Securities Code | Tokyo 5020

August 7, 2026

ENEOS Group

FY2026 Q1 Financial Results

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

ENEOS Group Japan's Premier Energy and Materials Corporate Group

Agenda

1 Progress of the Fourth Medium-Term Management Plan

Portfolio Restructuring

U.S. C4 Materials Business M&A -Project Overview-

Target	・100% of the shares of TPC Holdings, Inc. Location: Houston, Texas, USA Business: Separation and purification of C4[1] fractions, including butadiene, and the manufacture and sale of derivative products
Seller	・Redwood Capital Management (40.5%) ・Monarch Alternative Capital (21.4%) ・PGIM (19.8%) and others
Buyer	・ENEOS Holdings USA Inc. (Investment holding / Management)
Profitability[2]	・Operating Profit: Approximately 100 MUSD[3] [¥15.5 bn] ・EBITDA: Approximately 200 MUSD[3] [¥31.0 bn] → Following the acquisition, we aim to generate synergies by leveraging and deploying our expertise in safe and reliable operations, thereby further enhancing profitability.
Schedule	・Closing expected October 2026 Following the closing, the business and financial results will be managed under the High Performance Materials segment.

Investment Scheme Overview

ENEOS Holdings

↓ 100%

ENEOS Holdings USA

↓ 100%

TPC Holdings, Inc.

▼ TPC manufacturing facility: Houston operations

1 C4 hydrocarbons, including butadiene, butenes, and butanes 2 Converted into Japanese yen at an assumed exchange rate of 155 JPY/1 USD
3 Average FY2023-FY2025 actuals, excluding one-time factors

ENEOS Holdings, Inc.

U.S. C4 Materials Business M&A -Overview of TPC Holdings-

- Produces butadiene and C4 derivative products by separating and purifying crude C4 sourced from petrochemical companies and other suppliers.
- Many of the key products hold the No.1 market share in North America. Following the acquisition, the combined butadiene production capacity is expected to rank third globally[1].

Key Products / North American Market Shares

(Lower section of each box: End-use products)

Butadiene
No. 1

Synthetic rubber

1-Butene
No. 1

Packaging materials

Raffinate
No. 1

Gasoline blending base materials

PIB
No. 1

Lubricant additives

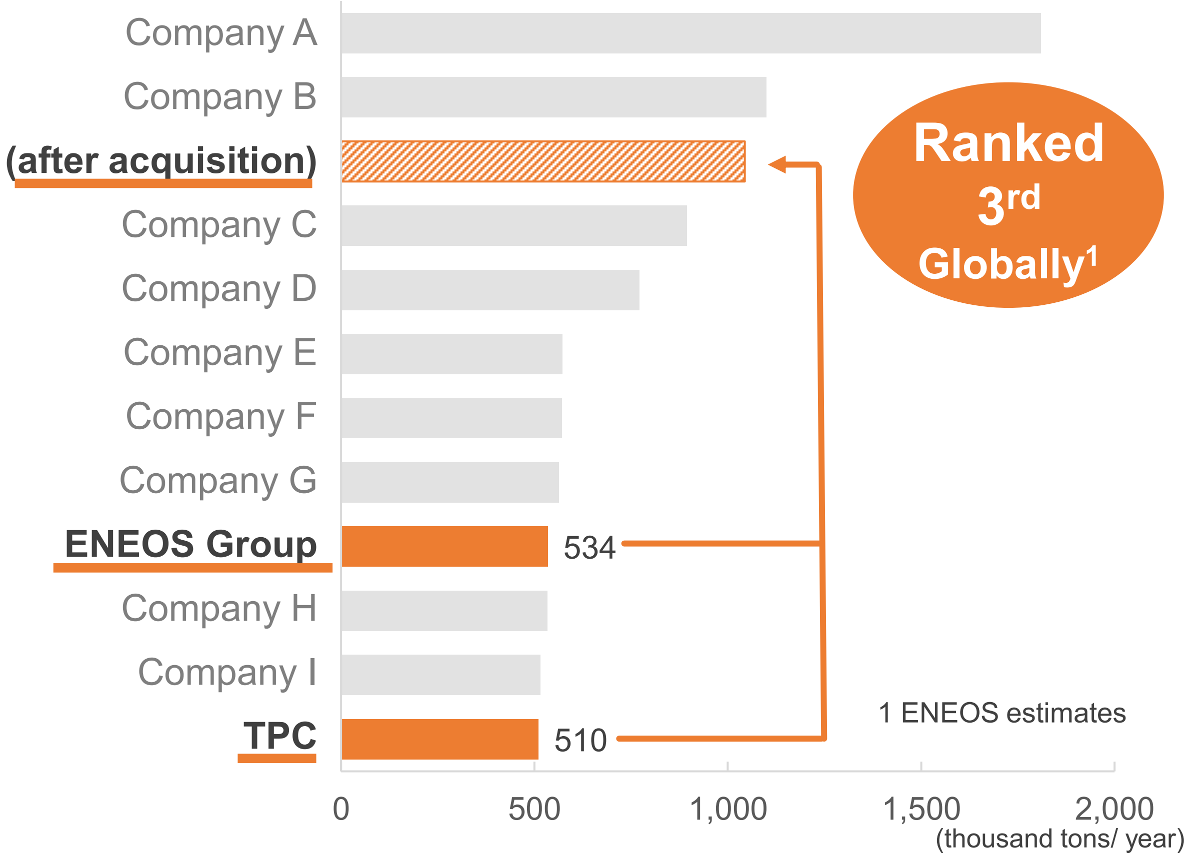
DIB
No. 1

Tire additives

MTBE
No. 3

Octane enhancer

Global Butadiene Production Capacity Ranking



1 ENEOS estimates

U.S. C4 Materials Business M&A -Strategic Rationale-

- The Materials business is positioned as a key growth driver, and our entry into the steadily growing U.S. market will provide a new earnings platform.
- The C4 business is a core area of strength for our Group. We will generate synergies by leveraging our expertise in safe and reliable operations, while pursuing additional M&A opportunities in North America to further grow and enhance the business, supported by our global customer base.

Attractiveness of the U.S. Materials Market

A mature but still **steadily growing market**

Access to low-cost, stable feedstock derived from shale gas

U.S. chemical demand **approx. 8x** that of Japan

Low country risk

Our Strengths and Future Development

C4 Business Supply Chain

Up-stream	Ethane cracker companies
	↓ Crude C4
Mid-stream	**Butadiene producers**
	↓ Butadiene, etc.
Down-stream	**Elastomer producers** etc.

Positioning of the Group and the Acquired Business in the C4 Supply Chain

Our Group's Business Areas and Strengths (Asia / Europe)

ENEOS

World's 3rd-largest butadiene production capacity[1] (after acquisition)

Proven expertise in safe, reliable operations

Strong relationships with global customers

→

Future Business Areas (North America)

(To be acquired) TPC Group

↓

Pursue growth opportunities through additional M&A and **strategic investments**

1 ENEOS estimates

2 Progress of the Fourth Medium-Term Management Plan

Transformation to a Robust Management Structure etc.

Restructuring Group Companies' Organization and Structure

- Reduced the number of Group companies by 15 from March 31, 2025 to June 30, 2026 through non-core divestitures and restructuring. We aim to increase Group-wide ROIC by reducing the number of Group companies — targeting a reduction of roughly 100 — and by strengthening governance at those retained.

Remaining Companies under Review

	March 31, 2025	Announced in May March 31, 2026	June 30, 2026	Number of companies reduced
Consolidated subsidiaries	651 companies	625 companies	624 companies	27 companies
NIPPO Group and paper companies, etc.	376 companies	363 companies	364 companies	12 companies
Companies under review	**275** companies	**262** companies	**260** companies	**15** companies

Plan to reduce the number of consolidated subsidiaries to approximately 170

(a reduction of about 100 companies from March 31, 2025)

Group Company Holding Policy Decision Process

Announced in May

Retention/exit assessment → If it is not a core business of principal operating companies, → **Sell at an appropriate price or withdraw from the business**

We will not pursue transactions below fair value, even if that means a longer timeline.

Vertical integration assessment → If there is no rational reason to separate from principal operating companies, → **Absorb into a principal operating company**

Horizontal integration assessment → If there is no rational reason to retain as a separate company, → **Integrate or consolidate among Group companies**

To be retained → Set requirements for governance and **build an integrated governance structure linking Group companies, principal operating companies, and HD (CxOs)**.

Response to Recent Middle East Disruptions

- Amid recent disruptions in the Middle East, we maintained a stable domestic energy supply on the strength of our fully integrated value chain — from crude procurement through refining, logistics and sales.
- We will review our medium- to long-term crude procurement strategy from multiple perspectives, including energy security, while ensuring economic viability.

Maintaining a Stable Domestic Supply

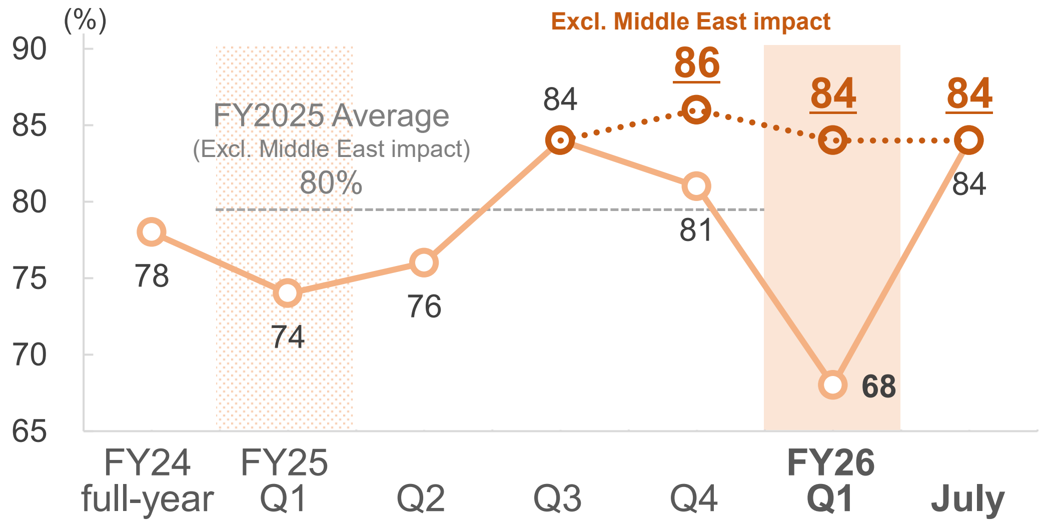
- In Q1, Middle East crude imports through the Strait of Hormuz fell sharply amid disruptions to the waterway.
- We nonetheless maintained a stable domestic energy supply by diversifying our sourcing, as follows:
  - ✓ Increasing U.S. crude imports
  - ✓ Sourcing Middle East crude via routes bypassing the Strait of Hormuz
  - ✓ Utilizing national petroleum reserves and joint oil stockpiles with oil-producing countries

Despite ongoing uncertainty in the Middle East, we remain committed to ensuring a stable energy supply.

Refinery Utilization

- Refinery utilization rate excluding periodic repairs was 68% in Q1, reflecting the impact of the Middle East disruptions. **Excluding this impact, utilization remained solid at 84%.** We continue to target 90% by FY2027 through trouble reduction and capital investment aimed at raising utilization.

Historical Refinery Utilization Rate (excl. periodic repairs)



(Reference) Cash Allocation

- In addition to the previously announced Petroleum Refining and Sales businesses M&A, the management allocation framework has been utilized to fund the U.S. C4 Materials business M&A and other investments.
- The remaining allocation capacity will be allocated to the options expected to deliver the greatest contribution to long-term corporate value, including both growth investments and shareholder returns.

Progress of Cash Allocation

(¥100 bn)	FY2025 Actual	FY2026 Estimate	FY25-FY26
Business maintenance & strategic investment	3.1	5.8	8.9
Management allocation utilized	0.2	**6.8** [1]	**7.0**
Capital investment (incl. decided M&A[1])	**3.3**	**12.5**	**15.8**
Dividends[2]	0.9	[0.9]	[1.8]
Dividend per share	¥34/share	[¥34/share]	
Share buybacks		Announced in May **0.5**	0.5
Additional returns equivalent to those calculated based on a two-year total payout ratio of 50%	To be considered based on performance, including method.	**Approx. 1.0**	Approx. 1.0
Shareholder returns	**0.9**	**Approx. 2.4**	**Approx. 3.3**

1 Incl. Petroleum Refining & Sales businesses M&A in Southeast Asia/Australia (to be recorded in FY2027), U.S. C4 materials business M&A, re-entry into the Malaysia LNG Tiga project, etc. 2 Based on the resolution date

Our Cash Allocation Approach

Growth Investments (Key Areas Under Consideration)

- Mainly Overseas — **Fuel Products/ Trading Assets**
- Mainly Overseas — **Chemicals/ Materials**
- Overseas — **Natural Gas**
- Mainly Domestic — **Businesses that enhance competitiveness and generate synergies in existing businesses**

Compare Expected Returns and Capital Efficiency

Shareholder Returns

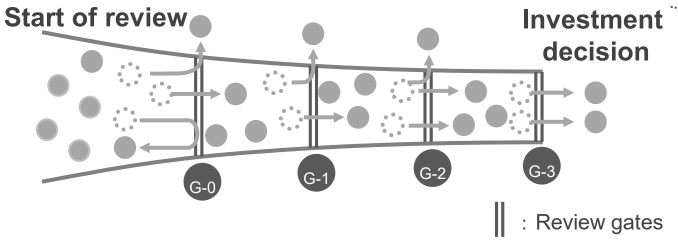
- **Share Buybacks/ Dividends**

Allocate Capital to the Options with the Greatest Potential to Enhance Long-Term Corporate Value

(Across Growth Investments and Shareholder Returns)

Evaluating multiple deals valued at several hundred billion yen

(currently being screened under the stage-gate system)



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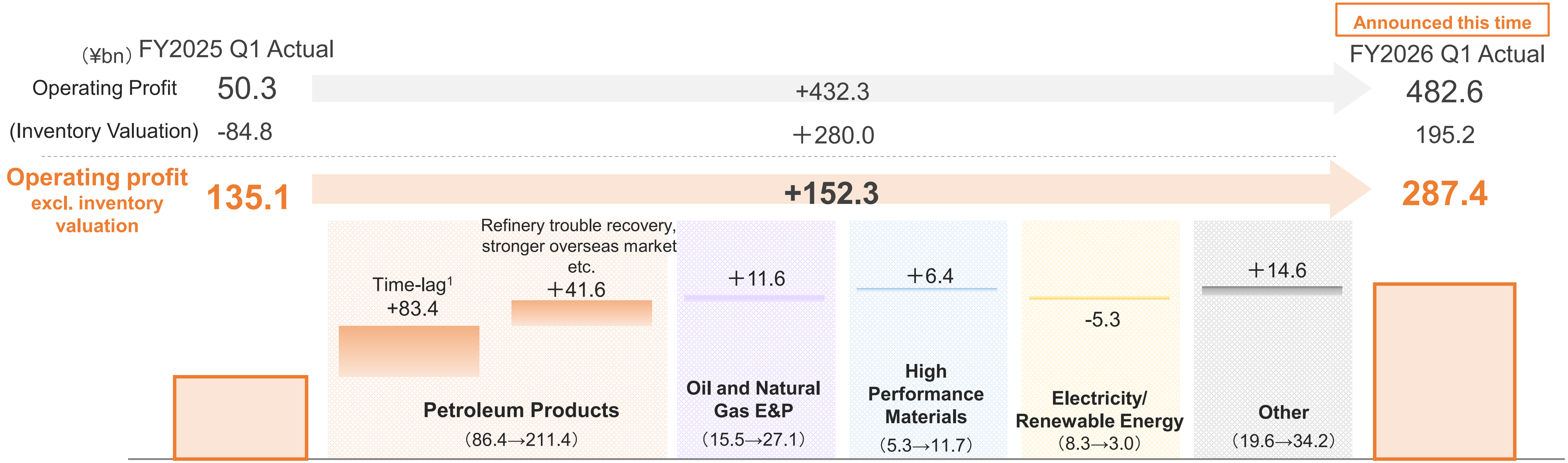
3 Financial Highlights

Highlights of FY2026 Q1 Financial Results

- **Operating profit increased year on year**, driven by the Petroleum Products business, reflecting positive time-lag effects, a significant recovery from refinery troubles, and stronger overseas market conditions.



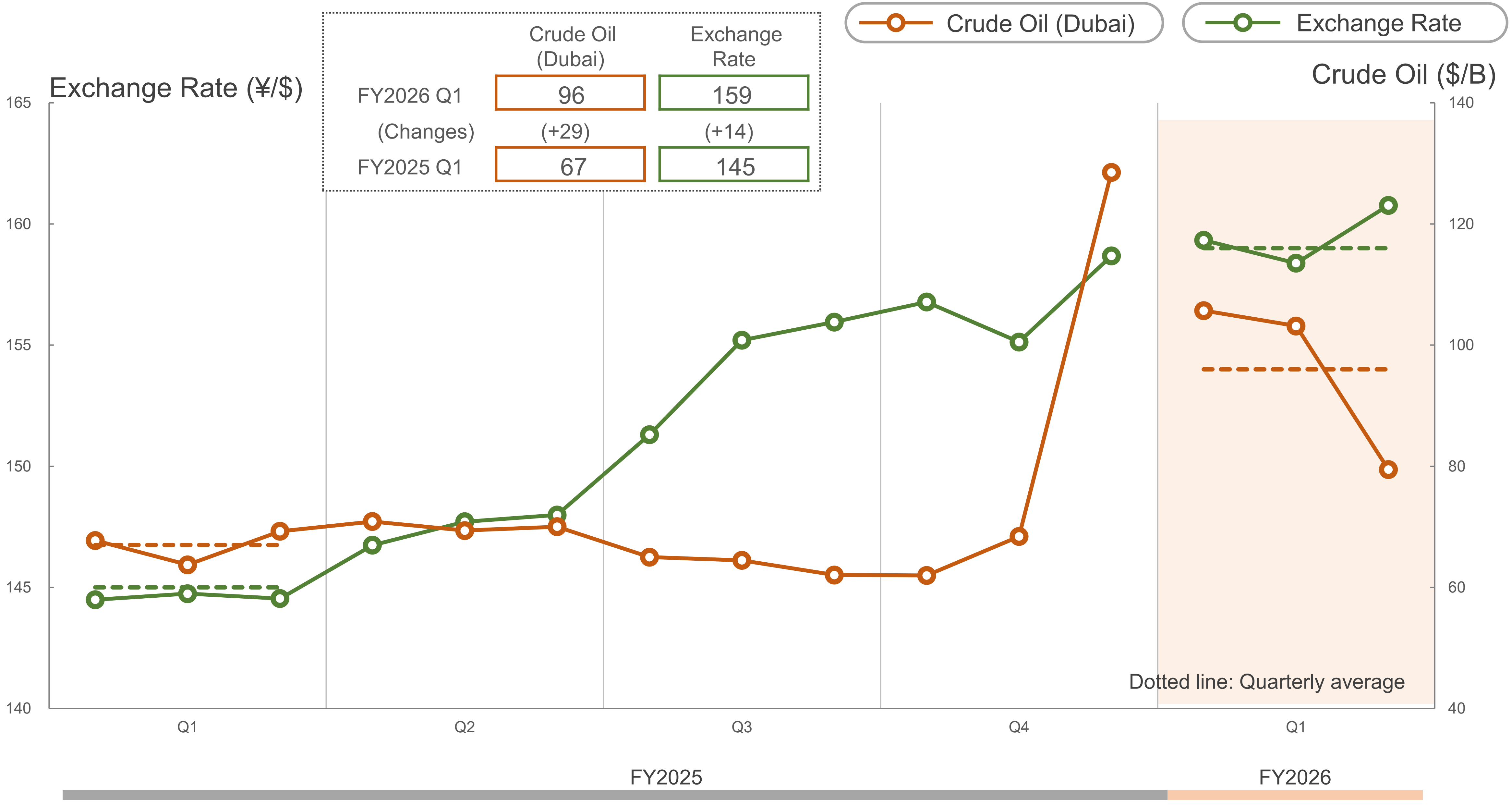
FY2026 Full-year Outlook	■ FY2026 full-year outlook unchanged from May announcement ✓ Q1 results exceeded the plan, led by stronger overseas product margins. However, conditions in the Middle East have yet to normalize, contrary to our full-year outlook assumption that the impact would be limited to April–May 2026. While favorable margins may persist, the net earnings impact — spanning both crude procurement and exports — cannot yet be reliably quantified. We therefore maintain our full-year outlook.

1 The time-lag includes period shifts caused by the impact of the Middle East situation.

4 Business Environment

Crude Oil (Dubai) / Exchange Rate

	Crude Oil (Dubai)	Exchange Rate
FY2026 Q1	96	159
(Changes)	(+29)	(+14)
FY2025 Q1	67	145



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5 FY2026 Q1 Financial Results

FY2026 Q1 Financial Results Summary

		FY2025 Q1 Actual	FY2026 Q1 Actual	Changes	
Crude oil (Dubai)	($ / B)	67	96	+29	+43%
Exchange rate	(¥ / $)	145	159	+14	+10%
Revenue	(¥ bn)	2,870.0	3,407.8	+537.8	+19%
Operating profit	(¥ bn)	**50.3**	**482.6**	+432.3	+859%
Inventory valuation	(¥ bn)	-84.8	195.2	+280.0	—
Net finance costs	(¥ bn)	-5.9	-4.9	+1.0	—
Profit before tax	(¥ bn)	44.4	477.7	+433.3	+976%
Profit attributable to owners of the parent	(¥ bn)	-14.5	415.0	+429.5	—

Excl. inventory valuation

		FY2025 Q1 Actual	FY2026 Q1 Actual	Changes	
Operating profit	(¥ bn)	**135.1**	**287.4**	+152.3	+113%
Profit attributable to owners of the parent	(¥ bn)	**44.9**	**278.4**	+233.5	+520%

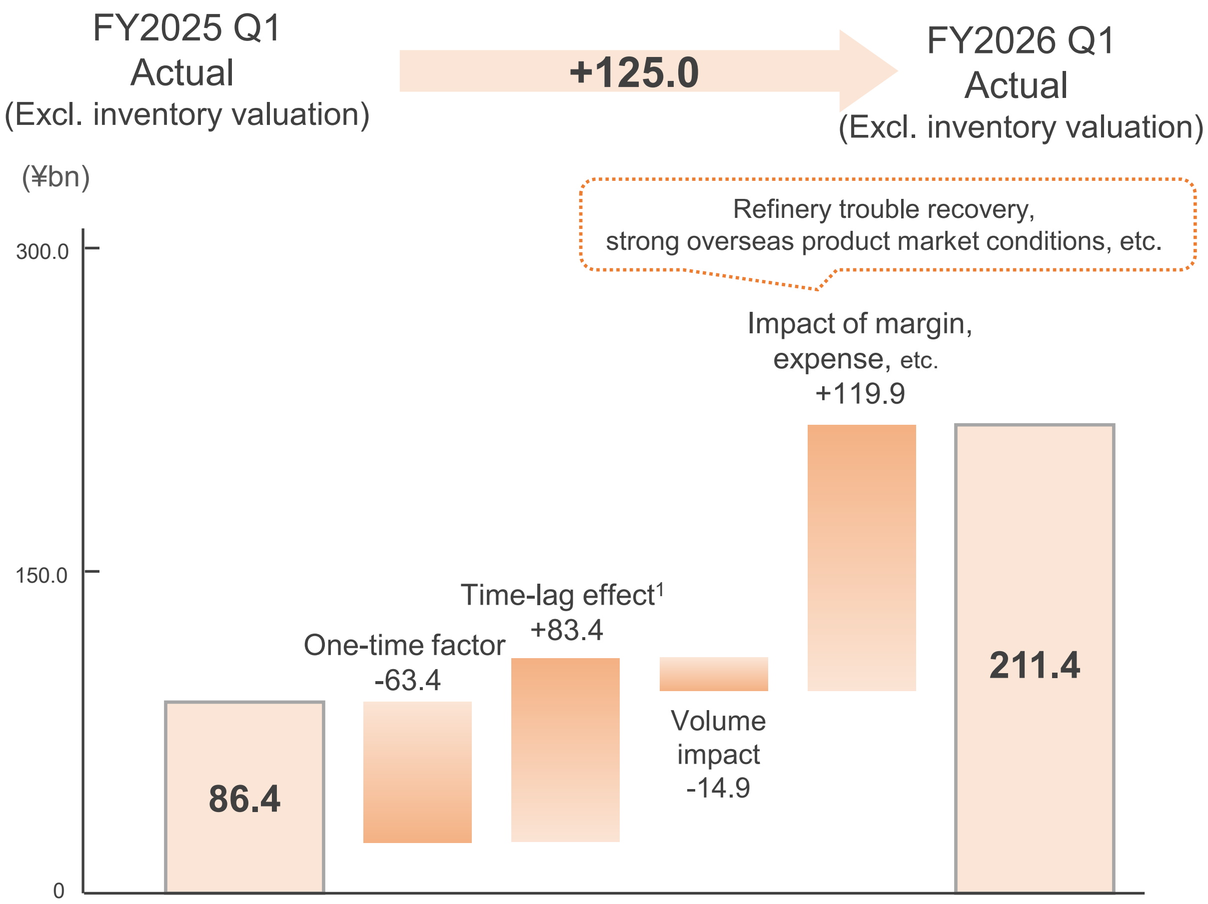
Operating Profit by Segment

(¥ bn)

	FY2025 Q1 Actual	FY2026 Q1 Actual	Changes	
Operating Profit (excl. inventory valuation)	135.1	**287.4**	+152.3	+113%
Petroleum Products	1.6	406.6	+405.0	–
Inventory valuation	-84.8	195.2	+280.0	–
Excl. inventory valuation	86.4	**211.4**	+125.0	+145%
Oil and Natural Gas E&P	15.5	**27.1**	+11.6	+75%
High Performance Materials	5.3	**11.7**	+6.4	+121%
Electricity	8.0	**2.7**	-5.3	-66%
Renewable Energy	0.3	**0.3**	±0	–
Other	19.6	**34.2**	+14.6	+74%
Metals	8.0	22.0	+14.0	+175%
NIPPO, consolidation adjustment, etc.	11.6	12.2	+0.6	+5%

Operating Profit – Petroleum Products excl. inventory valuation

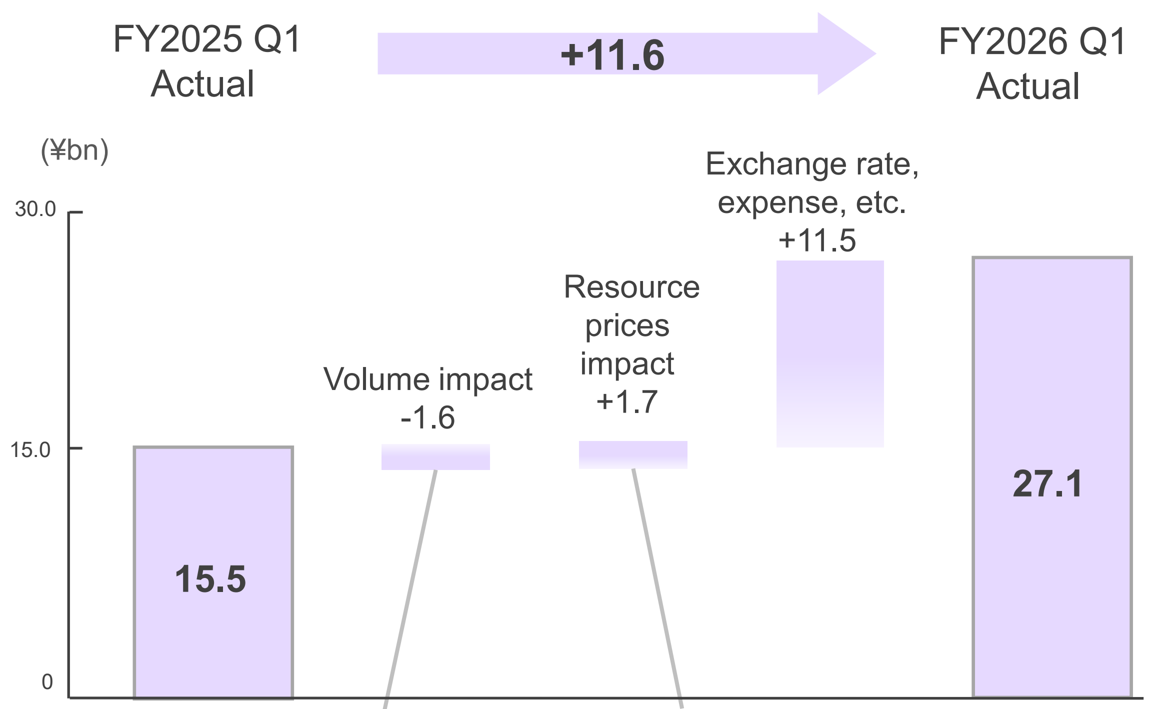
Earnings increased, supported by a significant reduction in refinery troubles and stronger overseas product market conditions, despite the absence of gains from the sale of the marine transportation business and lower export volumes due to the Middle East situation.



1 The time-lag includes period shifts caused by the impact of the Middle East situation.

Operating Profit – Oil and Natural Gas E&P

Earnings increased on higher resource prices and a weaker yen.



Sales volume (1,000 BD)

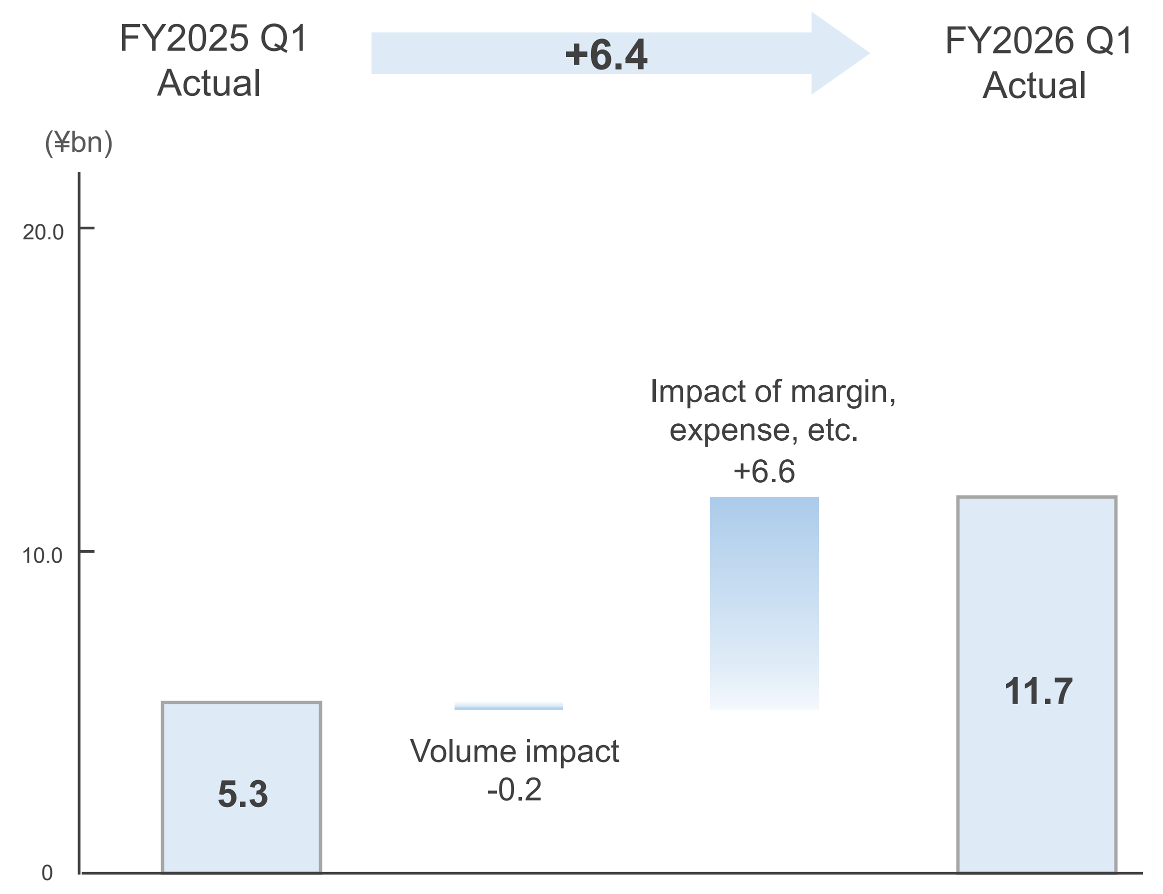
	FY25 Q1	FY26 Q1
Total	95	92
Gas	66	69
Oil	29	23

Oil prices ($/B)

	FY25 Q1	FY26 Q1
Brent FY	67	97
Brent CY	75	78
Dubai	67	96

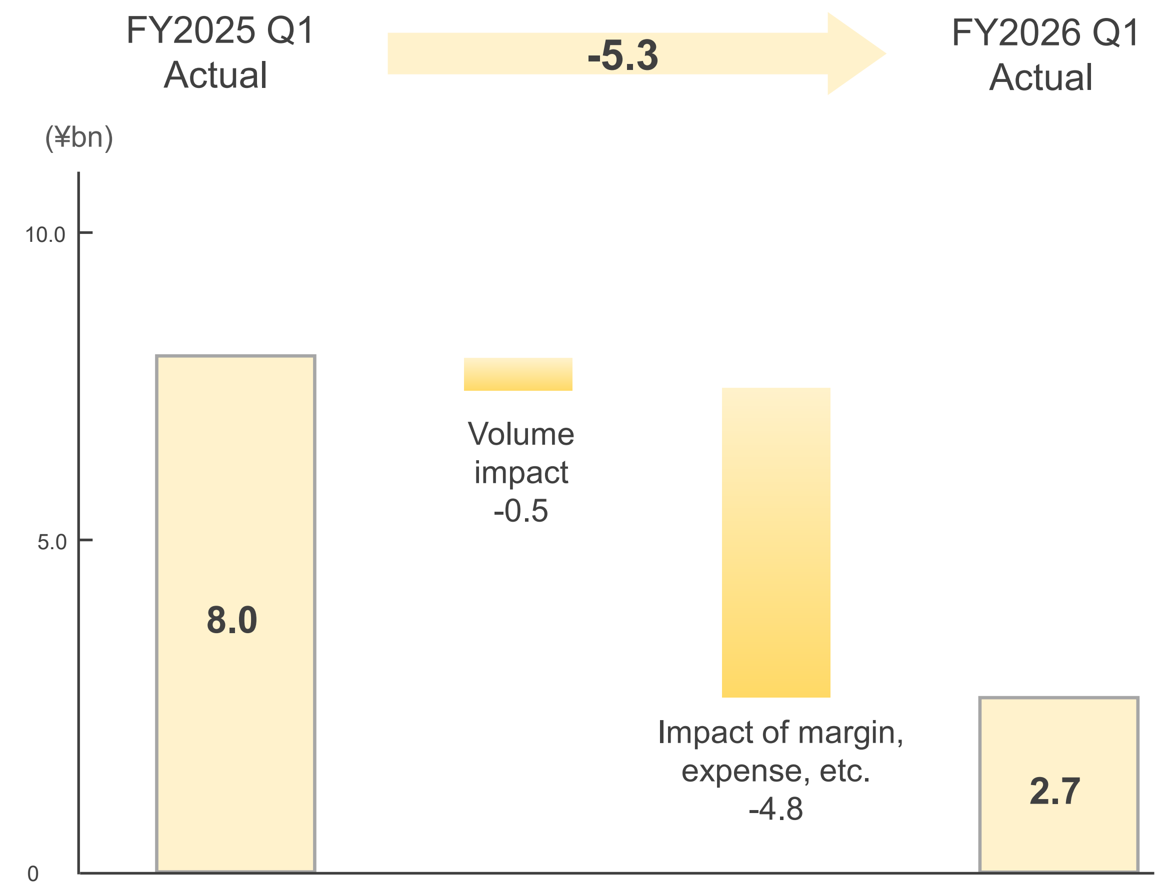
Operating Profit – High Performance Materials

Earnings increased, mainly due to higher butadiene prices.



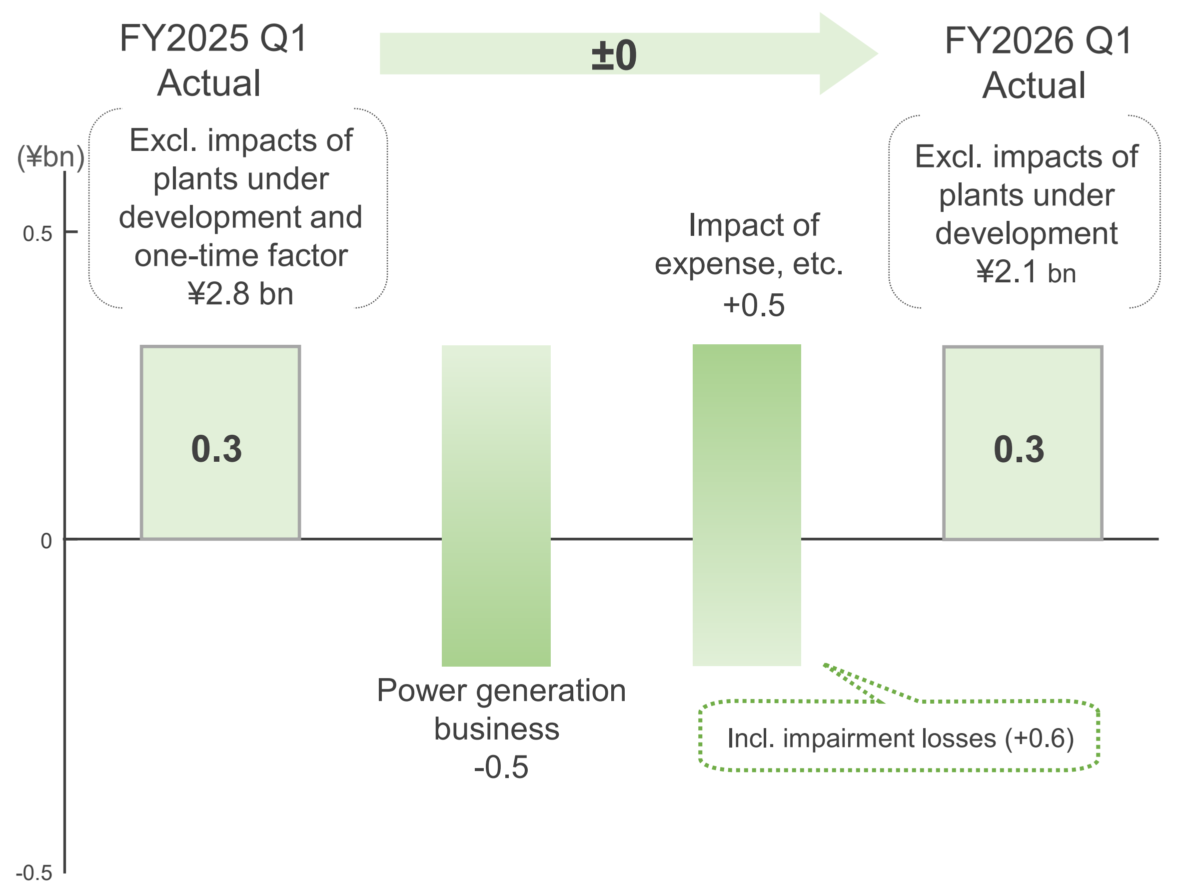
Operating Profit – Electricity

Earnings decreased, mainly due to the expiry of the interconnection line scheme and higher power procurement costs.



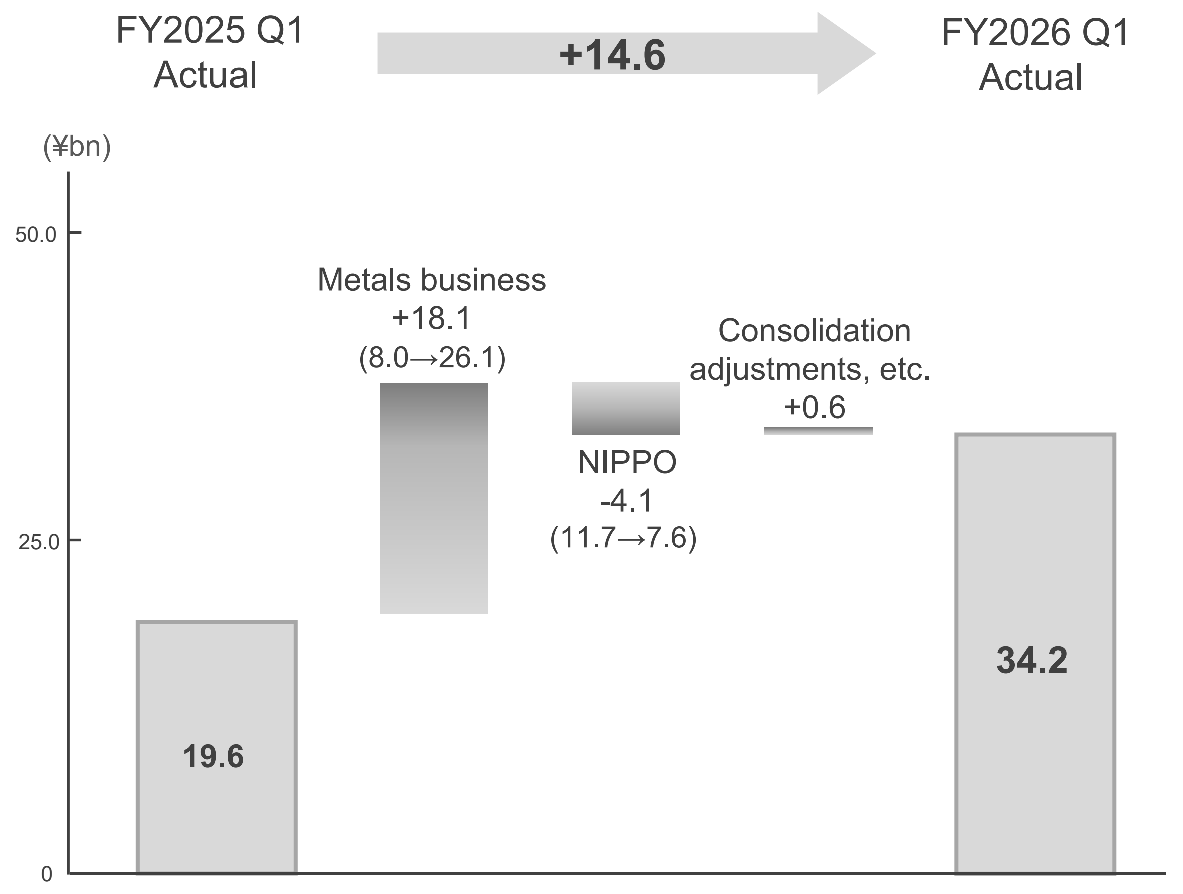
Operating Profit – Renewable Energy

Earnings were flat year on year, as the reversal of FY2025 impairment losses offset the impact of less favorable sunlight and wind conditions.



Operating Profit – Other

Earnings increased, reflecting higher equity earnings from JX Advanced Metals.



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Consolidated Cash Flows and Balance Sheets

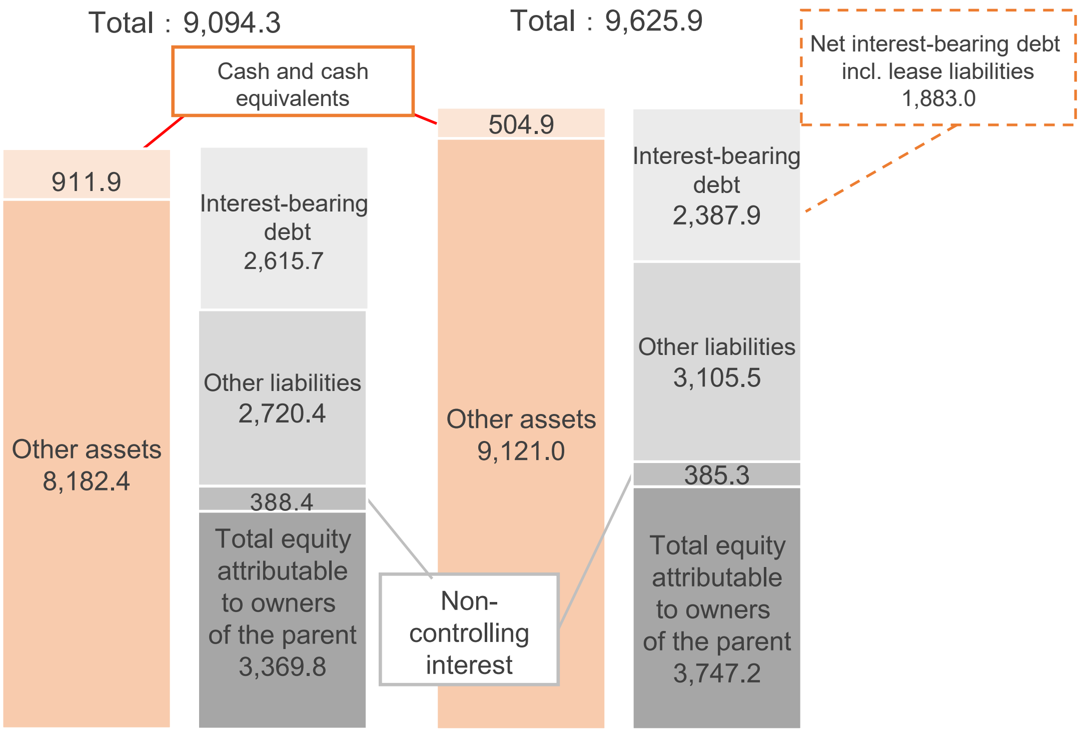
Consolidated Cash Flows

(¥ bn)	FY2026 Q1 Actual
Operating profit (excl. inventory valuation)	287.4
Depreciation & amortization	82.7
Lease depreciation included	(60.5)
Other (working capital, etc.)	-311.5
Cash flows from operating activities	58.6
Capital investment	-133.9
Other	-5.2
Cash flows from investing activities	-139.1
Free cash flows	-80.5
Dividends and other	-93.1
Net cash flows	-173.7

Consolidated Balance Sheets

As of March 31, 2026 | As of June 30, 2026

(¥ bn)



	As of March 31, 2026	As of June 30, 2026
Equity ratio attributable to owners of the parent	37.1%	38.9%
Net D/E ratio[1] after adjusting for hybrid bonds	0.42	0.44

1 Including lease liabilities and deducting non-controlling interest

6 Reference

Key Factors

			FY2025		FY2026	
			Q1 Actual	Full-year Actual	Q1 Actual	Full-year May estimates
All segments	**Exchange rate**	**(¥ / $)**	**145**	**151**	**159**	**155**
Petroleum Products	**Crude oil (Dubai)**	**($ / B)**	**67**	**72**	**96**	**85**
	Sales volume of Petroleum Products	(10,000 KL)	978	4,306	954	4,150
Oil and Natural Gas E&P	Sales volume (crude oil equivalent)	(1,000 B / day)	95	95	92	89
	Crude oil (Brent)	($ / B)	67	69	97	86
High Performance Materials	Elastomers sales volume index [1]	(%)	103	105	111	110
Electricity	Japan Electric Power Exchange [2]	(¥ / kWh)	10.6	11.5	16.5	—

[1] Index calculated relative to the sales volume in FY2022, which is set as the base year (100%)

[2] Average of the Tokyo and Kansai areas

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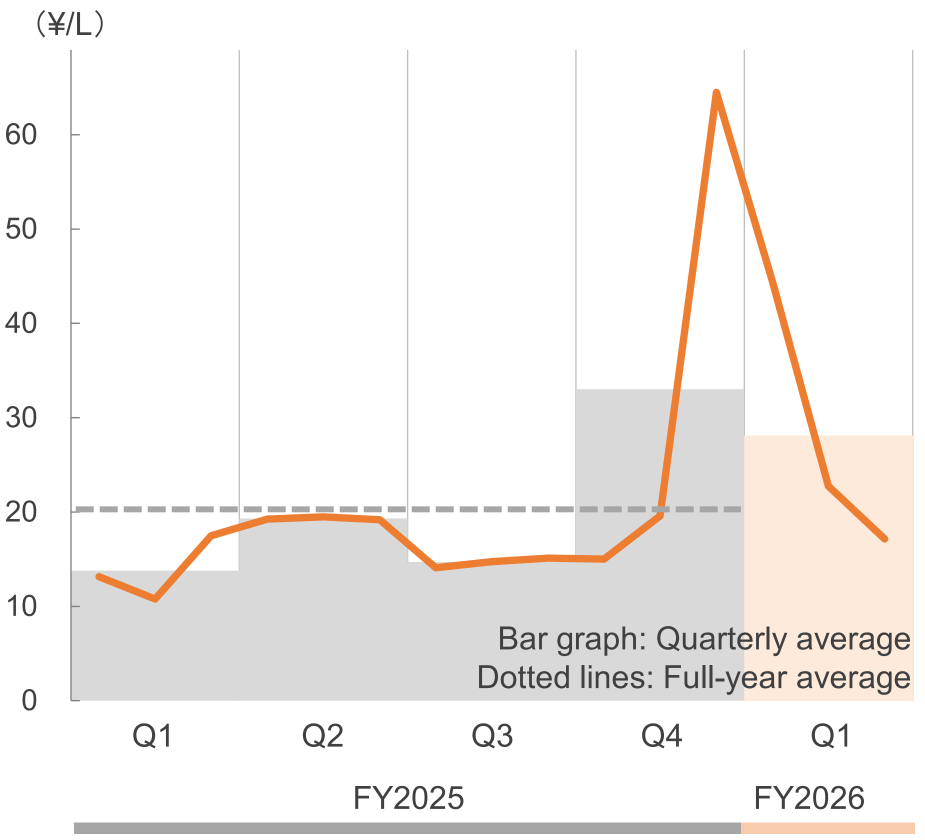
Petroleum Products and Paraxylene Margin Indexes

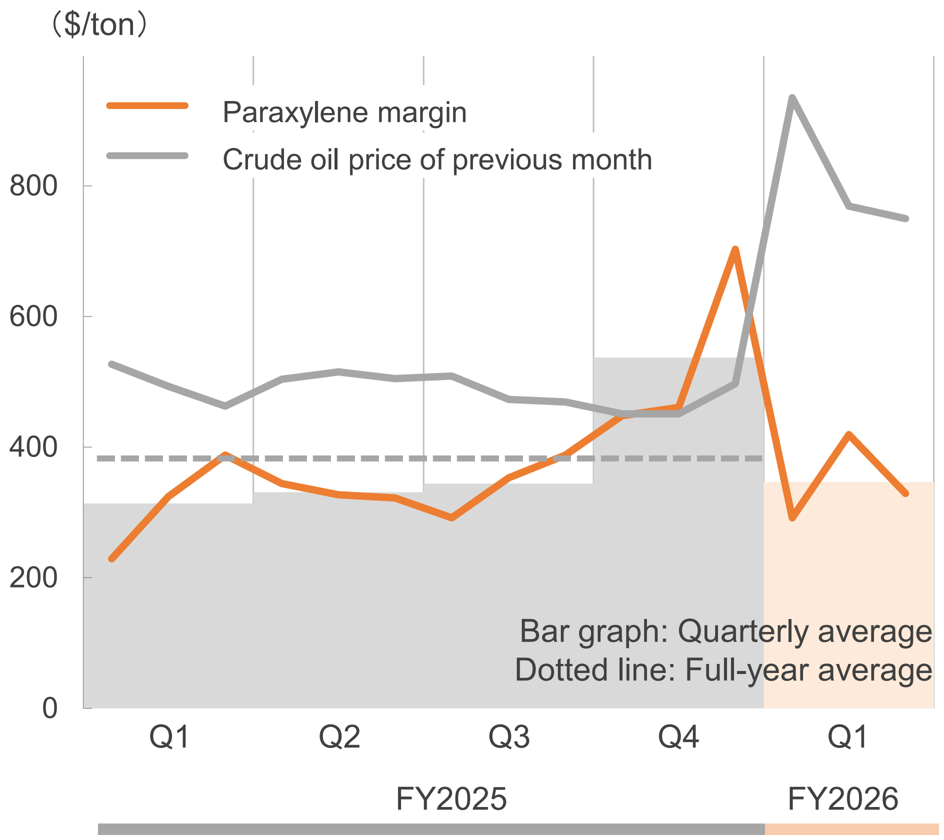
These indexes are market-based reference indicators and do not indicate our margins (Our selling price - Our cost).

Petroleum Products Margin Index[1]



[1] Calculated using the following formula as a reference for domestic market conditions
Spot Price – All Japan Crude CIF (including petroleum tax and interest)

Paraxylene (PX) Margin Index[2]



[2] Calculated using the following formula as a reference for Asian market conditions.
ACP(Asian Contract Price)ー Crude Oil Price of previous month
If ACP is undecided, average spot price is used.

Sensitivity Analysis

■ Impact of index change on operating profit in FY2026 (April 2026 onwards)

Note: Reposted from May announcement

(¥bn)

Index	Change	Impact	Excluding inventory valuation: Excluding time-lag	Excluding inventory valuation: Time-lag	Excluding inventory valuation	Inventory valuation	Total
Crude Oil (Dubai)	**5** $/B Increase	Petroleum Products	-3.0	+15.0	+12.0	+50.0	+62.0
		Oil and Natural Gas E&P	+9.0	-	+9.0	-	+9.0
		High Performance Materials	-	-	-	-	-
		Total	+6.0	+15.0	**+21.0**	**+50.0**	**+71.0**
Exchange Rate	**5** ¥/$ Weaker yen	Petroleum Products	+3.0	+7.5	+10.5	+20.0	+30.5
		Oil and Natural Gas E&P	+4.0	-	+4.0	-	+4.0
		High Performance Materials	+0.5	-	+0.5	-	+0.5
		Total	+7.5	+7.5	**+15.0**	**+20.0**	**+35.0**

Forward-Looking Statements

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