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In the event of any discrepancy between this English version and the Japanese version, the Japanese original shall prevail.

November 10, 2023

Hironao Fukushima
Representative Director
City Index 11 Co., Ltd.

Tatsuya Ikeda
Representative Director
Minami Aoyama Fudosan Co. Ltd.

Aya Nomura

To the Board of Directors of Cosmo Energy Holdings Co., Ltd.:

We have taken a look at the "Notice of convocation of the extraordinary general meeting of shareholders" dated yesterday, for the extraordinary shareholders' meeting scheduled for December 14, 2023 (the "Shareholders' Meeting" hereafter). Through a memorandum dated November 1, 2023, addressed to Cosmo's board of directors, we have clearly communicated to you that **we have no intention of selling our Cosmo shares even if Cosmo executes a share buyback.** However, Cosmo has ignored this statement, and the content of the convocation notice is misguiding in the sense that it suggests that it could be comprehended as if we demanded a share buyback at a premium to Cosmo. Furthermore, it is regrettable that Cosmo mentions that "There is a possibility that the Company will be forced to conduct a large-scale TOB by an issuer at a premium price" as one of the important reasons behind why Cosmo needs to enact countermeasures against large-scale purchases (there are multiple other sections within the content that mislead the shareholders). We find it highly problematic that Cosmo is attempting to force a shareholder approval into happening at the Shareholders' Meeting through explanations that lead shareholders to misguided decisions.

Cosmo announced at the time of its 2Q earnings announcement on November 8, 2023, that it will increase its expected dividends for the current fiscal year from 250 yen per share to 300 yen per share. However, Cosmo provided no clear answers when they were asked questions by research analysts at the earnings call about the reasoning behind the decision of 300 yen per share, or about how the dividend figure should be 400 yen per share based on the upward revisions to full-year forecasts for the fiscal year ending March 2024 (assuming no share buybacks), with President Yamada only referring to the prior explanation made at the announcement of the Medium-Term Plan that "the total payout ratio of over 60% is a commitment, and we have previously stated that we would like to realize it at an early stage". In our meeting with President Yamada, he mentioned that "the reaction will be negative (toward the decision to make shareholder returns of 60% in total over the course of 3 fiscal years)", suggesting a full understanding

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that it is critical for Cosmo shareholder value improvement to commit to and realize a total shareholder return ratio of 60% within a single fiscal year. If that is the case, we are wondering why Cosmo doesn't execute on this concept.

We strongly request that Cosmo commit to and announce publicly that it **(1) decides on a total shareholder return ratio of 60% within a single fiscal year, and (2) return to shareholders all of the equity capital that is in excess of 600 billion yen.** If Cosmo commits to the above 2 points and makes a public announcement about them, **Minami Aoyama Fudosan Co., Ltd. and Aya Nomura are willing to withdraw the Statements of Intent for Large-scale Purchase Actions that they have submitted.**

Improvement of shareholder value is something that not only we, but all shareholders, are hoping for. As such, we request that you sincerely consider the content mentioned above. Additionally, we request that Cosmo management make decisions with the shareholders in mind, and not self-preservation.