

September 13, 2023

Sojitz Corporation
Masayoshi Fujimoto, President & CEO
(TSE Code: 2768; TSE Prime Market)

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Notification of Change in Status of Subsidiary

We at Sojitz are pleased to announce the decision to acquire shares in Orchid Wind Power GmbH ("Orchid") and Starwind Offshore GmbH ("Starwind"), two of our equity method affiliates, which will now become specified subsidiaries of Sojitz.

1. Reason for Change

Sojitz currently invests in an offshore wind power project business in Taiwan via Orchid and Starwind. Sojitz positions essential infrastructure businesses as a key focus area under Medium-term Management Plan 2023. Sojitz Group has reached the decision to acquire Orchid shares held by C&C Investment Corporation and SEP International Netherlands B.V., and Sojitz will acquire Starwind shares held by ENEOS Corporation via Orchid. Orchid and Starwind will become consolidated subsidiaries of Sojitz Group and the two companies have been designated "specified subsidiaries" of Sojitz as the amount of capital*(1) for both companies is equivalent to more than 10% of Sojitz's capital.

2. Company Profile

(1) Company Overview – Orchid

1) Company Name	Orchid Wind Power GmbH	
2) Address	Schirmerstraße 76, 40211 Düsseldorf, Germany	
3) Representative	Koichi Miki, Managing Director	
4) Operation	Shareholding in Starwind	
5) Capital * ¹	EUR 580 million (approx. JPY 91.6 billion)* ²	
6) Date of Establishment	March 6, 2019	
7) Major Shareholders and Shareholding Ratio	Sojitz Corporation 45.0% C&C Investment Corporation 33.3% SEP International Netherlands B.V. 22.7%	
8) Relationship with the Listed Company	Capital	45% equity method affiliate of Sojitz
	Personnel	Sojitz Group dispatches employees to Orchid
	Business	Sojitz serves as a loan guarantor to Orchid

9) Orchid's operating performance and financial results over the past three years (Units: Millions of Euros)* ³			
Accounting period	Fiscal year ended December 2020	Fiscal year ended December 2021	Fiscal year ended December 2022
Net assets	48	181	(113)
Total assets	262	437	127
Net assets per share (EUR)	1,940	7,263	(4,521)
Revenue	-	-	-
Profit before tax	(2)	(1)	(386)
Profit for the period attributable to shareholders of the parent company	(2)	(1)	(386)
Net income per share (EUR)	(81)	(66)	(15,447)
Dividends per share (EUR)	0	0	0

Note: The overview represents company information prior to acquisition by Sojitz.

*1 : Includes capital surplus

*2 : TTM rate as of 12th September 157.71 is used.

*3: A capital injection was executed in September 2023. Excessive liabilities were resolved at the time of Sojitz's acquisition.

(2) Company Overview – Starwind

1) Company Name	Starwind Offshore GmbH		
2) Address	Schirmerstraße 76, 40211 Düsseldorf, Germany		
3) Representative	Koichi Miki, Managing Director		
4) Operation	Investment in offshore wind power businesses in Taiwan		
5) Capital * ¹	EUR 750 million (approx. JPY 118.3 billion)* ²		
6) Date of Establishment	March 6, 2019		
7) Major Shareholders and Shareholding Ratio	Orchid Wind Power GmbH 75.0% ENEOS Corporation 25.0%		
8) Relationship with the Listed Company	Capital	No capital relationship between Sojitz and Orchid	
	Personnel	Sojitz Group dispatches employees to Starwind	
	Business	Sojitz provides funding to Starwind	
9) Orchid's operating performance and financial results over the past three years (Units: Millions of Euros)* ³			
Accounting period	Fiscal year ended December 2020	Fiscal year ended December 2021	Fiscal year ended December 2022
Net assets	346	561	169
Total assets	346	582	170
Net assets per share (EUR)	13,868	22,445	6,774
Revenue	-	-	-

Profit before tax	(0)	+0	(509)
Profit for the period attributable to shareholders of the parent company	(0)	+0	(510)
Net income per share (EUR)	(10)	26	(20,431)
Dividends per share (EUR)	0	0	0

Note: The overview represents company information prior to acquisition by Sojitz.

*1 : Includes capital surplus

*2 : TTM rate as of 12th September 157.71/EUR is used.

3. Number of shares acquired and shareholding status after the share transfer

(1) Orchid Wind Power GmbH

1) Number of shares owned before transfer	11,250 shares (Ratio of voting rights: 45%)
2) Number of acquired shares	14,750 shares
3) Number of shares owned after transfer	26,000 shares (Ratio of voting rights: 100%)

(2) Starwind Offshore GmbH

1) Number of shares owned before transfer	— shares (Ratio of voting rights: —%)
2) Number of acquired shares	25,000 shares (owned by Orchid)
3) Number of shares owned after transfer	25,000 shares (owned by Orchid) (Ratio of voting rights: 100%; owned by Orchid)

Note: The transfer of shares is conducted at an appropriate price, but due to the confidentiality of the agreement with the partners from whom we will acquire the shares in question, certain information will not be disclosed.

4. Schedule

1) Date of resolution	September 13, 2023*1
2) Date of subsidiary transfer	September 13, 2023
3) Date of acquisition	TBD*2

*1: An agreement was reached for the transfer of shares involved in the business restructuring plan on August 21, 2023. No rights or obligations arose as of this August date. The parties involved determined the pre-requisite conditions for the transfer of shares and Sojitz reached a final resolution on September 13, 2023. All rights and obligations arise from this September date.

*2: The transfer of shares for both companies will be officially completed following receipt of relevant regulatory approvals.

5. Future Outlook

As per the disclosure entitled "Notice Regarding Losses Recorded on the Consolidated and Non-consolidated Financial Statements for the Year Ended March 31, 2023" released on May 2, 2023, Sojitz recorded losses on its FY2022 consolidated financial statement relating to the Taiwan offshore wind power generation business. The change in status of these companies to Sojitz subsidiaries will have a limited impact on profit for the period of the financial results of the second quarter ended March 31, 2024, as well as on future consolidated results.