

June 6, 2023  
Taiyo Nippon Sanso Corporation  
Astomos Energy Corporation

## **Notice Regarding Conclusion of Final Agreement for Management Integration of LP Gas Business**

Taiyo Nippon Sanso Corporation (“TNSC”, President Kenji Nagata), a member of the Nippon Sanso Holdings Group, and Astomos Energy Corporation (“Astomos Energy”, President Mitsuru Yamanaka) hereby announce that the two companies have reached a final agreement regarding the implementation of management integration (“the Integration”) of their respective 100%-owned subsidiaries Taiyo Nippon Sanso Energy Corporation (“Taiyo Nippon Sanso Energy”) and Astomos Retailing Corporation (“Astomos Retailing”), which was announced in the “Notice Regarding Start of Consideration of Management Integration of LP Gas Businesses” on February 6, 2023, as a result of discussion and consideration, and have concluded an agreement regarding management integration as well as a shareholders agreement.

### 1. Background to the Integration and Objectives

In Japan’s national energy policy, LP gas has been given a high rating for its resilience. Its resilience is due to the fact that it is a distributed power source that is easily accessible both in normal times and natural disaster situations. As a result, LP gas is positioned as a crucial energy source that will remain indispensable in the future. Meanwhile, LP gas also faces major difficulties. It has been experiencing a structural decline in demand and increased responsibilities regarding its ability to contribute to a carbon-neutral society.

In such an environment, the two companies held repeated discussions on the Integration in the spirit of fairness, justice, and equality. As a result, they reached a final agreement after confirming that integrating or mutually utilizing the management resources related to LP gas held by the two group companies to be integrated, in addition to Taiyo Nippon Sanso Energy and Astomos Retailing, would improve the efficiency and robustness of the supply chain and expand solutions in the decarbonization and digital fields, and contribute to building more trusting relationships with customers as well as the development of the LP gas industry and enhancement of the corporate value of the integrated group of companies.

### 2. Overview of the Integrated Company

① Company name	Astomos Retailing Corporation
② Corporate Headquarters	Chiyoda-ku, Tokyo
③ Registered Head Office	Yonago, Tottori Prefecture
④ Capital	¥300 million
⑤ Shareholders	Astomos Energy 65% TNSC 35%
⑥ Net sales	Approx. ¥44.0 billion (estimated)
⑦ LP gas sales volume	Approx. 240,000 tons (estimated)
⑧ Number of employees	Approx. 1,140 (estimated)

### 3. Effective Date of Merger

January 1, 2024 (planned)

The aforementioned effective date of the merger may be changed in the future due to filings with the Japan Fair Trade Commission and other relevant authorities, acquisition of permits and approvals, and other reasons in the procedures related to the Integration.

Based on this integrated partnership, TNSC and Astomos Energy will further promote the business of LP gas for consumer use and discuss industrial and wholesale LP gas sales with a focus on developing demand in the industrial LP gas business. At the same time, by mutually harnessing TNSC's network for developing diverse gas business, including LP gas, and technical capabilities, and Astomos Energy's supply chain which extends from overseas procurement to retail sales focused on LP gas, both companies will continue to work toward the realization of a sustainable society through the safe and reliable use of LP gas by customers and their contributions to a carbon-neutral society.



The signing ceremony held on June 2, 2023

#### (Reference) Overview of the Companies

Name	Taiyo Nippon Sanso Corporation	Taiyo Nippon Sanso Energy Corporation	Astomos Energy Corporation	Astomos Retailing Corporation
Address	Shinagawa-ku, Tokyo	Kanie Town, Aichi Prefecture	Chiyoda-ku, Tokyo	Chiyoda-ku, Tokyo
Representative	Kenji Nagata	Masahisa Kanzaki	Mitsuru Yamanaka	Taiji Nambu
Capital	¥1,500 million	¥100 million	¥10,000 million	¥300 million
Major Shareholders	Nippon Sanso Holdings Corporation 100%	Taiyo Nippon Sanso Corporation 100%	Idemitsu Kosan Co., Ltd. 51% Mitsubishi Corporation 49%	Astomos Energy Corporation 100%
Description of Business	Manufacture and sale of oxygen, nitrogen, argon, carbon dioxide gas, liquefied petroleum gas, and specialty gases such as semiconductor materials gases, as well as various other compressed gases and liquefied gases	Manufacture and sale of liquefied petroleum (LP) gas, including LP gas for consumer use	Import, purchase and sale of liquefied petroleum gas	Manufacture and sale of liquefied petroleum (LP) gas, primarily LP gas for consumer use