

# Medium-term Business Plan

## ENEX2030 '25-'26

Itochu Enex Co., Ltd.

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# ENEX2030 '23 - '24: Quantitative Review

All of the KPI plans were achieved or nearly achieved. Net profit far exceeded the previous record high. For new and strategic investments, initiatives including acquisitions and capital alliances were implemented by carefully selecting targets, including a large-scale project (WECARS).

## Financial Indicators

	Plan	FY2023	FY2024	Evaluation
<b>Net profit</b>	¥13.5 billion each fiscal period	¥13.9 billion	¥17.1 billion	<p>✓ The plan has been achieved for two consecutive years. One-off gains/losses of +2.5 billion yen (FY2023) and +1.4 billion yen (FY2024) were posted.</p>
<b>Substantive operating CF</b>	¥35.0 billion each fiscal period	¥28.9 billion	¥42.1 billion	<p>✓ The figure in FY2023 was 28.9 billion yen due to the payment of taxes related to the sale of assets, but the planned cumulative target for the two years was achieved.</p>
<b>ROE</b>	8-9% (FY2023/FY2024)	8.8%	10.2%	<p>✓ Plan achieved for two consecutive years</p>
<b>Total amount of investments (Total investment over two years)</b>	¥60.0 billion (including CAPEX)	¥46.8 billion (CAPEX included in the above: ¥19.4 billion)		<p>✓ CAPEX was implemented steadily by formulating an investment plan.</p>

# ENEX2030 '23 - '24: Quantitative Review

We plan to provide shareholder returns through progressive dividends for two consecutive years with a consolidated dividend payout ratio of 40% or more.

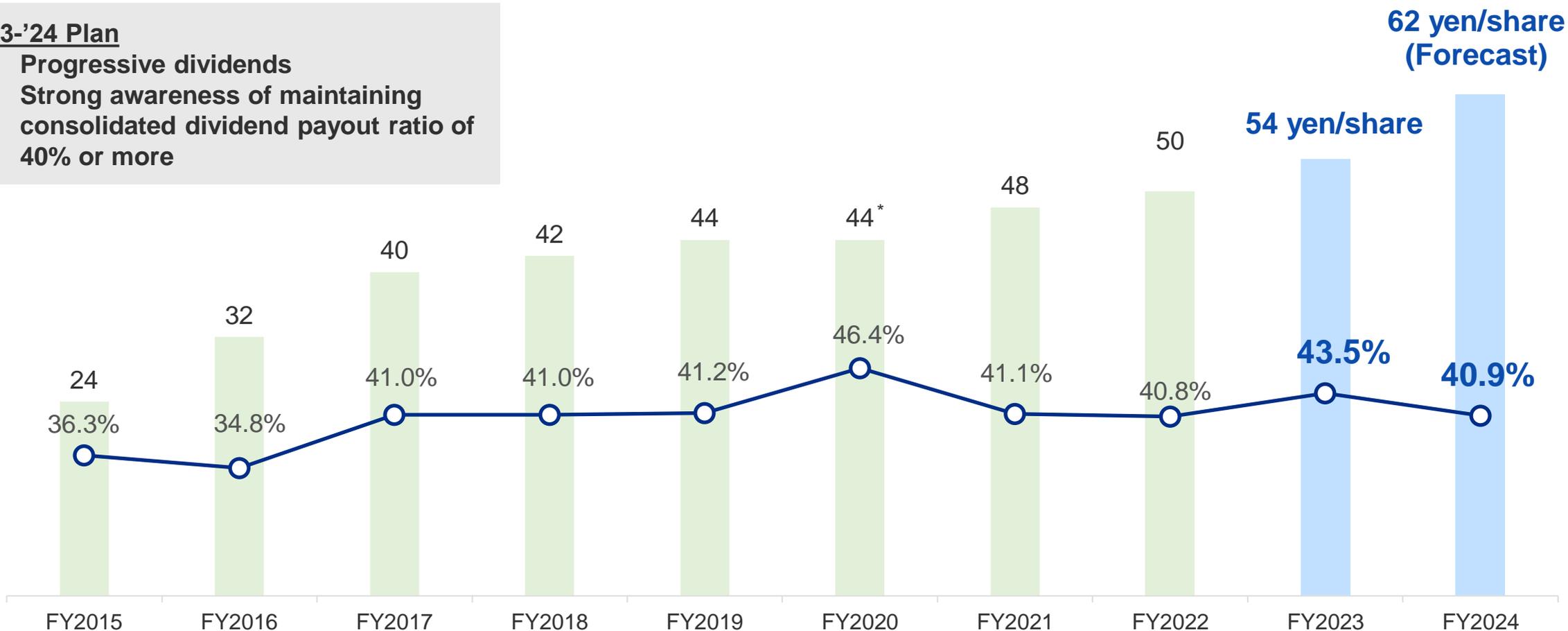
## Shareholder Returns

### Dividend policy

■ Dividends (yen/share)    ○ Dividend payout ratio

#### '23-'24 Plan

- ✓ Progressive dividends
- ✓ Strong awareness of maintaining consolidated dividend payout ratio of 40% or more



\*In FY2020, a memorial dividend of 6 yen/share was separately paid (consolidated dividend payout ratio figures include the memorial dividend)

We implemented the initiatives steadily in line with the plan. We need to continue to developing on-site capabilities and developing a framework for making investments toward the achievement of ENEX2030.

## Developing on-site capabilities

### Clarification of roles and streamlining of organizations

Department- and section-level guidelines were formulated.

### Establishment of new departments supporting the delegation of authority

New risk and business management departments were established.

### Spin-off and reorganization of HL business

Agile decision-making and business promotion were achieved.

### Development of a new ERP system

The sophistication of the management of business was increased and operations were streamlined.

## Developing a framework for making investments

### Establishment of the new Investment Strategy Department

The implementation of investments was promoted and supported.

### Implementation of new and strategic investments

WECARS, NAL Net Communications, Koukandekirukun, NICHIREKI and ENECHANGE

## Strengthening the organization and human resources

### Provision of investment training

Employees' investment literacy was enhanced.

### Revisions to personnel systems

Achievement-based evaluation and commendation programs were introduced.

### Opening of the Karuizawa LABO training facility

Highly professional rank-based training was provided.

**Continuing to promote the authority delegation structure**

**Improving the ability to discover and push forward with investment projects**

**Deepening consolidated group management**

Achievements

Issues

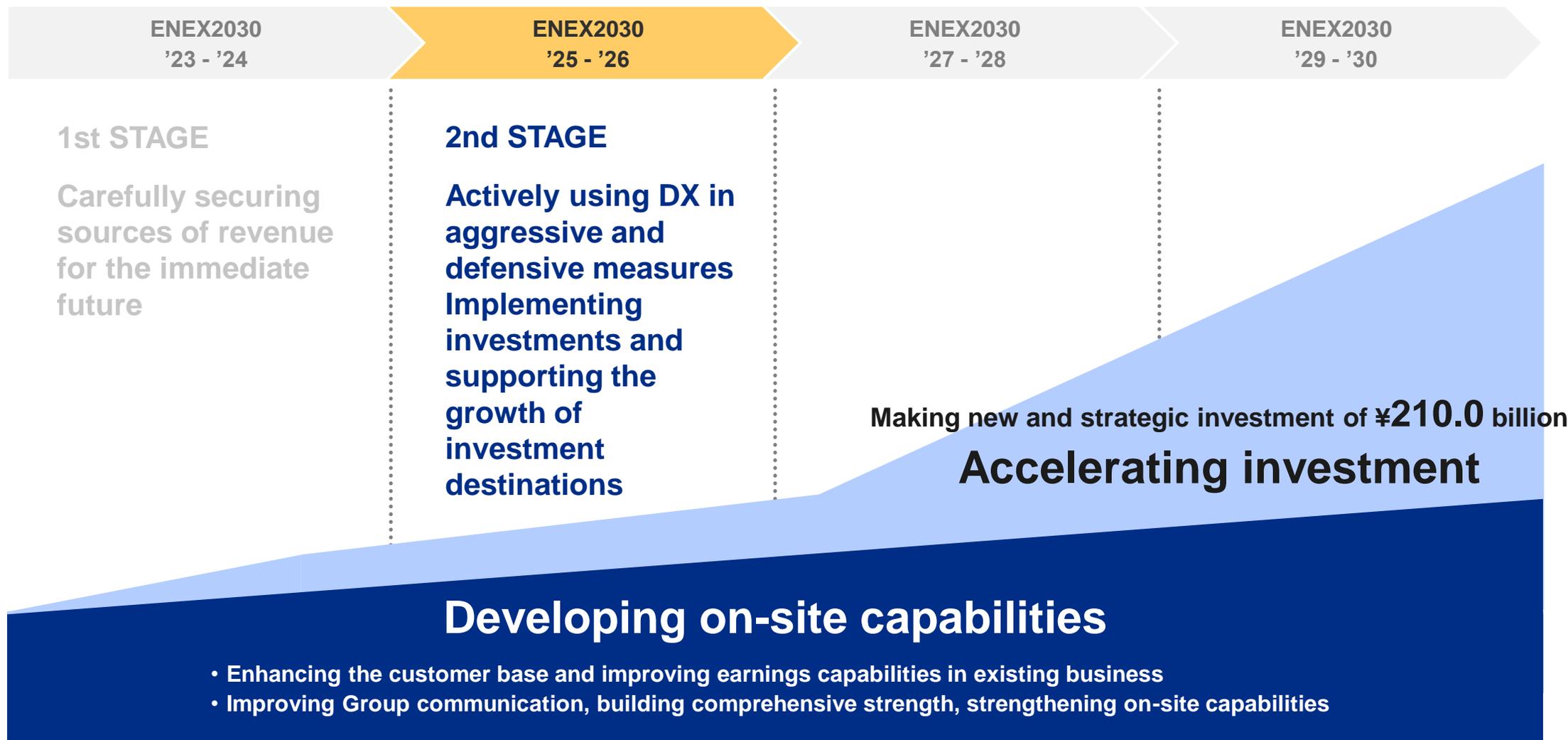
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# ENEX2030 “To Create Driving Force Of Life”



Aiming to post a net profit of 16.0 billion yen, which exceeds the FY2024 base earnings (earnings after tax excluding one-time gains/losses) of 15.7 billion yen.

The dividend policy will continue to implement progressive dividends during the '25 - '26 period.

## Financial Indicators

	FY2025	FY2026
<b>Net profit</b>	¥16.0 billion each fiscal period	
<b>Substantive operating CF</b>	¥38.0 billion each fiscal period	
<b>ROE</b>	Approx. 9.0%	
<b>New and strategic investments</b>	Making new and strategic investment of ¥50.0 billion	

## Shareholder Returns

### Dividend policy

**Progressive dividends(FY2025 forecast : 62yen/share)**

**Strong awareness of maintaining consolidated dividend payout ratio of 40% or more**

## Positioning of ENEX2030 '25 - '26

Actively use DX for aggressive and defensive measures to develop on-site capabilities. Implement new and strategic investments and increase the sophistication of investment management to build a new revenue base for achieving ENEX2030.

### Developing on-site capabilities

### Implementation of new and strategic investments

Offense

#### Continuing to promote the delegation of authority

- ✓ Accelerating onsite decision-making to increase revenue

#### Sales activities using DX

- ✓ Transforming sales activities by introducing a new ERP system and an internal version of ChatGPT

#### New and strategic areas

- ✓ Mobility-related areas centering on areas around WECARS
- ✓ Strategic investments for the restructuring of the LPG wholesaling and retailing businesses
- ✓ Increasing domestic market share in the asphalt business
- ✓ Renewable energy

Defense

#### Strengthening consolidated group business management

- ✓ Entrenching the CG code in Group companies as a common language
- ✓ Strengthening the Group's consolidated personnel and compliance management
- ✓ Introducing a new ERP system to improve the efficiency of professional operations

#### Promoting portfolio management

- ✓ Investment strategy based on the business portfolio
- ✓ Replacing inefficient assets
- ✓ Strengthening the management of the KPIs of investment destinations

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# ENEX2030: Progress of Main KPIs

The goal is to achieve all items by FY2030.

## Financial Indicators

	FY2030 (Plan)	FY2024 (Results)
<b>Net profit</b>	¥20.0 billion or more	¥17.1 billion
<b>Substantive operating CF</b>	¥45.0 billion	¥42.1 billion
<b>ROE</b>	9.0% or more	3.0%
<b>New and strategic investments</b>	¥210 billion <small>Cumulative total for FY2023-2030</small>	¥27.4 billion <small>Cumulative total for FY2023-2024</small>

## Non-financial Indicators

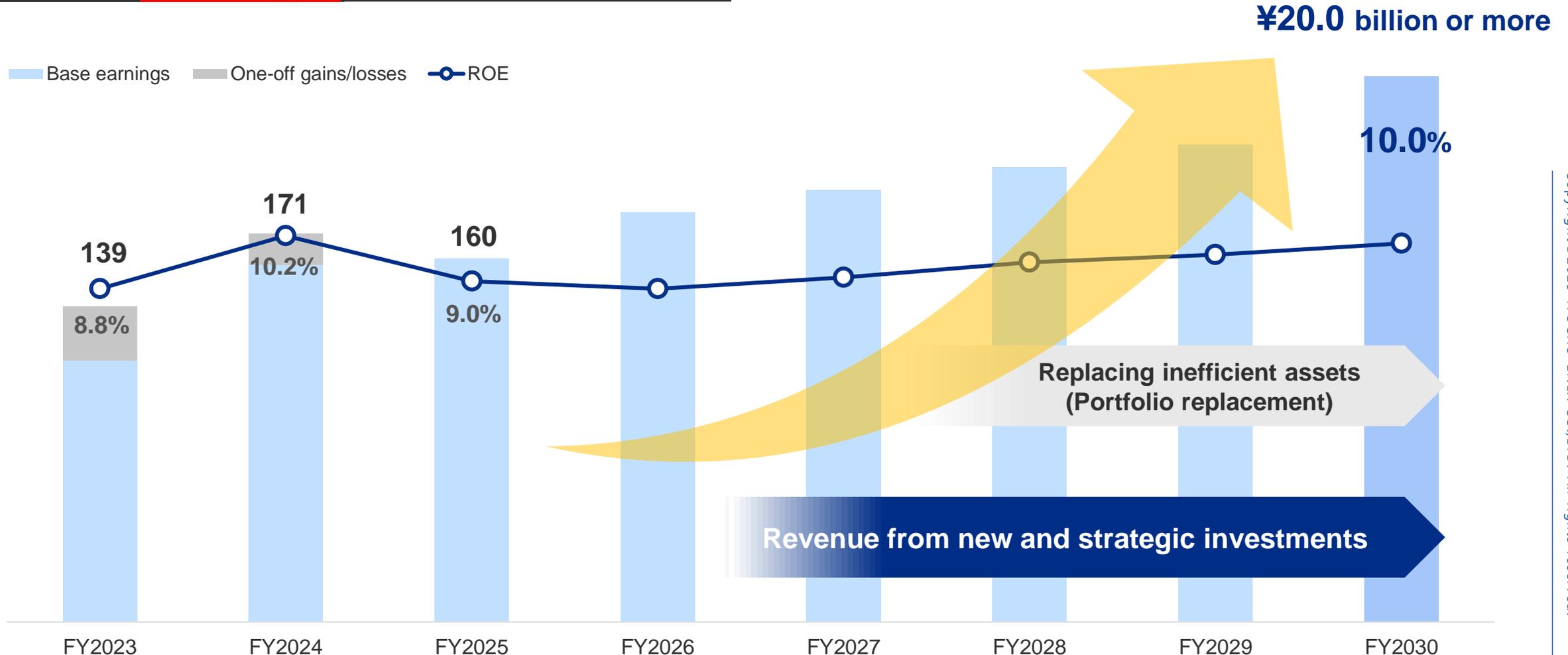
	FY2030 (Plan)	FY2024 (Results)
<b>GHG emissions</b>	50% reduction or more <small>(comparison with FY2018, Scopes 1 and 2)</small>	40% reduction <small>* FY2023 result</small>
<b>Ratio of female hires</b>	30% or more	41%
<b>Percentage of female managers</b>	10%	3.0%
<b>Ratio of childcare leave taken by male employees</b>	80% or more	75%

\* FY2024 is being tabulated

# ENEX2030: Trends in Net Profit and ROE

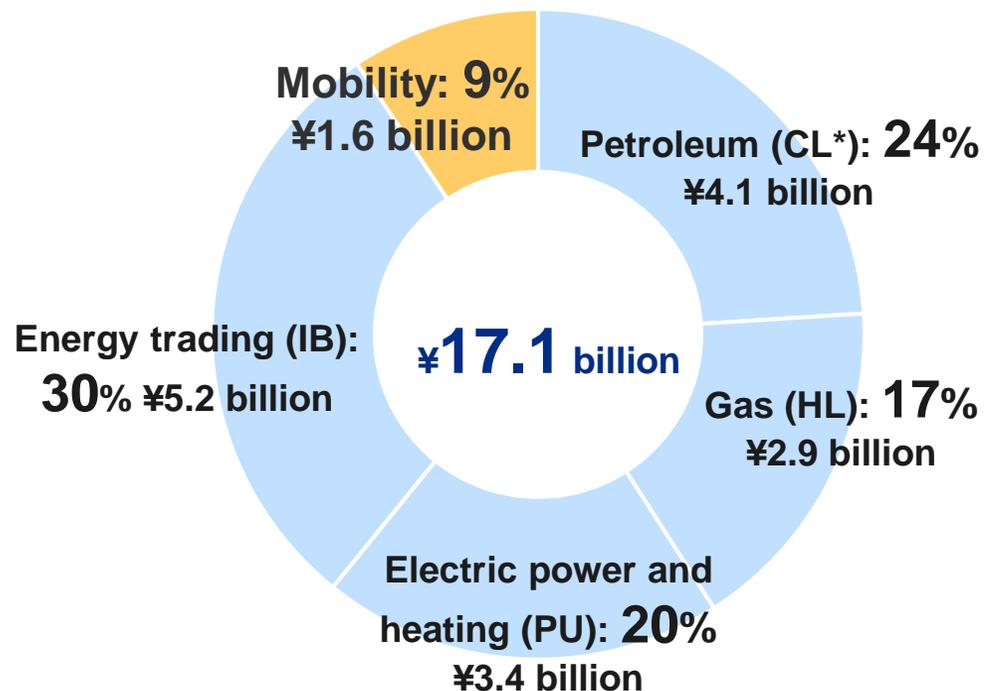
Replace inefficient assets while enabling new and strategic investments to achieve growth. Be conscious of a ROE of 10% for the long term.

## Net profit (100 million yen) and ROE trend and forecast



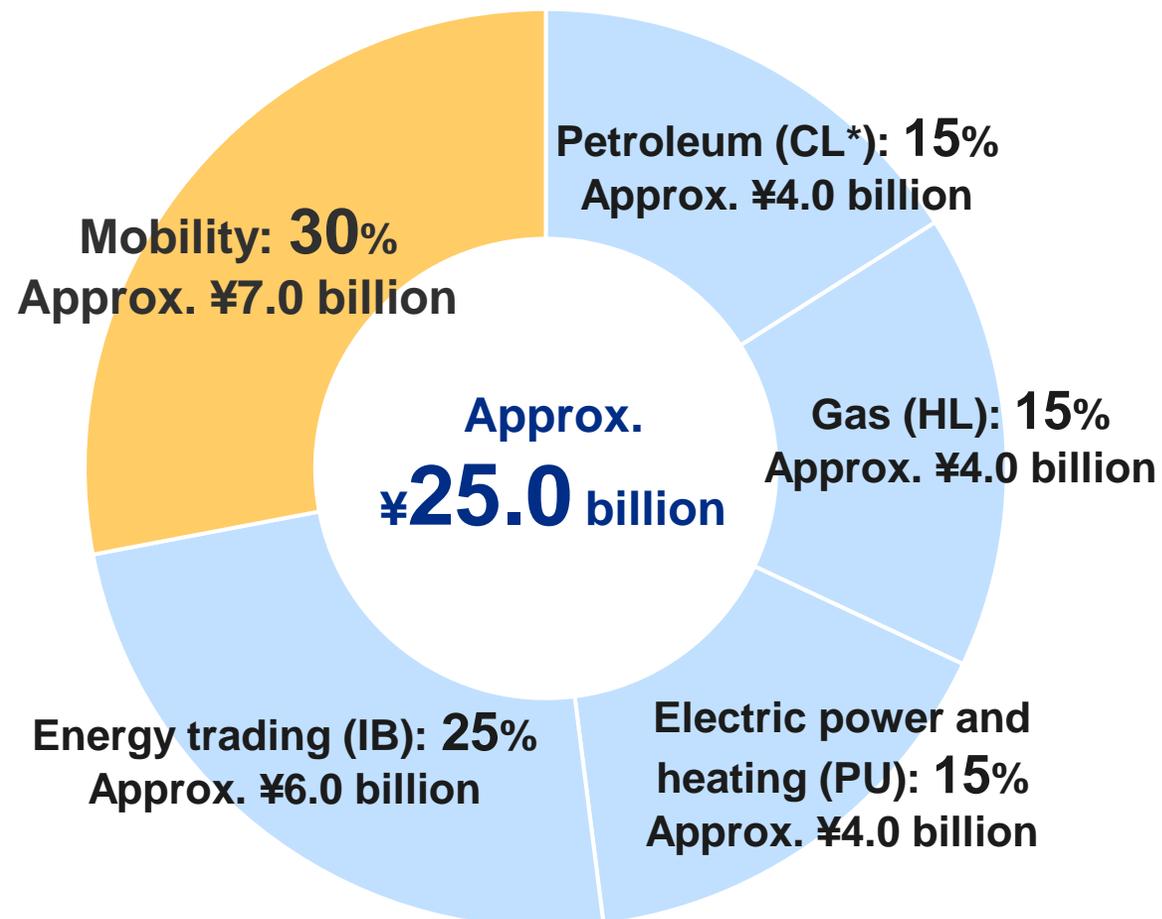
Aim to increase profit by positioning the four energy-related **existing core businesses** as the revenue base and the **mobility business** as a growth driver.

Profit structure in FY2024



\* Excluding mobility business

Profit structure in FY2030

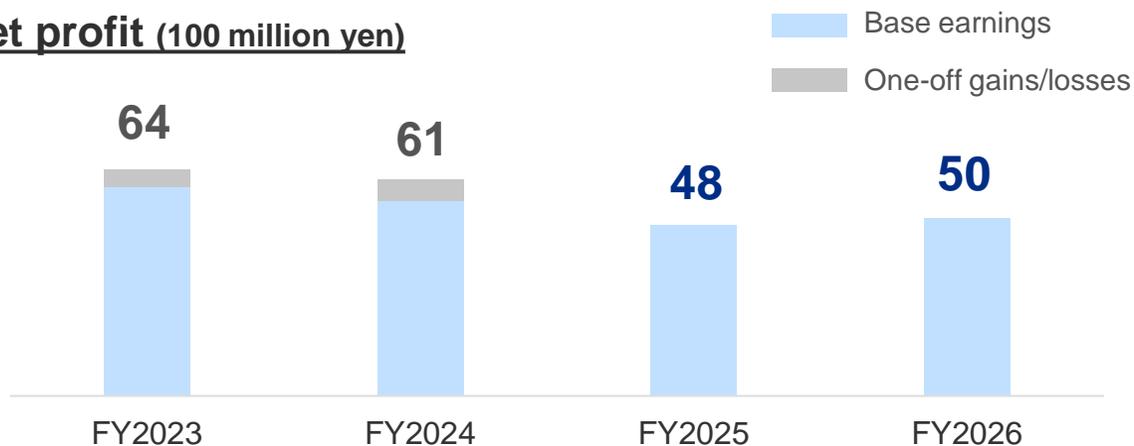


# appendix

## ENEX2030 '25 - '26 CL Business

Business transformation (BX) to create a future with petroleum and mobility

### Net profit (100 million yen)



### New and strategic investment

(100 million yen)



#### Major investment targets

- ✓ M&A activities in the mobility business
- ✓ Digital EC Platform

### Developing on-site capabilities

- ✓ Profitability reform and productivity improvement through DX and alliances with other companies
- ✓ Strengthen human resource development for mobility business

### Implementation of new and strategic investments

- ✓ Expansion of used-car-related business centering on WECARS
- ✓ Building a digitally connected used car and maintenance network

Offense

Defense

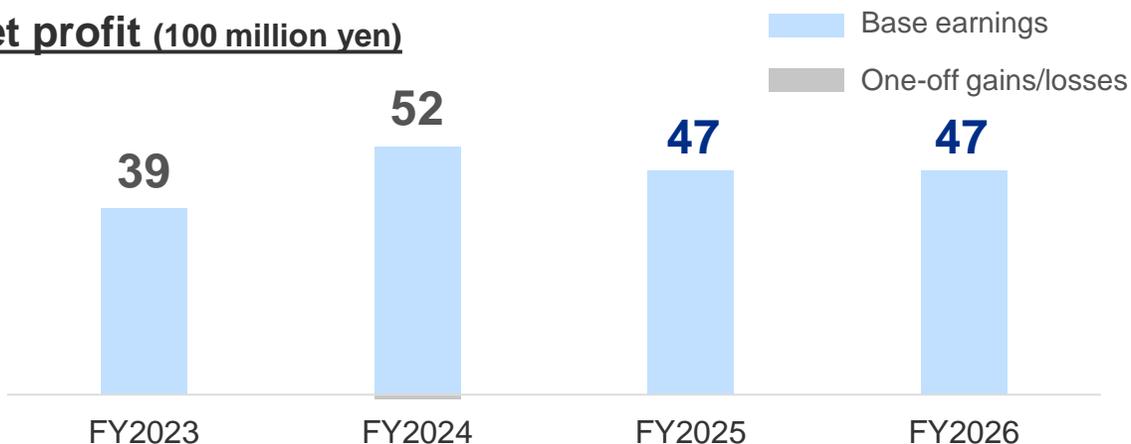
- ✓ Ensuring security and compliance at operating outlets
- ✓ Optimizing aging outlets (making them earthquake-proof/integrating them)

- ✓ POWER to increase WECARS revenues
- ✓ Building a business portfolio that responds to change

## ENEX2030 '25 - '26 IB business

Business opportunities for growth to be gained through logistics and DX

### Net profit (100 million yen)



### New and strategic investment

(100 million yen)



#### Major investment targets

- ✓ Asphalt business
- ✓ Energy service business

### Developing on-site capabilities

Offense

- ✓ DX of sales of asphalt, marine fuel, and fuel cards for corporate customers
- ✓ Improving the ability to procure AdBlue and expanding distribution bases

Defense

- ✓ Streamlining operations by shifting to the in-house delivery of marine fuel
- ✓ Expanding the scale of the gas container inspection business and enhancing security

### Implementation of new and strategic investments

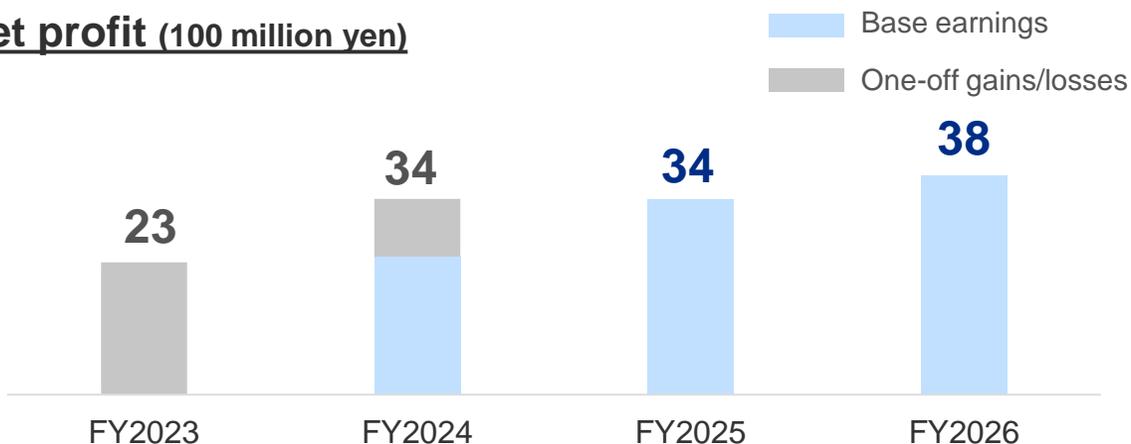
- ✓ Investments aimed at being no. 1 in domestic sales of asphalt and logistics functions
- ✓ Aggressive investment in the energy service business

- ✓ Securing and developing human resources who will be in charge of business operations at investment destinations
- ✓ Creating synergies with investment destinations

## ENEX2030 '25 - '26 PU Business

Power to connect customers. Environmental business for the future

### Net profit (100 million yen)



### New and strategic investment

(100 million yen)



#### Major investment targets

- ✓ Renewable energy sector
- ✓ Energy and DX domain

### Developing on-site capabilities

- ✓ Expanding the customer base to one million households through the power of people and digital technologies
- ✓ Deepening the electric power business by leveraging supply/demand adjustment capabilities and O&M capabilities

Offense

- ✓ Stable procurement and optimization of power sources
- ✓ Maintaining and reinforcing the risk management system for electric power supply/demand **management** operations

Defense

### Implementation of new and strategic investments

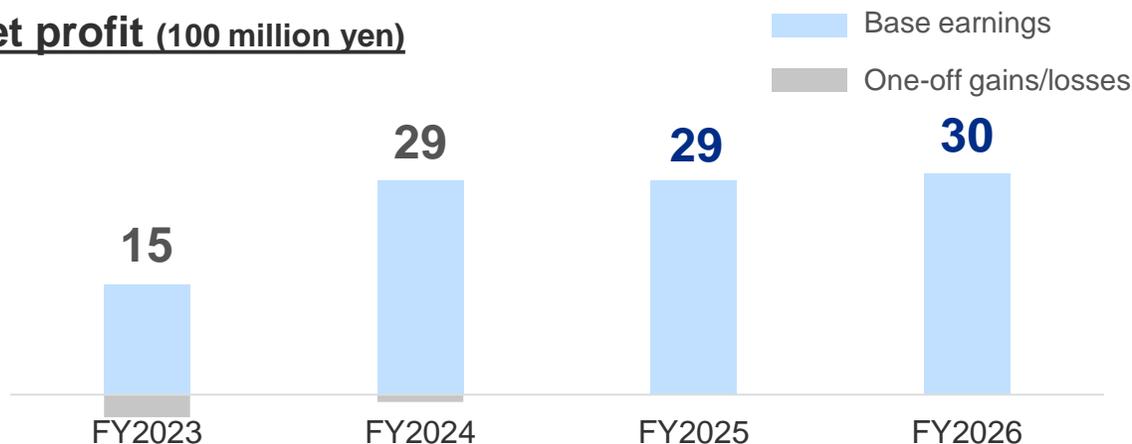
- ✓ Providing energy DX solutions intended for business operators/consumers
- ✓ Aggressive investment in the renewable energy domain

- ✓ Balance sheet control and improvement of asset efficiency (profitability)
- ✓ Achieving synergy with each capital and business alliance partner

## ENEX2030 '25 - '26 HL Business

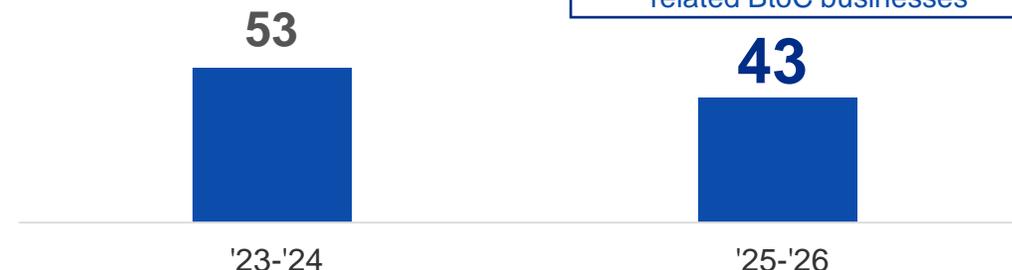
## Reinforcing the customer base and Group network

### Net profit (100 million yen)



### New and strategic investment

(100 million yen)



#### Major investment targets

- ✓ Acquisition of LPG sales rights and M&A activities within the industry
- ✓ M&A activities involving lifestyle-related BtoC businesses

### Developing on-site capabilities

- ✓ Acquiring customers through not only face-to-face sales activities but also DX (New method)
- ✓ Offering subscriptions to highly functional products (Diverse proposals)

- ✓ Strengthening security and logistics through DX (Providing safety and security)
- ✓ Fee structure and Code of Conduct conforming to new law (Enhancing trust and reliability)

### Implementation of new and strategic investments

- ✓ Strategic investments for business restructuring (Strategic move for the future)
- ✓ Newly offering a point menu for e-commerce (Addition of innovation)

- ✓ Building a bold, precise system for driving investment (Enhancing organizational strength)
- ✓ Inexhaustibly pursuing synergy with alliance partners (Strengthening alliances)

Offense

Defense

# ENEX2030 '23 - '24: Non-financial Indicators Review

The “ratio of female hires”, which has been achieved for two consecutive years and is expected to be achieved in the future, is excluded from ENEX2030 '25 - '26.

## Non-financial Indicators

	FY2030	FY2023	FY2024	Situation
<b>GHG emissions</b>	<b>50% reduction or more</b> (comparison with FY2018, Scopes 1 and 2)	<b>40% reduction</b>	<b>-</b> * under compilation	✓ Emissions are planned to be reduced by changing our own power sources.
<b>Percentage of female managers</b>	<b>10%</b>	<b>3.4%</b>	<b>3.0%</b>	✓ We are developing female manager candidates to achieve the plan.
<b>Ratio of childcare leave taken by male employees</b>	<b>80% or more</b>	<b>81%</b>	<b>75%</b>	✓ Achieved in FY2023 but not in FY2024.
<b>Ratio of female hires</b>	<b>30% or more</b>	<b>46%</b>	<b>41%</b>	<ul style="list-style-type: none"> <li>✓ Achieved for two consecutive terms.</li> <li>✓ Excluded from main KPIs, as it is expected to be achieved in the future.</li> </ul>