



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

June 17, 2024

Company Name: Japan Petroleum Exploration Co., Ltd. (JAPEX)
Securities Code: 1662 (Prime of the Tokyo Stock Exchange)
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**Conclusion of the share purchase agreement
to acquire Longboat JAPEX Norge AS as a wholly owned company of JAPEX,
which promotes exploration, development and production offshore Norway**

Japan Petroleum Exploration Co., Ltd. (JAPEX) announces that it has concluded the share purchase agreement to acquire all shares (50.1%) of Longboat JAPEX Norge AS (hereinafter "LJN") held by Longboat Energy plc (hereinafter "LBE"), a UK company, and make LJN a subsidiary of JAPEX.

1. Reasons of acquisition of shares

Following change in the management of LBE in May 2024, there has been a reconsideration of the Norwegian business policy, and as a result of discussions with LBE regarding the future management policy for LJN, JAPEX has decided to expand its Norwegian business by making LJN a subsidiary. JAPEX will pay US\$2.5 million as consideration for the acquisition of LBE's shares in LJN. There will be no changes to LJN's employees or business structure as a result of this acquisition.

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, and has positioned the North Sea as one of its main target areas. Based on this policy, in July 2023, JAPEX acquired shares in LJN to lay the foundation for its business expansion in Norway. LJN is currently engaged in exploration and development in multiple license interests in the Norwegian North Sea. In addition, the acquisition of interests in production assets was completed in January 2024, and crude oil and natural gas production from the assets has begun.

2. Outline of the subsidiary subject to change

(1) Corporate Name	Longboat JAPEX Norge AS (Norway corporate)	
(2) Head Office	Strandkaaien 36, 4005 Stavanger, Norway	
(3) Representative	Managing Director Hilde Salthe	
(4) Business Activities	Exploration, development and production of petroleum resources offshore Norway	
(5) Share Capital	100 million yen (6,786,432NOK, 1NOK=15yen)	
(6) Date of Establishment	December 5, 2019	
(7) Shareholder	Longboat Energy plc	50.1%
	Japan Petroleum Exploration Co., Ltd.	49.9%
(8) Relationship between the listed company and the company concerned	Capital Relationships	JAPEX owns 49.9% of the shares of LJN.
	Personal Relationships	JAPEX has dispatched three directors to LJN.
	Related Party Status	There are transactions related to the dispatch of officer and employees from JAPEX to LJN.

(9) LJN's consolidated operating results and consolidated financial position for the past three years (1NOK is equivalent to 15yen)			
Fiscal year	For the year ended Dec 2021	For the year ended Dec 2022	For the year ended Dec 2023
Consolidated net assets	4,764 million yen	2,396 million yen	2,872 million yen
Consolidated total assets	9,474 million yen	15,165 million yen	10,421 million yen
Consolidated net assets per share	1,401.18 yen	704.60 yen	423.19 yen
Consolidated sales	16million yen	20million yen	122million yen
Consolidated operating income	△376million yen	△582million yen	△795million yen
Consolidated ordinary income	△1,768million yen	△8,399million yen	△6,744million yen
Net income attributable to owners of parent	△531million yen	△2,368million yen	△2,123million yen
Consolidated net income per share	△156.15 yen	△696.60 yen	△425.70 yen
Dividend per share	—	—	—

3. Outline of the counterparty to the share acquisition

(1) Corporate Name	Longboat Energy plc		
(2) Head Office	5th Floor One New Change, London, United Kingdom		
(3) Representative	Executive Director and Chief Executive Officer Nick Ingrassia		
(4) Business Activities	Exploration and development of petroleum resources in Norway and Malaysia		
(5) Share Capital	5,710,812 GBP		
(6) Date of Establishment	May 28, 2019		
(7) Net Asset	16,938,730 GBP		
(8) Total Asset	18,072,655 GBP		
(9) Shareholder	Progressive Capital Partners	14.2%	
	River Global Investors	8.5%	etc.
(10) Relationship between the listed company and the company concerned	Capital Relationships	Not applicable.	
	Personal Relationships	Not applicable.	
	Business Relationships	Not applicable.	
	Related Party Status	Not applicable.	

4. Number of shares acquired, acquisition price, and status of shares held before and after acquisition

(1) Number of shares held before acquisition	3,386,431 (Number of voting rights: 3,386,431) (Percentage of voting rights held: 49.9%)
(2) Number of shares acquired	3,400,001 (Number of voting rights: 3,400,001)
(3) Acquisition price	USD 2.5 million
(4) Number of shares held after acquisition	6,786,432 (Number of voting rights: 6,786,432) (Percentage of voting rights held: 100%)

5. Schedule

(1) Date of resolution by the Executive Committee	June 14, 2024
(2) Date of contract	June 14, 2024

(3) Date of share transfer	Second quarter of Fiscal Year ending March 2025 (scheduled)
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6. Outlook

The acquisition of shares in L&N is expected to be completed in the second quarter of this fiscal year, subject to the completion of transfer of the debt guarantees provided by LBE to JAP&X and approval by the Norwegian authorities etc. The impact on our consolidated financial results for the fiscal year ending March 31, 2025, is minimal.

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