

Note: The following is an English translation of the Japanese-language original

September 8, 2021

Japan Petroleum Exploration Co., Ltd.
TOKYO ENERGY & SYSTEMS INC.
MOT Research Institute, Ltd.
CHOFU SEISAKUSHO CO., LTD.
KAWASAKI KINKAI KISEN KAISHA, LTD.

Construction of Chofu Biomass Power Plant in Shimonoseki-city, Yamaguchi Prefecture

Japan Petroleum Exploration Co., Ltd. (JAPEX), TOKYO ENERGY & SYSTEMS INC., MOT Research Institute, Ltd., and CHOFU SEISAKUSHO CO., LTD., and KAWASAKI KINKAI KISEN KAISHA, LTD., decided to invest in Chofu Bio-Power LLC (CBP), which is promoting a construction plan of the Chofu Biomass Power Plant (hereinafter “the power plant”) in Shimonoseki-city, Yamaguchi Prefecture.

Based on the decision by the five sponsors above and the expected completion of the project finance contract at the end of September 2021, CBP, the business owner, decided today the construction of the power plant in the site owned by CHOFU SEISAKUSHO, located in the Chofuogimachi Industrial Park, Shimonoseki-city, Yamaguchi Prefecture. The power plant is planned to start construction in June 2022 and commence commercial operation in January 2025.

The sponsors will be entrusted with the works related to the power plant from CBP, such as construction management, operation and maintenance, and fuel procurement and transportation. The sponsors will also cooperate and support CBP for building and keeping relationships with local government and neighborhoods. In addition, JAPEX, through its 100% owned subsidiary, will be entrusted with the asset management operations of CBP.

Please refer to the appendix for the outline of CBP and the power plant.

The sponsors, with CBP, will contribute to expanding the use of electricity derived from renewable energy sources with low environmental impact and developing local economies, with the understanding and support from stakeholders of the Shimonoseki area.

[Appendix]

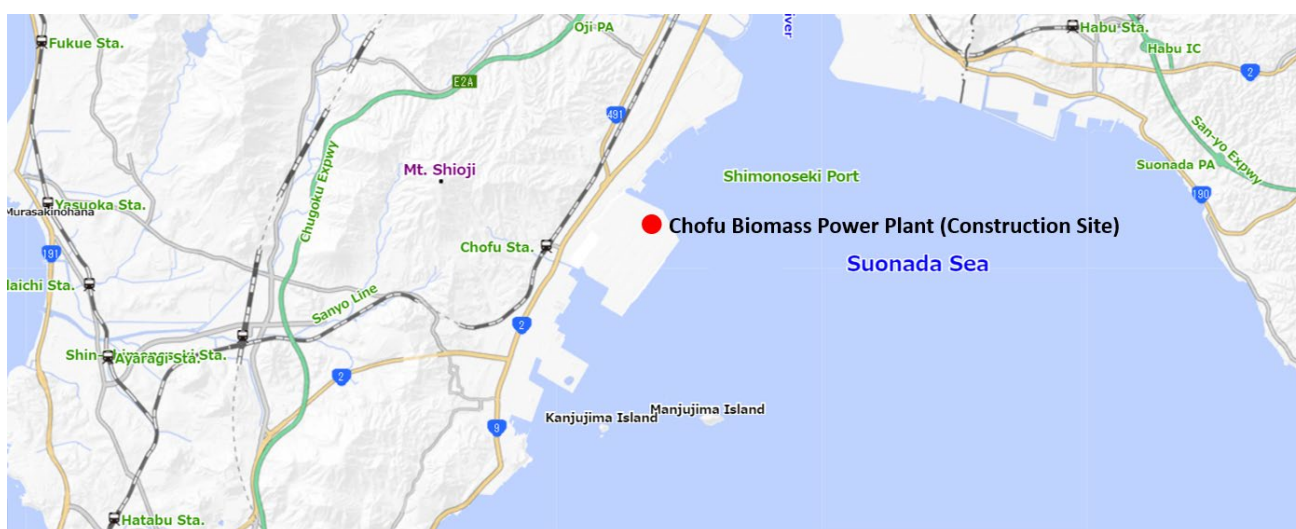
1. Outline of the Business Owner

Name	Chofu Bio-Power LLC	
Incorporation	November 9, 2020	
Head Office	1-23, Chofuogimachi, Shimonoseki-city, Yamaguchi Prefecture	
Representative	Representative Partner: CITRUS General Incorporated Association Job Executor: HIRANO Kazutoshi	
Sponsors	Japan Petroleum Exploration Co., Ltd.	39.9%
	TOKYO ENERGY & SYSTEMS INC.	20.0%
	MOT Research Institute, Ltd.	15.1%
	CHOFU SEISAKUSHO CO., LTD.	15.0%
	KAWASAKI KINKAI KISEN KAISHA, LTD.	10.0%
Business Description	Construction and management of biomass power plant, biomass power generation, and related businesses	

2. Outline of the Power Plant

Name	Chofu Biomass Power Plant	
Planned Site	3-4, Chofuogimachi, Shimonoseki-city, Yamaguchi Prefecture	
Land Area	62,800m ²	
Generation Method	Steam Power	
Output Scale	74,950kW	
Generation Fuel	Wood pellets 100%	
Offtaker	The Chugoku Electric Power Co.,Inc. (Fixed price by FIT for 20 years, 21JPY/kWh for unit sales price)	
Business Owner	Chofu Bio-Power LLC	
Asset Management	Japex Green Energy Co., Ltd. (100% Subsidiary of JAPEX)	

(Map)



* Added specific information on the map provided by Geospatial Information Authority of Japan

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