

## Summary of Q&As at Investors Meeting for FY2024 2Q

Date and Time: 14:00 - 15:00 (JST) on Thursday, November 14, 2024  
 Format: Hybrid In-Person and Online Format  
 Presenter: **Kazuo Sakairi**, Corporate Vice President, Managing Executive Officer, Director, and CFO  
**Tawa Junya**, Senior Managing Executive Officer, CSO

### [FY2023/1H results]

Question	Answer
What is the reason for the decrease in electricity sales in FY2024 2Q?	<ul style="list-style-type: none"> <li>The diversification of power procurement by TEPCO/CEPCO is a part of reason. Our majority of electricity sales are made by TEPCO/CEPCO based on PPA.</li> </ul>
What are the factors to Impact on fuel procurement price?	<ul style="list-style-type: none"> <li>Compared to the last year, market conditions were stable, which was the main factor. Risk control of fuel procurement and electricity sales by financial hedging has also been stable compared to the previous year.</li> </ul>
What percentage of your fuel procurement is from the Middle East? What is the impact of the current situation in the Middle East?	<ul style="list-style-type: none"> <li>Of the fuel procurement sources, the Middle East region accounts for about 10-15% of LNG in FY2023.</li> <li>Currently, there are no obstacles to our transactions, but the situation in the Middle East should be monitored closely.</li> </ul>
Why didn't you pay dividend?	<ul style="list-style-type: none"> <li>We received a request from shareholders to temporarily suspend dividend payments regarding implementation of the growth strategy.</li> </ul>

### [FY2023 forecasts]

Question	Answer
Are there any one-time factors that may affect the forecast for FY2024 profit excluding time lag?	<ul style="list-style-type: none"> <li>In addition to the expected tens of billion JPY impact by the shutdown of the Taketoyo thermal power plant, the overseas power generation and renewable energy business will be affected by the mark-to-market valuation loss on hedge transactions in the North American IPP business.</li> </ul>

**[Progress of growth strategy]**

Question	Answer
Is it possible to achieve the FY2025 profit excluding time lag, 200 billion JPY?	<ul style="list-style-type: none"><li>• Although there will be some pushdown in FY2024 due to temporary factors, we believe it is achievable because a foundation for earnings has been steadily built and the synergies from the integration are realized.</li></ul>
How do you see future PPAs for FY2026 and beyond?	<ul style="list-style-type: none"><li>• Considering the development of wholesale markets and non-discriminatory wholesale policy, elasticity and flexibility will be realized by diversified sales formats other than PPA.</li></ul>
There have been various changes in the business environment since the announcement of the growth strategy in May 2024. Are there any updates for the strategy?	<ul style="list-style-type: none"><li>• With higher electricity demand potential in the future due to data centers, DX demand and so on, the importance of both sides of the decarbonization and securing LNG is increasing.</li><li>• We recognize that the business environment for renewable energy is challenging, but any major changes are not considered to align with environmental commitments.</li><li>• In the hydrogen and ammonia business domain, we can leverage our strong point, the long value chain that we have developed in the LNG sector. In addition to the governmental support, it is important to see how carbon pricing system and other systems will be designed.</li></ul>
Why did you establish JERA Nex?	<ul style="list-style-type: none"><li>• It was established to consolidate our renewable energy business and build "Center of Excellence". It also aims to attract new partners in the renewable energy business.</li></ul>

**Forward-Looking Statements**

The information in this presentation may contain forward-looking statements. Forward-looking statements include statements relating to: (i) plans; (ii) business and management strategies; and (iii) performance forecasts, and are based on then-current data by the time of issuance of this document. Forward-looking statements involve risks and uncertainties including but not limited to economic conditions, competitive landscape, government laws and regulations, exchange rate and so on that could significantly affect the expected results, and are based on certain key assumptions. Many factors could cause actual results to differ materially from those projected or implied herein. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward-looking statements.