

Medium-term Financial Forecasts (FY ending March 2024-FY ending March 2026)

February 15,2023

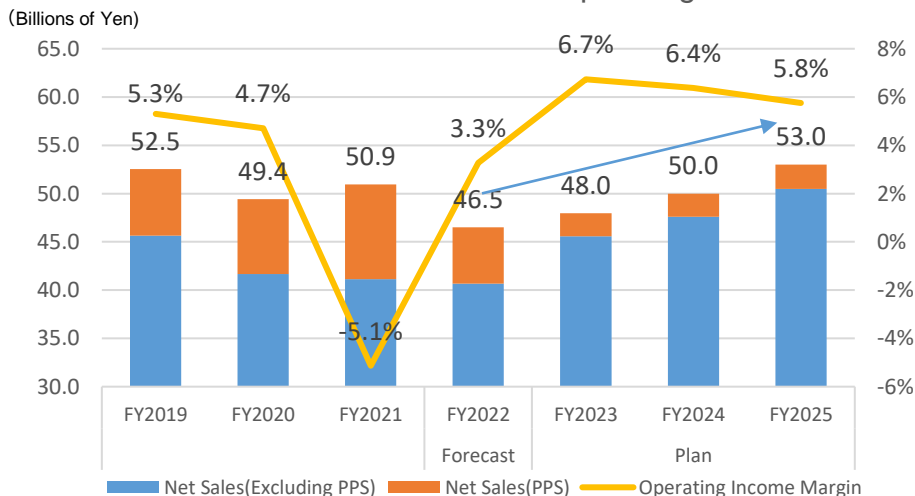
SANIX INCORPORATED

(Billions of Yen)

(Consolidated)	FY2022 Forecast	FY2023 Plan	FY2024 Plan	FY2025 Plan
Net Sales	46.5	48.0	50.0	53.0
Operating Income	1.5	3.2	3.2	3.0
EBITDA*	3.3	4.8	4.9	5.0
ROE	17.9%	35.0%	24.0%	16.0%
ROIC	6.9%	14.0%	12.0%	10.0%
Equity ratio	17.2%	22.0%	27.0%	30.0%

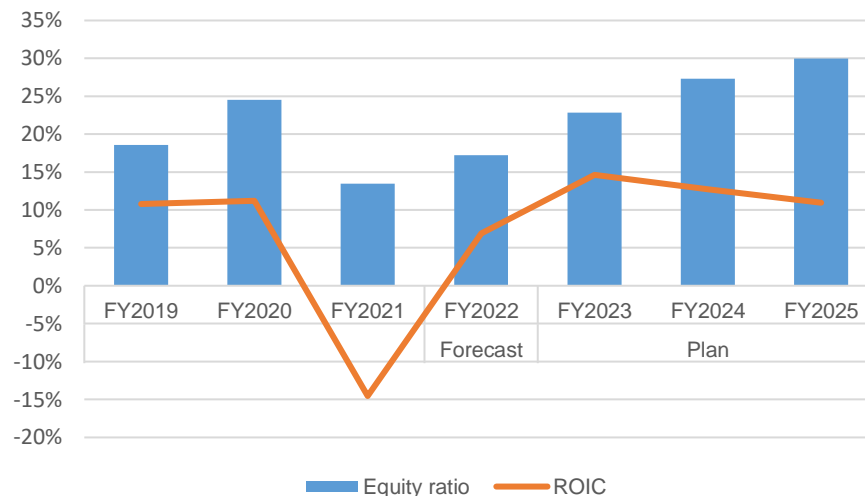
* EBITDA is operating Income + depreciation.

Consolidated Net Sales and Operating Income



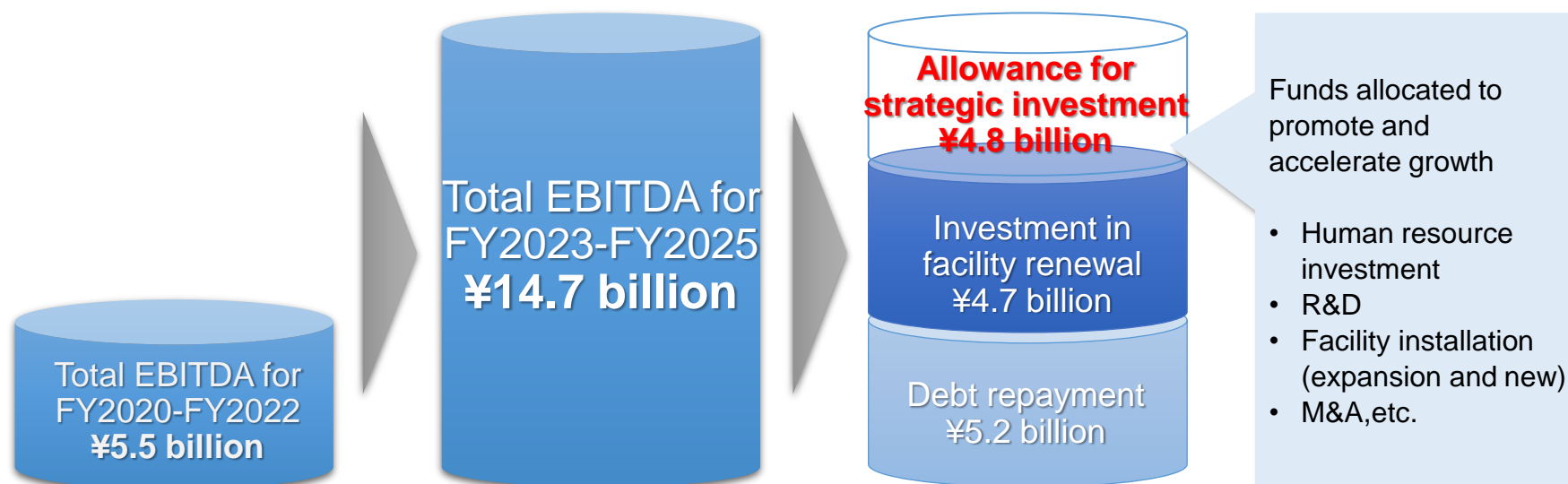
The net sales target excluding the Power Producer and Supplier(PPS) business is an average annual growth of 7.4%.

ROIC and Equity ratio



Resource Allocation

- The earning power of the entire business will increase during the plan period and total EBITDA is expected to be 14.7 billion yen.
- The portion excluding debt repayment and facility renewal is the allowance for strategic investment and funds allocated for growth.



Growth strategy for Residential Environment Area

(Billions of Yen)

(Consolidated)	FY2022 Forecast	FY2023 Plan	FY2024 Plan	FY2025 Plan
Net Sales	16.3	17.3	18.3	19.3
HS Division	12.0	12.8	13.4	14.0
ES Division	2.4	2.6	2.8	3.0
SE Division	1.8	1.9	2.1	2.3
Operating Income	1.6	2.2	2.3	2.5

Our strengths

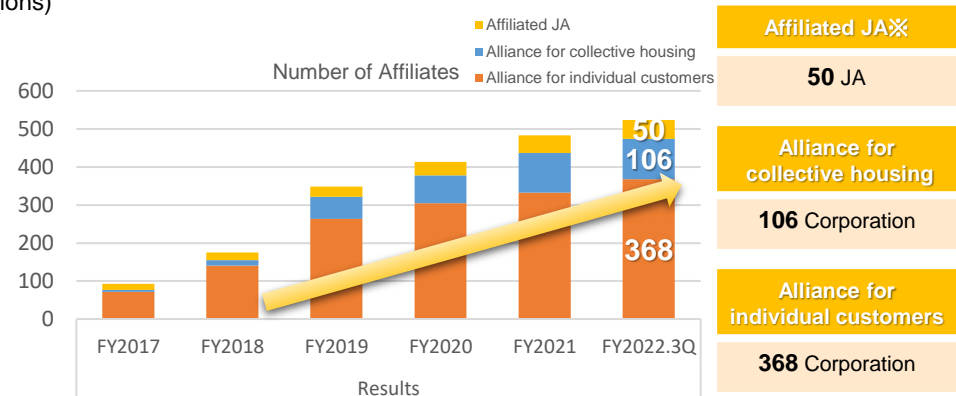
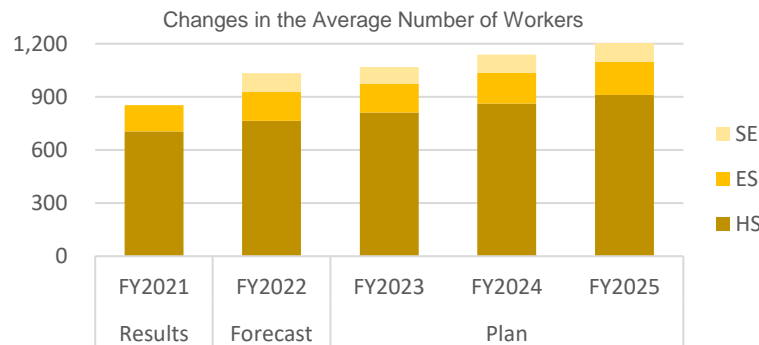
- Stable revenue base based on ongoing business relationships with customers.
- Human resources with both high sales capabilities and construction skills
- Sales network rooted in local communities.

Growth strategy

- Increase of sales capabilities and service quality through enhanced retention and development of human resources.
- Focus on developing new customers from a medium- to long-term perspective.(increase new customer channels through the expansion of affiliates and development of sales organizations)

External environment

- Government policy for building high-quality housing stock.
- Growth in demand for housing maintenance and hygienic environments generated by the COVID-19 pandemic.
- Growing need for residential solar power generation facilities as a result of the steep rise in electricity fees and growing environmental awareness.



※Japan Agricultural Cooperatives

(Billions of Yen)

(Consolidated)	FY2022 Forecast	FY2023 Plan	FY2024 Plan	FY2025 Plan
Net Sales	13.8	12.4	14.6	16.5
PV Division	8.0	10.1	12.2	14.0
PPS Division	5.8	2.3	2.4	2.5
Operating Income	0	0.1	0.4	0.9

Our strengths

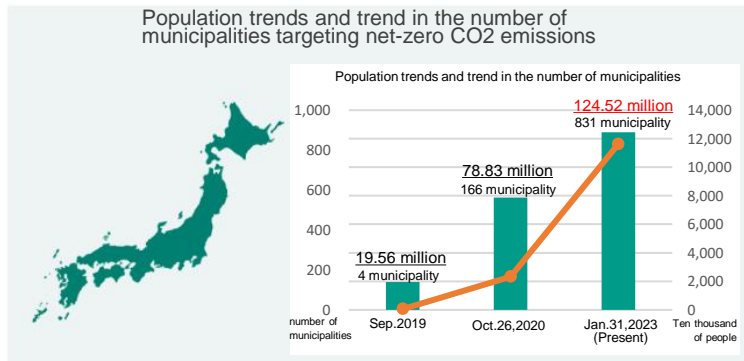
- Ability to provide seamless services from the development, manufacturing, sale, and construction of photovoltaic power generation systems to their maintenance.
- Ability to propose optimal self-consumption plans leveraging our knowledge of electricity.
- High-quality construction performed by many qualified engineers.
- Track record of approx. 29,000 solar power plant for business use construction projects.

External environment

- Power companies have a growing need for renewable energy sources due to the growing demand for renewable energy.
- Corporate efforts to reduce GHG emissions and local activities to achieve zero-carbon cities are in full swing.
- An increase in the impact of installing photovoltaic power generation equipment due to a steep rise in electricity expenses and a decrease in the cost of this equipment.

Growth strategy

- Improving the development of power sources (photovoltaic power plants) for power companies that require renewable energy sources.
- Improving proposals for the installation of photovoltaic power generation equipment for companies and local governments that are accelerating their zero-carbon activities.



Source: Website of the Ministry of the Environment

Growth strategy for Resource Circulation Area

(Billions of Yen)

(Consolidated)	FY2022 Forecast	FY2023 Plan	FY2024 Plan	FY2025 Plan
Net sales	16.3	18.1	17.0	17.0
Plastic fuel	10.4	10.4	10.7	10.9
Power Plant	3.0	4.8	3.4	3.0
Waste liquid treatment	2.0	2.1	2.3	2.5
Landfill	0.8	0.6	0.6	0.6
Operating Income	2.9	3.6	2.9	2.1

Our strengths

- Characteristic resource-recycling power generation model that uses only waste plastic as fuel.
- Collection volume through the network of intermediate waste plastic processing facilities at 15 locations nationwide.
- High rate of conversion to fuel and recycling technologies backed by an established track record.

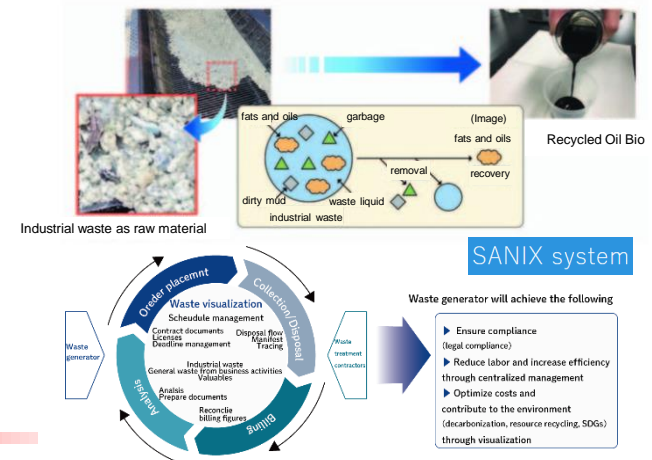
Growth strategy

- Increasing collection volume by expanding waste items for treatment.
- Improving technologies for recycling and converting waste to fuel. (liquid waste-derived Recycled Oil Bio, dry sewage sludge fuel, and plastic material recycling)
- Building a waste treatment network using SANIX System and proposing appropriate waste treatment and recycling methods.
- Unit prices for electricity sold by power plants will increase from the fiscal year ending March 2024 due to the rising market unit prices of electricity.
- At the same time, we plan to implement the full-scale renovation of facilities to ensure stable operation over the medium- to long-term. The renovations will be implemented over a period of multiple years, particularly at the Tomakomai power plant which has been operating for more than 20 years.

External environment

- Growing demand from companies for recycled fuels for the reduction of GHG emissions.
- Increase in efforts particularly within the manufacturing industry to increase the recycling ratio.
- Demand for the establishment of appropriate regional resource circulation systems.

Recycled Oil Bio, a recycled fuel manufactured from industrial waste materials.



Medium-term Financial Forecasts (Summary)



(Billions of Yen)

(Consolidated)	FY2022 Forecast	FY2023 Plan	FY2024 Plan	FY2025 Plan
Net Sales	46.5	48.0	50.0	53.0
Residential Environment	16.3	17.3	18.3	19.3
Energy	13.8	12.4	14.6	16.5
Resource Circulation	16.3	18.1	17.0	17.0
Operating Income	1.5	3.2	3.2	3.0
Residential Environment	1.6	2.2	2.3	2.5
Energy	0	0.1	0.4	0.9
Resource Circulation	2.9	3.6	2.9	2.1
Group	(3.0)	(2.7)	(2.6)	(2.5)
Equity ratio	17.2%	22.0%	27.0%	30.0%

【Disclaimer】

This document aims only to provide information that may be used as a reference when making investment decisions. It is not intended to solicit any purchase or sale of the Company's stock. Investors should make their own investment decisions.

【Note on Forward-looking Statements】

This document includes forecasts and outlooks for the future which are based on the information currently available to SANIX Incorporated. Readers of this document should understand that the forecasts and outlooks indicated in this document may change due to changes in economic trends, environment-related policies, foreign exchange rates, etc.

