Mitsuuroko Group Holdings



BUSINESS REPORT 2025

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Every Day, Special!

In 2025, Mitsuuroko Group celebrated the 99th anniversary of its incorporation (139 years since its founding as a business).

To date, Mitsuuroko Group has been supporting people's daily lives as a Lifestyle Producer, striving to provide what is needed when it is needed.

We will continue to pursue greater richness in people's lives by creating everyday experiences that offer genuine peace of mind and moments that inspire.

Support lifestyles

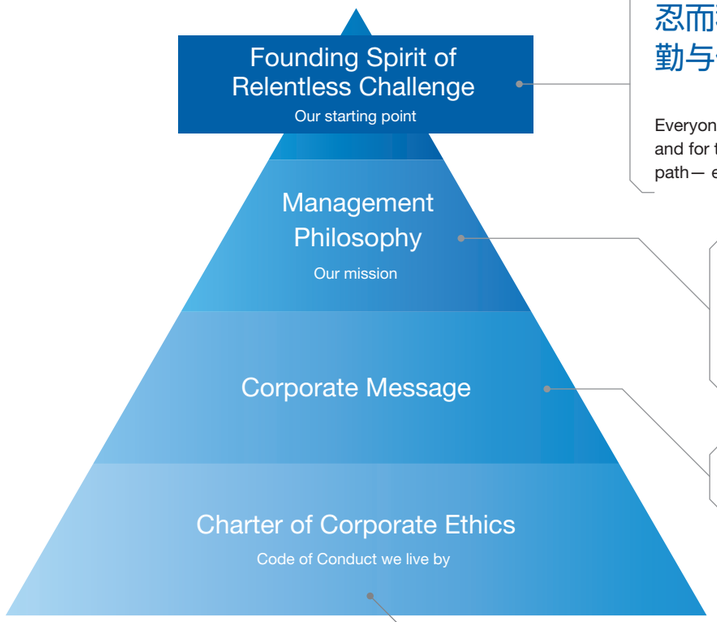
From providing a lifestyle of "safety and security" to aiming even beyond that for a "comfortable" way of living, we will continue to support more fulfilling lifestyles of as many people as possible and help realize a sustainable society.

Enrich lifestyles

Our company provides "excitement" in addition to "fulfillment." Rather than simply supporting daily life, we will provide color to lifestyles and help realize a society where people are healthy in body and mind and enjoy a high level of happiness.



Mitsuuroko Group's Philosophy System



忍而和斉家上策
勤与倹創業良図

Patience and harmony are the keys to a well-ordered family. Diligence and frugality are the foundation of successful enterprise.

Everyone connected to Mitsuuroko is part of one family, and for that family to prosper, we must choose the right path— even if it is difficult and challenging.

As a Lifestyle Producer, we consistently conduct our business with integrity and from the customer's perspective.

Every Day, Special!

1. Comply with laws, regulations, and other social norms, and conduct fair and sound corporate activities
2. Provide safe and high-quality products and services
3. Respect the personality and individuality of employees and foster a comfortable and fulfilling work environment
4. Respect the positions of stakeholders
5. Contribute to the preservation of the global environment and the creation of a prosperous and livable society









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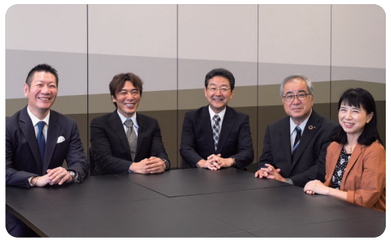
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● Editorial Policy

This business report summarizes and discloses the management policies, financial information and corporate activities of Mitsuuroko Group in a comprehensive manner, with the view to communicating Mitsuuroko Group's value creation process to stakeholders in an easy-to-understand format. The issues we face, perspectives and initiatives in the area of environmental, social and governance (ESG) are outlined in more detail in our Sustainability Report.



● Scope

This business report covers a total of 50 companies*, including Mitsuuroko Group Holdings Co., Ltd., its main operating companies, and its subsidiaries and affiliates.
Where the scope of reporting differs from the above, it is specified separately for each relevant matter.
* 41 consolidated subsidiaries + 8 equity method affiliates (as of March 31, 2025)

● Period

This business report covers the fiscal 2024 period (April 1, 2024 to March 31, 2025), but some information from March 2025 onward has been included, given the importance of providing up-to-date information.

● Guidelines referenced

METI, "Guidance for Collaborative Value Creation"
IFRS Foundation, "International Integrated Reporting Framework"

● Mitsuuroko Group Website

https://www.mitsuuroko.com/en/



Kohei Tajima

Representative Director,
President and CEO

Building unwavering customer trust and shaping the future of our industry

Our centennial commitment to the founding spirit of “Diligence and Frugality”

Next year, Mitsuuroko Group will mark the 140th year since its founding and the 100th anniversary since it established its predecessor, Sanrin Rentan Genryo Co., Ltd.

Looking back on our history, I believe Mitsuuroko Group’s strength lies in the fundamental sincerity that underpins our company. As a provider of energy and essential lifestyle-support services, we work behind the scenes to support people’s daily lives, a role that is often viewed as low-profile.

Our employees are drawn to the company by a shared desire to contribute to their communities and to engage in steady, reliable work. By continuing to build our business together with colleagues who share these values, I believe we have further strengthened the sincerity that defines us.

Moreover, many of the operations related to the services we provide, including the sale of gas and electricity, are governed by detailed rules under laws and regulations. By thoroughly executing each of these basics, our motto is to remain a company that customers continue to choose because they trust us and feel secure.

“Patience and harmony serve as the key to a well-ordered family” is the first part of our founding principle. The meaning behind these words is that all who are connected with Mitsuuroko are family, and that for this family to prosper, we must choose the necessary path, even when it is harsh and steep.

Our founding principle has always been that a company grows stronger through hard work and disciplined frugality. From the earliest days, even modest sums were carefully set aside for future needs. The sincerity that defines us today, I believe, is a direct continuation of that founding spirit.

As we mark our 100th anniversary, we are once again turning our attention to the sincerity that lies at the core of our company’s DNA and reaffirming our commitment to preserving it.

Contributing to future improvements in living standards

Mitsuuroko Group has advanced in step with the development of Japan’s fuel and energy industries. From briquettes and coal to petroleum, liquefied petroleum gas (LPG), and electricity, we have broadened the range of products that we handle and expanded our scale by increasing our share. Particularly from the postwar period through the high-growth era, we pride ourselves on having made major contributions to narrowing the gap in energy supply between urban and rural areas.

As we moved from the Heisei to the Reiwa era, disparities in energy supply infrastructure between cities and regions have narrowed, and due to declining birthrates, energy demand has leveled off. What is expected of Mitsuuroko Group going forward is to make the services we provide to our customers more value-added and contribute to raising living standards.

In our daily lives, we are surrounded by wide variety of products and services, and we aim to be involved in each of them in ways that enhance comfort and quality of life. While Mitsuuroko Group operates in energy, electricity, foods, living & wellness, and overseas markets, our next step is to integrate these domains and develop a portfolio that delivers unified value to our customers.

Record high sales & profit in fiscal 2024 High expectations for growing Overseas Business

For the fiscal year ended March 31, 2025, net sales increased 9.9% year on year to ¥339,656 million, operating profit decreased 28.9% to ¥8,769 million, ordinary profit decreased 24.8% to ¥10,005 million, and profit attributable to owners of parent increased 15.5% to ¥10,515 million. Both net sales and profit attributable to owners of parent reached record highs.

Net sales increased, driven mainly by growth in our Energy Solutions and Power & Electricity business segments. However, profits declined overall. In Energy Solutions Business, our core business segment, higher personnel and facility investment costs put pressure on earnings, while in Power & Electricity, additional costs such as contributions to the capacity market also weighed on profitability. Net income reflects a ¥5,066 million special gain from reducing strategic shareholdings and selling investment securities.

Energy Solutions Business is expected to see a shrinking market, in part due to population decline. Amid such business conditions, focusing on expanding user accounts and providing everyday infrastructure offerings, we will expand our menu of service options and aim to be an energy service provider that can account for 10% of the family budget expenditure.

In Power & Electricity Business, we will strengthen efforts to increase procurement of renewable energy power sources toward the realization of a carbon-neutral society. By 2030, we

aim to reduce CO_2 emissions with a goal of achieving a 44% non-fossil ratio in Power & Electricity.

When I was appointed President in 2007, we advocated an optimal energy mix. Allowing customers to choose their energy sources—such as combinations of heating oil and electricity, or heating oil and LPG—remains a universal concept, and we consider it important for reducing environmental impact and improving quality of life. Going forward, with Energy Solutions and Power & Electricity Business at the core, we will enhance our optimal energy proposals.

In the Foods Business, business performance is improving thanks to expanded sales volume, and we will continue to promote the development of new products and the supply of products using recycled bottles as part of our environmental measures, working toward further business development.

Living & Wellness is positioned as a stable earnings base that supports the entire Group through maintaining and expanding the segment. The Living portion of the segment focuses on providing safe, secure, and comfortable spaces and proposes new ways of living. The Wellness portion aims to promote well-being, focusing on the Yokohama area where we are currently moving forward in this business field.

Our Overseas Business segment launched in 2020 and is now in its fifth year. Headquartered in Singapore, we also operate in Malaysia and Hong Kong. While sharing Mitsuuroko Group's Management Philosophy, we are advancing by tailoring the business model cultivated in Japan to each region's circumstances, while strengthening cooperative relationships with local companies. Net sales are approaching ¥3 billion, and although earnings fluctuate due to foreign exchange and tax expenses, they have come to contribute to the Group's overall business performance. I believe Overseas Business segment will be a key element in Mitsuuroko Group's growth strategy. Until now, our Group has been a domestic-demand-oriented company; however, as mentioned, with domestic demand maturing, growth in Overseas Business has been rapid, and we have expectations for growth going forward.

Pioneering industry innovation through market-driven R&D

Looking at the role and position of Mitsuuroko Group within Energy Solutions and Power & Electricity Businesses, one thing has remained constant since our founding: we are the final runner in the relay responsible for delivering energy to our customers. The "baton" we deliver to customers used to be solid fuel—briquettes and charcoal briquettes. That shifted to heating oil and then to LPG and other fuels. In the Power & Electricity Business, ensuring stable supply is essential; and in the sense that nothing connects without the final runner, it's the same as Energy Solutions Business. Mitsuuroko Group is an indispensable part of everyday life.

We have entered an era where the future is difficult to foresee, with factors such as exchange rates, interest rates, protectionist trade, and geopolitical risks. However, as Mitsuuroko Group is a domestic-demand-oriented company, I recognize that now is the time to go on the offensive. By "time to go on the offensive," I mean that we must consider proactive investment.

Since fiscal 2023, we have set a medium- to long-term investment framework of ¥50 billion, and we invested



¥8.6 billion in 2023 and ¥6.0 billion in fiscal 2024. We plan to continue investing at this pace.

Because much of petroleum and gas relies on imports, we are affected by the global economy. However, precisely because we are sustaining solid business performance, we want to make upfront investments now and strengthen our business foundation. Investment to strengthen the overseas expansion mentioned above is one such initiative.

As part of our initiatives to expand investment, we intend to pursue research and development aimed at creating new demand. In the Mitsuuroko Group's Energy Solutions Business, we currently function as an intermediary processor—purchasing fuel, filling cylinders, and delivering what end-users need. Going forward, we want to study how this entire value-delivery process should evolve.

For example, amid the labor shortages ahead, we may consider expanding employment of foreign workers. However, in our Energy Solution Business (LPG), issues of language, laws, and qualifications make it challenging for foreign workers to engage. In this context, we have reached a stage where we must fundamentally rethink supply methods, such as how to achieve labor-saving in the supply of LPG, heating oil tanks, etc., and how to balance labor-saving with safety. If we don't address this while we have the capacity, in the future LPG could become a luxury item used only in high-end restaurants.

It's fair to say our industry has rarely engaged in this kind of innovation to date. Mitsuuroko Group would like to take on that role. Changing to some new methods will contribute to the development of the entire industry, and having Mitsuuroko Group take the lead there is rewarding. If we do not turn our attention to this field, I believe it will be difficult to deliver high added value.

As a first step, we are developing a system that analyzes optimal delivery routes based on our patented technology, which uses IoT data to forecast demand from customers' daily usage patterns. In addition, we are designing mechanisms that allow this system to operate at maximum effectiveness, enabling us to reduce overall workload.

Going forward, in order to address social issues such as reducing CO_2 emissions and alleviating labor shortages, we must further advance these initiatives and build the most efficient energy-supply system possible. Mitsuuroko Group intends to take the lead in driving this effort.

Creating a comfortable workplace to enhance corporate value

What is Mitsuuroko Group's purpose of existence? It goes without saying for a public company, but the first words that come to mind are employment and taxes. Most of Mitsuuroko Group's approximately 3,300 employees are employed locally in each region. To become a company that people choose, it is important to be an appealing workplace.

What is corporate value? This is also something I constantly think about as President. In the past, we cited operating profit margin as a management indicator. We focused on it because it is easy for anyone to understand and a number that represents the company's added value.

Now we consider employee compensation a key indicator. Of course, in management it is natural to value earnings. However, lately we are looking to ensure that employee treatment improves even slightly within the industry.

It is not simply a matter of raising salaries. From the point of view of investing in people, we want to devote effort to human resource development such as providing training over the first five years after personnel join the company, have them gain a lot of experience, and nurture them into people who become members of the company and contribute to it.

As returns to shareholders in a way that reflects corporate value, our basic policy since last year has been to maintain a total payout ratio of 50% or more and continue implementing progressive dividends. Mitsuuroko Group has been listed for over 60 years, and the internal reserves are now comparatively solid. Within the scope of cash allocation, we are discussing allocating investment and dividends in a balanced manner, and moving in the direction of returning value to shareholders in areas that have grown.

Planetary Health Project kicked off under sustainability

With regard to diversity, equity, and inclusion, I myself have lived overseas since I was young and experienced being in a minority position, so I believe diversity is ingrained in my way of life. Rather, I have consistently advocated equality of opportunity and inequality of outcomes. However, when we quantify the actual situation within the Group, we have not necessarily achieved equality of opportunity. Unavoidably, in areas such as transporting LPG, the main business formats require certain constraints, and naturally we had become a company with more men. From here on, aiming at numerical targets, we want to enable equality of opportunity for everyone.

When I became president, it was around the time the word "compliance" began to appear. During this period, perhaps step by step, we have put in place arrangements on corporate governance and governance.

Basically, I think the most important thing is that each individual has common sense and judges what is right and wrong.

At the outset, I stated that Mitsuuroko Group's strength lies in thoroughly executing the basics. The first step in risk management is, for example, to properly perform a single task such as returning a pencil to its original place after you use it. Also, for example, not inconveniencing customers. We believe Mitsuuroko Group's rules are about this thorough execution of the basics.

Mitsuuroko Group established a Sustainability Committee last year and has launched the Planetary Health Project. Planetary health is a concept that explores the mechanisms by which the health of the earth and human health mutually influence each other. Although we are a business enterprise, we believe it is our responsibility to take the lead in such initiatives. Our first goal is to become a company where every employee can confidently explain what planetary health means.

Given our focus on fossil fuels, our immediate duty is to avoid waste, use resources fully, and choose lower-carbon options. By cooperating with organizations with a relationship and business partners, if we can carry out recovery of steel components from gas cylinders and even reuse them, it will also lead to a recycle-type business model. In Foods Business, it means producing, transporting, and cooking food in environmentally conscious ways and eliminating food loss.

As the first phase of the Planetary Health Project, in Fujioka-shi, Gunma, which has ties to our founder, we are conducting demonstration tests through industry–academia collaboration with Gunma Prefectural Fujioka Kita High School, with the objective of exploring methods toward reconciling the soundness of the global environment and human health and verifying their effects. In January this year, with the cooperation of two companies—EBM, a beauty and health company, and Re Flora, a microbial analysis company—we began demonstration tests on the usefulness and potential applications of fulvic acid.

To all stakeholders: Future investments as a 100-year company

Our shareholders naturally expect strong performance and future growth. The initiatives I mentioned earlier—rethinking how we deliver value to customers and advancing our Planetary Health efforts—will not produce immediate results. However, as we mark our 100th anniversary, these are future-focused investments to ensure that Mitsuuroko Group continues to thrive for the next 100 years. We want to plant those seeds now. We hope our shareholders will view these initiatives with a long-term perspective and continue to support us over the years ahead.



Sustainably increasing corporate value with a basic policy built on five pillars



Kazuhiro Kojima

Director; Assistant to the President (Group Functions)
Corporate Secretary
Chief of Staff
Head of Finance & Control
Head of Corporate Affairs
Head of ICT Planning
Head of Inclusion & Diversity

Message from the Corporate Secretary

My role is to support the CEO's business strategies, maintain financial soundness, ensure fiscal discipline, and pursue the enhancement of governance and internal control, and by making the most of the Group's functions, to promote sustainable efforts to improve corporate value from the corporate side in both finance and non-finance. By formulating and executing finance strategies under the five pillars as a basic policy, looking at both financial and non-financial factors, we will maintain a solid financial foundation, prepare the funds necessary for growth investments, and achieve sustained efforts to improve corporate value. In addition, for financial results and financial information, we will provide appropriate and more careful disclosure, and with respect to non-financial initiatives such as ESG and human capital, we will bear the responsibility to improve corporate value by offering clear, equally accessible disclosure to all stakeholders.

At our Company, our rules stipulate that "advance approval" by the Corporate Secretary is required for all investments by the Group's business divisions; financing such as borrowings; purchases and sales of assets; launches of new businesses; changes in accounting policies; expense disbursements above a certain amount; and all agenda and reporting items of the Board of Directors. Accordingly, at an early stage, cases are discussed and reviewed with the business divisions while confirming the five pillars of finance strategies. The Corporate Secretary conducts confirmation across the entire Group and, while confirming necessary matters with the CEO as needed, we have a mechanism whereby management's intent is promptly reflected in front-line operations through early-stage decisions on whether to take up a case and course corrections for realization. Also, through management meetings of Group companies at which I concurrently serve as a Director, we are able to proceed while promptly confirming alignment with, and course corrections to, Group management policies that lead to sustainable efforts to improve corporate value. In deciding on cases, we clearly distinguish what can and cannot be done from the perspectives of risk and profitability, efficiency, and fiscal discipline; and from a Group-wide viewpoint, we work together to consider how to avoid risks in advance, how to minimize risks to make them risks we can take, and how to ensure actions that improve corporate value, striving to realize these. In the advance reviews, because I myself often learn directly from those in charge and new solutions are often discovered through discussion and proposals, I feel that human resources in both business and administrative departments is growing markedly through the review of cases and is surely developing into drivers of sustainable efforts to improve corporate value.

By enabling management-division personnel—including group management leaders and business-support staff—to deepen their expertise through rotation and hands-on experience, by developing human resources capable of serving as controllers and deputy controllers who drive our financial strategy, and by cultivating human resources within business divisions who understand finance and accounting, we can enhance our governance and strengthen corporate value. I see it as my role to lead and advance these efforts. It is human resources—who sustainably improve corporate value. I hope to help build an environment where each and every person can grow by achieving self-actualization as a Lifestyle Producer while feeling motivation, inspiration, and happiness.

In fiscal 2024, net sales and profit reached record levels. A solid financial foundation and customer base enable proactive and dynamic investment.

In fiscal 2024, net sales reached a record-high level, driven by an increase in sales volume of LPG in our core Energy Solutions Business and an increase in sales volume through expansion of new customers in Power & Electricity Business. On the other hand, although operating profit decreased due to factors such as a greater burden of capacity contribution payments in Power & Electricity Business and increases in investment costs in human resources and equipment, profit attributable to owners of parent hit a record high thanks to gains on sales of investment securities from efforts to reduce the number of strategic shareholdings.

In fiscal 2024, consolidated net sales expanded to 2.06 times the level in fiscal 2010 when we entered the electricity retail business. In terms of business composition, while Energy Solutions Business accounted for 95.7% in FY2010 and served as our sole core business, Power & Electricity Business once again surpassed Energy Solutions Business in fiscal 2023, following the previous year—46.2% versus 45.2%—with both operating as core segments. In addition, Foods Business recorded 6.2% (previous year: 6.9%), Living & Wellness Business 0.8% (0.9%), and Overseas Business 0.9% (0.9%). Although these amounts were largely unchanged from the prior year, each segment continued to grow steadily, resulting in a well-balanced business portfolio.

In addition to a solid financial foundation, the robust customer and earnings bases of Energy Solutions Business and Power & Electricity Business, which are responsible for essential infrastructure for daily life, together with a balanced business portfolio, enable proactive and dynamic investment. We will work to improve corporate value on a sustained basis and deliver stable shareholder returns.

1. Growth and cash generation: ¥50 billion medium-term investment framework for strategic growth

To improve corporate value on a sustained basis, it is necessary to make timely investments in growth of existing businesses (organic growth), M&A, and new businesses while maintaining financial soundness. Through sustainable growth, we will drive the creation of cash, make further investments, improve corporate value on a sustained basis, and deliver stable shareholder dividends. For investment funds, after securing appropriate funds for operations, we will respond by using cash generated from stable operating cash flow, together with cash in hand and external fund procurement.

Cash allocation in fiscal 2024



Looking at cash movements in fiscal 2024, on the cash-in side, operating cash flow reached ¥18.0 billion in line with increased profits, and asset sales/reduction, etc. amounted to ¥6.8 billion, while on the cash-out side, investments totaled ¥6.0 billion, shareholder returns (acquisition of treasury shares and dividends) ¥6.3 billion, other cash flows (such as debt repayments) ¥2.8 billion, and cash on hand increased by

Basic Policy of Financial Strategy
Five Pillars

1. Growth and cash generation — Growth of existing businesses, M&A, and new business investment, which will drive sustainable growth, and improvement/generation of cash efficiency
2. Profitability and efficiency — Continued business growth through risk/returns weighted on profit margin and capital efficiency, and improvement of efficiency through DX promotion
3. Shareholder returns, PBR consistently above 1x, and promotion of ESG — Maintain a total payout ratio of 50% or higher while continuing to implement progressive dividends, aiming for a PBR consistently above 1x
4. Solid financial foundation and sound fiscal discipline — Maintenance of shareholders' equity ratio of 50 to 55%, and acquisition/maintenance of credit rating of at least "A-" (JCR)
5. Group governance, internal control, and human capital development — Further enhancement of Group governance and internal control, and human capital development through a controller system

¥9.7 billion. In Mitsuuroko Group, since fiscal 2023 we have set a medium- to long-term investment framework of ¥50.0 billion, and the two-year total, including the first year fiscal 2023 (¥8.6 billion), amounted to investments of ¥14.6 billion. Of the ¥14.6 billion in investments, growth and strategic investments accounted for 53% (40% in fiscal 2024), representing investments that will improve corporate value on a sustainable basis going forward. As growth and strategic investments from fiscal 2025 onward, examples include investment to establish a new mineral water line at Shizuoka Mitsuuroko Foods' Ihara Factory (full-scale operation to start in July 2025); investment in grid storage batteries in Kitahiroshima, Hokkaido (scheduled to start operation at the end of fiscal 2025); investment in solar power plants for offsite corporate PPAs; investment in renovations at HAMABOWL EAS; and investment to establish women-only private sauna facilities within Tokyo's 23 wards.

The Group uses a cash management system (CMS) to achieve centralized management of Group funds for the efficient use of surplus funds, and works on site to shorten the cash conversion cycle (CCC) through early collection of accounts receivable and inventory reduction, thereby working on the creation of the cash needed for investments. In fiscal 2024, mainly because the accounts payable turnover period increased due to the impact of the capacity contribution in the electricity market, the CCC decreased (shortened) from 14.9 days in fiscal 2023 to 6.9 days. We will continue to rigorously pursue improving asset efficiency by compressing inventory turnover periods and improving the speed of cash conversion.

2. Profitability and efficiency: Reduction of strategic shareholdings and improvement of capital efficiency using ROIC

Sustained growth requires strengthening earning power with emphasis on profit margin. Within our Group, while prioritizing investments related to responses to security, safety, and BCP and to systems for business continuity, in order to secure fiscal discipline we stipulate as an investment criterion that the Internal Rate of Return (IRR) exceed the cost of capital, which is the hurdle rate. We invest only in projects that meet this criterion, and in addition we look at whether Net Present Value (NPV) is above zero, together with evaluation of the payback period, evaluation of risks, and so forth. In addition, with respect to acquisitions, based on the results of finance, legal, and human resources DD, we make decisions that consider business strategic fit and risk, and together with companies newly joining the Group, we work to further raise profit margin with an awareness of the cost of capital by realizing efficiencies and synergy.

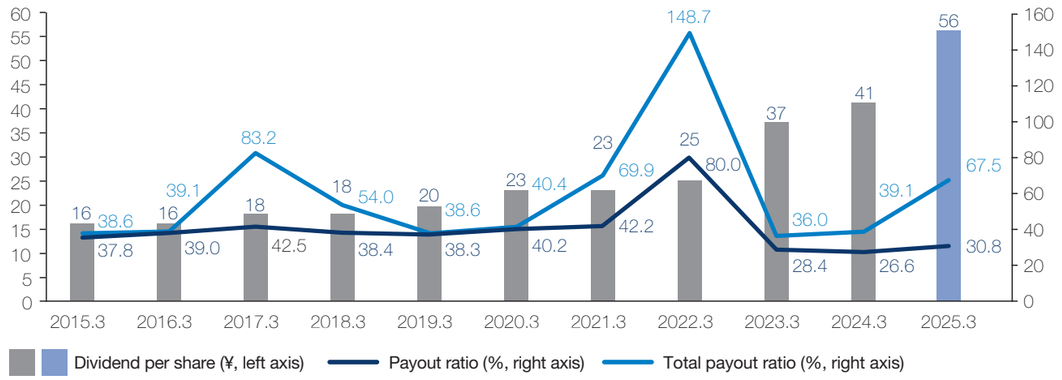
Further, in line with the Corporate Governance Code, for strategic shareholdings, we carefully examine profitability for each individual security in light of business strategic importance and the cost of capital on an annual basis, and if the rationality of holding is not recognized, we set a policy of selling to reduce the number, and pursue further improvement in capital efficiency. In fiscal 2024, we sold four securities. At the same time, SIAMGAS AND PETROCHEMICALS PUBLIC COMPANY LIMITED shares were changed, taking into account current realities, from strategic shareholdings to shares held for pure investment purposes. As a result, as of the end of March 2025, the balance of strategic shareholdings was ¥13.255 billion and the ratio to consolidated net assets was 13.4%. Compared with the prior year's balance of ¥32.611 billion and ratio of 32.6%, the balance has decreased and the ratio has declined.

Since fiscal 2023, our Group has introduced return on invested capital (ROIC) with an emphasis on investment profitability, and aims to improve capital efficiency by having this ratio exceed the weighted average cost of capital (WACC). The Group's ROIC for fiscal 2024 is at a level above WACC. Quarterly ROIC by business segment is shared with the Board of Directors and linked to operation of the business portfolio. We will work to improve ROIC by raising investment returns through rigorous application of our investment criteria, securing profit levels, and improving asset efficiency through CCC improvements and reduction of strategic shareholdings, among other measures. Additionally, ROE in fiscal 2024 was 10.6%, exceeding the prior year's 9.5%, mainly due to higher profit levels.

3. Shareholder returns and sustained PBR above 1.0x: Maintain a 50% total payout ratio; continue progressive dividends

We position returning profits to shareholders as an important management issue and have provided stable, continuous dividends. At the Board of Directors meeting on May 9, 2025, as part of management with an awareness of the cost of capital for shareholders' equity, with the objective of further enhancing returns to shareholders and improving capital efficiency not only through dividends but also through the acquisition of treasury shares, we decided to change our shareholder return indicator from payout ratio to total shareholder return ratio. Taking into account strengthening our financial base and enriching the internal reserves needed for proactive business development, our basic policy is to continue progressive dividends while maintaining a total shareholder return ratio of 50% or more. At the same time, from the perspective of strengthening shareholder returns and a policy to provide stable dividends, and after comprehensive consideration of our recent financial condition, for the fiscal year ended March 31, 2025 we raised the dividend by ¥15 to ¥56 per share. In fiscal 2024, to further enhance shareholder returns and improve capital efficiency, we acquired ¥3.9 billion of treasury shares, and the total shareholder return ratio was 67.5%. Furthermore, with respect to treasury shares, we canceled 5.1% of the total number of shares issued prior to cancellation. For the next dividend as well, we plan to pay a dividend of ¥56 per share. While maintaining a total shareholder return ratio of 50%, and from a medium- to long-term point of view, we will continue to invest in business areas expected to grow and in strategic investments, as well as invest to maintain and strengthen existing businesses, thereby striving for sustained growth and to improve corporate value, together with increasing shareholder value.

Dividend per share, payout ratio and total payout ratio



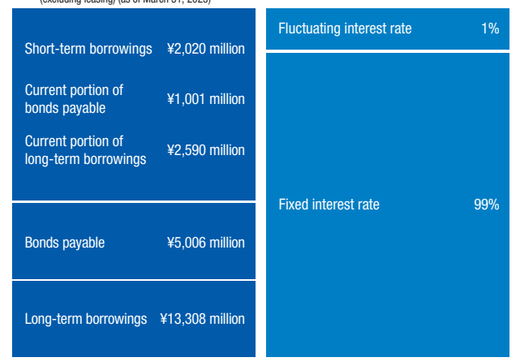
With a focus on capital profitability and our share price, we are working to keep our PBR (price-to-book ratio) consistently above 1x as an indicator for sustainably improving corporate value in harmony with ESG. Our PBR at the end of June 2025 was 1.09x, exceeding 1x as in the same period of the previous year (1.05x). By improving ROIC with an emphasis on investment profitability based on our investment criteria and further promoting initiatives in non-financial areas such as ESG, we will aim to keep PBR consistently above 1x. Because PBR is the ratio of the share price to net assets per share, we will disclose the promotion of non-financial ESG and initiatives for human capital that do not appear on the balance sheet, and aim to keep PBR consistently above 1x through improved evaluation of non-financial efforts and an enhanced market assessment of our future growth potential.

4. Solid financial foundation and sound financial discipline

Sustainably improving corporate value through proactive investment requires a solid financial foundation and sound fiscal discipline that are resilient to changes in the external environment—such as fluctuations in wholesale electricity market prices driven by energy prices, inclement weather, and international conditions—and to fluctuations in demand. Our Group aims to maintain a consolidated equity ratio of around 50–55% to preserve fiscal discipline. In fiscal 2024, our equity ratio was 53.1%, firmly maintaining our target range of around 50–55%.

As of the end of March 2025, 99% of our borrowings and bonds payable were at fixed interest rates (98% in the previous year), and the remaining tenor of our long-term interest-bearing debt was 5.4 years (6.3 years in the previous year). Given this high proportion of long-term fixed-rate debt, the impact of future interest rate rises on our business performance and finance with respect to our current borrowings is expected to be limited.

Solid financial foundation not susceptible to rising interest rates
Breakdown of interest-bearing liabilities balance by financing source
(excluding leasing) (as of March 31, 2025)



* Average remaining term (remaining term of the entire interest-bearing liabilities: 5.0 years, remaining tenor of the entire long-term interest-bearing liabilities: 5.4 years)

Credit Rating Information

Rating agency: Japan Credit Rating Agency (JCR)

Scope	Rating	Outlook
Long-term issuer rating	A -	Stable

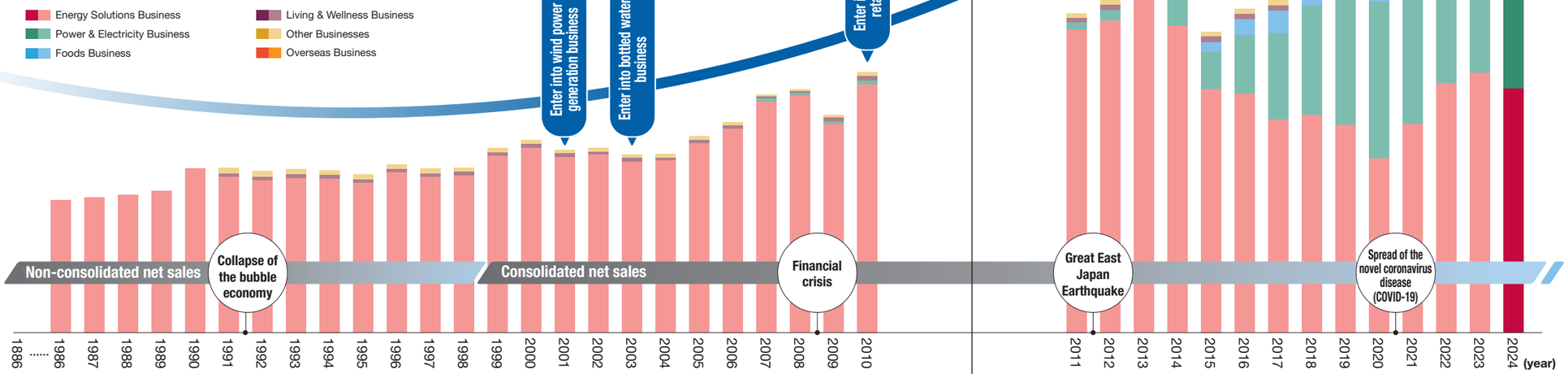
We have obtained an A- Rating from the Japan Credit Rating Agency (JCR) as an assessment of our corporate creditworthiness, and by obtaining and maintaining this rating or higher, we intend to enhance our external creditworthiness, broaden our financing options by leveraging the capital market, and uphold fiscal discipline that leads to further enhancement of governance.

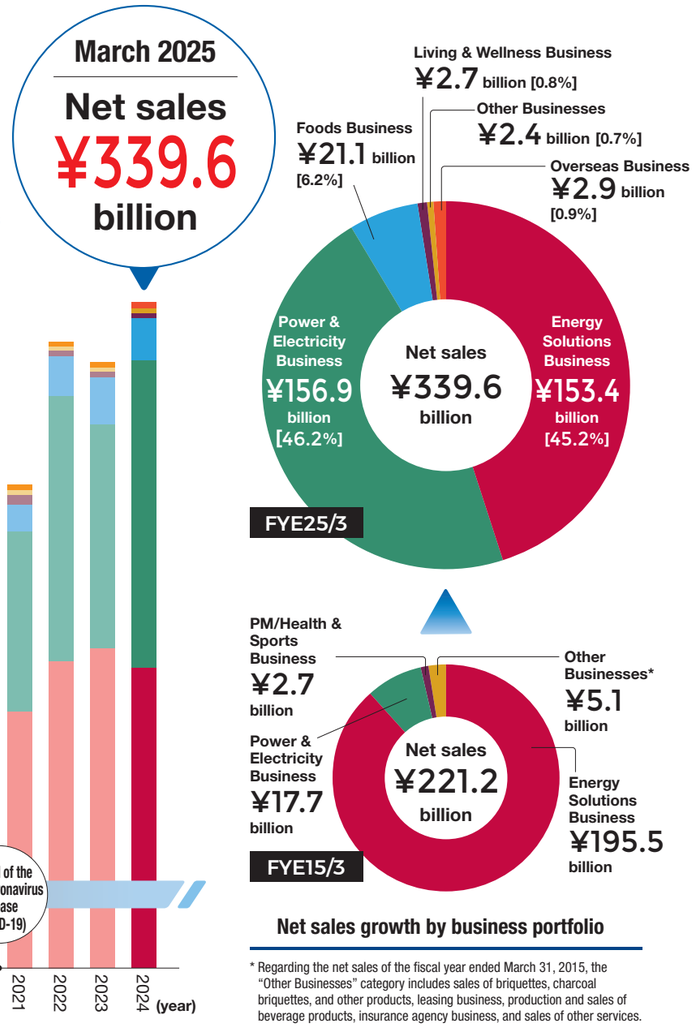
5. Group Governance, Internal Control, and Human Capital Development

As each of the Group's businesses continues to grow, we are working to further enhance internal control. Each year, our Company reports to and shares with the Board of Directors the specific internal control plan for financial reporting, taking into account the previous year's review and changes in the environment. Our Group advances a financial strategy under strong governance that drives growth, and focuses on developing human resources to take charge of improving corporate value. Through a controller system in our business divisions, we enable personnel responsible for finance and accounting to concurrently gain experience in internal control and supporting business growth. Through discussions between the front line (business divisions) and accounting and finance members on financial closing, investment reviews, corporate value assessment, and potential impairment, this contributes to human capital development by enhancing the expertise of both sides, sharing information, and further improving management transparency. We also focus on developing human resources through a rotation system that provides a variety of experiences and through support from professionals with advanced specialist skills. Furthermore, we promote human capital development through briefing sessions and training held at least twice a year for all Group managers and staff at the front line on internal control and finance and accounting policies.

A corporate group creating distinctive experiences and embracing new challenges

Since our founding in 1886, Mitsuuroko Group has been working to support people's lives by supplying energy that meets contemporary needs and providing lifestyle services. We will continue taking up challenges to help each and every one of our customers lead more fulfilling lifestyles while maintaining close stewardship of natural resources and the environment, for the future of our children and the Earth.





Net sales growth by business portfolio

* Regarding the net sales of the fiscal year ended March 31, 2015, the "Other Businesses" category includes sales of briquettes, charcoal briquettes, and other products, leasing business, production and sales of beverage products, insurance agency business, and sales of other services.

–1985 Foundation phase

[Entering the fuel industry to support modernization]

Founder of Mitsuuroko, Tatsusaku Tajima, founded Kaneichi, a transportation business, in 1886. The challenge expanded to the fuel industry, which supported Japan's modernization, and in 1926, he established Sanrin Rentan Genryo Co., Ltd., the predecessor of today's Mitsuuroko.

In 1928, the brand logo that is used today was established. Motorization was promoted at each plant with the introduction of modern equipment, and the production volume soared. The name of the Company was changed to Sanrin Muentan Co., Ltd. in 1933, the year it captured the top position in the industry in terms of coal and briquette sales. In 1940, the Company expanded its share of national charcoal briquettes production to 40%.

1886



Launch as transportation business

1953



Inclusion of LPG among offerings

1985–2000 Development phase

[MITSUUROKO was born following transition to petroleum and LPG]

In the 1950s, Japan entered the era of so-called fuel reform, shifting its source of energy from coal to petroleum and liquefied petroleum gas (LPG). This is when Sanrin Muentan Co., Ltd. began carrying petroleum and LPG. The Company became a pioneer of the rapidly progressing fuel revolution. While manufacturing high-grade briquettes and charcoal briquettes, and simultaneously shifting to petroleum and LPG, the Company solidified its position as a leader in the industry.

In 1961, five companies (Tokyo Rentan, Yokohama Rentan, Tochigi Sanrin, Naganuma Nenryo, and Shonan Nenryo) were merged with Sanrin Muentan Co., Ltd., and MITSUUROKO Co., Ltd. was born.

In 1967, the National Mitsuuroko Association was formed, and the foundation of the group structure of today was built.

1967



Formation of National Mitsuuroko Association

1998



Entry into Kansai area following transfer of retail departments from General Sekiyu and Esso Sekiyu

2000–2015 Expansion phase

[Entry into new businesses and transition to pure holding company structure]

From the 1970s onward Japan entered a stable growth period following the post-war high-growth period. The Company set to work on streamlining LPG logistics ahead of the industry, solidifying the foundation that has brought it to today by such means as establishing distribution-related subsidiaries in each region.

In the 2000s, it entered the wind power generation business in anticipation of establishing the optimal energy mix. Sales of bottled water was launched as a new lifestyle service business as the Company sought to expand its business domains.

Moreover, the logistics business was integrated in pursuit of rationalization and specialization, and in 2011, the new Mitsuuroko Group was born for the purpose of further strengthening the business foundation through the transition to a holding company structure.

2001



Entry into wind power generation business

2009



Opening of HAMABOWL EAS

2015– Reform phase

[Toward 100th anniversary of incorporation]

In April 2017, right when the Japanese economy entered a period of gradual recovery, Sweet Style Co., Ltd. (now Mitsuuroko Provisions Co., Ltd.) was made a subsidiary, and we began operating the "Azabujuban Mont-Thabor" bakery and "Motomachi Coffee" cafe. Mitsuuroko's energy business was transferred to Mitsuuroko Vessel Co., Ltd. starting in October 2017 and continuing through October 2018. And with this, a more community-based energy business company was born.

Triforce Investments Pte. Ltd. was established in Singapore in October 2020 as an overseas business, and General Storage Company Pte. Ltd. was made a subsidiary in December 2021.

Mitsuuroko established the Lifestyle Planning Department within Mitsuuroko Group Holdings in September 2023, with the goal of seeking the next generation of affluence. In partnership with Mitsuuroko Tec Co., Ltd., in April 2024 we launched the new "Smart Greenhouses" business in Fujioka-shi, Gunma, the birthplace of our founder, Tatsusaku Tajima. As "Mitsuuroko Coffee Farm," we are aiming to create a new business that develops together with the local community, including the spread of 100% domestic coffee bean cultivation in Japan.

2024



Coffee plant at Mitsuuroko Coffee Farm

Purpose Keeping everyday special through the evolution of lifeline services and the pursuit of well-being

Management capital input

Deepening sustainability management

Identification of materiality

Business Materiality

- Contribution to the environment
- Contribution to local communities
- Enhancement of safety and disaster response measures

Management Foundation Materiality

- KENKO Investment for Health
- Promotion of diversity
- Thorough compliance

A Lifestyle Producer with human resources at its core



Business activities

Diversified business development for the creation of more fulfilling lifestyles

- Energy Solutions Business
- Power & Electricity Business
- Foods Business
- Living & Wellness Business
- Overseas Business
- Other Businesses

Value creation

Contribution to society

Creation of more fulfilling lifestyles

Support lifestyles

Enrich lifestyles

Planetary Health “soundness of the global environment” “human health”

People

The Earth

Enhanced corporate value

- Creation of profit
- Earning appropriate evaluation
- Improvement of PBR

Key Management Capital

Purpose To drive growth and new value creation through the integration of management capital

Human capital

A diverse workforce that delivers better services to customers in an increasingly diverse society

Mitsuuroko Group's business growth is driven by the growth and performance of each and every employee. We promote DE&I (Diversity, Equity & Inclusion), foster an environment in which diverse talent can thrive, and support employee upskilling through training and internal program.



Financial capital

A solid financial foundation and disciplined capital allocation, including investment and M&A, to drive value creation

Mitsuuroko Group's financial capital supports long-term growth through stable revenue streams and diverse funding sources. This enables us to invest in businesses, pursue new growth areas, and strengthen and expand our business portfolio.



Social capital

Good relationships with all stakeholders, including business partners, local communities, shareholders, investors, and employees

Mitsuuroko Group leverages the diverse networks and trust it has built with stakeholders over many years to contribute to the realization of a sustainable society, while further strengthening collaboration with local communities.



Intellectual capital

Contributing to a sustainable society and creating new businesses

Mitsuuroko Group's competitive advantage lies in the expertise and technical innovation it has developed in the fields of energy supply and lifestyle infrastructure. By further enhancing operational efficiency and advancing digital transformation, we create new solutions that meet the evolving needs of our customers.



Production capital

Playing a role as part of the community's lifeline and supporting the lives of our customers

Mitsuuroko Group's production capital comprises essential foundations that support our business activities, including energy supply infrastructure, logistics networks and production sites for the bottled water business. By further enhancing productivity and strengthening the supply chain, we continue to play a vital role in supporting regional lifelines.



Natural capital

Contributing to a sustainable society and the conservation of nature through our business activities

To address climate change, Mitsuuroko Group actively promotes the supply of sustainable energy and the achievement of carbon neutrality. We work to reduce environmental impact by expanding the use of renewable energy and introducing energy-saving technologies.



Management Strategy and Source of Our Competitive Advantage

Management Strategy

In Energy Solutions Business, the core business of Mitsuuroko Group, LPG continues to be highly profitable and has gained attention as a form of disaster-resilient distributed energy. However, the market has reached maturity, and because the population is expected to decline, a dramatic increase in the size of the market is unlikely. Demand for petroleum products such as heating oil and gasoline is on the decline.

To maintain competitiveness under these circumstances and secure stable profits, it will be important not only to reduce business costs through thorough streamlining but also to prepare a strategy based on growth from cultivating the markets for businesses that have the potential to be core businesses in the next generation and building up profitability.

We will focus primarily on the points below while maintaining the competitiveness of our core energy-related businesses to become a Lifestyle Producer as set forth in our management philosophy.

Direction of Business Toward the Future

Evolution of lifeline services helps to

Support lifestyles

Achieve a sustainable society

Safety and security ▶ Comfort

Pursuit of well-being helps to

Enrich lifestyles

Achieve a society with a high level of well-being

Fulfillment ▶ Excitement

Source of Our Competitive Advantage

1

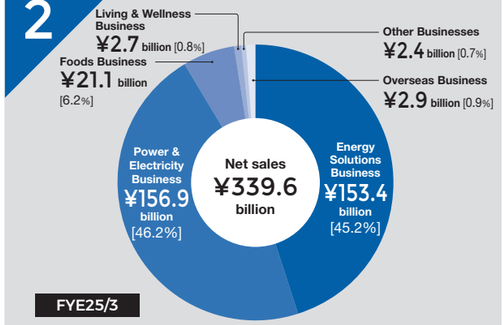
忍而和斉家上策
勤与倹創業良図

Patience and harmony serve as the key to a well-ordered family. Hard work and frugality constitute a positive basis for business startup.

Founding spirit of relentless challenges

One of the founding principles of Mitsuuroko Group is that “everyone with a connection to Mitsuuroko is family, and the path for that family to prosper must be chosen even if it is difficult and challenging.” This is an important principle for our continual pursuit of challenges and exists so that Mitsuuroko Group can continue to shine for the next 100 years and beyond. Up to now, Mitsuuroko Group has continued to grow while sensing changes in society and our customer needs and changing ourselves as we look ahead to the future. In order to continually adapt to the environment of the times, we will continue to be a corporate group that takes up challenges, not fearing failure but learning from it.

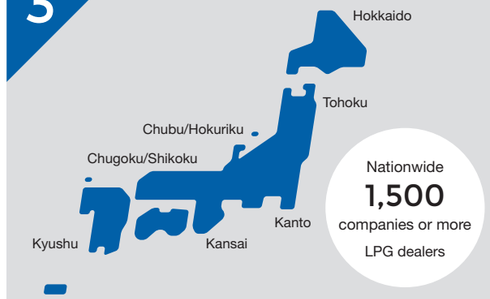
2



Stable revenue structure and diverse human resources

We have taken up many challenges in the aim of diversifying our business portfolio. We are able to keep pursuing these challenges because of our stable revenue structure and our diverse human resources that make such operations possible. Mitsuuroko Group promotes lifestyle-oriented businesses like those in the energy sector, and creating this sustainable business model has led to sustainable generation of profits. Moreover, it is the capabilities of those at Mitsuuroko Group that maximize the potential of these businesses—the growth of each employee also leads to strengthening and development of our business portfolio. We will continue embracing new challenges as we work to establish a solid management foundation and ensure our businesses keep operating.

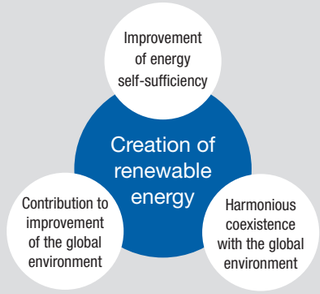
3



National Mitsuuroko Association

A big advantage in our sales and marketing comes from the National Mitsuuroko Association, which is comprised of more than 1,500 dealer companies nationwide. This is a massive organization made up of our LPG dealers. The points of contact with consumers are the member companies of the National Mitsuuroko Association, and they are essential for the business activities. The National Mitsuuroko Association promotes the development of a system to better facilitate sales along with products and services that address customer needs by providing information on new business models that go beyond the scope of LPG such as “Mitsuuroko Electricity” and “Mitsuuroko Hikari.”

4



Environmentally-friendly management

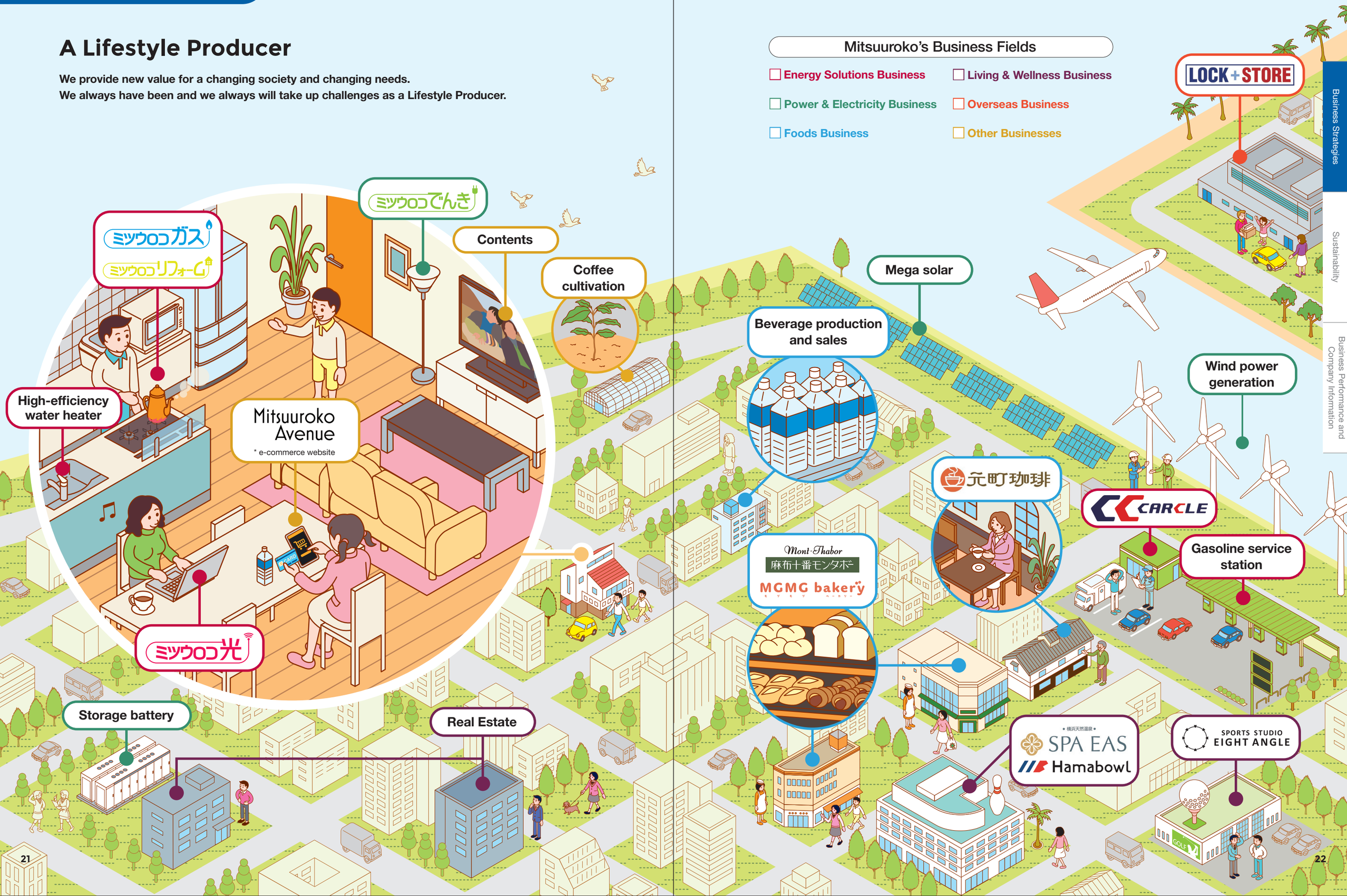
Mitsuuroko Group is working to spread natural renewable energy for people-friendly and environmentally-friendly lifestyles while providing a stable supply of LPG and other energy sources. Since its founding in 1886, the Group has been working to support people’s lives in every way it can by supplying energy that meets contemporary needs and providing Lifestyle Services. This involves everything from coal to briquettes, charcoal briquettes, petroleum products, and LPG. Today, we are subject to major challenges in terms of remaining mindful of the global environment and addressing electricity shortages. As such, we are fully committed to promoting the spread of natural renewable energy sources that are not dependent on traditional fossil fuels, as well as energy storage and other next-generation energy systems. Mitsuuroko Group will continue to help each and every one of our customers lead more fulfilling lifestyles while maintaining close stewardship of natural resources and the environment, for the sake of the children who will lead the next generation and the Earth.

A Lifestyle Producer

We provide new value for a changing society and changing needs.
We always have been and we always will take up challenges as a Lifestyle Producer.

Mitsuuroko's Business Fields

- Energy Solutions Business
- Power & Electricity Business
- Foods Business
- Living & Wellness Business
- Overseas Business
- Other Businesses



Evolution of lifeline services helps to
Support lifestyles

All for “more fulfilling lifestyles”

Pursuit of well-being helps to
Enrich lifestyles

Business segment	Energy Solutions Business P25-26	Power & Electricity Business P27-28	Foods Business P29-30	Living & Wellness Business P31-32	Overseas Business P33-34	Other Businesses P35-36
Value themes	Support people’s lives. Cultivate the future.	Next-generation energy that brings comfort and ease to daily life.	Let’s make the future exciting with deliciousness.	Connecting the living, to the fulfilling future.	Delivering sustainable values to local communities.	A track record of meeting needs accelerates business.
Net sales	¥153,464 million	¥156,972 million	¥21,161 million	¥2,734 million	¥2,908 million	¥2,414 million
Operating profit	¥2,414 million	¥6,722 million	¥899 million	¥88 million	¥176 million	¥21 million
Description	Our diverse business portfolio includes the supply of LPG, liquefied natural gas (LNG) and other petroleum products and LPG for vehicles. We also sell and install housing equipment, provide fiber optic communication services called “Mitsuuroko Hikari,” and supply solid fuel, solar power generation systems, lithium-ion batteries, and residential-use fuel cells.	As a power generation business operator that uses renewable energy such as wind and biomass, we aim to improve the global environment (reduce CO_2 emissions), improve energy self-sufficiency, and achieve harmonious coexistence with local communities.	We are engaged in the production and sales of beverages, operation of restaurants, in-facility stores and cafeterias, operation of DELICATERIA (delicatessens directly under Mitsuuroko Grocery), voluntary chain stores, fresh bakeries, and cafes.	We use our real estate assets, including idle land to develop and lease office buildings and commercial facilities, as well as manage sports and health facilities.	Centered in Asia, we are involved in the development of local energy and social infrastructure and carry out new business development in the global market, such as self-storage operation and corporate investment.	We operate businesses including the leasing of office and information-communication equipment, shared services and IT solutions, insurance agency services, content development, digital marketing, and coffee cultivation.
	ミツウロコガス / ミツウロコ光 / ミツウロコリフォーム / CARCLE High-efficiency water heaters Gasoline stations	ミツウロコでんき Mega solar Wind power generation Storage batteries	Mont-Thabor 麻布十番モンタボー / MGMG bakery / 元町珈琲 Beverage production & sales	Hamabowl / SPA EAS / SPORTS STUDIO EIGHT ANGLE Real Estate	LOCK+STORE / THE STORE HOUSE 易存家迷你倉 / SUNPRO GROUP	Mitsuuroko Avenue Content business Coffee cultivation

Energy Solutions Business

Support people's lives. Cultivate the future.

[Operating companies]
Mitsuuroko Vessel Co., Ltd.
Mitsuuroko Vessel Hokkaido Co., Ltd.
Mitsuuroko Vessel Tohoku Co., Ltd.
Mitsuuroko Vessel Yamanashi Co., Ltd.
Mitsuuroko Vessel Chubu Co., Ltd.
Mitsuuroko Vessel Kansai Co., Ltd.
Mitsuuroko Vessel Shikoku Co., Ltd.
Logitri Holdings Co., Ltd.
Logitri Tohoku Co., Ltd.
Logitri Chubu Co., Ltd.
Logitri Kansai Co., Ltd.
Mitsuuroko Drive Co., Ltd.
Mitsuuroko Urban Gas Co., Ltd.
Sanyuu Co., Ltd.
Tanno Shouten Co., Ltd.

[Equity-method associates]
Niigata Sanrin Co., Ltd.
Japan Enagic Co., Ltd.
Daijyou Energy Co., Ltd.
Iruma Gas Co., Ltd.

Segment Head Message

Under the vision "Support people's lives. Cultivate the future," as an energy lifeline service provider closely tied to local communities, we offer an integrated package that extends to services related to everyday lifestyles, while expanding our new Energy Solutions Business.

Mitsuuroko Group will celebrate the 100th anniversary of its establishment next year. Leveraging the relationships of trust we have built with distributors and customers, and our sales network, as strengths, we will work to develop demand by capitalizing on the advantages of LPG—one of our existing businesses—expand services related to everyday lifestyles, make bundled proposals with Mitsuuroko Electricity and Mitsuuroko Hikari, and promote Mitsuuroko Reform, thereby further expanding sales and strengthening relationships. In addition, through the sale of carbon-offset LPG, the sale of solar power generation systems and high-efficiency gas equipment, and proactive investment in solar power plants with corporate PPAs in view, we will continue to focus on achieving carbon neutrality and, as a Lifestyle Producer, strive to further enhance corporate value.



Kenji Yoshizawa
Mitsuuroko Vessel Co., Ltd.
President and Representative Director

Competitive advantages

- A nationwide sales network that spans the country, including the "National Mitsuuroko Association," providing us with the ability to respond quickly
- A diverse range of energy solutions such as solar power, storage batteries, and residential-use fuel cells
- Investment in solar power plants through corporate PPAs and long-term stable supply

Overview of business strategies

01 Contribution to a decarbonized society

- Promote the widespread adoption of solar power generation systems
- Installation and operation of solar power plants through corporate PPAs
- Proactive sales promotion of energy-efficient equipment

02 Business development tailored to regional characteristics

- Rapid, flexible responses enabled by the Mitsuuroko Group's wide-area sales network and talent deployment that delivers even more community-focused services
- Provide multiple categories of daily-life infrastructure in a one-stop manner and respond precisely to customers' needs

03 Strengthen coexistence with local communities

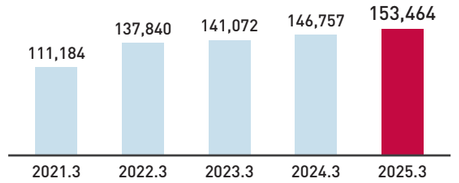
- Support local lifestyles by proposing the optimal mix of energy and peripheral equipment
- Promote the introduction of region-led renewable energy

Operating performance

Net sales (Millions of yen)

¥153,464 million

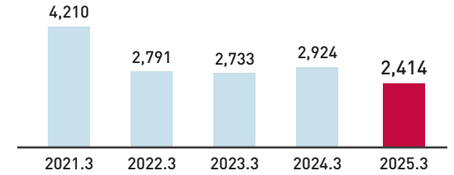
4.6% year on year Up ⬆



Operating profit (Millions of yen)

¥2,414 million

17.4% year on year Down ⬇



Overview of fiscal 2024

Results

- Although revenue increased year on year, human resources investment and upfront investment in SmartOWL® and other initiatives led to a decrease in profit
- Rectification of business practices in the LPG industry and pricing system reform
- Expanded investment in solar power plants through corporate PPAs utilizing subsidies
- Secured tanker truck charters for LPG and petroleum products to expand sales amid strained logistics conditions

Risks

- Fluctuations in cost of sales due to trends in crude oil prices, LPG import prices, and exchange rates
- Decline in the sales volume of LPG and heating oil due to rising air and water temperatures caused by global warming
- Supply suspension due to equipment damage caused by natural disasters
- Power outages and increased restoration costs due to theft affecting solar power generation equipment

Challenges

- Securing human resources and elimination of the imbalance in generational composition
- Efficiency improvements to address cost increases among various outsourcing partners, such as logistics, against the backdrop of rising labor costs
- Strengthening of the maintenance framework, including anti-theft measures, for the long-term operation of solar power plants

Toward 2030

Toward 2030, through the evolution and deepening of our existing businesses—the LPG business—we aim to be a lifeline service provider chosen by consumers, and we will strive to balance reduced environmental impact with stable supply, contributing to the realization of a sustainable society.

As a lifeline service provider, we will strengthen our security framework and develop qualified personnel, build a supply system that can respond in times of disaster, and ensure safe, reliable energy supply. Furthermore, by continuing to expand products and services that provide more fulfilling lifestyles and propose new value, we aim for Mitsuuroko Group to account for 10% of the family budget. To that end, we will create an environment where employees can work vibrantly and focus on developing sales resources, enabling each employee to provide community-based services tailored to regional characteristics. This will further strengthen relationships of trust with customers and reinforce our role as a comprehensive point of contact for daily-life infrastructure.

Just as Mitsuuroko Group has developed over its long history by adapting to changes in the business environment and consumer needs, we will continue to adapt to environmental changes and work to solve social issues and realize a sustainable future lifestyle.



Power & Electricity Business

Next-generation energy that brings comfort and ease to daily life.

[Operating companies]
Mitsuuroko Green Energy Co., Ltd.
Azuchi-Oshima Wind Power Plant Co., Ltd.
Mitsuuroko Iwakuni Power Plant Co., Ltd.

[Equity-method associates]
Suigo-Itako Solar Co., Ltd.
Futtsu Solar Co., Ltd.

Segment Head Message

Mitsuuroko's Power & Electricity Business, which started with wind power generation, has leveraged the opportunities presented by electricity liberalization to expand its scale. Our strength lies in the fact that we have actually experienced the process of that liberalization as an electricity business operator from a relatively early stage. Furthermore, the mission cultivated in Energy Solutions Business—"delivering energy, which is among the essential items of daily life, to customers"—also underpins Power & Electricity Business and has become an important element that enables customers to use Mitsuuroko Electricity with confidence.

Looking ahead, changes in the business environment are anticipated, such as increased electricity demand driven by the introduction of carbon pricing toward decarbonization and the spread of AI. Together with the expansion of the use of renewable energy, we view these as new business opportunities and will leverage our experience to pursue further expansion of Power & Electricity Business.



Manabu Sakanishi
Mitsuuroko Green Energy Co., Ltd.
President and Representative Director

Competitive advantages

- Long-term procurement capability for bilateral power sources cultivated through experience
- Capability to expand the sale of environmental offerings enabled by in-house ownership of renewable energy power plants
- Extensive sales know-how covering special high-voltage through low-voltage
- Accumulation of know-how through early entry into grid storage battery business ahead of the industry

Overview of business strategies

01 Proactive customer expansion

- Expand the customer base based on abundant long-term bilateral power sources
- Expansion of high-voltage customers by strengthening collaboration with partners, including financial organizations
- Promote acquisition of low-voltage customers through strengthening of web strategies
- Accelerated expansion of market share with collaboration with industry peers and M&A in vision

02 Promotion of grid storage batteries and expansion of participation in the supply-demand adjustment market

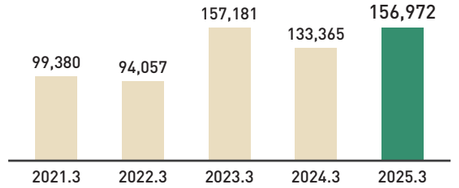
- Expansion of in-house storage power plants by leveraging the advantage of accumulated know-how from early entry into grid storage battery business ahead of the industry
- Expand operation outsourcing services for grid storage batteries owned by other companies, leveraging the operation know-how of our own storage power plants
- Promote outsourcing of aggregation services for thermal power plants by leveraging experience in the supply-demand adjustment market using our own grid storage batteries

Operating performance

Net sales (Millions of yen)

¥156,972 million

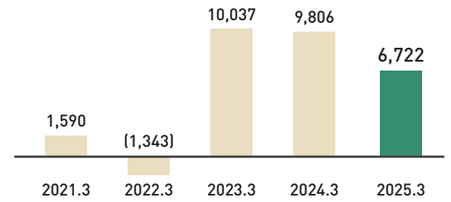
17.7% year on year Up ⬆



Operating profit (Millions of yen)

¥6,722 million

31.4% year on year Down ⬇



Overview of fiscal 2024

Results

- Revenue increased year on year due to an increase in sales volume driven by expansion of new customers. Meanwhile, profit decreased due to the burden of capacity contribution payments that arose starting with this consolidated fiscal year
- Continued participation in the supply-demand adjustment market by utilizing grid storage batteries
- In 2024, achieved the highest evaluation of five stars for the third consecutive year in the "Energy-Saving Communication Ranking Program"

Risks

- Policy risks due to changes in systems
- Risk of long-term shutdown of our own power plants due to disasters, etc.
- Risk of long-term shutdown of bilateral contract power sources due to disasters, etc.

Challenges

- Dealing with a drop in sale prices due to intensified competition
- Reducing greenhouse gases at fossil fuel-based power plants for which long-term bilateral contracts are secured

Toward 2030

We aim for proactive customer expansion and, through the creation of renewable energy, contribution to improvement of the global environment (by reducing CO_2 emissions) and improvement of energy self-sufficiency, and coexistence with the global environment.

Going forward, with the rapid spread of solar power generation, electricity during sunny daytime hours will be in surplus, and in the evening after sunset there will be electricity shortages; this situation is expected to further expand. Therefore, in addition to the expansion of our own grid storage batteries, we will expand operation outsourcing services for grid storage batteries owned by other companies, and by promoting the maximum use of renewable energy during hours when electricity is lacking, we will achieve the elimination of electricity shortages. Through this initiative and other activities to spread renewable energy, we will aim for a 46% reduction in greenhouse gases by 2030 and promote our business toward carbon neutrality in 2050.

We will continue to contribute to realizing more fulfilling lifestyles for more people through reliable, safe, and affordable electricity supply.



Foods Business

Let's make the future exciting with deliciousness.

[Operating companies]
Mitsuuroko Foods Co., Ltd.
Mitsuuroko Beverage Co., Ltd.
Mitsuuroko Provisions Co., Ltd.
Shizuoka Mitsuuroko Foods Co., Ltd.
Mitsuuroko Partners Co., Ltd.

Segment Head Message

Mitsuuroko Group's beverage and food service businesses, grounded in the "commitment to quality" and "safety and peace of mind" cultivated to date, aims for further growth and creation of social value.

In recent years, the business environment surrounding us has been changing significantly, driven by the rise of health-conscious consumers and the diversification of lifestyles, as well as the environmental problem and advances in digitalization. Amid these changes, Mitsuuroko Group will contribute to our customers' health while fulfilling our responsibility to the environment through the use of recycled materials and efforts toward carbon neutrality.

Furthermore, by strengthening digital channels such as EC and subscription services, we will also focus on delivering a new beverage experience that combines convenience and efficiency. Recognizing that beverages are not merely luxury items but a facet of social infrastructure that supports people's lives, we will continue to take on challenges and pursue evolution. Moving forward, as a Lifestyle Producer, we will strive to advance our beverage and food service businesses that continue to grow together with society.



Motoyasu Omori
Mitsuuroko Foods Co., Ltd.
President and Representative Director

Competitive advantages

- Safety, peace of mind, and reliability
- Environmentally-conscious business model
- Co-creation with society mindset

Overview of business strategies

01 Utilization of digital transformation (DX) and distribution reinforcement

- Enhancement of systems from ordering and receiving to delivery, fulfillment, and inventory management
- Expansion of EC channels
- Development of new sales models such as subscription-type services

02 Environment and Sustainability

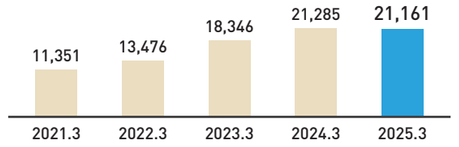
- Active introduction of recycled PET and label-free bottles
- Promotion of energy efficiency and conservation in the manufacturing process and carbon neutrality
- Reducing environmental impact through preservation activities at the water collection sites

Operating performance

Net sales (Millions of yen)

¥21,161 million

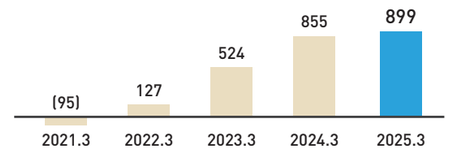
0.6% year on year Down ⬇



Operating profit (Millions of yen)

¥899 million

5.1% year on year Up ⬆



Overview of fiscal 2024

Results

- Due to an increase in sales volume in the beverage business and facility enhancements, revenue decreased 0.6% year on year and profit increased 5.1% year on year
- In the beverage business, sales of our own-brand tea beverages (barley tea and green tea) performed well, and sales volume of beverages and mineral water remained solid at 102% year on year
- Launched Azabujuban Mont-Thabor's new product brand "Mont-Thabor Bagel" and provided services for inbound visitors

Risks

- Difficulty in securing a stable workforce due to labor shortages and aging at the plant
- Labor shortages in store operations in the food service business

Challenges

- Addressing increased production volumes in the beverage business
- Promotion of digital transformation (DX) for logistics and order processing systems
- Utilization of joint delivery and modal shift, and joint establishment of logistics facilities

Toward 2030

Toward 2030, we will continue to advance initiatives aimed at sustainable growth and increasing societal value.

First, responding to the rise of health-conscious consumers, we will strengthen the development of natural water and beverages with functionality, contributing to consumers' well-being. In addition, we will develop business operation with an emphasis on reducing environmental impact, including the use of recycled PET and biomass materials, energy efficiency & conservation in the manufacturing process, and environmental preservation at the water collection sites. Leveraging advances in digital technologies, we will pursue convenience and efficiency by promoting cashless and personalized sales through EC, and enhancement of demand forecasting and inventory management through digital transformation (DX). Through these initiatives, we are evolving beverages from a discretionary indulgence into a form of healthcare infrastructure that underpins everyday living, thereby fulfilling our mission as a company that advances in step with society.



Living & Wellness Business

Connecting the living, to the fulfilling future.

[Operating companies]
MITSUUROKO Co., Ltd.
Mitsuuroko Sports Co., Ltd.
Hama Estate Co., Ltd.
Mitsuuroko EBM Co., Ltd.

Segment Head Message

In Living & Wellness Business, we aim to achieve the creation of new value that responds to a changing society and diverse needs, enriching your lives.

The diverse businesses we are currently pursuing continue their daily, aiming to become a new pillar of the Mitsuuroko Group and taking flight in the future.

We will continue to take on challenges in Japan and abroad under our mission of "bridging past and future and driving evolution," "having a positive impact on society, customers, and colleagues," and "delivering exciting experiences," and remain a place for the creation of new value.



Kohei Tajima
MITSUUROKO Co., Ltd.
President and Representative Director

Competitive advantages

- Evolution of wellness × sports
- Sustainability and social value
- Highly stable customer base
- Specialized practical programs by professional athletes

Overview of business strategies

01 Balancing customer satisfaction and operational efficiency through renovation

- In addition to our existing business foundation, through facility experiences enabled by the introduction of the latest technologies and services associated with renovation, we aim to improve customer satisfaction and operational efficiency.
- Promote sustainable facility operation that also addresses lowering environmental impact, such as suppressing waste generation and improving energy efficiency

02 Deepening health support and taking on challenges through wellness × sports

- Through the operation of spa and sports facilities and program designs that approach both physicality and mental aspects, we support the well-being of urban dwellers.
- Through community formation with local participation, we aim to build social connection with others and embed healthy habits.
- Bowling, golf, Vision Training® and other accumulated know-how, we aim to continuously provide sports services that can be enjoyed by all generations and enhance business value.

03 Strengthening the operational foundation through a new structure and human capital development

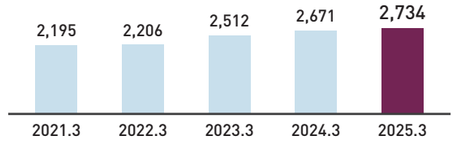
- Through insourcing hot spring equipment management triggered by renovation and strengthening employee education, we promote the development of core human resources with both on-site capability and technical expertise.
- By building mechanisms to draw out the abilities and motivation of the mid-level cohort, we aim to build a sustainable operation structure and engagement.

Operating performance

Net sales (Millions of yen)

¥2,734 million

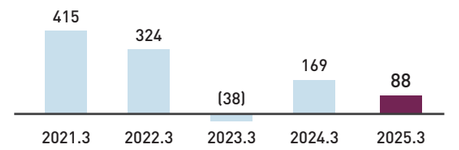
2.4% year on year Up ⬆



Operating profit (Millions of yen)

¥88 million

48.2% year on year Down ⬇



Overview of fiscal 2024

Results

- Our rental real estate portfolio, centered on residential properties, maintained stable performance. The real estate business gross profit was 100.6% year on year.
- SPA EAS: Yokohama Tennen Onsen received awards in 13 categories, including 2nd nationwide, in the 19th Nifty Onsen Annual Ranking 2024 (number of facilities: 17,998).
- SPA EAS: Yokohama Tennen Onsen ended operations as of March 31, 2025. Hamabowl will continue operations until September 30, 2025. Both facilities have begun preparations for renovation to the next phase.
- Increase in Hamabowl member numbers (106.5% YoY)
- Sports studio EIGHT ANGLE started offering Vision Training® services.
- The bowling pin reuse project in collaboration with Yokohama University of Art and Design was covered by newspapers and other media, increasing social recognition.

Risks

- Rising energy prices and labor costs at urban facilities may pressure profitability.
- Due to aging and changes in lifestyle, the number of situations that are difficult to address with conventional services alone is increasing.
- Natural resources dependent facilities operation in, geological and climate fluctuations may be affected.
- There is a risk that strengthened regulations in spa facility operation may require equipment upgrades and a review of the operation structure.
- As the wellness market expands, the proliferation of similar facilities may dilute brand strength.
- It is difficult to hire and develop human resources in customer service, creating a risk of reliance on person-dependent operation.

Challenges

- Balance the recapture of existing customers after renovation with the development of new customers (individuals and corporations). Redesigning marketing strategies centered on experiential value is an urgent priority.
- Design flexible services that respond to aging and lifestyle changes, and develop an inbound support system leveraging Japanese-style well-being
- While advancing labor cost controls and digitalization, build an operation model that maintains service quality and customer satisfaction
- While leveraging the community-rooted strengths of the Yokohama facilities, pursue wide-area expansion and synergy creation through collaboration within the Group
- A structure capable of promptly responding to social demand and on-site proposals, and the establishment of a flexible decision-making process, are required.

Toward 2030

By 2030, we envision wellness not as something special but as "infrastructure of prosperity" integrated into urban living.

In response to the Ministry of Health, Labour and Welfare's vision of a well-being society created through physicality, connection, and places of belonging, we will continue our evolution as a restorative space for body and sensibility, based on hot spring spas and sports, while also taking on areas that incorporate the point of view of food, learning, and integrative medicine.

While nurturing human experiential value that cannot be replaced by AI technology, we will also accommodate inbound visitors and bring new connection with and vitality to communities and society.

Through the evolution of our facilities, we will focus on building cross-functional organizations where each employee can work vibrantly, and on preparing environments that support on-site challenges.



Overseas Business

Delivering sustainable values to local communities.

[Operating companies]
Triforce Investments Pte. Ltd.
General Storage Company Pte. Ltd.
Lock+Store (Chai Chee) Pte. Ltd.
Lock+Store (Ayer Rajah) Pte. Ltd.
Lock+Store (Tanjong Pagar) Pte. Ltd.
L+S Self Storage Pte. Ltd.
Lock And Store (Glenmarie) Sdn. Bhd.
The Store House Limited

[Equity-method associates]
SunPro Energies Pte. Ltd.

[Partner companies]
SIAMGAS GROUP

Segment Head Message

In our Overseas Business, in Asia where major changes in social structure are underway due to economic growth, population increases, and the transition to a decarbonized society, we aim to contribute to society and improve living environments through strategic investments in infrastructure and new services.

Leveraging the technologies, services, and knowledge that the Mitsuuroko Group has cultivated in domestic operations, and localizing our experience to the region's needs, we provide optimal solutions to local communities. We also seek business development through investments in companies with superior technologies and services, and under strong partnerships we continue to pursue new contributions to society and challenges in new technologies and services. Our strengths lie in the flexibility cultivated across diverse business domains beyond the energy field and in our willingness to embrace change. In Overseas Business as well, we are continuously exploring the development of diverse business opportunities that can help improve residents' lifestyles.



Goh Wee Meng
Executive Director of Triforce Investments Pte. Ltd.
Director of General Storage Company Pte. Ltd.

Competitive advantages

- Group operational skills
- Strategic partnerships
- Utilization of local talent and adaptability to local markets

Overview of business strategies

01 Provide sustainable value to local communities

- Invest in or develop businesses for energy and social infrastructure and services that enhance the lifestyles of local communities
- Develop businesses in line with Environmental, Social, and Governance (ESG) principles, aiming for sustainability
- Focus on developing renewable energy and energy-saving businesses toward achieving carbon neutrality

02 Contribute to growth in the Asia-Pacific region, including the ASEAN region

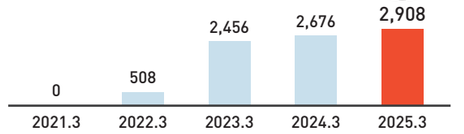
- Actively engage in new businesses that contribute to the evolution of social structure accompanying economic development
- Build strong partnerships with local companies
- In light of robust energy demand in Southeast Asia, continue to seek entry opportunities into related businesses and conduct studies of projects such as renewable energy and carbon credits aimed at achieving a carbon-neutral society

Operating performance

Net sales (Millions of yen)

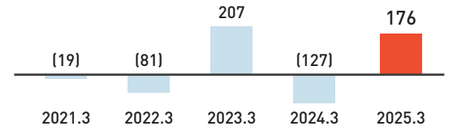
¥2,908 million

8.7% year on year Up ↑



Operating profit (Millions of yen)

¥176 million



Overview of fiscal 2024

Results

- Higher revenue due to the impact of yen depreciation, and higher profit due in part to decreased tax expenses associated with the previous fiscal year's acquisition of the real estate leasehold at 36 Kaki Bukit Place
- Triforce Investments Pte. Ltd. invested 30% in SunPro Energies Pte. Ltd., a solar power developer headquartered in Singapore ("SunPro"), resulting in SunPro becoming an equity-method affiliate
- General Storage Company Pte. Ltd. ("GSC") opened its 15th self-storage facility in Singapore and its 5th self-storage facility in Hong Kong Singapore: "Lock+Store Sembawang" Hong Kong: "The Store House Sha Tin"
- GSC received the "Singapore Prestige Brand Award," the "Singapore SME 500 Award," and the "SME Cyber Security Excellence Award"

Risks

- Impacts from trends in the energy and decarbonization-related markets and from policy trends in each country
- Intensifying competition due to entry into the self-storage market in Asia by investment organizations from Europe, the United States, and the Middle East

Challenges

- Building, maintaining, and expanding a good relationship with local partners in the energy sector
- Responding to the rapid increase in demand for self-storage in Singapore
- Improving brand recognition

Toward 2030

In the regions targeted by Overseas Business, population and income continue to grow. Along with that, energy demand is also rising, but challenges also exist in pursuing the goal to realize a decarbonized society.

Furthermore, economic and social structures continue to change due to economic development and the use of new technologies. We are seeing the creation of various needs, signs of diversification of the accompanying services, and changes in customer awareness. Drawing on the Mitsuuroko Group's many years of business experience in Japan, we will provide services aligned with our "a Lifestyle Producer" philosophy to contribute to the countries and regions we are entering while expanding our business.

Furthermore, in Overseas Business, without being bound by our domestic business experience, we continue to proactively pursue new businesses. To capture business opportunities that accompany change, we will not only build on existing businesses but also, through partnerships with new business partners that leverage the strengths of both parties, respond to changes in each region's social structure and advance the development of new businesses.



Other Businesses

A track record of meeting needs accelerates business.

[Operating companies]
MITSUUROKO LEASE Co., Ltd.
Mitsuuroko Creative Solutions Co., Ltd.
Triforce Corporation
Sanrin Co., Ltd.
Mitsuuroko Tec Co., Ltd.
Mitsuuroko Agri Co., Ltd.

Competitive advantages

Leasing

- Low-carbon lease offering to contribute to reducing environmental impact
- Leasing solutions specialized in the energy industry

Shared services and IT solutions

- Our specialized knowledge regarding indirect operations
- Accumulated know-how in the use of advanced technology

EC

- Coordination across a wide range of the Group's businesses (sharing of the customer base and customer touchpoints, etc.)
- An "asset-light operation" primarily focused on logistics

Contents

- Original IP that generates stable revenue
- Collaborative framework with TV networks and major video content companies

Overview of business strategies

Leasing

- Expand business through eco-friendly leasing business (response to EV and eco-car leasing)
- Develop the leasing business specializing in resale market products and specialized fields
- Develop equipment leasing business for real estate leasing
- Develop leasing business by maximizing Group synergies

Shared services and IT solutions

- Expand the scope of application of cutting-edge technology such as generative AI and the know-how for its use accumulated through operation streamlining
- SmartOWL® that reduced the number of deliveries by about 30% deployment of solution for improving delivery efficiency
- SmartOWL® automatic meter reading and an LPG sales management system "COSMOS," among others, proprietary menu of service options by combining LPG operators' DX support

EC

- Actively communicate the service concept a "Lifestyle Producer," which is also set forth in the Group Management Philosophy, through the look & feel of the merchandise and products handled, etc.
- Continue, primarily in Energy Solutions Business, to promote the conversion of first-time users into fans through close collaboration with the Group's various businesses
- Develop derivative new models (D2C-type) aimed at improving business profitability, such as reducing cost ratios

Contents

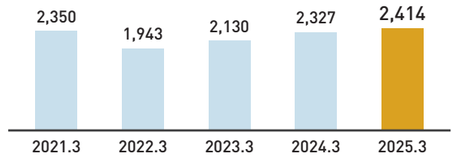
- Stable revenue through the continued production of the original IP "Kono Doga wa Saisei Dekimasen (This Video Is Not Available)"
- Develop multiple new low-cost content, including animation using AI technology
- Develop new series titles to build a new pillar of revenue

Operating performance

Net sales (Millions of yen)

¥2,414 million

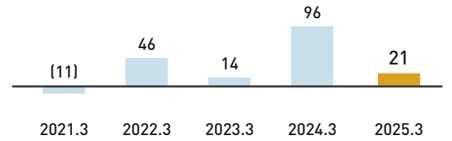
3.7% year on year Up ⬆



Operating profit (Millions of yen)

¥21 million

77.6% year on year Down ⬇



Toward 2030

Leasing

With the onset of changes coming to lease accounting in 2027, we will truly be entering the VUCA era. To respond to changes in the environment that our business partners face, we will quickly identify those changes, turn them into opportunities, and continue taking on the challenge of creating a bright future for the next generation.

Shared services and IT solutions

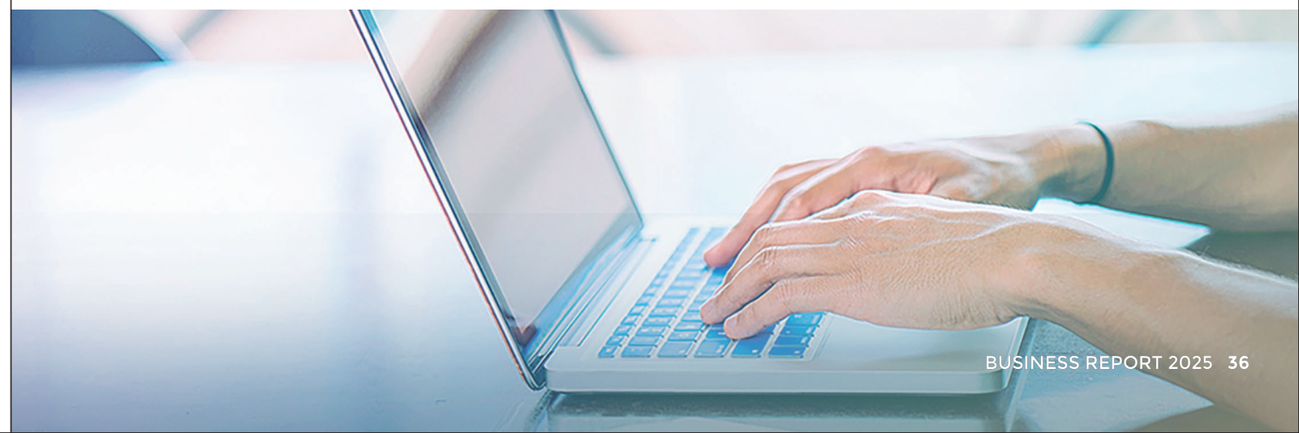
Leveraging the know-how in the use of digital technologies accumulated under our mission of "transforming the way indirect operations are conducted through technology," we have begun initiatives in e-sports for people with disabilities. As a Lifestyle Producer, we will provide people with disabilities with opportunities for connection with society and for taking an active role.

EC

With regard to the currently operating Mitsuuroko Avenue, we will continue to uphold the concept of a "Lifestyle Select Shop," handle a variety of products dealt with by Group businesses such as Azabujuban Mont-Thabor, and pursue service operation that leverages Group assets such as customer touchpoints and our customer base. In the medium to long term, we will also fully pursue multi-brand and multi-service expansion, aiming to grow as the entity responsible for the Group's "comprehensive e-commerce business."

Contents

While further developing existing content and creating multiple works that many people will know through the development of new content, we will continue to take on challenges to deliver "new value" as a Lifestyle Producer.



To Realize a Sustainable Society

Sustainability management promotion

Within Mitsuuroko Group's management philosophy, we state that "as a Lifestyle Producer, we consistently conduct our business with integrity and from the customer's perspective." Our aim is to enhance services related to everyday lifestyles centered on energy.
Beyond continually expanding new services from the consumers' perspective, we will continue to contribute to conservation of the global environment by utilizing natural renewable energy and promoting the installation of energy-saving housing equipment.
We will also continually enhance our security initiatives so that we can provide safety and security as our top priority, especially for energy products, and will fulfill our corporate social responsibility based on compliance in our business activities.

Purpose of Existence/Mission

Management Philosophy

As a Lifestyle Producer, we consistently conduct our business with integrity and from the customer's perspective.

Policy

Charter of Corporate Ethics

1. Comply with laws, regulations, and other social norms, and conduct fair and sound corporate activities
2. Provide safe and high-quality products and services
3. Respect the personality and individuality of employees and foster a comfortable and fulfilling work environment
4. Respect the positions of stakeholders
5. Contribute to the preservation of the global environment and the creation of a prosperous and livable society

Key Issues

Materiality

1. Contribution to the environment
2. Contribution to local communities
3. Thorough compliance
4. Enhancement of safety and disaster response measures
5. KENKO Investment for Health
6. Promotion of diversity

Mitsuuroko Great Reset

Focusing primarily on the points on the right while maintaining the competitiveness of our core energy related businesses

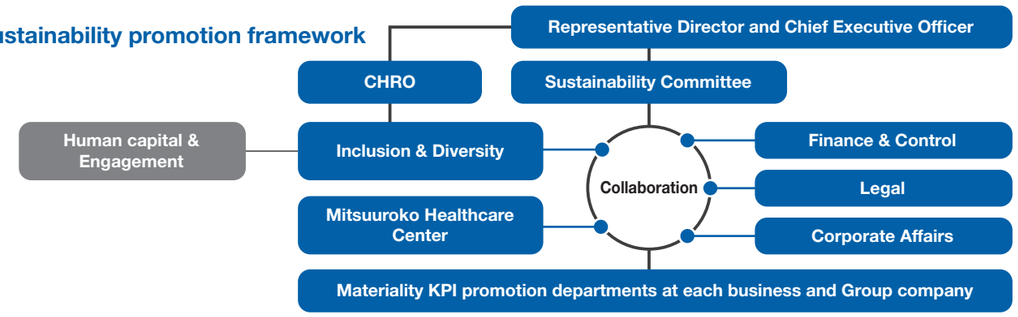
1. Introduction of new work styles
2. Promotion of digitalization (DX)
3. Achievement of management philosophy

Business Activities

- Energy Solutions Business
- Power & Electricity Business
- Foods Business
- Living & Wellness Business
- Overseas Business
- Other Businesses

Resolving sustainability issues through business activities

Sustainability promotion framework



Regarding sustainability, please refer to our sustainability report.
https://www.mitsuuroko.com/en/sustainability/library/

Identification of materiality

Mitsuuroko Group considers "contributing to the development of a sustainable society" as one of its key management strategies. Taking a long-term vision of Mitsuuroko Group's businesses from an ESG perspective, we have examined issues that management ought to prioritize from among all social issues, identified six materiality items.

By setting quantitative targets and target fiscal years for each materiality item and aiming to achieve them, we will continue to create new value with our diverse stakeholders and contribute to the creation of a sustainable society.

Materiality identification process and approach

STEP 1 Identify social issues to be considered

Extract social issues from the targets of the Sustainable Development Goals (SDGs) and from "The Global Risks Report 2021"* Global Risks, then, after a comprehensive review, identify the social issues to be considered

* A report released at the World Economic Forum's Annual Meeting (Davos). In this report, survey responses from governments and business and civil society stakeholders worldwide are used to compile "Global Risks," which discloses risks with a high likelihood of occurrence and significant negative impact over the next 10 years.

STEP 2 Evaluate importance to stakeholders

For the social issues to be considered, evaluate the importance for stakeholders based on the importance assessed by ESG evaluation organizations and the social issues that customer companies place emphasis on

STEP 3 Evaluate importance to Mitsuuroko Group

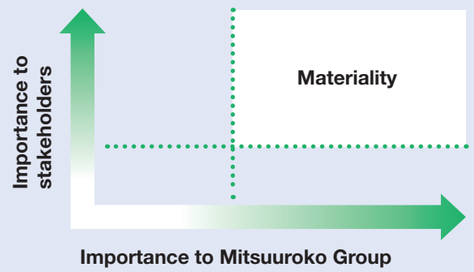
For the social issues to be considered, examine their opportunities and risks affecting the entire Group and each business, and evaluate importance

STEP 4 Identify Group materiality

After conducting a two-axis evaluation of "importance to stakeholders" and "importance for Mitsuuroko Group," the Board of Directors discuss and decide upon materialities, and identify six materialities with defined priorities

STEP 5 Set and review KPIs on materiality

For the identified materialities, set KPIs along with their targets and target years, conduct progress and activity evaluation, and regularly report the results to the Board of Directors and disclose them in the Sustainability Report



Issues recognized but not designated as priority materiality items

- Promotion of innovation
- Promotion of business activities with sustainability in mind
- Pollution prevention regarding hazardous chemical substances
- Efficient use of sustainable natural resources
- Improving energy efficiency
- Development of diverse human resources

Contribution to the Environment

Basic approach

Mitsuuroko Group recognizes that it receives various benefits from the Earth, including the resources necessary for its business activities and that it is the Group's responsibility to preserve the global environment in a better state. Since the Mitsuuroko Group's purpose of existence is to improve society itself through its daily corporate activities, we place the highest priority on actively implementing initiatives to solve social issues. As a countermeasure to climate change, a common global issue, Mitsuuroko Group will reduce CO_2 emissions and improve energy efficiency in our corporate activities and when customers use our products and services, aiming for carbon neutrality in fiscal 2050.

Mitsuuroko Group's initiatives to address climate change

Mitsuuroko Group believes that the framework recommended by the TCFD is effective for advancing disclosure on climate change issues and dialogue with stakeholders, and in November 2022 expressed its support for the TCFD recommendations. In line with these recommendations, we will disclose information on the impacts of climate change on Mitsuuroko Group's corporate activities and on our countermeasures. We also participate in the Japan TCFD Consortium, which discusses initiatives for climate change–related disclosure in line with the TCFD recommendations.

For specific details on governance and risk management, strategies, metrics, and targets, please also refer to our Sustainability Report.

SmartOWL® for improving delivery efficiency

In the LPG business, we are contributing to the realization of a low-carbon society by eliminating waste and by reviewing the existing workflow. SmartOWL® service is a solution that increases the efficiency of LPG operations through the collection and analysis of LPG meter information and the application of know-how gained in demonstration tests.

Mitsuuroko Creative Solutions Co., Ltd. began providing services in October 2021, leveraging its proprietary know-how and patented technology to provide solutions that improve the efficiency of delivery operations, and we have continued to reduce the number of LPG deliveries to consumers' homes with LPWA installed since then by approximately 30%—It has now streamlined LPG delivery operations to more than 160,000 consumers.

Combining the "efficiency improvement of LPG deliveries" by reducing the number of deliveries using delivery efficiency solutions, with the "reduction of work hours for delivery order scheduling" by using delivery route mapping, we will be providing new value to other companies as Mitsuuroko Group's unique service linked to ESG promotion in terms of "CO_2 reduction" and "resolution of labor shortages of delivery personnel due to aging population."

Four patents to realize the efficiency of delivery operations

Mitsuuroko Creative Solutions Co., Ltd. has acquired four patents (patent numbers: 6364571, 6744472, 6757454, and 6803488) on the basis of the know-how it has accumulated.

These four patents are the result of the company's unique know-how essential to significantly improve the efficiency in delivery operations by maximizing the use of daily gas meter information and calculating the optimal delivery order date using the most suitable container replacement method based on the LPG consumption at each delivery destination and its trends.

Reduction of the number of deliveries by approximately 30% to address labor shortages and recruitment difficulties

"SmartOWL®, our solution for streamlining delivery operations," has achieved the aforementioned approximately 30% reduction in deliveries thanks to its unique logic based on the four patents mentioned above. This is expected to address labor shortages and recruitment difficulties as social issues while reducing CO_2 emissions by shortening the distance traveled by trucks.



Efficiency with SmartOWL® supplementing labor shortages

KPIs and target values/status of progress

Materiality		KPI	Quantitative targets	Target year	Results for fiscal 2023	Results for fiscal 2024	Results for fiscal 2025 (through the end of September)
Contribution to the environment	Scope 1, 2 (our Company)*1,2 of CO_2 reduction and energy-efficiency improvement contribution	Our Company's CO_2 reduce rate	Carbon neutrality*4	FY2050	(6.8%)*5	— * Compilation in progress	— * To be compiled in FY2026
	Scope 3 (customers)*3 of CO_2 reduction and energy-efficiency improvement contribution	Customers' CO_2 reduce rate			(3.7%)*5	— * Compilation in progress	— * To be compiled in FY2026

*1 Scope 1: Direct emissions from our own operations
*2 Scope 2: Indirect emissions associated with the use of electricity, heat, and steam supplied by other companies
*3 Scope 3: Indirect emissions other than Scope 1 and 2 (upstream/downstream sections of supply chains)
*4 Carbon neutral: Achieving a net-zero balance of CO_2 emissions by subtracting the amount absorbed by plants and other natural sinks from the amount emitted.
*5 Year-on-year change rate in CO_2 emissions (for details on CO_2 calculation standards, please refer to the Sustainability Report).

CO_2 reduction effects in case of achieving the one million facility target: 1,148 tons

CO_2 reduction effects when Mitsuuroko Group's installation of LPWA advances and the number of the facilities registering "SmartOWL®, our solution for streamlining delivery operations," achieves one million facility target

Annual CO_2 Reduce amount
1,148 t

Reduction of CO_2 emissions
▼
1.189 kg × 965,826 times = 1,148 t

- Distance traveled per delivery **4.7 km**
- CO_2 emissions per liter of diesel fuel ▶ **2.619 kg-CO_2/ℓ**
- Fuel efficiency of 2-ton truck ▶ **10.35 km/ℓ**

CO_2 emissions per delivery is **1.189 kg** in accordance with the data on the left

- Number of delivery facilities per million facilities **614,628 facilities**
- Number of annual deliveries per delivery facility **5.4 deliveries**
- Effect of delivery reduction in demonstration tests **29.1%**

The expected number of annual deliveries reduced by the registration of a million facilities is **965,826 times** in accordance with the data on the left

Breakdown by Scope

Approximately **30% decrease** in deliveries in "SmartOWL®, our solution for streamlining delivery operations," using the LPWA connection
(Reduction of deliveries = Reduction of distance traveled = Reduction of CO_2 emissions)

Service overview



This service is equipped with four patented technologies to provide the most efficient container replacement date.

Promote efficiency, supplement labor shortages, and achieve decarbonization by reducing the number of delivery trucks.

Patent number
6364571
6744472
6757454
6803488

This service, which shortens delivery operation time, contributes to CO_2 emissions reduction by reducing truck operating time and travel distance, and serves as a complement to labor shortages. In doing so, it will help solve social issues and promote ESG, and is proposed as a strength of Mitsuuroko Group, which continues to provide more fulfilling lifestyles through energy supply.

LPG companies using the service can enjoy increased efficiency without having to make major changes to their delivery operations environment.

Contribution to Local Communities

Basic approach

In conducting our business, Mitsuuroko Group has been supported by many stakeholders. Among them, the presence of local communities is indispensable. Mitsuuroko Group has traditionally built relationships of trust with local communities not only through business relationships but also through various forms of involvement such as community cleanups, participation in local events, charity activities, and sports. As a corporate citizen in these local communities, Mitsuuroko Group intends to devote itself to doing what we can and what we should, even if small, and to pursue coexistence and co-prosperity with local communities.

Revitalization of local communities　National Mitsuuroko Association

Member stores of the National Mitsuuroko Association are responsible for sales of our products and have direct contact with customers nationwide. As an organization that provides excitement and peace of mind, the National Mitsuuroko Association flexibly responds to the diverse needs of customers and establishes strong ties with local customers. In addition, the organization strives to build a business foundation where the strengths of each member store can be fully demonstrated and they can always take up challenges. Under the catchphrase “Connecting Now for a Connected Future,” we will advance community-rooted initiatives together with our member stores.

Activity Plan 2025

1 Rollout of the National Mitsuuroko Association’s “Mirai Project — Phase II”

In last year’s training, we confirmed that while recent changes in the business environment present crises and risks, changing the point of view can turn them into new business opportunities, and that by leveraging our own strengths we can realize new businesses. This fiscal year, we will consider how to deepen our relationship with our greatest asset—our customers—and translate it into business.

- Training themed on communication that deepens the relationship with customers
- Consideration of services and offerings for the future
- Revamp of the National Mitsuuroko Association website (introduction of web tools and other features to improve customer convenience)

2 Promoting disaster response measures and contributing to the realization of a carbon-neutral society

We will proactively advance disaster response and carbon neutrality, which are highlighted in the Seventh Strategic Energy Plan, moving forward.

- GHP, generators, introduction of disaster-use bulk tanks, etc., disaster countermeasure support
- Sales support for solar power generation equipment and storage batteries
- Active promotion of Kurashi GX (sale of high-efficiency and hybrid water heaters for hot water supply)

3 Realizing fair LPG business practices and promoting rate transparency

We will promote the rectification of LPG business practices and carry out activities that will provide even greater satisfaction to customers.

- Provision of information on market conditions and industry trends following the mandated adoption of the three-tier tariff structure.
- Clarification of rates and provision of information to general consumers
- Consideration of measures to further secure consumer trust

Contribution to society through sports

We launched Mitsuuroko Women’s Basketball Team in 2012, established the Swimming Team in May 2021, and entered an affiliate contract with swimmer Katsuhiro Matsumoto in April 2022. In September 2023, we employed a swimmer as the first athlete employee of Mitsuuroko Group—two swimmers are currently working as athlete employees. The Company continues to make great strides based on the philosophy of contributing to the revitalization of the local community and greater interaction through sports. Each member participates in competitions while working as an employee, fostering responsibility and attitude as a member of society, and working together with a high level of awareness. Having active players around stimulates the employees who work with them, and for the players, having supportive people around them helps to foster a sense of unity among the employees, making the workplace full of vitality.

We have also signed affiliation agreements with professional golfers Shiho Kawasaki, Yuting Seki, Momoka Miura, Eimi Koga, and Airi Saito, and a sponsorship agreement with Yumi Sasahara, and we will support these athletes as they pursue their dreams and contribute to the development of sports culture. We will continue to proactively engage in social contribution activities through sports in order to enhance the corporate value of the entire Mitsuuroko Group.



Basketball Team

Main achievements

- 2024 season

Won the 1st Japan Society Basketball League / SBL-SB1 Champions
Won the 7th Prince Takamatsunomiya Memorial Cup All Japan Society Basketball Premium Championship



Swimming Team

Main achievements

- 100th Japan Swimming Championships

Katsuhiro Matsumoto won 100 m freestyle & 100 m butterfly, and came 2nd in 50 m butterfly
Juran Mizohata came 2nd in 50 m freestyle
Takumi Terada came 3rd in 200 m butterfly

- 8th Japan Masters Swimming Championship

Men’s Team: Runner-up
Men’s 4 × 100 m medley relay: Winner; Men’s 4 × 100 m freestyle relay: Runner-up
Katsuhiro Matsumoto won 100 m freestyle and came 2nd in 100 m butterfly
Juran Mizohata won 200 m individual medley

Lifestyle Planning Department　Promoting Rural Agriculture Through Next-Generation Farming

At the coffee bean farming opened in April 2024 in Fujioka-shi, Gunma, we achieved our first harvest of coffee cherries this fall. The harvested and processed green coffee beans will be used for the manufacture of domestically produced single-origin coffee Products. Some will be sown to produce Fujioka second-generation coffee seedlings, and through supply to subsequent farms both within and outside the Company, we will help expand the adoption of domestically produced coffee.

In May 2025, at our second farm in Saitama-shi, Saitama, we began cultivating vanilla and coffee. Like coffee, vanilla is a high value-added crop dependent on imports, and issues include a decrease in suitable cultivation areas due to climate change and instability in procurement and prices due to the progress of yen depreciation.

By leveraging AI and robots to establish domestic cultivation of these import-dependent crops, we aim to achieve stable supply within Japan and to maintain and promote regional agriculture through the creation of new local specialty products.

As our next challenge in the agricultural field, we have begun developing a log-grown mushroom agrivoltaics (solar power) project, aiming for completion next spring and the start of cultivation and electricity sales. While log-grown mushrooms are a high value-added, rare crop, the number of growers has been declining due to the suspension of log supplies from Fukushima as a result of the Great East Japan Earthquake. Agrivoltaic solar power is a next-generation farm model that simultaneously produces crops and renewable energy electricity on farmland.

Through domestic production of import-dependent crops, cultivation of rare crops, and simultaneous production of renewable energy electricity, we aim to create more fulfilling lifestyles for the next generation as a regional integrated infrastructure provider for food and energy.











KPIs and target values/status of progress

Materiality	KPI	Quantitative targets	Target year	Results for fiscal 2023	Results for fiscal 2024	Results for fiscal 2025 (through the end of September)
Contribution to local communities	Expansion of locations for installing donation boxes for the Christel Vie Ensemble Foundation	Increased from 11 locations (2021 installations)	Each year	Increase of 3 locations (Total of 11 locations)	Decrease of 2 locations (Total of 9 locations) * due to closing of stores	No change (Total of 9 locations)
	Conducting community/social contribution activities (e.g., local cleanups)	–		Conducted contribution activities twice	Conducted contribution activities twice	Conducted contribution activities once

Enhancement of Safety and Disaster Response Measures

Basic approach

Safety is indispensable in light of the characteristics of all the businesses that Mitsuuroko Group conducts. In particular, our core energy-related products are directly connected to daily life as lifelines, and contributing to society through the stable supply of energy and safe, reliable, and prompt logistics services is the Mitsuuroko Group's mission. Going forward, drawing on the experience and lessons of the Great East Japan Earthquake and the impacts of large-scale natural disasters in recent years caused by typhoons, floods, and heat waves, we recognize the need and importance of disaster prevention and will strive to strengthen disaster response measures, including disaster prevention measures, a support system, and BCP.

Formulation and response for Business Continuity Plans (BCP)

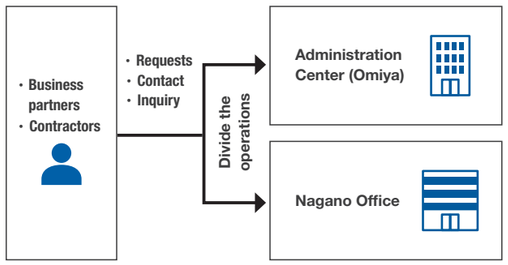
Mitsuuroko Group has developed BCPs and disaster response manuals to prepare for large-scale disasters and the recent spread of COVID-19. We regularly check our communication systems and critical facilities and conduct accident response and deployment drills, maintaining ongoing awareness so that we can respond smoothly in emergencies.

- Confirmation of safety and assessment of damage
- Establishment of an emergency response headquarters in times of disaster
- Disaster response manual (action flow)
- A support system for affected locations and transportation of supplies
- Implementation of business continuity strategies based on the degree of impact on business

Nagano Office (BCP measures)

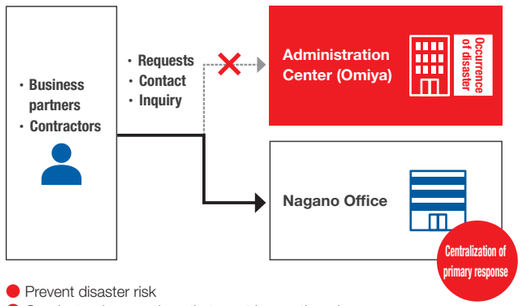
Mitsuuroko Creative Solutions Co., Ltd., which operates the Shared Services Business, opened the "Nagano Office" in Nagano-shi, Nagano in July 2022 to avoid the risk of business suspension in the event of disasters. In emergencies such as disasters, we activate the BCP program and have established a framework to carry out pre-designated emergency operations. We selected Nagano-shi, which has a low risk of earthquakes and offers convenient access from the Tokyo metropolitan area, with the aim to achieve the sustainable growth of Mitsuuroko Group and further improve corporate value.

Normal operation Operations are divided between the two facilities: Administration Center (Omiya) and the Nagano Office



- Develop a manual for the BCP program so that the Nagano Office can smoothly carry out the primary response in the event of an emergency
- Develop an environment that allows for automatic or easy switching of communications (telephone, fax, e-mail, etc.) in the event of an emergency

In times of disaster (Omiya affected) Primary response is centralized in the Nagano Office to continue operations



- Prevent disaster risk
- Conduct only operations that must be continued = Prevent operational stagnation
- Conduct BCP training twice a year
- A backup environment for business systems has been developed in the cloud

* Developed networks and database backups to avoid the risk of business system outages in the event of a disaster.

KPIs and target values/status of progress

Materiality	KPI	Quantitative targets	Target year	Results for fiscal 2023	Results for fiscal 2024	Results for fiscal 2025 (through the end of September)
Enhancement of safety and disaster response measures	Number of safety confirmation drills	Twice per year (for all employees)	Each year	Held twice	Held twice	Held once
KENKO Investment for Health	Regular health checkup participation rate	100% continuation (percentage of all employees)	Each year	100%	100%	— (* Compilation in progress)
	Detailed examination participation rate	90% (percentage of all employees)		100%	100%	— (* Compilation in progress)
	Rate of employees maintaining an appropriate body weight	80% (percentage of all employees)		58.9%	62.2%	— (* Compilation in progress)
	Stress check participation rate	100% (percentage of all employees)		100%	100%	100%
	Smoking rate	18% (percentage of all employees)		32.0%	30.6%	— (* Compilation in progress)
	Percentage of employees with regular exercise habits	40% (percentage of all employees)		24.4%	29.8%	— (* Compilation in progress)

KENKO Investment for Health

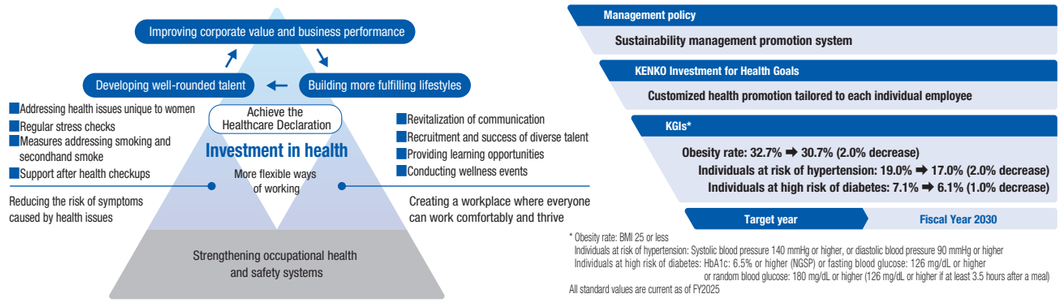
Basic approach

At Mitsuuroko Group, based on the belief that human capital is our greatest asset, we regard the health management of employees—the source of future growth potential—as a key management issue, and support employees' autonomous and proactive health promotion through various initiatives and information dissemination. Going forward, as a leading company in KENKO Investment for Health, we will further advance and enhance our initiatives and support for health.

Mitsuuroko Group Healthcare Declaration

"We, Mitsuuroko Group, aim to create a workplace where each and every employee can work energetically and vigorously by working on health promotion in order to lead a healthy and cheerful life both mentally and physically."

Mitsuuroko Group's KENKO Investment for Health strategic map



* Obesity rate: BMI 25 or less
Individuals at risk of hypertension: Systolic blood pressure 140 mmHg or higher, or diastolic blood pressure 90 mmHg or higher
Individuals at high risk of diabetes: HbA1c: 6.5% or higher (NGSP) or fasting blood glucose: 126 mg/dL or higher or random blood glucose: 180 mg/dL or higher (126 mg/dL or higher if at least 3.5 hours after a meal)
All standard values are current as of FY2025

Mitsuuroko Group's occupational health framework — Basic initiatives (FY2025 and beyond)

01 Enhancement of health and safety management systems

Inspect and improve hygiene management, legal compliance, and health risk status at all facilities. Strengthen management systems across the Group through rotational site visits

02 Standardization of health management and enhancement of preventive measures

Set unified group targets for health management, ensure thorough follow-up after health checkups, and expand preventive guidance by medical professionals

03 Improvement of workers' (employees') health awareness through education and training

Mental health training for managers; basic knowledge training to comply with the Industrial Safety and Health Act; and e-learning and awareness surveys for female employees

04 Cross-organizational collaboration and information sharing

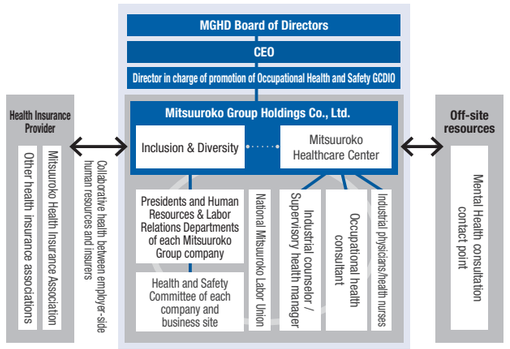
Hold annual meetings among the supervising occupational physician, each company's occupational physicians, and Human Resources & Labor Relations personnel, strengthening the coordination framework

05 Strengthening of collaboration with the health insurance association

Work with the single health insurance association to promote integrated operation of health measures through collaborative health meetings and professional meetings

06 Development of an age-friendly workplace environment

Conduct risk assessments considerate of senior employees and establish a safe, easy-to-work environment



2025 健康経営優良法人 KENKO Investment for Health 大規模法人部門 ホワイト500

Certified under the "Health & Productivity Management Outstanding Organizations 2025 (Small and Medium Enterprise Category)"

- Sanrin Co., Ltd.
- Mitsuuroko Health Insurance Association

Promotion of Diversity

Basic approach

Mitsuuroko Group has grown as an "environmentally adaptive enterprise" that makes a living by meeting the needs of the times and has upheld a philosophy of changing with the times. From now on, rather than merely adapting to the environment after the fact, we believe that proposing and creating new and better environments ourselves is necessary to achieve sustainable growth. To that end, within Mitsuuroko Group, it is essential to build an organization that is not constrained by whether employees are new graduates or mid-career hires, employment status, nationality, gender, age, etc., and to foster a corporate culture that accepts diversity and leverages it as a strength. We aim for Mitsuuroko Group itself to become a company that creates virtuous cycles and, by persistently seeking change, to be an entity that shapes a new era.

Various initiatives

❶ Woman's participation and advancement (Ratio of female employees, Ratio of female managers)

• Target values

Mitsuuroko Group took efforts to promote women's participation and advancement as we aimed for the targets announced on November 12, 2014. We once again established targets as follows on September 17, 2021.

Ratio of female employees *1 *2

The ratio of female employees as of September 2025 is 29.9% in Japan and 30.3% including overseas operations. The ratio of female employees as of September 2014 was 25%, so this figure has clearly increased over the past ten years. The Group will further increase this to 33% by March 2027.

As of March 2027
Target value
33%

Ratio of female managers *1 *3

The ratio of female managers as of September 2025 is 10.7% in Japan and 12.4% including overseas operations. The ratio of female managers as of September 2014 was 4.2%, so this figure clearly increased over the past ten years. The Group will further increase this to 11% by March 2027.

As of March 2027
Target value
11%

*1 The calculation of this ratio is based on a figure that excludes dispatched employees, part-time employees, and officers.
*2 Excludes Logitri Tohoku Co., Ltd., Logitri Chubu Co., Ltd., and Logitri Kansai Co., Ltd., which have limitations on female employment due to operations that require carrying heavy loads as an LPG delivery company. Eligible employees as of September 30, 2025: 1,631
*3 Calculated as (female managers / total number of manager positions in consolidated Group (excluding Logitri Tohoku Co., Ltd., Logitri Chubu Co., Ltd., and Logitri Kansai Co., Ltd.)) × 100

・ Initiatives to empower women in the workplace

A diversity promotion system has been developed to foster a corporate culture that embraces diversity as a strength, creating an environment that does not discriminate based on employment status, nationality, gender, age, religion, or whether one is a new graduate or mid-career hire. The Diversity Promotion Committee comprising each company of the Group, and the Diversity Promotion Division comprising Directors coordinate efforts to promote woman's participation and advancement, male employees taking paternity leave, employment of people with disabilities, and employment of non-Japanese nationals. We are striving to ensure that all employees, including female employees, are able to work more comfortably.

❷ Promote male employees to take paternity leave

In order to give employees an idea of what it is like for men to take parental leave, we published an interview with a male employee who has actually taken paternity leave in the company newsletter. The "Handbook for Supporting Balancing Work with Paternity/Nursing Care" has been posted on the company portal site to make the system known to all employees. The rate of male employees taking paternity leave reached 50% in fiscal 2023 and 54.8% in fiscal 2024. We are aiming for a 100% take-up rate in fiscal 2027. Going forward, by encouraging male employees to use "parental leave" as an opportunity to actively participate in childrearing and housework, we will continue to build an environment where not only men but also women can balance work and parenting, aiming to be a company where everyone can work with vitality.

❸ Diverse workstyles

Mitsuuroko Group aims to establish an environment where employees of differing backgrounds are able to maximize their abilities by realizing "diverse workstyles" that enable employees to have a flexible workstyle depending on the format of the business. The Group is also committed to empowering employees to live and work in ways that best suit their individual values and lifestyles. We will continue to promote "diverse workstyles," including hybrid workstyles that combine remote work and office work.

❹ Human capital development

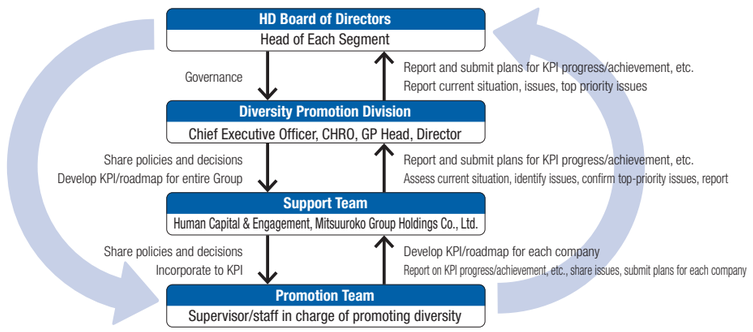
Mitsuuroko Group as a whole conducts level-specific training, and each company conducts training in which employees acquire skills necessary for each business. The role and skills required for each level have been clearly outlined, the levels of training conducted have been separated into more detailed categories, and the range of targets has been broadened. We are also working to increase the number of in-person training sessions to conduct practical training sessions with interactive discussions. Training covers sessions for new employees to life-planning training for employees in their mid-50s, with the aim of having diverse generations demonstrating their abilities to work in the Company.

Diversity Promotion System

HD Board of Directors
Coordination between each department
Strengthen governance of initiatives

Diversity Promotion Division
Regular meeting held once every quarter
Policy decisions and KPI progress checks → Submit to Officers' Meeting

Diversity Promotion Committee
Regular meeting held once every quarter
Report current status, share vision, implement measures, review



Thorough Compliance

Basic approach

Mitsuuroko Group has upheld as its Management Philosophy standing always on the right path and operating our business from the customer's perspective, and has advocated the necessity of compliance with laws and regulations in management and business activities. To date, while thoroughly implementing effective and proper internal control, we have worked to maintain our legal compliance framework through measures such as conducting various compliance training programs, producing original training videos on cases of misconduct, and requiring the constant carrying of compliance cards. We will continue to conduct sincere management and business activities, always from the perspective of corporate social responsibility, based on high ethical standards.

Mitsuuroko Group Code of Conduct

Mitsuuroko Group has established the Charter of Corporate Ethics as a code of conduct to be observed by the Company and its officers and employees in the course of the various corporate activities of the Group companies. The officers and employees of each Group company take the initiative in practicing the normative behaviors set forth in the Charter of Corporate Ethics as an important role and are making utmost efforts to ensure that they are firmly established within the Group. In addition, in the event of a conflict with this Charter of Corporate Ethics, officers and employees take responsibility for resolving the problem, investigating the cause, and improving operations to prevent recurrence.

Charter of Corporate Ethics

01 Comply with laws, regulations, and other social norms and conduct fair and sound corporate activities

Mitsuuroko Group will conduct its corporate activities in accordance with laws and regulations, social norms, and social common sense. In addition, Mitsuuroko Group will not associate with any individuals or groups that may adversely affect social order or the sound activities of the Company.

02 Provide safe and high-quality products and services

We will develop safe and high-quality products and services based on our rich experience and knowledge and provide them to consumers and business partners.

03 Respect the personality and individuality of employees and create a comfortable and enriched work environment

Mitsuuroko Group will value the initiative and creativity of each and every employee and foster a corporate culture in which they are fully utilized in its corporate activities. Mitsuuroko Group will protect workplace safety and the health of its employees, respect human rights, and ensure a healthy work environment free from discrimination.

04 Respect the position of stakeholders

Mitsuuroko Group will strive to maintain sound and positive relationships with a wide range of society, including customers, business partners, employees, and shareholders.

05 Contribute to the preservation of the global environment and the creation of an enriched and livable society

Mitsuuroko Group will be aware that it receives various benefits from the Earth, including the resources necessary for its business activities and that it is the Group's responsibility to preserve the global environment in a better state.

KPIs and target values/status of progress

Materiality	KPI	Quantitative targets	Target year	Results for fiscal 2023	Results for fiscal 2024	Results for fiscal 2025 (through the end of September)
Promotion of diversity	Rate of parental leave taken	Maintain 100% for female employees	Each year	Female 100%	Female 100%	Female 100%
		Male 100%	Fiscal year 2027	Male 50%	Male 54.8%	Male 78.9%
	Ratio of female employees	33%	Fiscal year 2027	28.2%	29.8%	30.3%
	Ratio of female managers	11%		9.0%	10.9%	12.4%
	Number of diversity training sessions	Once a year (for all employees)	Each year	Once	Once	Once
	Number of career seminars	Twice a year for those in their late 20s		Twice (one held in July for young male and female employees (age 26), and another held in September for young female employees (age 29))	Twice (one held in September and November for young male and female employees (age 26), and from October onward, one session per month for young female employees (ages 28 and 29))	Twice (one already held in June and another scheduled for November for young male and female employees (age 26); and from October onward, one session per month for young female employees (age 28))
	Number of training sessions on prenatal/postnatal leave and parental leave	Once a year for managers		Once for all employees	Once for managers	Once for managers
	Number of caregiving seminars	Once a year for those around age 40, etc.		—	—	Once
Thorough compliance	Number of IT compliance training sessions	Once a year (for all employees)	Each year	Once	Once	Once
	Number of Compliance and harassment training sessions	Three times a year (for all employees)		Once	Once	Three times
	Number of human rights-related training sessions	Once a year (for all employees)		Once	Once	Once

Compliance training

At Mitsuuroko Group, we regularly conduct compliance training by organizational level or by theme.

Compliance training by level

Training content	Target	Frequency of implementation/year
IT compliance training	All officers and employees	Once
Group management compliance training	Management	Once
Training for supervising officers	Supervising officers	Twice
Training for newly appointed managers	Newly appointed managers	Once
Training for managers in charge of safety	Managers in charge of safety	Once
Group new employee training	New employees	Once

Legal compliance training by theme (FY2024)

Training content	Target	Frequency of implementation/year
Fundamentals of labor law	Managers across all domestic group companies	Once
Act against Unjustifiable Premiums and Misleading Representations	Personnel engaged in sales promotion-related work	Once
Subcontracting Act and Freelance Act	All officers and employees	Once

Providing education on Compliance and harassment

We produce educational DVDs on Compliance based on case studies and, together with DVDs on harassment, use them in the compliance-related small-group activities we conduct regularly, having Group officers and employees view them as part of our education on compliance adherence.

External Board Roundtable



Kei Tajima
External Director (Audit and Supervisory Committee Member)
Involved in management as a representative director of a company over the years and has extensive experience and insights as a corporate manager.
Incumbent since June 2021.

Yoshiyuki Kawano
Independent External Director
Plays an active role as a physician and serves as an industrial physician for the Company. Has specialized expertise in the field of KENKO Investment for Health based on considerable experience and achievements.
Incumbent since June 2020.

Hideo Sugahara
Independent External Director (Audit and Supervisory Committee Member)
Entered Tokyo Regional Taxation Bureau and held important posts. Acquainted with corporate tax affairs, etc. as a tax accountant and has expertise in finance and accounting.
Incumbent since June 2015.

Norio Shiohara
External Director (Audit and Supervisory Committee Member)
Has extensive experience in the energy business, as well as extensive experience as a corporate executive that he has built up over the years.
Incumbent since June 2024.

Kaori Matsui
Independent External Director
Held a number of management posts in companies and director positions in non-profit organizations, and has especially abundant experience and knowledge of M&A.
Incumbent since June 2015.

Evolving toward the next 100 years grounded in the Mitsuuroko Group's Management Philosophy

Following last year, we have once again invited our external directors. As the first theme for this year, please tell us about the strengths of Mitsuuroko Group.

Matsui There are many down-to-earth people in Mitsuuroko Group, and my impression is that they steadily and diligently carry out their work. Since our business is rooted in customers' daily lives, each task is handled carefully and attentively. That is both a strength and a virtue.

Sugahara Mitsuuroko Group's core business is to deliver gas—indispensable infrastructure for consumers—safely and continuously. While this may seem taken for granted from the customer's point of view, continuing to do so requires tremendous effort. Being responsible for infrastructure means patiently maintaining these "ordinary" things; this persistence is one of Mitsuuroko Group's strengths.

Shiohara In particular, the gas business comes with various constraints and mandates strict compliance with laws and regulations. Compliance with laws starts with mastering the fundamentals, so in the end it really does require sincerity and seriousness. For Mitsuuroko Group, having remained a company with sincere and serious employees over its history is also a strength.

Kawano I think that these strengths of sincerity, perseverance, etc. and a grounded, steady approach to work ultimately stem from the Mitsuuroko Group's Management Philosophy, "As a Lifestyle Producer, we consistently conduct our business with integrity and from the customer's perspective." What strikes me is that this philosophy is not merely words; employees genuinely draw on it as a guiding principle in their daily work.

Even for issues raised on the agenda at the Board of Directors, when we see that by the next Board of Directors meeting there is always a report on improvements, we realize they are tackling each item earnestly.

Tajima Being able to always return to the Management Philosophy is very good. There are many times when one can be unsure about how to proceed with projects, but I believe companies that return to their Management Philosophy in such moments are very resilient.

Sugahara Another strength is that, for example, in Power & Electricity Business, we quickly caught up with the trend of liberalization and turned it into business expansion, and in Foods Business, we have steadily improved business performance even amid intense competition in the beverages market. I think the real strength of the Group is not only its persistence but also its ability to take on new challenges.

Tajima I think the ability to roll out bold measures grounded in future prospects and having a view of the big picture is the source of Mitsuuroko Group's strength. Also, investing in Power & Electricity Business and assigning many next-generation talents across businesses are also strengths of Mitsuuroko Group.

Matsui When I speak with younger employees, I can see that everyone is creating business with fresh mindsets. While Mitsuuroko Group has Energy Solutions Business at its core, young employees are not bound by it as they take on their work. I sense not only diligence but also flexibility and the strength to build step by step. In addition to inner strength, engaging with work with the strength to build things up piece by piece is also Mitsuuroko's strength.

Shiohara While companies tend to become more conservative in management as they grow in size, Mitsuuroko Group maintains a constant posture of taking on challenges.

As a company, risk management is essential, but the fact that new business plans are put forth stems from having diverse talent who can proactively advocate, and from being an organization whose management actively listens. I think this is also a strength of Mitsuuroko Group as well.



Tajima I also believe President Tajima's outstanding leadership plays a role. There is a sense of speed—rapid decision-making, swift entry, and quick withdrawal when things don't go well—as well as agility to respond to that speed and flexibility to adapt to any change.

To make those possible, you need solid thinking on the human resources side as well. Otherwise, you cannot respond. On the human resources front, I believe putting the right people in the right roles and actively promoting young employees is working well.

Let's now talk about sustainability management. Last year, you established a committee and launched the Planetary Health Project.

Kawano As a physician, I must be committed to employee health and KENKO Investment for Health, and I consider that I have been assigned homework now regarding Planetary Health.

As a company, by advancing projects for the health of the earth, I would like to serve as a bridge to contribute to the company's KENKO Investment for Health.

Matsui The challenge in promoting sustainability is how to instill it thoroughly into every corner of the corporate organization. Mitsuuroko Group has facilities nationwide, and its organization is structured with the headquarters at the center, extending like capillaries. However, the physical and psychological sense of distance between the headquarters and employees at regional facilities tends to grow. For the Planetary Health Project as well, rather than headquarters simply communicating top-down, translating it in ways that genuinely resonate with each employee should create effectiveness.

Sugahara As Ms. Matsui said, sustainability ultimately comes down to instilling that awareness in each person on the front lines and taking action. While the management team is of course highly conscious, the evaluation comes down to the key points of how well each individual on the front lines understands the company's sustainability policy and is taking concrete action. Going forward, we need to gather information in some form about each employee's awareness and have the ability to examine and verify it.

Tajima President Tajima himself has a strong interest in a sustainability-oriented society, speaks out proactively, and has taken the initiative to engage with Planetary Health.

And I feel that the challenge—and also something to look forward to—is how each and every employee will make this their own. For that reason, I also want to fulfill my responsibility as an external director.

Shiohara For example, advancing proposals to customers for carbon-neutral LPG also contributes to a sustainability-oriented society, so it is important to instill that way of thinking in each employee working on the front lines. In addition, Mitsuuroko Group is also a company that began wind power generation more than 20 years ago. It would be good to actively highlight that point both inside and outside the Company.

Sugahara When it comes to sustainability, thorough compliance is naturally part of it. Here too, what matters is how deeply it is being instilled across the organization. I believe the Directors themselves are pursuing thorough compliance with a sense of urgency, but there may still be issues regarding whether it is reliably reaching the front lines. We believe we too need to speak intentionally so that it permeates the front lines.



Shiohara As Mr. Sugahara said, unless a mechanism that permeates the front lines is established, we could end up repeating the same incidents. For the thorough implementation of compliance, we also need to propose opportunities to review the mechanism itself.

Last year we received your opinions on the effectiveness of the Board of Directors. Looking back over this past year, what are your thoughts?

Matsui In a recent matter as well, each Director was asked to submit their views beforehand. Seeing those opinions organized in a consolidated table struck me as a clear step toward improvement.

Kawano As Ms. Matsui mentioned, briefing sessions are now being held in advance on the agenda of the Board of Directors for external directors. We are very grateful that the contents of the proposals are explained beforehand and presented in a consolidated list.



Sugahara I also agree with what Ms. Matsui and Mr. Kawano are saying. We are now able to organize things in advance before going into meetings.

Tajima As I mentioned last year as well, the atmosphere of the actual Board of Directors meetings is very good. However, that doesn't mean the meetings are relaxed from start to finish since our discussions are thorough. When cooperation is needed, members actively seek common ground and feel free to offer the options they can contribute.

Shiohara Depending on the matter, we have received detailed explanations, and the way things are being addressed has changed significantly. Very active discussions are held every time. I think the time spent on a single matter is an issue we need to address going forward.

Matsui By properly separating agenda items that are for reporting only from those that require time for thorough discussion, it would be good if we could have time to delve even deeper into the agenda items that deserve emphasis.

Especially as the business diversifies, for M&A, it would be better to increase discussions that analyze risks and returns from more perspectives.

Kawano The seriousness, mentioned at the outset as one of the strengths of Mitsuuroko Group, is also reflected in how meetings are conducted. Because work is done carefully and steadily, one item at a time, nothing is overlooked in the content of the meetings. I actually think that is a good thing.

Matsui What I feel while participating in the meetings is that everyone expresses opinions from diverse points of view and from various angles. The ways of speaking and methods of expression are also all different. The way the Board of Directors proceeds has become a flow that includes diversity.

Tajima It is important that the Board of Directors conduct discussions in line with major themes. We need to clearly discern macro and micro issues, and have a point of view that discusses the company's direction from a macro point of view.

As for me, as an Audit and Supervisory Committee member, I am very mindful of independence and objectivity. In my remarks, I make an effort to speak from a broader, high-level point of view.

Sugahara As we now have materials organized in advance before meetings, I have recently become more determined to speak up more proactively and to clearly state my views even when they are opposing opinions.

At the Board of Directors, I believe we should devote adequate time to the matters that merit discussion, and in some cases it is fine to take a fair amount of time.

Matsui Given that the person directly in charge of a matter does not participate in the Board of Directors, I think it would be good if the exchange of diverse opinions could be properly conveyed to the person responsible for the matter as well. As an external director, I am not on the execution side, so I am always mindful of communicating risks that may be hard for the person in charge to see, alternative perspectives, and constructive thinking regarding each item of focus.

Next year Mitsuuroko Group will mark the 100th year of incorporation and 140th years since its founding. To close, please tell us what the Group's growth strategy should look like.

Matsui While the LPG business is our source of earnings, we have now moved into Power & Electricity Business and are also sowing several new seeds. I also see that, including M&A, the talent for our next step is being developed. As younger and mid-career employees are exposed to diverse businesses, our talent will grow, the company's culture will become more robust, and the organization will be reborn to flexibly respond to new initiatives. I believe that at the 100- and 140-year milestones we will be able to create a new stage. In particular, I have expectations that younger employees, on the stage of new challenges, will become the source of Mitsuuroko Group's growth going forward.



Kawano It is a company with a long, 100-year history. I have heard that it used to have an old-fashioned corporate nature, but since President Tajima took office, it has been evolving while advancing sound management and making management more transparent. We have received the "White 500" designation as one of the top 500 Health & Productivity Management Outstanding Organizations for six consecutive years, and I feel the company has become cleaner and is poised to welcome a good 100th year of business.

As I am personally involved in employee health, I would like to contribute to projects through which, as a company, we can return a part of our KENKO Investment for Health to our customers. I hope Mitsuuroko Group will become a company that people say, "In addition to lifestyle-related businesses, they are also working hard on health issues."

Sugahara Society is in turmoil, and in this era of rapid change, I believe it is also time for Mitsuuroko Group to change going forward. As our businesses diversify and various initiatives grow, the broader we become, the harder it can be to bring people together. We have the philosophy of being a Lifestyle Producer, so we would like to make that our common denominator as we pursue diversification.

What is important there is that each and every person feels that work is enjoyable. This connects to sustainability: it is necessary that everyone have the awareness that their work contributes to society and allows them to grow. With that awareness, we can overcome any rough seas.

Tajima As we reach the 100th anniversary of the company's establishment, I believe the search for new business opportunities will continue. Our expansion of businesses aimed at a sustainable future will further expand.



Times are changing day by day, and the thinking and culture of today's young people are becoming completely different from ours. How well can we create an environment where young people can work vibrantly, enjoyably, and with a sense of purpose? More than what we want to "have them do," how much can we create an environment where what they "want to do" is prioritized—that, I believe, is our mission. If what they want to do does not exist in the Company now, then we should create it anew. If we have a corporate culture that can launch new businesses while upholding our Management Philosophy, that itself will become a competitive strategy and connect to our growth strategy.

Shiohara In the Sustainability Report from three years ago, President Tajima said that in 30 years most of our businesses would likely have been replaced. Right now, I truly feel that this is exactly how it is turning out. At present, with various businesses growing under short-term and long-term visions, I have expectations that, with our Management Philosophy as a fundamental premise, Mitsuuroko Group Holdings can continue as a company that embraces a culture of challenge and grows together with all its employees.



Corporate Governance

Basic approach

Mitsuuroko Group has established a framework to ensure the appropriateness of operations based on the Companies Act and the Ordinance for Enforcement of the Companies Act, the Financial Instruments and Exchange Act, other laws and regulations, and corporate codes of conduct of financial instruments exchanges. In accordance with this framework, we aim to achieve sustainable growth and improve corporate value for all stakeholders, and will carry out appropriate corporate operations.

Corporate governance structure

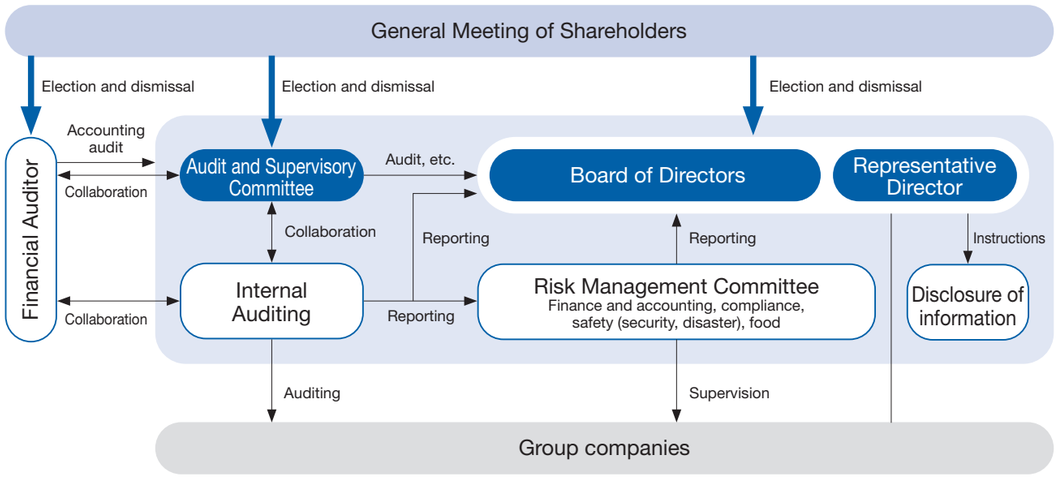
In June 2015, we shifted to a company with an audit and supervisory committee and established a Board of Directors, Audit and Supervisory Committee, and Financial Auditor.

The Company has improved the effectiveness of auditing and supervision through auditing by Directors who are Audit and Supervisory Committee Members with voting rights on the Board of Directors, and further strengthened the supervisory function of the Board of Directors. Furthermore, the management participation of five External Directors, including three Directors who are Audit and Supervisory Committee Members, enhances the supervisory function of the Board of Directors with respect to business execution and ensures the appropriateness and transparency of the decision-making process.

With regard to the Board of Directors, by holding meetings at least once a month, we are always striving to share management issues and have established a system that enables us to take action to resolve issues as soon as possible. We are also working to build a more advanced governance system by appointing diverse personnel as Directors, including foreign nationals and physicians, to incorporate multifaceted perspectives and utilize AI, IoT, and other technologies. Moreover, in addition to appointing Directors to be responsible for the business in each segment of Mitsuuroko Group, and giving them the authority and responsibility to establish a legal compliance system and a risk management system for each Group company, the Head of Finance & Control also promotes and manages these systems on a lateral basis.

Main items	Description
Form of institutional design	Company with audit and supervisory committee
Number of Directors (of which, External Directors)	9 (2)
Number of Directors serving as Audit and Supervisory Committee members (of which External Directors)	3 (3)
Number of Independent Director	3
Number of meetings of the Board of Directors	13 times (Fiscal year ended March 31, 2025)
Number of meetings of the Audit and Supervisory Committee	13 times (Fiscal year ended March 31, 2025)
Rate of attendance at Board of Directors meetings by External Directors	100% (Fiscal year ended March 31, 2025)
Performance-based remuneration system	Available

Corporate governance structure



Areas in which Directors are expected to excel

The Company aims to improve corporate value to all stakeholders and achieve sustainable growth. We maintain a basic corporate governance approach to construct an optimized management structure and perform appropriate company operations. We have composed a balanced Board of Directors by electing diverse human resources based on their knowledge, experience, and capabilities as we aim to accelerate decision-making, strengthen the supervisory function of management, and secure the transparency of company actions.

The Company expects that each Director will excel particularly in the areas and skills on P. 56.

Remuneration, etc. for Directors

● Policy on determining the remuneration, etc. for officers

At the Board of Directors meeting held on January 20, 2021, the Company passed a resolution for a policy on determining the remuneration, etc. for each individual Director (excluding Directors who are Audit and Supervisory Committee Members; the same shall apply hereinafter). In addition, the Board of Directors has confirmed that the method of determining the remuneration, etc. as well as the amounts determined for each individual Director in the current fiscal year are consistent with the aforementioned policy, and are therefore judged to be in line with the policy. The contents of the policy on determining the remuneration, etc. for each individual Director are as follows.

1 Basic policy

The basic policy of the Company is to determine the remuneration of Directors such that it is suitable and appropriate in light of Directors' roles and responsibilities, taking into consideration the business performance of the Company. Specifically, remuneration for Executive Directors consists of basic remuneration and a "Board Benefit Trust (BBT)," which is a form of performance-based stock remuneration. Remuneration for External Directors, who are primarily responsible for supervisory functions, consists solely of basic remuneration in light of their duties.

2 Policy on determining basic remuneration (cash remuneration)

Basic remuneration for the Company's Directors consists of fixed monthly remuneration and is determined after comprehensive consideration of such factors as remuneration levels at other companies, the business performance of the Company, and the levels of employee salaries, in addition to the positions, responsibilities, etc., of Directors.

3 Policy on determining performance-based remuneration, etc. and non-cash remuneration, etc.

At the 107th Ordinary General Meeting of Shareholders held on June 28, 2016, a resolution was adopted in relation to the Board Benefit Trust (BBT) as a form of performance-based stock remuneration for Directors (excluding External Directors and Directors who are Audit and Supervisory Committee Members; hereinafter, referred to as the "Eligible Directors" in this and the following paragraph) (furthermore, the trust established based on this plan is hereinafter referred to as the "Trust"). As set forth in the resolution, Eligible Directors are granted a number of points for each fiscal year, determined by their position, the degree of achievement of business performance targets (the degree of achievement of the target for profit before income taxes on the consolidated statement of income), and other factors, in accordance with the Board Benefit Trust Regulations (the maximum total number of points granted to Eligible Directors per fiscal year shall be 100,000 points). Furthermore, when granting the Company's shares, etc., the points granted to Eligible Directors are converted at a rate of one share of the Company's common stock per point (however, in the event of a share split, gratis allotment of shares, consolidation of shares, etc., in relation to the Company's shares, the conversion ratio shall be reasonably adjusted according to the ratio thereof, etc.) The number of points for the Eligible Directors to be used as the basis for the granting of the Company's shares, etc., is calculated by aggregating the points granted to the Eligible Directors during

Remuneration for Directors

Officer category	Total remuneration (millions of yen)	Total remuneration by category (millions of yen)		Number of officers (persons)
		Basic remuneration	Performance linked stock remuneration	
Directors (who are not Audit and Supervisory Committee Members) (compensation for external directors is indicated in parentheses)	347 (22)	296 (22)	51 (—)	10 (3)
Directors (who are Audit and Supervisory Committee Members) (compensation for external directors is indicated in parentheses)	33 (33)	33 (33)	— (—)	4 (4)
Total	381	329	51	14

Remuneration totaling ¥100 million or more

Name	Total consolidated remuneration (millions of yen)	Officer category	Company category	Consolidated remuneration amounts by category (millions of yen)	
				Basic remuneration	Performance linked stock remuneration
Kohei Tajima	106	Director	Reporting company	90	16

the tenure until retirement and then multiplying the result by a predetermined coefficient set for each reason for retirement (hereinafter, the points thus calculated are referred to as the "defined number of points.")

When an Eligible Director retires and satisfies the beneficiary requirements set forth in the Board Benefit Trust Regulations, he or she will be granted a number of the Company's shares corresponding to the "defined number of points" from the Trust after their retirement, when he or she completes the prescribed beneficiary confirmation procedures; provided, however, that in cases when the requirements provided for in the Board Benefit Trust Regulations are satisfied, the Eligible Director in question shall be paid cash equivalent to the market value of a certain percentage of the Company's shares, in place of the granting of those shares of the Company. The amount of remuneration, etc., to be received by Eligible Directors shall be based on the amount obtained by multiplying the total number of points granted to each Eligible Director by the book value per share of the Company held in the Trust, at the time the points are granted (conversion ratio shall be reasonably adjusted in the event of a share split, gratis allotment or consolidation of the Company.) Cash will be paid on top, if deemed appropriate to be paid in accordance with the provisions of the Board Benefit Trust Regulations.

4 Policy on determining the proportion between basic remuneration (cash remuneration) and performance-based non-cash remuneration, for individual Director

In addition to basic remuneration, Executive Directors receive performance-based stock remuneration (BBT), classified as both performance-based remuneration, etc., and non-cash remuneration, etc. The Company does not set a fixed ratio for basic, performance-based, and non-cash remunerations, because of the nature and history: in the performance-based stock remuneration (BBT), as described in item 3 above, the number of points is awarded based on position and performance (up to 100,000 points per fiscal year) as per Board Benefit Trust Regulations. These points are converted into company shares and given upon retirement. This plan replaced the previous retirement benefits. Basic remuneration shall be the principal remuneration for Executive Directors. Remuneration for External Directors consists solely of basic remuneration, as described in item "1" above.

5 Matters concerning the determination of the content of remuneration, etc. for individual Directors

Decisions on the amount of basic remuneration for individual Directors are delegated to the President and Representative Director, based on a resolution of the Board of Directors. This authority covers the setting of payment standards according to positions, responsibilities, etc., and the amount of basic remuneration for each individual based on such standards. To ensure that the President and Representative Director appropriately exercise this authority, the Representative Director shall determine such amount standards according to position and responsibility after consulting with and receiving reports from independent External Directors. Furthermore, the specific content of performance-based stock remuneration (BBT) for individual Executive Directors is determined in accordance with the Board Benefit Trust Regulations.

Audit status

● Status of audits by the Audit and Supervisory Committee

The Audit and Supervisory Committee consists of three Directors who are Audit and Supervisory Committee members (all three are External Directors) and attends meetings of the Board of Directors, establishing a framework that adequately monitors the execution of duties by Directors.

The Directors who are Audit and Supervisory Committee members and Internal Auditing hold a monthly meeting to report on internal control and work to share information. The Audit and Supervisory Committee members and the Financial Auditor hold regular meetings, including annual schedules and business performance reports, and exchange information as needed to strengthen coordination.

In the fiscal year under review, the Company convened the Audit and Supervisory Committee once per month; attendance by each Audit and Supervisory Committee member was as follows. As the Audit and Supervisory Committee primarily conducts organizational audits through the internal control system, selecting a full-time member is not necessarily required; accordingly, no full-time Audit and Supervisory Committee member has been appointed.

Name	Number of meetings held	Number of meetings attended	Attendance rate
Hideo Sugahara	13	13	100%
Kei Tajima	13	13	100%
Norio Shiohara*	10	10	100%

* For Norio Shiohara, the number of meetings held and attended refers to Audit and Supervisory Committee meetings convened after his appointment as a Director who is an Audit and Supervisory Committee member on June 18, 2024.

The specific matters examined by the Audit and Supervisory Committee in the fiscal year under review are as follows.

1 Matters for deliberation

Formulation of audit policy and audit plan; consent regarding the proposal to appoint a substitute Audit and Supervisory Committee member; preparation of the audit report; forming opinions on the appropriateness of the Financial Auditor's audit; decision on reappointment of the Financial Auditor; consent regarding the Financial Auditor's audit fees; etc.

2 Matters reported

Results of the review of Internal Auditing's audit performance; status of establishment and operation of quality control in Foods Business and security frameworks in Energy Solutions Business; results of reviews of approval request documents (ringi) and other important documents; status of audits by the Financial Auditor; etc.

● Status of internal audits

Internal Auditing (six members as of the filing date of the Annual Securities Report) has been established as the internal audit department responsible for responding to the internal control evaluation system under the Financial Instruments and Exchange Act and related requirements. In addition, Finance & Control supervises and provides guidance to our business sites and affiliated companies.

The Director responsible for internal control, the Internal Auditing Department, the Audit and Supervisory Committee, and the Financial Auditor meet regularly, endeavor to exchange information, and regularly report the results to the Risk Management Committee.

Internal Auditing conducts internal audits across organizations within Mitsuuroko Group and, by verifying, evaluating, and advising on whether the Group's organization, systems, and operations comply with laws and regulations as well as management policy and various rules and are operated efficiently, works to prevent fraud and errors before they occur, provide accurate management information, preserve assets, and improve and enhance business activities to contribute to improved management efficiency; it evaluates the establishment and operation of internal control and encourages improvements as necessary.

With respect to the development and operation of internal control over financial reporting, we perform walkthroughs (design evaluations) and sampling tests to assess effectiveness and promote the identification and remediation of deficiencies in the system.

Internal Auditing reports the results of these evaluations to the Representative Director and President, the Board of Directors, and the Audit and Supervisory Committee.

Evaluation of the effectiveness of the Board of Directors

The Company has conducted self-evaluations of the effectiveness of the Board of Directors in the form of questionnaires to Directors.

The Company endeavors to ensure objectivity by seeking advice from attorneys and other experts as appropriate in relation to the preparation of the questionnaire and the analysis of evaluation results.

Summary of evaluation results

According to the results of the questionnaire, the Board of Directors of the Company in fiscal 2024 was evaluated to be effective. Specifically, the Board of Directors has received particularly positive evaluation for its effective operation in an atmosphere that encourages frank, free and open discussion; having an appropriate composition of members that ensures the knowledge, ability, experience, and diversity necessary to fulfill its roles and responsibilities; verifying the appropriateness of holding listed shares as strategic shareholdings by carefully examining whether they are commensurate with the cost of capital; and, with respect to material risks (including those faced by Group companies), the timely and accurate reporting of information to the Board of Directors, as well as the Board of Directors' understanding that management is appropriately addressing those risks.

On the other hand, the following issues were recognized: sufficient consideration should be given to the content and volume of materials used for explanations and reports to the Board of Directors, as well as the timing of their advance distribution and explanations; it should be confirmed that management is making effective use of management resources to strategically and systematically review the Group's overall business portfolio, including subsidiaries, and to invest in facilities and human resources, taking into consideration the cost of capital and risk/return over the medium to long term; and the Board of Directors should effectively monitor the management strategy and business strategies. The Company will work to improve these points in the future.

Status of the risk management system

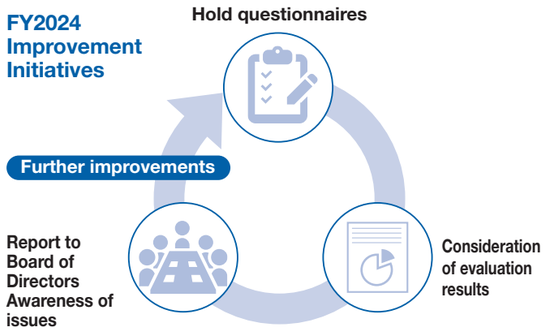
As our business portfolio undergoes evolution and the risk environment grows more diverse and complex, we have established the Risk Management Committee under the Board of Directors to promote and supervise internal control related to compliance, and we are developing a framework for the early detection and resolution of various issues. The Committee conducts risk evaluation of events that may affect the achievement of business objectives set by each Group division, identifies issues and implements operational improvements, and, with the approval of the Board of Directors, formulates an internal control implementation plan for these initiatives. In addition, it supervises the progress of the plan, and in cooperation with the Audit and Supervisory Committee and Internal Auditing, it determines policies for the design and improvement of the overall internal control system.

In addition, we have built a reporting system to ensure that compliance-related information is accurately and promptly reported to the responsible department, and we have established and appropriately operate a Compliance Hotline that allows employees or external parties to communicate information without incurring direct disadvantage.

Regarding issues related to the development and operation of internal control over financial reporting, the Head of Finance & Control performs cross-group reviews and reports to the Board of Directors on the annual plan for internal control over financial reporting and its results in light of changes in the environment.

Regarding food quality, we have established the Food Quality Control Committee and, in cooperation with relevant departments, conduct risk management.

As the rules governing decision-making within the Group, we have established the Mitsuuroko Group Approval Authority Regulations, which specify approval items and approvers so that appropriate approvals can be made based on decisions by appropriate approvers, in light of the size, materiality, and anticipated risks of each approval item. We also conduct training for all employees to ensure thorough understanding of the approval rules.



Method of Evaluation

Target	All 12 Directors
Method	Questionnaire format
Evaluation	5-point evaluation + free comments
Survey items	❶ Operation and composition of the Board of Directors ❷ Management strategy/Business strategy ❸ Charter of Corporate Ethics/Risk management ❹ Dialogue with shareholders

Introduction of Directors (As of September 30, 2025)



Kohei Tajima

Representative Director,
President and CEO

- Director of Mitsuuroko Green Energy Co., Ltd.
- Chairman of the Board of Directors of Mitsuuroko Foods Co., Ltd.
- President and Representative Director of MITSUUROKO Co., Ltd.
- President and Representative Director of Mitsuuroko Sports Co., Ltd.
- Director of Triforce Investments Pte. Ltd.
- Director of Triforce Corporation



Kazuhiro Kojima

Director
Assistant to the President
(Group Functions)
Corporate Secretary
Chief of Staff

- Director of Mitsuuroko Vessel Co., Ltd.
- Auditor of Mitsuuroko Green Energy Co., Ltd.
- President and Representative Director of Mitsuuroko Creative Solutions Co., Ltd.
- Director and General Manager of Supervisory Department of MITSUUROKO Co., Ltd.
- Director of Mitsuuroko Sports Co., Ltd.
- Director of Triforce Investments Pte. Ltd.
- Director of MITSUUROKO LEASE Co., Ltd.
- Director of Triforce Corporation
- Director of Mitsuuroko Tec Co., Ltd.



Takashi Matsumoto

Director
Assistant to the President
(Special Assignments,
External Affairs)



Manabu Sakanishi

Director

- President and Representative Director of Mitsuuroko Green Energy Co., Ltd.



Motoyasu Omori

Director

- President and Representative Director of Mitsuuroko Foods Co., Ltd.
- President and Representative Director of Mitsuuroko Beverage Co., Ltd.
- President and Representative Director of Shizuoka Mitsuuroko Foods Co., Ltd.
- Director of Mitsuuroko Provisions Co., Ltd.
- Director of Mitsuuroko Partners Co., Ltd.



Goh Wee Meng

Director

- Executive Director of Triforce Investments Pte. Ltd.
- Director of General Storage Company Pte. Ltd.



Kenji Yoshizawa

Director

- President and Representative Director of Mitsuuroko Vessel Co., Ltd.
- President and Representative Director of Logitri Holdings Co., Ltd.
- Director of Mitsuuroko Creative Solutions Co., Ltd.
- Director of Mitsuuroko Tec Co., Ltd.



Kaori Matsui

Director (External)
(Independent)

- Representative Director of Japan Innovation & Succession Foundation
- Representative Director of Japan Innovation & Succession Inc.
- Representative Director of Eve Communications Inc.



Yoshiyuki Kawano

Director (External) (Independent)

- Doctor
- Industrial physician of Mitsuuroko Group Holdings Co., Ltd.
- Director of BPH Center, Edogawa Hospital
- Head of Urology Department of Edogawa Hospital
- Director of Robotic Surgery Center, Edogawa Hospital



Hideo Sugahara

Director, Member of the Audit and Supervisory Committee (External) (Independent)

- Tax accountant
- Director of Sugahara Accounting Office



Kei Tajima

Director, Member of the Audit and Supervisory Committee (External)

- President and Representative Director of OrgoVere Co., Ltd.
- External Director of Sanrin Jigyo Co., Ltd.



Norio Shiohara

Director, Member of the Audit and Supervisory Committee (External)

- President and Representative Director of SANRIN Co., Ltd.

Directors' Skills Matrix

Name	Position and responsibilities	Area or skill expected to excel in							
		Corporate management Management strategy	Financial accounting Capital policy	Human resources Personnel development	legal and risk management	Auditing	Internal control Governance	Overseas	Social Environment
Kohei Tajima	Representative Director, President and CEO Overall management Sustainability	●	●	●	●		●	●	●
Kazuhiro Kojima	Director Assistant to the President (Group Functions) Corporate Secretary Chief of Staff Finance & Control Corporate Affairs Inclusion & Diversity ICT Planning Other Businesses (operational and system support)	●	●	●	●	●	●	●	
Takashi Matsumoto	Director Assistant to the President (Special Assignments, External Affairs)	●		●	●		●	●	●
Manabu Sakanishi	Director Power & Electricity Business	●		●	●		●	●	●
Motoyasu Omori	Director Foods Business Quality Assurance	●		●		●	●		●
Goh Wee Meng	Director Global Planning	●		●			●	●	●
Kenji Yoshizawa	Director Energy Solutions Business	●		●	●	●	●	●	●
Kaori Matsui	Director (External) (Independent)	●	●			●	●		●
Yoshiyuki Kawano	Director (External) (Independent) Doctor	●	●			●	●		●
Hideo Sugahara	Director (External) (Independent) Audit and Supervisory Committee Member, Certified Tax Accountant	●	●		●	●	●		●
Kei Tajima	Director (External) Audit and Supervisory Committee Member	●	●		●	●	●		●
Norio Shiohara	Director (External) Audit and Supervisory Committee Member	●	●		●	●	●		●

* The above list does not represent all of the expertise we possess.

Major Financial Data Over 11 Years

Mitsuuroko Group Holdings Co., Ltd. and consolidated subsidiaries
For each fiscal year ended March 31 and their consolidated fiscal year-end

For details on non-financial KPIs, please refer to our Sustainability Report.
https://www.mitsuuroko.com/en/sustainability/library/

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Net sales (Millions of yen)	221,270	190,990	205,682	211,343	229,382	240,127	226,462	250,033	323,700	309,085	**339,656**
Operating profit (Millions of yen)	3,806	3,602	3,894	3,953	3,629	7,214	5,232	819	12,317	12,334	**8,769**
Ordinary profit (Millions of yen)	4,361	4,589	4,743	4,864	4,507	8,262	6,003	2,921	14,056	13,303	**10,005**
Profit attributable to owners of parent (Millions of yen)	2,654	2,626	2,698	2,913	3,231	3,546	3,369	1,907	7,789	9,107	**10,515**
Net assets (Millions of yen)	70,789	72,434	74,482	77,966	79,393	78,317	93,289	87,687	92,884	99,898	**98,689**
Total assets (Millions of yen)	128,658	128,479	131,537	137,803	132,127	125,568	145,189	155,170	173,999	180,866	**185,725**
Cash flows from operating activities (Millions of yen)	6,172	8,179	5,336	12,613	1,668	9,976	5,340	5,013	12,462	10,535	**17,968**
Cash flows from investing activities (Millions of yen)	11,229	(4,988)	(2,059)	(3,788)	(492)	(11,122)	(3,523)	(8,417)	(7,932)	(9,415)	**586**
Cash flows from financing activities (Millions of yen)	279	(2,917)	(5,389)	(6,763)	(4,085)	(4,435)	(4,858)	(759)	5,459	(1,887)	**(8,838)**
Net assets per share (Yen)	1,102.57	1,125.92	1,187.14	1,252.41	1,275.87	1,257.61	1,517.47	1,455.30	1,561.61	1,701.24	**1,746.77**
Basic earnings per share (Yen)	42.32	41.02	42.37	46.88	52.17	57.23	54.54	31.26	130.06	153.93	**182.05**
Operating margin (%)	1.7	1.9	1.9	1.9	1.6	3.0	2.3	0.3	3.8	4.0	**2.6**
Return on equity (ROE) (%)	3.9	3.7	3.7	3.8	4.1	4.5	3.9	2.1	8.6	9.5	**10.6**
Return on assets (ROA) (%)	3.4	3.6	3.6	3.6	3.3	6.4	4.4	1.9	8.5	7.5	**5.5**
Equity ratio (%)	54.9	56.1	56.4	56.3	59.8	62.1	64.0	56.2	53.4	55.2	**53.1**
Price-earnings ratio (Times)	13.2	13.5	16.3	17.2	16.2	19.8	24.9	33.1	9.9	9.3	**9.8**
Dividend per share (Yen)	16	16	18	18	20	23	23	25	37	41	**56**
Payout ratio (%)	37.8	39.0	42.5	38.4	38.3	40.2	42.2	80.0	28.4	26.6	**30.8**
Ratio of interest-bearing debt to cash flow (Years)	4.5	3.2	4.4	1.6	10.3	1.4	2.4	3.8	2.3	2.9	**1.6**
Number of employees (Persons)	1,698	1,674	1,661	1,801	1,550	1,549	1,534	1,771	1,744	1,753	**1,776**

Consolidated Financial Statements

Mitsuuroko Group Holdings Co., Ltd. and consolidated subsidiaries
Fiscal year ended March 31

Consolidated balance sheet (Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	33,128	**42,627**
Notes receivable - trade	172	**140**
Accounts receivable - trade	30,891	**33,319**
Lease receivables and investments in leases	2,650	**3,588**
Merchandise and finished goods	5,439	**5,691**
Raw materials and supplies	808	**809**
Other	8,670	**8,060**
Allowance for doubtful accounts	(30)	**(30)**
Total current assets	81,730	**94,208**
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	13,033	**13,324**
Machinery, equipment and vehicles, net	3,869	**4,168**
Land	17,052	**16,848**
Leased assets, net	3,754	**3,293**
Construction in progress	930	**2,314**
Other, net	4,290	**3,927**
Total property, plant and equipment	42,931	**43,877**
Intangible assets		
Trademark right	3,171	**3,155**
Goodwill	1,611	**1,580**
Other	4,771	**4,449**
Total intangible assets	9,555	**9,185**
Investments and other assets		
Investment securities	33,723	**25,008**
Shares of subsidiaries and associates	3,852	**4,131**
Insurance funds	1,059	**1,115**
Deferred tax assets	1,921	**1,904**
Other	6,337	**6,528**
Allowance for doubtful accounts	(244)	**(235)**
Total investments and other assets	46,649	**38,453**
Total non-current assets	99,136	**91,517**
Total assets	180,866	**185,725**

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	24,312	**30,186**
Short-term borrowings	2,440	**2,020**
Current portion of bonds payable	1,001	**1,001**
Current portion of long-term borrowings	1,983	**2,590**
Lease liabilities	1,236	**1,204**
Income taxes payable	2,075	**2,172**
Accrued consumption taxes	343	**1,962**
Provision for bonuses	999	**1,147**
Provision for bonuses for directors (and other officers)	7	**7**
Asset retirement obligations	198	**65**
Other	6,664	**9,009**
Total current liabilities	41,261	**51,368**
Non-current liabilities		
Bonds payable	6,007	**5,006**
Long-term borrowings	13,688	**13,308**
Lease liabilities	2,447	**1,949**
Deferred tax liabilities	6,376	**3,940**
Provision for share awards	270	**283**
Provision for retirement benefits for directors (and other officers)	292	**308**
Retirement benefit liability	2,622	**2,715**
Asset retirement obligations	3,230	**3,267**
Other	4,769	**4,888**
Total non-current liabilities	39,706	**35,667**
Total liabilities	80,967	**87,035**
Net assets		
Shareholders' equity		
Share capital	7,077	**7,077**
Capital surplus	336	**307**
Retained earnings	80,999	**84,100**
Treasury shares	(1,621)	**(509)**
Total shareholders' equity	86,792	**90,976**
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	10,874	**5,305**
Deferred gains or losses on hedges	(25)	**33**
Foreign currency translation adjustment	2,220	**2,271**
Re-measurements of defined benefit plans	(0)	**(6)**
Total accumulated other comprehensive income	13,068	**7,603**
Non-controlling interests	37	**109**
Total net assets	99,898	**98,689**
Total liabilities and net assets	180,866	**185,725**

Consolidated Financial Statements

Mitsuuroko Group Holdings Co., Ltd. and consolidated subsidiaries
Fiscal year ended March 31

Consolidated statement of income (Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Net sales	309,085	**339,656**
Cost of sales	264,063	**297,152**
Gross profit	45,021	**42,503**
Selling, general and administrative expenses	32,686	**33,734**
Operating profit	12,334	**8,769**
Non-operating income	1,790	**2,060**
Non-operating expenses	821	**824**
Ordinary profit	13,303	**10,005**
Extraordinary income	99	**5,200**
Extraordinary losses	527	**979**
Profit before income taxes	12,874	**14,227**
Income taxes - current	3,969	**3,741**
Income taxes - deferred	(224)	**(99)**
Total income taxes	3,745	**3,642**
Profit	9,129	**10,584**
Profit (loss) attributable to non-controlling interests	22	**69**
Profit attributable to owners of parent	9,107	**10,515**

Consolidated statement of cash flows (Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Cash flows from operating activities	10,535	**17,968**
Cash flows from investing activities	(9,415)	**586**
Cash flows from financing activities	(1,887)	**(8,838)**
Effect of exchange rate change on cash and cash equivalents	141	**(51)**
Net increase (decrease) in cash and cash equivalents	(626)	**9,665**
Cash and cash equivalents at beginning of period	31,450	**30,824**
Cash and cash equivalents at end of period	30,824	**40,489**

Company Information

Company name	Mitsuuroko Group Holdings Co., Ltd.
Main business	Holding company (Group's business strategy and management)
Headquarters	3-1-1 Kyobashi, Chuo-ku, Tokyo 104-0031, Japan
Date established	May 10, 1926 (As of October 1, 2011, the Company's name changed from MITSUUROKO Co., Ltd. due to the transition to a holding company structure following the company split.)
Share capital	¥7,077 million
Number of employees	24 persons (Consolidated: 1,803 persons) (As of September 30, 2025)

Board of Directors (as of September 30, 2025)

Representative Director, President and Chief Executive Officer	Kohei Tajima
Director, Assistant to the President (Group Functions), Corporate Secretary, Chief of Staff	Kazuhiro Kojima
Director, Assistant to the President (Special Assignment, External Affairs)	Takashi Matsumoto
Director	Manabu Sakanishi
Director	Motoyasu Omori
Director	Goh Wee Meng
Director	Kenji Yoshizawa
Director (External) (Independent)	Kaori Matsui
Director (External) (Independent)	Yoshiyuki Kawano
Director, Member of the Audit and Supervisory Committee (External) (Independent)	Hideo Sugahara
Director, Member of the Audit and Supervisory Committee (External)	Kei Tajima
Director, Member of the Audit and Supervisory Committee (External)	Norio Shiohara

Shares (as of September 30, 2025)

Total number of authorized shares	197,735,000 shares
Total number of issued shares	57,061,223 shares
Number of shareholders	4,396 people

Major shareholders (as of September 30, 2025)

Shareholder name	Number of shares held (thousands of shares)	Shareholding ratio (%)
Meiji Yasuda Life Insurance Company	4,990	8.75
Tajima Inc.	4,327	7.58
Sompo Japan Insurance Inc.	3,681	6.45
The Master Trust Bank of Japan, Ltd. (Trust Account)	3,080	5.40
ENEOS Holdings, Inc.	3,064	5.37
Mizuho Trust & Banking Co., Ltd.	3,044	5.34
Rinnai Corporation	2,694	4.72
HASHIMOTO SANGYO Co., Ltd.	1,926	3.38
National Mitsuuroko Stock Ownership Association	1,695	2.97
Paloma Co., Ltd.	1,685	2.95

(Notes) 1. In addition to the above, the Company has 10,000 treasury shares (excluding 482,000 shares of the Company held by Custody Bank of Japan, Ltd. (Trust Account E) in relation to the Board Benefit Trust (BBT)).
2. The Company's shares held by Custody Bank of Japan, Ltd. (Trust Account E) in connection with the Board Benefit Trust (BBT) are not treated as treasury shares for purposes of calculating the shareholding ratio. As of the end of the first half of the current fiscal year, the trust account held 482,000 shares.
3. The number of shares held above related to trust operations is as follows. The Master Trust Bank of Japan, Ltd. (Trust Account): 3,080,000 shares Mizuho Trust & Banking Co., Ltd.: 2,839,000 shares

Distribution (as of September 30, 2025)



Individuals/others	9,699,638 shares	17.00%
Financial institutions	20,632,404 shares	36.16%
Other domestic corporations	22,583,546 shares	39.58%
Foreign corporations, etc.	4,008,844 shares	7.03%
Financial instruments business operators	126,658 shares	0.22%
Shares held under own name	10,133 shares	0.02%



499 shares or fewer	2,550 people	58.02%
500 to 999 shares	189 people	4.30%
1,000 to 4,999 shares	1,255 people	28.56%
5,000 to 9,999 shares	176 people	4.00%
10,000 to 49,999 shares	145 people	3.30%
50,000 to 99,999 shares	22 people	0.50%
100,000 shares or more	58 people	1.32%

Note: These figures have been calculated net of treasury shares.

Credit Rating Information

The Company has obtained credit ratings from the Japan Credit Rating Agency (JCR) based on JCR's assessment of its corporate creditworthiness.

Long-term issuer rating	Outlook
A–	Stable

Mitsuuroko Group Holdings Co., Ltd.

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Chibi Maruko-chan

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