Financial Results Briefing for the First Quarter of the Fiscal Year Ending March 31, 2027

Sanix Holdings, Inc.

August 17, 2026

Summary of Financial Results for the First Quarter of the Fiscal Year Ending March 2027

Year-on-year (YoY): Increased revenue and profit

While the Energy Area saw decreased revenue and profit due to environmental changes in the solar power market and intensifying competition, the Residential Environment Area and Resource Circulation Area both performed steadily. As a result, increased revenue and profit were achieved compared to the same period last year. Progress against the first-half plan is tracking at over 50% for both net sales and operating profit.

(million yen)	2026/Mar 1Q Actual	2027/Mar 1Q Actal	YoY difference	YoY Ratio	2027/Mar First half plan	progress rate
sales	10,531	**11,127**	+ 595	105.7%	22,178	50.2%
Gross profit	3,267	**3,993**	+ 725	122.2%	7,911	50.5%
Operating profit	△ 343	**339**	+ 682	−	461	73.4%
Ordinary profit	△ 539	**280**	+ 819	−	335	83.7%
Net profit	△ 640	**126**	+ 766	−	217	58.2%

First Quarter of the Fiscal Year Ending March 2027: Overview by Segment

Residential Environment Area

Sales Composition Ratio 36.8%

Business related to total maintenance for detached houses, apartment buildings, and other residential properties

- Services for Detached Houses (HSE) Business
- Services for Corporations and Apartment Buildings (ES) Business

Energy Area

Sales Composition Ratio 12.7%

Business operations related to the sale, installation, and maintenance of solar power generation systems for corporations and legal entities

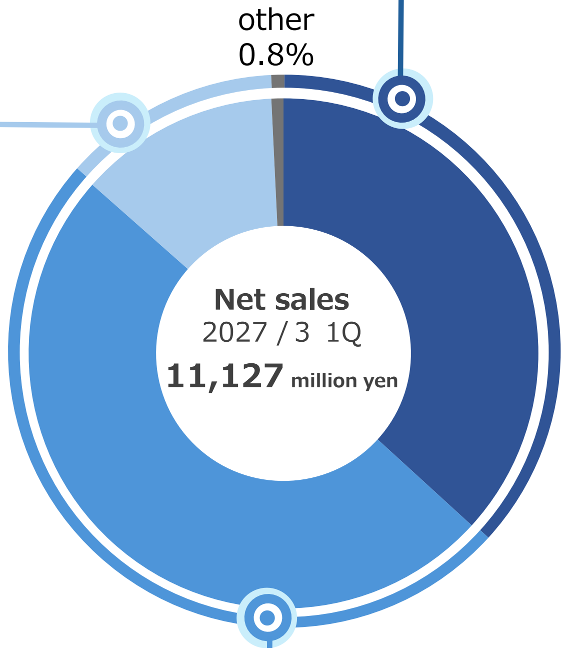
- Solar Power Generation Business for Corporations

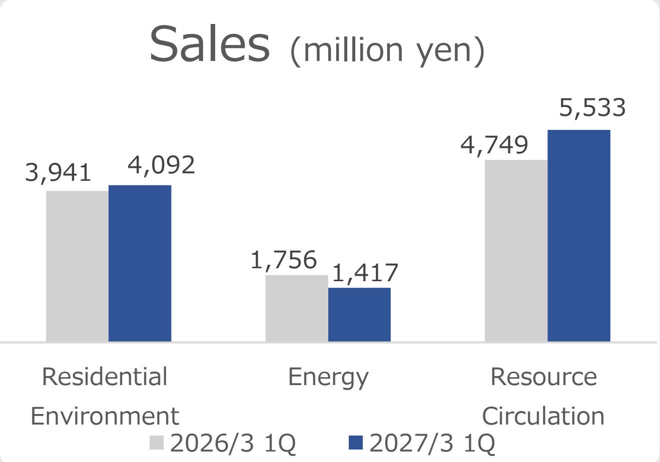
Resource Circulation Area

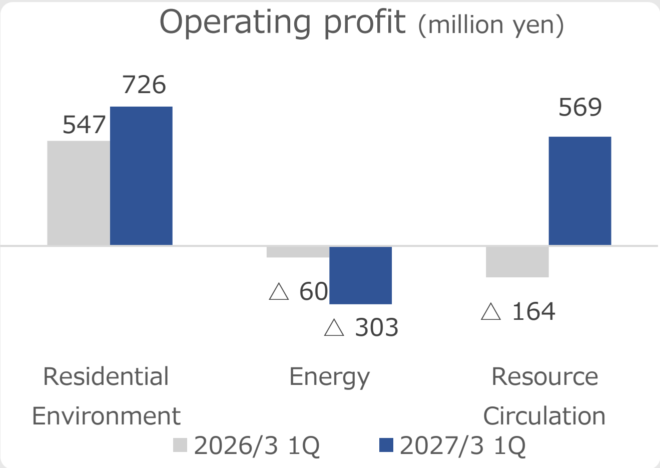
Sales Composition Ratio 49.7%

Businesses related to recycling waste plastics, purifying waste liquids, and producing fuel

- Plastics Business
- Wastewater Treatment Business
- Power Generation Business
- Landfill Business
- PPS Business







First Quarter of the Fiscal Year Ending March 2027: Overview by Segment

Segment		Amount	YoY	Overview
Residential Environment Area	sales Operating profit	4,092 million yen 726 million yen	(+3.8 %) (+32.7 %)	In June 2026, the Company expanded into a new area with the opening of the Sendai Branch (Sendai City, Miyagi Prefecture). Revenue and profit increased as house repair and reinforcement work, as well as renovation work in the Services for Detached Houses (HSE) business, performed steadily through the expansion of existing businesses leveraging our sales capabilities and customer base.
Energy Area	sales Operating profit	1,417 million yen △303 million yen	(△19.3 %) (△242 million yen)	Net sales and profit decreased due to environmental changes in the solar power market and intensifying competition, driven by stricter legal regulations and higher required standards. We will continue to transform our business structure through thorough profitability management per project and cost reviews.
Resource Circulation Area	sales Operating profit	5,533 million yen 569 million yen	(+16.5 %) (+734 million yen)	In the Power Generation Business, countermeasure work implemented in April 2026 was successful and contributed to stable operation. Revenue increased due to an increase in electricity sales volume resulting from stable operation, as well as a rise in the unit price of electricity sold to the wholesale power market caused by the impact of the situation in the Middle East and other factors. Regarding profit, an increase was achieved due to the profit-boosting effect of higher revenue in the Power Generation Business, combined with a decrease in repair costs and an improvement in plastic fuel inventory resulting from the implementation of statutory inspections in the previous period and stable operation.
Other	sales Operating profit	84 million yen △654 million yen	(+1.5 %) (+11 million yen)	Head office expenses decreased due to the reassignment of personnel to each operating company and other factors. While continuing to strive for the growth of each business and the maximization of profits, we will also proactively promote the creation of new businesses that will serve as the next pillars of growth.

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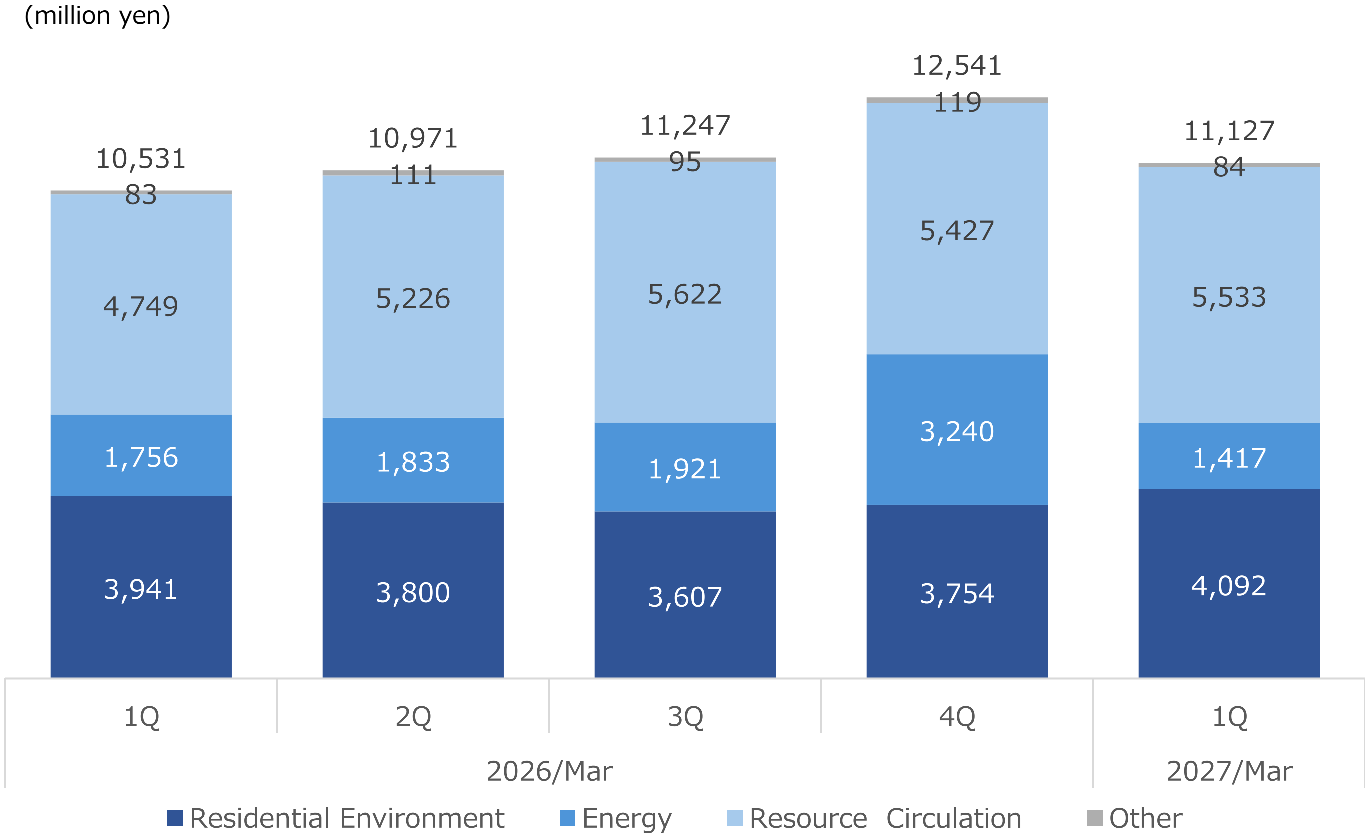
First Quarter of the Fiscal Year Ending March 2027: Overview by Segment

(million yen)	2026 /Mar 1Q Actual	2027 /Mar 1Q Actual	YoY difference	YoY Ratio	2027/Mar First half plan	progress rate
Sales	**10,531**	**11,127**	**+ 595**	**105.7%**	**22,178**	**50.2%**
Residential Environment Area	3,941	**4,092**	+ 150	103.8%	7,943	51.5%
Energy Area	1,756	**1,417**	△ 339	80.7%	3,531	40.1%
Resouce Circulation Area	4,749	**5,533**	+ 783	116.5%	10,492	52.7%
Other	83	**84**	+ 1	101.5%	211	40.1%
Operating Profit	**△ 343**	**339**	**+ 682**	**－**	**461**	**73.4%**
Residential Environment Area	547	**726**	+ 178	132.7%	1,092	66.5%
Energy Area	△ 60	**△ 303**	△ 242	－	△ 178	－
Resouce Circulation Area	△ 164	**569**	+ 734	－	937	60.8%
Other	△ 665	**△ 654**	+ 11	－	△ 1,390	－

First Quarter of Fiscal Year Ending March 2027: Sales Revenue (Quarterly Trend)



YoY

+5.7%

Residential Environment **+3.8%**

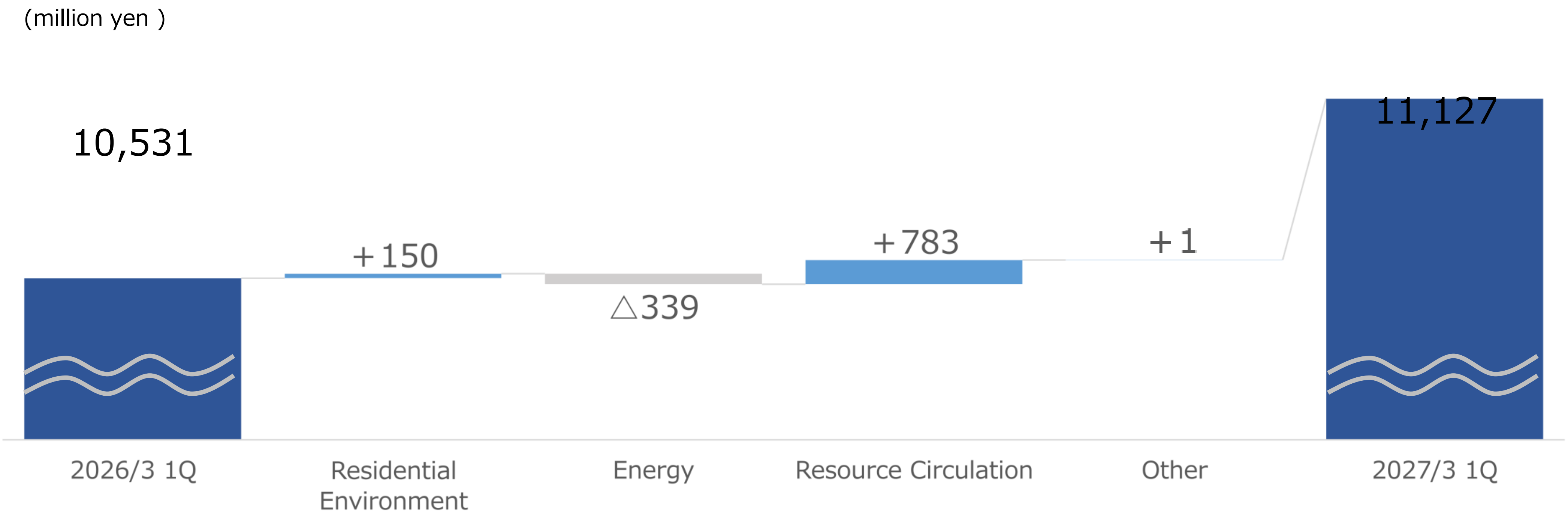
Energy **△19.3%**

Resource Circulation **+16.5%**

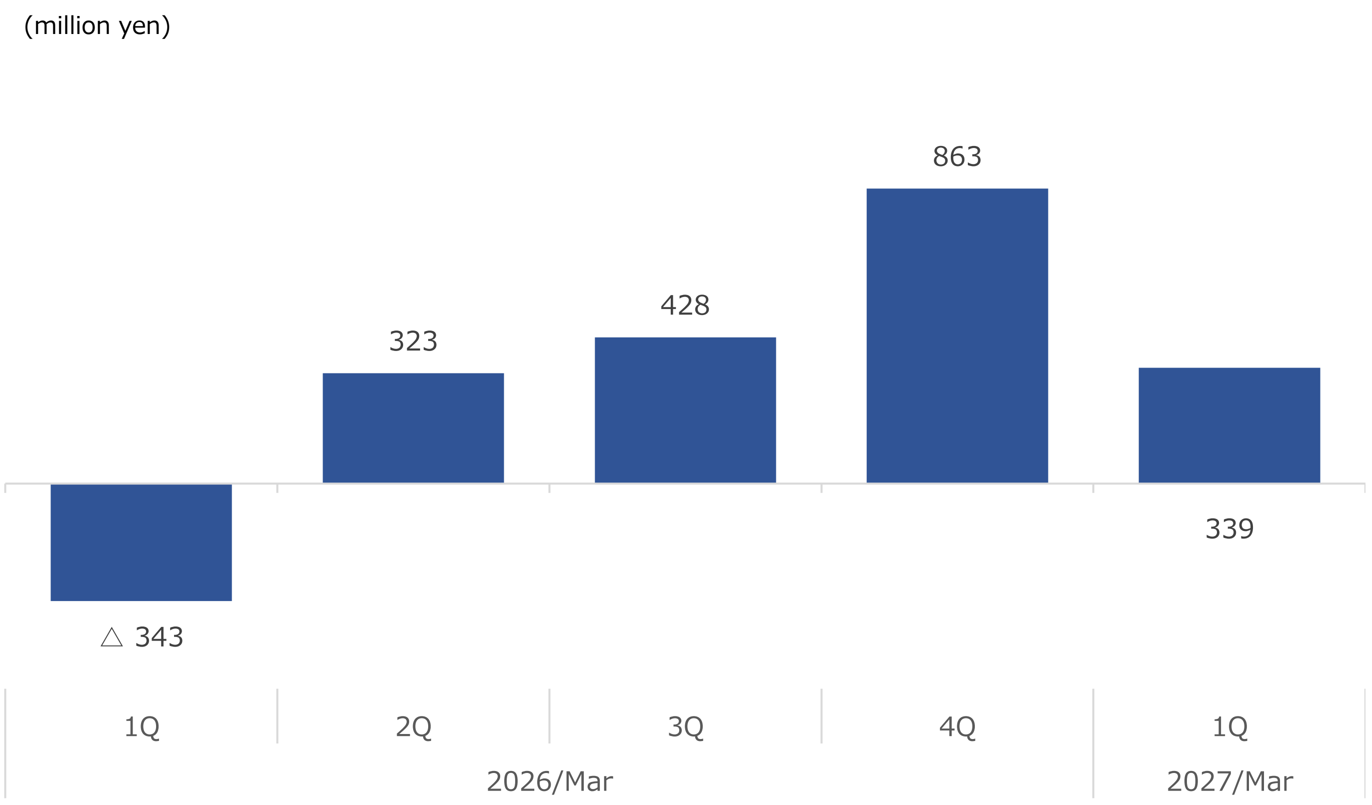
Analysis of Year-on-Year Change in Sales Revenue for the First Quarter of the Fiscal Year Ending March 2027

Sales

YoY ＋595 million yen



First Quarter of Fiscal Year Ending March 2027: Operating Profit (Quarterly Trend)



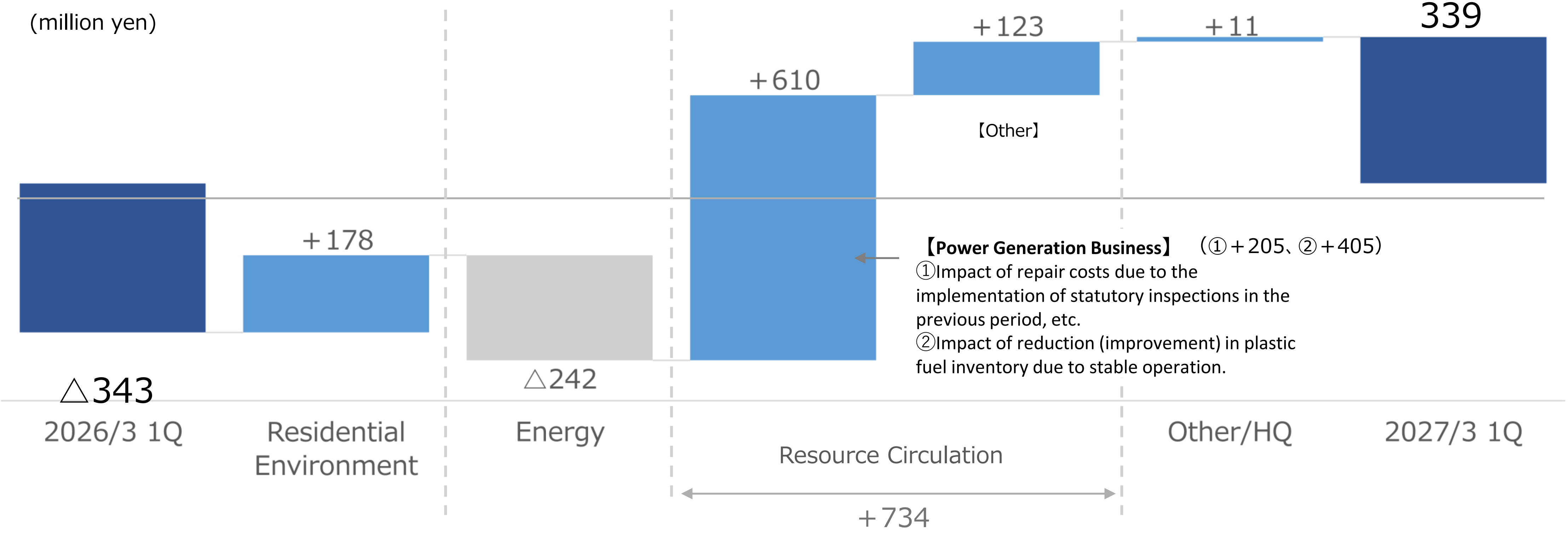
YoY

+682 million yen

Analysis of Year-on-Year Change in Operating Profit for the First Quarter of the Fiscal Year Ending March 2027

Operating profit

YoY ＋682 million yen



Residential environment Area

A comfortable living environment to the next generation

- Maintenance for detached houses
- Maintenance for apartment complexes
- Residential solar power installation
- Hygiene management

Sanix promotes comprehensive maintenance for Detached Houses and apartment buildings from the perspective of preventive medicine (the philosophy of preventing issues before they occur). Furthermore, we realize comfortable and hygienic living that transcends generations, encompassing solar power generation, renovations, and urban sanitation management.

Maintenance Services for Detached Houses (HSE)

Expert staff, deeply knowledgeable about termite behavior, handle everything from prevention to extermination with precision. With specialized techniques and know-how honed through extensive experience and proven results, plus comprehensive after-service, protecting precious homes from termite damage.

Termite Control Treatment

Underfloor and Attic Ventilation System

Aiming to promote solar power systems for residential homes, enabling lifestyles that are both environmentally friendly and easy on the household budget. Furthermore, as demand for self-consumption solar power grows, we propose flexible electricity usage through the introduction of storage batteries.

Residential Solar Power Generation System

Storage battery

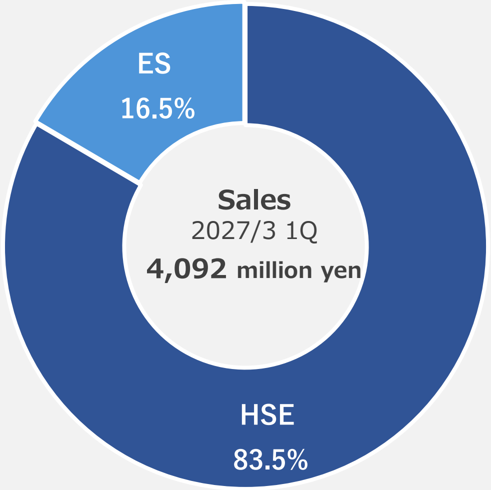
Maintenance Services for Residential Complexes (ES)

Implementing efficient centralized management of water supply and drainage equipment maintenance. By utilizing flagship products such as rust prevention devices, it aims to extend pipe lifespan by suppressing the occurrence and progression of rust inside pipes, and to resolve issues by removing scale and oil contamination while inhibiting their adhesion.

Water Pipe Inspection Using a Video Scope

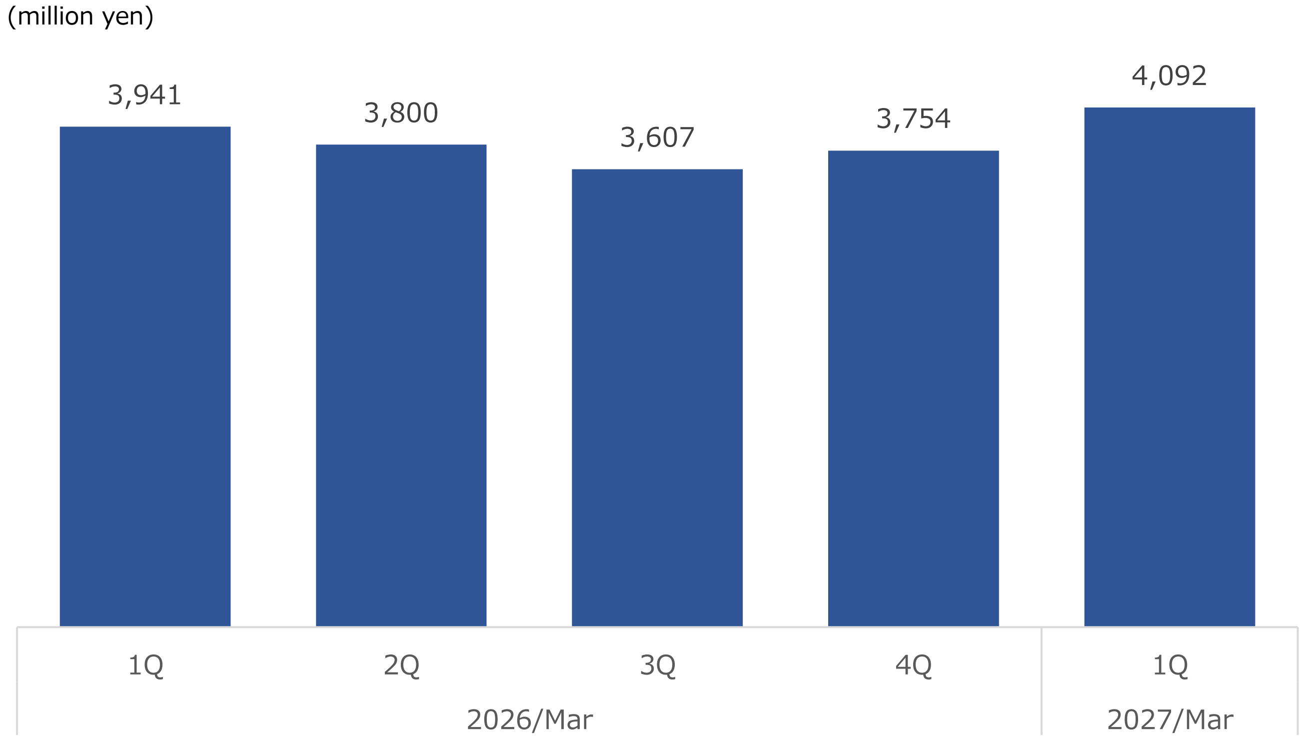
Pest Control Services

Residential Environment Area Sales Composition Ratio



Residential Environment Area | Sales

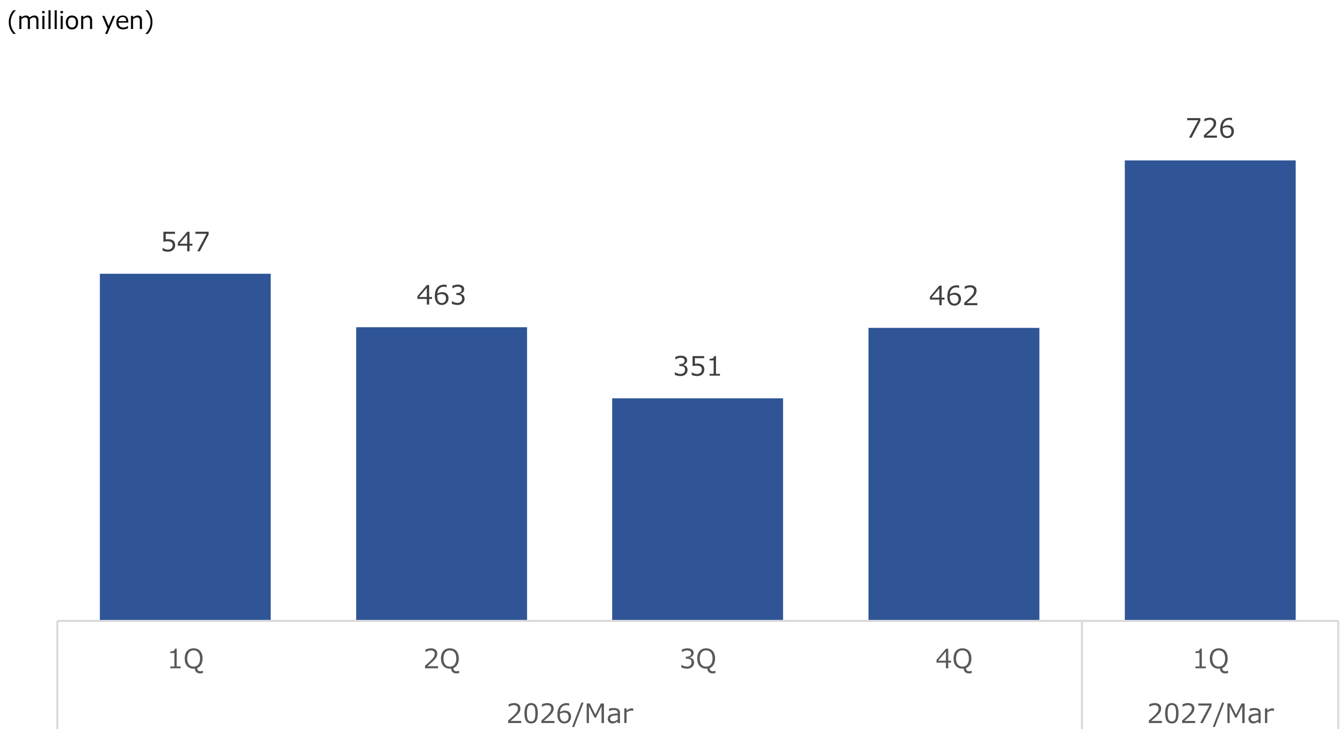
In June 2026, the Company expanded into a new area with the opening of the Sendai Branch (Sendai City, Miyagi Prefecture).
Net sales increased by 150 million yen compared to the same period last year, as house repair and reinforcement work, as well as renovation work in the Services for Detached Houses (HSE) business, performed steadily through the expansion of existing businesses leveraging our sales capabilities and customer base.



YoY
+3.8%

Residential Environment Area | Operating Profit

Operating profit increased by 178 million yen compared to the same period last year, as the Services for Detached Houses (HSE) business, our mainstay business, drove business growth while maintaining a high gross profit margin.

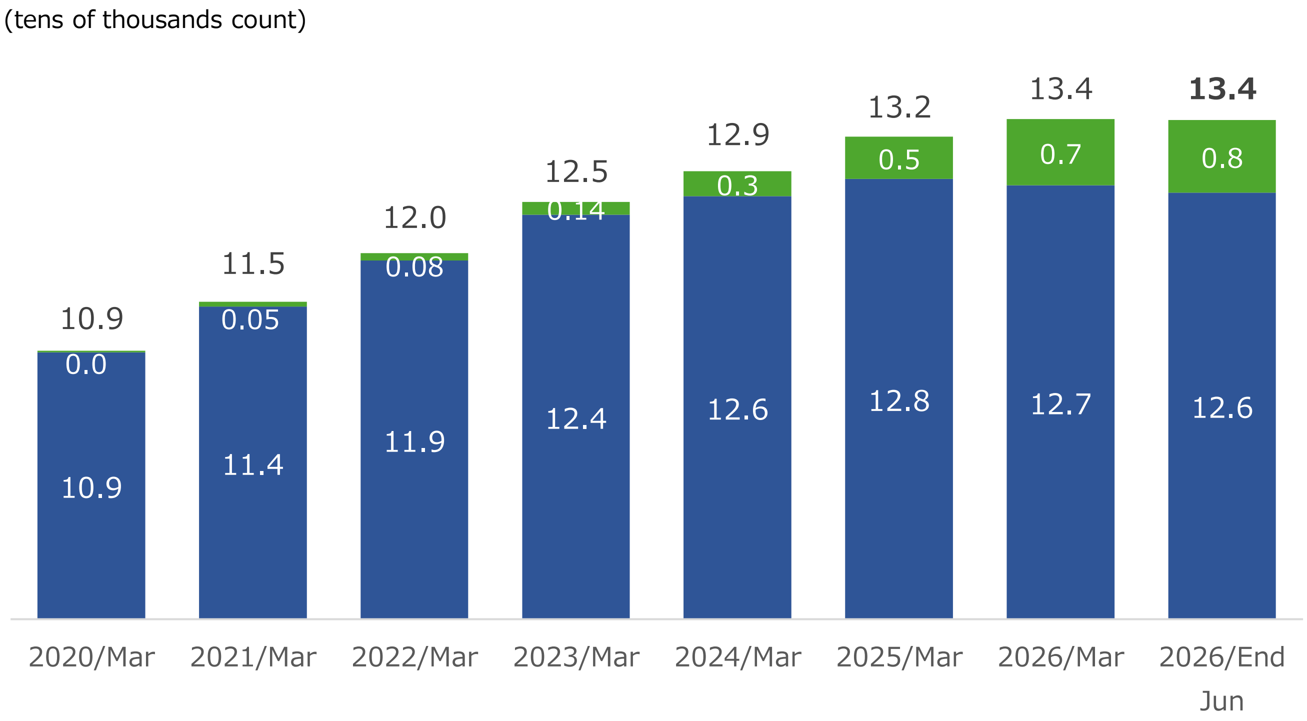


YoY

+32.7%

Residential Environment Area | Number of Customers

Since the fiscal year ending March 2020, the customer count has increased by approximately 30,000.



Note: The number of customers is the total of existing customers with active guarantee contracts (direct sales customers) and corporate channel customers (including those for disinfection of pre-owned homes for resale and disinfection of new constructions).

Solid customer foundation
134,000 count
(As of End June 2026)

Energy Area

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

- Corporate On-Site PV Power Generation Installation
- PV Power Source Development for Energy Providers
- Maintenance of Existing PV Power Generation Systems

Sanix group proposes the optimal solar power generation system tailored to customer needs, supporting the advancement of environmental management from installation to maintenance while promoting the widespread adoption of renewable energy

Corporate Solar Power Generation (PV) Business

Promoting the effective utilization of factory roofs, building rooftops, and similar spaces. Supporting cost reduction (electricity bills), disaster preparedness, and environmental management through solar power generation, focusing on corporate 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

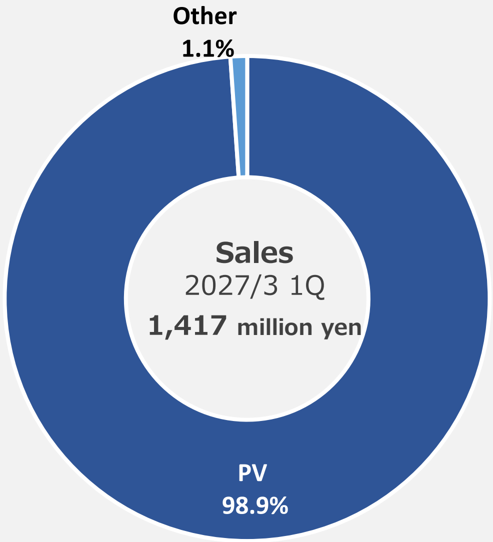
【Third-Party Ownership Model (PPA Model) Mechanism】
The PPA provider installs solar power generation equipment on the customer's property or roof at the PPA provider's expense (the PPA provider owns and maintains it).The PPA provider then supplies the electricity generated by this solar power to the customer for a fee.

Non-FIT Power Development

O&M (Maintenance)

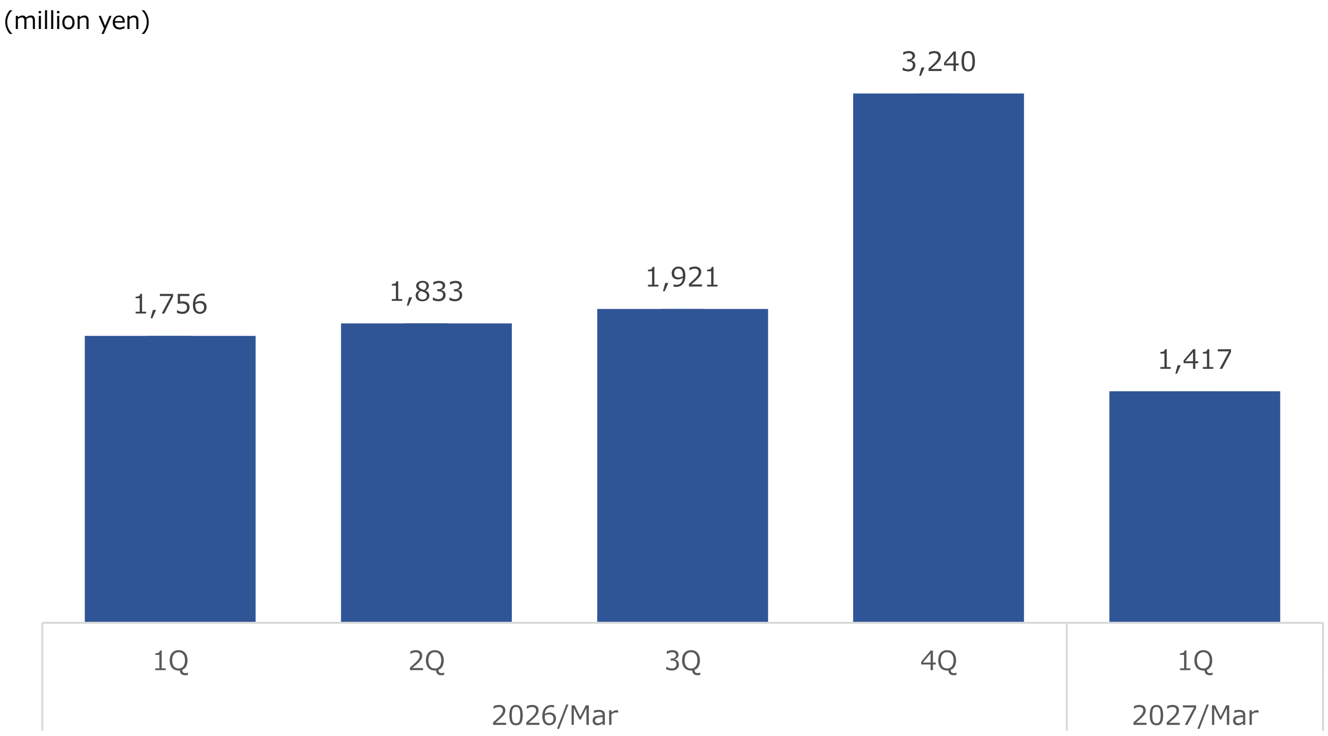
From web monitoring (remote monitoring) to legally mandated maintenance and inspections. Supporting the reliable operation of the customer's solar power plant.

Energy Area Sales Composition Ratio



Energy Area | Sales

Net sales decreased by 339 million yen compared to the same period last year due to environmental changes in the solar power market and intensifying competition, driven by stricter legal regulations and higher required standards.

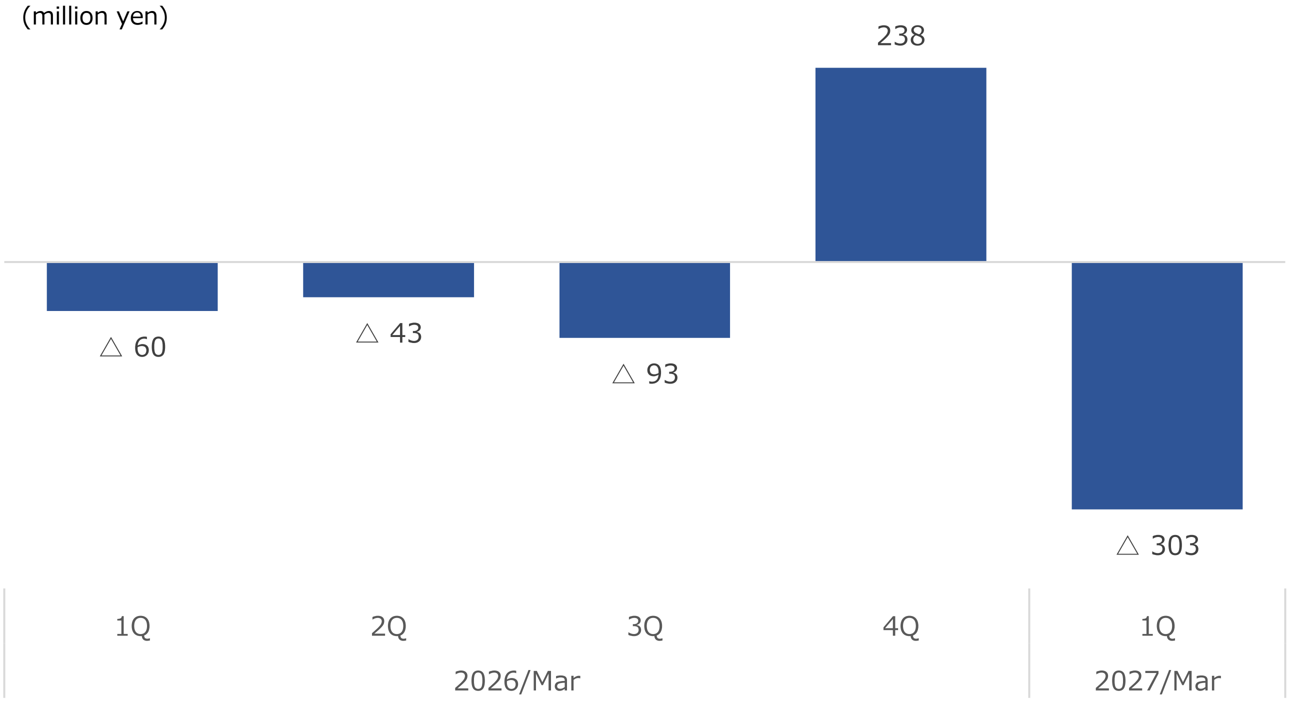


YoY

△19.3%

Energy Area | Operating profit

Although we are continuing to transform our business structure through thorough profitability management per project and cost reviews, operating profit decreased by 242 million yen compared to the same period last year, as we were unable to absorb fixed costs due to the decline in revenue.



YoY

△242 million yen

Resource Circulation Area

Recycle resources instead of disposal

- Recycling of waste plastics
- Power generation from waste plastic fuel
- Purification of waste liquid and production of recycled fuel
- Final disposal of industrial waste

SANIX contributes to building a resource-circulating society through next-generation environmental initiatives, including converting industrial waste plastics into fuel and recycling them, as well as purifying and recycling wastewater discharged from food factories and other sources.

Fuel conversion of waste plastic

With 15 plants nationwide, a network of industrial waste plastic fuel conversion facilities (Plastic Resource Development Plants) has been established. By finely shredding waste plastics of various sizes and shapes, they are regenerated as alternative fuels to petroleum and coal. Material recycling has now commenced in earnest.


Plastic Resource Development Plant


Plastic fuel

Resource-Recycling Power Generation

Plastic resources developed at the factory are converted into fuel and used as an energy source at power generation facilities. Compared to coal, it has a higher calorific value and produces less CO_2 emissions and incineration ash. This results in lower environmental impact and supplies electricity with high added value (non-fossil value).


Tomakomai Power Plant


Final disposal site

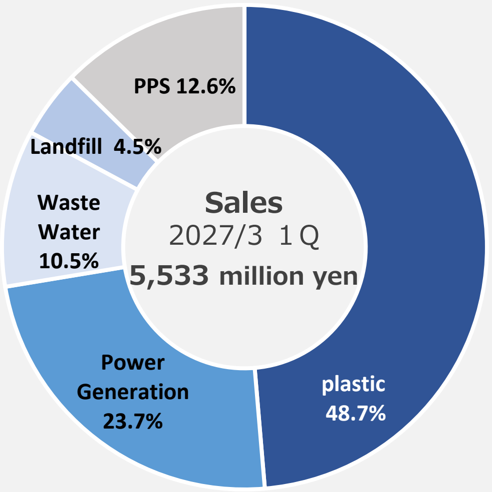
Wastewater Purification and Recycling

A system is in place to receive large volumes of organic wastewater discharged from restaurants, food factories, and other miscellaneous wastewater pits. Through a series of treatment processes, it possesses the capability to remove over 99% of highly concentrated pollutants. Furthermore, it promotes the recycling of oils and the conversion of dewatered sludge into fuel.


Wastewater Treatment Plant

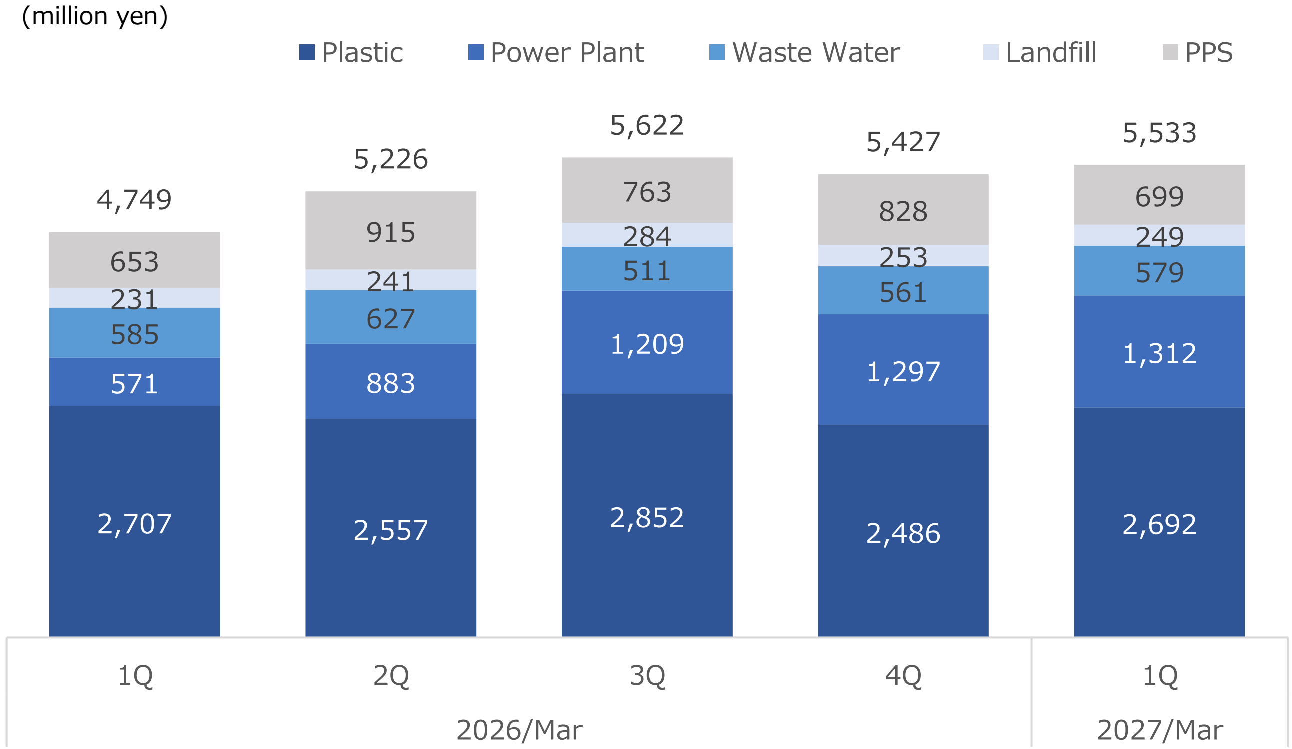

Electricity Retail

Resource Circulation Area Sales Composition Ratio



Resource Circulation Area| Sales

In the Plastics Business, net sales decreased slightly by 14 million yen as acceptance volume declined due to the impact of the situation in the Middle East and other factors, despite an increase in the processing unit price. On the other hand, the Power Generation Business saw a significant increase in revenue of 741 million yen due to the stable operation of the power plant. As a result, overall revenue increased by 783 million yen compared to the same period last year.

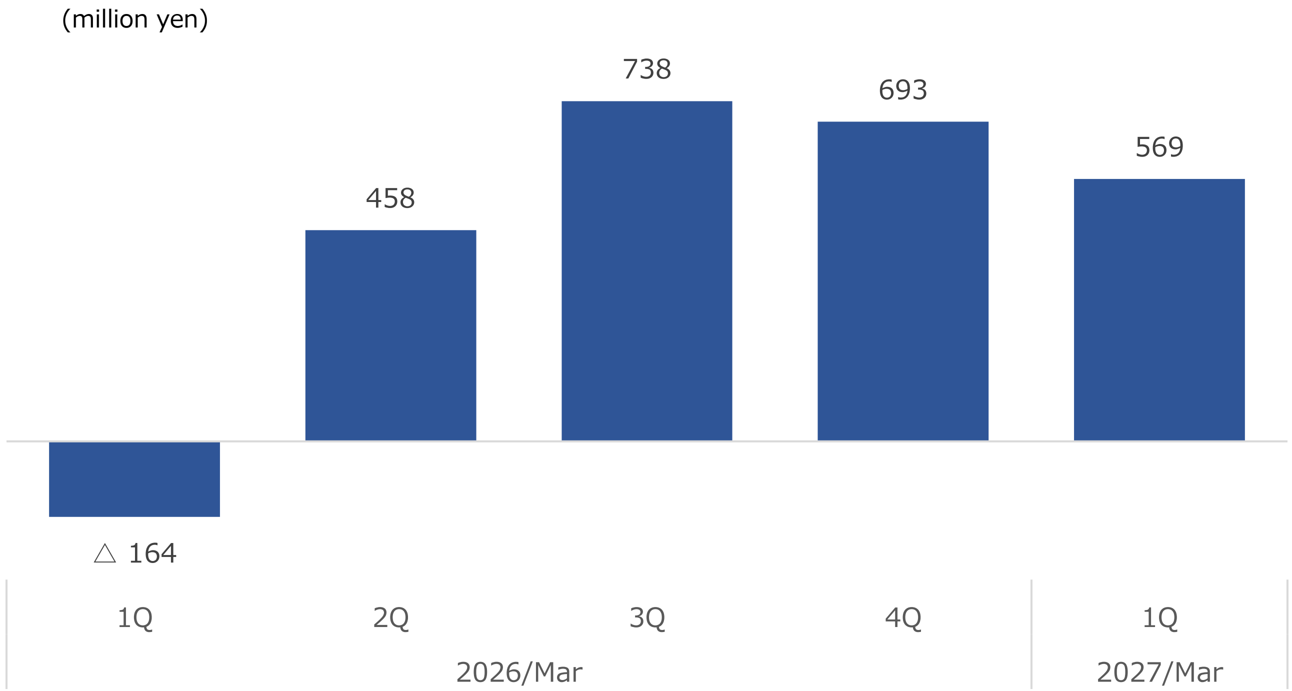


YoY
+16.5%

Plastic	△0.5%
Power Plant	+129.9%
Waste Water	△1.1%
Landfill	+7.6%
PPS	+6.9%

Resource Circulation Area | Operating Profit

In the Plastics Business, cost burdens increased as consumable expenses and transportation costs rose due to the impact of the situation in the Middle East and other factors. On the other hand, an increase in profit was achieved due to the profit-boosting effect of higher revenue in the Power Generation Business, combined with a decrease in repair costs (+205 million yen) and an improvement in plastic fuel inventory (+405 million yen) resulting from the implementation of statutory inspections in the previous period and stable operation. As a result, operating profit increased by 734 million yen compared to the same period last year.

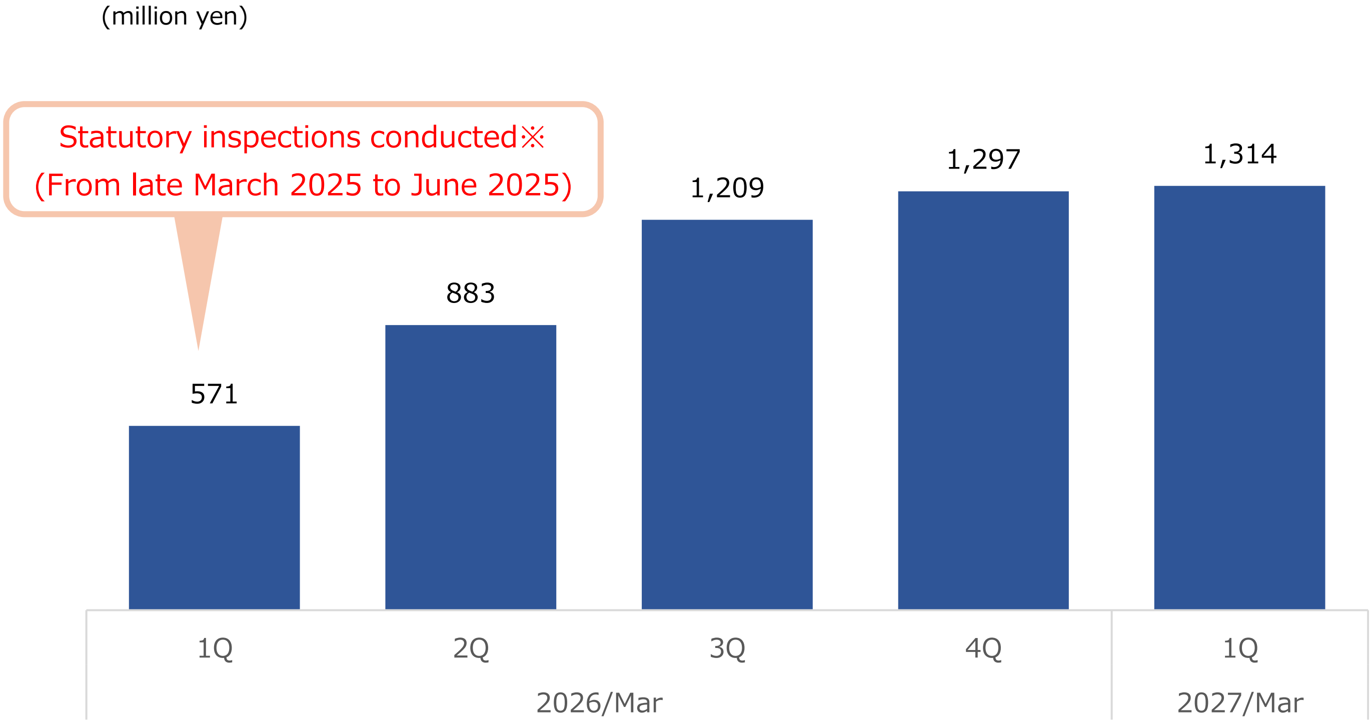


YoY

+734 million yen

Resource Circulation Area | Power Generation Business Sales

Countermeasure work implemented in April 2026 to achieve stable operation was successful and contributed to stable operation. Net sales increased by 741 million yen compared to the same period last year, due to an increase in electricity sales volume resulting from stable operation, as well as a rise in the unit price of electricity sold to the wholesale power market caused by the impact of the situation in the Middle East and other factors.

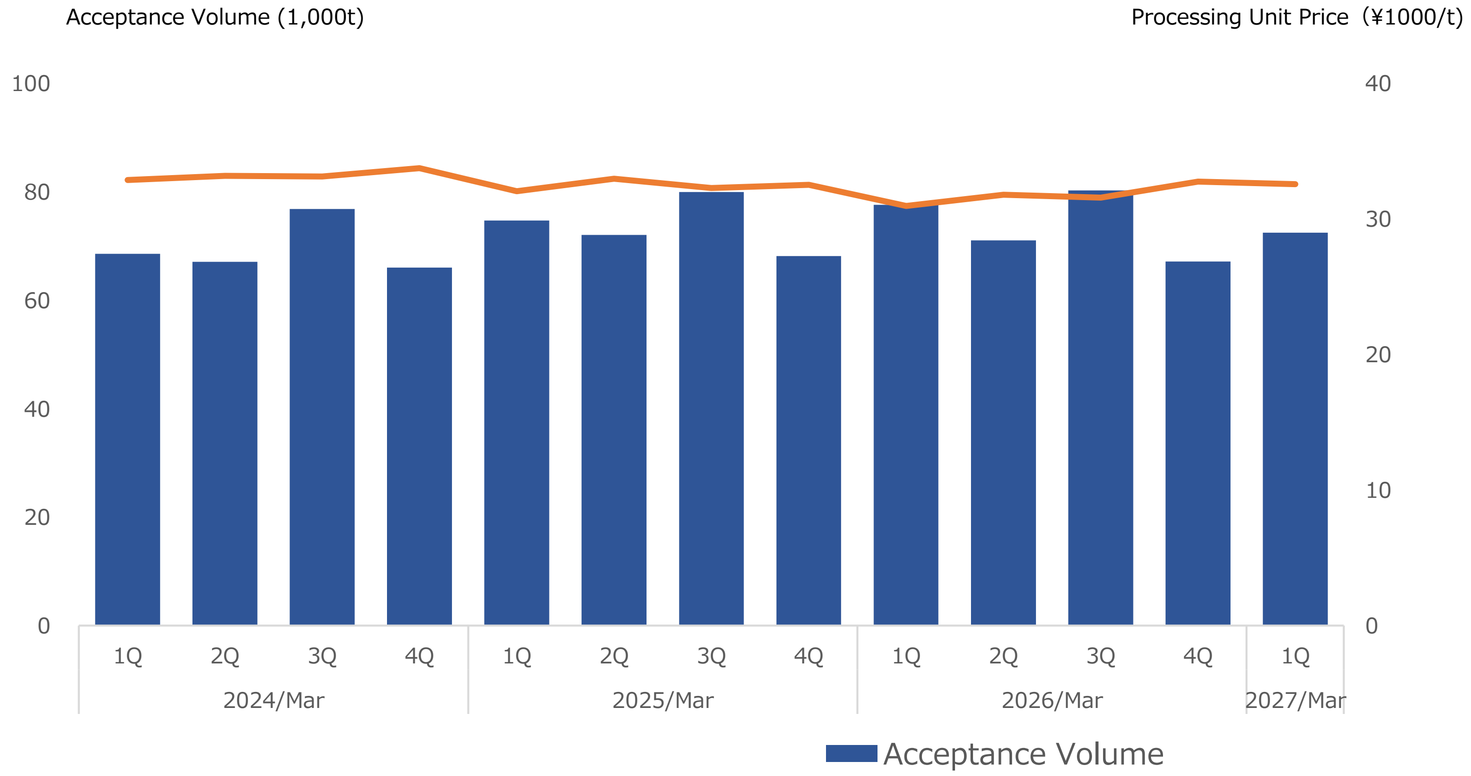


YoY +129.9%

※ Implementing a large-scale equipment renewal of turbines and boilers to ensure stable operation in the future.

Resource Circulation Area | Acceptance Status of Waste Plastics

Implementing revisions to plastic processing unit prices from fiscal year 2026.



YoY

Acceptance Volume △ 6.6%

Processing Unit Price ＋ 5.2%

Residential Environment Area | Expansion into a New Area

In the Residential Environment Area, we aim to expand our market and customer base by building solid business alliances and entering new areas (Kanto, Tohoku, and Hokkaido).

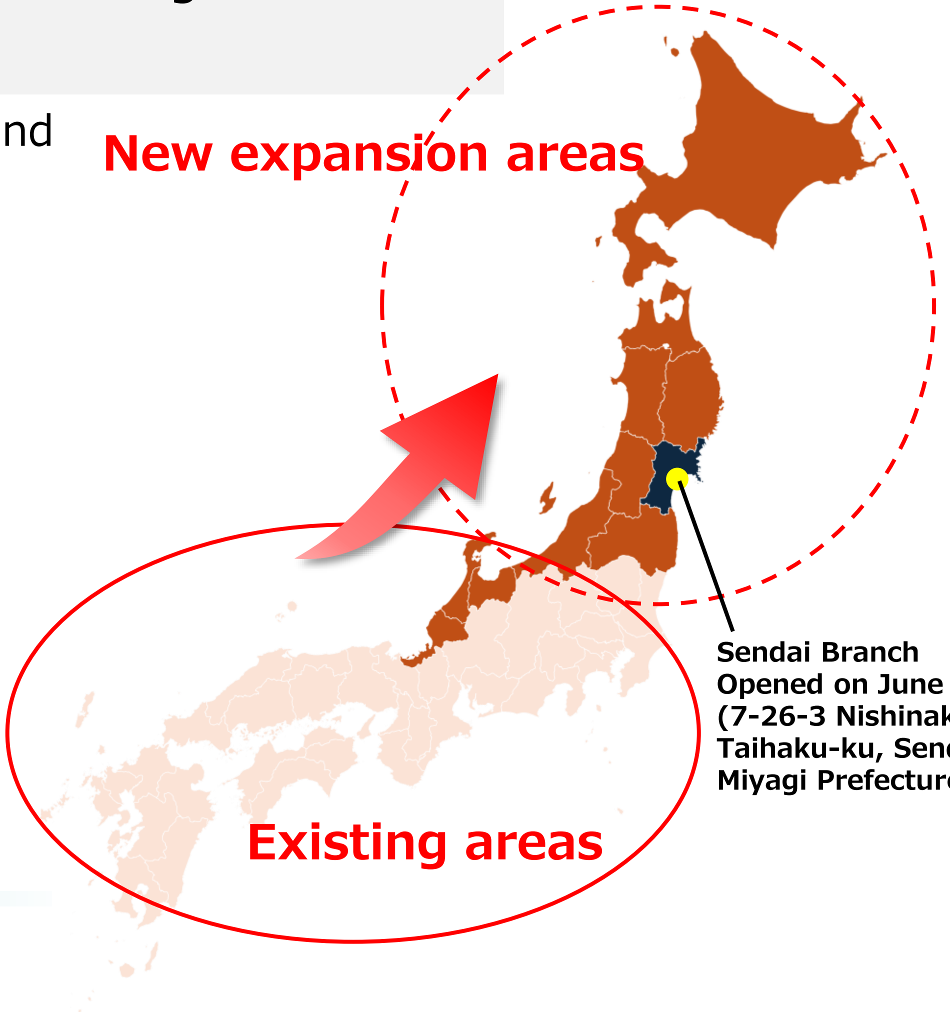
Growth Strategy: Direction of Strengthening Business Alliances and Market Development (Kanto, Tohoku, and Hokkaido)

1． Strengthening Business Alliances

<Methods>
・Expanding partnerships with new local builders
・Expanding referrals from existing partner builders in the Northern and Tohoku regions

2. Expansion into Kanto, Tohoku, and Hokkaido

<Methods>
・Promoting the development of business sites
・Industry consolidation through M&A (utilizing business succession projects, etc.)
・Providing solutions to local community issues



Resource Circulation Area | Initiatives for Further Business Foundation Expansion

In the Wastewater Treatment Business, we are working on sludge fuel conversion and the production of SAF (Sustainable Aviation Fuel) feedstock. We aim for further business expansion by accelerating the "re-energization" process from wastewater treatment.

Newly established a manufacturing line (Phase 1) that converts organic sludge into solid fuel.

We have newly established a manufacturing line to convert organic sludge—the residue left after extracting biomass fuel from waste cooking oil from restaurants and other sources—into solid fuel. Currently, we are awaiting the acquisition of permits (Operations are scheduled to commence in the first half of 2026). After obtaining the permits, we plan to sell it as a new product, "Solid Fuel REBON." Furthermore, we plan to introduce up to four lines by the fiscal year ending March 2029.

News Release: Development of Solid Fuel REBON

Released on May 13, 2026 ▶

Solid Fuel REBON(REBON)

Facilities for treating sludge and wastewater
One of the largest in Japan

Hibiki Plant (Wastewater Treatment Plant)

Solid fuel manufacturing line (Phase 1)

Resource Circulation Area | Initiatives for Further Business Foundation Expansion

In the Plastics Business, we aim to become a waste management consulting company centered on "Kankyo Ace Ichigen-kun."

Now offering a 12-month free usage fee campaign for "Kankyo Ace Ichigen-kun."

Kankyo Ace Ichigen-kun (Waste Management System for Waste Generators)

This system "visualizes" everything about waste, including the flow of collection and disposal, volume, and recycling rates, supporting all aspects of proper and efficient waste management operations.

環境エース 一元くん

▼ Click here for details▼

Campaign Period:
April 1, 2026 – March 31, 2027

The promotional video for "Kankyo Ace Ichigen-kun" won the Bronze Award at the Fukuoka Advertising Association Awards!

▼ Watch the video here▼

Award Name: The 65th Fukuoka Advertising Association Awards, Film Advertising (15 seconds or less) Category, Bronze Award

Winning Entry: Kankyo Ace Ichigen-kun: "Infinite Files" Edition

Notice of Participation in Nikkei & JPX IR Fair 2026

Following our participation in fiscal 2025, we will be exhibiting at the Nikkei & JPX IR Fair. We aim to achieve sustainable improvement in corporate value by deepening dialogue with the market through proactive IR activities, primarily targeting individual investors.

Date & Time: Friday, August 28 – Saturday, August 29, 2026 | 10:00 – 17:00
Venue: Tokyo Big Sight, South Exhibition Halls 3 & 4 (3-11-1 Ariake, Koto-ku, Tokyo)
Admission: Free (Pre-registration for visitors is required)

Click here for details

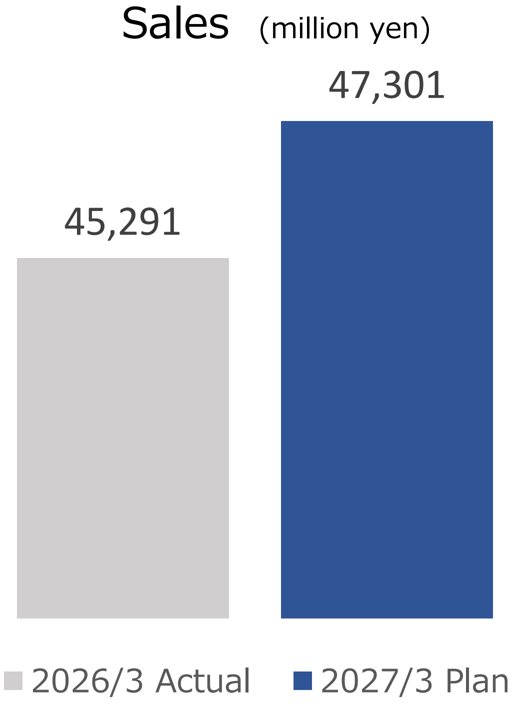
https://event.nikkei.com/irfair

Full-Year Consolidated Earnings Forecast for the Fiscal Year Ending March 2027

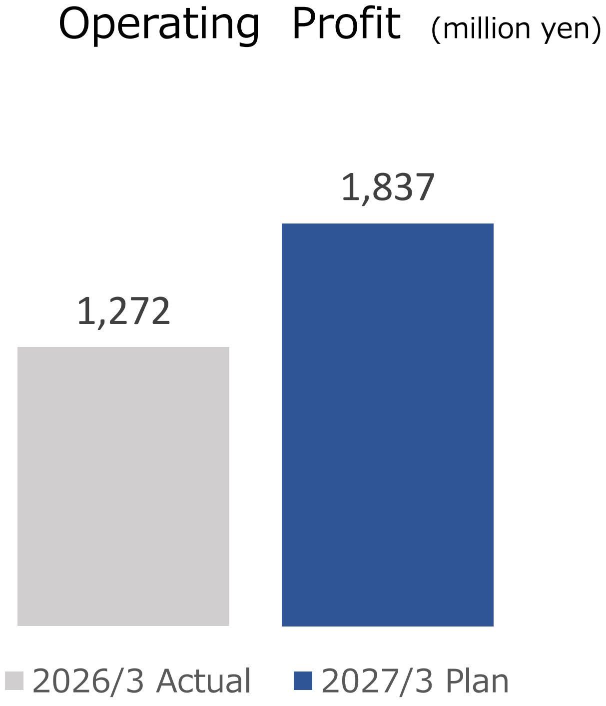
Regarding the earnings forecast, there are no changes from the announcement released on May 15, 2026.

YoY: Increased revenue and profit outlook

Sales
+4.4%



Operating Profit
+44.4%



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Impact of the Middle East Situation on Business and Earnings

(Assumptions)

▶ **Assumptions regarding the impact of the Middle East situation**

①Rising costs of components and materials

②Surge in oil prices

③Decrease in plastic products due to reduced ethylene production

④Supply chain disruptions The following factors are expected to continue until December 2026.

We will continue to closely monitor both direct and indirect impacts.

Impact on Full-Year Consolidated Financial Forecast for the Fiscal Year Ending March 2027

Increased costs due to rising prices of certain materials and fuel. Impact on annual profit: Estimated decrease of ¥300 million.

Full-Year Consolidated Earnings Forecast for the Fiscal Year Ending March 2027

			YoY	
Residential Environment Area	Sales	**15,688** million	(+**3.9** %)	In the Residential Environment Area, we will leverage our sales capabilities and customer base to maintain existing areas as a solid earnings foundation.At the same time, we aim to expand business alliances with house builders and other partners, and enter new areas in the Kanto and Tohoku regions.Furthermore, we will strive to strengthen human resources, promote DX (Digital Transformation), and enhance our services to meet diverse residential environment needs, aiming for further business expansion.
	Operating Profit	**1,956** million	(+**7.1** %)	
Energy Area	Sales	**9,697** million	(+**10.8** %)	In the Energy Area, we will continue to implement thorough profitability-focused revenue management and aim to improve profitability in existing areas.Furthermore, we will work to expand our business by not only focusing on solar power generation but also by engaging in electrical construction related to solar power and the commercialization of low-voltage grid-scale storage batteries.
	Operating Profit	**467** million	(+**427** million)	
Resource Circulation Area	Sales	**21,455** million	(+**2.0** %)	In the Resource Circulation Area, we aim to improve profitability by implementing revisions to plastic processing unit prices.In addition, we strive to improve profitability by optimizing inventory levels, taking into account the situation in the previous fiscal year when plastic fuel inventory temporarily increased.In the Power Generation Business, we have implemented measures since April 2026 to ensure stable operation and aim to achieve consistent performance.In the Wastewater Treatment Business, we aim for further business expansion by proceeding with the sludge fuel conversion and the demonstration project for producing SAF feedstock from Bio-recycled Oil.
	Operating Profit	**2,146** million	(+**24.4** %)	
Othre/HQ	Sales	**459** million	(+**12.1** %)	We expect increased costs due to rising prices of certain materials and fuel as a result of the Middle East situation.We will strive to maximize the growth and profitability of each group company, while actively promoting the creation of new businesses that will serve as the next pillars of growth.
	Operating Profit	△**2,733** million	(△**413** million)	

※ Since the situation in the Middle East is extremely fluid and involves multiple factors, it is difficult to accurately estimate the specific financial impact on each segment. Therefore, the impact is incorporated into "Other / Head Office Expenses."

Full-Year Consolidated Earnings Forecast for the Fiscal Year Ending March 2027

(million yen)	First Half				Second Half				Full Year			
	Actual	Plan	difference	YoY	Actual	Plan	difference	YoY	Actual	Plan	difference	YoY
Sales	21,502	**22,178**	+675	103.1%	23,788	**25,122**	+1,333	105.6%	45,291	**47,301**	+2,009	104.4%
Gross Profit	7,148	**7,911**	+763	110.7%	8,291	**8,895**	+603	107.3%	15,440	**16,807**	+1,367	108.9%
(Gross Profit Margin)	33.2%	**35.7%**			34.9%	**35.4%**			34.1%	**35.5%**		
OperatingProfit	△ 19	**461**	+481	–	1,292	**1,375**	+83	106.4%	1,272	**1,837**	+564	144.4%
(OperatingProfitMargin)	–	**2.1%**			5.4%	**5.5%**			2.8%	**3.9%**		
OrdinaryProfit	△ 407	**335**	+742	–	1,135	**1,243**	+107	109.5%	727	**1,578**	+850	216.8%
(OrdinallyProfitMargin)	–	**1.5%**			4.8%	**4.9%**			1.6%	**3.3%**		
"Net Profit Attributableto Owners of the Parent Company"	△ 613	**217**	+831	–	1,035	**784**	△250	75.8%	421	**1,002**	+580	237.6%
(Net Profit Margin)	–	**1.0%**			4.4%	**3.1%**			0.9%	**2.1%**		

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Full-Year Consolidated Earnings Forecast for the Fiscal Year Ending March 2027

(million yen)	First Half				Second Half				Full Year			
	Actual	Plan	Difference	YoY	Actual	Plan	Difference	YoY	Actual	Plan	Difference	YoY
Sales	21,502	**22,178**	+ 675	103.1%	23,788	**25,122**	+ 1,333	105.6%	45,291	**47,301**	+ 2,009	104.4%
Residential Environment Area	7,742	**7,943**	+ 201	102.6%	7,362	**7,745**	+ 383	105.2%	15,104	**15,688**	+ 584	103.9%
Energy Area	3,590	**3,531**	△ 58	98.4%	5,162	**6,165**	+ 1,003	119.4%	8,752	**9,697**	+ 945	110.8%
Resource Circulation Area	9,975	**10,492**	+ 516	105.2%	11,050	**10,963**	△ 87	99.2%	21,025	**21,455**	+ 429	102.0%
Othre	195	**211**	+ 16	108.2%	214	**248**	+ 33	115.7%	409	**459**	+ 49	112.1%
Profit	△ 19	**461**	+ 481	–	1,292	**1,375**	+ 83	106.4%	1,272	**1,837**	+ 564	144.4%
Residential Environment Area	1,011	**1,092**	+ 81	108.0%	814	**863**	+ 49	106.1%	1,825	**1,956**	+ 130	107.1%
Energy Area	△ 103	**△ 178**	△ 74	–	144	**646**	+ 501	446.5%	40	**467**	+ 427	–
Resource Circulation Area	293	**937**	+ 644	319.3%	1,432	**1,208**	△ 223	84.4%	1,726	**2,146**	+ 420	124.4%
Other / HQ	△ 1,221	**△ 1,390**	△ 169	–	△ 1,098	**△ 1,342**	△ 244	–	△ 2,319	**△ 2,733**	△ 413	–

Full-Year Earnings Forecast | Forecast by Segment 【Residential Environment Area】

● YoY: Increased revenue and profit outlook

In the Residential Environment Area, we will leverage our sales capabilities and customer base to maintain existing areas as a solid earnings foundation, while aiming to expand business alliances with house builders and other partners and enter new areas in the Kanto and Tohoku regions. Furthermore, we will strive to strengthen human resources, promote DX (Digital Transformation), and enhance our services to meet diverse residential environment needs, aiming for further business expansion.

	First Half				Second Half				Full Year			
(million yen)	Actual	Plan	Difference	YoY	Actual	Plan	Difference	YoY	Actual	Plan	Difference	YoY
Sales	7,742	**7,943**	+ 201	102.6%	7,362	**7,745**	+ 383	105.2%	15,104	**15,688**	+ 584	103.9%
COGS	3,336	**3,347**	+ 10	100.3%	3,273	**3,410**	+ 136	104.2%	6,610	**6,757**	+ 147	102.2%
Material	965	**988**	+ 22	102.4%	955	**1,015**	+ 60	106.3%	1,921	**2,004**	+ 83	104.3%
Labour	1,171	**1,210**	+ 38	103.3%	1,164	**1,225**	+ 61	105.3%	2,335	**2,435**	+ 99	104.3%
Gross Profit	4,405	**4,596**	+ 190	104.3%	4,088	**4,334**	+ 246	106.0%	8,494	**8,930**	+ 436	105.1%
SG&A	3,394	**3,503**	+ 109	103.2%	3,274	**3,471**	+ 196	106.0%	6,668	**6,974**	+ 306	104.6%
Labour	2,233	**2,285**	+ 52	102.3%	2,227	**2,276**	+ 49	102.2%	4,460	**4,561**	+ 101	102.3%
Operating Profit	1,011	**1,092**	+ 81	108.0%	814	**863**	+ 49	106.1%	1,825	**1,956**	+ 130	107.1%

Full-Year Earnings Forecast ｜Forecast by Segment
【 Energy Area 】

● YoY: Increased revenue and profit outlook

In the Energy Area, we will continue to implement thorough profitability-focused revenue management and aim to improve profitability in existing areas. Furthermore, we will work to expand our business by not only focusing on solar power generation but also by engaging in electrical construction related to solar power and the commercialization of low-voltage grid-scale storage batteries.

	First Half				Second Half				Full Year			
(million yen)	Actual	Plan	Difference	YoY	Actual	Plan	Difference	YoY	Actual	Plan	Difference	YoY
Sales	3,590	**3,531**	△ 58	98.4%	5,162	**6,165**	+ 1,003	119.4%	8,752	**9,697**	+ 945	110.8%
COGS	2,626	**2,606**	△ 19	99.2%	3,881	**4,319**	+ 437	111.3%	6,507	**6,925**	+ 417	106.4%
Material	1,438	**1,311**	△ 127	91.2%	1,784	**2,428**	+ 643	136.1%	3,222	**3,739**	+ 516	116.0%
Labour	314	**327**	+ 13	104.3%	349	**361**	+ 11	103.3%	664	**689**	+ 25	103.8%
Gross Profit	963	**925**	△ 38	96.0%	1,280	**1,846**	+ 566	144.2%	2,244	**2,772**	+ 527	123.5%
SG&A	1,067	**1,103**	+ 35	103.4%	1,135	**1,200**	+ 64	105.7%	2,203	**2,304**	+ 100	104.6%
Labour	635	**661**	+ 26	104.1%	652	**740**	+ 87	113.4%	1,288	**1,401**	+ 113	108.8%
Operating Profit	△ 103	**△ 178**	△ 74	–	144	**646**	+ 501	446.5%	40	**467**	+ 427	–

Full-Year Earnings Forecast | Forecast by Segment 【Residential Environment Area】

● YoY: Increased revenue and profit outlook

In the Resource Circulation Area, we aim to improve profitability by implementing revisions to plastic processing unit prices, while striving to optimize inventory levels by taking into account the situation in the previous fiscal year when plastic fuel inventory temporarily increased. In the Power Generation Business, we have implemented measures since April 2026 to ensure stable operation and aim to achieve consistent performance. Furthermore, in the Wastewater Treatment Business, we aim for further business expansion by proceeding with the sludge fuel conversion and the demonstration project for producing SAF feedstock from Bio-recycled Oil.

	First Half				Second Half				Full Year			
(million yen)	Actual	Plan	Difference	YoY	Actual	Plan	Difference	YoY	Actual	Plan	Difference	YoY
Sales	9,975	10,492	+ 516	105.2%	11,050	10,963	△ 87	99.2%	21,025	21,455	+ 429	102.0%
Plastic	5,264	5,503	+ 239	104.5%	5,339	5,647	+ 307	105.8%	10,603	11,150	+ 547	105.2%
Power Plant	1,454	2,050	+ 595	140.9%	2,506	2,316	△ 190	92.4%	3,961	4,367	+ 405	110.2%
Waste Water Treatment	1,213	1,174	△ 38	96.8%	1,073	1,177	+ 103	109.7%	2,287	2,352	+ 64	102.8%
Landfill	473	475	+ 1	100.3%	538	523	△ 15	97.1%	1,012	998	△ 14	98.6%
PPS	1,569	1,288	△ 281	82.1%	1,591	1,298	△ 293	81.6%	3,161	2,587	△ 574	81.8%
COGS	8,275	8,171	△ 103	98.8%	8,209	8,355	+ 146	101.8%	16,484	16,527	+ 43	100.3%
Labour	1,040	1,091	+ 51	105.0%	1,050	1,101	+ 51	104.9%	2,090	2,193	+ 102	104.9%
Gross Profit	1,700	2,320	+ 619	136.4%	2,841	2,607	△ 233	91.8%	4,541	4,927	+ 386	108.5%
SG&A	1,406	1,382	△ 24	98.3%	1,408	1,398	△ 10	99.3%	2,815	2,780	△ 34	98.8%
Labour	772	857	+ 85	111.0%	843	861	+ 17	102.1%	1,616	1,718	+ 102	106.4%
Operating Profit	293	937	+ 644	319.3%	1,432	1,208	△ 223	84.4%	1,726	2,146	+ 420	124.4%

Summary of First Quarter Financial Results for the Fiscal Year Ending March 2027

(million yen)	2026/Mar 1Q Actual	2027/Mar 1Q Actual	Difference	Ratio	2027/Mar 1st Half Plan	progress rate
sales	10,531	11,127	+ 595	105.7%	22,178	50.2%
Gross profit	3,267	3,993	+ 725	122.2%	7,911	50.5%
(Gross profit margin)	31.0%	35.9%			35.7%	
Operating profit	△ 343	339	+ 682	–	461	73.4%
(Operating profit margin)	–	3.0%			2.1%	
Ordinary profit	△ 539	280	+ 819	–	335	83.7%
(Ordinary profit margin)	–	2.5%			1.5%	
Profit attributable to owners	△ 640	126	+ 766	–	217	58.2%
(Net profit margin)	–	1.1%			1.0%	

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Overview by Segment | Residence Environment Area

(million yen)	2026/Mar 1Q Actual	**2027/Mar 1Q Actual**	Difference	Ratio	2027/Mar 1st half Plan	progress rate
Sales	3,941	**4,092**	+ 150	103.8%	7,943	51.5%
COGS	1,671	**1,651**	△ 19	98.8%	3,347	49.3%
Material	480	**483**	+ 3	100.7%	988	48.9%
Labour	593	**577**	△ 15	97.3%	1,210	47.7%
Gross Profit	2,270	**2,440**	+ 170	107.5%	4,596	53.1%
SG&A	1,723	**1,714**	△ 8	99.5%	3,503	48.9%
Labour	1,130	**1,095**	△ 34	97.0%	2,285	47.9%
Operating Profit	547	**726**	+ 178	132.7%	1,092	66.5%

Overview by Segment | Energy Area

(million yen)	2026/Mar 1Q Actual	**2027/Mar 1Q Actual**	Difference	Ratio	2027/Mar 1st half Plan	progress rate
Sales	1,756	**1,417**	△ 339	80.7%	3,531	40.1%
COGS	1,304	**1,183**	△ 120	90.7%	2,606	45.4%
Material	709	**525**	△ 184	74.0%	1,311	40.0%
Labour	146	**144**	△ 1	99.2%	327	44.2%
Gross Profit	452	**233**	△ 218	51.6%	925	25.2%
SG&A	513	**536**	+ 23	104.6%	1,103	48.6%
Labour	320	**305**	△ 15	95.2%	661	46.2%
Operating Profit	△ 60	**△ 303**	△ 242	–	△ 178	–

Overview by Segment | Resource Circulation Area

(million yen)	2026/Mar 1Q Actual	**2027/Mar 1Q Actual**	Difference	Ratio	2027/Mar Plan	progress rate
Sales	4,749	**5,533**	+ 783	116.5%	10,492	52.7%
Plastic	2,707	**2,692**	△ 14	99.5%	5,503	48.9%
Power Plant	571	**1,312**	+ 741	229.9%	2,050	64.0%
Waste Water Treatment	585	**579**	△ 6	98.9%	1,174	49.3%
Landfill	231	**249**	+ 17	107.6%	475	52.5%
PPS	653	**699**	+ 45	106.9%	1,288	54.3%
COGS	4,235	**4,254**	+ 18	100.4%	8,171	52.1%
Labour	526	**505**	△ 21	96.0%	1,091	46.3%
Gross Profit	513	**1,279**	+ 765	248.9%	2,320	55.1%
SG&A	678	**709**	+ 30	104.5%	1,382	51.3%
Labour	390	**420**	+ 30	107.9%	857	49.1%
Operating Profit	△ 164	**569**	+ 734	–	937	60.8%

Financial status

Unit:million yen		2026/Mar Year End	2027/Mar 1Q	Pre-Term End Difference	Pre-Term End Ratio
	Current Assets	15,102	**14,593**	△ 508	96.6%
	Noncurrent Assets	24,921	**24,937**	+ 15	100.1%
Total Assets		40,024	**39,531**	△ 492	98.8%
	Current Liabilities	18,380	**18,637**	+ 257	101.4%
	Noncurrent Liabilities	10,637	**9,943**	△ 694	93.5%
	Total Liabilities	29,018	**28,581**	△ 436	98.5%
	Total Net Assets	11,006	**10,950**	△ 55	99.5%
Total Liabilities and Net Assets		40,024	**39,531**	△ 492	98.8%

Equity ratio	27.5%	**27.7%**

Capital Expenditures and Depreciation Expenses: Actual Results

(million yen)	2026/Mar 1Q Actual	**2027/Mar 1Q Actual**
Residential Environment	11	**86**
Energy	60	**51**
Resource Circulation	1,898	**317**
Other	75	**11**
Total Capital Expenditures	2,046	**466**
Depreciation	410	**455**

【Major Capital Expenditures】

【Resource Circulation Area】

- Investment in waste plastic processing facilities：216million yen
- Investment in Tomakomai Power Plant：93million yen

Number of sites and employees

	2026/Mar End		2027/Mar 1Q		
	Sites	Employees	Sites	Employees	Differences
Residential environment	71	1,041	72	1,056	+15
Energy	27	284	27	290	+6
Resource circulation	19	528	19	543	+15
Other/holdings	—	180	—	168	△12
Total	—	**2,033**	—	**2,057**	**+24**

※The number of sites above includes duplicate sites.
※The Environmental Resources Development Division includes one power plant site and one final disposal site.

Key Management Indicators

		2022/Mar Actual	2023/Mar Actual	2024/Mar Actual	2025/Mar Actual	**2026/Mar Actual**	2027/Mar Plan
Return on equity	ROE	—	24.8%	36.1%	15.6%	**4.0%**	8.7%
Return on assets	ROA	—	4.5%	9.8%	5.3%	**1.9%**	3.9%
Equity ratio		13.5%	18.0%	24.1%	27.7%	**27.5%**	29.0%
Return on invested capital	ROIC	—	8.4%	14.4%	8.0%	**2.9%**	5.0%
Capital investment (million yen)		2,776	1,566	2,743	4,053	**3,922**	**3,148**
Depreciation (million yen)		1,509	1,889	1,654	1,701	**1,877**	**2,362**

【Disclaimer】

- This material contains certain forward-looking statements. Such forward-looking statements are not intended to provide guarantees of our future performance and are based on certain assumptions and management’s judgment based on currently available information. Therefore, actual results in future earnings and operating results may materially differ from those contained in the forward-looking statements.
- Several factors beyond the Company's forecast, including the status of the COVID-19 pandemic and the response of the government and local governments, economic trends in Japan, trends in the feed-in tariff for renewable energy, trends related to the handling of waste (especially waste plastics), the competitive environment with other vendors, technological innovation, as well as the legal and regulatory environment.
- This presentation is not intended to solicit investment to securities issued by us. As such, the Company assumes no responsibility for any losses or liabilities arising from or in connection with the information contained in this material.

【Notice】

･Numbers are rounded off to the nearest whole number.

･The “△" notation of operating profit, ordinary profit, and net profit for the current period represents operating loss, ordinary loss,and net loss for the current period, respectively.

･In case of negative or more than 1000%, margin is marked “ -“.

･The amounts are stated net of intersegment sales adjustments.

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