

[Translation]

November 29, 2023

To whom it may concern:

Cosmo Energy Holdings Co., Ltd.

Notice Concerning the FOR Recommendation By the Proxy Advisor Company, Institutional Shareholder Services Inc. Regarding the Agenda for the Company's Extraordinary General Meeting of Shareholders

The Company has resolved to hold an Extraordinary General Meeting of Shareholders on December 14, 2023, and present an agenda (the "Agenda") in order to consult with the Company's shareholders on the propriety of the enactment of countermeasures (the "Countermeasures") against large-scale purchase actions, etc. by Minami Aoyama Fudosan Co., Ltd. and Ms. Aya Nomura (the "Large-scale Purchase Actions, etc."), based on the "Company's Basic Policies for the Control of the Company Based on the Fact that City and Other Parties (\*1) Carry Out Large-scale Purchase Actions, etc. of the Company's Share Certificates, etc. and Response Policies to Large-scale Purchase Actions, etc. of the Company's Share Certificates, etc." (the "Response Policies" (\*2)).

The Company has confirmed the fact that the proxy advisor, Institutional Shareholder Services Inc. ("ISS"), issued a vote recommendation report ("ISS Report") regarding the Agenda on November 29, 2023, recommending voting "FOR" the Agenda, and the Company hereby informs shareholders of the Company of the information.

- (\*1) "City and Other Parties" means City Index Eleventh Co., Ltd., as well as its joint holders, Ms. Aya Nomura and Reno, Inc., and on and after April 7, 2023, when Minami Aoyama Fudosan Co., Ltd. became a shareholder of the Company, Minami Aoyama Fudosan Co., Ltd. is included in "City and Other Parties." In addition, the parties above are collectively referred to as the "Large-scale Purchasers and Others."
- (\*2) For the details on the Response Policies, please see the press release "Notice Concerning the Introduction of the Company's Basic Policies for the Control of the Company Based on the Fact that City Index Eleventh Co., Ltd. and Other Parties Carry Out Large-scale Purchase Actions, etc. of the Company's Share Certificates, etc. and Response Policies to Large-scale Purchase Actions, etc. of the Company's Share Certificates, etc." dated January 11, 2023.

The Company believes that ISS, the proxy advisor, providing recommendations on exercise of voting rights globally, shows that ISS understands that the enactment of the Countermeasures is reasonable after analyzing the Agenda from an independent position as a third party, and has reached the same conclusion as the Board of Directors of the Company and the Independent Committee.

The ISS Report confirms that the Agenda meets the all general conditions necessary for ISS to recommend voting FOR the enactment of the countermeasures against the large-scale purchase actions, etc. It also explains that the Company's TSR (Total Shareholder Return) for the three years and the five years before the publication of the fact that the Large-scale Purchasers and Others purchased the Company's shares has been higher than industry competitors, and for the period after the publication as well, outperformed such competitors by approximately 100%. Furthermore, ISS has evaluated the Company's latest policy of improving its corporate value and strengthening its shareholder return policy.

As announced in the press release dated November 25, 2023, "Notice Concerning Status of Dialogue with Institutional Investor Shareholders," the Company believes that Independent Outside Directors will constitute a majority of the Board of Directors of the Company in 2024, and this is one of the reasons for ISS's FOR recommendation.

On the other hand, the ISS Report pointed out the fact that the Large-scale Purchases and Others have not presented concrete suggestions, and that the excessive requirement for shareholder return would damage the future business investments by the Company. Moreover, the ISS Report noted "the risk of

creeping control” as the Large-scale Purchase Actions, etc. are through market purchases; if purchasing of the Company’s shares up to 24.56% is passed, the holding ratio of the Large-scale Purchasers and Others would give them the authority to block a special resolution at the Company’s General Meeting of Shareholders almost solely, and it would be able to exert significantly more leverage. Therefore, ISS has doubts about the commencement of the Large-scale Purchase Actions, etc.

The Company understands that the details of the ISS Report contribute beneficial information for the shareholders’ making decision on the exercise of voting rights, therefore Company announces them through this press release.

The Company is continuously improving its corporate value for its shareholders’ interests.

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