposal requests approval to review the performance-linked share-based compensation plan called the “Board Benefit Trust (BBT)” (hereinafter referred to as the “Plan”) for the Company’s Directors (excluding Outside Directors; the same shall apply hereinafter in this proposal, unless otherwise indicated) and Executive Officers who do not concurrently serve as Directors (hereinafter collectively referred to as “Directors, etc.”), which was approved at the 50<sup>th</sup> Ordinary General Meeting of Shareholders held on June 26, 2020, in order to increase the ratio of performance-linked compensation to total compensation, to function as an appropriate incentive for improving the Company’s corporate value over the medium and long term, and to further promote value sharing with shareholders.

1. Reason for the proposal and the grounds for considering this proposal to be appropriate

The Company received approval to introduce the Plan at the 50<sup>th</sup> Ordinary General Meeting of Shareholders held on June 26, 2020 (the resolution at the above General Meeting of Shareholders is hereinafter referred to as the “Original Resolution”) and it has remained unchanged to this day.

The Company has now decided to review the Plan, with the aim of making it function as an appropriate incentive for improving the Company’s corporate value over the medium and long term, and to further promote value sharing with shareholders. Specifically, in light of the above aim, the Company requests approval to revise the maximum number of points per fiscal year and, in conjunction with this revision, to set no upper limit on the amount of money to be contributed by the Company to the Trust and to determine a specific calculation method for the amount of compensation, etc. under the Plan, taking into consideration the impact of stock price fluctuations on the number of shares to be acquired by the Trust.

Like the Original Resolution, the purpose of this proposal is to further clarify the linkage between compensation for Directors, etc. and the Company’s corporate performance and share value, and to ensure that not only the benefits of increases in share prices, but also the risk of a decrease in share prices is shared between Directors, etc. and the shareholders, in order to further motivate Directors, etc. to contribute to the improvement of the business performance and corporate value of the Company over the medium and long term. The Company believes that this proposal is appropriate as it is consistent with the Company’s policy for the determination of the content of compensation, etc. for individual Directors.

The review of the Plan has been deliberated by the Company’s Nomination and Compensation Advisory Committee. The compensation of the Company’s Directors consists of monthly compensation, bonus, and performance-linked share-based compensation. The ratio of performance-linked compensation (bonus and performance-linked share-based compensation) to total compensation is expected to be roughly 30%, after the revision of the Plan.

This proposal requests the approval of the specific calculation method for the amount and specific details of compensation, etc. to provide Directors of the Company with the compensation based on the Plan, separately from the amount of compensation for Directors, which is being proposed for approval as Item 6. The details of the Plan shall be decided by the Board of Directors, within the framework of Section 2 below.

The number of Directors eligible to benefit from the Plan will be six (6), if Item 3 is approved and adopted as originally proposed.

2. Specific calculation method for the amount and specific details of compensation, etc. for the Plan  
(Underlines indicate major changes.)

(1) Outline of the Plan

The Plan is a performance-linked share-based compensation plan under which the Company’s shares are acquired through a trust, using money contributed by the Company as the financial funds (hereinafter the trust that is established based on the Plan is referred to as the “Trust”), and Directors, etc. are provided with the Company’s shares and an amount of money equivalent to the market value of the Company’s shares (hereinafter referred to as the “Company’s Shares, etc.”) through the Trust, in accordance with the Rules on Provision of Shares to Officers established by the Company. The Directors, etc. shall receive the Company’s Shares, etc. upon their retirement from office, in principle.

(2) Persons eligible for the Plan

Directors (excluding Outside Directors) and Executive Officers who do not concurrently serve as Directors

(3) Trust period

From August 2020 until the termination of the Trust. (With regard to the trust period, we shall not set a specific date for the termination of the Trust, and the Trust will continue as long as the Plan continues. The

Plan will terminate upon the delisting of the Company's shares or abolition of the Rules on Provision of Shares to Officers, or in certain other cases.)

(4) Trust amount

The Company has introduced the Plan for the three fiscal years from the fiscal year ended March 31, 2021 to the fiscal year ended March 31, 2023 (hereinafter, such three-fiscal-year period is referred to as the "Initial Period," while the Initial Period and each five consecutive fiscal year period following the Initial Period are respectively referred to as the "Applicable Period"), as well as each Applicable Period that follows. With respect to the Initial Period, the Company has contributed 141 million yen (including 63 million yen for Directors) to the Trust as funds for the acquisition of Company's shares to provide Directors, etc. with the Company's Shares, etc. under the Plan, and established the Trust, the beneficiaries of which are Directors, etc. who satisfy the requirements for beneficiaries. The Trust acquired 77,600 shares of the Company's shares for the Initial Period, using money entrusted by the Company as the source of funds.

Furthermore, after the expiration of the Initial Period, in principle, the Company will reasonably estimate the number of shares necessary to provide the Company's Shares, etc. to Directors, etc. under the Plan, and make additional contributions to the Trust of the funds deemed necessary for the Trust to acquire the shares in advance for each Applicable Period until the termination of the Plan. However, in the case that such additional contributions are made, if the Company's shares (excluding the number of the Company's shares that have not yet been provided to Directors, etc. equivalent to points granted to them for each Applicable Period up to the immediately preceding Applicable Period) and money remain in the Trust (such shares and money are collectively referred to as the "Remaining Shares, etc."), the Remaining Shares, etc. shall be allocated to funds necessary for provision under the Plan during the subsequent Applicable Period, and the amount of the additional contribution shall be calculated after taking into account the Remaining Shares, etc.

Moreover, the Company shall disclose information in a timely and appropriate manner, in the event of a decision to make additional contributions.

(5) Acquisition method of the Company's shares and number of shares to be acquired by the Trust

The Trust shall acquire the Company's shares through the stock market on which the Company's shares are listed, or by way of subscribing to a disposition of the Company's treasury shares, using the money contributed in accordance with (4) above as the funds.

Since the maximum number of points to be granted to Directors, etc. is 45,400 points per fiscal year, as described in (6) below, the maximum number of the Company's shares to be acquired by the Trust for each Applicable Period is 227,000 shares.

The details of the acquisition of the Company's shares by the Trust shall be disclosed in a timely and appropriate manner.

(6) Maximum number of Company's Shares, etc. to be provided to Directors, etc.

Based on the Rules on Provision of Shares to Officers, the Company shall grant Directors, etc. a specified number of points determined after having given consideration to factors related to the respective fiscal years, such as their positions and the Company's business performance. The total number of points granted to Directors, etc. per fiscal year shall be limited to 45,400 points (including 18,300 points for Directors). This was decided based on a comprehensive consideration of the current level of officer compensation, as well as trends and future prospects, etc. for the number of Directors, etc., and was judged to be appropriate.

Each point granted to the Directors, etc. shall be converted into one common share of the Company at the time of the provision of the Company's Shares, etc., as explained in (7) below (provided, however, in the case where the Company's shares become the subject of a share split, allotment of shares without contribution, or consolidation of shares, etc. after this proposal is approved, the limit on the number of points, accumulated number of points granted, or the conversion rate shall be adjusted in a reasonable manner, in proportion to the relevant ratio, etc.).

The number of shares equivalent to the maximum number of points granted to Directors, etc. per fiscal year (45,400 shares), as a percentage of the total number of issued shares (as of March 31, 2024; excluding treasury shares) is approximately 0.09%.

The number of points for Directors, etc. to be used as the basis for the provision of the Company's Shares, etc. described in (7) below shall be the accumulated points granted to Directors, etc. by the time of their retirement from office, in principle (hereinafter referred to as the "Number of Points Held" for the points calculated in this manner).

- (7) Provision of the Company's Shares, etc. and the specific calculation method of the amount of compensation, etc.

If a Director, etc. retires from office and fulfills the beneficiary requirements stipulated in the Rules on Provision of Shares to Officers, the Director, etc. may receive the provision of the Company's shares from the Trust after his/her retirement from office, in accordance with the Number of Points Held as explained in (6) above, in principle, by completion of the prescribed procedures to become a beneficiary. However, if the requirements stipulated in the Rules on Provision of Shares to Officers are fulfilled, a Director, etc. can receive monetary provisions equivalent to the market value of the Company's shares, in place of provision of the Company's shares, for a certain proportion. In this case, the Trust may sell the Company's shares in order to make the monetary provisions.

Directors, etc. who have been granted points may not acquire the right to receive provision in whole or in part if any of the matters stipulated in the Rules on Provision of Shares to Officers arise.

The amount of compensation, etc. to be received by a Director shall be based on the total number of points to be granted to the Director at the time the points are granted, multiplied by the book value per share of the Company's shares held by the Trust (however, in the event of a share split, allotment of shares without contribution, or consolidation of shares, etc. of the Company's shares, reasonable adjustments will be made in accordance with such ratio, etc.). Furthermore, when deemed appropriate in cases where money is granted exceptionally, such amount shall be added to the amount of compensation, etc.

- (8) Exercising voting rights

Voting rights of the Company's shares held in the Trust shall not be exercised, without exception, at the instruction of the trust administrator. This is intended to ensure that the exercise of voting rights of the Company's shares held in the Trust is neutral with respect to the management of the Company.

- (9) Handling of dividends

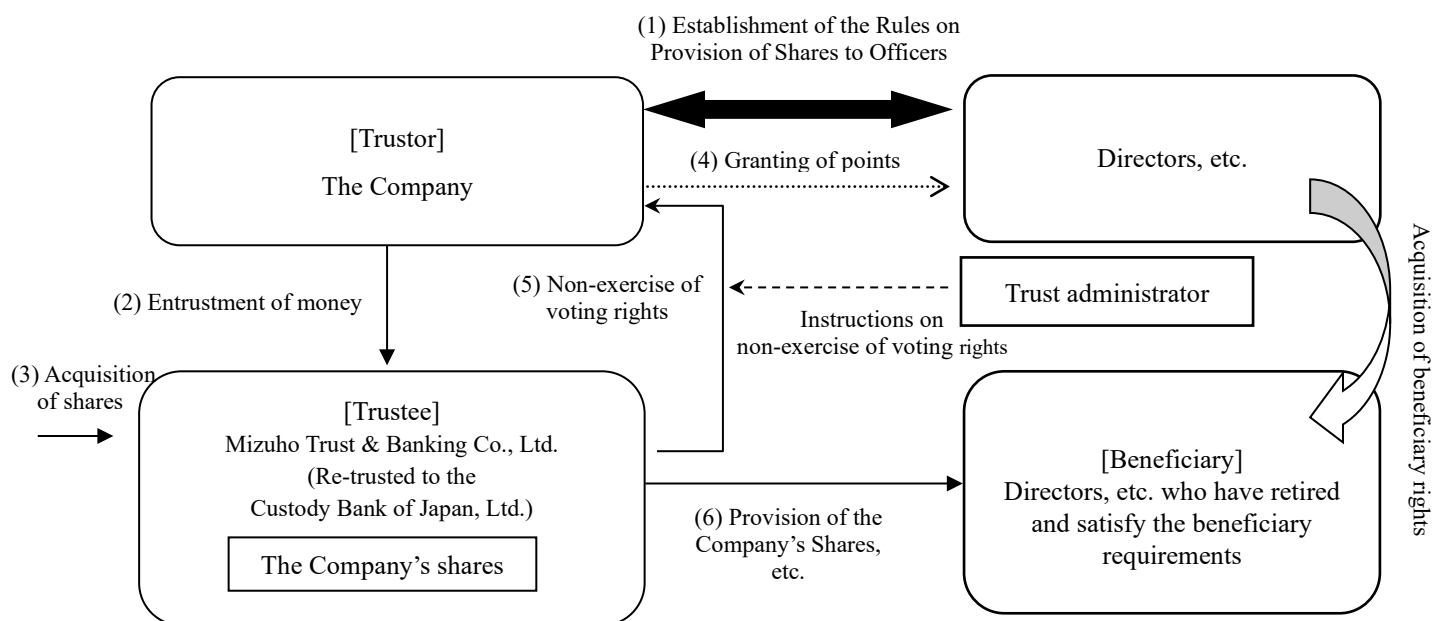
The dividends of the Company's shares held in the Trust shall be received by the Trust, and shall be used primarily for acquisition of the Company's shares, or for trust fees to the trustee pertaining to the Trust. Upon any termination of the Trust, any dividends, etc. remaining in the Trust shall be provided to the Directors, etc. in office at that point in time in a proportionate manner, depending on the number of points respectively held.

- (10) Handling of the termination of the Trust

The Trust will terminate in cases such as the delisting of the Company's shares or abolition of the Rules on Provision of Shares to Officers.

With regard to the Company's shares among the residual assets of the Trust at the time of termination of the Trust, the Company plans to acquire all such shares without consideration, and cancel them by resolution of the Board of Directors. Of the residual assets of the Trust at the time of termination of the Trust, the balance of said money excluding money provided to Directors, etc. in accordance with (9) above, will be provided to the Company.

<Reference: Structure of the Plan>



- (1) The Company will establish the Rules on Provision of Shares to Officers within the scope of the framework approved in this proposal.
- (2) The Company will entrust money within the scope approved in this proposal.
- (3) The Trust will acquire the Company's shares through the stock market on which the Company's shares are listed, or by way of subscribing to a disposition of the Company's treasury shares, using the money entrusted as in (2) above as the funds.
- (4) The Company will grant points to Directors, etc. in accordance with the Rules on Provision of Shares to Officers.
- (5) The Trust will not exercise voting rights of the Company's shares held in the Trust in accordance with the instructions of the trust administrator, who is independent from the Company.
- (6) The Trust will provide those individuals who retire from office as Directors, etc. and fulfill the beneficiary eligibility requirements stipulated in the Rules on Provision of Shares to Officers (hereinafter referred to as the "Beneficiaries") with the Company's shares, according to the number of points granted to the relevant Beneficiary. However, if a Director, etc. fulfills the requirements stipulated in the Rules on Provision of Shares to Officers, the Company will provide the Director, etc. with money equivalent to the market price of the Company's shares, for a certain proportion of the number of granted points.

END

## Consolidated Balance Sheet

(As of March 31, 2024)

(Unit: millions of yen)

Accounting titles	Amount	Accounting titles	Amount
<b>(Assets)</b>		<b>(Liabilities)</b>	
<b>Current assets</b>	<b>249,768</b>	<b>Current liabilities</b>	<b>49,095</b>
Cash and deposits	169,997	Notes and accounts payable-trade	9,520
Notes and accounts receivable-trade	40,790	Current portion of long-term borrowings	250
Contract assets	820	Income taxes payable	5,309
Securities	3,000	Contract liabilities	115
Merchandise and finished goods	2,602	Provision for loss on disaster	169
Work in process	40	Other	33,730
Raw materials and supplies	19,885	<b>Non-current liabilities</b>	<b>74,258</b>
Other	12,684	Deferred tax liabilities	41,739
Allowance for doubtful accounts	(53)	Retirement benefit liability	3,414
<b>Non-current assets</b>	<b>411,160</b>	Asset retirement obligations	24,687
<b>Property, plant and equipment</b>	<b>176,300</b>	Other	4,417
Buildings and structures	43,650	<b>Total liabilities</b>	<b>123,354</b>
Wells	70,826		
Machinery, equipment and vehicles	24,225	<b>(Net assets)</b>	
Land	11,530	<b>Shareholders' equity</b>	<b>404,040</b>
Construction in progress	16,003	<b>Share capital</b>	<b>14,288</b>
Other	10,064	<b>Retained earnings</b>	<b>397,846</b>
<b>Intangible assets</b>	<b>5,265</b>	<b>Treasury shares</b>	<b>(8,094)</b>
<b>Investments and other assets</b>	<b>229,593</b>	<b>Accumulated other comprehensive income</b>	<b>99,862</b>
Investment securities	180,415	<b>Valuation difference on available-for-sale securities</b>	<b>84,686</b>
Long-term loans receivable	1,247	<b>Deferred gains or losses on hedges</b>	<b>8,704</b>
Deferred tax assets	5,738	<b>Foreign currency translation adjustment</b>	<b>4,881</b>
Retirement benefit asset	3,363	<b>Remeasurements of defined benefit plans</b>	<b>1,589</b>
Other	39,040	<b>Non-controlling interests</b>	<b>33,671</b>
Allowance for doubtful accounts	(47)	<b>Total net assets</b>	<b>537,574</b>
Allowance for overseas investment loss	(163)	<b>Total liabilities and net assets</b>	<b>660,928</b>
<b>Total assets</b>	<b>660,928</b>		

(Amounts truncated to millions of yen)

## Consolidated Statement of Income

( From April 1, 2023  
To March 31, 2024 )

(Unit: millions of yen)

Accounting titles	Amount	
<b>Net sales</b>		<b>325,863</b>
<b>Cost of sales</b>		<b>238,567</b>
<b>Gross profit</b>		<b>87,296</b>
<b>Exploration expenses</b>		<b>3,536</b>
<b>Selling, general and administrative expenses</b>		<b>28,512</b>
<b>Operating profit</b>		<b>55,247</b>
<b>Non-operating income</b>		
Interest income	2,265	
Dividend income	4,090	
Share of profit of entities accounted for using equity method	214	
Foreign exchange gains	7,634	
Other	1,495	15,700
<b>Non-operating expenses</b>		
Interest expenses	626	
Inactive mine administrative expenses	821	
Commitment fees	320	
Provision for loss on disaster	49	
Other	320	2,139
<b>Ordinary profit</b>		<b>68,808</b>
<b>Extraordinary income</b>		
Gain on sale of non-current assets	1	1
<b>Extraordinary losses</b>		
Loss on sale of non-current assets	0	
Loss on retirement of non-current assets	25	25
<b>Profit before income taxes</b>		<b>68,784</b>
Income taxes-current	10,895	
Income taxes-deferred	1,172	12,067
<b>Profit</b>		<b>56,716</b>
Profit attributable to non-controlling interests		3,055
<b>Profit attributable to owners of parent</b>		<b>53,661</b>

(Amount truncated to millions of yen)



## Consolidated Statement of Changes in Equity

( From April 1, 2023  
To March 31, 2024 )

(Unit: millions of yen)

	Shareholders' equity				Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Share capital	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	14,288	362,989	(136)	377,141	46,324	(699)	2,275	590	48,491	31,536	457,169
Changes in items during period											
Dividends of surplus		(18,732)		(18,732)							(18,732)
Profit attributable to owners of parent		53,661		53,661							53,661
Change in scope of equity method		(71)		(71)							(71)
Purchase of treasury shares			(7,973)	(7,973)							(7,973)
Disposal of treasury shares			15	15							15
Net changes in items other than shareholders' equity					38,361	9,404	2,606	998	51,371	2,135	53,506
Total changes in items during period	—	34,857	(7,957)	26,899	38,361	9,404	2,606	998	51,371	2,135	80,405
Balance at end of current period	14,288	397,846	(8,094)	404,040	84,686	8,704	4,881	1,589	99,862	33,671	537,574

(Amount truncated to millions of yen)

## Balance Sheet

(As of March 31, 2024)

(Unit: millions of yen)

Accounting titles (Assets)	Amount	Accounting titles (Liabilities)	Amount
<b>Current assets</b>	<b>149,393</b>	<b>Current liabilities</b>	<b>47,944</b>
Cash and deposits	97,659	Accounts payable-trade	3,182
Accounts receivable-trade	19,187	Lease obligations	202
Investments in leases	2	Accounts payable-other	5,103
Merchandise and finished goods	2,433	Accrued expenses	9,489
Raw materials and supplies	17,913	Income taxes payable	1,561
Prepaid expenses	1,143	Advances received	3
Accrued income	248	Deposits received	164
Accounts receivable-other	5,150	Deposits received from subsidiaries and associates	27,573
Advances paid	610	Provision for bonuses for directors (and other officers)	61
Other	5,045	Provision for loss on disaster	169
<b>Non-current assets</b>	<b>403,516</b>	Other	431
<b>Property, plant and equipment</b>	<b>62,875</b>	<b>Non-current liabilities</b>	<b>55,754</b>
Buildings	8,618	Lease obligations	1,171
Structures	21,892	Deferred tax liabilities	34,876
Wells	4,871	Provision for retirement benefits	1,766
Machinery and equipment	14,118	Provision for share-based remuneration	73
Vessels	0	Asset retirement obligations	17,610
Vehicles	0	Other	256
Tools, furniture and fixtures	1,439	<b>Total liabilities</b>	<b>103,699</b>
Land	9,464		
Leased assets	79	<b>(Net assets)</b>	
Construction in progress	406	<b>Shareholders' equity</b>	<b>356,105</b>
Well drilling in progress	1,984	<b>Share capital</b>	<b>14,288</b>
<b>Intangible assets</b>	<b>828</b>	<b>Retained earnings</b>	<b>349,911</b>
Leasehold interests in land	143	Legal retained earnings	3,572
Software	534	Other retained earnings	346,339
Other	150	Reserve for mine prospecting	22,400
<b>Investments and other assets</b>	<b>339,812</b>	Reserve for tax purpose reduction entry of non-current assets	467
Investment securities	156,217	Reserve for exploration	47,246
Shares of subsidiaries and associates	121,537	General reserve	121,600
Long-term loans receivable from subsidiaries and associates	46,727	Retained earnings brought forward	154,625
Long-term prepaid expenses	2,506	<b>Treasury shares</b>	<b>(8,094)</b>
Prepaid pension costs	527	<b>Valuation and translation adjustments</b>	<b>93,105</b>
Other	15,032	<b>Valuation difference on available-for-sale securities</b>	<b>84,679</b>
Allowance for doubtful accounts	(19)	<b>Deferred gains or losses on hedges</b>	<b>8,425</b>
Allowance for overseas investment loss	(2,715)	<b>Total net assets</b>	<b>449,211</b>
<b>Total assets</b>	<b>552,910</b>	<b>Total liabilities and net assets</b>	<b>552,910</b>

(Amount truncated to millions of yen)

## Statement of Income

〔 From April 1, 2023  
To March 31, 2024 〕

(Unit: millions of yen)

Accounting titles	Amount	
<b>Net sales</b>		<b>190,114</b>
<b>Cost of sales</b>		<b>126,726</b>
<b>Gross profit</b>		<b>63,388</b>
<b>Exploration expenses</b>		<b>3,934</b>
<b>Selling, general and administrative expenses</b>		<b>23,106</b>
<b>Operating profit</b>		<b>36,347</b>
<b>Non-operating income</b>		
Interest income	1,685	
Dividend income	12,350	
Reversal of allowance for overseas investment loss	3,761	
Foreign exchange gains	2,885	
Other	1,254	21,936
<b>Non-operating expenses</b>		
Interest expenses	640	
Loss on valuation of shares of subsidiaries and associates	1,147	
Inactive mine administrative expenses	827	
Provision for loss on disaster	49	
Other	811	3,476
<b>Ordinary profit</b>		<b>54,808</b>
<b>Extraordinary income</b>		
Gain on sale of non-current assets	0	0
<b>Extraordinary losses</b>		
Loss on retirement of non-current assets	17	
Other	0	18
<b>Profit before income taxes</b>		<b>54,790</b>
Income taxes-current	5,688	
Income taxes-deferred	2,229	7,917
<b>Profit</b>		<b>46,872</b>

(Amount truncated to millions of yen)

## Statement of Changes in Equity

( From April 1, 2023  
To March 31, 2024 )

(Unit: millions of yen)

	Shareholders' equity										
	Share capital	Retained earnings								Treasury shares	Total shareholders' equity
		Legal retained earnings	Other retained earnings						Total retained earnings		
			Reserve for overseas investment loss	Reserve for mine prospecting	Reserve for tax purpose reduction entry of non-current assets	Reserve for exploration	General reserve	Retained earnings brought forward			
Balance at beginning of current period	14,288	3,572	211	21,400	492	47,246	121,600	127,248	321,771	(136)	335,923
Changes in items during period											
Reversal of reserve for overseas investment loss			(211)					211	—		—
Provision of reserve for mine prospecting				4,500				(4,500)	—		—
Reversal of reserve for mine prospecting				(3,500)				3,500	—		—
Reversal of reserve for tax purpose reduction entry of non-current assets					(25)			25	—		—
Dividends of surplus								(18,732)	(18,732)		(18,732)
Profit								46,872	46,872		46,872
Purchase of treasury shares									—	(7,973)	(7,973)
Disposal of treasury shares									—	15	15
Net changes in items other than shareholders' equity											
Total changes in items during period	—	—	(211)	1,000	(25)	—	—	27,377	28,140	(7,957)	20,182
Balance at end of current period	14,288	3,572	—	22,400	467	47,246	121,600	154,625	349,911	(8,094)	356,105

	Valuation and translation adjustments			Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at beginning of current period	46,320	(721)	45,599	381,522
Changes in items during period				
Reversal of reserve for overseas investment loss				—
Provision of reserve for mine prospecting				—
Reversal of reserve for mine prospecting				—
Reversal of reserve for tax purpose reduction entry of non-current assets				—
Dividends of surplus				(18,732)
Profit				46,872
Purchase of treasury shares				(7,973)
Disposal of treasury shares				15
Net changes in items other than shareholders' equity	38,359	9,146	47,506	47,506
Total changes in items during period	38,359	9,146	47,506	67,688
Balance at end of current period	84,679	8,425	93,105	449,211

(Amounts truncated to millions of yen)