

This document provides a summary of the question and answer sessions at the Financial Results briefing held on May 15, 2026.

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1. Various companies have disclosed the impact of the situation in Iran. What management measures is SAN-AI OBBLI considering?

A.

The current situation in Iran has had the greatest impact on our chemical products and lubricants businesses. In these businesses, delays in raw material supply and shipment restrictions on some products are affecting our earnings.

In contrast, we believe that the petroleum, natural gas, LP gas, and Aviation-related businesses can secure stable earnings. This assumes there are no major disruptions to domestic supply and demand.

Looking ahead, we plans to strengthen its business structure. We will do this by further upgrading the supply chain, improving organizational efficiency, and reducing costs.

2. Regarding the acceleration of investments outlined in the medium-term management plan, how does the Company view recent crude oil price increases and inflation?

A.

We are currently making several investments. These include the second fuel storage at Haneda Airport. They also include a new chemical products manufacturing plant at SAN-AI RIKEN. In addition, the Company is expanding the cleantech plant of SAN-AI OBBLITECH.

We will not miss opportunities for growth investment. It will move forward with such investments quickly.

At the same time, higher crude oil prices and inflation are raising investment hurdles. We prepares its plans on the assumption that these trends will continue. For projects that take time from decision-making to construction, the Company factors in future price increases. It assesses profitability on that basis.

We will continue to make investment decisions without lowering its standards.

3. Major domestic airlines are forecasting a significant decline in earnings for the fiscal year ending March 2027. Please explain the current status and outlook of Aviation-related business.

A.

The SAN-AI OBBLI Group operates fuel storage facilities and provides aircraft refueling services at 27 locations across Japan, including Haneda Airport. Due to the recent situation in Iran, some routes to the Middle East have reduced services or temporary suspensions.

However, at this time, there is no significant impact on the performance of the SAN-AI OBBLI Group. There have also been reductions in flights to China. Some regional airports have been affected. Overall, the impact on our group remains limited.

In Aviation-related business, we will continue to focus on securing skilled personnel and maintaining safe operations. We will also promote digital transformation and improve the working

environment. Through these efforts, we aim to ensure stable and continuous business operations.

4. Please explain the reasons for the significant decline in profits in the petroleum business in the previous fiscal year and the outlook for the current fiscal year.

A.

Government subsidies were introduced to stabilize retail fuel prices and at the same time, discussion intensified on abolishing the temporary gasoline and diesel tax rates. As a result, expectations of lower prices spread in the wholesale market. Kygnus Sekiyu did not respond well to these market conditions. This led to a significant decline in earnings. We will take timely action in the future to avoid repeating the same mistakes.

In the current fiscal year, our petroleum business has faced some shipment restrictions due to the situation in Iran. Even so, the business has continued to generate a certain level of profit.

5. While the Company targets a total payout ratio of 100%, will it conduct share repurchases in the current fiscal year?

A.

Under the medium-term management plan for fiscal years 2024 to 2026, the Company aims for a total shareholder return ratio of 100% to improve capital efficiency.

I understand the point of your question as follows.

The published earnings forecast implies a dividend payout ratio of 75.5%. Based on this, you are asking whether the Company will buy back its own shares to move toward a total shareholder return ratio of 100%.

At this time, no specific decision has been made. However, the Company will consider this as one option and this will be done while taking into account investment conditions and the situation in the Middle East.

6. Will the Company continue to promote M&A, and what are its investment criteria?

A.

In conclusion, we will actively pursue M&A.

We will continue to invest to expand growth businesses, including gas, chemical products, and cleantech businesses. We will also continue to invest in existing businesses. This will focus on businesses where synergies are expected. For new businesses, we will target companies that are specialized in their fields and also focus on companies with clear growth potential. By acquiring such companies, our Group will build them into core group businesses.

For investment decisions, we use WACC as the cost of capital and IRR as the return benchmark. In principle, the Company invests in projects where IRR exceeds WACC. We make a comprehensive judgment from these indicators and qualitative factors such as synergies with existing businesses.