

Cosmo Oil Marketing Concludes Capital and Business Alliance Agreement with EV Motors Japan

Cosmo Oil Marketing Co. Ltd. (hereafter, “the Company”) has concluded a capital and business alliance agreement (hereafter, “the Alliance”) with EV Motors Japan Co., Ltd. (hereafter, “EVM-J”), a start-up specializing in the development, manufacturing (OEM supply), and sales of commercial electric vehicles (hereafter, “commercial EVs”) such as buses and trucks. The Alliance aims to promote the adoption of commercial EVs and explore the utilization and recycling of EV batteries, with the Company investing in EVM-J by subscribing to a portion of new shares issued by EVM-J through a third-party allotment. EVM-J equips its vehicles with its active inverter, a proprietary technology renowned for its world-class low power consumption, which enables a longer battery life and an extended driving range. The Company will cooperate with EVM-J to promote the widespread adoption of electric buses and trucks in response to growing demand for such vehicles in the future.

■Goals of the Alliance

Through the Alliance, the Company will provide commercial EVs to corporate customers as an offering under its established Cosmo Zero Carbon Solutions¹ business. Furthermore, it will offer a comprehensive one-stop solution that includes the supply of Cosmo Denki (Electricity) Business Green² – electricity derived from our renewable energy sources – along with related products and services. This integrated approach aims to address the decarbonization needs of Cosmo’s customers in the areas of energy and mobility.

【Key areas of collaboration】

1. Provision of buses, trucks, and other commercial EVs, as well as EV charging stations developed and marketed by EVM-J as part of Cosmo Zero Carbon Solutions
2. Supply of Cosmo Denki (Electricity) Business Green to facilities operated by customers who have purchased EVs (buses, trucks, etc.) manufactured by EVM-J and EV charging stations
3. Investigation into the utilization of on-board storage batteries as an energy management resource (dispersed power source)
4. Discussion on the reuse of on-board storage batteries

As part of its commitment to achieving net-zero carbon emissions across society as a whole, the Cosmo Energy Group (hereafter, “the Group”) has set out to bolster the green electricity supply chain as part of its Seventh Consolidated Medium-Term Management Plan and Vision 2030. This involves maximizing the value of green electricity by building a supply chain encompassing renewable energy generation, supply-demand adjustment, and sales of green energy. To accomplish this objective, the Alliance will focus on expanding the Group’s electricity retail sales business, including Cosmo Denki (Electricity) and Zero Carbon Solutions, and ensuring the delivery of a wider range of high-value-added services. By expanding sales of EVs and electricity derived from renewable energy sources, the Group endeavors to meet the diverse needs of its customers while facilitating further growth and development towards achieving net-zero carbon emissions.

■About EVM-J

In line with its mission of “building a sustainable future,” EVM-J aims to contribute to the creation of a better tomorrow by pioneering a new era with its unique value system and cutting-edge mobility solutions, aimed at realizing a zero-emission society, in the midst of the

once-in-a-century energy revolution.

EVM-J specializes in the development, contract manufacturing (OEM supply), and sales of vehicles, with a focus on commercial EVs such as buses and trucks. These vehicles feature an inverter that makes use of technology developed in-house, ensuring that they are safe, cost-effective, low power-consuming, and possess a long service life.

Presently, EVM-J is in the process of constructing its “Zero Emission e-PARK” final assembly plant in Kitakyushu City, exclusively for the assembly of commercial EVs. This effort signifies a pivotal step towards establishing a robust framework for mass production of commercial EVs.

1. Cosmo Zero Carbon Solutions

Cosmo Zero Carbon Solutions offers corporations and local governments a one-stop solution that encompasses sales of renewable energy and complementary products like EVs, in close collaboration with service station operators, with the goal of providing comprehensive support for their decarbonization efforts and electricity bill reductions, etc.

URL: https://ceh.cosmo-oil.co.jp/press/p_210915/index.html (available in Japanese only)
<https://www.cosmo-denki.com/business/lp/solution/> (available in Japanese only)

2. Cosmo Denki (Electricity) Business Green

Cosmo Denki (Electricity) Business Green is a service that helps achieve virtually zero CO₂ emissions by adding environmental value through the utilization of renewable energy-designated non-fossil certificates, and the like. By purchasing non-fossil or similar certificates equal to or greater than the customer's total annual sales volume and making use of them when selling electricity, one hundred percent of the electricity used becomes electricity with environmental value derived virtually entirely from renewable energy sources. Since its launch in 2020, the service has primarily been used by corporations and local governments striving to decarbonize their operations.

URL: <https://www.cosmo-denki.com/business/low/green/> (available in Japanese only)

【Overview of EVM-J】

Company name	EV Motors Japan Co., Ltd.
Head office	1-18-7 Hakusan, Wakamatsu-ku, Kitakyushu-shi, Fukuoka
Representative	Yuji Sato, President and Chief Technology Officer
Established	April 2019
Capital	6,375 million yen (as of March 29, 2024), including capital reserves
Description of business	Development, manufacturing (OEM supply), and sales of commercial EVs, etc.