

October 31, 2024
Cosmo Engineering Co., Ltd.
IHI Plant Services Corporation

**Cosmo Engineering and IHI Plant Services Sign Basic Agreement on
Collaboration in the Fuel Ammonia Receipt and Storage Business**

Cosmo Engineering Co., Ltd. and IHI Group company, IHI Plant Services Corporation, are pleased to announce that they have signed a basic agreement, effective October 29, 2024, to discuss the establishment of a project execution framework for engineering, procurement, and construction (EPC) of fuel ammonia receiving and distribution terminals, starting with front-end engineering design (FEED).



(Kazuhiro Matsubayashi, Representative Director & President, Cosmo Engineering Co., Ltd. on the left, Ryoji Aoki, Representative Director & President, IHI Plant Services Corporation on the right)

As the world looks toward carbon neutrality by 2050, fuel ammonia is gaining attention as a zero-carbon fuel, valued for its ability to efficiently and cost-effectively transport and store hydrogen, as well as its potential for direct use in power generation and as a marine fuel. To increase domestic demand, the Japanese government has set introduction targets of three million tons annually by 2030 and 30 million tons by 2050. In response, various companies

are currently exploring the production, transport, storage, and use of fuel ammonia. Multiple projects involving numerous firms are now simultaneously entering the FEED and EPC execution phases, aiming to bring ammonia facilities online by 2030.

With the conclusion of this basic agreement, Cosmo Engineering and IHI Plant Services will establish an EPC execution framework for the fuel ammonia business at both companies by leveraging IHI Plant Services' extensive track record in liquefied natural gas (LNG) receiving and storage facilities, along with its achievements in fuel ammonia conversion demonstration experiments at JERA Co., Inc.'s Hekinan Thermal Power Station, and Cosmo Engineering's rich EPC experience and technical expertise in liquefied gas plants. The two companies will also work together to expand the fuel ammonia supply chain, and in addition to fuel ammonia, will explore potential collaboration on facilities for cryogenic liquefied gases such as LNG, for which there is a growing societal need as a low-carbon fuel.

As we enter a transition period in the shift away from conventional fuels, Cosmo Engineering and IHI Plant Services will establish a robust project execution framework to meet the needs of society and customers. By combining their technologies, the two companies will generate synergies and undertake projects related to the fuel ammonia supply chain and facilities for LNG and other cryogenic liquefied gases, thereby contributing to the realization of a low-carbon society.

(End)

(The official language for Cosmo Energy Group's filings with the Tokyo Stock Exchange and Japanese authorities, and for communications with our shareholders, is Japanese. We have posted English versions of some of this information on this website. While these English versions have been prepared in good faith, Cosmo Energy Group does not accept responsibility for the accuracy of the translations, and reference should be made to the original Japanese language materials.)