Management Overview

November 2025

The Okinawa Electric Power Company, Inc.

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Corporate Overview of OEPC

- The Okinawa Electric Power Company (OEPC) supplies electricity to 38 inhabited islands including Okinawa main island.
- OEPC maintains 11 isolated systems that are not connected with the transmission lines of other power companies.
- OEPC has no nuclear and hydroelectric power plants and depends on fossil fuels for its power supply.

Established	May 15, 1972
Capital	¥7,586 million
Total assets	¥459.474 billion (Non-consolidated) ¥500.411 billion (Consolidated)
Employees	1,503 (Consolidated：3,128)

Security code	9511
Service area	Okinawa Prefecture
Generating facilities	Steam-power generators 5 locations 1,629 thousand kW (Oil 2 locations 375 thousand kW) (Coal 2 locations 752 thousand kW) (LNG 1 locations 502 thousand kW) Gas turbine generators 5 locations 326 thousand kW Internal-combustion power generators 13 locations 253 thousand kW Wind power generators 5 locations 2 thousand kW Total 2,210 thousand kW

(as of March 31, 2025)

Ratings

Rating agency	R&I	S&P
Rating	AA	A＋

Issuer Rating as of October 31, 2025

Financial Results for FY2025 2Q YTD (Year-on-Year Comparison)

■Interim period financial results(April – September)

(Unit: million yen, X)

	Consolidated (A)				Non-consolidated (B)			
	FY2024 2Q YTD (Results)	FY2025 2Q YTD (Results)	Change	Rate of Change	FY2024 2Q YTD (Results)	FY2025 2Q YTD (Results)	Change	Rate of Change
Sales	127,229	119,231	-7,998	-6.3%	122,356	113,612	-8,743	-7.1%
Operating income	7,284	9,994	+2,710	+37.2%	7,145	9,292	+2,146	+30.0%
Ordinary income	6,871	9,196	+2,324	+33.8%	7,103	8,837	+1,734	+24.4%
Net income	5,354*	7,033*	+1,679	+31.4%	5,702	6,974	+1,272	+22.3%

* Net income attributable to owners of parent.

Consolidated and Non-consolidated : Decrease in Sales, Increase in Income for 2 consecutive years

【Revenue】

- Decrease in Electricity sales volume and decrease due to the effect of Fuel cost adjustment system in Electric business.

【Expenditure】

- Decrease in Fuel costs and Purchased power costs in Electric business.

Annual Outlook Summary

(Unit: million yen, X)

	Consolidated(A)				Non-consolidated(B)			
	FY2024 (Results)	FY2025 (Forecasts)		Change (II) - (I)	FY2024 (Results)	FY2025 (Forecasts)		Change (II) - (I)
		Announced in Jul. 2025 (I)	Announced in oct 2025 (II)			Announced in Jul. 2025 (I)	Announced in Oct. 2025 (II)	
Sales	236,540	215,200	219,300	+4,100	224,043	201,500	205,600	+4,100
Operating income	7,322	10,000	10,000	–	5,341	6,800	6,800	–
Ordinary income	5,665	8,000	8,000	–	3,956	5,000	5,000	–
Net income	4,322*	5,700*	5,700*	–	3,481	4,000	4,000	–

* Net income attributable to owners of parent.

Consolidated : Decrease in Sales, Increase in Income for the first time in 5 years
(Non-consolidated : Decrease in Sales, Increase in Income for the 2 consecutive years)

［Comparison with previous forecasts (Jul.2025) ］

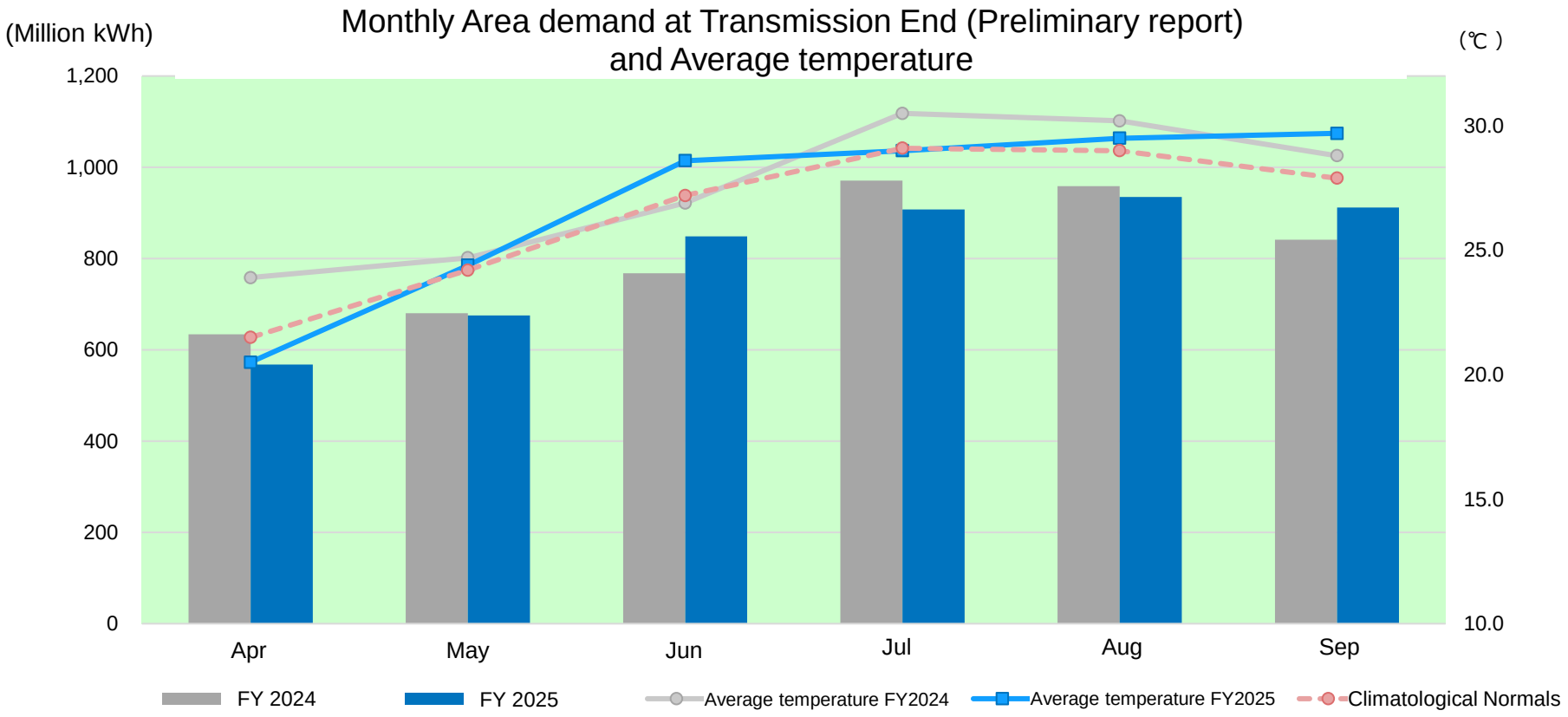
【Revenue】

- Increase in sales due to Electricity sales volume in Electric business.

【Expenditure】

- Increase in Fuel costs due to higher electricity demand and effects of yen depreciation in Electric business.

Electric Energy Demand (Monthly Area demand)



Monthly Area demand at Transmission End (Preliminary report)

(Million kWh, %)

	Apr	May	Jun	Jul	Aug	Sep	1st Half
FY2025	568	675	849	908	935	912	4,847
FY2024	634	680	768	971	959	841	4,853
Eate of Change	-10.5	-0.7	+10.6	-6.5	-2.5	+8.4	-0.1

Average temperature

(℃)

	Apr	May	Jun	Jul	Aug	Sep	1st Half
FY2025	20.5	24.4	28.6	29.0	29.5	29.7	27.0
FY2024	23.9	24.7	26.9	30.5	30.2	28.8	27.5
Climatological Normals	21.5	24.2	27.2	29.1	29.0	27.9	26.5

* Climatological Normals is observed data from 1991 to 2020.

Electric Energy Demand (FY2025 2Q YTD Results)

Electricity Sales Volume

(Unit: million kWh, %)

	FY2024 2Q YTD (Results)	FY2025 2Q YTD (Results)	Change	Rate of Change
Lighting	1,613	1,596	-17	-1.0
Power	2,387	2,313	-74	-3.1
Total	4,000	3,909	-91	-2.3

<Lighting>

Although demand increased due to an increase in new customers, overall Lighting demand decreased due to lower summer temperatures which reduced consumption compared to the previous year.

<Power >

The demand for Power decreased compared with Year-on-Year due to higher temperature and a decrease in demand from the water industry.

■ Power Generated and Received

(Unit: million kWh)

		FY2024 2Q YTD		FY2025 2Q YTD		Change	Rate of change
		Electricity generated	Com-position ratio	Electricity generated	Com-position ratio		
OEPC	Coal	1,623	37.7%	1,601	37.7%	-22	-1.4%
OEPC	Oil	484	11.2%	483	14.4%	-1	-0.2%
OEPC	LNG	1,075	24.9%	1,041	24.6%	-34	-3.2%
OEPC	Total	3,182	73.8%	3,125	73.7%	-57	-1.8%
Other		1,130	26.2%	1,114	26.3%	-16	-1.4%
Total		4,312	100.0%	4,239	100.0%	-73	-1.7%

<Power Generated and Received>

- Power generated and received was 4,239 million kWh, down by 1.7%. *
- Electricity generated of OEPC's Coal-fired thermal power was down by 1.4%. *
- Electricity generated of OEPC's Oil-fired thermal power was down by 0.2%. *
- Electricity generated of OEPC's LNG-fired thermal power was down by 3.2%. *

*Comparison with the same period of the previous year.

Electric Energy Demand (FY2025 and Long-term Outlook)

Electricity sales volume (FY2025 Outlook)

(Unit : million kWh, %)

	FY2024 Results	FY2025 Forecasts	YoY Rate of Change
Lighting	2,963	2,829	-4.5
Power	4,378	4,316	-1.4
Total	7,341	7,145	-2.7

* Total may not add up due to fraction processing.

Electricity sales volume (Long-term Outlook)

(Unit : million kWh, %)

	FY2013 Results	FY2023 Results	FY2034 Forecasts	2013-2023 Annual average growth rate	2023-2034 Annual average growth rate
Lighting	2,955	2,715	2,870	-0.8 (-0.9)	0.5(0.6)
Power	4,601	4,250	4,319	-0.8 (-0.8)	0.1 (0.3)
Total	7,556	6,965	7,188	-0.8 (-0.8)	0.3 (0.4)

* Adjusted for the influence of temperature and leap year.

The demand for Electric Power in Okinawa area

(Unit : million kWh, %)

	Results		Forecasts	Average rate of Increase or decrease
	2013	2023	2034	2023-2034
Okinawa	7,467	7,622	8,249	+0.7
Japan	859,433	803,579	852,438	+0.5

(Electric Lighting)

Due to a decline in demand in response to the previous fiscal year's high temperatures, it is expected to go below the previous fiscal year
(Year-on-year growth: -4.5%)

(Electricity)

Due to a decline in demand in response to the previous fiscal year's high temperatures, it is expected to go below the previous fiscal year
(Year-on-year growth rate: -1.4%)

(Total)

Based on the above, with a total of 7.145 billion kWh, it is expected to go below the previous fiscal year (year-on-year growth: -2.7%)

(Electric Lighting)

Although there may be some impact from contract switches to other providers, a demand is expected to rise due to an increase in the number of households
(Annual average growth following the adjustment of the temperature and leap year: 0.6%).

(Electricity)

Although there may be some impact from contract switches to other providers, an increase in commercial and accommodation facilities is expected due to a rise in tourist numbers. Therefore, a demand is expected to hover
(Annual average growth following the adjustment of the temperature and leap year : 0.3%)

(Total)

Based on the above, the total is estimated to be 7.188 billion kWh
(Annual average growth rate following the adjustment of the temperature and leap year : 0.4%)

Capital Expenditures Plan

- Capital investment in FY2024 was 34.3 billion yen, including replacement of aging facilities and responding to supply reliability.
- The Company has made it a plan to strive to reduce facility-related total costs and simultaneously, maintain and build appropriate and efficient facilities steadily, based on the premise that the stable supply of electricity is ensured.
- Regarding power sources, we plan to develop new power sources and replace aging facilities. Additionally, for supply facilities, we plan to invest in equipment renewal for aging facilities and upgrade to the next-generation electric power networks.

Trends in the Capital Investment Amount

(Unit: 100million yen)

By facilities \ FY		2022 Results (Plan)	2023 Results (Plan)	2024 Results (Plan)	2025 (Plan)
Power sources		180 (195)	147 (187)	124 (146)	(177)
Supply facilities	Transmission	81 (117)	76 (91)	71 (94)	(136)
	Transformation	35 (45)	37 (55)	51 (56)	(33)
	Distribution	54 (84)	62 (78)	87 (101)	(85)
	Subtotal	171 (247)	177 (225)	210 (250)	(254)
Others		34 (44)	31 (33)	8 (15)	(8)
Total		386 (485)	356 (445)	343 (411)	(439)

* Total may not add up due to fraction processing.

[Major Projects in Capital Investments in FY 2025]

Power sources:

Construction of power generation facilities to replace heavy oil engines on Okinawa Main Island (See page 22)

The Miyako Second Power Plant: Installation of the new supply battery storage facility

Responding to aging of Kin Thermal Power Plant

Supply facilities:

Responding to supply reliability

Replacement of aging facilities

Responding to increasing demand

Responding to shortened power outage time

Business environment and challenges

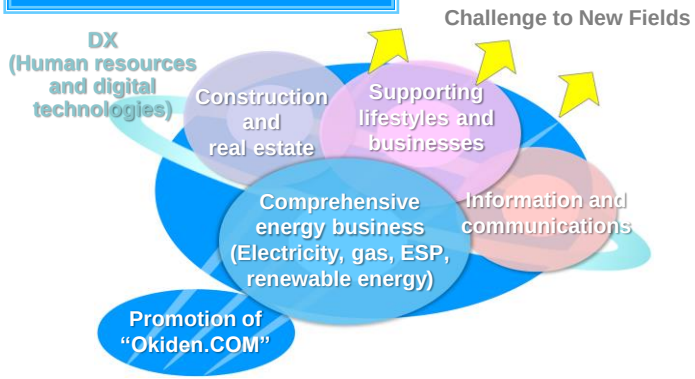
Item	Overview and Challenges
Sales	■ The demand for Electric Power in Okinawa area is expected to increase. ■ Tourist numbers have recovered to pre-COVID-19 levels, and the number of households will continue increasing. ■ The entry of power producer and supplier has advanced competition. ■ Challenges will be sales expansion of electricity and gas.
Profitability	■ The excess upper limit of the fuel cost adjustment system was solved by the price revision in Electric business. ■ Improving profitability remains a key challenge. ■ Addressing the pressing issue of rising prices is of the utmost importance.
CF	■ Capital investment will increase due to the implementation of the Mid-Term Management Plan. ■ We plan to continue investing in the renewal of aging facilities and other initiatives to ensure stable power supply.
Capital composition	■ Capital adequacy ratio significantly lower than previous levels due to significant losses in FY2022. ■ A recovery period has been established until FY 2025, with the goal of restoring the financial base.

The OEPC Group Vision

What the OEPC Group Aims To Be

With our comprehensive energy business as the core, we aim to create new value through services to support both corporate and individual customers and as a business group with a sense of solidary, growing and developing hand-in-hand with the community, will contribute to the realization of a sustainable society.

Business Fields



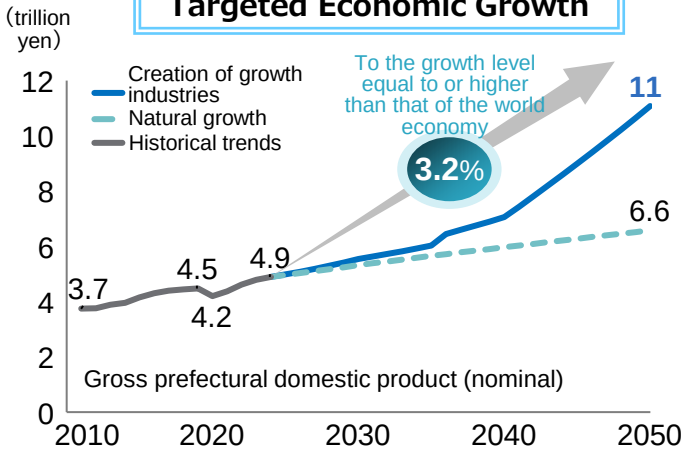
Aiming to become a corporate group that grows alongside Okinawa, based on the economic growth envisioned by GW2050 PROJECTS

GW2050 PROJECTS

Key Industries in PROJECTS

1. Existing industries (high value-added)
2. Blue Economy Field
3. Advanced Medical care Field
4. Aeronautics and Space Field

Targeted Economic Growth



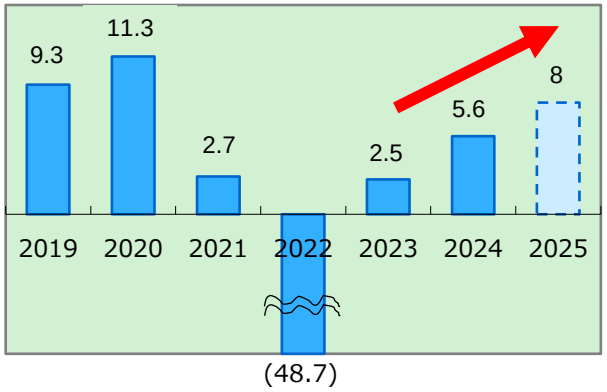
Outcomes in 2050

	Year 2024	Year 2050
Gross prefectural domestic product (nominal)	4.9 trillion yen	11 trillion yen (Approx. 2.2 times)
Number of persons employed	770,000 people	930,000 people (Approx. 160,000 increase)
Total populatio	1,470,000 people	1,670,000 people (Approx. 200,000 increase)
Per capita prefectural income	2,540,000 yen	6,240,000 yen (Approx. 2.5 times)

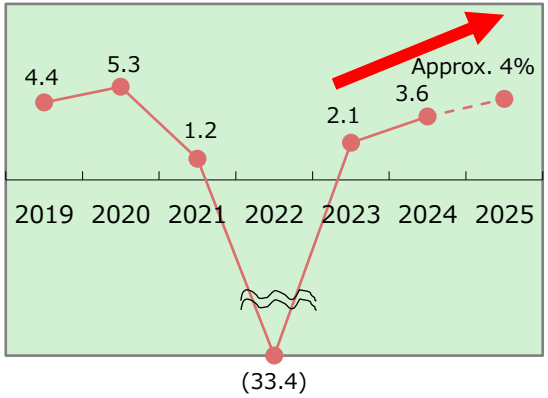
Progress on Financial Targets

- FY2025 marks the final year of the “Okiden Group Medium-Term Management Plan 2025.”
- The management environment has undergone significant changes since the plan’s formulation in March 2022. While the financial base has shown signs of recovery since returning to profit in FY2023, profitability is still in the process of recovery.
- The Company plans to finalize a new concept by FY2025 and formulate a next Medium-Term Management Plan with specific measures to enhance corporate value.

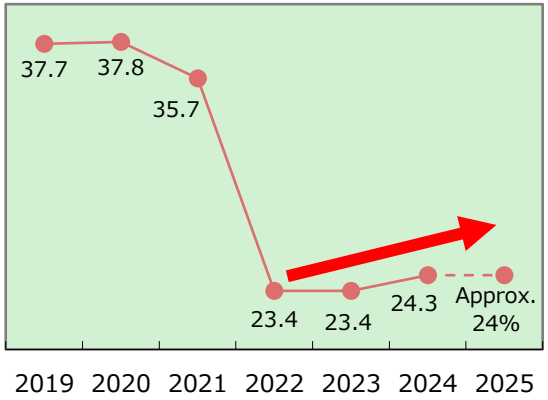
[Ordinary income (12 billion yen or more)]



[ROE (5% or more)]



[Equity capital ratio (25% or more)]



Changes in the environment since the Midterm Plan was formulated (March 2022)

- Significant volatility in fuel prices due to the war in Ukraine
- Significant increase in the costs of materials, equipment and labor due to high consumer prices
- Increase in interest rates due to revision of BOJ policy rate
- Shortage of labor in various industrial sectors continues as Okinawa's economy recovers after the COVID-19

Through the Okiden PX Project, implementation of “Ultra-Proactive streamlining ” to respond to environmental changes.

Okiden PX Project　New “Challenge”

- Due to imperative issues involving rising prices, wage increases, and the weakening yen, costs for procurement of materials and equipment, as well as construction, have increased significantly compared to previous levels. To that end, we have initiated the “**Okiden PX Project***,” with the objective of enhancing our procurement capabilities fundamentally.
- **With our unwavering commitment to the core mission of ensuring a “stable supply,”** the Okiden Group will unite as one to take on the “**Challenge**” of transformative, out-of-the-box change. This will be driven by “**ultra-Ultra-Proactive streamlining**,” reimagining how we work through our own ingenuity and accelerating digital transformation (DX) to enhance operational efficiency.

* The **“P” in PX** refers to **Procurement, Profit, Productivity, and Performance (individual capabilities and company performance).** It also conveys the concepts of being **Proactive, Proceed (moving forward), and making Progress,** sending a message: **“We will enhance procurement operations, boost productivity by leveraging DX, etc., and consistently support individual employees' growth and the company's progress toward enhancing profitability.”**

Okiden PX Project

New “Challenge”

Ultra-Proactive streamlining

- **Transforming procurement activities**
- **Cost optimization**
- **Enhanced productivity**
- **Further skill development**

Project Targets
(Creation targets)

P/L effect:
3.0 billion yen or more

Cash effect:
5.0 billion yen or more

* This includes effects that will materialize in the future as initiatives progress, as well as effects that prevent the deterioration in performance that would be expected if the initiatives were not implemented.

Okiden PX Project (FY2025 Initiatives)

- In accordance with the “S + 3E” approach, we will methodically implement initiatives to ensure stable supply, while concurrently enhancing the procurement division, optimizing the supply chain, and promoting productivity through the usage of DX and other advanced technologies. We will build upon previous efforts **with new ideas and boldly “Challenge” to strengthen the management foundation toward “sustainable growth” and “enhancement of corporate value.”**
- We aim to further evolve into a company that continues to create new value by engaging in “Ultra-Proactive streamlining,” in which each and every employee boldly takes up the challenge of reforming the entire group without being bound by conventional wisdom and without fear of failure.

Key Initiatives for FY2025

Transforming procurement activities

- Strengthening the procurement division
- Improving estimation capabilities, etc.

Cost optimization

- Supply chain optimization
- Optimizing the frequency and quantity of use
- Optimization of materials and specifications, etc.

Enhanced productivity

- Visualization of operations
- Utilization of DX, etc.

Further skill development

- Improving employees’ capabilities through training on financial and digital skills, etc.

Strengthen management base for FY2026 and beyond

- Stable energy supply
- Improve profitability(Ultra-aggressive efficiency improvements)
- Promoting DX
- Carbon Neutrality Challenge

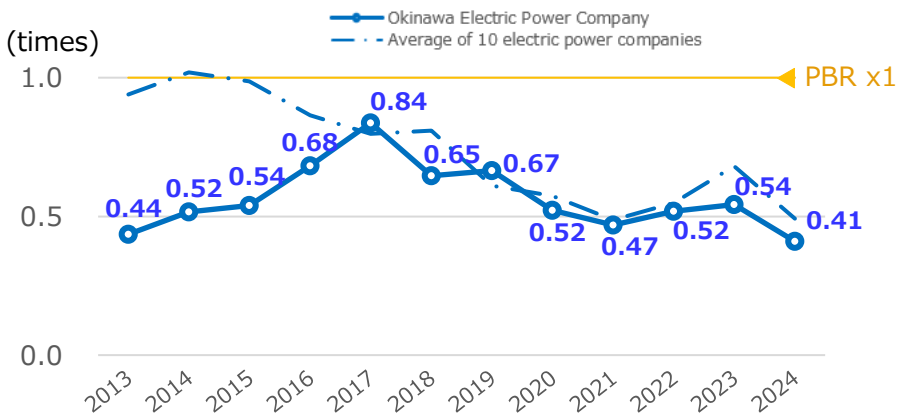
Sustainable growth

Increasing corporate value

Analysis of the Current Situation toward Achieving Cost of Capital and Stock Price Conscious Management

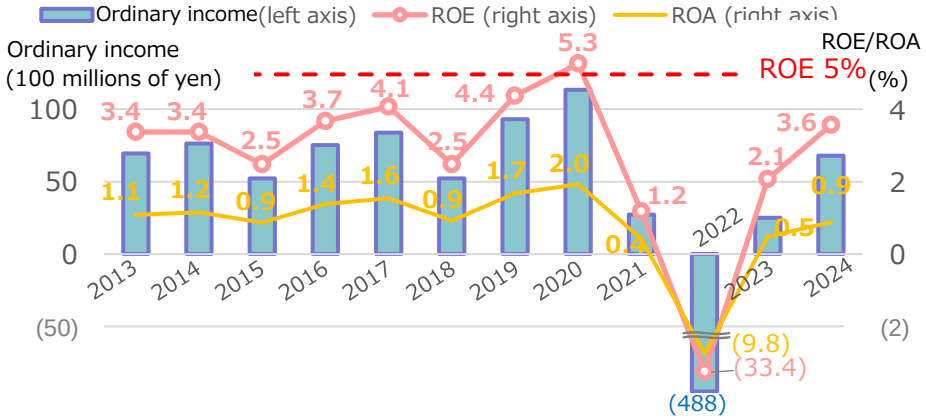
- In January 2025, we launched the “Okiden PX Project” to strengthen our management foundation for “sustainable growth” and “enhancement of corporate value.” The Okiden Group will make a concerted effort to “reform procurement activities,” optimize costs,” “improve productivity,” and “further enhance skills.”
- We will continue to strengthen our efforts to improve capital efficiency, taking into account changes in the external environment and other relevant factors.

[Trends in the Company’s PBR]

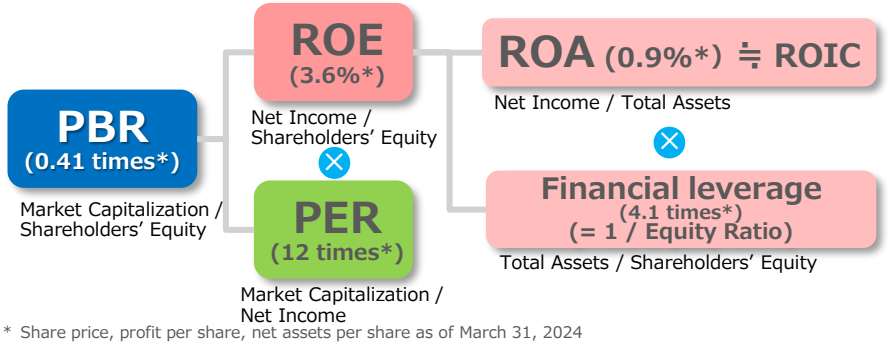


[Trends in PBR Factors (ROE (ROA), PER)]

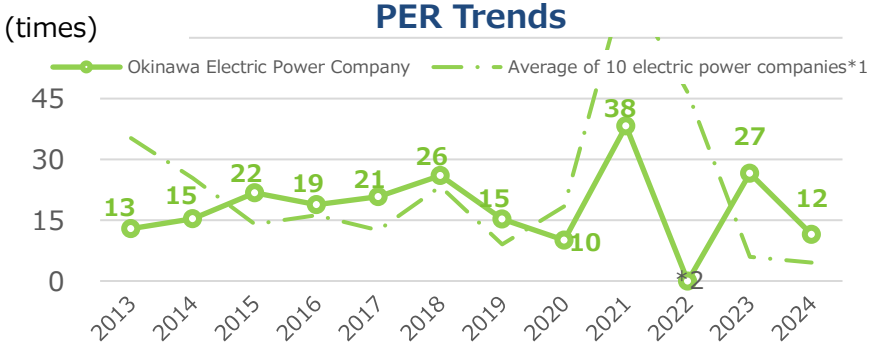
Trends in ROE/ROA/Ordinary Income



[Breakdown of PBR Factors (the Company’s Current Level*)]



PER Trends



* Share price, profit per share, net assets per share as of March 31, 2024

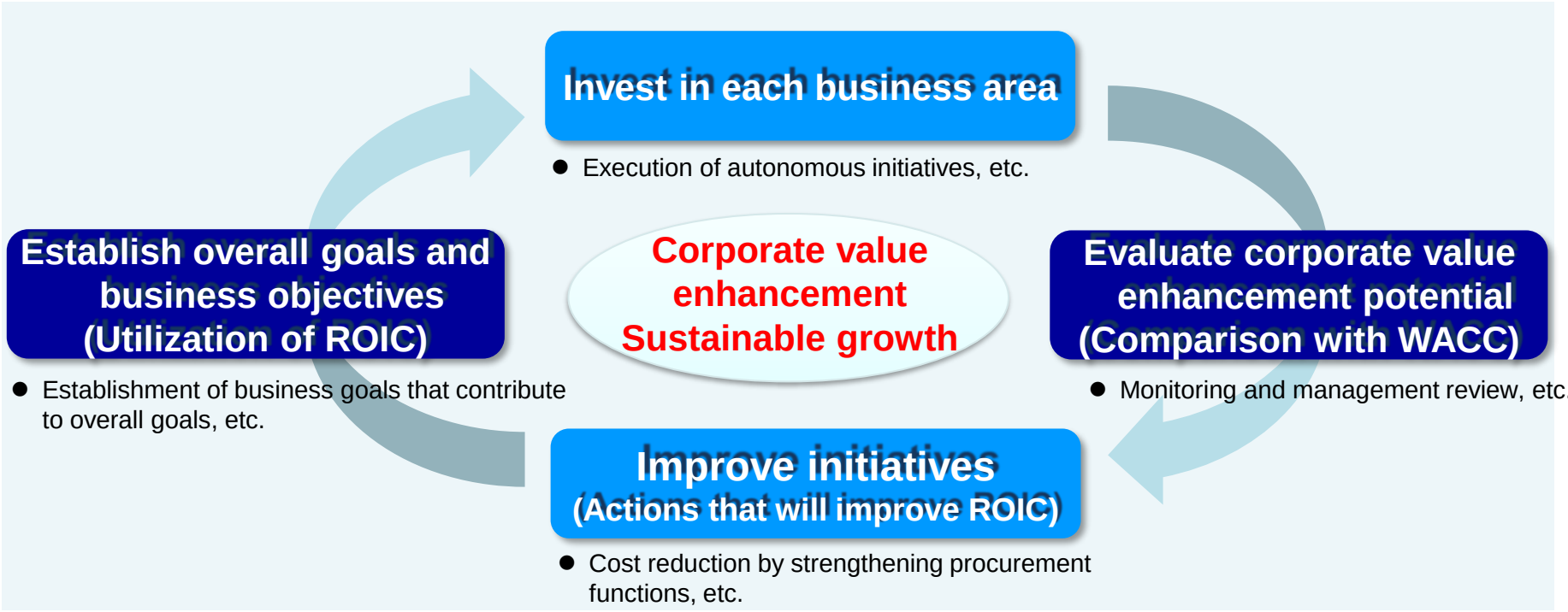
*1 Fiscal years that resulted in losses are not included in the calculation of the 10-company average

*2 Since losses were recorded, the Company’s value for FY2022 is indicated as zero

Examination of Management Methods to Improve Corporate Value

- Given Okinawa's growth potential, we believe that investment in existing and new businesses, including the electricity business to maintain a stable supply, will tend to expand in the future.
- In order to achieve sustainable growth for the entire Group, we will place greater emphasis on the capital efficiency perspective, and overall, we will manage to increase corporate value (capital efficiency) while ensuring profitability in excess of cost of capital by utilizing ROIC.
- Specific methods of ROIC utilization, including target levels, will be formulated as part of the next Medium-Term Management Plan.

Examination of Management Methods to Improve Corporate Value (Capital Efficiency)



Immediate Policy on Initiatives for Corporate Value Enhancement and Sustainable Growth

- Our immediate policy is to continue our initiatives to improve capital efficiency and to increase profits in growth and group businesses based on our electric power business.
- Going forward, we will continue to pursue growth potential in each of our businesses and enhance shareholder returns and market dialogue through investor relations activities in order to increase corporate value and achieve sustainable growth.

Goal: Corporate value enhancement and sustainable growth

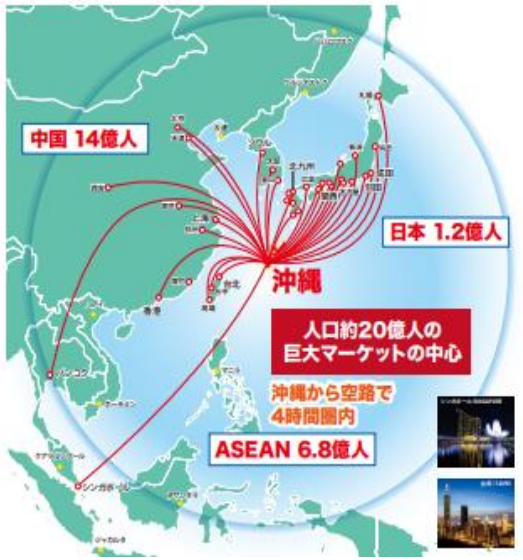
	Issue ⇒ Direction of response		Goals, KPIs, etc.	Major initiatives
ROE improvement / ROA improvement	0.9~2.0% (2013~2021) as trends	●Top line expansion ●Aggressive efficiency ●Improved return on capital	[FY2025] ✦ Consideration of management based on ROIC. [FY2025] ✦ Consolidated ordinary income : 12 billion yen or more * ✦ Consolidated ROE : 5% or more * * Work to promote Ultra-Proactive streamlining and other measures to bring the company closer to its financial targets.	• Provide electricity plus α value (point services, CO_2-free menus, etc.) • Create new value ("karE-roof" × "All electrification" promotion, Mimamori service development, etc.) • Cultivate demand along the gas line through the installation of gas pipelines • Develop business at the Group level (proposals in line with customer needs for comprehensive energy services, energy conservation, etc., promotion of extraterritorial energy business, etc.) • Expand top line by promoting CRE strategy • Initiatives to expand fuel procurement sources • Steady operation, implementation and establishment of VE proposal solicitation program • Fuel and other inventory optimization
Financial base	Financial base damaged due to large losses recorded Equity capital ratio 35.7%→23.4% (2021) (2022)	●Recovery of financial base ●Optimal capital structure	[FY2025] ✦ Consolidated equity capital ratio: 25% or more *	• Implement profit distribution that strikes a balance between recovery of financial base, investment, and shareholder returns
PER improvement / Improved market valuation	No dividend for the first time since stock listing (FY2022) Developing a probable growth strategy that responds to changes in the environment	●Stable and continuous shareholder returns ●Gaining confidence in future growth and profitability ●Obtaining recognition for initiatives to achieve decarbonization ●Creating basic human resources, maximizing individual capabilities	[-FY2025] ✦ Establishment of recovery period: The dividend level will be raised in stages, taking into account the balance with the recovery of the financial base. [FY2030] ✦ CO_2 emissions reduction: -30% (from FY2005 level) [FY2023-] ✦ Formulation of human resource strategy Set various KPIs with a target year	• Financial results briefing for institutional investors • Individual dialogues on stewardship • Company information sessions for individual investors • Enhancement of various media and explanatory tools • Accelerate initiatives based on Okinawa's future growth potential • Promote roadmap to achieve net-zero CO2 emissions by 2050 • Initiatives for health and safety, health management, diversity, work style, human resource development

Long-Term Growth Potential of Okinawa

- Okinawa's geographical advantage of being located in the center of East Asia is attracting attention as a business base for capturing the huge markets of Asian countries.
- We aim to achieve sustainable growth and development of the OEPC Group along with economic growth that leverages Okinawa's strengths.

Strengths of Okinawa

Okinawa is located in the heart of East Asia



Source: Okinawa Prefecture Industrial Site Guide

- **Restoration of the Shurijo Seiden (Main Hall of Shuri Castle) (Construction to be completed in 2026)**
- **Revitalization of the northern part of the main island (Theme park opening in 2025)**

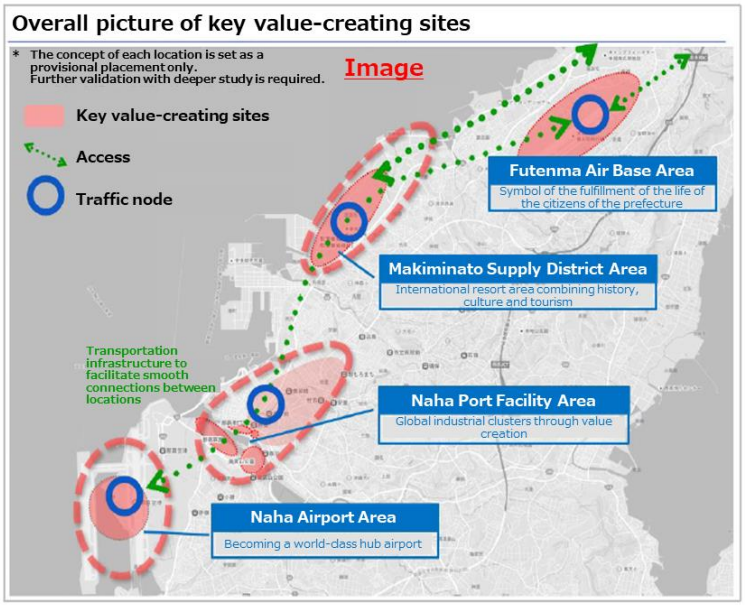
JUNGLIA OKINAWA

Land returned from military bases

As the planned site for the return of military bases south of Kadena Air Base, approximately 1,000 hectares (equivalent to about 20 Tokyo Disneylands) of land is expected to be returned in the future

GW2050 PROJECTS

We will promote the integrated use of the returned military base land and the enhancement of Naha Airport's functions to realize a "gateway to the world" and aim for Okinawa's economic development that truly leads Japan.



Source: Press release material from GW2050 PROJECTS Promotion Council

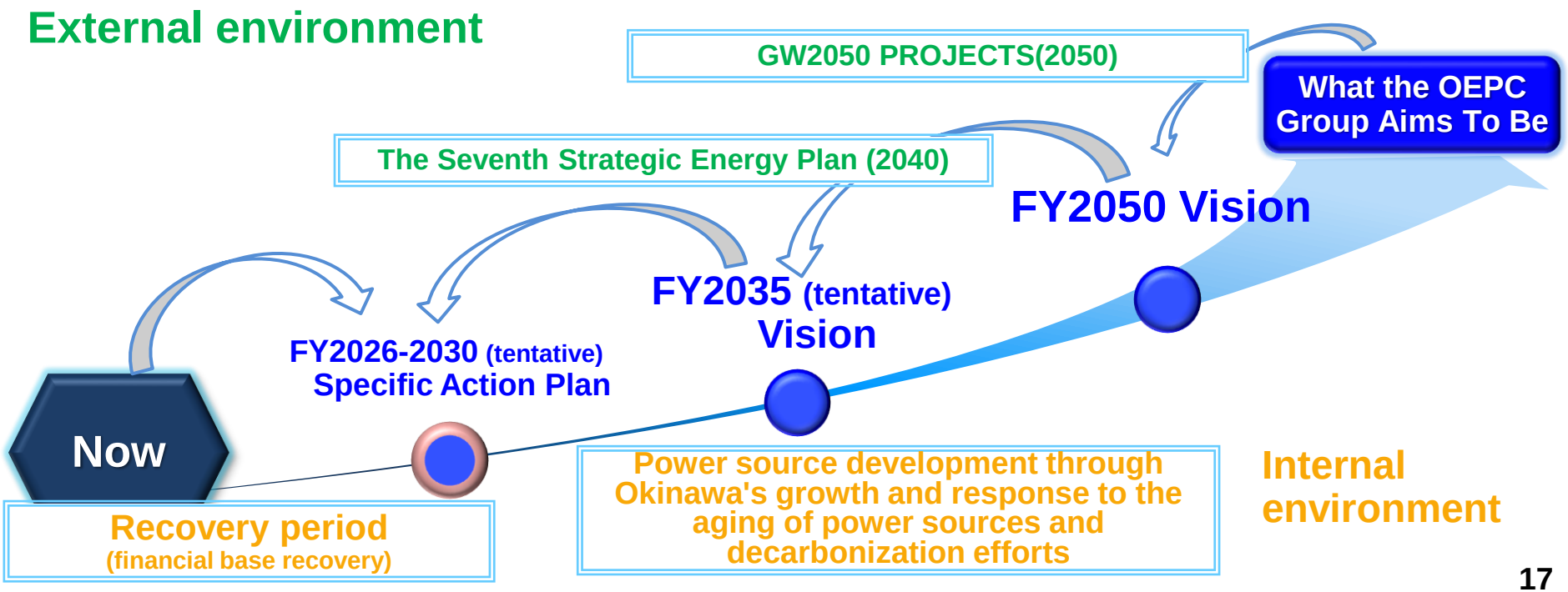
Sustainable growth and development of the Okiden Group

Tourism

- It is anticipated that the number of incoming tourists will recover to pre-pandemic levels of 10 million per year.
- Cruise ship calls: It is estimated that 486 in FY2025, projected to reach a record high of 595 in FY2026.
- The current supply of available hotel rooms is at an all-time high (64,371 rooms in FY2024)
- The number of hotels in Okinawa Prefecture is increasing, with several more openings planned in the future.

Direction of Formulation of New Medium-Term Management Plan (Backcasting from 2050)

- The GW2050 PROJECTS grand design, which is Okinawa‘s growth strategy, has been presented, and the Seventh Strategic Energy Plan includes a policy of “making maximum use of power sources that have high decarbonization effects," which anticipates changes in the business environment such as increase in and transformation of energy demand and decarbonization.
- We see these structural changes in the business environment as an opportunity for the OEPC Group to grow significantly, and in order to achieve sustainable growth, in addition to addressing current issues, we are considering medium- to long-term initiatives by backcasting from 2050.
- Toward this challenge for medium- to long-term growth, we are now considering to formulate a new Group Vision and a new Medium-Term Management Plan as a medium-term action plan, which we aim to announce at the beginning of the first half of FY2026.



Direction of Formulation of New Medium-Term Management Plan (Approach to Goal Setting)

- We are considering setting financial targets through around 2030 in order to solidify the foundation for future sustainable growth.
- In addition, we are considering a development method suited to the OEPC Group, with a view to including ROIC, which indicates return on capital, as an indicator in our efforts to improve corporate value.

Approach to Goal Setting

Financial targets through around 2030

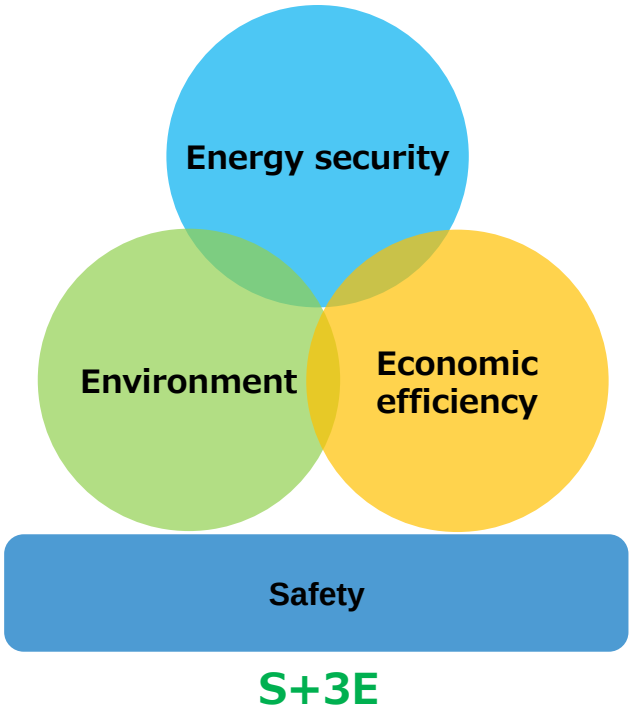
- Need investment to improve and repair aging facilities to ensure a stable supply of electricity
- Need to organize how to respond to investment for the future
- Focus on improving return on capital with ROIC as a financial target

Initiatives to Achieve Carbon Neutrality(1/3)

“ Just Transition in the Okinawa area ” FY2030 ambitious target

- Toward zero emissions in 2050, we published "Just Transition in the Okinawa Area" in the 2022 Integrated Report as a unique path that will not have a significant impact on the local economy, taking into account the regional characteristics of the Okinawa area.
- The power source composition of the FY2030 government target of -46% includes renewable energy power sources and nuclear power, which are difficult to develop in the Okinawa area. Existing thermal power sources that can ensure reserve and inertia power are also necessary for a stable supply of electricity.
- In the Okinawa area, where zero-emission power sources are limited, the government‘s target is equivalent to -28% if we assume S+3E and replace it with applicable power sources. From there, we have gone even further and set an ambitious target of -30%* for FY2030.

* Since the previous goal set by the government compared to FY2013 was a 26% reduction (a 25.4% reduction from FY2005), with a goal compared to FY2005 also shown, we have set our goal to be a 26% reduction from FY2005, which is higher than the government’s. As a measure against global warming, our company started co-firing biomass in the Gushikawa Thermal Power Plant in 2010, and introduced the Yoshinoura Thermal Power Plant (LNG) in 2012, which is the main pillar of the measures. Since believe that our efforts will be properly evaluated, we continue to use FY2005 as the base year.

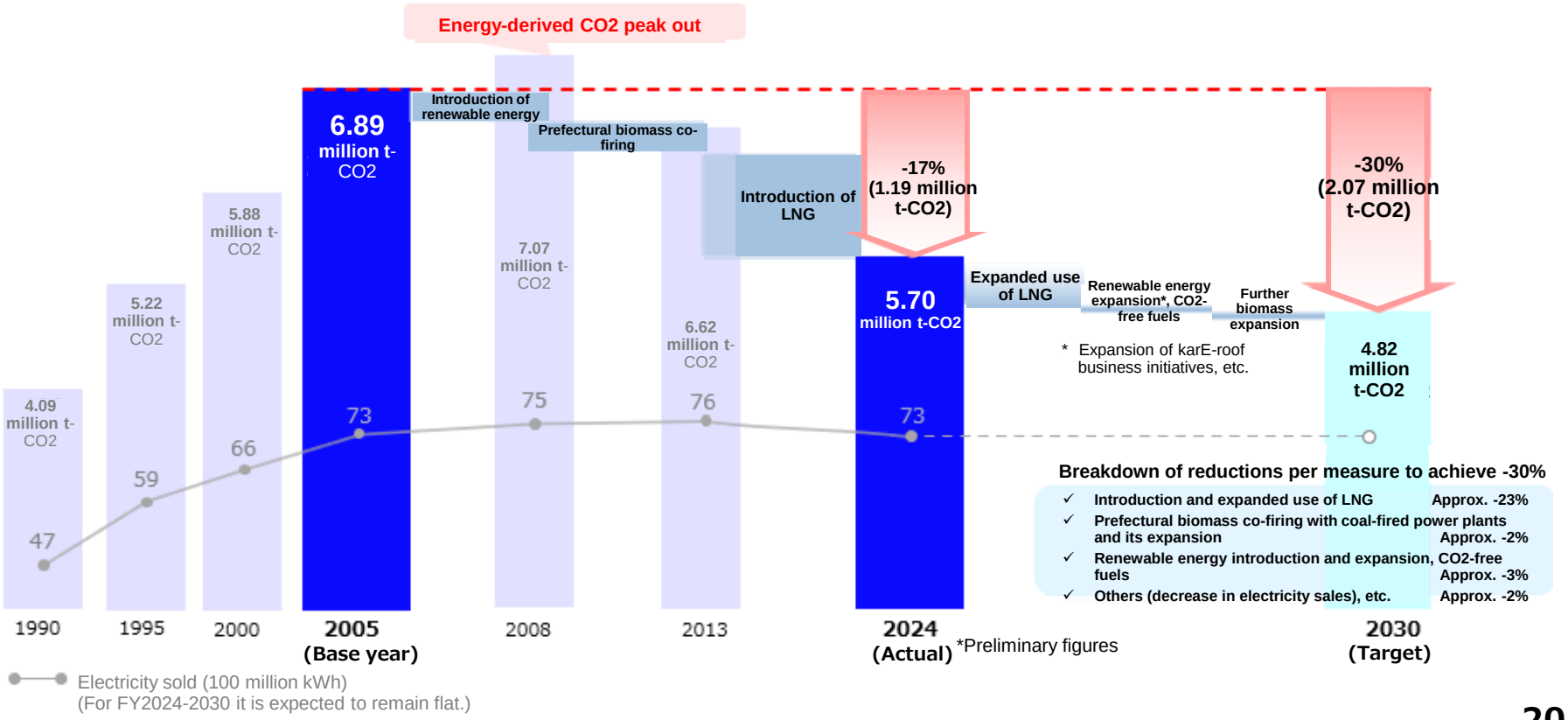


Power Source Configuration under the Sixth Basic Energy Plan			Applicable zero emission power sources	
			Nationwide	Okinawa area
Renewable energy		Approx. 36-38%		
	Hydropower	Approx. 11%	○	×
	Wind	Approx. 5%	○	×
	Photovoltaic	Approx. 14-16%	○	○
	Geothermal	Approx. 1%	○	×
	Biomass	Approx. 5%	○	○
Nuclear		Approx. 20-22%	○	×
Hydrogen		Approx. 1%	○	○
Ammonia			○	○
Thermal		Approx. 41%		
	LNG	Approx. 20%		
	Coal	Approx. 19%		
	Heavy oil	Approx. 2%		
Total		100%	Approx. 57-61%	Approx. 20-22%

Initiatives to Achieve Carbon Neutrality(2/3)

- Since the base year of FY2005, we has reduced its emissions by 17% by FY2024 through the co-firing of prefectural biomass and the introduction of LNG-fired power plants, which is the pillar of its countermeasures.
- Aiming to achieve a reduction of 30% in FY2030 (compared to FY2005) announced as a goal based on the “Just Transition in the Okinawa Area,” we will implement the various carbon neutral measures indicated in our roadmap.

■ Progress and outlook of major measures toward CO2 reduction targets



Initiatives to Achieve Carbon Neutrality(3/3)

- Initiatives to Achieve Carbon Neutrality: Roadmap

■ In order to achieve zero emissions, we will work on the "Make Renewable Energy as Main Power Source," "Reducing CO_2 Emissions from Thermal Power Plants," which are the two directions in the roadmap toward 2050, and "Promoting Electrification".

・Start of the PV-TPO Business "KarE-roof"
・Study of introduction of floating solar systems, etc.

2030 | 2040 | 2050

Ambitious goals
CO_2 -30%
(Compared to FY2005)

Make Renewable Energy as Main Power Source

●Expansion of Renewable Energy

Introduction of Renewable Energy +100MW
- PV-TPO business※1 +50MW
- Large Wind Power※1 +50MW

(3.4 times by current installation)

Maximum introduction of Renewable Energy
- Expansion of the PV-TPO business
- Expanding the introduction of large-scale Renewable Energy using Storage Batteries

●Grid Stabilization Technologies for Renewable Energy expansion

・Utilization and Advancement of Grid Stabilization Technologies using "Stora

■ Demonstration project for expanding the introduction of renewable energy in Hateruma Island (2025-2027, Cabinet Office)

●Development of the infrastructure to support the mains

・Raising demand for Electrification for Effective Use of Renewable Energy
・Building and Utilizing VPP※2 and DR※3 with DX (Digital Transformation)
・Building a disaster-resistant "Renewable Energy Micro-Grid" for local production and consumption

・Started offering Uchina CO_2 free menu

Reducing CO_2 Emissions from Thermal Power Plants

● Expanding the use of clean fuels

・Reducing CO_2 with increased consumption of LNG
・Leveraging the mobility of LNG power sources to smooth fluctuations in renewable energy output
・Consideration of introducing CO_2-free fuels (hydrogen, ammonia, etc.) and offset technologies

・Co
・In

■ Implementation of a demonstration project on a demand response system that contributes to the expansion of the introduction of renewable energy (2025-2027, Cabinet Office)

・Regional microgrid demonstration project on Kurimajima, Miyakojima City

● Fade-out of the inefficient thermal power plants

・Conversion of Oil to LNG, Lower carbon emission through the use of Local Biomass in Coal-fired Power Plants
・Consideration of introducing cutting-edge technologies such as next-generation thermal power

Intro
free
conju

・Co-firing biomass in the Gushikawa Thermal Power Plant and the Kin Thermal Power Plant
・Study on effective use of felled trees generated within the company
・Utilization of local biomass

Achieve Carbon Neutrality※4

Promoting Electrification

In addition to achieving a net zero structure on the power supply side, it is essential to promote electrification on the demand side(transportation, industry, business, household), implement necessary policies, and gain financial support.

■ The development of hydrogen co-firing operation technology of electric power reserve source using actual commercial systems and the building of a hydrogen utilization model in the Okinawa area (2023-2025,NEDO)

・Started operation of Makiminato Gas Engine
・Introduction of dual-fuel engines on remote island

*Projects adopted in FY2024 and later are marked with ■

Initiatives to Achieve Carbon Neutrality: Examples of Initiatives

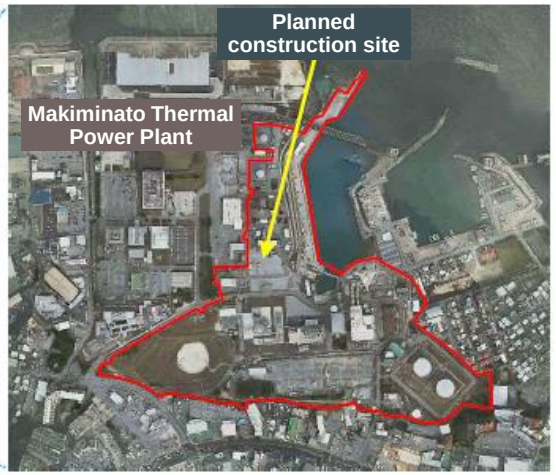
Example: Construction of New Power Source at Makiminato Thermal Power Plant

- To improve supply reliability and reduce CO2 emissions from thermal power generation, we decided to construct a new power generation facility in the compound of our Makiminato Thermal Power Plant. (Press release on November 7, 2025)
- The existing heavy oil-fired thermal power generation units that have supported the power system on Okinawa Island have been in operation for more than 40 years, and will be systematically replaced with appropriate power generation equipment with a view to achieving carbon neutrality by 2050, aiming for both a stable power supply and decarbonization.
- The new power source will employ a state-of-the-art, high-efficiency gas turbine combined cycle fueled by natural gas with low environmental impact, and will also have equipment specifications that are compatible with future clean fuels (ammonia, etc.).

Overview of New Power Source Construction

Location	Urasoe City, Okinawa Prefecture In the compound of the Okinawa Makiminato Thermal Power Plant
Power generation method	Gas turbine combined cycle
Development capacity	Generating end: approx. 130,000 kW x 1 unit
Fuel used	Natural gas (considering future Clean fuels combustion potential)
Fuel supply method	Supply from Yoshinoura Thermal Power Plant via gas pipeline
Operation start date	FY2032 (planned)

From the Geospatial Information Authority of Japan Map (Electronic National Land WEB)



Initiatives to Achieve Carbon Neutrality: Examples of Initiatives

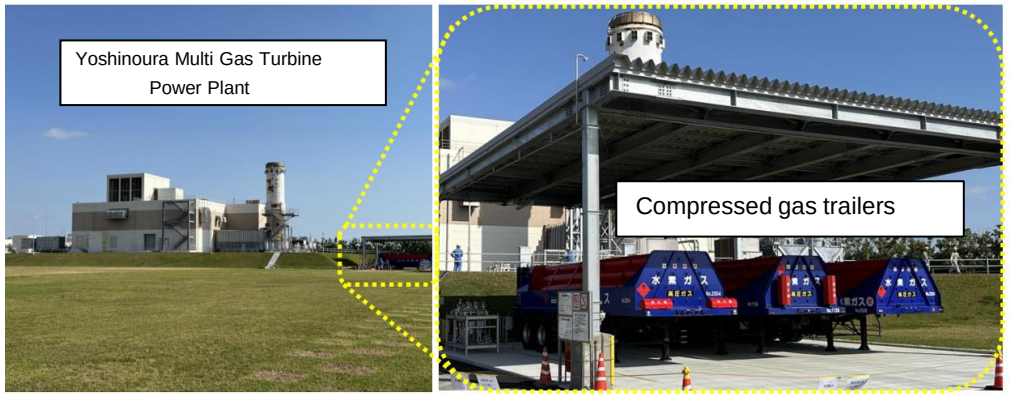
Example: Implementation of validation tests of hydrogen co-firing power generation (FY2023 to FY2025)

- In March 2024, the Company started validation tests of hydrogen co-firing power generation at the Yoshinoura Multi Gas Turbine Power Plant (35,000 kW at rated output). A co-firing rate (by volume) of 30% hydrogen at rated output was achieved in the test conducted on March 14. This fiscal year, we have been conducting planned tests under actual commercial grid load conditions to accumulate operational expertise in hydrogen co-firing power generation.
- This demonstration is a key component of the Company's strategic initiative to “expand clean fuel use” in “the reduction of CO2 emissions from thermal power generation,” which is a core element of the Company's roadmap to achieve net zero CO2 emissions by 2050. In FY2024, we conducted a series of hydrogen co-firing tests. We will continue to conduct verification to establish operational technology for hydrogen co-firing power generation in FY2025.
- The Company is determined to proactively contribute to building a hydrogen-based society by becoming the first mover in the utilization of hydrogen in the Okinawa area. In parallel, the Company will build a sustainable energy system and advance the efforts to balance between the stable supply of energy and countermeasures against global warming. Additionally, while closely monitoring trends in the hydrogen market, we will advance discussions on establishing a supply chain with the support of policy and financial backing from the national government and other entities.

* As an undertaking based on a public invitation by New Energy and Industrial Technology Development Organization (NEDO) of National Research and Development Agency, this validation tests are underway as part of the “Development of Hydrogen Co-firing Operation Technology of Electric Power Reserve Sources Using Actual Commercial Systems, and the Building of a Hydrogen Utilization Model in the Okinawa Area.” (Project period: FY2023 to FY2025)

Outline of validation tests

- Modified the Yoshinoura Multi Gas Turbine Power Plant for hydrogen co-firing, and installed a hydrogen-receiving supply facility
- Supply hydrogen as the fuel from compressed gas trailers transported from outside the prefecture. (In the future, the Company is exploring the possibility to utilize unused by-product hydrogen from within Okinawa Prefecture.)
- Aim at establishing the hydrogen co-firing power operation technology of electric power reserve sources by conducting hydrogen co-firing tests in actual commercial systems



Initiatives to Achieve Carbon Neutrality: Examples of Initiatives

Example : Demonstration Project to Expand the Introduction of Renewable Energy on Hateruma Island (FY2025 - FY2027)

- OEPC, Okidenko, NEXTEMS, and Ishigakijima Mirai Energy are planning a demonstration project* to expand the introduction of renewable energy on Hateruma Island.
- Through the project, we will develop the technologies essential **to achieve 100% renewable energy in small remote islands**. It will also assess and verify the operational results and expand the project to other remote islands, etc.

* The project is expected to utilize the Cabinet Office's "FY2025 Subsidy for the Okinawa Clean Energy Introduction and Promotion Demonstration Project."

■ Year 2020

Continuous supply of electricity on Hateruma Island for about 10 days with 100% renewable energy
(Tiltable wind power generation + MG set + grid stabilizer)

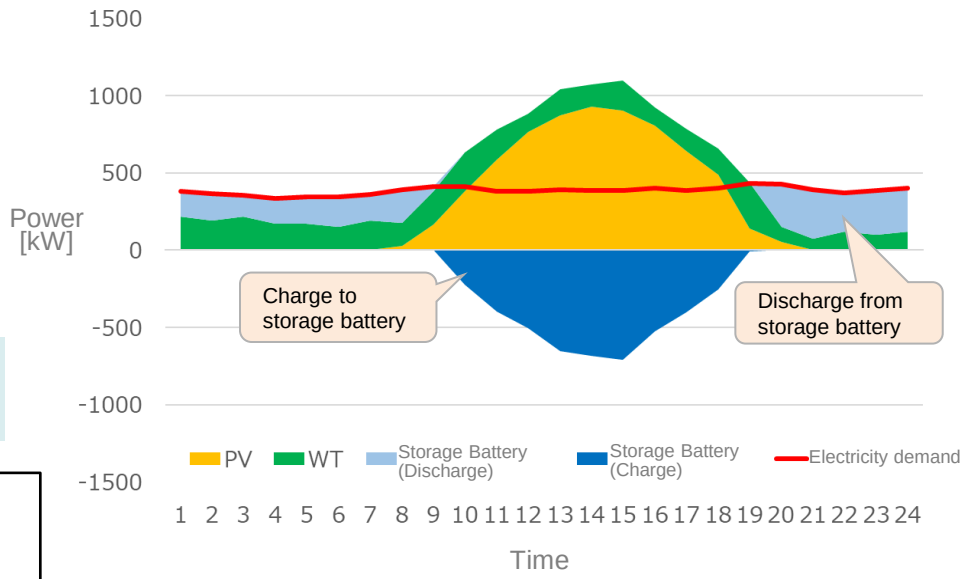
■ FY2025 - FY2027(Demonstration period)

Construct renewable energy, storage batteries, EMS (grid side and demand side), etc., and combine with existing diesel and MG sets to maximize the annual renewable energy rate.

■ In the future

Aiming for 100% renewable energy in small remote islands.

■ Image of 100% renewable energy rate operation

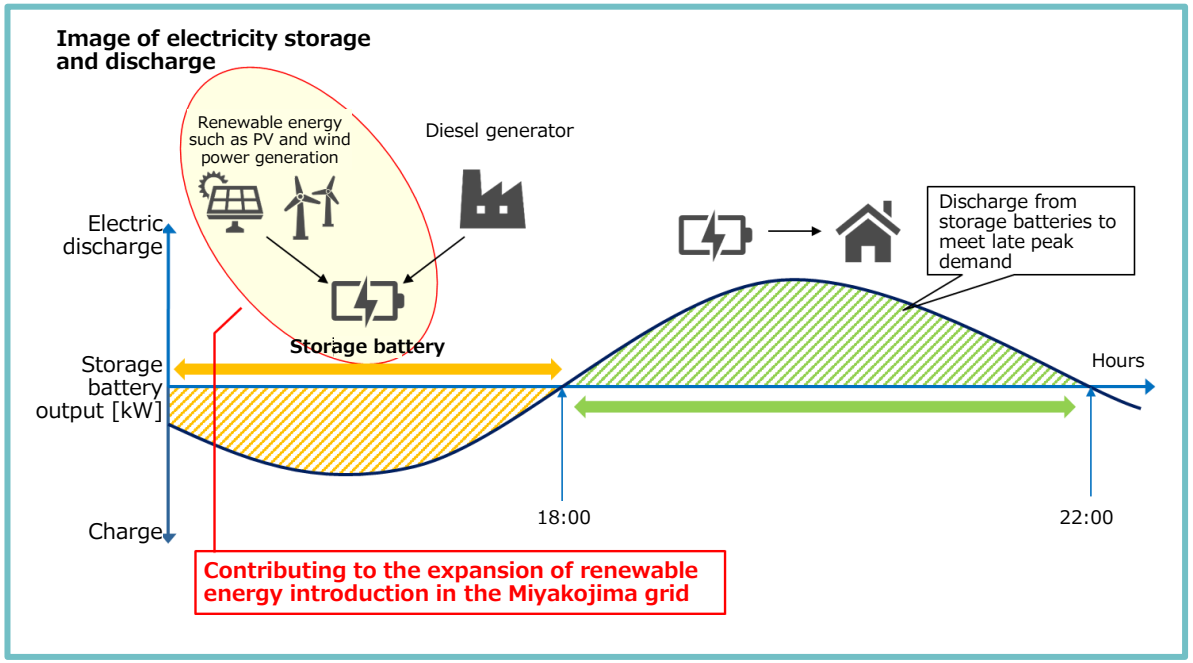


Outline of Hateruma Island
- Population approx. 450, households approx. 250
- Electricity demand 4,291 MWh/year (FY2024 actual)
- Max power 946 kW (July 2020)
- Existing facilities Diesel: 1 x 150 kW, 2 x 300 kW, 1 x 350 kW (total)1,100 kW
  MG set 300W, Tiltable wind power generation 245kW x 2 units

Initiatives to Achieve Carbon Neutrality: Examples of Initiatives

Example: Installation of storage batteries to supply Miyako No. 2 Power Plant

- Electricity demand is on the rise in the Miyakojima system. As the peak demand for electricity covered by the Company's power generation facilities using our renewable energy facilities (primarily solar power generation facilities) occurs during evening hours (6:00 p.m. to 10:00 p.m.), the Company will introduce storage batteries to ensure supply capacity during those hours.
- The storage batteries to be introduced this time will store electricity during the daytime from diesel generators and natural variable power sources such as solar power generation installed in each home, etc., and discharge it from the storage batteries when evening peaks occur.
- As a result of the storage of electricity from solar power generation, etc., the suppression of renewable energy output will be reduced, which is expected to contribute to the expansion of renewable energy introduction in Miyakojima City, which is designated as a leading decarbonization area by the Ministry of the Environment.



○ Summary of storage batteries to supply Miyako No. 2 Power Plant
Rated output: 12,000 kW
Rated capacity: 48,000 kWh
Battery type: Lithium-ion battery
Number of containers: 20 units
PCS output: 2,590 kVA x 5 units
Start of commercial operation: July 2025

<Image of completion>

*Partially processed from Google Map

Initiatives to Achieve Carbon Neutrality: Examples of Initiatives

Example: Solar power generation

[PV-TPO Business]

- Of the approximately 661 contracts signed for the residential-use “KarE-roof” system (approx. 3,636 kW), services have commenced for approximately 568 contracts (approx. 3,124 kW).
- Of the 67 contracts signed with business customers (5,246 kW), services have commenced for 47 contracts (3,905 kW).

[Demonstration research and consideration of implementation]

- Demonstration research is underway on film-type perovskite solar cells, which can be installed in various locations due to their bendable characteristics.
- Due to the limited land area of the prefecture, the possibility of using water surfaces as a new installation site for floating solar power generation is being considered.

Case Example 1
Free installation service of solar + storage battery (PV-TPO Business)

Tomigusuku Junior High School (operation started in April 2025: Tomigusuku City)

- Solar power generator: 75 kW
- Estimated CO_2 reduction: 94 t/year

Case Example 2
Small-scale demonstration research project on film-type perovskite solar cells is underway.

- From March 2025 for approximately one year, we are conducting demonstration research to evaluate weather resistance against Okinawa-specific phenomena such as typhoons and salt damage.(This will be the first demonstration of film-type perovskite in the prefecture)

Case Example 3
Consideration of floating solar power generation utilizing reservoirs, etc.

- We are exploring the potential for a power generation system that utilizes solar panels installed on the water surface using a floating frame, known as a “float,” for agricultural reservoirs and other applications.

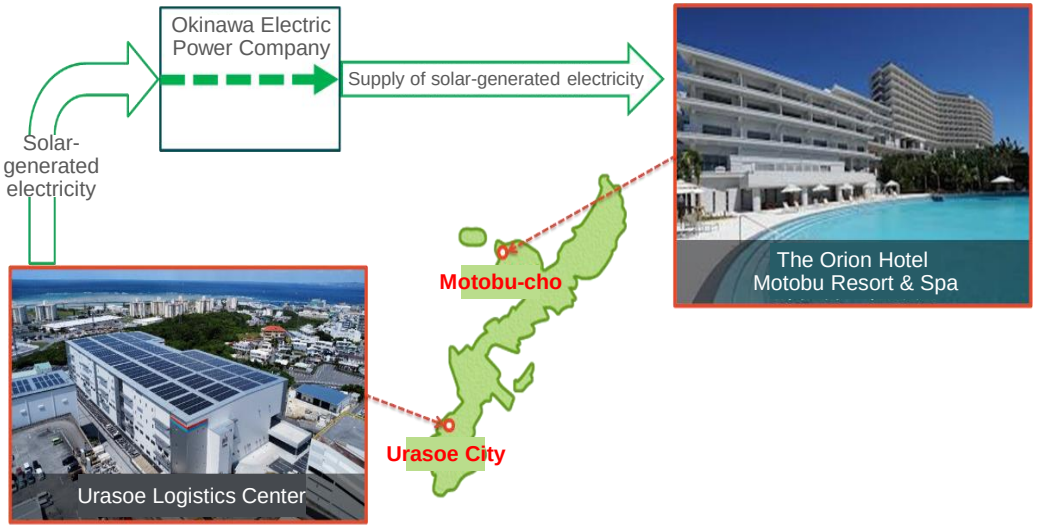
Initiatives to Achieve Carbon Neutrality: Examples of Initiatives

Example: Off-Site PPA Signed with Orion Hotel and Toda Corporation for Solar Power Generation

- Signed our first off-site PPA with the Orion Hotel Co., Ltd. and Toda Corporation.
- This project supplies electricity derived from renewable energy generated by solar power at the Urasoe Logistics Center to the Orion Hotel Motobu Resort & Spa, and is expected to cover approximately 25% of the hotel's annual electricity consumption with renewable energy and reduce CO_2 emissions by approximately 1,100 tons per year.
- In order to accelerate our efforts to make renewable energy the mainstay of our efforts to realize a decarbonized society, we will work to provide optimal decarbonization solutions that meet customer needs, including further expansion of off-site PPAs, as well as combinations with on-site PPAs (“KarE-roof”) and CO_2-free menu.

[Project Overview]

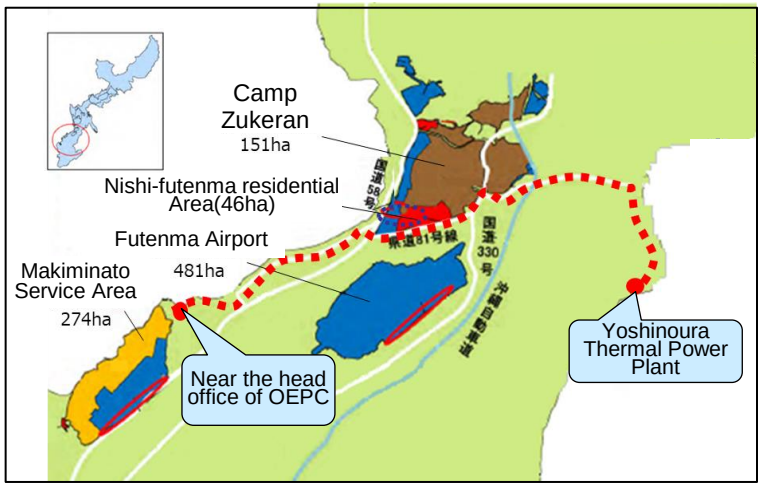
Customer	The Orion Hotel Co., Ltd.
Demand location	148-1 Bise, Motobu-cho, Kunigami-gun, Okinawa The Orion Hotel Motobu Resort & Spa
Power producer	TODA CORPORATION
Power generation location	1985-1 Aza Gusukuma, Urasoe City, Okinawa Urasoe Logistics Center
Power generation capacity	1,045kW
Assumed power generation	Approx. 1.7 million kWh/year



Group Businesses (Examples of Initiatives : Integrated energy area)

- Commenced gas supply business through subsidiary PEC in 2015.The OEPC Group will further promote sales of LNG by supplying LNG based on LNG supply center, capturing demand along newly constructed “Yoshinoura-Makiminato Gas Pipeline” in February 2024, and collaborating with other energy companies.
- Reliance Energy Okinawa,Inc. runs the energy service business of owning energy facilities and processing and supplying energy. Currently, 17 customers are using the services.

Yoshinoura-Makiminato Gas Pipeline Layout Drawings



Base return source: Cabinet Office website, "Okinawa Promotion Council Chairman and Expert Committee Meeting (3rd meeting)" material
Note: The area values in the above diagram represent the total area of the land scheduled for return.

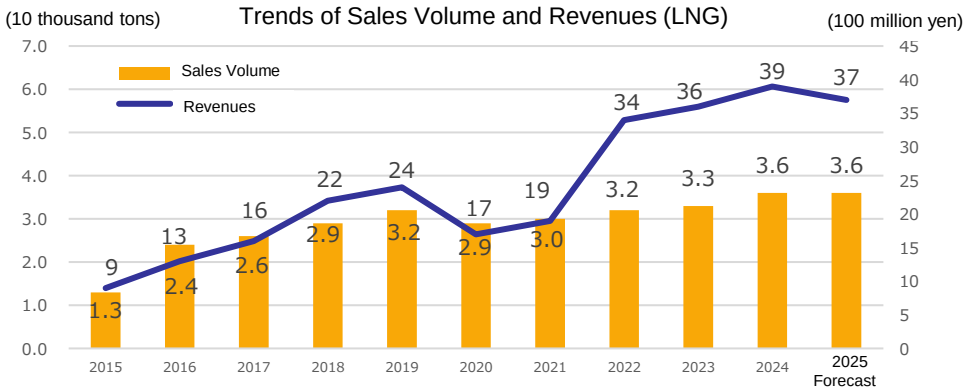
Reliance Energy Okinawa Service Overview

- Own electrical and thermal equipment on behalf of customers.
- Process electricity and gas into air-conditioning chilled/heated water, hot water for domestic use, steam, etc., and provide these services.

Expanding services to address the following needs and emerging demands.

Advancement and diversification of energy needs	• Reduce initial investment in energy use (e.g. electricity and gas) • Reduce burdens involved in facility operation/maintenance and emergency response
Increase in New Energy Demand in Okinawa	• Large-scale development of urban areas (e.g. former U.S. military bases) • Construction of hotels in response to an increase in the number of tourists • Construction of large-scale retail stores

Trends of Sales Volume and Revenues (LNG)



Naha City Hospital, which began energy services in October 2025

Group Business Initiatives in Construction and Real Estate Area

- Through urban development, we will work to maximize synergies among our Group businesses, including energy, construction, real estate, and telecommunications. Additionally, in conjunction with the current initiative “GW2050 PROJECTS,” we will work on an urban development project leveraging the potential of the vast 800 hectares of cleared land resulting from the base’s return.
- In addition, as we work towards achieving carbon neutrality, we will further leverage the Group's strengths by utilizing hydrogen, introducing renewable energy, and constructing regional energy centers and pipelines using natural gas at airports and former military base sites.

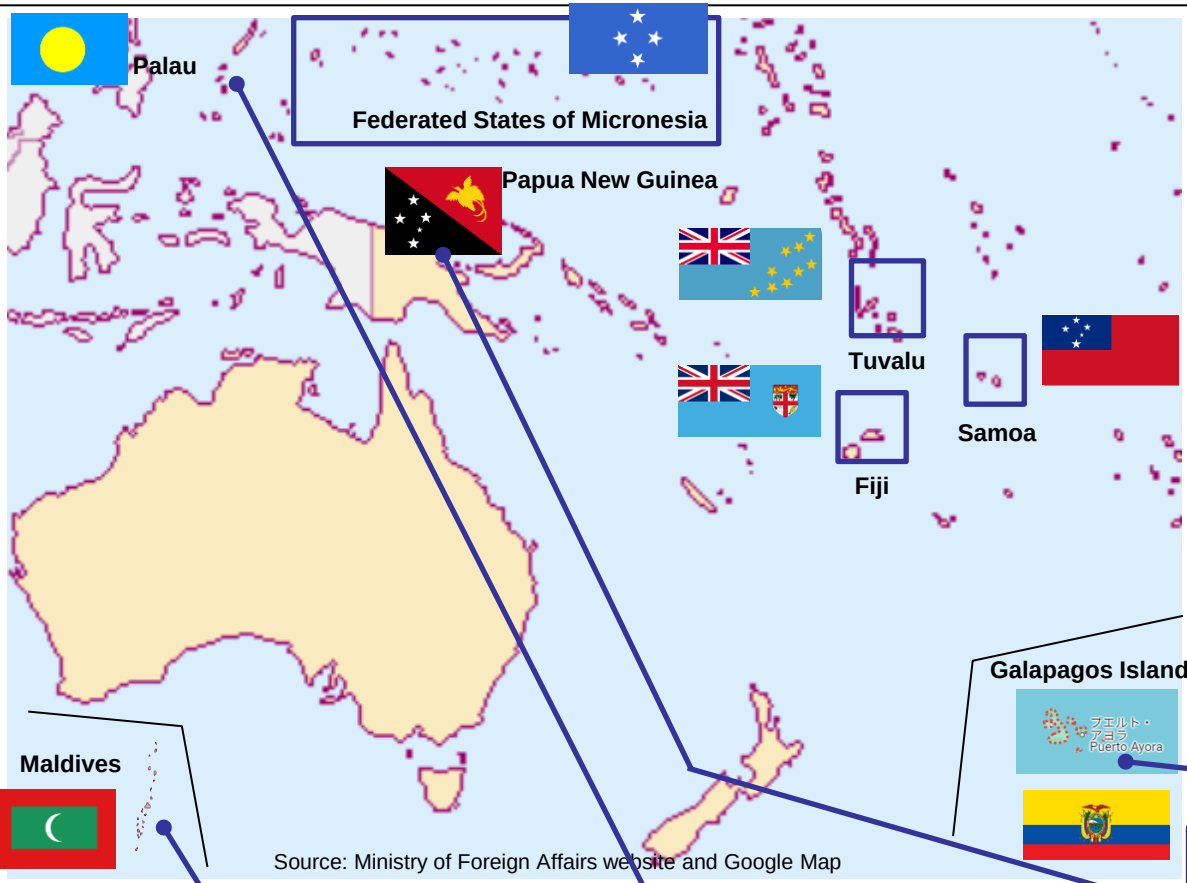
[Image of the Initiatives]

*1 Effective use of corporate real estate

*2 PPP: A Public Private Partnership, a collaboration between the government and the private sector to provide public services
PFI: A Private Finance Initiative, a method of promoting public works in an efficient and effective manner by leveraging private funds, management capabilities, and technological resources, etc.

Group Business Initiatives in Extraterritorial and Overseas Area

- "SeED Okinawa LLC" jointly with five group companies to promote the development of energy business outside the region, by leveraging the knowledge and technologies cultivated with electric business such as the expansion of renewable energy introduction in remote islands, operation of grid stabilization devices, etc. (April 2021)
- Leveraging the technical capabilities and experience accumulated in the electric power business, the Group is united in its efforts to provide technical support and develop businesses related to the decarbonization of the energy sector in overseas island regions, particularly in Asia and the Pacific.



Demonstration Project for Introduction of Renewable Energy on Iwojima and Minamitorishima (Commissioned by Ministry of the Environment)

Reduce CO2 emissions and strengthen resilience by introducing solar power generation, storage batteries, etc. on both islands

Energy Transition PJ in the Oceania Region (wide-area) (JICA technical cooperation project)

Decarbonize the energy sector by strengthening capacity related to power source/grid planning and consumer-side measures to promote energy transitions

*Targeting five countries（Fiji・Federated States of Micronesia・Palau・Tuvalu）

Ecuador Galapagos Islands: Fossil Fuel Zero Roadmap Support PJ (JICA technical cooperation project)

PJ for Capacity Improvement of Power System Planning and Operation, Papua New Guinea (JICA technical cooperation project)

Technical support to local power companies for power system stabilization and problem solving

Demonstration of a de-carbonized seawater desalination system using solar power generation and storage batteries

PV-TPO Project in Palau

Business development of third-party ownership model of solar and storage batteries in local resort hotels

※Past initiatives are also included.

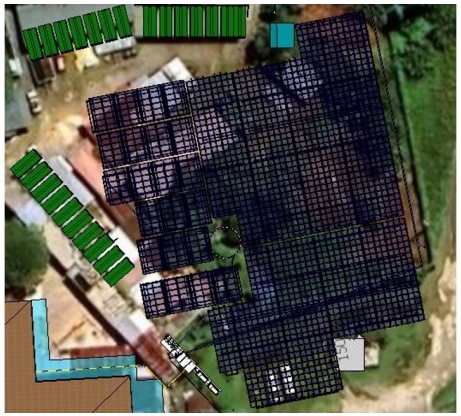
Group Business Initiatives in Extraterritorial and Overseas Area

Establishment of a local corporation in the Republic of Palau and the expansion of PV-TPO business

- In order to expand our business scope from consulting to power generation, operation, and maintenance, and to further strengthen the Company's top line by developing overseas business, we established “OKIDEN PACIFIC ISLANDS CORPORATION” in Palau, our Group's first overseas local company.
- The new company sells electricity from solar power and battery storage at a resort hotel in Palau with the goal of reducing CO2 emissions and fuel costs for its own power generation facilities (diesel generators).
- This initiative will set a precedent for sustainable renewable energy systems in island regions and contribute to the Pacific region's achievement of carbon neutrality goals, through deployment in neighboring regions, including within the country.

About the new company

Name	OKIDEN PACIFIC ISLANDS CORPORATION
Location	Republic of Palau
Representative	Tetsu Yokoda, Representative Director, Executive Vice President of Okinawa Electric Power Company, Inc. and President and CEO of SeED Okinawa LLC
Business Profile	・Research, analysis, consulting and sales of technology and know-how related to the expansion of renewable energy introduction and grid stabilization, etc. ・Planning, design, development, sale, construction, operation and maintenance, etc. of wind power generation, solar power generation and grid stabilization equipment
Capital	US$1.5 million (planned)
Date of Establishment	March 26, 2025
Investment	Wholly-owned subsidiary of Okinawa Electric Power Company



Layout of the planned solar panel installation.

Business Overview

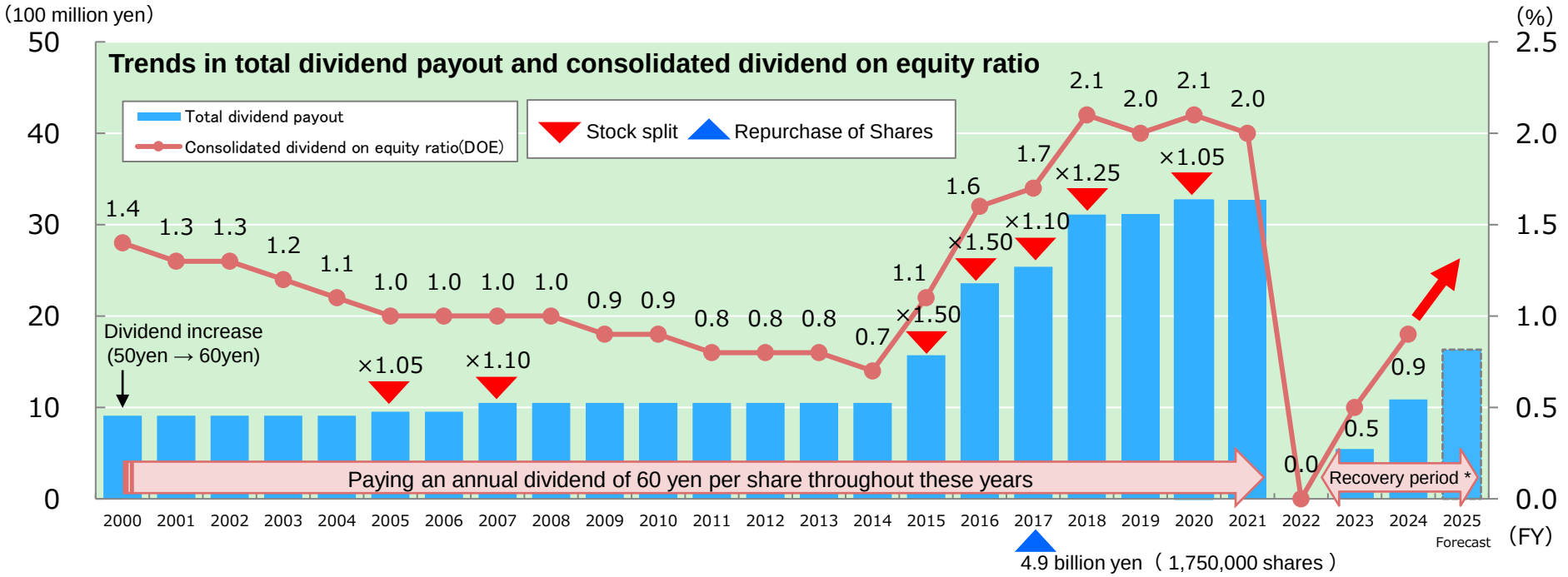
Target Location	On the premises of Palau Pacific Resort is a resort hotel with 172 rooms, the largest in the country, which is owned and operated by the Tokyu Land Group
Installed facilities	Solar power generator : DC 668 kW / AC 400 kW Storage battery facility: Output 100 kW / Capacity 300 kWh
Schedule	Commencement of operations planned in FY2025

Shareholder Return Policy

Basic policy on shareholder return

- For the distribution of profits, our company will maintain a “consolidated dividend on Equity ratio (DOE) of at least 2.0%” based on a “stable and continuous dividend” policy.

Dividend per share	interim	Year-end	Annual
Fiscal Year Ending March 2026 (FY2025)	15 yen	15 yen (Forecast)	30 yen (Forecast)



* Basic policy on shareholder return is as above. However, since the financial base has seriously deteriorated in the wake of the large deficit for FY2022, we have set the three years through FY2025 as a recovery period in which we will focus on restoring our financial base. During the period, we will raise the dividend level in stages, aiming to return to the previous level after the end of the recovery period. The amount of dividends for each fiscal year will be determined in consideration of the balance between recovery of the damaged financial base and return to shareholders.

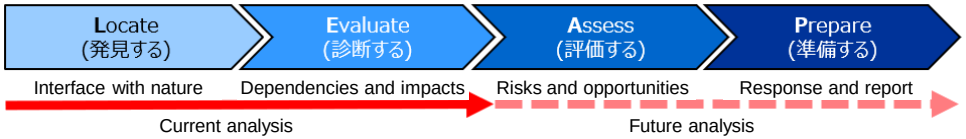
Publication of the OEPC Group Integrated Report

- We published “The Okinawa Electric Power Company Group Integrated Report 2025,” which efficiently compiles financial information and non-financial information such as ESG-related information with the aim of introducing the OEPC Group's value creation initiatives in a more easily understood manner. (November 2025)
- We have added new sections covering GW 2050 Projects, Okiden PX Project ,Response to TCFD Recommendations, and the Establishment of a Human Rights Policy.

Key Points of the OEPC Group Integrated Report 2025

➢ Disclosure on TNFD

- In disclosing nature-related information based on the TNFD Recommendation v1.0, we aim to evaluate and disclose information in a step-by-step manner following the “LEAP Approach” process, which consists of four phases.
- This time, for the “Governance” and “Strategy” portions of the disclosure, we conducted an assessment of the dependencies and impacts on natural capital in our business activities.



➢ Establishment of Human Rights Policy

- The OEPC Group Human Rights Policy was established to state our commitment to respecting the human rights of everyone involved in the OEPC Group's business activities (October 2025).
- Going forward, we will build a cycle of (1) identification and assessment, (2) prevention and mitigation, (3) effectiveness assessment, and (4) information disclosure of risks of human rights violations at our company, group companies, suppliers, etc., and promote an ongoing process (human rights due diligence) to prevent and mitigate risks of human rights violations.

➢ Promotion of Health Management

- OkiDen Group Health Management Promotion Policy Established (October 2025).
- Under a system with the President and Representative Director as the Chief Officer,health management based on the objectives listed on the right will be promoted.

(Reference)
Full text of “The Okinawa Electric Power Company Group Integrated Report 2025”
https://www.okiden.co.jp/company/integrated-report/index.html

<Purpose of Health Management>
To support employees’ physical and mental well-being, fostering a sense of fulfillment and vitality.
To drive improvements in productivity and enhance corporate value.
To contribute to the sustainable development of local communities.

Characteristics of the Business Bases

Demand for Energy	■ Increasing demand for energy, supported by Okinawa's advantages and potential. ■ As the proportion of energy for consumer use is high, effects of economic fluctuations are low for demand for Electric power. ■ Potential demand due to large-scale urban development projects
Competition Electricity rate	■ OEPC is outside the framework of wide-area power interchange because that is not connected with the transmission lines of other power companies. ■ OEPC has voluntarily released power of 10,000kW supplied by J-Power. ■ Competition is advancing due to the entry of energy suppliers. ■ Biomass power plant by power producer and supplier has started operation.
Power Generation Facilities	■ A high reserve supply capacity is required since the systems of Okinawa area are small and independent. ■ Reliant on fossil fuels only due to difficulties to develop nuclear or hydraulic power generation. ■ Coal-fired thermal power generation is indispensable not only for stable supply but also for maintaining electricity rates.
Global Warming Countermeasures	■ Currently, possible measures are limited due to reasons including the region’s geographic characteristics and constraints on the scale of demand. ■ The introduction of renewable energies contributes to reducing fuel consumption and cost on remote islands, where fuel unit price is high. ■ Since the systems of Okinawa area are small and independent, the limit of connection volume is likely to occur when using renewable energies.
Remote Islands	■ OEPC supplies power to 11 isolated systems including those in the main island. ■ The region has a high cost structure because it has small islands and also because the scale of the economy is small. This leads to constant loss recording. ■ Need to go carbon neutral in independent remote island grids. ■ Through public-private collaboration, we will aim to realize sustainable regional development and local economic revitalization.
System	■ Situation differs from other areas, such as the application of exception to restrictions on concurrent business and means of electricity trading. ■ Special tax measures are provided based on the Act on Special Measures for the Promotion and Development of Okinawa and other laws.

Statements regarding future performance included in this document is based on calculations and predictions, and contain potential risks and uncertainties.
Please be aware that future results may change in accordance with changes in assumptions related to the management environment and the like.

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