



MEMBERSHIP

March 27, 2026

For immediate release

Company name: K&O Energy Group Inc.  
 Representative: Akio Midorikawa  
 Representative Director and President  
 (Securities code: 1663; TSE Prime Market)  
 Inquiries: Hironari Ishida  
 Manager of Corporate Administration Div.  
 (Tel. +81-(0)475-27-1011)

### Matters Concerning Controlling Shareholder, Etc.

K&O Energy Group Inc. (the “Company”) hereby announces that, with regard to Air Water Inc., which is the Company’s “other affiliated company” as defined in the Regulation on Financial Statements of the Company, the matters concerning controlling shareholders, etc. are as described below.

1. Trade name, etc. of parent company, controlling shareholder (excluding parent company), or other affiliated company

(As of December 31, 2025)

Name	Attribute	Ratio of voting rights held (%)			Financial instruments exchange, etc. on which the issued shares, etc. are listed
		Voting rights directly held	Voting rights subject to aggregation	Total	
Air Water Inc.	Other affiliated company	17.1	—	17.1	Prime Market of Tokyo Stock Exchange, Inc. Sapporo Securities Exchange

2. Positioning of the Company within the corporate group centering on the parent company, etc. and other relationships between the Company and the parent company, etc.
  - A) Positioning of the Company within the corporate group centering on the parent company, etc. and business, personnel, and capital relationships with the parent company, etc. and its group companies

Air Water Inc. is a major shareholder owning 17.1% of voting rights of the Company, and the Company is an equity-method affiliate of Air Water Inc. Air Water Inc. is engaged in the manufacture and sale of products in the industrial gases, chemicals, medical, agriculture and food, and energy-related fields.

The Company entered into a capital and business alliance agreement with Air Water Inc. Effective January 6, 2014, with the aim of developing its businesses and enhancing corporate value through the sharing of sales channels, technologies, and know-how. Our subsidiaries conduct transactions with Air Water Inc., including sales of iodine to Air Water Inc. and purchases of butane from Air Water Inc. In terms of personnel matters, an individual from Air Water Inc. has been appointed as a Director of the Company. There are no concurrent officer positions between the two companies.

- B) Business constraints, risks, and benefits arising from belonging to the corporate group of the parent company, etc., as well as the impact on management and business activities from business, personnel, and capital relationships with the parent company, etc. and its group companies

The Company has entered into a capital and business alliance agreement with Air Water Inc. with the aim of developing our businesses and enhancing corporate value through the sharing of technologies and know-how. At the same time, the Company maintains autonomy in its business operations and transactions, and there are no business constraints such as matters requiring approval from Air Water Inc.

- C) Policies and measures to ensure a certain level of independence from parent company, etc.

The Company operates its business based on its group management philosophy and management policies formulated on its own. In addition, since only a small proportion of the Company's Directors come from Air Water Inc. , and the transaction terms between the Company's subsidiaries and Air Water Inc. are determined through reasonable methods with reference to market prices, the Company believes it is in a position that enables independent management decision-making.

- D) Status of ensuring a certain level of independence from parent company, etc.

The Company operates its business based on its own group management philosophy and policies, with no business constraints imposed by Air Water Inc. The appointment of executive personnel originating from Air Water Inc. to the Company does not hinder the Company's ability to make its own management decisions. Accordingly, the Company considers that a certain level of independence is ensured.

3. Matters concerning transactions with controlling shareholder, etc.

Given that the amount of transaction made between the Company and its subsidiaries and Air Water Inc. in the fiscal year ended December 31, 2025 (from January 1, 2025 to December 31, 2025) was minimal, there are no material matters to disclose.

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