



SANIX HOLDINGS INCORPORATED

おかげさまで

50th

Toward the next 50 years - SANIX VISION 2028 -

SANIX HOLDINGS
Medium-term Management Plan

April 2026 – March 2029

■ AGENDA

1

Vision for the Sanix Group

- ① From Founding to the Present
- ② Current State
- ③ Future Vision

2

Review of the Previous Medium-term Plan

- ① Review of Policies
- ② Review of Key Figures
- ③ Review of Financials

3

Basic Strategy

- ① Positioning of the New Medium-term Plan
- ② Measures / Initiatives
- ③ Numerical Targets

4

Strategy by Business Segment

- ① Residential Environment Area
- ② Energy Area
- ③ Resource Circulation Area
- ④ Numerical Targets by Segment

5

Financial Strategy

- ① Financial Policy
- ② Cash Allocation

6

Non-financial Strategy

- ① Group Governance System
- ② Initiatives for Corporate Governance
- ③ Initiatives for Sustainability
- ④ Initiatives focused on Stock Price

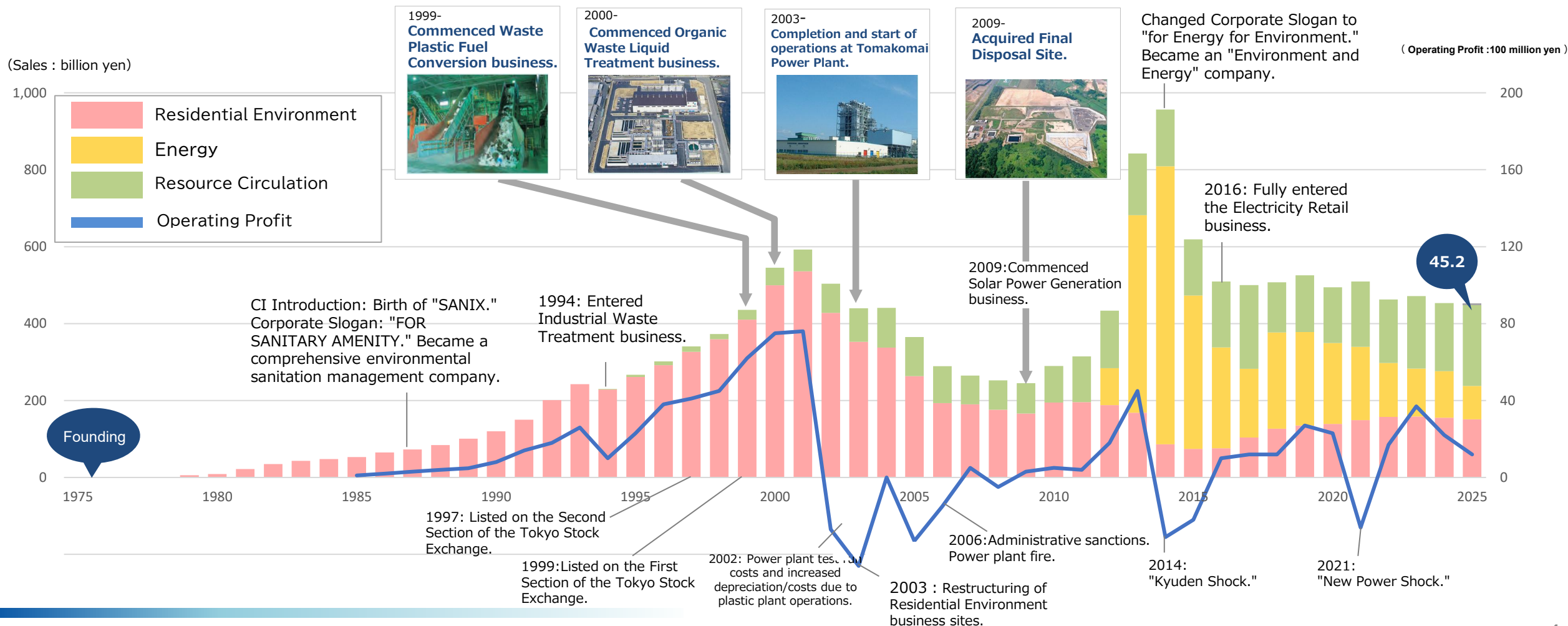
■ Vision for the Sanix Group ① From Founding to the Present

Since starting as a termite control company, the Sanix Group has expanded its business areas under the philosophy of "making dirty places clean and unsanitary places hygienic."



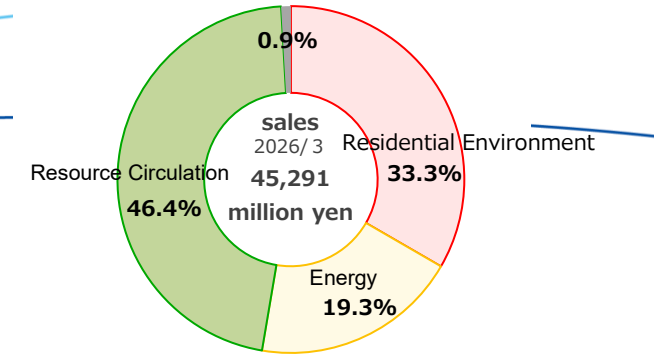
Vision for the Sanix Group ① From Founding to the Present

Overcoming numerous challenges—including administrative sanctions for violating the Act on Specified Commercial Transactions in 2006, the "Kyuden Shock" in 2014 when electric power companies suspended connections for solar power, and the "New Power Shock" in 2021 when soaring fuel prices caused many new power companies to fall into negative spreads—we celebrated our 50th anniversary in 2025.



■ Vision for the Sanix Group ② Current State

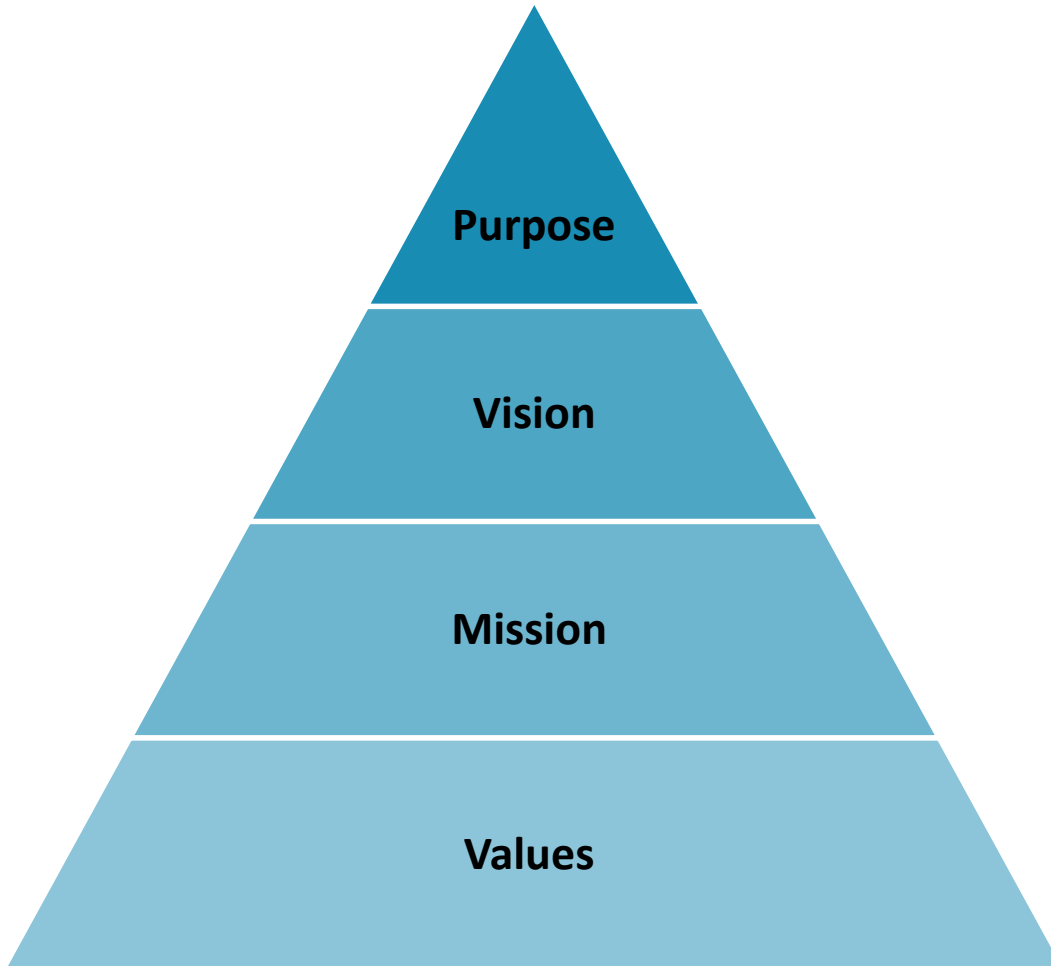
- The Sanix Group is a corporate group dedicated to addressing global environmental issues, centered on the Residential Environment Area (our founding business), the Energy Area (solar power equipment for corporations), and the Resource Circulation Area (waste plastic recycling and waste liquid treatment).



	Residential Environment Area SANIX INC.	Energy Area SANIX ENGINEERING INC.	Resource Circulation Area SANIX Resources Development Group INC.
Activities · Value Proposition	Starting from our founding termite control business, we provide total maintenance for detached houses and apartment complexes. ●HSE Business for Detached Houses Expert staff, deeply knowledgeable about termite behavior, handle everything from prevention to extermination with precision. Protecting precious homes from termite damage. ●ES (Establishment Sanitation) Business for Corporations and Apartment Buildings Business for Corporations and Apartment Buildings Implementing efficient centralized management of water supply and drainage equipment maintenance. Utilizing flagship products such as rust prevention devices to extend pipe lifespan and resolve issues by removing scale and oil contamination.    Termite Control Treatment Underfloor and Attic Ventilation System Water Pipe Inspection Using a Video Scope	Operations related to the sales, installation, and maintenance of solar power generation systems for corporations and legal entities. ●PV (Photovoltaic) Business for Corporations Promoting the effective utilization of factory roofs and building rooftops. Supporting cost reduction (electricity bills), disaster preparedness, and environmental management, focusing on self-consumption and third-party ownership solar power systems. Comprehensive services provided from proposal and design to construction and after-sales maintenance.    Self-consumption type / Third-party ownership type Non-FIT Power Development O&M (Maintenance)	Operations related to the recycling of waste plastics, purification of waste liquid, and production of fuel. ●Plastics Business + Power Generation Business + Landfill Business Establishing an in-house "Waste Plastic Thermal Recycle" loop: intermediate treatment of industrial waste plastics → power generation using only waste plastic → final disposal in landfills. ●Waste Liquid Treatment Business Purifying and converting wastewater from restaurants and food factories into recycled fuel. ●New Power Business Providing electricity retail services for residential and corporate customers. Contributing to the construction of a resource-circulating society through businesses focused on the global environment for the next generation.    Plastic Resource Development Plant Tomakomai Power Plant Waste Liquid Treatment Plant

■ Vision for the Sanix Group ③ Future Vision

- Four elements constituting the SANIX Group Corporate Philosophy: "Better Life For The Next Generation"



Filling people's lives and the urban environment with richness and peace of mind

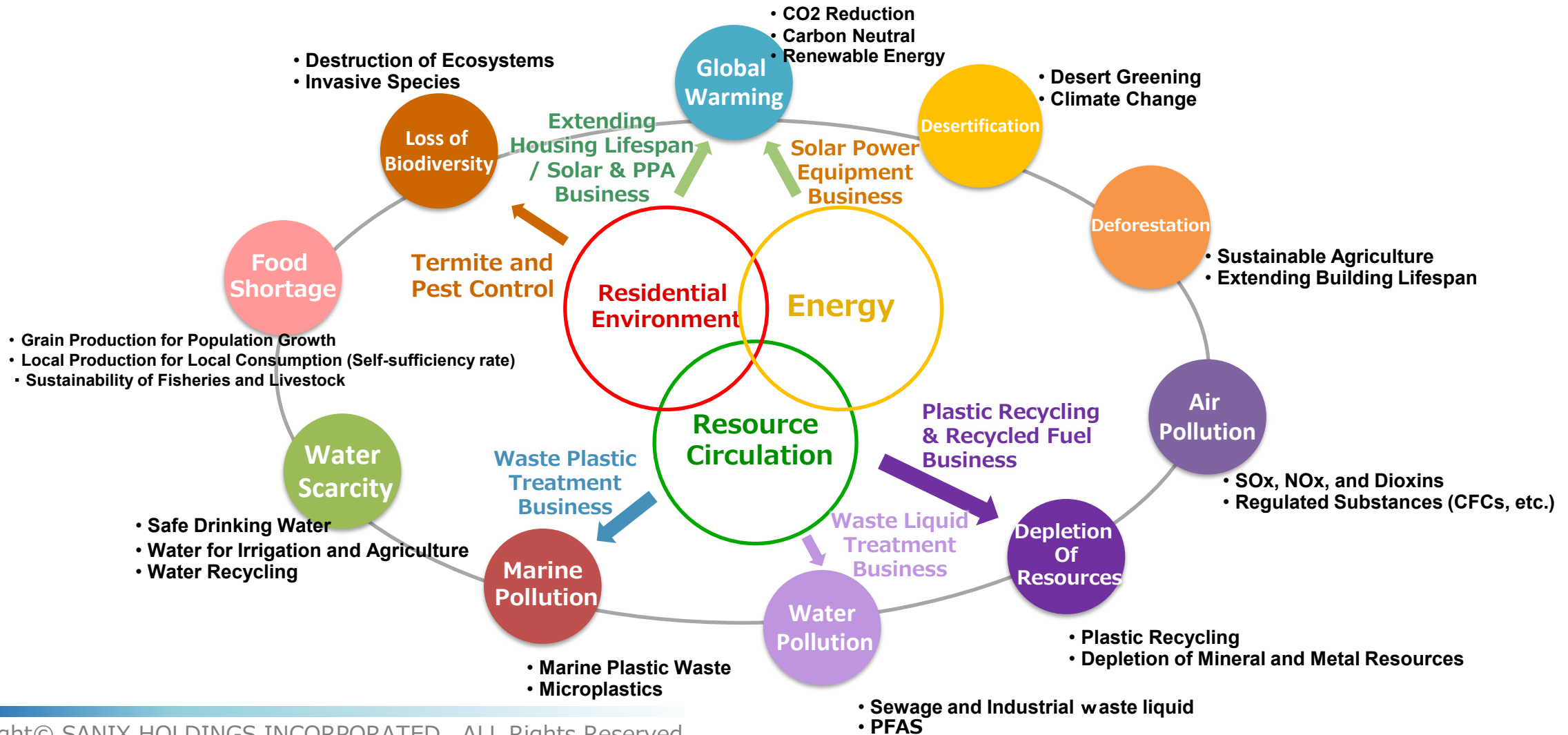
Solving challenges in lifestyles and urban environments to achieve a resource-circulating society

Creating a co-creation platform to solve all environmental issues

The Three Values of the Sanix Group: "Creativity & Challenge," "Diversity," and "Mental & Physical Health"

■ Vision for the Sanix Group ③ Future Vision

- The Sanix Group has defined its business domain as the "10 Major Environmental Issues."



1

Vision of the Sanix Group

- ① From Founding to the Present
- ② Present State
- ③ Future Vision

2

Review of the Previous Medium-Term Management Plan

- ① Review of Policies
- ② Review of Numerical Results
- ③ Financial Review

3

Basic Strategy

- ① Positioning of the New Medium-Term Management Plan
- ② Measures
- ③ Numerical Targets

4

Strategy by Business Area

- ① Residential Environment Area
- ② Energy Area
- ③ Resource Circulation Area
- ④ Numerical Targets by Area

5

Financial Strategy

- ① Financial Policy
- ② Cash Allocation

6

Non-financial Strategy

- ① Group Governance Structure
- ② Initiatives for Corporate Governance
- ③ Initiatives for Sustainability
- ④ Initiatives with Focus on Stock Price

■ Review of the Previous Medium-Term Management Plan (FY March 2024 – FY March 2026) ① Review of Policies

- Established a holding company structure by spinning off each area into subsidiaries to ensure immediate response to environmental changes and clarify responsibilities and authority.
- Regarding policies for each business area, some initiatives remained only at the commencement stage.

Residential Environment SANIX INC.

Pass on a comfortable living environment to the next generation

Basic Policy	Evaluation
Strengthening corporate sales and developing new channels by expanding partnerships	◎
Strengthening human resource acquisition and development	○
Effective utilization of existing housing resources	○
Services for reducing environmental impact related to housing	△

Energy SANIX ENGINEERING INC.

Promote the broader adoption of low-environmental-impact energy sources

Basic Policy	Evaluation
On-site PV model Proposing self-consumption solar power and expanding service areas	○
Off-site PV model Developing power plants for energy providers	○
Development of power sources that meet renewable energy needs	△

Resource Circulation SANIX RESOURCE DEVELOPMENT GROUP INC.

Recycle resources instead of disposal

Basic Policy	Evaluation
Development of new recycling methods • Waste plastic material recycling • Bio-recycled oil, sludge fuel	○
Digitalization of waste management	◎
Planned equipment renewal + improvement of power generation capacity	◎
Solar panel recycling	△

Corporate SANIX HOLDINGS INC.

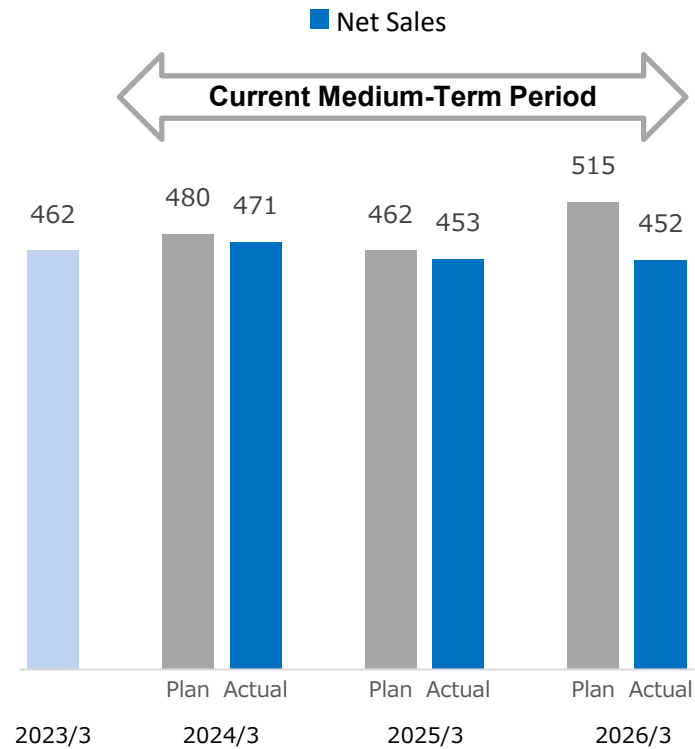
Basic Policy	Evaluation
Spin off the three main areas to increase the speed of management decision-making	◎
Strengthening the financial foundation (Equity ratio: 18.0% in FY March 2023 → 27.5% in FY March 2026)	○
Aiming for early resumption of dividends through stable profit accumulation → Scheduled for the current fiscal year	○
Qualitative improvement of the governance system (Subsidiary governance, vitalization of the Board of Directors, governance design under the HD structure)	○

- ◎ : Results achieved
○ : Commenced & in progress
△ : Commenced but results not yet achieved
× : Not yet commenced

■ Review of the Previous Medium-Term Management Plan (FY March 2024 – FY March 2026) ② Review of Numerical Results

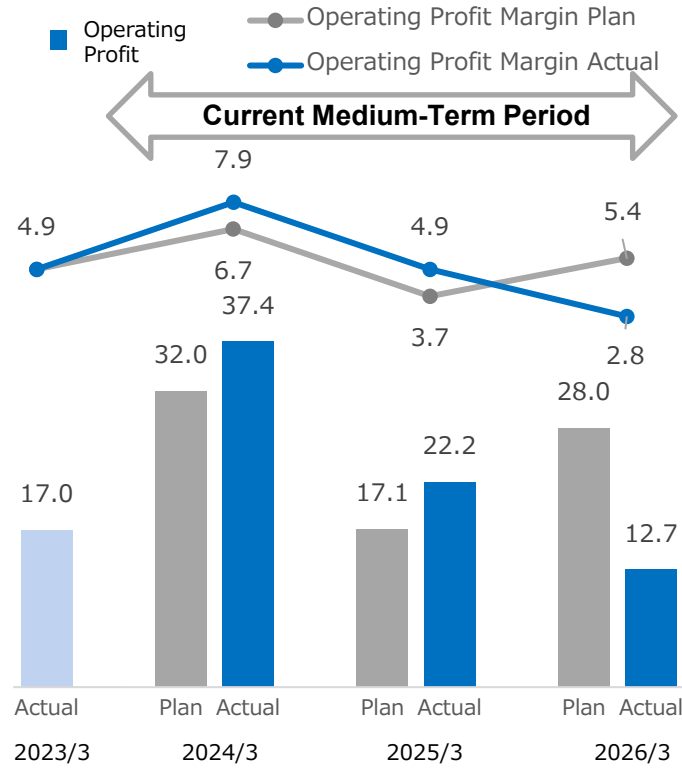
- Although we aimed for increased revenue and profit in the medium-term plan, we shifted our primary objective to improving profitability in response to environmental changes. While an improvement trend was maintained in FY March 2024 and FY March 2025, profit decreased in FY March 2026 due to the inability to control equipment failures.

Regarding capital efficiency, we emphasized the recovery of impaired equity and ROIC; however, these targets were not achieved in FY March 2026 as a result of the aforementioned factors.



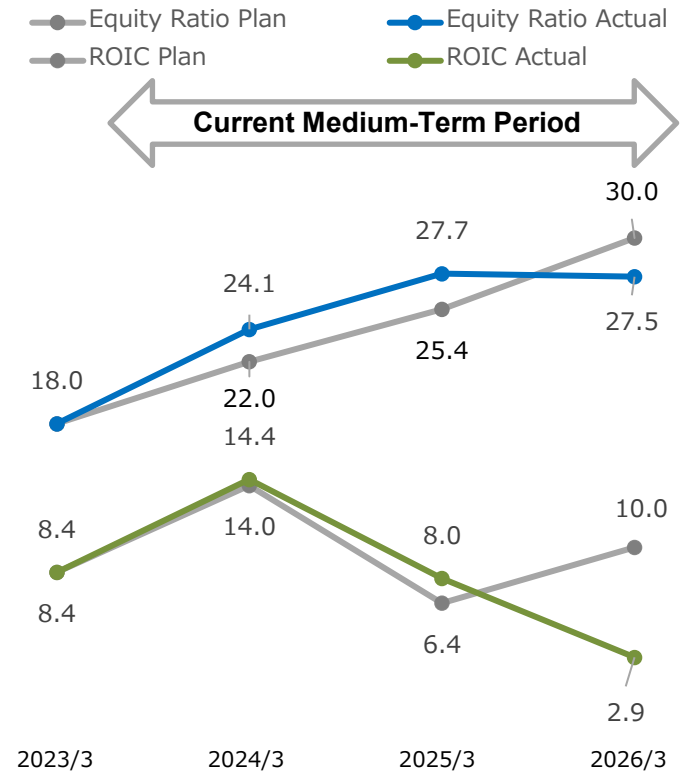
Net Sales

FY March 2026 Plan: 51.5 billion yen
FY March 2026 Actual: 45.2 billion yen



Operating Profit & Operating Profit Margin

FY March 2026 Plan: 28.0 billion yen/5.4%
FY March 2026 Actual: 12.7 billion yen/2.8%



Equity Ratio/ ROIC (Return on Invested Capital) ※

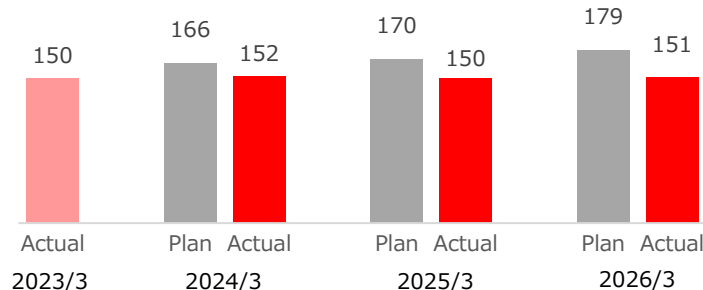
FY March 2026 Plan: 30.0%/10.0%
FY March 2026 Actual: 27.5%/ 2.9%

■ Review of the Previous Medium-Term Management Plan (FY March 2024 – FY March 2026) ② Review of Numerical Results

- Although we aimed for profitability improvement in each business area, and while the Resource Circulation Area led the achievement of plans in FY March 2024 and FY March 2025, all areas failed to meet their targets in FY March 2026.

Residential Environment Area

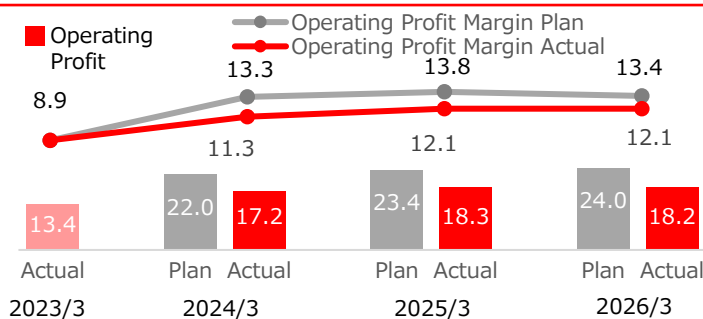
Net Sales
(billion yen)



Net Sales

FY March 2026 Plan: 17.9 billion yen
FY March 2026 Actual: 15.1 billion yen

Operating Profit
(billion yen)



Operating Profit / Operating Profit Margin

FY March 2026 Plan: 2.4 billion yen / 13.4%
FY March 2026 Actual: 1.82 billion yen / 12.1%

Energy Area

Actual

2023/3

86

Actual

2024/3

101

Plan

2024/3

98

Actual

2025/3

98

Plan

2025/3

93

Actual

2026/3

140

Plan

2026/3

87

Actual

2026/3

Net Sales

FY March 2026 Plan: 14.0 billion yen
FY March 2026 Actual: 8.7 billion yen

Operating Profit

2023/3

0.3

Actual

2024/3

2.8

Actual

2025/3

3.1

Actual

2026/3

1.8

Plan

2026/3

2.8

Actual

2026/3

9.0

Plan

2026/3

0.4

Actual

2026/3

Operating Profit / Operating Profit Margin

FY March 2026 Plan: 0.9 billion yen / 6.4%
FY March 2026 Actual: 0.04 billion yen / 0.5%

Resource Circulation Area

Actual

2023/3

218

Actual

2024/3

205

Plan

2024/3

214

Actual

2025/3

186

Plan

2025/3

204

Actual

2026/3

188

Plan

2026/3

210

Actual

2026/3

Net Sales

FY March 2026 Plan: 18.8 billion yen
FY March 2026 Actual: 21.0 billion yen

Operating Profit

2023/3

15.5

Actual

2024/3

17.6

Plan

2024/3

22.4

Actual

2025/3

13.7

Plan

2025/3

10.4

Actual

2026/3

10.4

Plan

2026/3

8.2

Actual

2026/3

Operating Profit / Operating Profit Margin

FY March 2026 Plan: 1.9 billion yen / 10.4%
FY March 2026 Actual: 1.72 billion yen / 8.2%

Note: Due to the transition to a holding company structure (April 1, 2025), segment classifications have been reclassified for comparison purposes.

■ Review of the Previous Medium-Term Management Plan (FY March 2024 – FY March 2026) ③ Financial Review

- EBITDA, the source of investment, was 12.2 billion yen over three years against a plan of 13.7 billion yen.
- Prioritized capital replacement investment due to rising material and construction unit costs (Plan: 4.7 billion yen → Actual: 6.9 billion yen).
- As a result, debt repayment was 1.52 billion yen against a plan of 5.2 billion yen, and strategic investment was 3.81 billion yen against a plan of 4.8 billion yen.
- Regarding M&A, more than 10 projects were reviewed, but no agreements were reached.

• Strengthen the "Earning Power" of the entire business during the Medium-Term Management Plan period.

• Following the revision of numerical targets, the 3-year cumulative EBITDA is expected to be 13.7 billion yen, revised from 14.7 billion yen.

• While numerical targets have been revised, the basic policy regarding strategic investment remains unchanged.

• The portion excluding debt repayment and capital replacement will be designated as a strategic investment budget and allocated as a source for growth.

The basic policy remains unchanged.

Before Revision

After Revision

Allocation of
Funding Sources

2023-2025
Cumulative
EBITDA
14.7billion yen

Fundraising, etc

2023 EBITDA
5.3billion yen

2024-2025
Cumulative
EBITDA
8.4 billion yen

**Strategic
Investment Budget
4.8 billion yen**

Capital Replacement
Investment
4.7 billion yen

Debt Repayment
5.2 billion yen

Established a strategic investment budget of
4.8 billion yen over 3 years.

Capital Investment (Expansion of existing facilities
& New projects)

- Entry into the material recycling business.
- Enhancement and new construction of waste-to-fuel facilities.
- Performance improvement at Tomakomai Power Plant

R&D Investment

- Solar Panel Recycling Demonstration

Human Capital Investment

- Securing highly specialized professionals
- Active recruitment and human resource development

M&A & Alliance

Acceleration of growth (Expansion of areas and services)

Creation of synergies

IT Investment

- Strengthening cybersecurity
- Business efficiency through the use of BI, RPA, and other tools

EBITDA: 12.2 billion yen (3-year cumulative)

➤ Strategic Investment: 3.81 billion yen

Capital Investment: 3.41 billion yen

- R&D Investment: 0.06 billion yen
- IT Investment: 0.34 billion yen
- M&A and Partnerships: 0.0 billion yen
- Human Capital Investment: 0.78 billion yen※

- Improvement of power generation performance at Tomakomai Power Plant: 1.65 billion yen
- Expansion of landfill disposal sites: 1.18 billion yen
- Enhancement and new construction of waste-to-fuel facilities: 0.55 billion yen
- Material recycling: 0.02 billion yen

※Not included in total investment as these are SG&A expenses such as recruitment and training costs.

➤ Capital Replacement Investment: 6.9 billion yen

- **Plastics Business: 2.74 billion yen**
- **Wastewater Business: 0.48 billion yen**
- **Power Generation Business: 2.14 billion yen**
- **Landfill Business: 0.17 billion yen**
- **Other Businesses: 1.36 billion yen**

➤ Debt Reduction: 1.52 billion yen (Net)

- **Debt Repayment: 5.1 billion yen**
- **Fundraising, etc.: 3.58 billion yen**

Medium-Term Management Plan Materials: FY March 2024 – FY March 2026

1

Vision of the Sanix Group

- ① From Founding to the Present
- ② Present State
- ③ Future Vision

2

Review of the Previous Medium-Term Management Plan

- ① Review of Policies
- ② Review of Numerical Results
- ③ Financial Review

3

Basic Strategy

- ① Positioning of the New Medium-Term Management Plan
- ② Measures
- ③ Numerical Targets

4

Strategy by Business Area

- ① Residential Environment Area
- ② Energy Area
- ③ Resource Circulation Area
- ④ Numerical Targets by Area

5

Financial Strategy

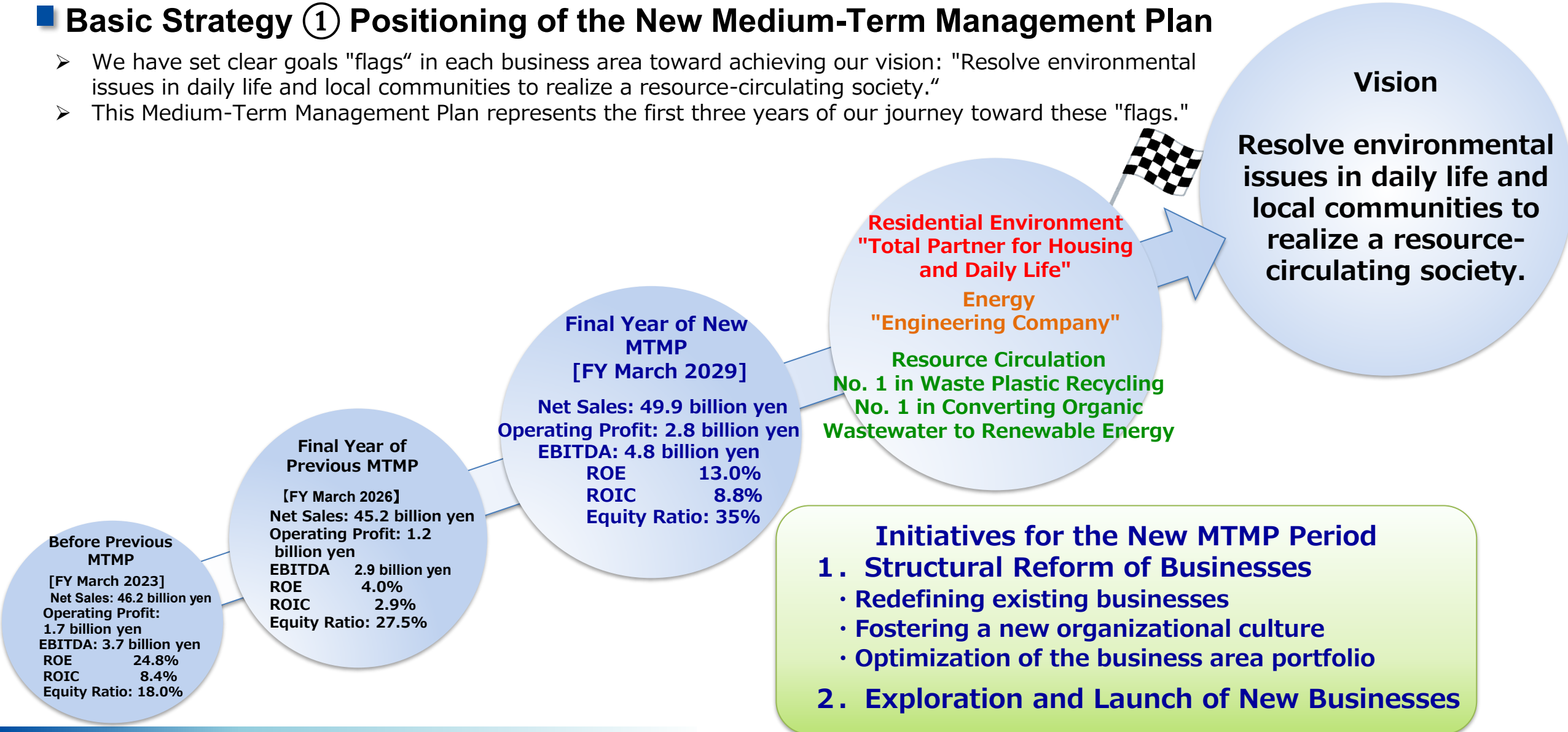
- ① Financial Policy
- ② Cash Allocation

6

Non-financial Strategy

■ Basic Strategy ① Positioning of the New Medium-Term Management Plan

- We have set clear goals "flags" in each business area toward achieving our vision: "Resolve environmental issues in daily life and local communities to realize a resource-circulating society."
- This Medium-Term Management Plan represents the first three years of our journey toward these "flags."



■ Basic Strategy ② Measures 1. Structural Reform of Businesses

➤ Redefining Existing Businesses

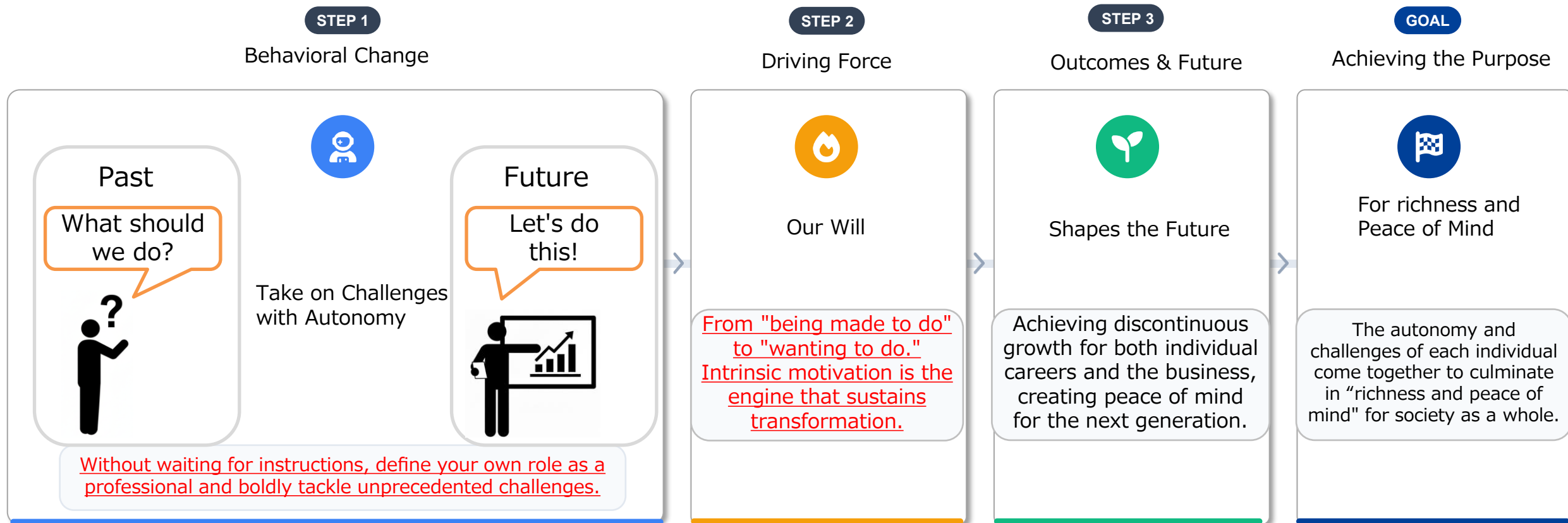
- ✓ In light of the sluggish performance in FY March 2026, we deeply recognize the need for structural reform, as significant growth cannot be expected by simply extending existing businesses.



■ Basic Strategy ② Measures 1. Structural Reform of Businesses

➤ Fostering a New Organizational Culture

- ✓ Those who think "we can continue as we are" vs. those who think "there's no way we can continue like this"
- ✓ Introduction of a new HR system to create an organization where "pioneers of the future" can thrive

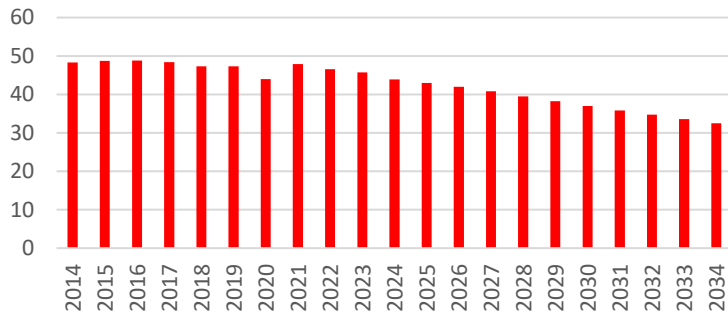


■ Basic Strategy ② Measures 1. Structural Reform of Businesses

➤ Portfolio Management by Business Area

Residential Environment

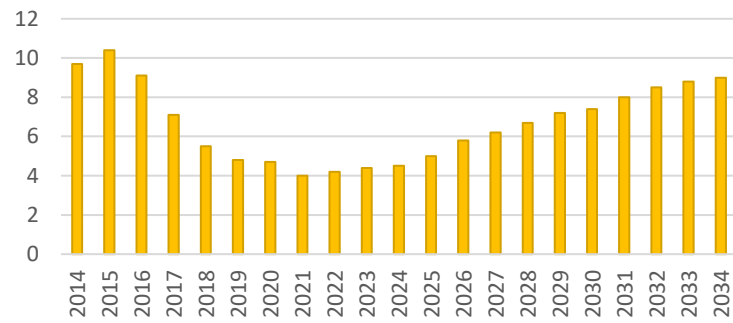
Number of New Wooden Housing Starts (10,000 units)



Source: Prepared based on the "Housing Starts Statistics" by the Ministry of Land, Infrastructure, Transport and Tourism.

Energy

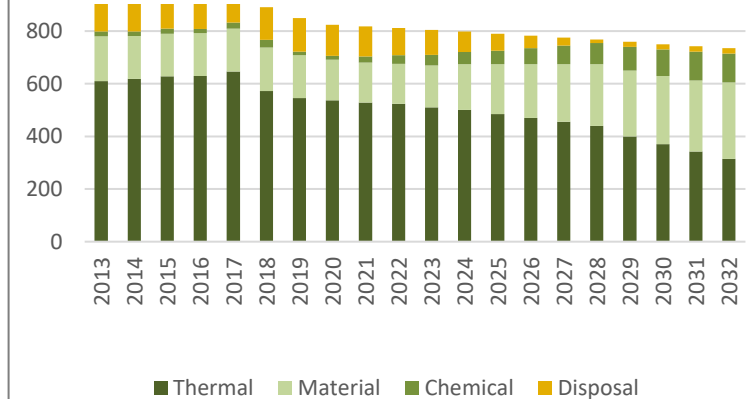
Annual New Installation Capacity (GW)



Estimated based on the "6th Strategic Energy Plan" approved by the Cabinet on October 22, 2021 (Targeting 103.5 GW to 117.6 GW of solar power generation by 2030).

Resource Circulation

Plastic Waste Volume and Recycling Volume (10,000 tons)



Industry-leading waste plastic collection and crushing capacity.
15 Plastic Resource Development Plants nationwide.
Processing volume: 295,000 tons/year (approx. 8% domestic market share).

Macro
Trend



Our
Strengths

Termite control treatment: No. 2 market share (13%) with 61 sites nationwide.

Integrated system covering planning, procurement, construction, and O&M.
Licensed electrical professionals: 193*
Track record of solar power installations for corporations: approx. 30,000 cases

Further growth centered on the material recycling field. Become the No. 1 player in the waste plastic reuse field and in converting organic waste liquid to renewable energy.

Strategic
Direction

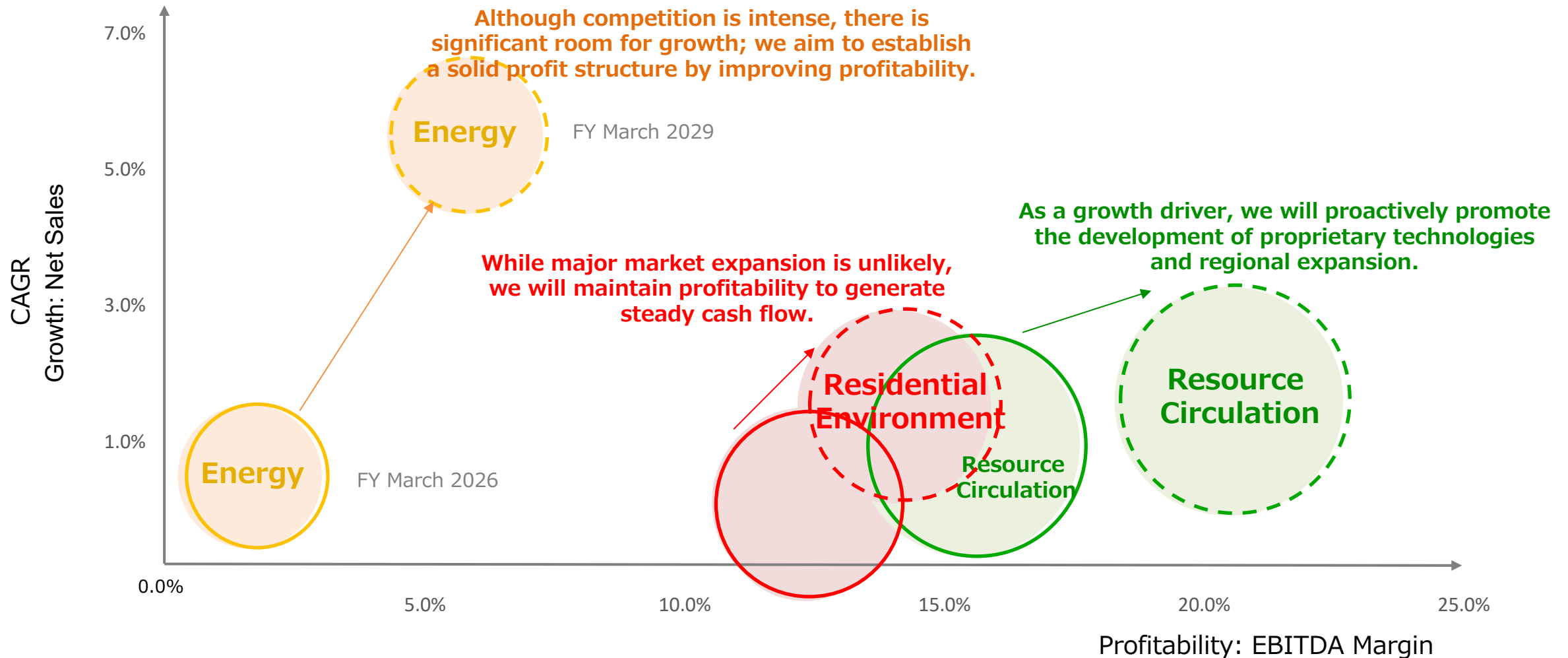
Maintain cash-generating power. Leverage existing customer assets by expanding services. Expand into the Kanto and Tohoku regions where presence is currently limited.

Strengthen profitability. Acquire business capabilities in peripheral solar areas and electrical construction.

* Licensed electrical professionals (53 First-Class Electricians, 105 Second-Class Electricians, etc., including duplicates) as of December 2025.
Track record of solar power installations for corporations is as of March 31, 2026.

■ Basic Strategy ② Measures 1. Structural Reform of Businesses

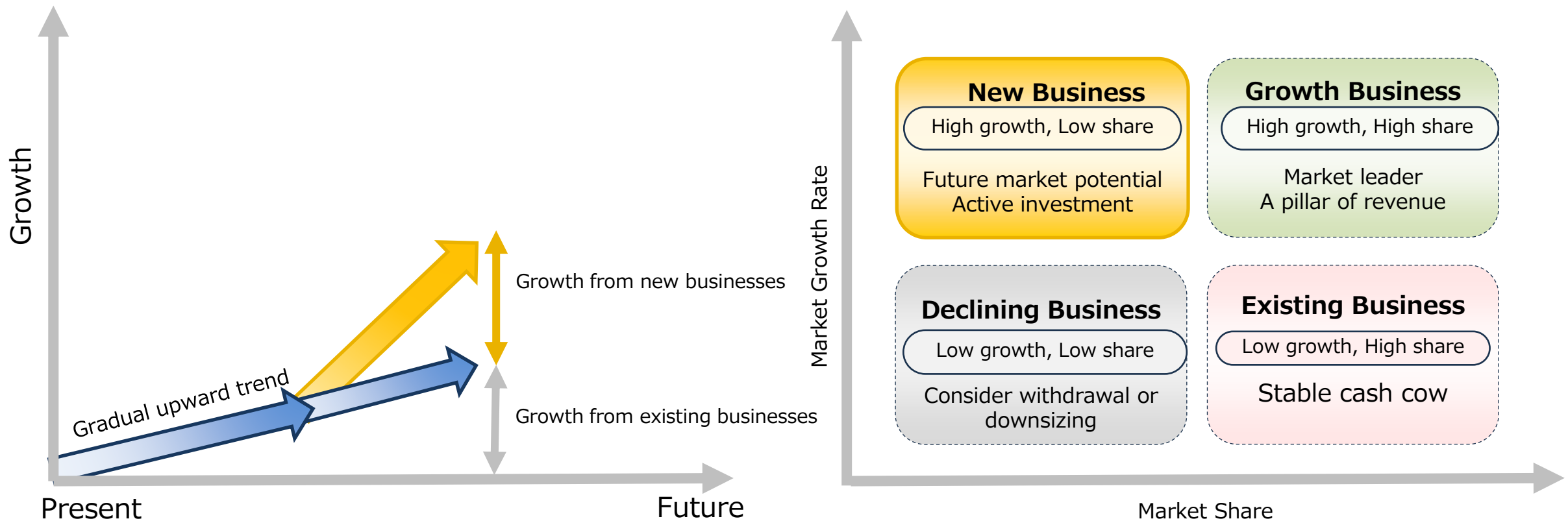
➤ Portfolio Management by Business Area



■ Basic Strategy ② Measures 2. Exploration & Launch of New Businesses

➤ Approach to New Businesses

- ✓ We define new businesses as those responsible for the discontinuous growth of the entire Group.



■ Basic Strategy ② Measures 2. Exploration & Launch of New Businesses

➤ Expansion Areas and Criteria for New Businesses

- ✓ We will create new businesses with a clear set of criteria, focusing on the "10 Major Environmental Issues" as our business domain.

Expansion Areas



Investment Judgment

Decision Criteria

Annual profitability:
Within 3 years

ROI: Within 7 years

(Investment scale: 480 million yen per business)

Key Points

- Marketability
- Business Viability
- Competitiveness
- Fundraising
- Feasibility

Business Feasibility Review

Revenue Scale

- Minimum threshold for Year 3
 - Net Sales: 500 million yen per business
 - Profit Margin: 10% (EBITDA basis) per business

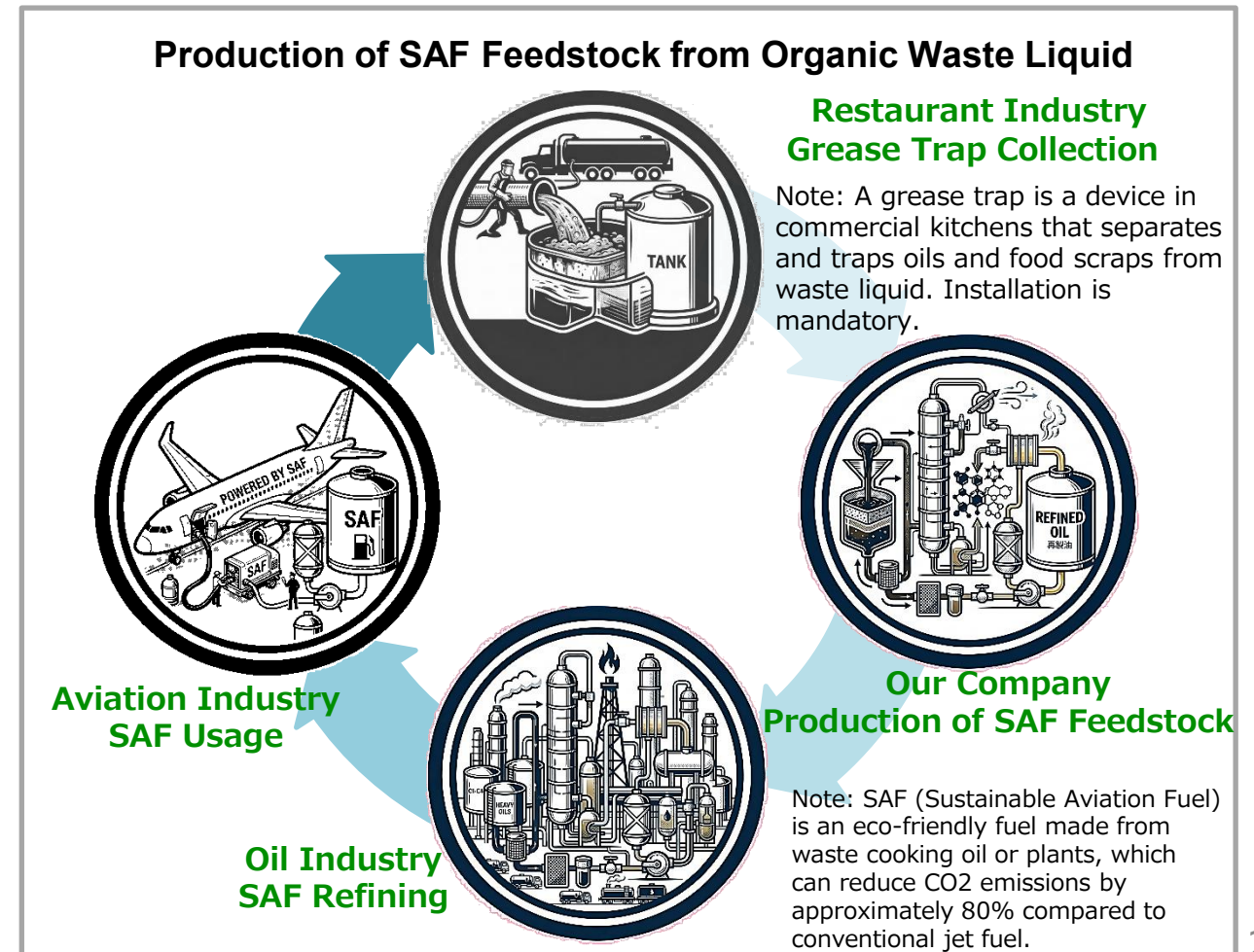
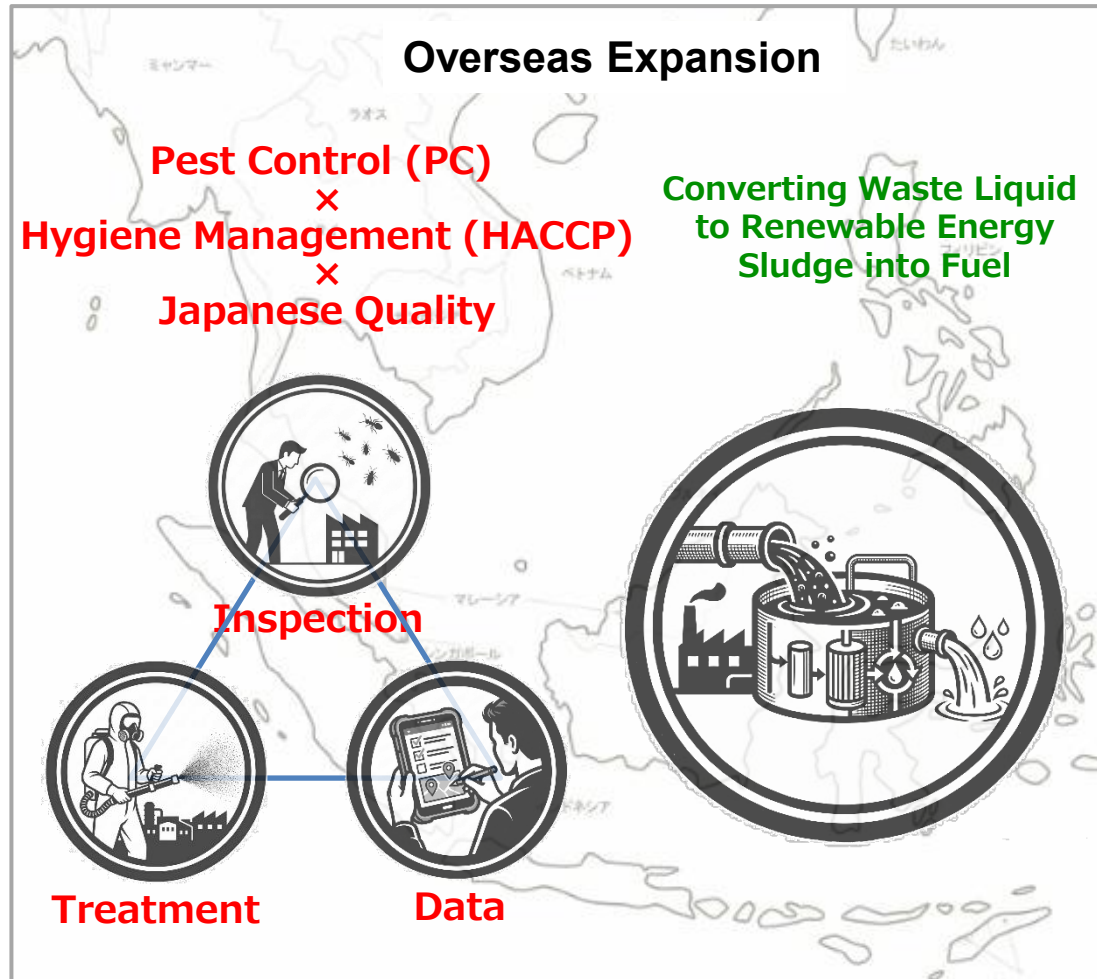


3 Years (Flowering)

7 Years (Fruiting)

■ Basic Strategy ② Measures 2. Exploration & Launch of New Businesses

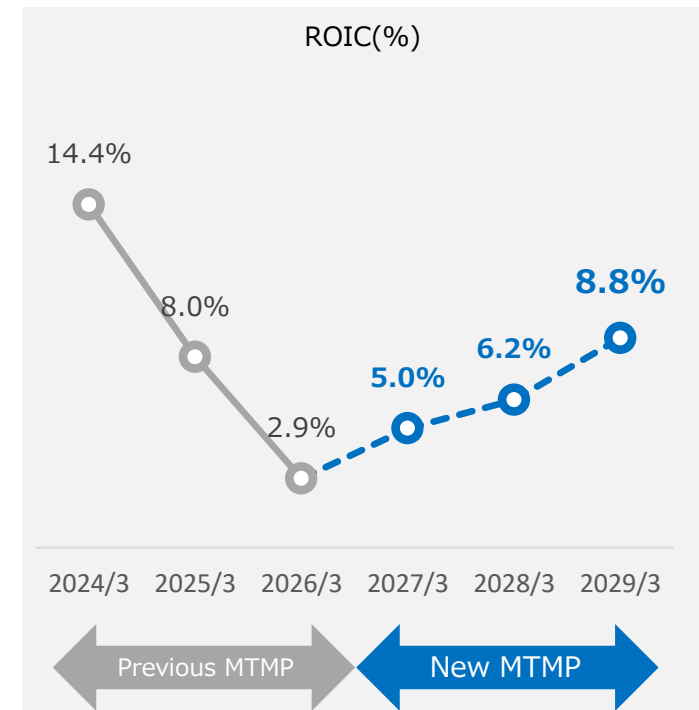
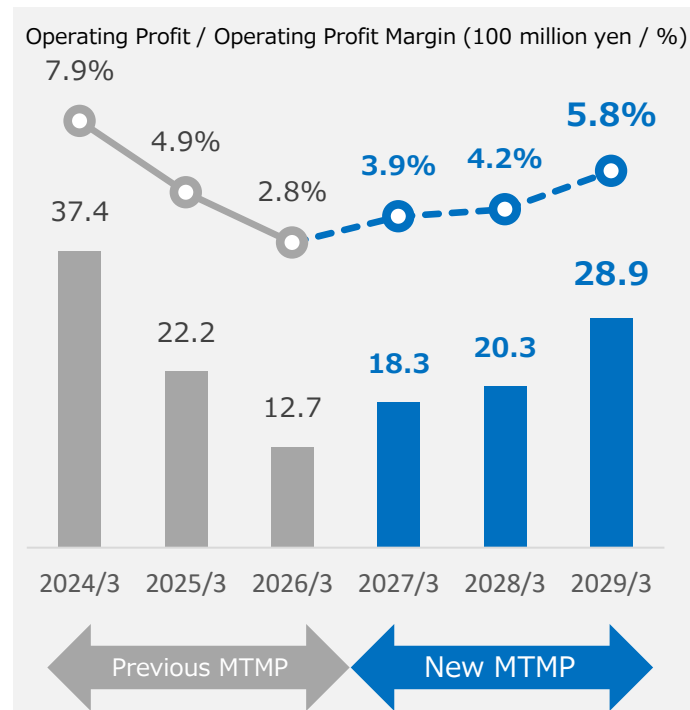
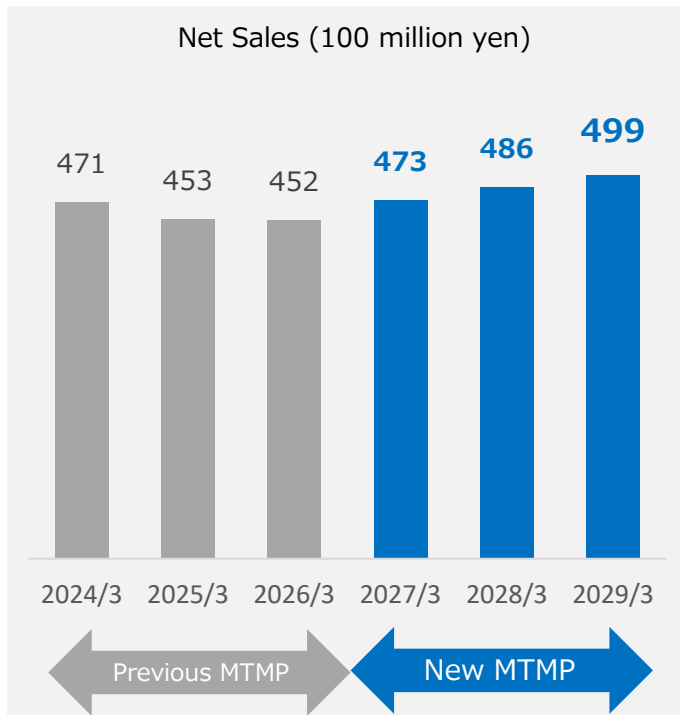
- Exploration & Launch of New Businesses Targeted in this MTMP
- ✓ During this Medium-Term Management Plan period, we will focus on "Overseas Expansion" and "Production of SAF Feedstock from Organic Waste Liquid."



■ Basic Strategy ③ Numerical Targets

GOAL / SANIX VISION 2028

Net Sales	Operating Profit	Operating Profit Margin	ROIC
49.9 billion yen	2.8 billion yen	5.8%	8.8% (※)



※Previously, installment payables (interest-bearing debt) included in accounts payable were not included. If included, the figures would be 12.8% for FY24/3, 7.0% for FY25/3, 2.6% for FY26/3, and the target value would be 7.3%.

1

Vision of the Sanix Group

- ① From Founding to the Present
- ② Present State
- ③ Future Vision

2

Review of the Previous Medium-Term Management Plan

- ① Review of Policies
- ② Review of Numerical Results
- ③ Financial Review

3

Basic Strategy

- ① Positioning of the New Medium-Term Management Plan
- ② Measures
- ③ Numerical Targets

4

Strategy by Business Area

- ① Residential Environment Area
- ② Energy Area
- ③ Resource Circulation Area
- ④ Numerical Targets by Area

5

Financial Strategy

- ① Financial Policy
- ② Cash Allocation

6

Non-financial Strategy

- ① Group Governance Structure
- ② Initiatives for Corporate Governance
- ③ Initiatives for Sustainability
- ④ Initiatives with Focus on Stock Price

■ Strategy by Business Area ① Residential Environment Area (SANIX INC.)

➤ SWOT

<Strengths>

S

- **Strong sales capabilities** with a focus on direct-to-consumer (door-to-door) sales.
- **Numerous sites and personnel** enabling rapid response.
→ Leveraging this to collaborate not only with private residences but also with corporations and local governments.
- Solid **customer base**.
- Services that can be provided on a continuous basis.
- Established communication channels with administrative bodies, such as consumer centers.
- Progress in partnerships with home builders, securing potential customers for five years ahead.
- Maintaining an in-house supply chain, providing cost competitiveness.

<Opportunities>

O

- Expansion of termite habitats due to global warming.
- Expansion of sanitation business due to infectious diseases from new invasive species.
- Increased demand for door-to-door services due to the aging population (requires establishing trust).
- Expanding market for services related to vacant houses.
- Rapid response to legal amendments, such as the Act on Specified Commercial Transactions, can be an opportunity to increase market share.

<Weaknesses>

W

- **Business model dependent on human resource constraints.**
- Orders fluctuate based on operating hours.
- Difficulty in securing the quality and quantity of personnel; high necessity for technical skill transfer.
- Constraints on sales activities and operations due to extreme summer heat.
- Decreased sales efficiency due to natural disasters (earthquakes, heavy rain, etc.).

<Threats>

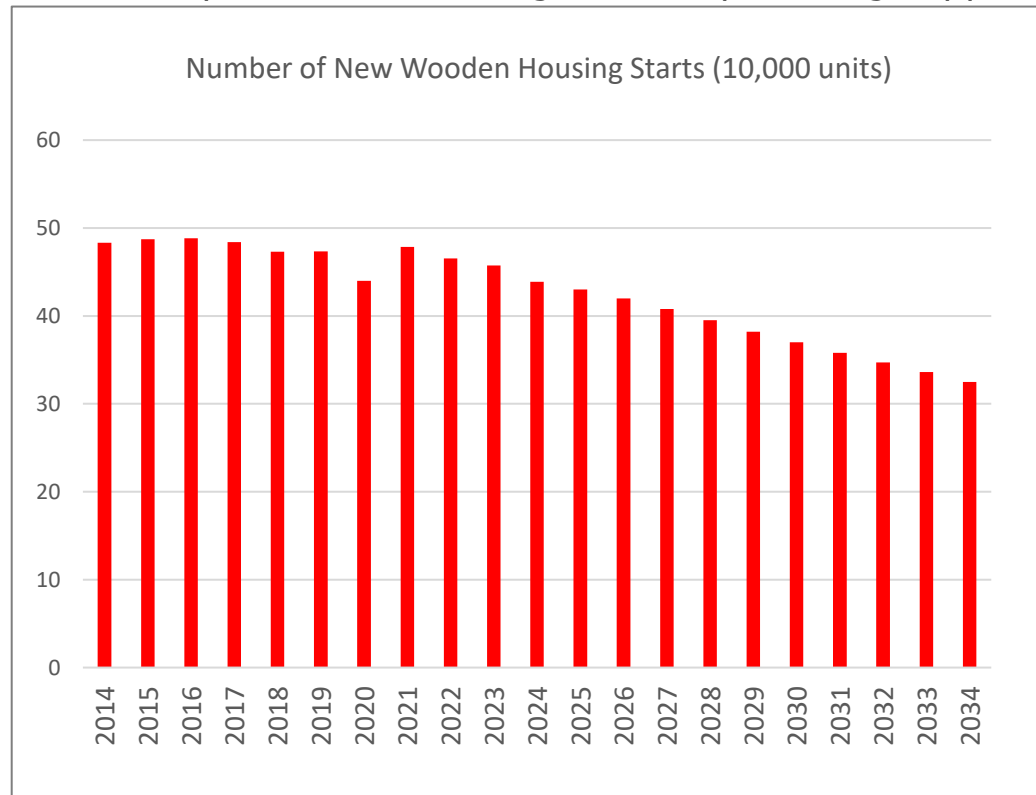
T

- Legal amendments regarding door-to-door sales.
- Decline in the home ownership rate.
- Long-term market contraction due to changes in building structures, such as non-wooden housing.
- Although the existing market is shrinking, there is still room to grow market share.
- Increased wariness toward door-to-door sales due to the rise in specialized crimes.
- Increase in local competitors using Web marketing and low pricing as weapons.

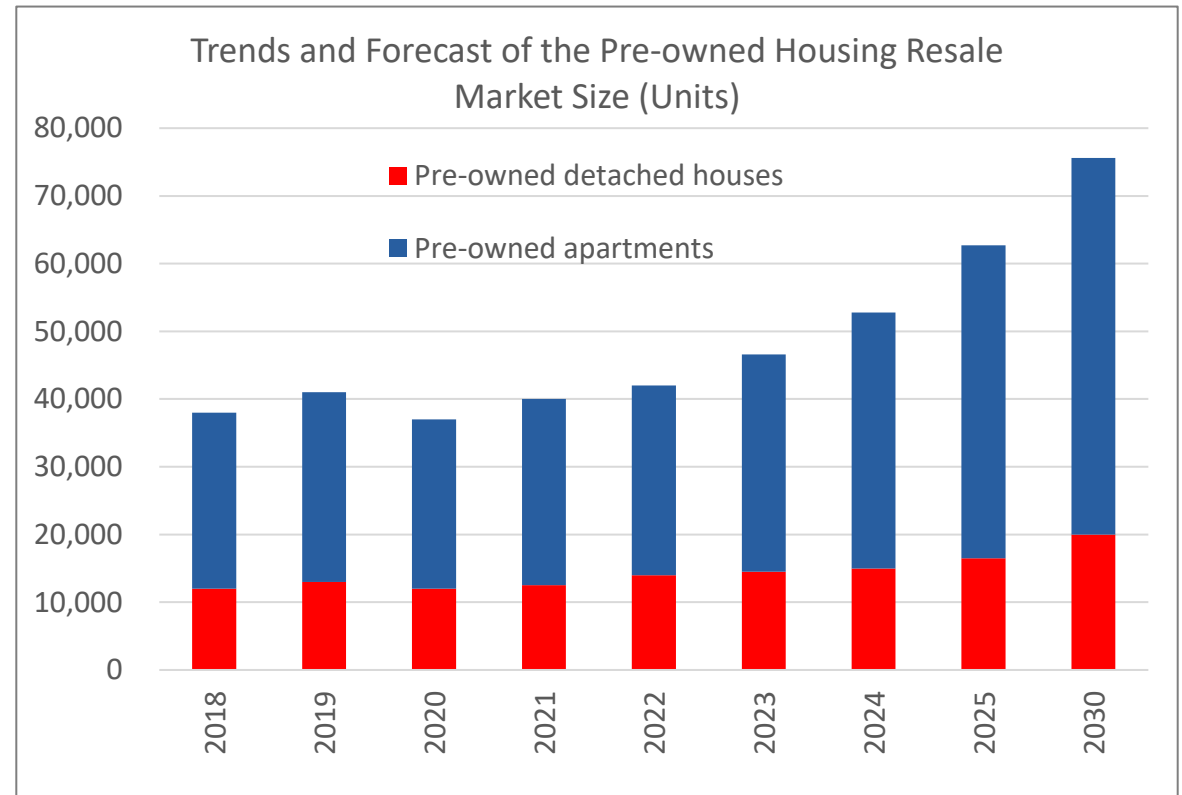
■ Strategy by Business Area ① Residential Environment Area (SANIX INC.)

➤ Market Environment (Termite Control Business)

- ✓ Wooden housing, our primary market, is on a long-term decline due to factors such as population decrease, the shift from detached houses to apartments, and changes in construction methods from traditional wooden post-and-beam to methods without crawl spaces. However, the rising prices of new homes are expected to stimulate the pre-owned housing market, providing support against the downward trend.



Source: Prepared based on the "Housing Starts Statistics" by the Ministry of Land, Infrastructure, Transport and Tourism.

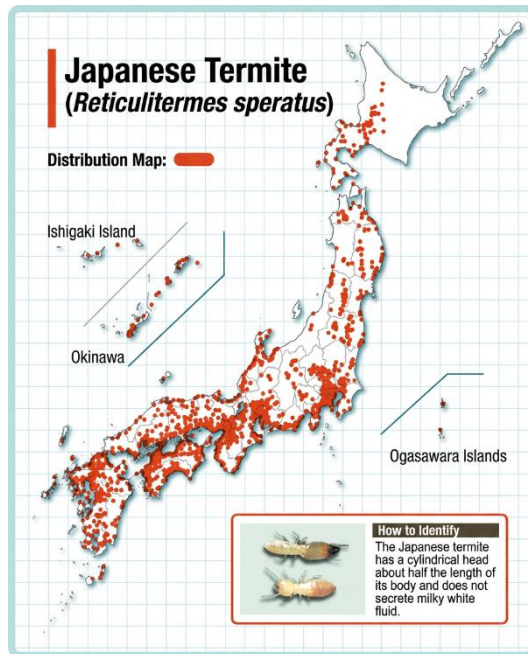


Source: Survey by Yano Research Institute Ltd.

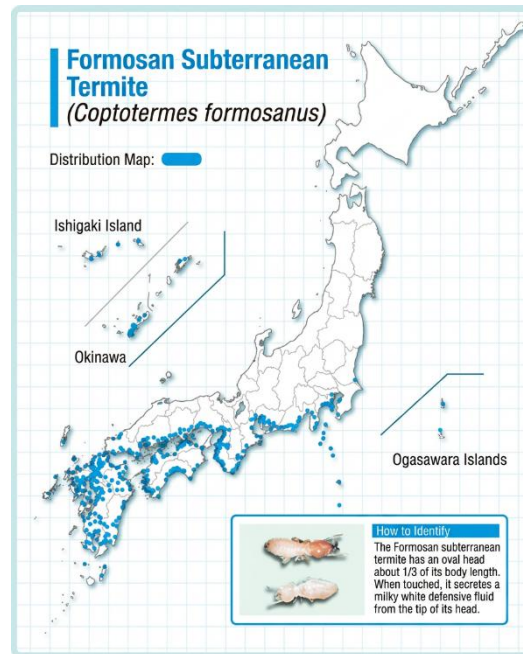
■ Strategy by Business Area ① Residential Environment Area (SANIX INC.)

- Market Environment (Termite Control Business)
- ✓ Termite infestation areas are expanding northward due to the impact of global warming and the occurrence of invasive species such as the Western drywood termite.

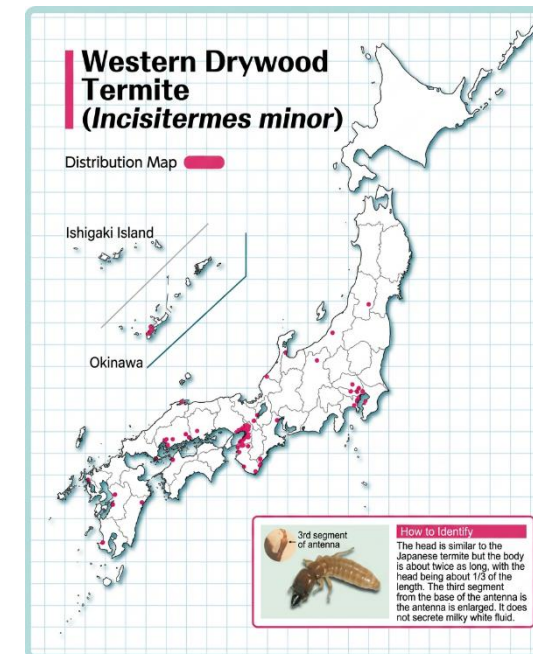
Distribution of Termites in Japan



■ Japanese Termite
Distributed throughout Japan, except for northern Hokkaido. Highly adaptable even to cold regions, accounting for the majority of wooden housing damage in Japan. Infests timber from underground and prefers humid environments.



■ Formosan Subterranean Termite
Common along the Pacific coast of Western Japan, Okinawa, and Southern Kyushu. Forms larger colonies than the Japanese subterranean termite, causing severe damage. Prefers hot and humid environments; its northward expansion due to global warming has been noted.



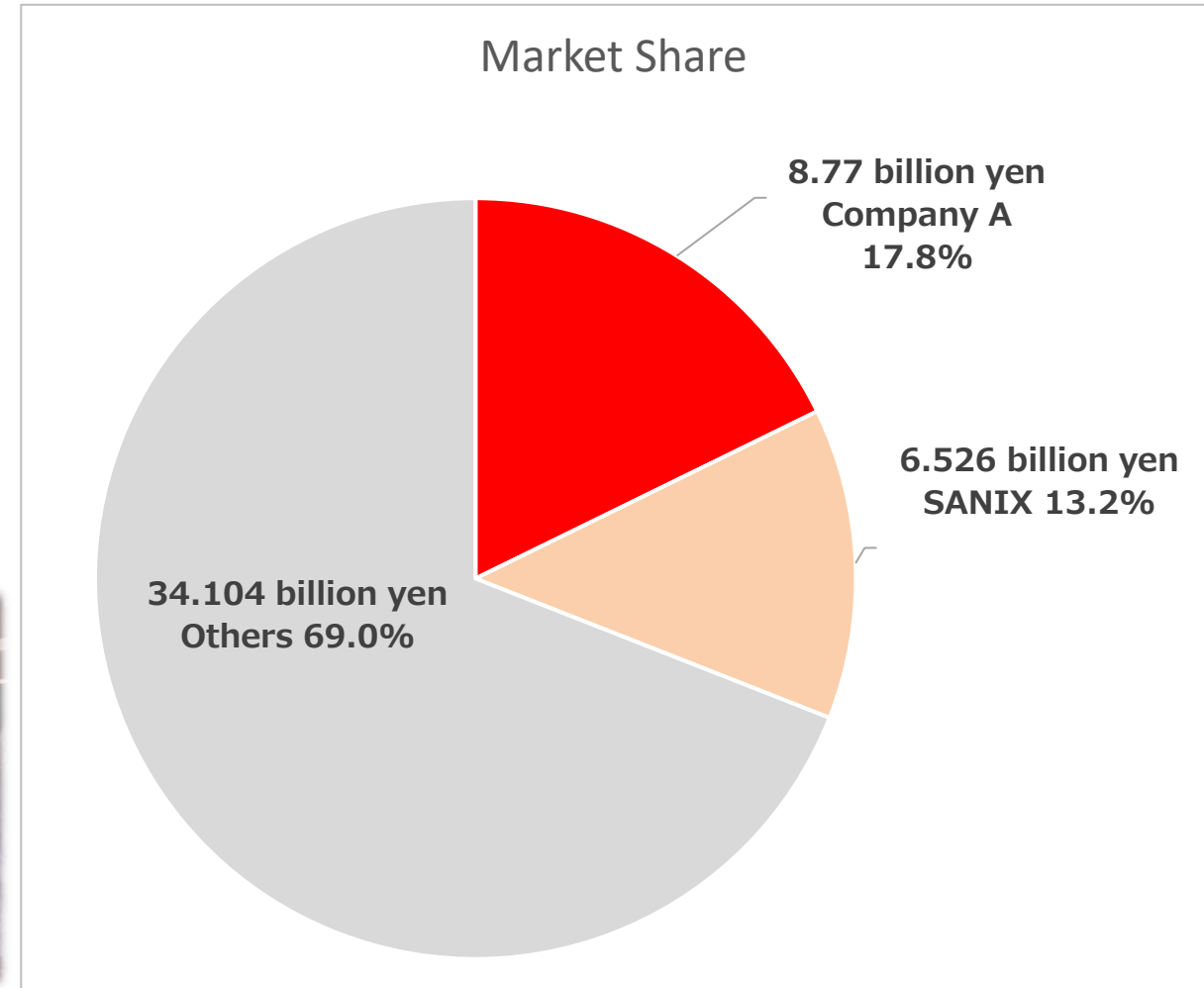
■ Western Drywood Termite
Distribution is observed from Miyagi Prefecture to Okinawa Prefecture. Often introduced via imported furniture or building materials; hard to detect early due to few signs of infestation. Forms multiple small colonies, making re-infestation more likely.

■ Strategy by Business Area ① Residential Environment Area (SANIX INC.)

➤ Market Environment (Market Share of Termite Control and Underfloor Services)

- ✓ The market size for termite control remains at approximately 49.3 billion yen.
- ✓ While the two major listed companies account for approximately 31%, the "Others" share remains large, indicating significant potential for market realignment.

*Regarding major Company D, their Terminix business within the Care Service business (14.3 billion yen; including housekeeping and cleaning services) covers termite control; however, as individual figures are not disclosed, it is classified under "Others."



■ Strategy by Business Area ① Residential Environment Area (SANIX INC.)

- Market Environment (Competition)
- ✓ While there was previously a geographic divide in strengths between the East and West with our competitor, Company A, those boundaries are now beginning to dissolve.

SANIX

Sales Area: Primarily Kyushu, extending north to Ibaraki Prefecture.

Net Sales: Approx. 15.1 billion yen (Consolidated).

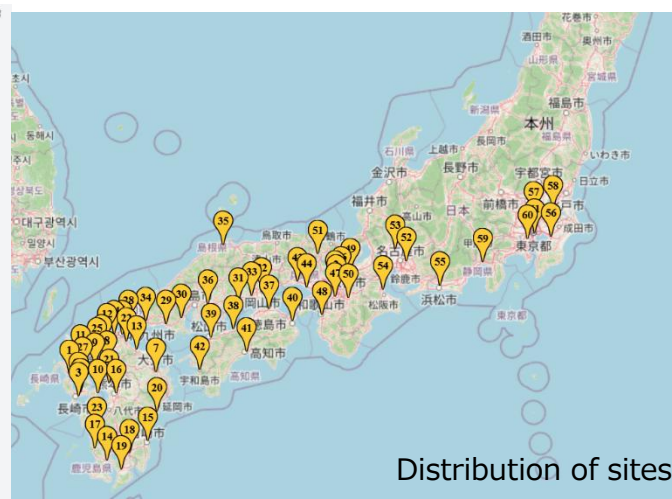
Business Activities: Termite control and prevention, moisture control, detached house maintenance, and water supply/drainage system maintenance for residential complexes. Total

Number of Employees: 1,041 (Consolidated).

Number of Sites: 61 (Termite business only).



Sales Area



Distribution of sites

Company A

Sales Area: Centered in Kanto, covering Tohoku and Hokkaido. Recently expanded into Western Japan through partnerships with JA

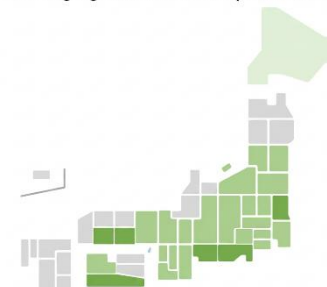
Net Sales: Approx. 14.0 billion yen.

Business Activities: Termite control, moisture control, and earthquake countermeasures.

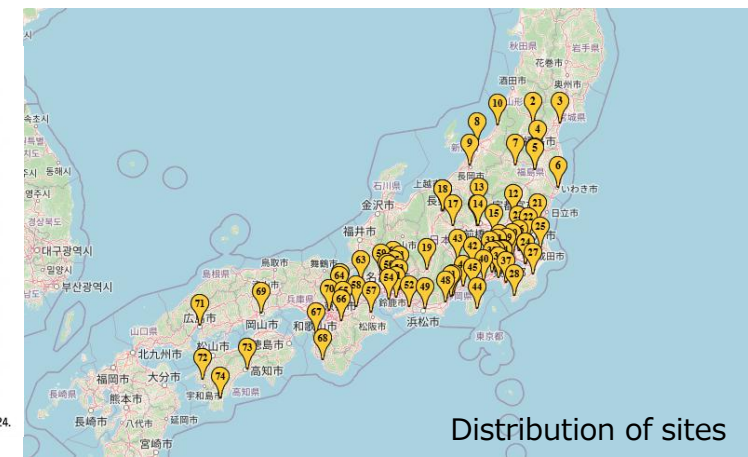
Total Number of Employees: 980.

Number of Sites: 82.

- Expansion of sales areas through partnerships with new JA branches in Ibaraki, Shizuoka, Aichi, Okayama, Hiroshima, and Kochi prefectures.
- Continuing negotiations with JA to expand into new prefectures.



Sales Area
(Processed by SANIX based on Company A's website)

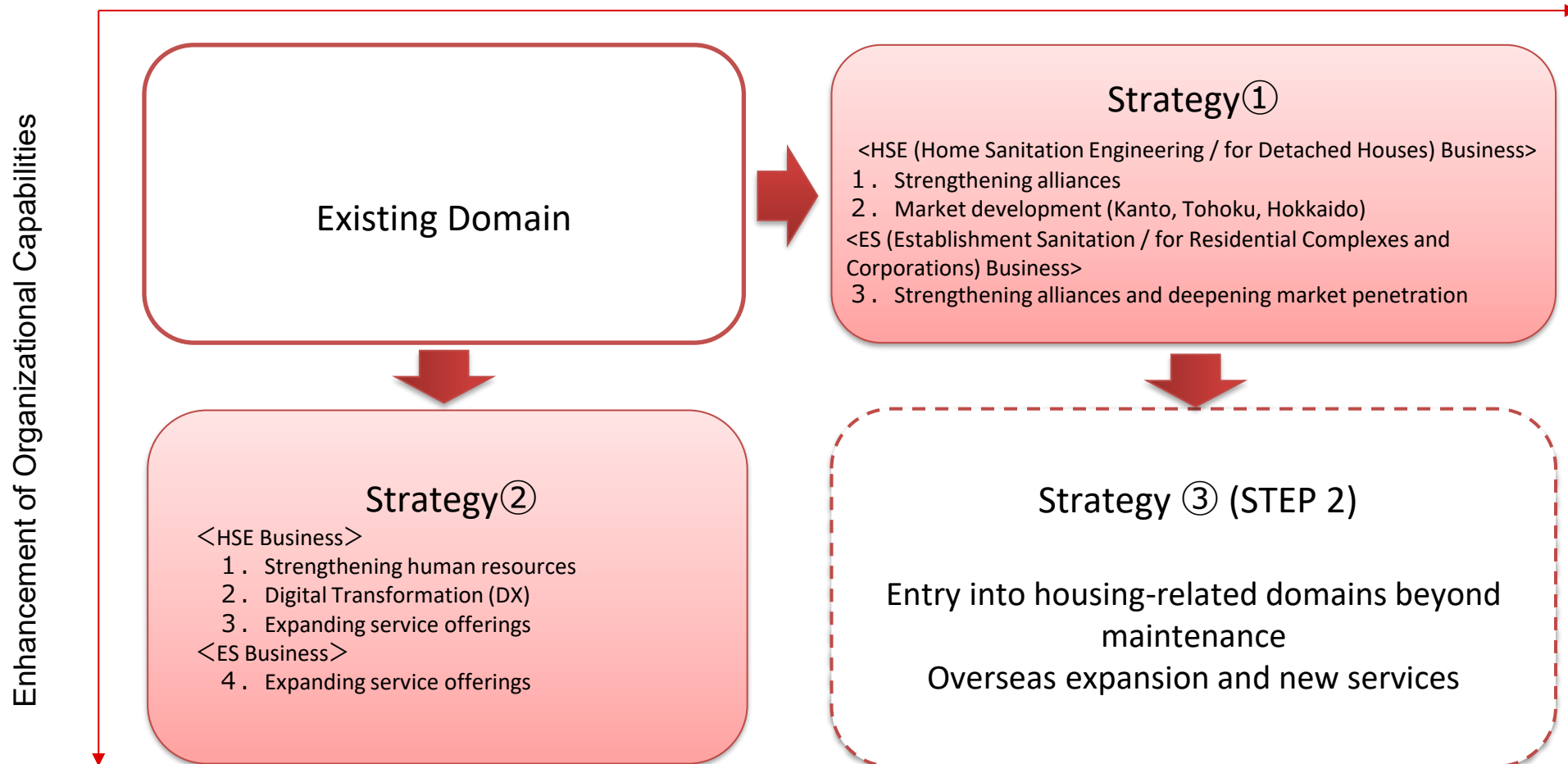


Distribution of sites

■ Strategy by Business Area ① Residential Environment Area (SANIX INC.)

➤ Strategic Bird's-eye View

Expansion of Markets and Customers

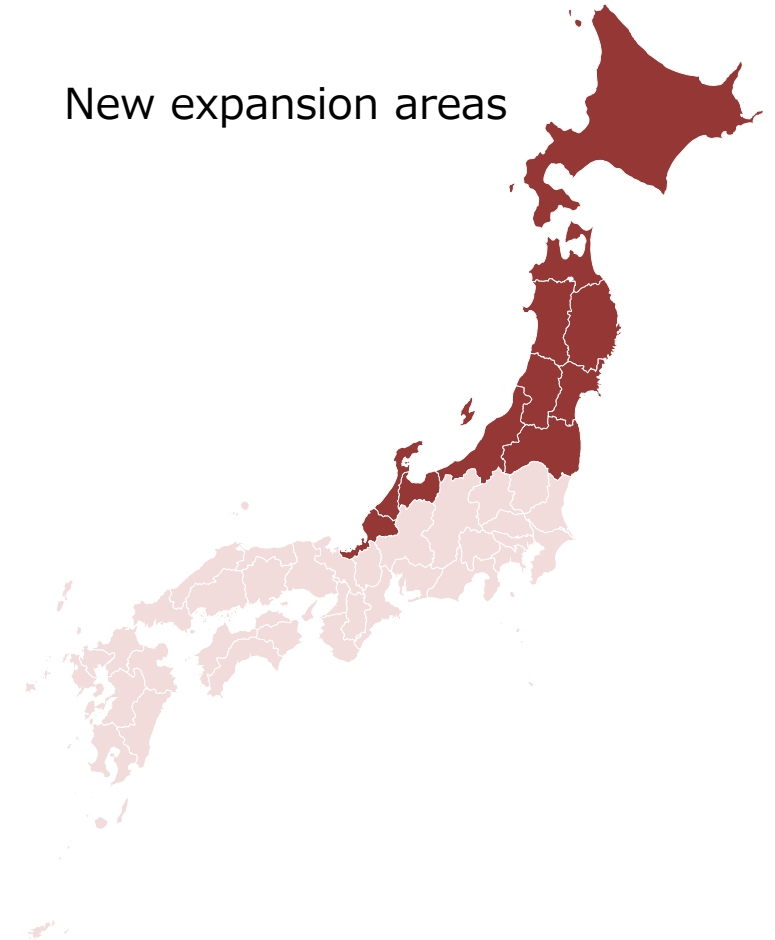


■ Strategy by Business Area ① Residential Environment Area (SANIX INC.)

➤ Strategy ①: Direction for Strengthening Alliances and Market Development (Kanto, Tohoku, Hokkaido)

HSE	1. Strengthening Alliances
	<Approach> • Expanding alliances with new local home builders. • Increasing referrals from existing partner builders in Northern and Tohoku areas. 
	2. Expansion into Kanto, Tohoku, and Hokkaido
	<Approach> • Promoting the development of new sites. • Industry consolidation through M&A (utilizing business succession opportunities, etc.). • Solving local issues and needs.

New expansion areas

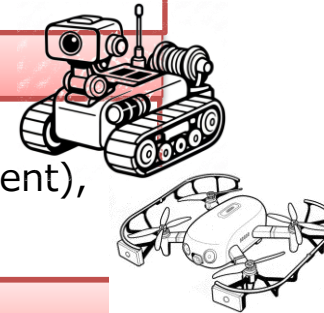


ES	3. Strengthening Alliances and Deepening Market Penetration
	■ Expanding the Network of Partner Management Companies The number of alliances with rental management companies is increasing steadily year by year. We will accelerate new customer acquisition while expanding services provided to existing partners to establish a solid revenue base. ■ Expanding the Solid Customer Base and Achieving Stable Growth By leveraging our steadily expanding customer base, we will maintain solid growth in the pest control business and other areas.

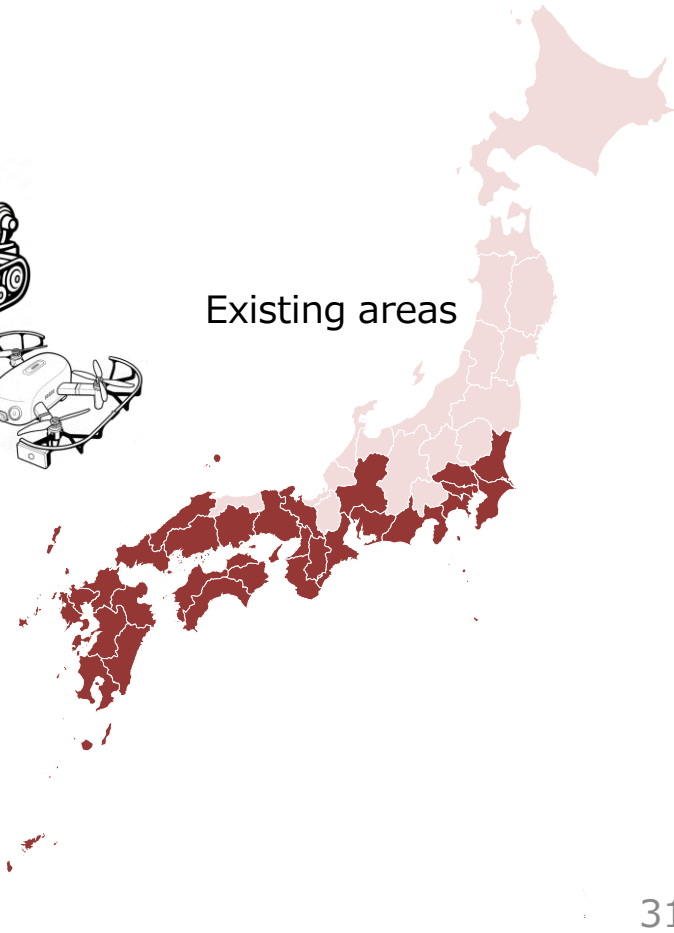
■ Strategy by Business Area ① Residential Environment Area (SANIX INC.)

➤ Strategy ②: Direction for 1. Strengthening Human Resources 2. DX and 3. Expanding Service Offerings

HSE	1. Strengthening Human Resources (Sales Capabilities) • Emphasizing profitability of existing personnel and increasing market share through new acquisitions. • To maintain the quality of our direct-to-consumer sales methods, we will not adopt a franchise (FC) strategy. (Technical Capabilities) • Addressing the diversity of detached houses through one-on-one training focused on field experience and practical cases. • Buddy system (succession of talent development). • Implementing group training for new technologies. • Addressing the Western drywood termite, which has recently begun to establish a presence in Japan.
	2. Digital Transformation • Exploring DX for underfloor inspections and surveys (underfloor inspection drones and robots). • Promoting diversity in sales personnel through DX (utilizing female and senior talent), leading to the securing of technical personnel.
	3. Expanding Service Offerings • Exploring new services related to housing preservation to maintain regular customer touchpoints.
ES	4. Expanding Services and Deploying High-Value-Added Equipment ■ Proposing High-Value-Added Equipment (UFB, etc.) Deploying products such as "UFB (Ultra Fine Bubble)" systems installed at the main water supply of entire buildings. Strengthening our appeal by simultaneously achieving "preservation of property asset value" by preventing pipe contamination and "enhancement of resident comfort" through beauty and cleaning effects.



Existing areas



■ Strategy by Business Area ② Energy Area (SANIX ENGINEERING INC.)

➤ S W O T

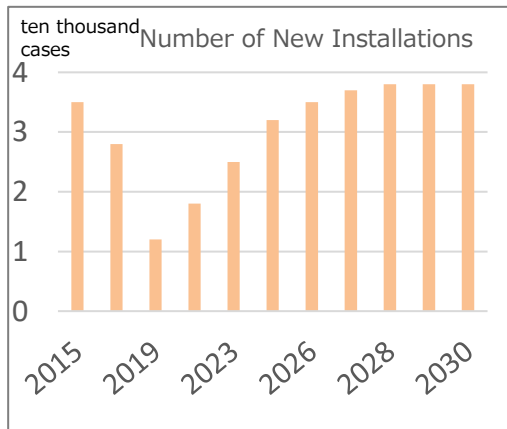
<Strengths> • O&M services based on the customer stock from the FIT era, and continuous demand for PV inverter (PCS) replacements. • For medium-scale panel capacity ranges, an integrated system (design, proposal, construction, procurement, and maintenance) and short construction periods. • Site survey capabilities using drones and short lead times (LT) for proposals (100 pilots, extensive flight track record, experience since 2017). • rack record of orders from major corporations and local governments, and established trust. • Possession of a panel recycling business within the Group, enabling sustainability-focused (SDGs) proposals. S	<Weaknesses> • Weaker bargaining power Opportunities or material cost reduction due to smaller scale compared to competitors. • Fewer opportunities for top-level sales due to being based in Fukuoka; low brand recognition in Tokyo. • Business domain is limited to solar power alone; unable to serve as a prime contractor for non-solar projects. • Limited capital strength. W
<Opportunities> • Continued trend toward renewable energy promotion. • Expansion of the grid-scale storage battery market. • Rising electricity prices. • Market expansion driven by new technologies (e.g., Perovskite solar cells). • Market expansion due to price reductions in lightweight panels. • Increasing demand for solar carports. O	<Threats> • Possibility of a slowdown in renewable energy promotion due to the restarting of nuclear power plants. • Increase in large-scale natural disasters and the trend toward uninsurability. • Increased component procurement costs caused by factors such as the weak yen. • Fluctuations in panel prices and regulations due to policy changes by the Chinese government. • Regulations and reputational damage affecting large-scale solar power generation. • Intense competition often leads to price wars, hindering our strength in "short lead times for proposals." T

■ Strategy by Business Area ② Energy Area (SANIX ENGINEERING INC.)

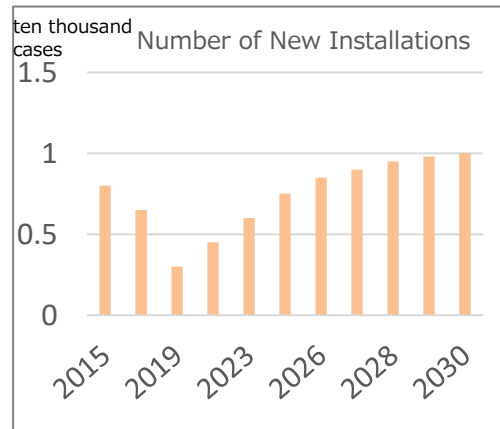
➤ Market Environment (Solar Power Equipment Market by Output Capacity)

- ✓ While solar power generation is increasing toward the achievement of carbon neutrality by 2050, trends vary depending on the capacity range.

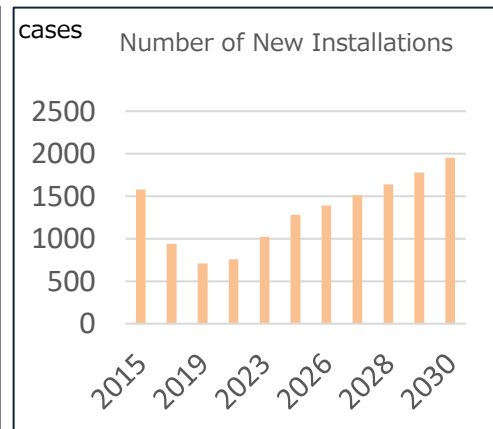
10kW or more, less than 50kW



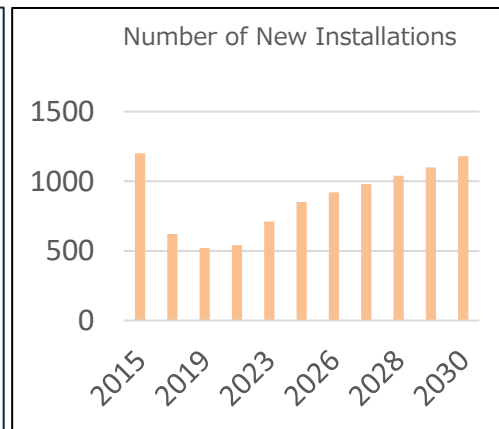
50kW or more, less than 500kW



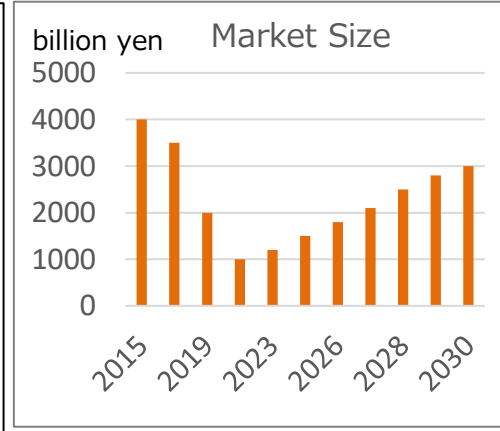
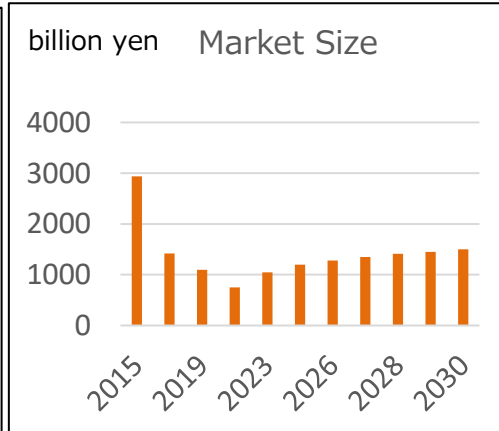
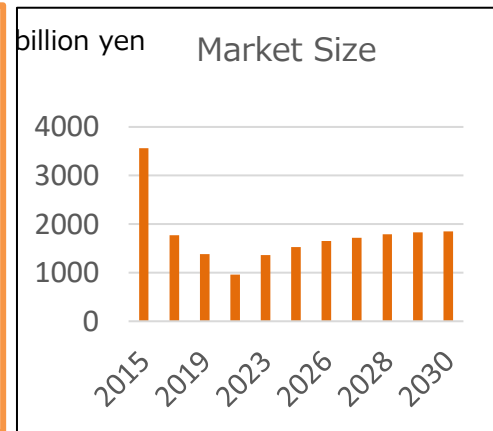
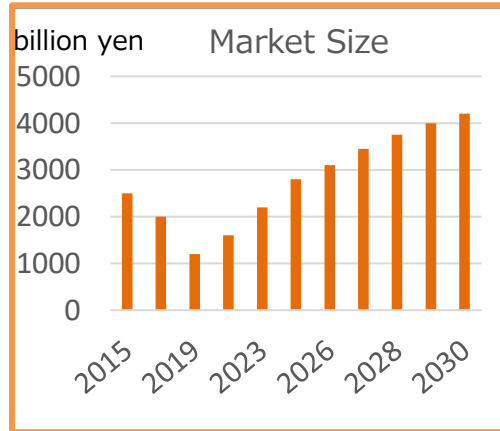
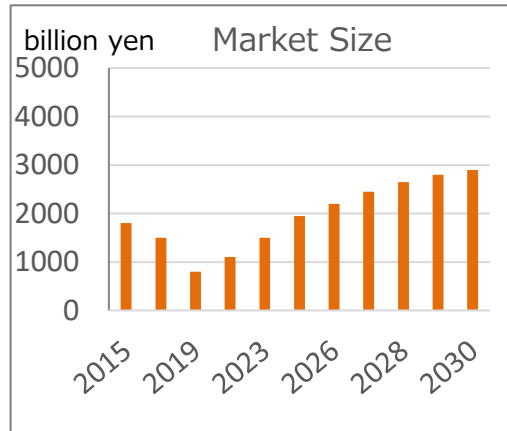
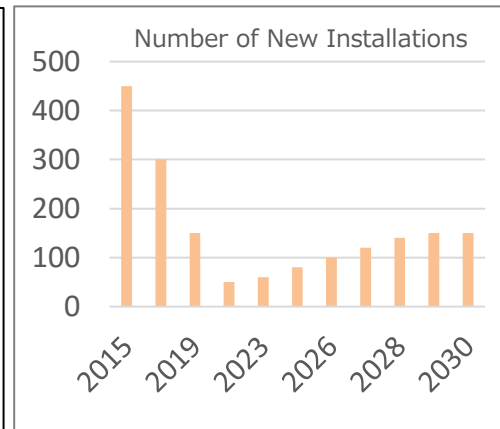
500kW or more, less than 1000kW



1000kW or more, less than 2000kW



2000kW or more



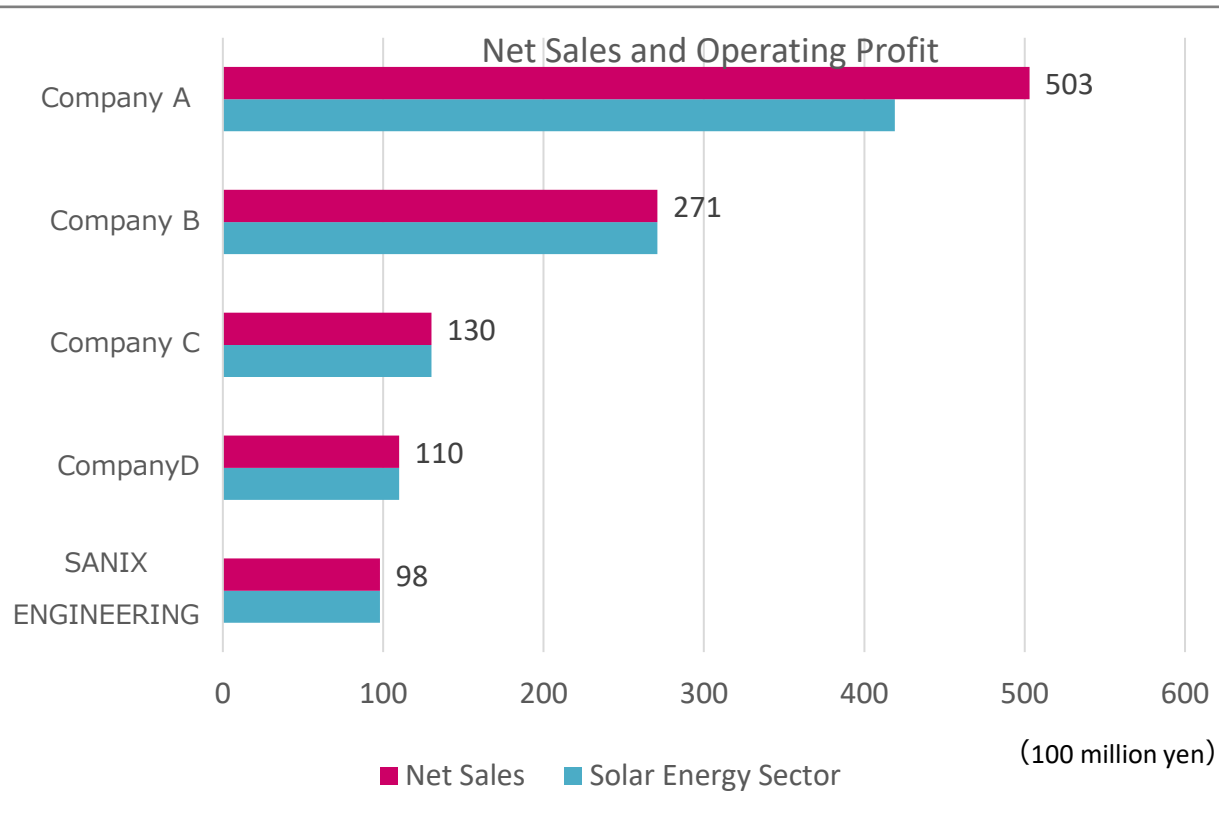
Source: Estimates based on METI (FIT/FIP system implementation results, number of certifications by capacity), OCCTO (grid information disclosure system data), and JPEA (statistical materials on market size and installation trends).

Source: Estimated values analyzed and integrated from METI (FIT certified capacity and purchase price trends), Agency for Natural Resources and Energy (policy materials), JPEA (annual installation statistical data), private research, market reports, etc.

■ Strategy by Business Area ② Energy Area (SANIX ENGINEERING INC.)

➤ Market Environment (Competition)

- ✓ Although we are smaller in scale compared to our competitors, our strength lies in the small-to-medium capacity range (50kW–500kW), where future growth is expected.



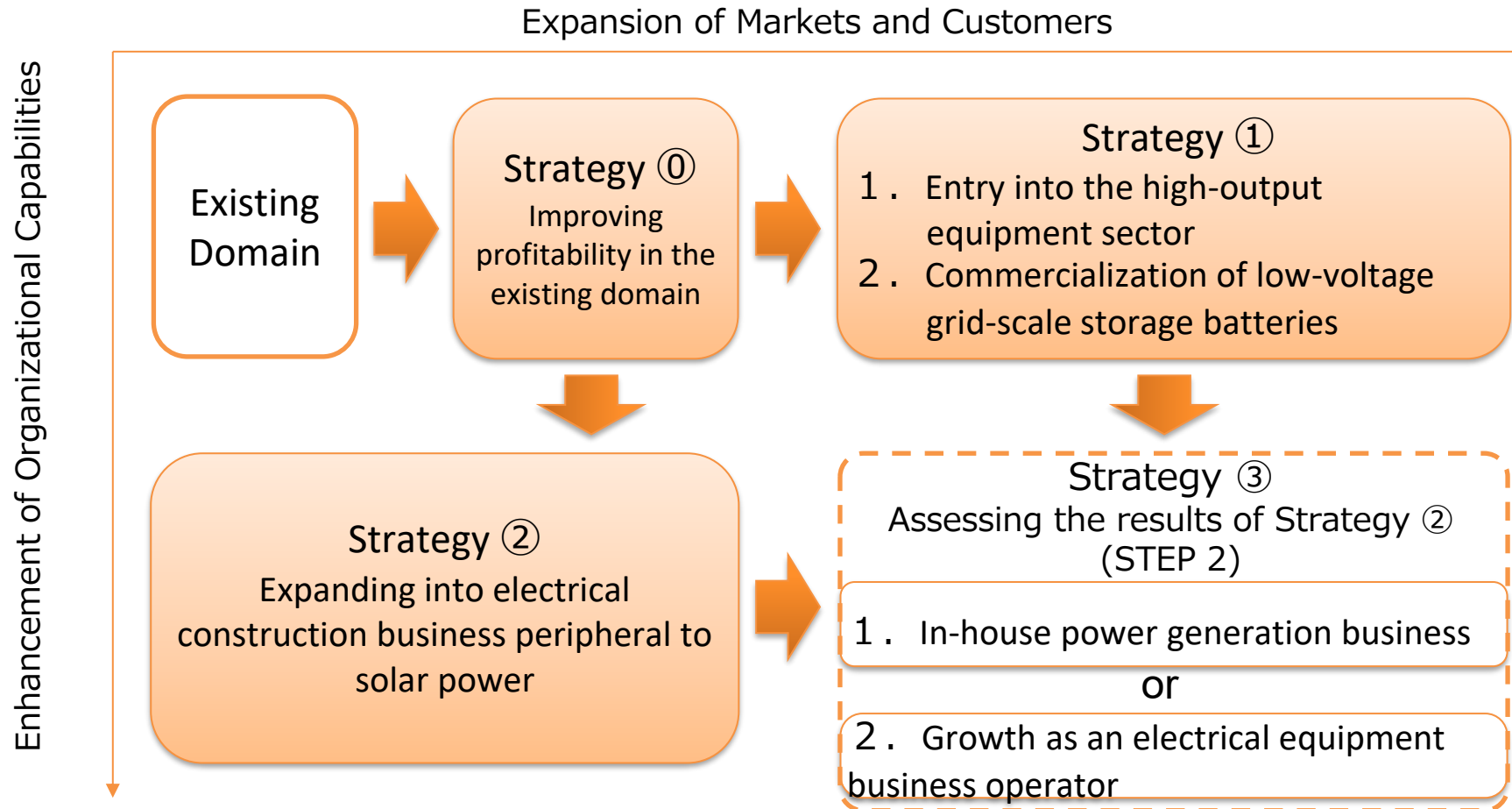
Source: Proprietary research based on consolidated financial results (Kessan Tanshin), public notices, business reports, trade journals, corporate PR, recruitment data, and prospectuses.

Expertise by Capacity Range					
	10kW ~ less than 50kW	50kW ~ 500kW	500kW ~ 1000kW	1000kW ~ 2000kW	2000kW or more
Company A					
Company B					
Company C					
Company D					
SANIX ENGINEERING					

Source: Proprietary research based on TSE disclosure materials, financial notices, press releases, Teikoku Databank, the Official Gazette, and sales performance in recruitment PR.

■ Strategy by Business Area ② Energy Area (SANIX ENGINEERING INC.)

➤ Strategic Bird's-eye View



■ Strategy by Business Area ② Energy Area (SANIX ENGINEERING INC.)

➤ Strategy ① Improving Profitability in the Existing Domain

1. Systematization

- Continued promotion of profit management for each individual project.
- Development of a subscription model for O&M periodic inspections.
- Capturing maintenance demand from third-party power plants → Aiming to capture orders during equipment replacement.

2. Developing Sales Capabilities

- Since the renewable energy business is subject to frequent rule changes, we aim to strengthen our information-gathering capabilities from political and business circles. → Active participation in various organizations and commencement of lobbying activities.
- Strengthening coordination, management, and organizational skills (coordination with clients, vendors, etc.) to handle large-scale projects.
- Codifying the know-how of top performers. Shifting from one-on-one instruction to the establishment of a dedicated training (education) department.
- Increasing the number of certified personnel capable of utilizing drones.

3. Maintaining Price Competitiveness

- Breaking away from dependence on outsourcing caused by a shortage of engineers.
- Enhancing the estimation and design department and establishing an education department. Strengthening the collaboration system with the development department.
- Expansion of the DDP (Delivered Duty Paid) model.
- Strengthening anti-theft products for O&M.
- Optimal selection of raw materials, (proactive testing and adoption of low-cost new products).

■ Strategy by Business Area ② Energy Area (SANIX ENGINEERING INC.)

➤ Strategy ①-1: Entry into the High-Output Equipment Sector

Target

- The market for mega-solar (2000kW or more) on land where environmental impact is a concern is expected to stop expanding.
- The market for large-scale solar (500kW~2000kW) on factory roofs and other sites is expected to continue expanding.

Output	Land	Roof	OM
10kW~50kW less than	Current	Current	Current
50kW~500kW less than	Next Target	Current	Current
500kW~1000kW less than		In progress	Next Target
1000kW~2000kW less than		In progress	Next Target
2000kW or more			

<Key Initiatives> : Internal System Development and Alliance

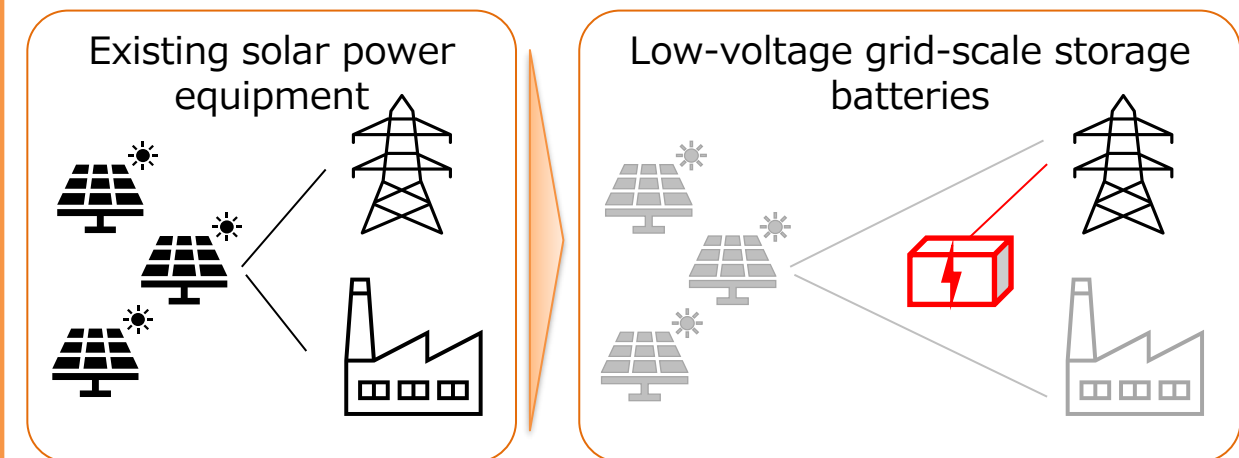
- Strengthening systems to handle larger projects (allocation of certified specialists, advancement of technical knowledge, securing budgets and funds).
- Collaborative systems with other companies and acquisition of capabilities through M&A.

➤ Strategy ①-2: Commercialization of Low-Voltage Grid-Scale Storage Batteries

Target

- Starting April 2026, entry into the supply-and-demand adjustment market for "low-voltage resources (low-voltage VPP)," such as residential storage batteries and small-scale solar power, has been deregulated.
- Expanding the introduction of low-voltage grid-scale storage batteries to the 30,000 existing corporate solar power installations constructed by SANIX.

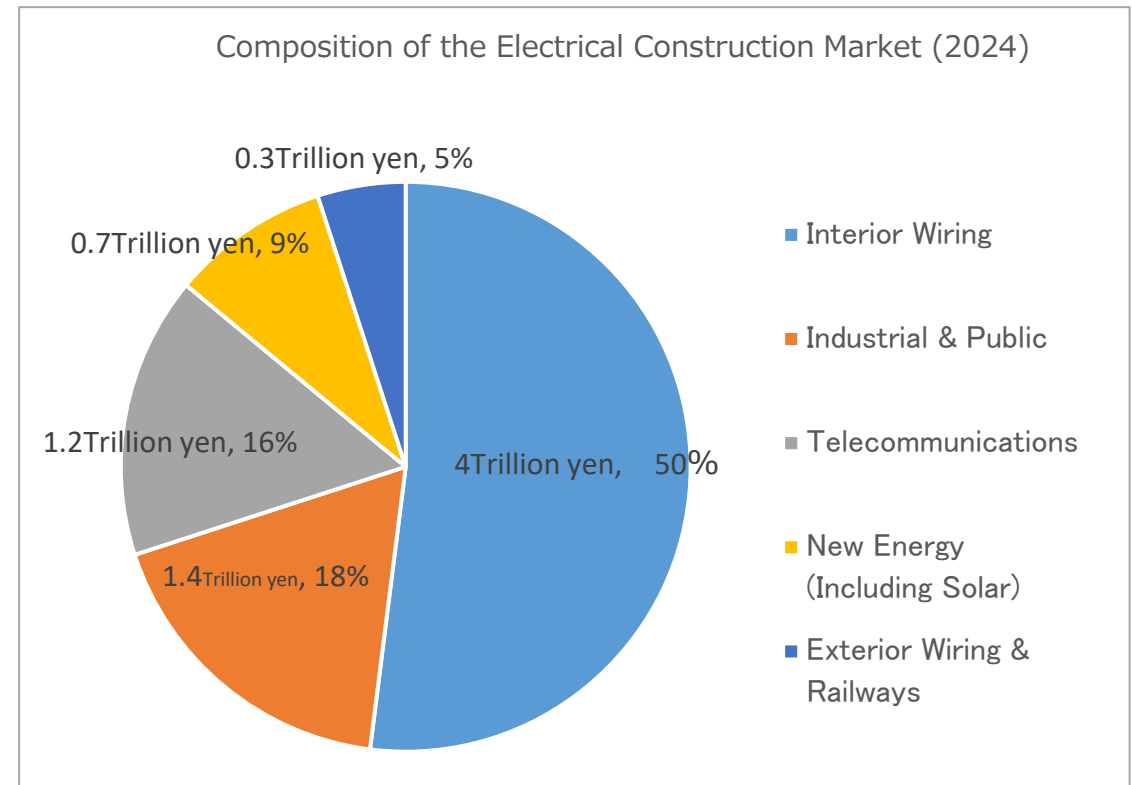
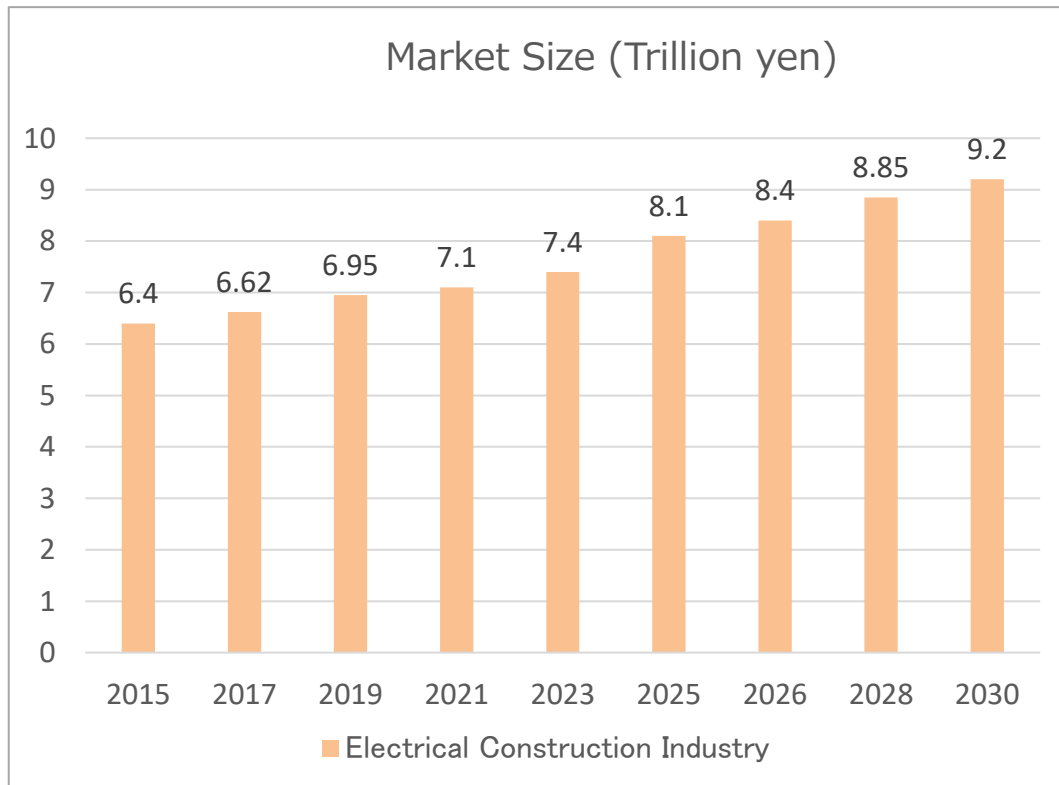
Business Model Image



■ Strategy by Business Area ② Energy Area (SANIX ENGINEERING INC.)

- Strategy ②: Towards Electrical Construction Business Peripheral to Solar Power
- ✓ Although the electrical construction market is not seeing explosive growth, it continues to show a gradual upward trend.

Market Environment for Electrical Construction



■ Strategy by Business Area ② Energy Area (SANIX ENGINEERING INC.)

➤ Strategy ②: Towards Electrical Construction Business Peripheral to Solar Power

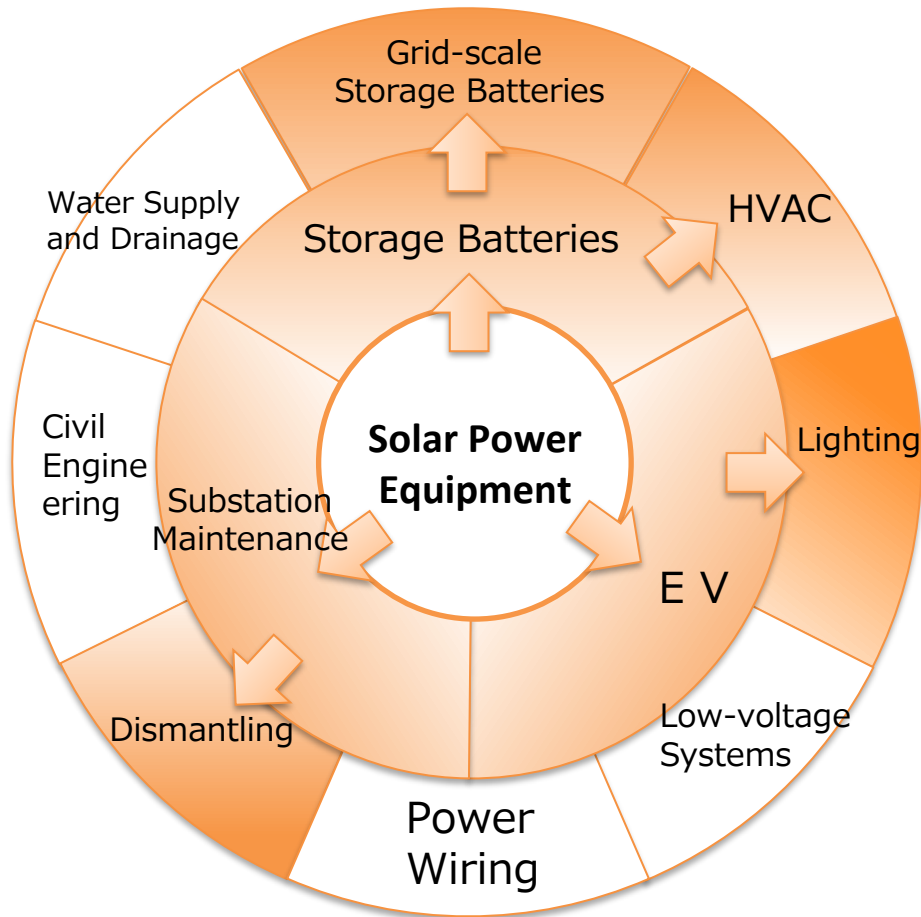
✓ We have a large number of licensed professionals required for the electrical construction business.

Type of Qualification	Scope of Work	Primary Work Sites	Fields with Ease of Entry	Our Licensed Personnel	Difficulty
First-Class Electrician	Private-use electrical facilities (under 500kW), general-use electrical facilities	Buildings, apartments, factories, warehouses, large commercial/public facilities	High: Interior wiring Mid-to-High: New energy and environmental construction Medium: Industrial and public facility construction	53 personnel	B
Second-Class Electrician	General-use electrical facilities (Low voltage: receiving under 600V)	Private homes, apartments, small shops/offices, small-scale solar power	Highest: Interior wiring work High: Telecommunications construction Mid-to-High: New energy and environmental construction	105 personnel	C
Class Electric Construction Management Engineer (1st class)	Large-scale projects requiring special construction licenses; can manage multi-billion yen projects	Skyscrapers, redevelopment areas, data centers, power plants, public infrastructure	Highest (Unrivaled): Interior wiring work Highest: Industrial and public facility construction High (Rapid growth sector): New energy and environmental construction	12 personnel	A
Class Electric Construction Management Engineer (2nd class)	Sites under general construction licenses (subcontract total < 45M yen, or < 70M yen for complete sets)	Housing developments, shops/offices, small-to-medium solar power (low to high voltage)	Highest: Interior wiring work High: New energy and environmental construction High: Telecommunications construction	20 personnel	B
Plumbing Construction Management Engineer (1st class)	HVAC, water supply/drainage, fire extinguishing, gas/steam piping, septic tanks/sewers	commercial facilities, hospitals, data centers, factories/plants	Highest: Interior wiring work High: New energy and environmental construction Medium: Telecommunications construction	0 personnel	A
Plumbing Construction Management Engineer (2nd class)	HVAC, water supply/drainage, fire extinguishing, gas/steam piping, septic tanks/sewers	Homes, apartments, shops/restaurants, small-to-medium offices	High: Interior wiring work High: New energy and environmental construction Medium: Telecommunications construction	3 Personnel	B

■ Strategy by Business Area ② Energy Area (SANIX ENGINEERING INC.)

➤ Strategy ②: Towards Electrical Construction Business Peripheral to Solar Power

✓ Leveraging in-house licensed professionals to expand into electrical construction businesses peripheral to solar power.

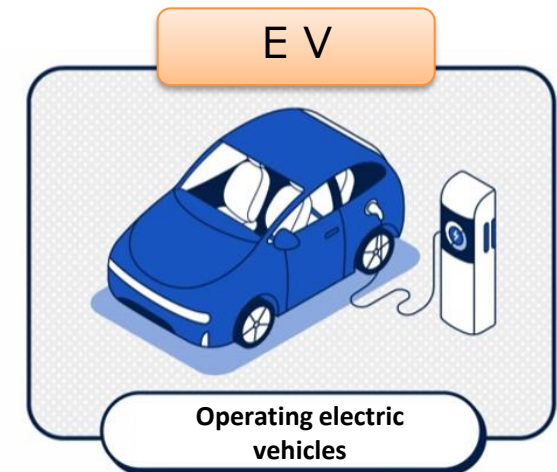
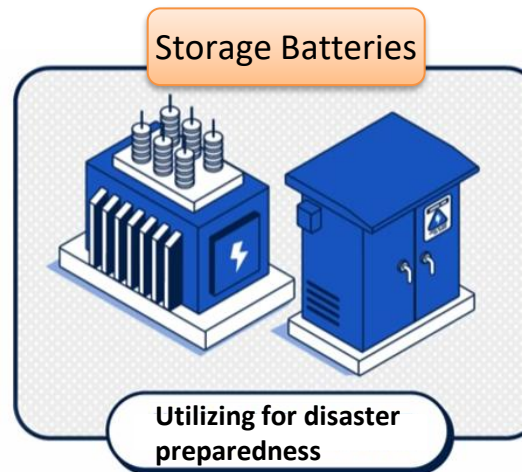


<STEP1>

✓ Moving from the existing domain of "Solar Power Equipment" into highly compatible areas: "Storage Batteries," "EVs," and "Substation Maintenance."

<STEP2>

✓ Further expanding into "HVAC," "Lighting," and solar power equipment "Dismantling."



Strategy by Business Area ③ Resource Circulation Area (SANIX RESOURCE DEVELOPMENT GROUP INC.)

➤ Due to the complexity of the Resource Development Group's business, we will explain it using a model.

1. Plastics Business + Power Generation Business + Landfill Business

Collection
of waste
plastic.

sorting

crushing

Plastics Business 15 plastic processing
plants nationwide.



Thermal power generation using
only waste plastic
The only one of its kind in the world

Power Generation Business
Tomakomai Power Plant



Subsidiary: SANIX ENERGY
INCORPORATED

Final disposal of
incineration ash

Landfill Business
Tomakomai Final
Disposal Site



Subsidiary: C&R INC.

Selling generated electricity
*Non-FIT non-fossil certificates,
CO2 emission-free.*

Electric power
companies and
trading firms

Acceptance of
industrial waste

External customers

Paper and
cement companies

Final
disposal operators

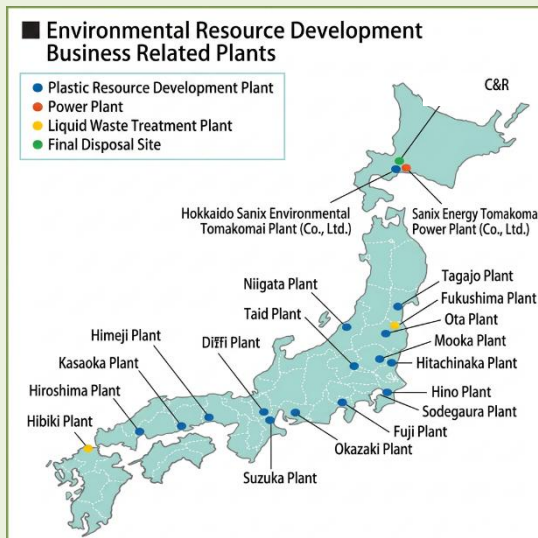
External sales as boiler fuel.

Non-recyclable items

Material recycling



Our business
domain



Strategy by Business Area ③ Resource Circulation Area (SANIX RESOURCE DEVELOPMENT GROUP INC.)

➤ Due to the complexity of the Resource Development Group's business, we will explain it using a model.

2. Waste Liquid Treatment Business (Hibiki Plant)



■ Strategy by Business Area ③ Resource Circulation Area (SANIX RESOURCE DEVELOPMENT GROUP INC.)

➤ S W O T

1. Plastics Business + Power Generation Business (SANIX ENERGY INC.) + Landfill Business (C&R INC.)

<Strengths : Plastics Business>

- 15 plants nationwide, enabling service across all regions.
- No. 1 collection capacity with top market share in waste plastic.
- Superior sorting capabilities, can handle materials difficult for competitors.
- No scheduled maintenance shutdowns, allowing customers to bring in waste at any time.

S

<Strengths : Power Generation Business>

- Possession of an in-house supply chain that utilizes waste plastic as power generation fuel instead of simple final disposal (landfilling).

<Strengths : Landfill Business>

- High profitability.
- Room for expansion at the current site, no local resident opposition due to its location in an industrial park.
- Capable of handling 15 out of 20 industrial waste categories (including specially controlled waste).

O

<Opportunities : Plastics Business>

- Rising global environmental awareness.
- Increasing demand for waste plastic (demand for resource recovery).
- High entry barriers as "arterial industries" (manufacturing) find it difficult to enter "venous industries" (recycling) due to reputation risks.

<Opportunities : Landfill Business>

- Strong demand for infrastructure renewal in Hokkaido, ensuring stable industrial waste demand.

<Weaknesses : Plastic & Power Generation Business>

- Aging facilities, particularly at Sanix Energy.
- Necessity for alternative external sales channels and exit strategies for plastic in preparation for power plant shutdowns.

<Weaknesses : Landfill Business>

- Located only in Hokkaido; transporting waste from outside Hokkaido is not feasible.
- Permitting process for expansion requires significant time.

W

<Threats : Plastics Business>

- Decrease in waste plastic generation volume.
- Potential for thermal recycling to no longer be recognized as a valid method.
- Logistics for transporting waste plastic to power plants becoming more difficult.
- Decrease in external sales channels due to closures of cement and paper mills.

<Threats : Power Generation Business>

- Volatility in the electricity market.

T

Strategy by Business Area ③ Resource Circulation Area (SANIX RESOURCE DEVELOPMENT GROUP INC.)

➤ Market Environment (Plastics Business)

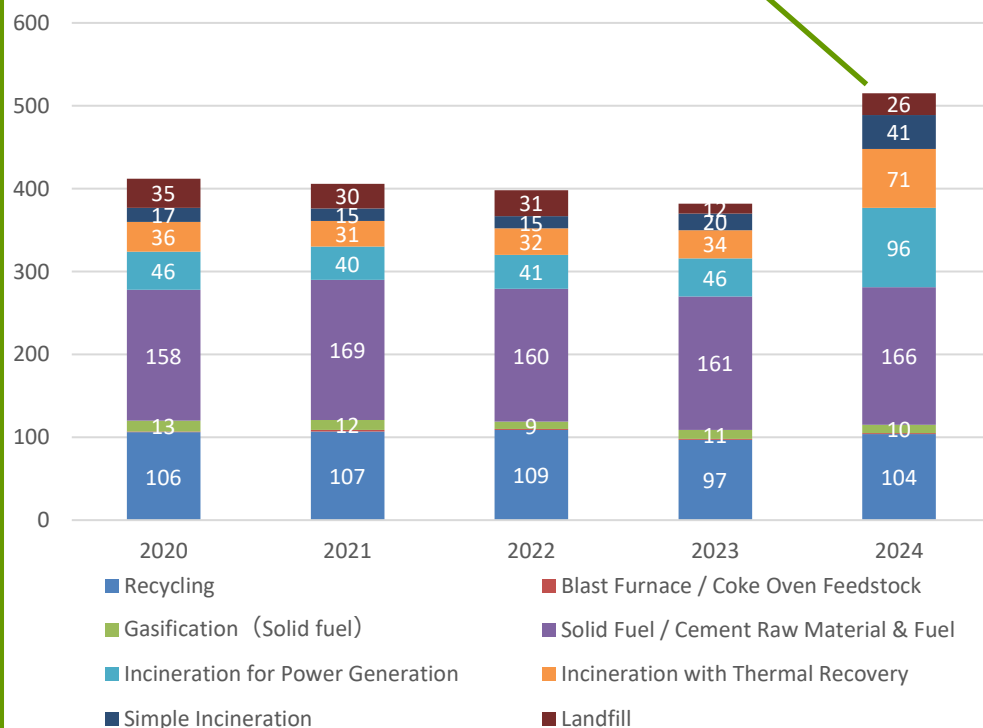
- ✓ While plastic waste generation is projected to gradually decrease, the volume processed domestically remains stable.
Material recycling is expected to increase.

Reasons for Rapid Increase

The increase is due to more plastic appearing in statistics as recycling targets following the full-scale implementation of the Plastic Resource Circulation Act (enforced April 2022), and the inability to export contaminated plastic due to tighter import regulations in Asian countries. Most of this increase is currently being diverted to incineration.

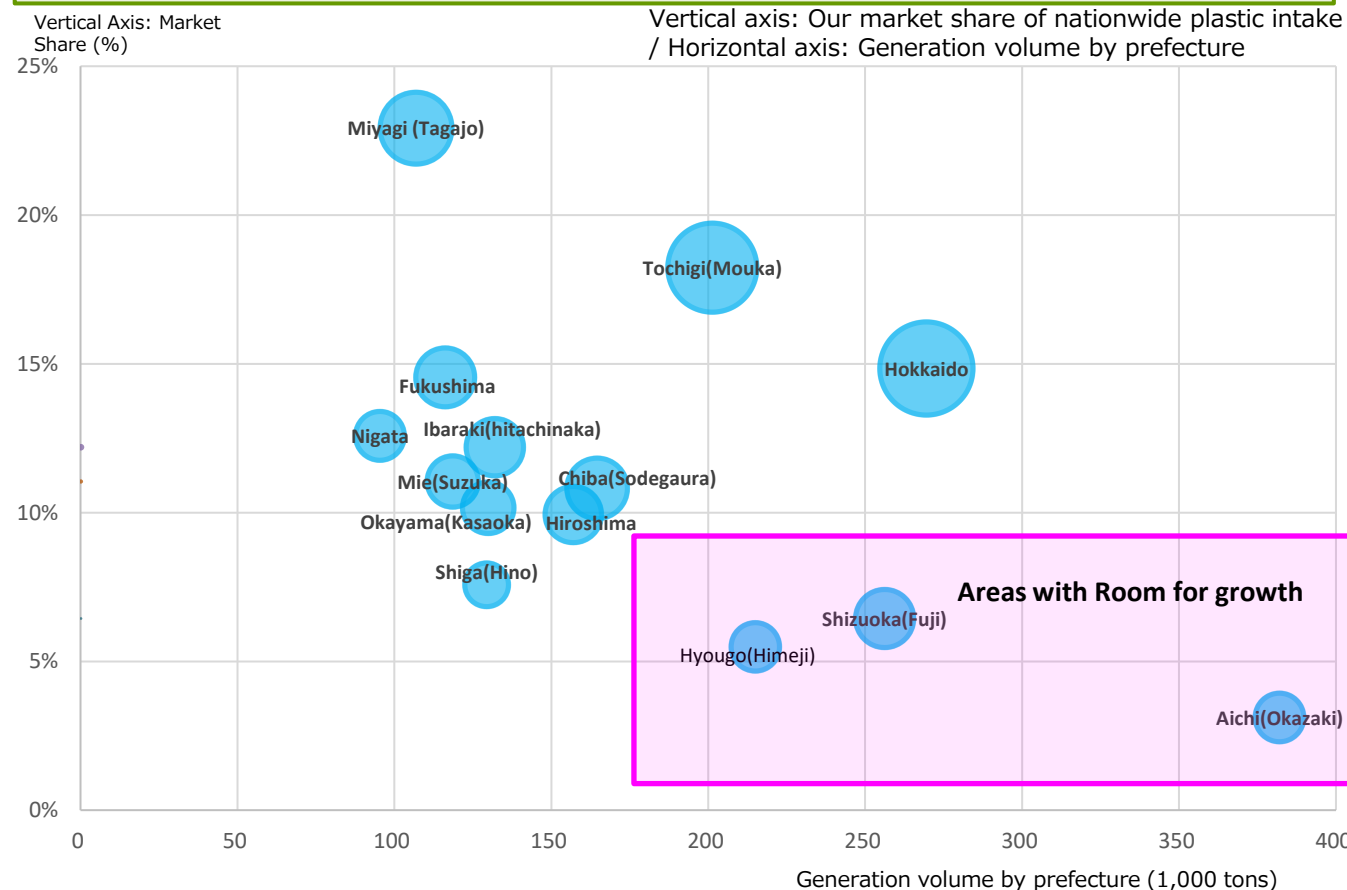
Unit: 10,000 tons

Volume of Industrial Plastic Waste Processed



Our plant's market share relative to the generation volume in each prefecture. Bubble size represents our intake volume.

Note: Our Ota Plant (Gunma) is excluded as its 132% share is an outlier due to high intake from outside the prefecture.



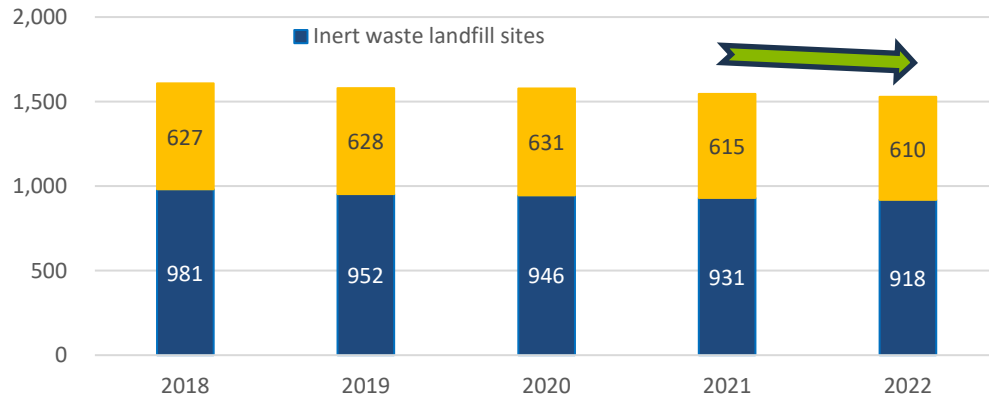
■ Strategy by Business Area ③ Resource Circulation Area (SANIX RESOURCE DEVELOPMENT GROUP INC.)

➤ Market Environment (Landfill Business)

- ✓ The number of permits for final disposal sites is gradually decreasing, with a concentration in Hokkaido.

- ✓ We have secured a reasonable market share within Hokkaido, with room for unit price increases.

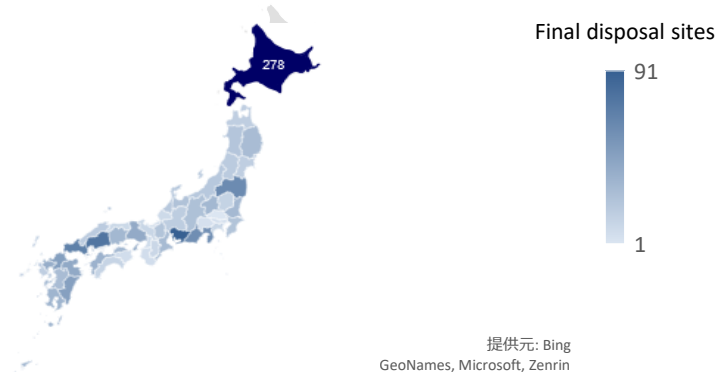
Trends in the Number of Facility Installation Permits for Final Disposal Sites (Nationwide)



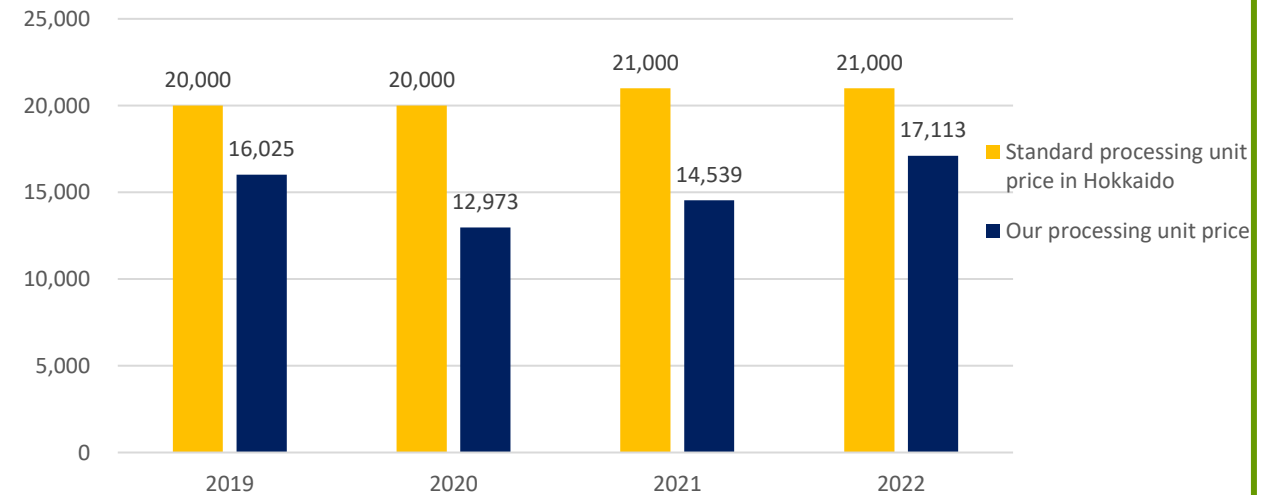
Our Market Share in the Final Disposal Business (Within Hokkaido)
(FY March 2025 Actual)

$$\frac{83,210\text{t}}{855,000\text{t}} = 9.7\%$$

Heat Map of Final Disposal Site Installation Permits



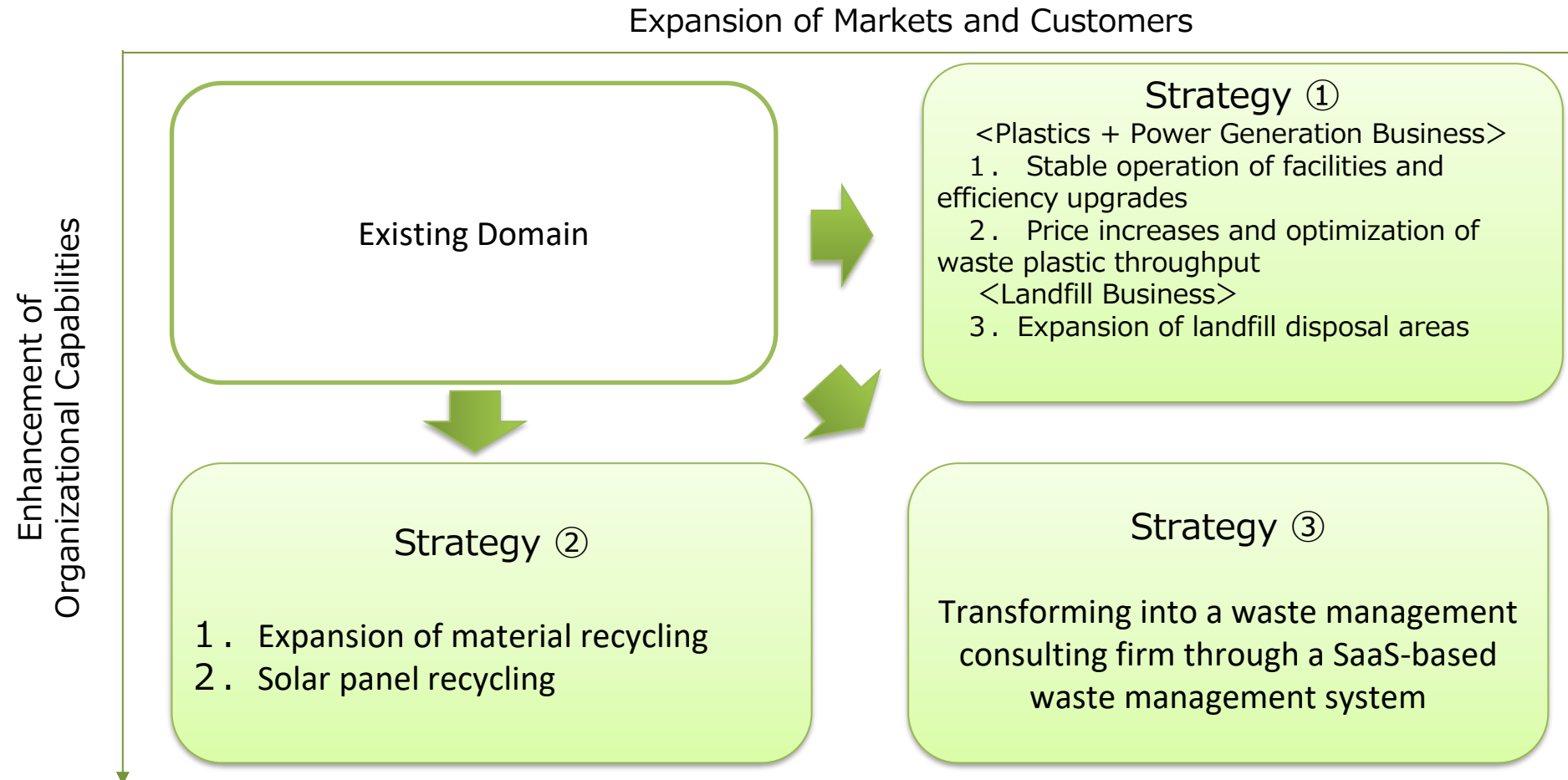
Trends in processing unit price



*Source: Hokkaido Waste Management Plan (6th Edition)

Strategy by Business Area ③ Resource Circulation Area (SANIX RESOURCE DEVELOPMENT GROUP INC.)

➤ Strategic Bird's-eye View (Plastics + Power Generation + Landfill)



■ Strategy by Business Area ③ Resource Circulation Area (SANIX RESOURCE DEVELOPMENT GROUP INC.)

➤ Strategy ①: Plastics + Power Generation + Landfill

1. Stable Operation of Facilities and Efficiency Upgrades

<Waste Plastic Business>

1. Aiming to improve stable operation and efficiency through planned maintenance and investment.

<Power Generation Business>

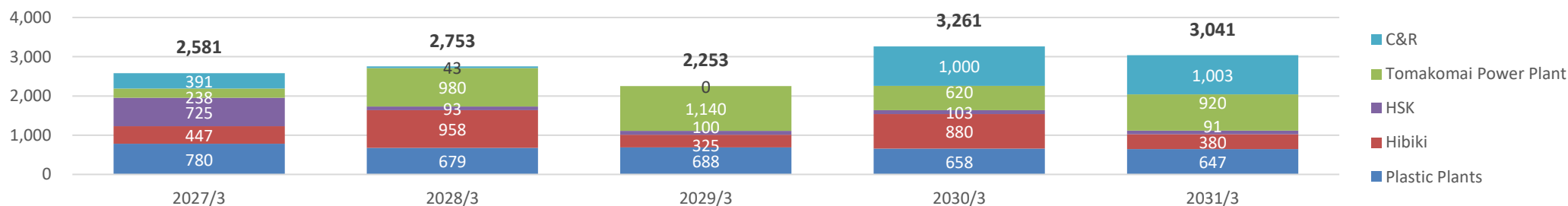
1. FY March 2027: Full capacity (Target: 289 operating days; periodic maintenance in spring and autumn).

2. FY March 2028: Statutory boiler inspection (Target: 280 operating days. 2 months scheduled).

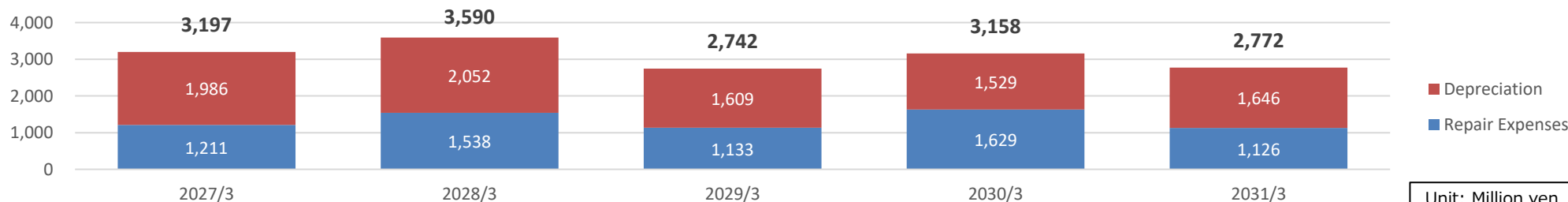
3. FY March 2029: Full capacity (290 operating days).

4. FY March 2030: Statutory boiler and turbine inspection (260–280 operating days).

Capital Investment



Repair Expenses and Depreciation



Unit: Million yen

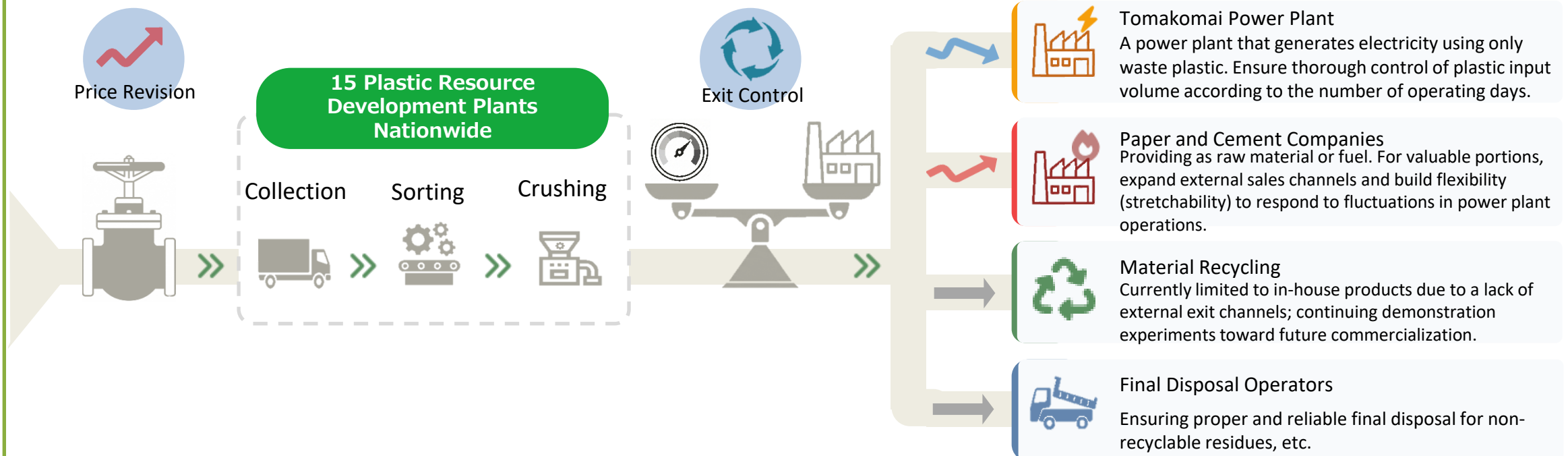
Strategy by Business Area ③ Resource Circulation Area (SANIX RESOURCE DEVELOPMENT GROUP INC.)

➤ Strategy ①: Plastics + Power Generation + Landfill

2. Price Increases and Optimization of Waste Plastic Throughput

1. Curbing total throughput through price revisions (price increases).
2. Implementing exit control of waste plastic in synchronization with power plant operations.

➡ Future Outlook (Four Exit Controls)



■ Strategy by Business Area ③ Resource Circulation Area (SANIX RESOURCE DEVELOPMENT GROUP INC.)

➤ Strategy ①: Plastics + Power Generation + Landfill

3. Expansion of Landfill Disposal Areas

Total Site Area: 525,745.48㎡

- Approx. 11 times the size of Tokyo Dome (46,755 ㎡)

- Equivalent in size to Tokyo Disneyland (510,000 ㎡)

- Phase 6-I
Currently in operation.
Capacity: 401,050㎡
- Phase 6-II
Construction completed. Awaiting permit.
Scheduled to start operation in Summer FY2026.
Capacity: 415,380 ㎡ (Equivalent to 7 years of operation).
- Phase 7
Land acquired. Construction scheduled for FY2026 (Equivalent to an estimated 13 years of operation).
- Phase 8 Under negotiation.

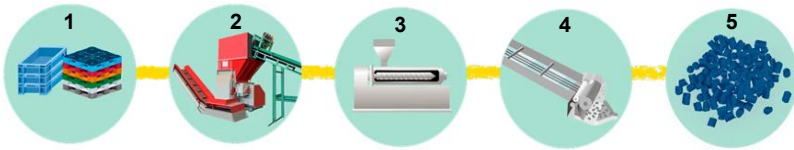


Strategy by Business Area ③ Resource Circulation Area (SANIX RESOURCE DEVELOPMENT GROUP INC.)

➤ Strategy ②

1. Expansion of Material Recycling

- Commencing full-scale entry into material recycling by introducing a pelletizer at the Fuji Plant.



1. Sorting collected waste pallets by material.
2. Fine crushing using a crusher.
3. Melting using an extruder.
4. Cutting into pellets.
5. Completion.



Pelletizing machine scheduled for introduction (Source: From the catalog of FUKURO INDUSTRIAL CO., LTD.)

2. Solar Panel Recycling

- Conducted demonstration experiments for solar panel recycling in FY March 2026.
 - ✓ Cost of decomposing into recyclable materials.
 - ✓ Difficulty of glass recycling.
 - ✓ Collection of waste panels.
- Judged that there is currently no business viability with existing technology due to the challenges mentioned above.

April 2026: Cabinet decision on the "Mandatory Solar Panel Recycling."
Scheduled for enforcement between late 2027 and early 2028.
Plan for full-scale recycling implementation in the late 2030s.

- Continuing demonstration experiments with a focus on the future.

Strategy by Business Area ③ Resource Circulation Area (SANIX RESOURCE DEVELOPMENT GROUP INC.)

- Strategy ③: Transforming into a Waste Management Consulting Firm through a SaaS-based Waste Management System

Becoming a waste management consulting firm centered on "Kankyo Ace Ichigen-kun"

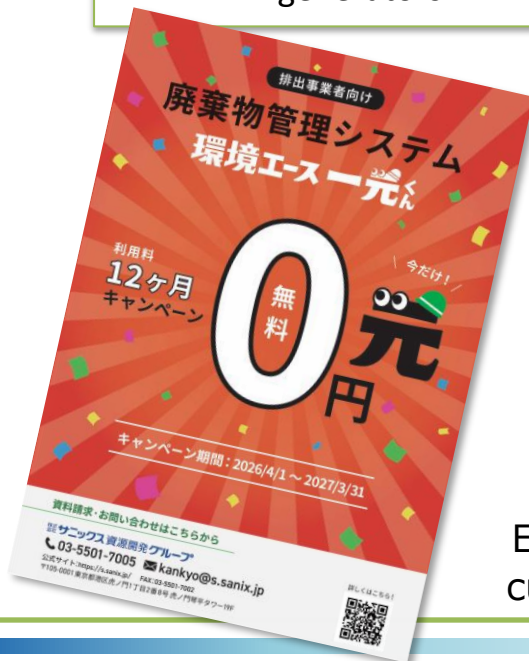
1. "Kankyo Ace Ichigen-kun" (for Waste Generators) Now on Sale

What is Kankyo Ace Ichigen-kun?
A SaaS-based waste management system designed for waste generators.

April 2026: 1,820 sites
from 524 companies
contracted.

From April 2026:
Expansion Campaign for
increasing adoption.

March 2029
Target: 10,000
sites.



Scan here for details!



From April 2026:
Expansion Campaign
currently in progress.

2. Consulting to solve customers' "industrial waste issues" by leveraging waste management data from "Kankyo Ace Ichigen-kun."

Quantitative evaluation report service
based on collected data and proposals
for waste treatment improvements.

Industrial waste consulting
business: Synergy effect
through directing customers
to our existing core
operations.

■ Strategy by Business Area ③ Resource Circulation Area (SANIX RESOURCE DEVELOPMENT GROUP INC.)

➤ SWOT

2. Waste liquid Treatment Business (Hibiki Plant)

<Strengths>

- Possession of a "secret formula" (microbial treatment process) capable of processing waste liquid that is difficult for other companies to handle.
- Accumulated recycling know-how in areas such as Bio-recycled oil, sludge-to-fuel, and SAF feedstock.
- **Capacity** to handle large-scale projects.
- Strong in organic waste liquid (whereas competitors are strong in inorganic waste liquid).

S

Note: Verification report on the "Secret Formula" follows on the next page.

<Opportunities>

- Rising global environmental awareness regarding fuel conversion (waste-to-energy).
- Growing overseas demand.

O

<Weaknesses>

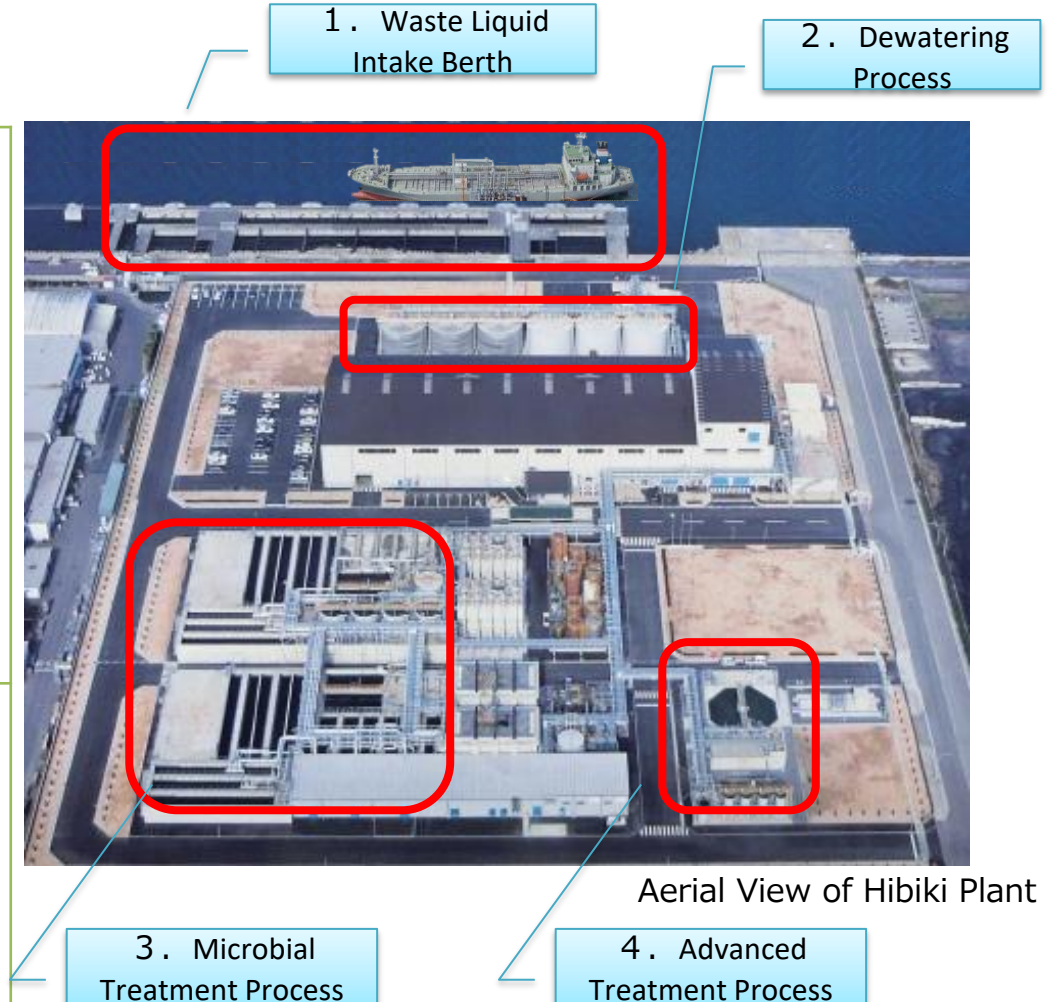
- Located **only in Kitakyushu**, making waste intake from areas east of Tokyo difficult.
- Bio-recycled oil is sold out, and we are facing challenges in **collecting enough Waste liquid to meet demand**.

W

<Threats>

- High dependence on land and marine transport for waste intake, with concerns over surging transportation costs.

T



Strategy by Business Area ③ Resource Circulation Area (SANIX RESOURCE DEVELOPMENT GROUP INC.)

- S W O T (Analysis of the "Secret Formula," Hibiki Plant's core strength)
- ✓ The microbial treatment process inhabits **"active"** microorganisms with high individual processing capacity and the ability to withstand high organic loads.
- ✓ Of the two systems (Lines A and B), Line A is rich in **Archaea**, which provide stable nitrification under stressed environments (e.g., low temperature, low nutrition). Line B contains many **Eubacteria** that process high-load waste liquid at high speed and efficiency (*1).
- ✓ By using a continuous treatment process from Line B to Line A, we possess a unique competitive advantage: achieving **"High-load/High-speed processing"** followed by "Stable processing under stressed environments."

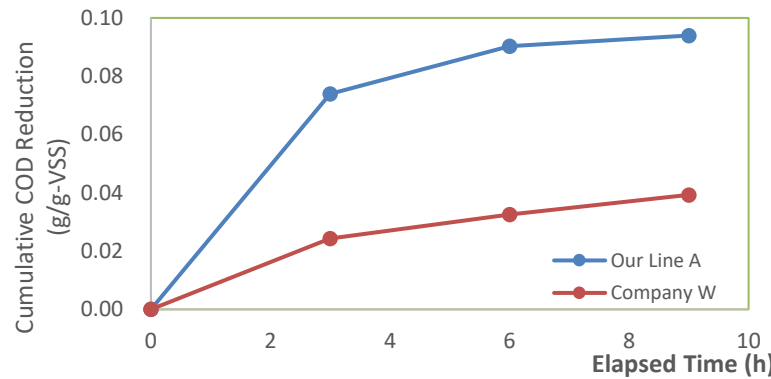
<COD Reduction per 1g of Microorganisms (※2)>

※1: Survey by Chugai Technos Co.Kanto Environmental Technology Center, Dec 2, 2025.

※2: Internal survey by our Hibiki Plant, Dec 2, 2025.

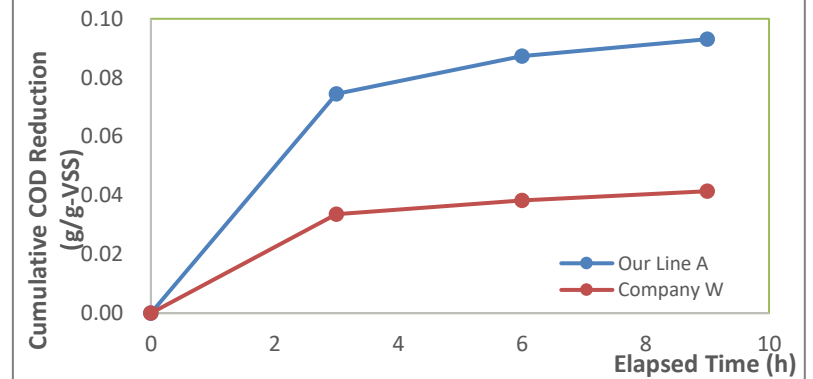
Decomposition of Sake

Sample: (1) Sake
Volumetric Load:
approx.
0.8kg-BOD/ m³ · day



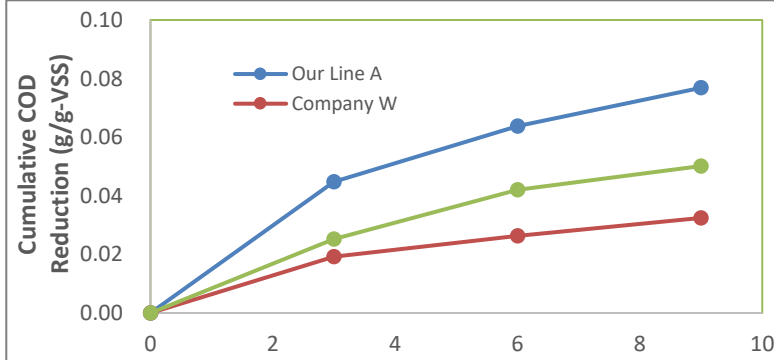
Decomposition of Seasoning

Sample: (2) Seasoning liquid
Volumetric Load: approx.
0.8kg-BOD/m³ · day



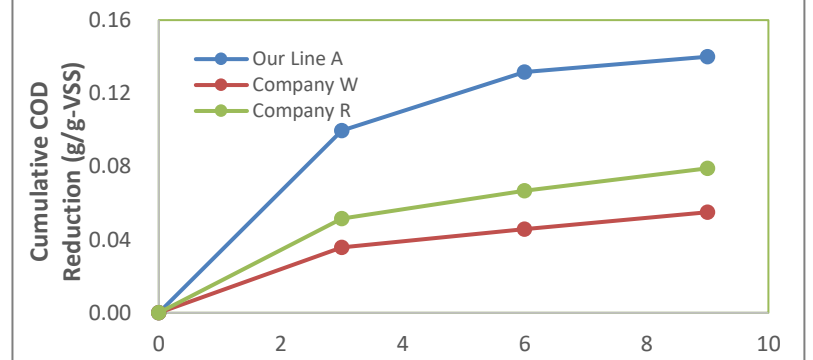
Decomposition of Chemical Plant waste liquid

Sample: (3) Chemical plant waste liquid
Volumetric Load: approx.
0.7kg-BOD/m³ · day



Decomposition of Sake (High Load)

Sample: (1) Sake
Volumetric Load: approx.
1.2kg-BOD/m³ · day
Note: Organic load is 1.5 times that of Condition 1.

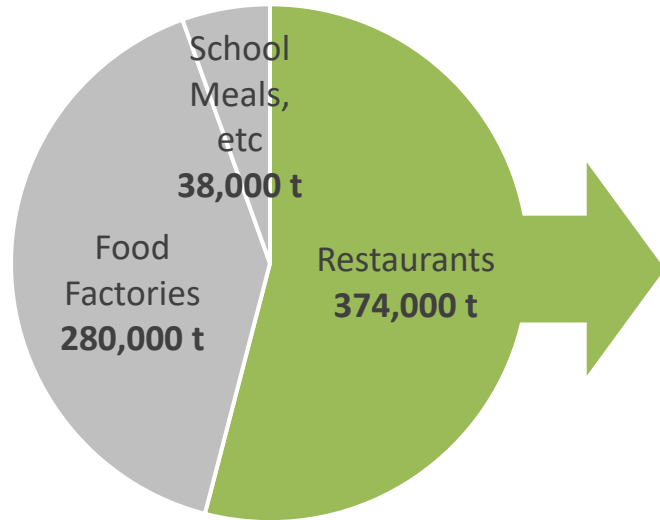


■ Strategy by Business Area ③ Resource Circulation Area (SANIX RESOURCE DEVELOPMENT GROUP INC.)

- Market Environment (Waste Liquid Treatment Business)
- ✓ We hold the top market share in grease trap sludge processing. Regulations for proper industrial waste disposal are trending toward stricter enforcement.

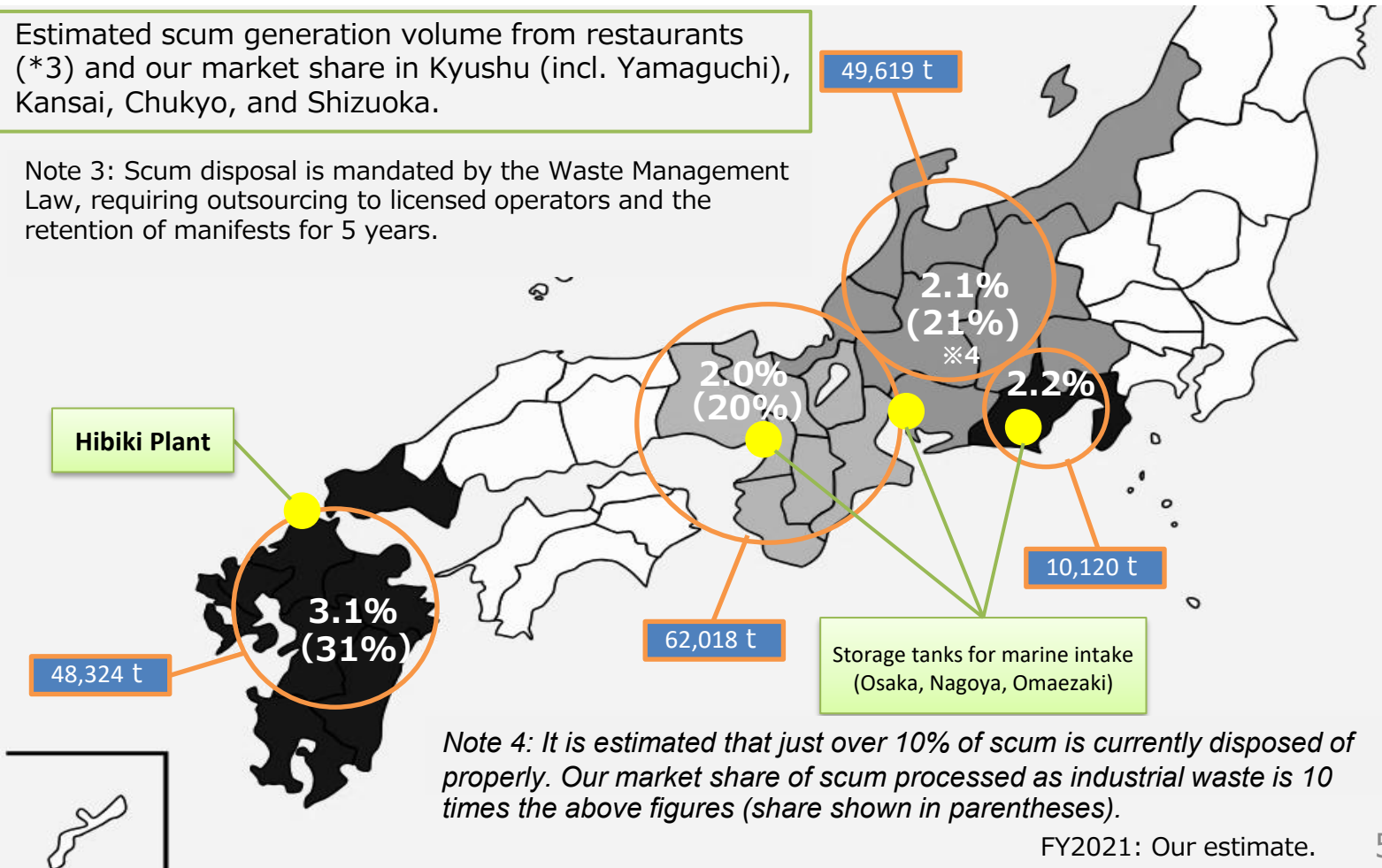
Note 1: A grease trap is a device in commercial kitchens that separates and traps oils and food scraps from waste liquid. Installation is mandatory.

Nationwide Grease Trap (Scum) Generation Volume



Estimated scum generation volume from restaurants (*3) and our market share in Kyushu (incl. Yamaguchi), Kansai, Chukyo, and Shizuoka.

Note 3: Scum disposal is mandated by the Waste Management Law, requiring outsourcing to licensed operators and the retention of manifests for 5 years.



The generation volume of scum (*2) that serves as raw material for recycled oil from restaurants is 374,000 tons.

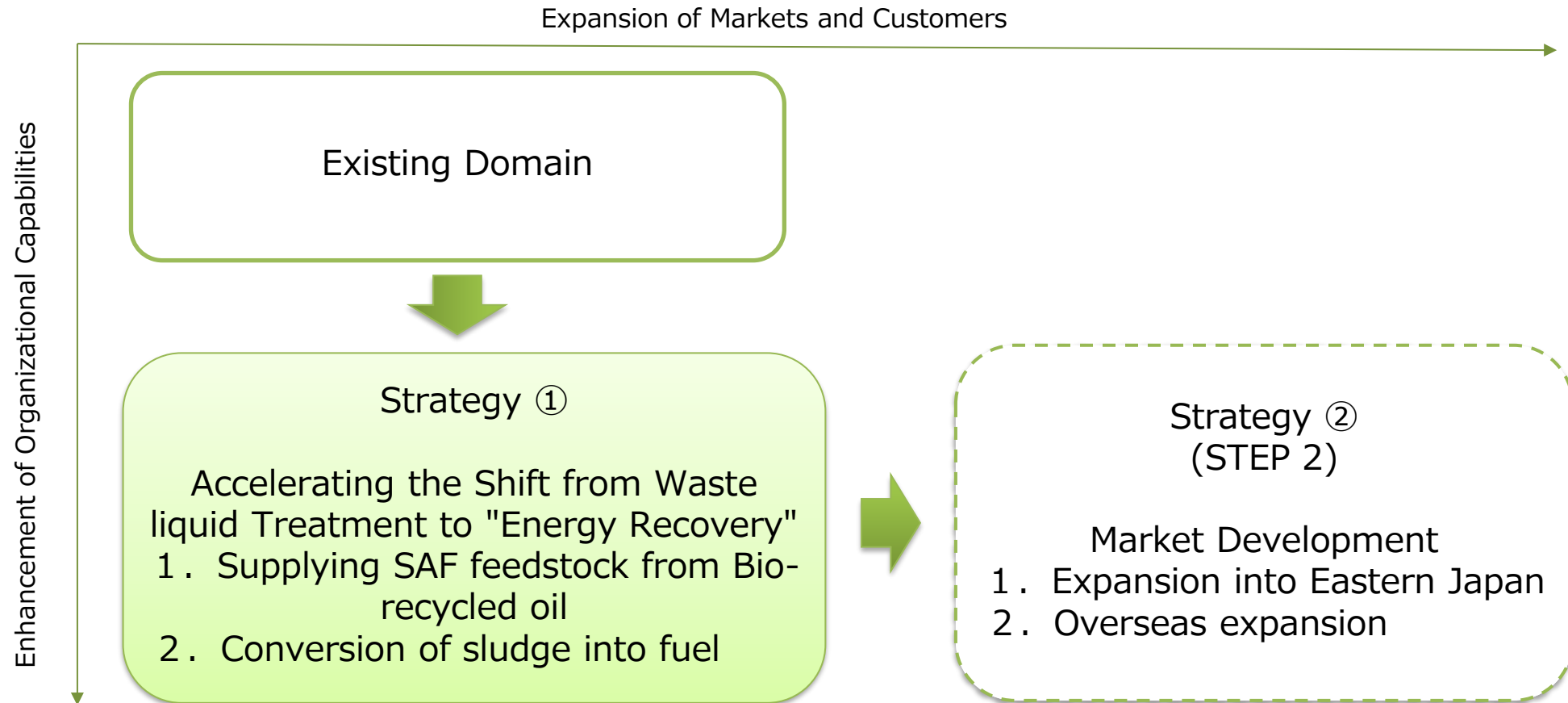
Source: Materials from the National Oil and Fat Association.

Note 2: Scum refers to foam or solid oil/fat residue that floats on the surface of kitchen waste liquid after cooling.

Note 4: It is estimated that just over 10% of scum is currently disposed of properly. Our market share of scum processed as industrial waste is 10 times the above figures (share shown in parentheses).

■ Strategy by Business Area ③ Resource Circulation Area (SANIX RESOURCE DEVELOPMENT GROUP INC.)

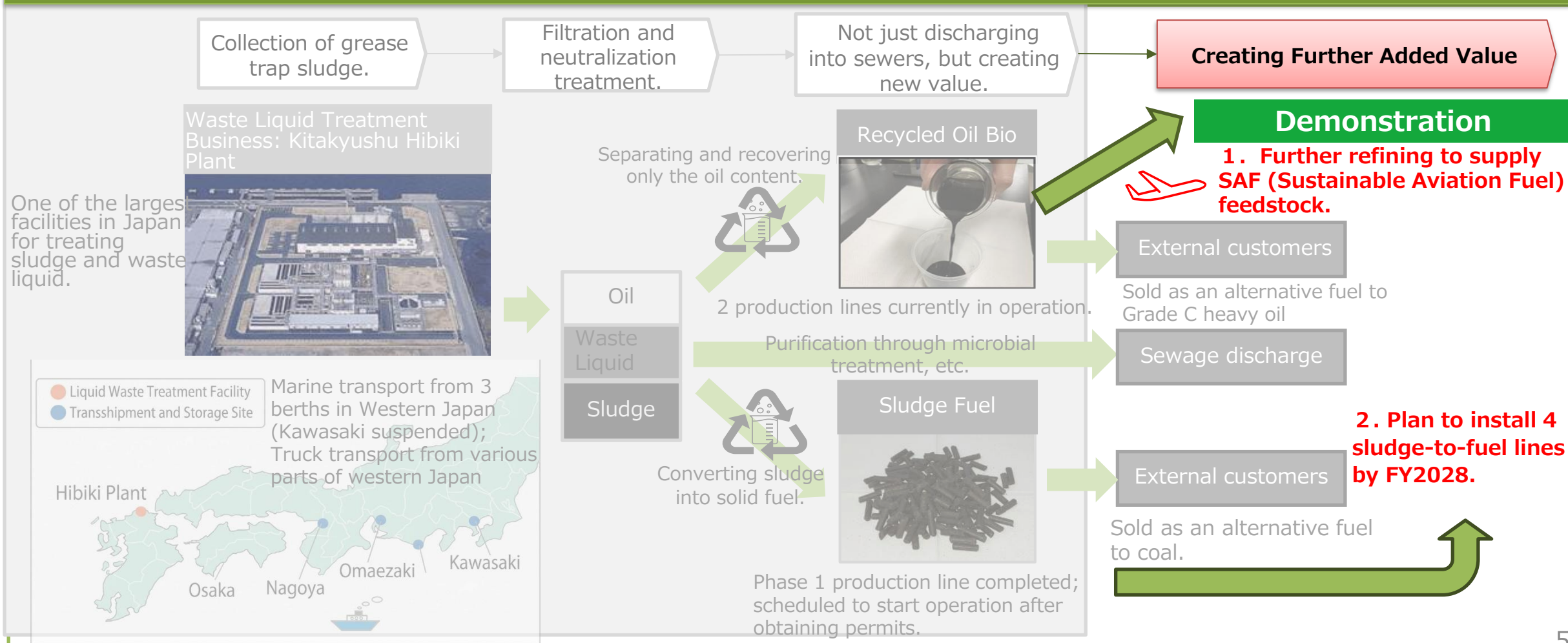
- Strategic Bird's-eye View (Waste Liquid Treatment Business)



■ Strategy by Business Area ③ Resource Circulation Area (SANIX RESOURCE DEVELOPMENT GROUP INC.)

➤ Strategy ①: Waste Liquid Treatment Business

Accelerating the Shift from Waste Liquid Treatment to Energy Recovery: 1. SAF Feedstock from Bio-recycled Oil, 2. Sludge-to-fuel

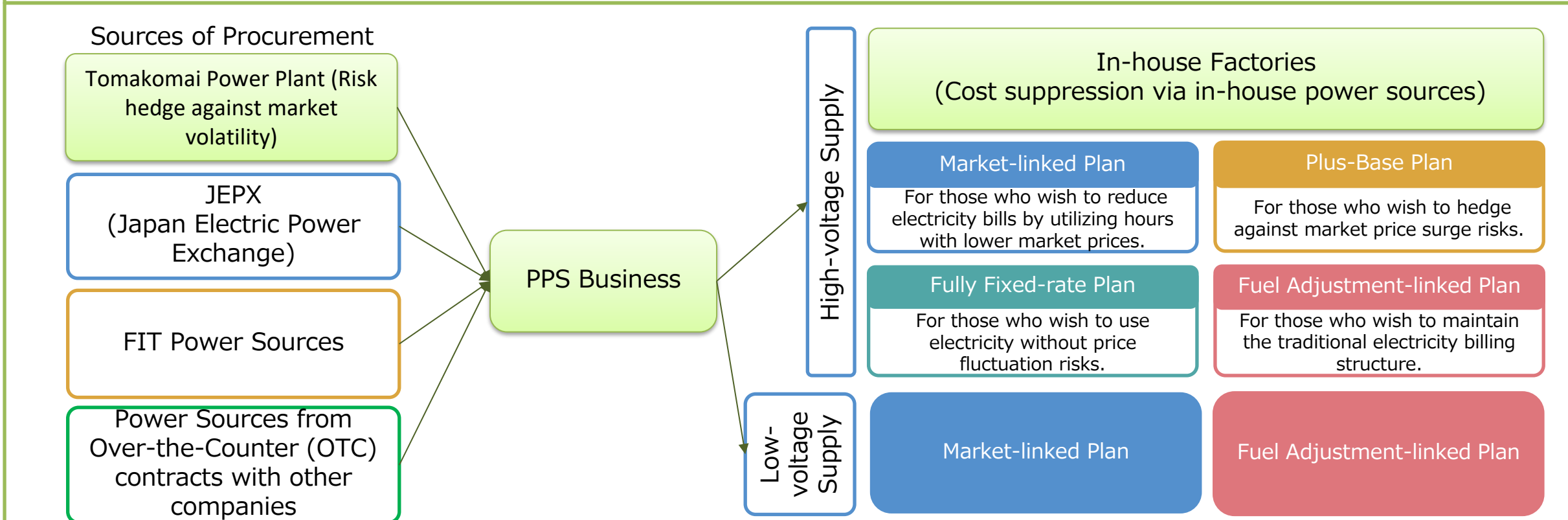


■ Strategy by Business Area ③ Resource Circulation Area (SANIX RESOURCE DEVELOPMENT GROUP INC.)

➤ Strategy: PPS (Power Producer and Supplier) Business

Business Model of the PPS Business

- Functions as a "risk hedge against power market volatility" via the Tomakomai Power Plant and as "electricity cost suppression" for our in-house factories.
- Aiming for growth with controlled price-surge risks through a diversification of plans, specifically curbing "fully fixed-rate plans."



■ Strategy by Business Area ④ Numerical Targets by Area

Company	FY March 2026 Actual			FY March 2027 Target			FY March 2028 Target			FY March 2029 Target			Net Sales CAGR
	Sales	Operating Profit	Profit Margin	Sales	Operating Profit	Profit Margin	Sales	Operating Profit	Profit Margin	Sales	Operating Profit	Profit Margin	
Residential Environment	15.1billion yen	1.82billion yen	12.1%	15.6billion yen	1.95billion yen	12.5%	15.7billion yen	2.05billion yen	13.1%	15.8billion yen	2.15billion yen	13.7%	1.5%
Energy	8.7billion yen	0.04billion yen	0.5%	9.6billion yen	0.46billion yen	4.8%	9.9billion yen	0.48billion yen	4.8%	10.2billion yen	0.49billion yen	4.8%	5.5%
Resource Circulation	21.0billion yen	1.72billion yen	8.2%	21.4billion yen	2.14billion yen	10.0%	21.9billion yen	1.94billion yen	8.9%	22.0billion yen	2.46billion yen	11.2%	1.6%
Others	0.4billion yen	0.01billion yen	4.0%	0.4billion yen	0.01billion yen	3.6%	0.4billion yen	0.02billion yen	4.2%	0.5billion yen	0.02billion yen	4.8%	8.3%
Corporate	–	▲2.33billion yen	–	–	▲2.75billion yen	–	0.6billion yen	▲2.46billion yen	–	1.3billion yen	▲2.24billion yen	–	–
Group Consolidated	45.2billion yen	1.27billion yen	2.8%	47.3billion yen	1.83billion yen	3.9%	48.6billion yen	2.03billion yen	4.2%	49.9billion yen	2.89billion yen	5.8%	3.3%

1

Vision of the Sanix Group

- ① From Founding to the Present
- ② Present State
- ③ Future Vision

2

Review of the Previous Medium-Term Management Plan

- ① Review of Policies
- ② Review of Numerical Results
- ③ Financial Review

3

Basic Strategy

- ① Positioning of the New Medium-Term Management Plan
- ② Measures
- ③ Numerical Targets

4

Strategy by Business Area

- ① Residential Environment Area
- ② Energy Area
- ③ Resource Circulation Area
- ④ Numerical Targets by Area

5

Financial Strategy

- ① Financial Policy
- ② Cash Allocation

6

Non-financial Strategy

- ① Group Governance Structure
- ② Initiatives for Corporate Governance
- ③ Initiatives for Sustainability
- ④ Initiatives with Focus on Stock Price

■ Financial Strategy ① Financial Policy

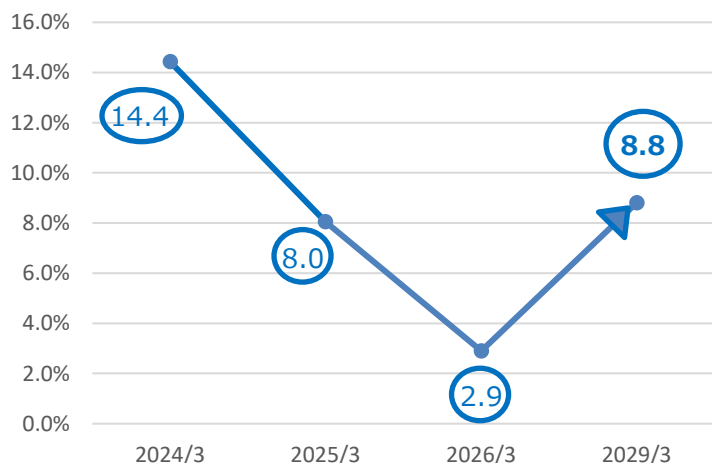
- Because we operate infrastructure businesses in the Resource Circulation Area, we run our operations using shareholders' equity and interest-bearing debt. Therefore, we have designated ROIC (Return on Invested Capital) as a key management indicator.
- At the same time, we are closely monitoring the Equity Ratio to restore the soundness of our financial structure.

FY March 2029 Target

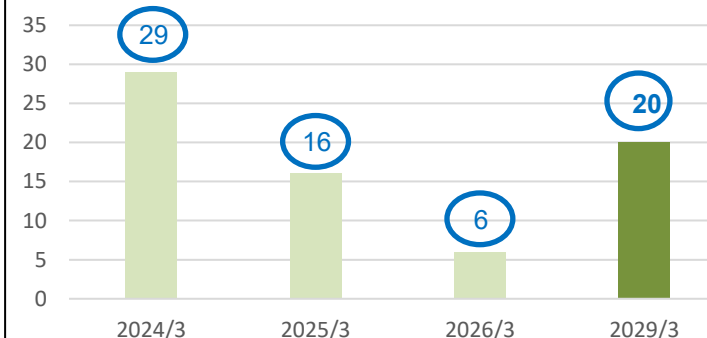
Increase operating profit and
reduce interest-bearing debt.

ROIC **8.8%** (※7.3%)

ROIC (%)



Net Operating Profit After Tax

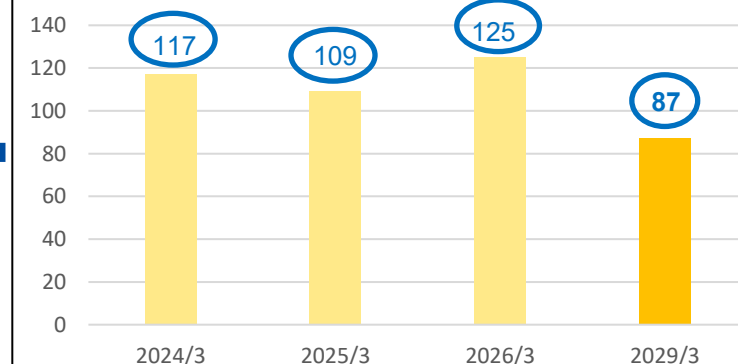


Unit : 100million yen

Shareholders' Equity



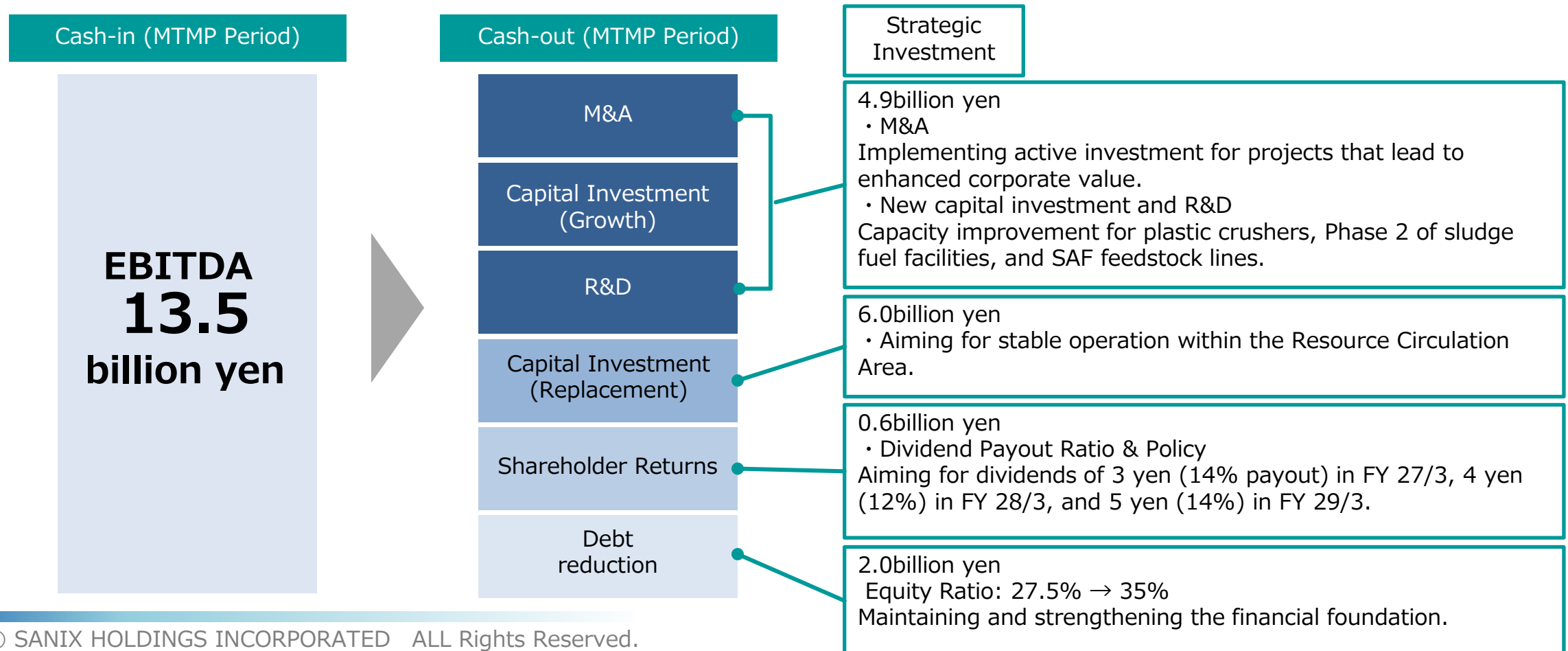
Interest-bearing Debt



*Previously, ROIC did not include installment payables (interest-bearing debt) included in accounts payable. If included, the figures would be 12.8% for FY24/3, 7.0% for FY25/3, 2.6% for FY26/3, and the target value would be 7.3%.

■ Financial Strategy ② Cash Allocation

- Focusing on the Resource Circulation Area as a growth sector, we will implement capital replacement, R&D, and strategic investment.
- Actively considering M&A; leveraging will be utilized for large-scale projects.
- Aiming for a 14% dividend payout ratio in the 3rd year of the MTMP, with a long-term goal of 25%.



1

Vision of the Sanix Group

- ① From Founding to the Present
- ② Present State
- ③ Future Vision

2

Review of the Previous Medium-Term Management Plan

- ① Review of Policies
- ② Review of Numerical Results
- ③ Financial Review

3

Basic Strategy

- ① Positioning of the New Medium-Term Management Plan
- ② Measures
- ③ Numerical Targets

4

Strategy by Business Area

- ① Residential Environment Area
- ② Energy Area
- ③ Resource Circulation Area
- ④ Numerical Targets by Area

5

Financial Strategy

- ① Financial Policy
- ② Cash Allocation

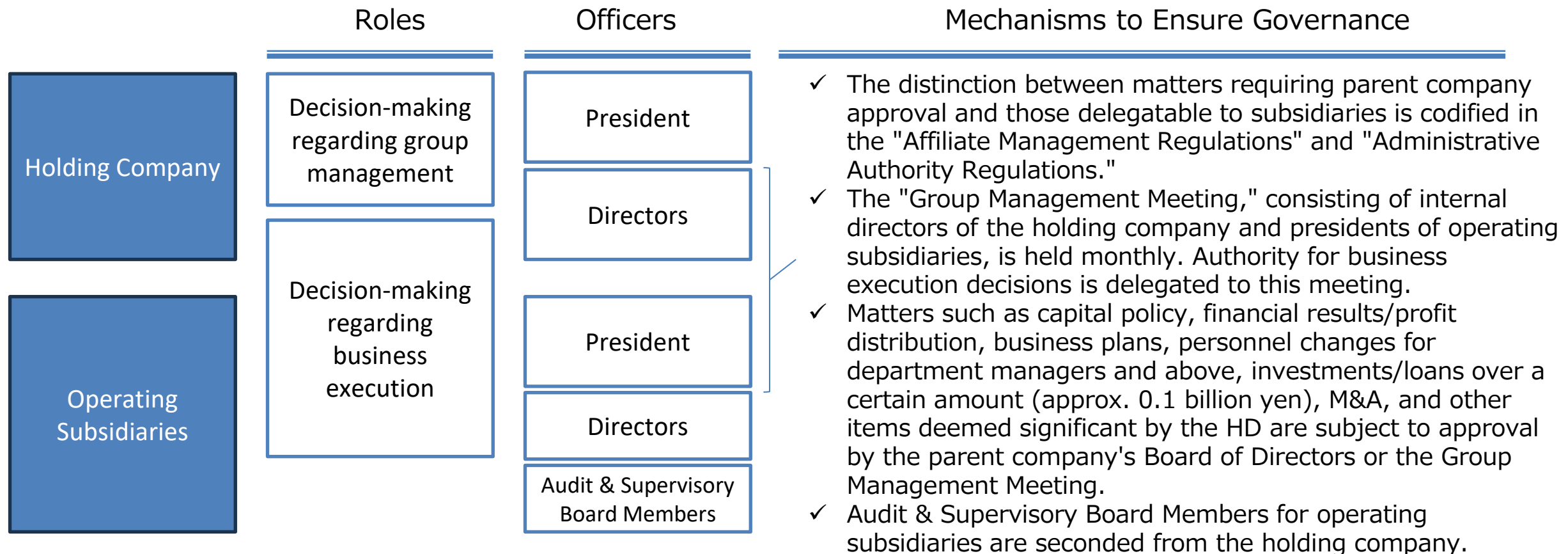
6

Non-financial Strategy

- ① Group Governance System
- ② Initiatives for Corporate Governance
- ③ Initiatives for Sustainability
- ④ Initiatives focused on Stock Price

■ Non-financial Strategy ① Group Governance Structure

- The Company transitioned to a holding company structure in April 2025.
- We aim for a governance structure that prioritizes the management speed of operating companies and the "separation of management and execution."



■ Non-financial Strategy ② Initiatives for Corporate Governance

➤ Status of Initiatives

Fiscal Year	Measures
FY March 2005	Introduction of the Executive Officer System
FY March 2020	Transitioned to a Company with an Audit & Supervisory Committee
FY March 2024	Directors: 9 Internal, 5 Outside (Outside Director Ratio: 35.7%)
FY March 2025	Directors: 7 Internal, 4 Outside (Outside Director Ratio: 36.4%)
FY March 2026	Transitioned to a Holding Company Structure Directors: 4 Internal, 3 Outside (Outside Director Ratio: 42.9%)
FY March 2027	Disclosure of the Board Skills Matrix Directors: 5 Internal, 3 Outside (Outside Director Ratio: 37.5%)

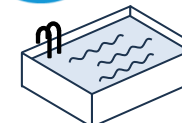
Initiatives During the New MTMP Period

1. Establishment of a Nomination and Remuneration Committee
2. Promoting diversity of the Board of Directors
3. Introduction of a performance-linked stock remuneration system
4. Evaluation of the effectiveness of the Board of Directors (Under consideration)

Non-financial Strategy ② Initiatives for Corporate Governance

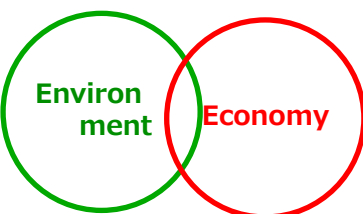
- Clearly indicating human resources and skill sets based on roles to enhance strategic effectiveness via a Skills Matrix.

Name	Gender	Outside / Independent	Current Position within the Group	Tenure (Years as Director)	Expertise & Experience							
					Management / Strategy	Sales / Industry Knowledge & Experience	Finance / Accounting	Legal / Risk Management	Human Capital Development	Environment / Social	Global	IT/DX
Hiroshi Munemasa	Male		President and CEO	9 (19)	○	○			○	○		
Michimasa Masuda	Male		Director Managing Executive Officer	11 (14)	○	○	○	○				○
Masaki Tsuruga	Male		Newly appointed (Scheduled for appointment after the General Meeting of Shareholders)	—	○		○		○			
Toshihiko Moriguchi	Male		Newly appointed (Scheduled for appointment after the General Meeting of Shareholders)	—	○		○	○		○		○
Keiichi Shiobara	Male	External Independent	Director	1	○	○		○	○		○	○
Kenji Kaneko	Male	External Independent	Director, Full-time Audit & Supervisory Committee Member	2 (18)	○	○	○	○	○	○		
Naoki Kaneko	Male	External Independent	Director, Audit & Supervisory Committee Member	7 (11)	○	○			○			
Sadahito Baba	Male		Director, Audit & Supervisory Committee Member	5	○			○	○	○	○	



■ Non-Financial Strategy: ③ Sustainability Initiatives

➤ Contribution to a "Sustainable Society" in Numbers



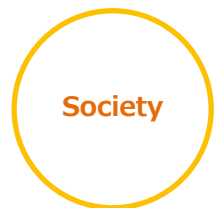
Sustainable
Residential
Environment

Realization of a
Resource-
Circulating
Society

CO2 Reduction

	2023/Mar	2024/Mar	2025/Mar	2026/Mar
Number of termite control treatments	5,408	5,280	4,842	4,948
Number of water supply and drainage pipe maintenance cases	994	965	863	823
Waste plastic processing / Tokyo Tower (t) equivalent	273,000 t / 68units	278,000 t / 69units	294,000 t / 73units	295,000 t / 74units
Waste liquid treatment / 25m pool (m ³) equivalent	99,000 t / 277pools	102,000 t / 286pools	101,000 t / 283pools	101,000 t / 282pools
Recycled fuel from waste liquid / 25m pool (m ³) equivalent	1,836 t / 5.1pools	1,243 t / 3.5pools	2,505 t / 7.0pools	2,480 t / 6.9pools
Solar power installation capacity (MW) / CO2 emission reduction	30.7MW 11,613 t -CO2	27.5MW 10,401 t -CO2	35.5MW 13,436 t -CO2	29.6MW 11,197 t -CO2

➤ Contribution to "Junior and Senior High School Students," the Next Generation



Global
Experiences for
Students

	2023/Mar	2024/Mar	2025/Mar	2026/Mar
Sanix World Rugby Youth Exchange Tournament				
Top: Participants (Player slots)	576players	576players	576players	576players
Middle: Number of former participants selected for national teams in the relevant fiscal year	28players	27players	18players	1players
Bottom: Number of former participants selected for the Japan national team in the relevant fiscal year	5players	10players	15players	TBD
Sanix Cup International Youth Soccer Tournament				
Top: Male participants (Player slots)	352players	352players	352players	352players
Middle: Female participants (Player slots)	400players	400players	400players	400players
Bottom: Japan national team (Senior team, U23)	0players	2players	1players	0players

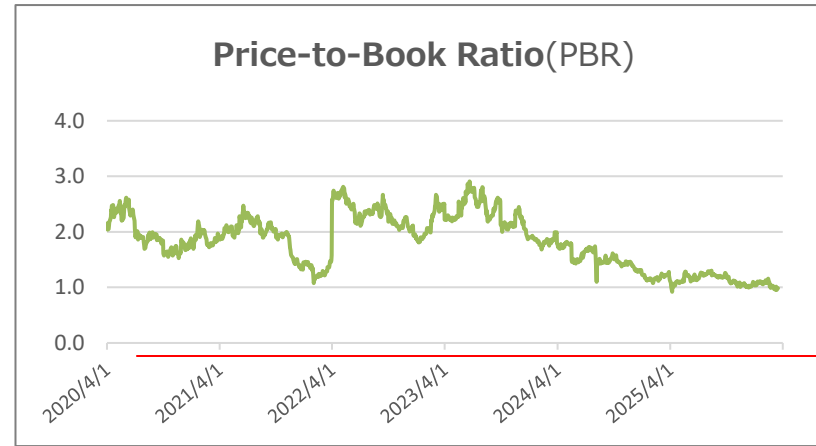
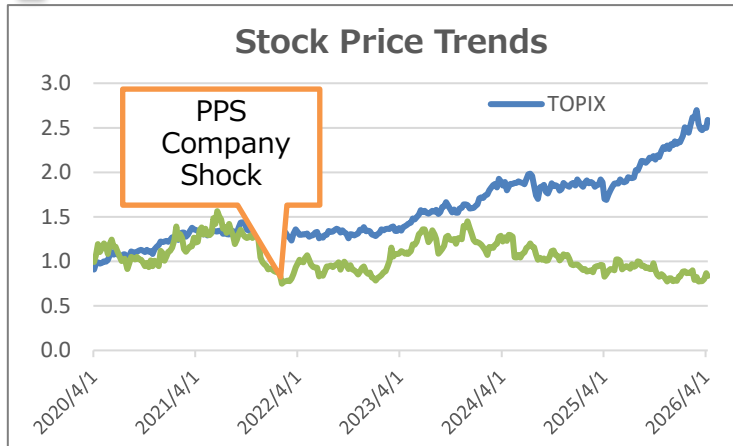
※Sanix World Rugby Youth Exchange Tournament:

The only global tournament of its kind in Japan, featuring elite schools from around the world (including national champions from New Zealand, as well as top teams from England, Fiji, and other nations). Many tournament alumni have gone on to represent Japan (Brave Blossoms). This year marks its 27th anniversary.

Sanix Cup International Youth Soccer Tournament:

One of Japan's most prestigious international tournaments, where top-tier Japanese high schools and J-League youth teams clash with overseas national select teams and prestigious clubs. This year marks the 24th anniversary for the men's tournament and the 10th for the women's.

■ Non-Financial Strategy: ④ Initiatives with a Focus on Stock Price



Note: PEP is calculated based on our company's earnings forecast.

	Recognition of Issues	Policy
Business Performance	High earnings volatility has led to a failure to gain investor trust, falling short of expectations. Erosion of equity and weak cash generation capability.	Systematize decision-making, which was previously concentrated on the President. Clarify responsibilities and authority through a holding company structure and group governance. Ensure steady execution of measures in the current Medium-Term Management Plan.
	Erosion of equity and weak cash generation capability.	
Growth Strategy	Low growth over the past 10 years.	Identify business drivers in growth areas and focus investment. Also consider the utilization of external capital.
Capital Strategy	Failure to demonstrate cash allocation and dividend policies.	Disclosure starting from the current Medium-Term Management Plan.
Stance	Market capitalization and liquidity do not yet meet the criteria for institutional investors; the priority is to increase the number of individual investors.	Enhance initiatives for individual investors: • Enhance the Integrated Report • Participate in IR fairs • Provide reports and briefings for individual investors • Increase press releases regarding active collaborations and new initiatives

【Disclaimer】

This material is intended for informational purposes only to serve as a reference for investment decisions and does not constitute a solicitation to buy or sell the Company's shares. Investment decisions should be made based on the investors' own judgment.

【Forward-Looking Statements】

This material contains forecasts and forward-looking statements based on information currently available to the Company. Please be aware that actual results may vary due to factors such as economic trends, environmental policies, and foreign exchange rates.

Better Life For The Next Generation

SANIX