



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

May 2, 2023

Company Name: Japan Petroleum Exploration Co., Ltd. (JAPEX)
Securities Code: 1662 (Prime of the Tokyo Stock Exchange)
Representative: FUJITA Masahiro, Representative Director and President
Inquiries: Corporate Communication Office
TEL: +81-3-6268-7110

**Capital Participation in a Subsidiary of U.K.-based Longboat Energy PLC
which Promotes Exploration and Development in Offshore Norway**

Japan Petroleum Exploration Co., Ltd. (JAPEX) agreed with Longboat Energy PLC (LSE: LBE, hereinafter “LBE”), a U.K.-based company, for capital participation in Longboat Energy Norge AS (hereinafter “LBEN”), a 100% subsidiary of LBE which promotes exploration and development in offshore blocks of Norway.

LBE is a U.K.-based company that promotes exploration and development of oil and natural gas blocks in Norway and Malaysia. Through LBEN, LBE owns 10-30% interests in several offshore exploration blocks mainly in the Norwegian North Sea and the Norwegian Sea, and is aiming to expand their oil and natural gas business in Norway.

Through this transaction, JAPEX will acquire 49.9% of LBEN share by the subscription of newly issued shares of LBEN. By leveraging the technologies, expertise, and networks of each company, JAPEX and LBEN will jointly work for the exploration and evaluation for development in the existing licenses, as well as the acquisition of additional assets that are under development or in production. The transaction is subject to the customary regulatory approval, with completion expected in the second half of this year.

JAPEX places the acquisition of new oil and gas interests as one of the priority items in the “JAPEX Management Plan 2022-2030” formulated in March 2022, under the expectation that oil and natural gas demand will continue for a certain period even under the way to the carbon-neutrality. Based on this plan, we set the North Sea as one of our main target areas, where infrastructures for production and transportation such as offshore processing facilities and transportation pipelines to onshore are in place. After the consideration* of various possibilities, we decided the capital participation in LBEN.

Please refer to the appendix for the outline of LBEN.

Regarding this transaction, we expect to invest approximately 150 million USD over the course of the next three years at this moment, for the exploration, development, and the acquisition of new interests. There will be a minimal material impact on the consolidated forecasts for the fiscal year ending March 31, 2024, by this matter. We will also disclose the impact of this matter on the consolidated business forecasts for the fiscal year ending March 31, 2025 as necessary and appropriately.

###

Note)

* We were advised by LAMBERT ENERGY ADVISORY LIMITED as a financial advisor in connection with this transaction.

Appendix

Outline of LBEN (As of May 2, 2023)

Corporate Name	Longboat Energy Norge AS** [Incorporated in Norway]
Head Office	Strandkaaien 36, 4005 Stavanger, Norway
Establishment	December 5, 2019
Capital	355,650,800 NOK
Representative	Hilde Salthe (Managing Director)
Shareholder	Longboat Energy PLC 100%***

** After our capital participation, the corporate name will be changed to Longboat JAPEX Norge AS.

*** After our capital participation, the company will become equity method affiliate of JAPEX. (Investment ratio 49.9%)