

January 21, 2022

Company: Tokyo Gas Co., Ltd.  
Representative: UCHIDA Takashi,  
Representative Corporate Executive  
Officer, President and CEO  
(Securities code: 9531, TSE 1 &  
NSE 1)  
Contact: NAKAJIMA Kei,  
General Affairs Group Manager

**Establishment of a subsidiary in Denmark and joint development of renewable energy in the Nordics through business collaboration with EWII S/I**

Tokyo Gas Co., Ltd. (“Tokyo Gas”) will establish a new subsidiary, TG Nordic ApS (“TG Nordic”), and will participate in the renewable energy business jointly with EWII S/I (“EWII”), through strategic investment via TG Nordic.

**1. Overview of Business**

In accordance with the agreement with EWII, Tokyo Gas will acquire 50% of EWII Production A/S, a subsidiary of EWII engaged in the development and management of renewable energy, via TG Nordic, Tokyo Gas’s new subsidiary in Denmark. After completion of the acquisition, EWII Production A/S will be renamed “TOWII Renewables A/S” (“TOWII”).

**2. Reason for Investment**

Denmark has favourable wind conditions, and therefore presents a suitable environment for the installation of wind farms. Also, the Danish government has announced its intention to reduce CO2 emissions in Denmark to 70% of the emission levels in 1990 by 2030, and to achieve carbon neutrality in Denmark by 2050. This policy is expected to bring further growth of renewable energy in the country. Tokyo Gas and EWII will jointly contribute to de-carbonization of the Nordics by developing and managing renewables via TOWII.

**3. Future Outlook**

Tokyo Gas will establish TG Nordic in January 2022 and invest in EWII Production A/S through TG Nordic in March of the same year. After completion of the investment, TG Nordic will start to develop renewable energy in Denmark with EWII, expand the scope of its business to other Nordic countries, and aim to develop approximately 1 GW of renewable energy in the Nordics by 2030. The impact of this transaction on the consolidated financial results for the fiscal year under review is expected to be minimal.

#### 4. Company Profile of TG Nordic

Company Name	TG Nordic ApS	
Major Shareholders and Shareholding Ratio	Tokyo Gas Co., Ltd. (100%)	
Representative	SUZUKI Hiroyuki	
Establishment	January 2022	
Head Office	Copenhagen, Denmark	
Business	Investment in renewable energy projects in Nordics, including Denmark	
Share Capital (upon completion of the investment in EWII Production A/S)	Approximately 3 billion JPY	
Relationship between Tokyo Gas and TG Nordic	Capital Relationship	Owned 100% by Tokyo Gas
	Management Relationship	A Tokyo Gas employee will be appointed as the president and board member of TG Nordic
	Transaction Relationship	N/A

#### 5. Company Profile of EWII

EWII is a regional multi-utility company based in Kolding, Denmark, and its business is based in electricity, water, heating and fiber network. EWII has a strong focus on R&D and close co-operation with leading Danish universities on exploring the possibilities within renewables. EWII's focus on renewable energy has enabled the company's tremendous growth in the past few years.

EWII's subsidiary, EWII Production A/S, owns and operates 10 onshore wind projects in Denmark with a total capacity of 54.5 MW.

Company Name	EWII S/I		
Representative	Lars Bonderup Bjørn (CEO)		
Date of establishment	July 1, 1867		
Head Office	Kokbjerg 30, 6000 Kolding, Denmark		
Business	Energy infrastructure business (electricity, water, heat supply, etc.), telecommunications infrastructure business		
Total Equity	4,588 million DKK (80,611 million JPY)* *The exchange rate used is 17.57 JPY/DKK (As of January 17, 2022)		
Relationship between EWII and Tokyo Gas	Capital Relationship	N/A	
	Management Relationship	N/A	
	Transaction Relationship	N/A	
	Status as a Related Party	N/A	
Consolidated Financial Status of EWII S/I for the Last Three Years			
Fiscal Year	December 2018	December 2019	December 2020
Total Equity	4,085,040,000 DKK 68,751 million JPY	4,534,087,000 DKK 73,906 million JPY	4,588,491,000 DKK 77,775 million JPY
Total Assets	9,343,040,000 DKK 157,243 million JPY	9,738,886,000 DKK 158,744 million JPY	9,728,196,000 DKK 164,893 million JPY
Total Revenue	1,211,913,000 DKK 20,396 million JPY	1,767,098,000 DKK 28,804 million JPY	1,523,673,000 DKK 25,826 million JPY
Gross Profit	380,370,000 DKK 6,402 million JPY	933,371,000 DKK 15,214 million JPY	683,278,000 DKK 11,582 million JPY
EBITDA	296,277 DKK 5 million JPY	678,206,000 DKK 11,055 million JPY	418,584,000 DKK 7,095 million JPY
Net Profit	(203,942)DKK (3) million JPY	515,553,000 DKK 8,404 million JPY	51,289,000 DKK 869 million JPY
Exchange Rate*	16.83 JPY/DKK	16.30 JPY/DKK	16.95 JPY/DKK

\*The exchange rate is the rate at the end of each fiscal year.

**6. Company Profile of JV** (expected as of March 2022)

Company Name	TOWII Renewables A/S	
Major Shareholders and Shareholding Ratio	EWII A/S (50%) TG Nordic ApS (50%)	
Representative	Oliver Wolgast	
Date of Change in Company Name	March 2022 (tentative)	
Timing of Investment	March 2022 (tentative)	
Head Office	Kolding, Denmark	
Business	Development and operation of renewable energy business	
Capital	TBD	
Fiscal Year End	December	
Net assets	TBD	
Total assets	TBD	
Relationship between JV, EWII, and Tokyo Gas	Capital Relationship	EWII A/S (50%) TG Nordic ApS (50%)
	Management Relationship	Executives and board members from EWII and Tokyo Gas will be dispatched.
	Transaction Relationship	N/A

**7. [Appendix] Overview of Projects after Establishment of JV**

Project	Turbine Type	Number of Turbines	Capacity	Commercial Operation Year
Brorstrup	SWT 3.6-120	2	7.2 MW	2010
Allestrupgaard	V-90	3	6 MW	2015
Ilshøj	V-90	3	6 MW	2014
Ny Ulfborg	SWT 3.6-120	3	10.8 MW	2010
Ulfborg/Nees	SWT 3.6-120	3	10.8 MW	2010
Vildbjerg	V-112	2	6 MW	2012
Vognkaer	V-90	1	3 MW	2010
Gamst	V-52	1	0.85 MW	2009
Københoved	V-52	3	2.55 MW	2008
Marstrup	N-60	1	1.3 MW	2000

January 21, 2022

## Tokyo Gas and EWII S/I agreed to develop 1 GW of renewable energy in the Nordics by 2030

Tokyo Gas Co., Ltd. (“**Tokyo Gas**”) and EWII S/I (“**EWII**”) agreed to jointly participate in the renewable energy business.

In 2022, Tokyo Gas will acquire 50% of EWII Production A/S, a subsidiary of EWII engaged in the development and management of renewable energy, and benefit from the 27 MW of the wind power assets held by EWII Production A/S, through Tokyo Gas’s new subsidiary in Denmark, TG Nordic ApS. After completion of the acquisition, EWII Production A/S will be renamed “TOWII Renewables A/S”.

EWII and Tokyo Gas will jointly develop renewable energy assets not only in Denmark\*, but also in other Nordic countries, and will contribute to de-carbonization of the Nordics by aiming to develop 1 GW of renewable energy in the region by 2030.

\*The Danish government has announced its intention to reduce CO2 emissions in Denmark to 70% of the emission levels in 1990 by 2030, and to achieve carbon neutrality in Denmark by 2050. This policy is expected to bring further growth of renewable energy in the country.

<Commentary from EWII S/I CEO Lars Bonderup Bjørn>

We are very proud to establish this joint effort with Tokyo Gas. Not only have we partnered up with a financially strong energy company with whom we have a shared interest in the green transition. Also, we see this partnership as a potential to contribute to our global climate challenge, and for both parties there are mutual benefits and mutual learnings to make from a cooperation. Denmark has a long tradition in renewable energy and EWII has been part of the journey for many years, and our intention is to give as well as to gain from the co-operation.

<Commentary from Tokyo Gas Co., Ltd. President & CEO, Takashi Uchida>

We are very pleased to have the opportunity to participate in the renewables business together with EWII, who has been operating in the onshore wind business for many years. This project

will be our first step to participate in the renewables business in Europe, and at the same time, it will be a big challenge for us. Through the collaboration with EWII, we will aim to develop 1 GW of renewable energy, and also contribute to the achievement of CO2 net zero, as stated in our “Compass2030” initiative.

**【Company Profile of TG Nordic ApS】**

Company Name	TG Nordic ApS
Shareholder	Tokyo Gas Co., Ltd. (100%)
Representative	SUZUKI Hiroyuki
Date of Establishment	January 2022
Head Office	Copenhagen, Denmark
Business	Strategic investment in the Nordics renewable energy sector
Share Capital (upon completion of the investment in EWII Production A/S)	Approximately 3 billion JPY

**【Company Profile of TOWII Renewables A/S】**

Company Name	TOWII Renewables A/S
Shareholder	TG Nordic ApS (50%) EWII A/S (50%)
Representative	Oliver Wolgast
Date of Change in Company Name	March 2022 (tentative)
Head Office	Kolding, Denmark
Business	Strategic investment in the Nordics renewable energy sector

**【Company Profile of EWII】**

EWII is a multi-utility company based in Kolding, Denmark, and its business is based in electricity, water, heating and fiber network. EWII has a strong focus on R&D and close co-operation with leading Danish universities on exploring the possibilities within renewables. EWII’s focus on renewable energy has enabled the company’s tremendous growth in the past few years.

Company Name	EWII S/I ( <a href="https://www.ewii.dk/international/">https://www.ewii.dk/international/</a> )
Representative	Lars Bonderup Bjørn (CEO)
Date of Establishment	July 1867

Head Office	Kolding, Denmark
Business	Energy infrastructure services (electricity, water, heat supply, etc.) and telecommunications infrastructure services
Share Capital	4,588 million DKK (80,611 million JPY)* *based on an exchange rate of 17.57 JPY/DKK (as of 17 January, 2022)

EWII's subsidiary, EWII Production A/S, owns and operates 10 onshore wind projects in Denmark with a total capacity of 54.5 MW.