

Notice Concerning Impact on Daigas Group due to Fire at Its Investee Company

July 4, 2022
Osaka Gas Co., Ltd.

This notice serves to provide information regarding the potential material impact on the Daigas Group due to an incident that occurred as a result of a fire at the plant of Freeport LNG, which the Daigas Group has invested in and purchases LNG from.

1. Potential material impact on the Group's business operations

On June 8, 2022 (June 9, 2022, Japan time), a fire broke out at the liquefaction plant of the Freeport LNG Project (the "Project"), one of the Group's investments and LNG suppliers. The Project's operations at the plant have been suspended since. On June 30 (U.S. time), the Project announced that it expects to partially resume operations in early October 2022, which is an extension of its initially estimated plant shutdown period.

In response to this incident, the Daigas Group has begun preparations to procure replacement LNG during the shutdown period for the volumes the Group originally planned to purchase from the Project, and also has been making arrangements for modification regarding the contracts related to its LNG procurement from the Project: the costs associated with these changes may have a material impact on investors' decisions on investment, depending on future developments.

2. Financial impact on the Daigas Group

Osaka Gas is planning to make an announcement as soon as it concludes the ongoing estimation on the financial impact of this event, including the above response, on its consolidated and non-consolidated financial results for the fiscal year ending March 31, 2023.