



ENEOS

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ENEOS Group

Progress of Initiatives

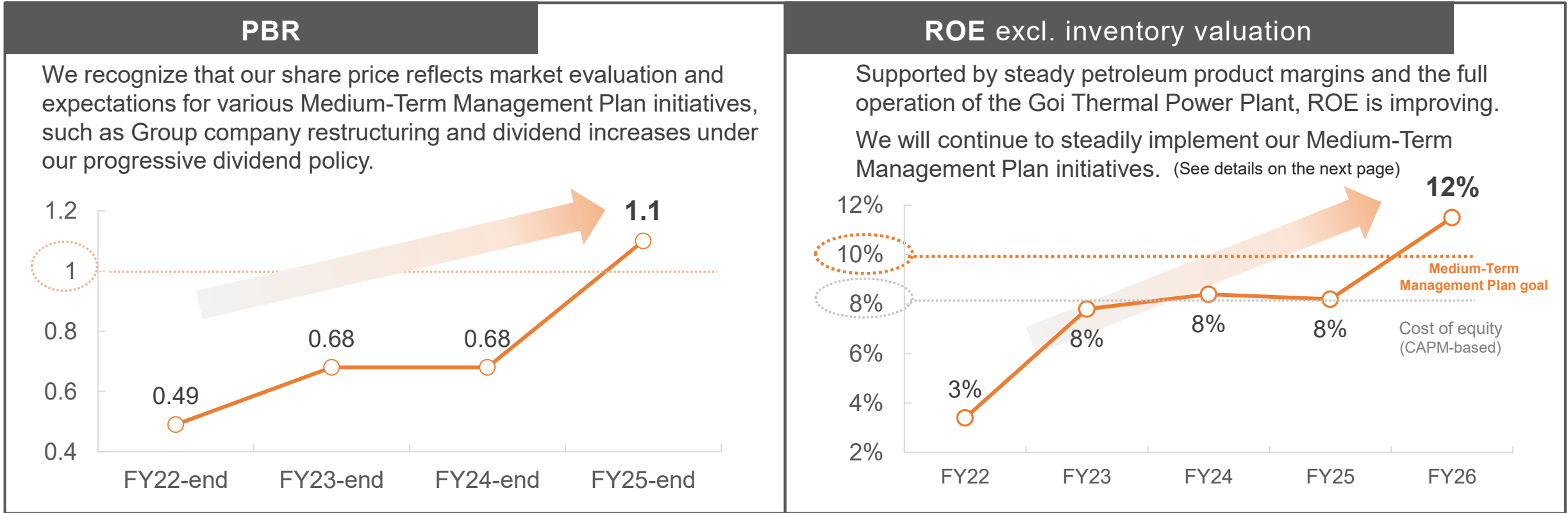
Aimed at Enhancing Corporate Value

ENEOS Holdings, Inc.
[E'-ne-ohs]

ENEOS Group Japan's Premier Energy and Materials Corporate Group

Current Recognition of Initiatives to Enhance Corporate Value

- As of the end of March 2026, PBR has improved to a level above 1.0 times.
- While ROE has been maintained at a level exceeding our cost of equity, further improvements in ROE remain a key challenge in driving additional upside in PBR.



Further improvement of ROE is key to enhancing PBR

$$\text{PBR} \uparrow = 1 + \frac{\text{Equity spread } (\text{ROE} \uparrow - \text{Cost of equity})}{\text{Cost of equity} - \text{Growth rate}}$$

Initiatives to Enhance Corporate Value

- ROE improvement will be driven through initiatives under the Fourth Medium-Term Management Plan, including disciplined investment execution to restructure the business portfolio and maximize profitability of existing businesses through thorough improvement of efficiency.

Portfolio restructuring

Expansion of overseas petroleum business

- Decided to participate in petroleum refining and sales business in Southeast Asia and Australia. (Closing expected in 2027)
- While domestic oil demand continues to decline, we will capture demand growth in Southeast Asia and Australia **by acquiring cost-competitive, export-oriented refinery and downstream businesses that generate stable margins.**
- **Aim to achieve an EBITDA of US\$380 million and operating profit of US\$250 million in FY2030** through the optimization of petroleum and lubricants sales and the expansion of our trading business.



Additional sale of JX Advanced Metals shares

- To facilitate the transformation of our business portfolio and maximize corporate value, we have decided to tender shares in response to JX Advanced Metals' tender offer for treasury stock.

Maximize profitability of existing businesses

Restructuring Group companies' organization and structure

- Holding policies for each Group company have been determined. **We plan to reduce the number of consolidated subsidiaries by approximately 100 from the level as of March 31, 2025.** (Excl. the NIPPO Group and paper companies, etc.)
- Enhance Group-wide ROIC by strengthening governance over the companies we retain.

Promotion of AI utilization

- By leveraging AI across the supply chain and operations, we will promote initiatives to improve operational efficiency and streamline the organization.

Enhance refinery competitiveness

- Initiatives to reduce operational issues have begun to deliver tangible results.
- Alongside improvements in planned operating performance through capital investment, we aim to achieve refinery utilization rates (excl. periodic repairs) of 90% by FY2027.

This notice contains certain forward-looking statements, however, actual results may differ materially from those reflected in any forward-looking statements, due to various factors, including but not limited to, the following:

- (1) macroeconomic conditions and changes in the competitive environment in the energy, resources and materials industries;
- (2) changes in laws and regulations; and
- (3) risks related to litigation and other legal proceedings