

Better Life For The Next Generation



"The Future of Diverse Growth"

SANIX
Integrated Report March 2025

Better Life For The Next Generation.

Since its establishment in 1975, the Sanix Group has been working to create a comfortable environment for living spaces such as houses, apartments, buildings, offices, and restaurants. In 1994, we entered the industrial waste treatment and recycling business and developed a business with a strong awareness of the importance of the vein industry.

We have expanded our business area to the global environment. Furthermore, we are focusing on energy businesses that have reached the end of the "environmental" approach, such as power generation business using recycled plastic fuel, sales and installation of solar power generation which is a representative of renewable energy, and electricity retail business.

In these days, as the construction of a sustainable society is being questioned on a global scale, efforts to deal with the global environment and energy are becoming increasingly important as essential issues. Based on the corporate philosophy of "Better Life For The Next Generation," the Sanix Group moves forward toward the early realization of a society in which passing on "a comfortable living environment to the next generation," "energy with low environmental impact," and "recycling resources instead of abandoning" are common values.

Mission

Corporate philosophy

Better Life For The Next Generation.

Company motto

The Sanix Group strives to provide comprehensive solutions for improvement and enhancement of energy and environment to create better relationship between people and environment through humanistic communication.

Vision

To become a leading company in the environment and energy

Value

Management Philosophy

Work is education and education is management



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Picture on front cover

This is the President's Award-winning artwork of the in-house competition "Painting Contest 2024" (targeting children of employees).



"The Future of Diverse Growth"

Message
I thought it would be wonderful if each person could grow through various stages of development, starting from a small life and continuing all the way to adulthood.

Editorial policy

Our group is currently implementing the Medium-Term Management Plan (FY2024 to FY2026). Additionally, on April 1, 2025, we transitioned to a holding company structure. This integrated report also provides an explanation regarding this transition to the holding company structure.

For detailed information on products, services, business details, finance, etc., please check our website. (See p.63)

This report has been edited with reference to the "International Integrated Reporting Framework" of the International Integrated Reporting Council (IIRC) and the "Value Co-creation Guidance" formulated by the Ministry of Economy, Trade and Industry.

Report target period, etc.

- Target period: FY2024 (April 1, 2024-March 31, 2025)
- Target organizations: SANIX HOLDINGS INC. and domestic and overseas consolidated subsidiaries
- Accounting Standards: For the time being, Japanese standards will be applied. Regarding the application of International Financial Reporting Standards, we will take appropriate measures in consideration of various domestic and international situations.

Precautions regarding future prospects

Forward-looking statements, such as performance forecasts, contained in this integrated report are not intended to guarantee future performance and are based on certain assumptions and management's judgment based on currently available information. Therefore, due to various factors, the actual earnings and business results at a future point in time may differ significantly from the statements regarding the business forecast. This material is not intended to solicit investment in securities issued by the company. Please note that the company shall not be liable for any loss or debt incurred based on the information contained in this material.

About Sanix Group



- Sanix Group's Business Area
- Transition to a Holding Company Structure
- Sanix Group through the pictures
- Main Businesses
- Sanix Group through numbers
- History of Sanix Group

Better Life For The Next Generation.

Sanix Group continues to take on the challenge.

Sanix Group's Business Areas

Energy Area

"a comfortable living environment to the next generation"

Offering the best possible solution for the introduction of solar power generation systems, including self-consumption and third-party ownership. Supporting businesses in their efforts to promote decarbonization.



Resource Circulation Area

"recycling resources without discarding"

to recycle and reuse waste as energy resources. Contribute to the realization of a recycling-oriented society.



Residential Environment Area

"a comfortable living environment to the next generation"

Support sanitary management and disaster countermeasures, centering on the maintenance of houses, buildings and condominiums. Protecting homes and buildings that will be passed down from generation to generation.



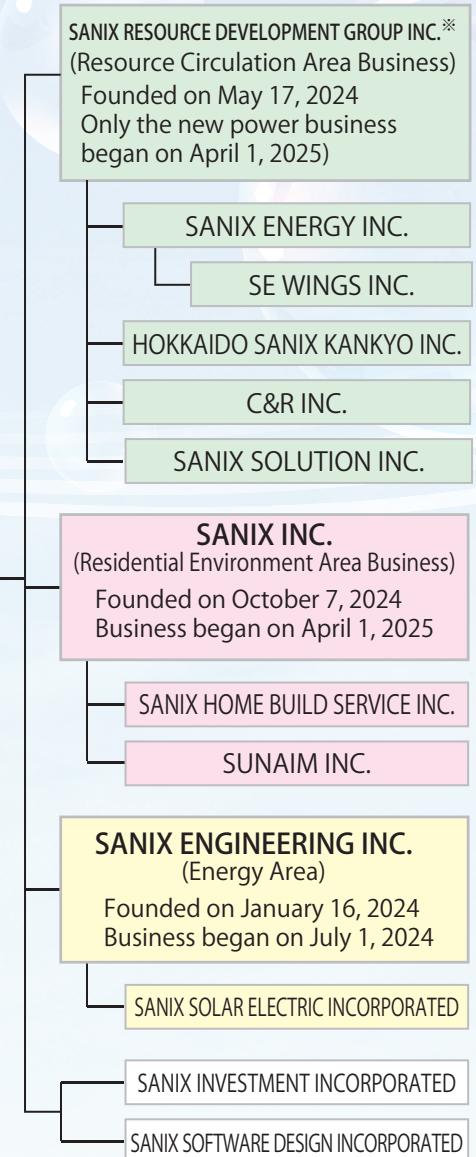
On April 1, 2025, our group transitioned to a holding company structure.

On April 1, 2025, the Sanix Group transitioned to a holding company structure. Each business division has become an independent company, allowing for greater specialization to better respond to customer needs and drive growth.

The former SANIX INCORPORATED has changed its corporate name to SANIX HOLDINGS INCORPORATED, and now serves as the parent company. After the reorganization (see diagram on the right), the new SANIX INCORPORATED is a subsidiary responsible for the Residential Environment Business, inheriting the name of the former parent company. In addition, within SANIX RESOURCE DEVELOPMENT GROUP INCORPORATED, the industrial waste treatment and recycling business (Environmental Resource Development Business) and its related subsidiaries are scheduled to transition to the new structure on October 1, 2025.

(Only the new power business began operations on April 1, 2025.)

SANIX HOLDINGS Group Structure



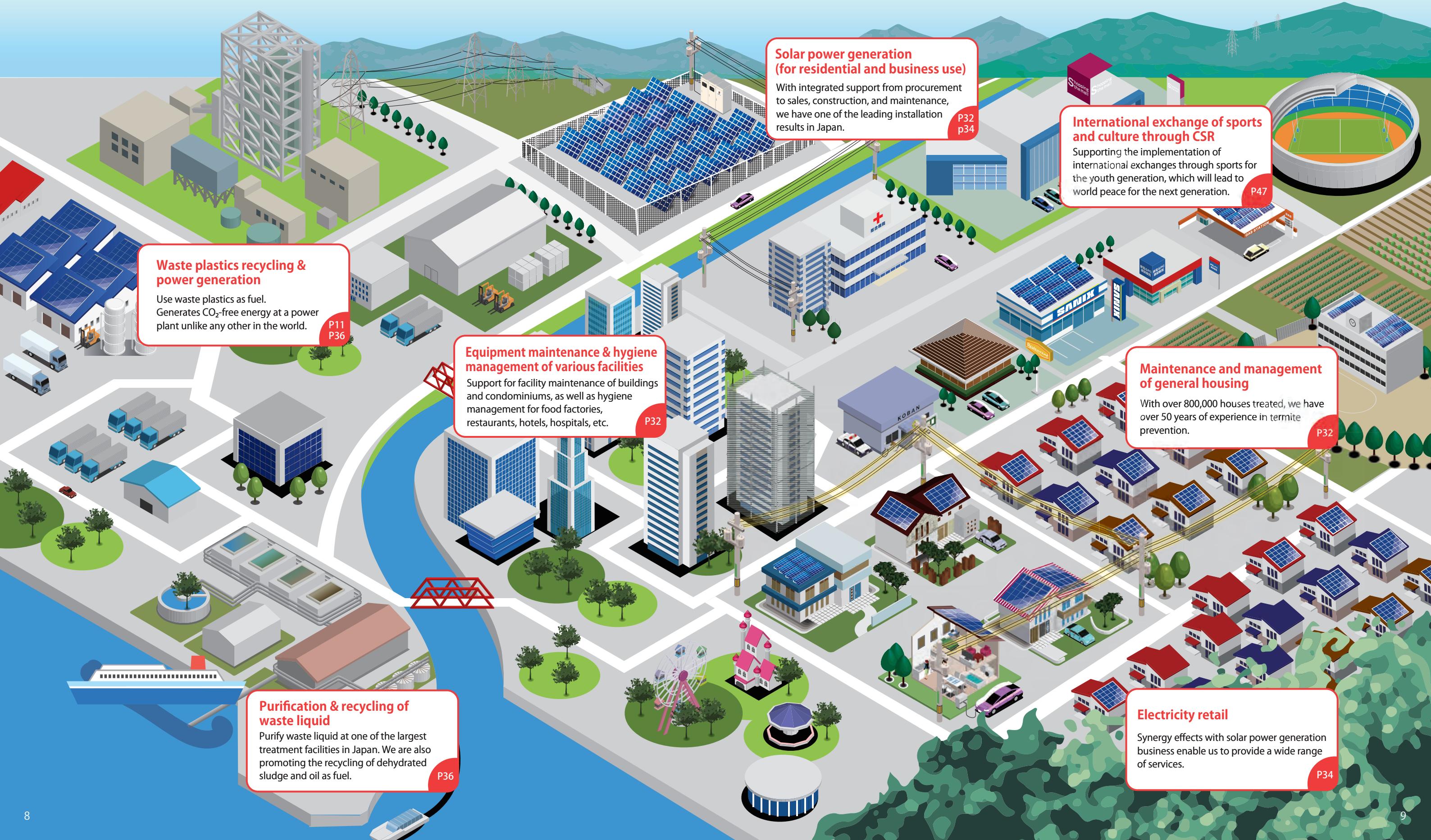
Note: SANIX RESOURCE DEVELOPMENT GROUP INC. and its subsidiaries are scheduled to transition to the above structure on October 1, 2025.



Sanix Group through the picture

Better Life For The Next Generation. A place where people live and gather, Sanix Group.

Through the work for "environment" and "energy", Sanix Group is working to create a society where people can live comfortably while protecting the global environment.



Main Business

Residential Environment Area

■ Home sanitation business (Services for detached houses)

Termite control system



Our staff, who are well versed in the habits of termites, will take appropriate action from prevention to extermination. Our expertise, know-how and after-sales service will protect customer's home from termite damage.

Underfloor / attic ventilation system



Solar-powered underfloor and ceiling fans remove moisture from underfloors and ceilings and create an airflow path. Diffusion fans and under-floor humidity control materials are also available to increase ventilation, improve comfort and increase the durability of housing. Fans with grid power are also available.

Foundation repair work



Aramid fiber sheet is attached to the surface of the foundation concrete with resin to form fiber reinforced plastic (FRP), which repairs cracks in the foundation and contributes to suppressing the progress of deterioration.

House reinforcement system



SANIX's unique system that improves the earthquake resistance and durability of houses by reinforcing the main joints under the floor and under the ceiling with hardware. We have shortened the construction period without performing large-scale exterior wall construction.

Home remodeling

We provide comfortable remodeling that suits your lifestyle and needs, from improving the surroundings of water and making it barrier-free, refreshing exterior walls, roofs, cloths, etc., and seismic repair work.

■ Solar engineering business (Solar power generation for detached houses and small buildings)

Solar power generation



Aimed to popularize solar power generation, we will offer it at the lowest possible cost and realize a life that is friendly to both the environment and households.

Storage battery system



With the growing need for solar power generation for self-consumption, we propose the flexible use of electricity through the introduction of storage batteries.

■ Establishment sanitation business (Services for corporations and business owners)

Maintenance measures for water supply and drainage facilities in buildings and condominiums

Practicing efficient centralized management of water supply and drainage equipment maintenance. With our main product, "Negatively charged water generator," we aim to extend the life of pipes by suppressing the generation and advance of rust in the pipes, and to solve problems by removing scale and oil stains and suppressing adhesion.



Maintenance of buildings and condominiums

Total management of water sanitation, waterproofing of rooftops, and painting, cleaning, and repair of exterior walls.



Pest control



With advanced expertise, we control pests and animals such as cockroaches, mite, flies, mosquitoes, and rats, and prevent the invasion of harmful birds, and shut out harmful organisms that are the medium of pathogens.

Pest control and removal

Sanitation management support in accordance with HACCP

Businesses that handle food, such as restaurants and food factories, are obligated to manage sanitation in accordance with HACCP (Hygiene Administration Control Method). We provide support from the creation to operation of hygiene management plans from a professional perspective. We also provide periodic hygiene inspections and guidance for improvement based on the results.



Energy Area

■ Industrial PV business (Industrial)

Solar power generation system

Promote effective use of factory roofs and building roofs. We support asset management, cost (electricity) reduction, disaster countermeasures and environmental management by solar power generation, centering on self-consumption type systems. We provide total support from proposals to design, construction and after-sales maintenance.



■ PPS (Power Producer and Supplier) Business

Electricity retail

In 2001, we became a Specified-Scale Electricity Utility. In 2015, we were registered with the Ministry of Economy, Trade and Industry (METI) as a Registered Electricity Retailer (Registration No.: A0057). We offer a variety of pricing plans to meet the diverse needs of our users.

Resource Circulation Area

■ Environmental Resource Development Business (Waste Recycling)

Fuel conversion of waste plastics

We have 15 factories (plastic resource development factory) nationwide for the purpose of converting industrial waste plastics into fuel. By finely crushing a wide variety of waste plastics, we promote thermal recycling which is used as an alternative fuel for petroleum and coal.



Plastic resource development factory

Waste liquid treatment/recycling

We have established a system capable of accepting large volumes of waste liquid discharged from restaurants and food processing plants (including deliveries by ship). Through a series of advanced water treatment processes, we are able to remove over 99% of high-concentration pollutants. In addition, we actively promote the recovery and reuse of oils and sludge contained in the waste liquid.



Hibiki Factory
(Organic waste liquid treatment factory)

Resource recycling power generation system (power generation from waste plastic recycled fuel)

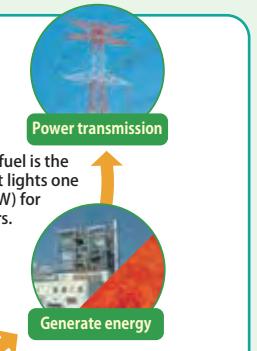
A "resource-recycling power generation system" that uses plastic processed and turned into fuel at a plastic resource development plant as energy for a power generation facility (see figure below). Compared to coal, this system has a higher calorific value, and has less CO₂ emissions and incinerated ash generation, thus has less environmental impact and can supply high-value-added electric energy. As a non-fossil power source, non-fossil certificates are also issued.



SANIX ENERGY Tomakomai Power Plant

Final disposal site (C & R INC.)

To support adequate and efficient business operations by providing a system that "visualized" disposal operations. We have the lineup of the 3 systems for waste producing companies, for waste collection and transport companies, and for intermediate waste treatment companies.



-From waste plastics collection / fuel conversion to power generation- Resource recycling power generation system

Promote the effective use of waste plastics and contribute to the creation of circulation-oriented society.

Control fossil fuel consumption

Contribute to a decarbonized society through CO₂-free electricity

Extend the remaining years of the final disposal site

1kg of plastic fuel is the electricity that lights one light bulb (60W) for about 40 hours.
The steam turbine is rotated by the high-temperature and high-pressure steam generated by putting it into the boiler to generate electricity.
It is sized to about 30 mm and used as fuel for power generation.

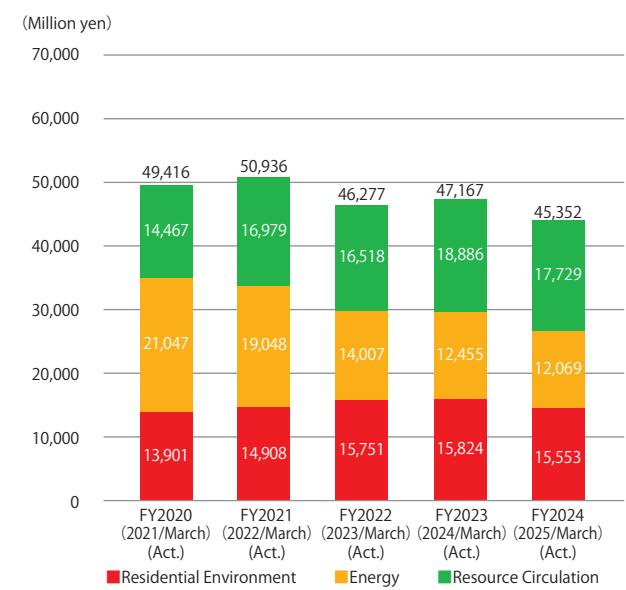


Sanix Group through numbers

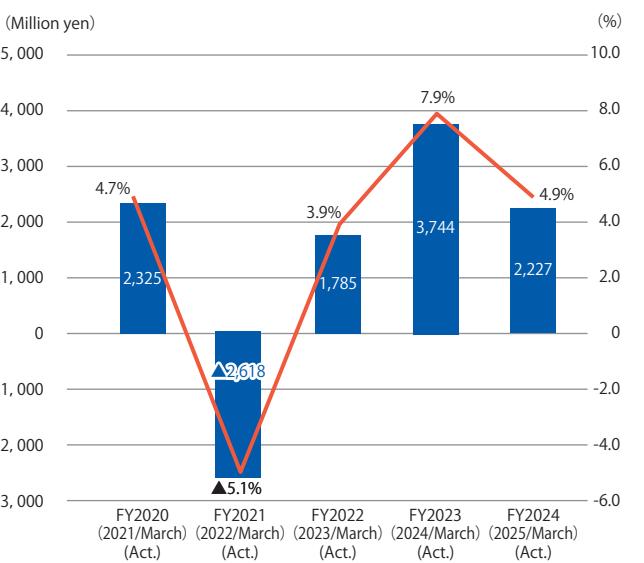
Today, addressing environmental issues is positioned as an important challenge on a global scale. As a company that has long been committed to creating an environment for future generations, the Sanix Group has been developing its business while striving for growth in order to contribute to the realization of a sustainable society.

In FY2024, Japan's economy showed signs of a moderate recovery, supported by a rebound in personal consumption and growing inbound demand. However, due to ongoing global instability, the outlook remained uncertain, with continued increases in raw material and energy prices driven by the depreciation of the yen, as well as rising inflation.

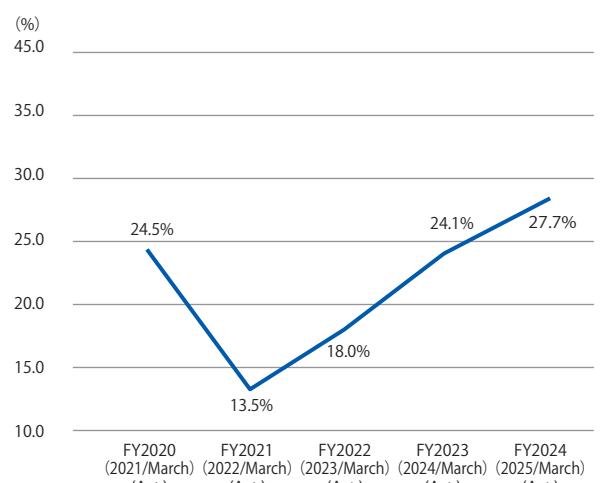
Sales by segment



Trends in Operating Profit and Operating Profit Margin



Trends in Equity Ratio



Cumulative results of main businesses

(as of March 31, 2025)



Number of houses with termite disinfection
Approx. **840,000** houses



Number of houses for pest control
(Pest and vermin control for business establishments)
Approx. **35,000** houses



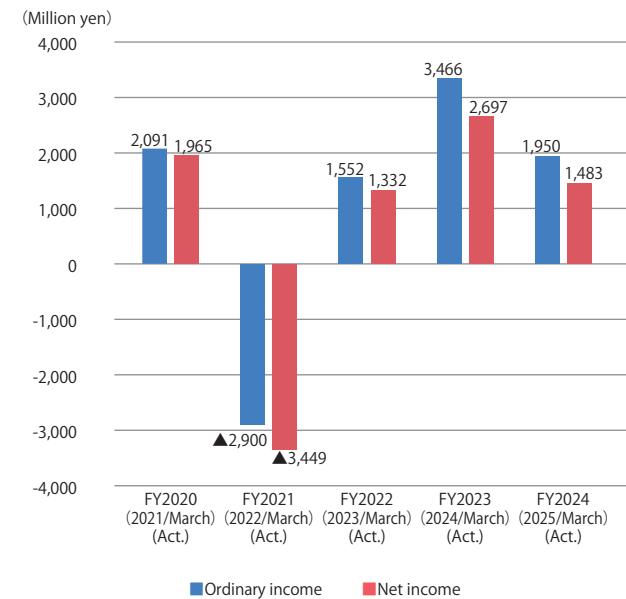
Number of water supply and drainage pipe maintenance and management
(Installation of anti-corrosion equipment, etc.)
Approx. **40,000**



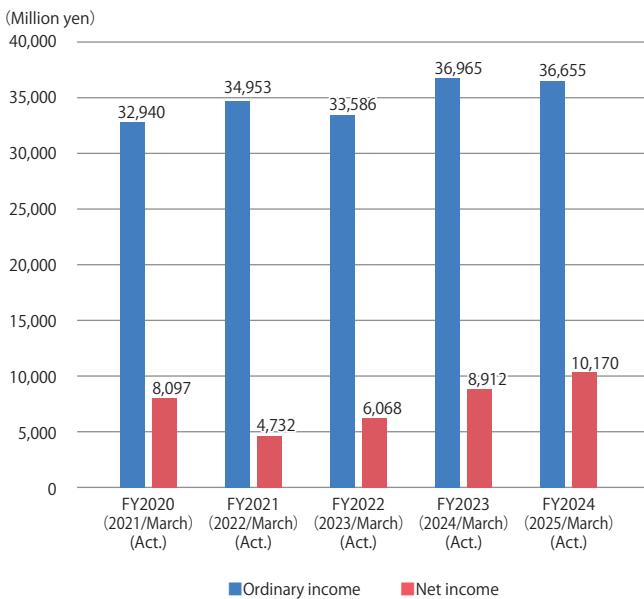
Number of solar power sales and installation
(in-house installation only)
Approx. **51,000**

Solar power sales output
(including wholesale sales)
Approx. **1,480,000** kW

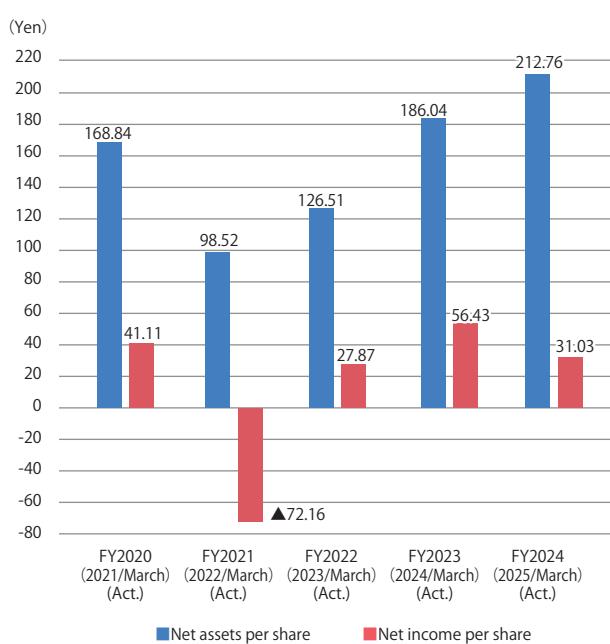
Ordinary income / Net income



Total assets / Net assets



Net Assets per Share/Earnings per Share (EPS)



Volume of waste plastics treatment
Approx. **6,500,000** t



Volume of power generated by plastic fuel
Approx. **5,500,000** MWh



Volume of waste liquid treatment
Approx. **2,700,000** t

History of Sanix Group

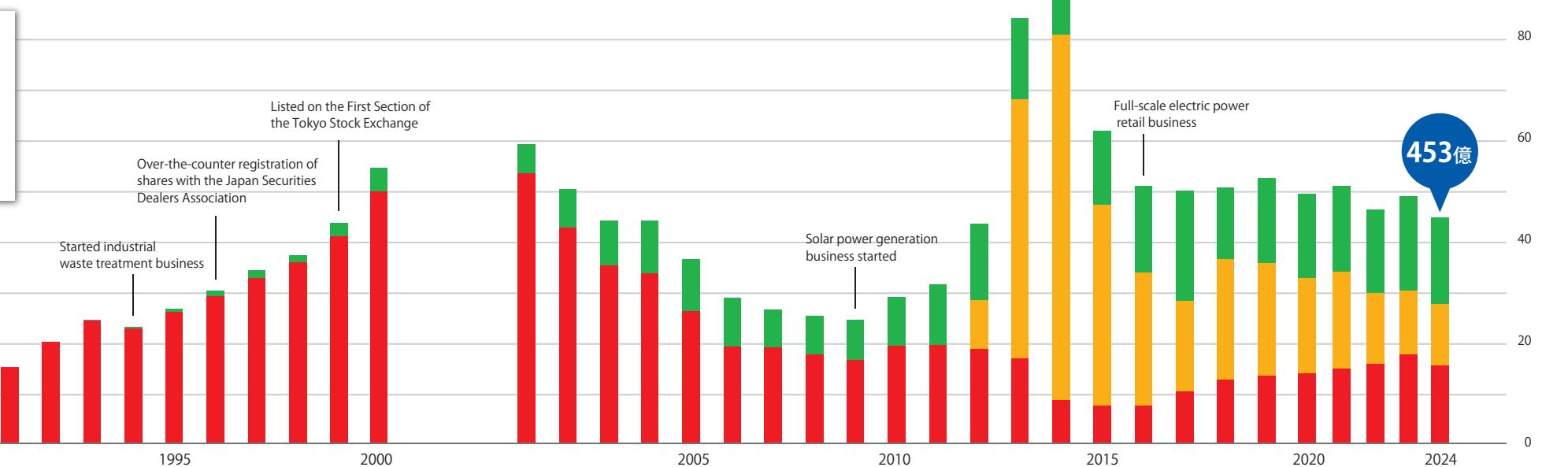
The Sanix Group was founded by the late Shinichi Munemasa (former president), who experienced the environmental hygiene business in the USA, which was fully established as an industry, and was convinced of its necessity and future potential in Japan. The Sanix Group started out as a termite control company and then expanded its business to industrial waste recycling and solar power generation in response to increase of demand and has furtherly expanded its business scope from housing to individual houses, urban city spaces to the global environment. In line with its corporate philosophy of "Better Life For The Next Generation," the Sanix Group will seek to solve social issues and achieve growth in its vastly expanding business field.

Residential Environment business area
Energy business area
Resource Circulation business area

Corporate slogan
Changed to "for Energy for Environment".
To the "Environment and Energy" company.

(Billion yen)
100

Business scale(As of March 31, 2025/ Consolidated)		
Amount of sales(March 2025)	Employees	Sites
45.3 Billion yen	2,054 people	142 locations



1975 Founded	1980~ Diversification from disinfection industry	1990~ Industrial waste treatment business started to contribute global environment	2000~ The energy recycling power generation business started	2003 Completion of SANIX ENERGY Tomakomai Power Plant
1975 Sanyosanitation Inc. The termite disinfection industry used to disinfect after its outbreak. We took the idea of "preventive medical approach", which stimulated potential demand in the market.	1982 General training center and research institute opened We have been focusing on employee education for a long time, "This is a job that requires a high sense of mission and professionalism as it is a job that makes filthy and dirty places clean."	1991 Opened an equipment manufacturing factory (Takeo City, Saga Prefecture) Established our own factory to create products that meet customer needs.	1998 Takeo B factory for chemical manufacturing established Operated by SUNAIM Inc., a wholly owned subsidiary.	2000 Waste liquid treatment business started
1978 Founded Sanyosanitation Inc.	1987 SANIX INCORPORATED established Changed the company name and restructured the business into a "total sanitation company" that creates a comfortable environment.	1994 Entered the industrial waste treatment industry Established a new processing plant in response to the needs of business partners. "In the future, the vein industry that purifies waste will become important."	1999 Started fuel conversion business for waste plastics In the course of waste incineration, paid attention to the high calorie content of plastic combustion. Started a business to recycle plastic that has been simply incinerated or landfilled as fuel.	2001 Thermal recycling operation Established SANIX ENERGY INC. Started construction of a thermal power plant using recycled fuel from waste plastics. Established a wholly owned subsidiary to become the operating company.
1981 Separated the corporate environmental hygiene department from the termite department	1989 Launched underfloor ventilation fan powered by solar cells			2003 Completion of SANIX ENERGY Tomakomai Power Plant Power generation using fuel derived from waste plastic. After that, we cleared the issues one by one and accumulated know-how.
				2009 Acquired Hokuhai Inc. and C & R Inc., which operates the final disposal site. From fuel conversion of waste plastics to power generation and incineration ash for disposal. An integrated system within the group has been established.
				Started solar power generation business Toward the spread and expansion of solar power generation, "good product at lower price".

(Continued on next page)

■ Letter of Appreciation from the Minister of the Environment

In September 2019, we received a letter of appreciation from the Minister of the Environment for our "longstanding commitment to hygiene management, recycling of industrial waste, renewable energy and the passing on of a comfortable environment to the next generation".



■ Social Contribution Activities in Emergency Situations

In the event of a disaster or accident, as typified by a natural disaster, the Sanix Group contribute to the community and society through activities that make the most of our know-how and expertise (the following are some examples).



At the time of the Great Hanshin Earthquake, we carried out epidemic prevention and disinfection of evacuation shelters in Nishinomiya City (1995).



A letter of appreciation was given by the Japan Coast Guard for the treatment of heavy oil caused by the Nakhodka heavy oil spill accident (1998).



In response to the outbreak of foot-and-mouth disease, we carried out disinfection procedures for passing vehicles and other equipment in Tsuno Town, Miyazaki Prefecture in 2010.



In support of the disaster support facility construction project in Morioka City, Iwate Prefecture, following the Great East Japan Earthquake, we provided solar power equipment to the meeting place in Otsuchi Town in 2011.



In response to the heavy rain disaster in Northern Kyushu, we provided restoration support in Toho Village, Fukuoka Prefecture, in 2017, including the removal of mud from beneath flooded houses and disinfection to prevent disease.

2010~
Solar power generation business started to become an "environment+energy" company.

2010
Established HOKKAIDO SANIX KANKYO INC.
The Tomakomai Factory (plastic fuel conversion) was separated as a subsidiary.

Established a solar panel manufacturing and sales subsidiary in Shanghai SHANRI (SHANGHAI) ENERGY SCIENCE AND TECHNOLOGY CO.,LTD (100% owned subsidiary). Started in-house production of solar module and established an integrated system from manufacturing to sales, construction, and maintenance.



2014
Established SE Wings Inc. to retail electricity

2020~
Enhancing Corporate Value Through Three Businesses

2015
Registration Electric retailer registration
2016
Full-scale entry into the electric power retail business

Following the complete liberalization of the electricity retail business, the electricity retail business at SANIX INC. began. SANIX ENGINEERING INC., SANIX HOME BUILD SERVICE INC., SANIX RESOURCE DEVELOPMENT GROUP INC., and SANIX INC. were established sequentially. Among them, SANIX ENGINEERING and SANIX HOME BUILD SERVICE began operations in the same year.

2017~
Participated in METI's VPP construction demonstration project
We participated in "Demonstration Project for Building Virtual Power Plants Utilizing Demand-Side Energy Resources," until the project concludes in FY2023.

2018
Launched a recycled oil (Recycled Oil Bio) production business within the waste liquid purification and treatment business

By 2025, this recycled oil received evaluations from four public institutions, such as "Kitakyushu Eco Premium" and "Director of Industrial Science and Technology Policy and Environment Bureau of the Ministry of Economy, Trade and Industry".

The company changed its name to SANIX HOLDINGS INC. At the same time, its subsidiaries — SANIX RESOURCE DEVELOPMENT GROUP INC. and SANIX INC. — began operations.

Message from the President

On the occasion of our 50th anniversary, we are transitioning to a holding company structure.



In April 2025, our group transitioned to a holding company structure. Coincidentally, this year also marks the 50th anniversary of our founding.

Building on the achievements we have accumulated over the years, the newly restructured the Sanix Group will continue to pursue our corporate philosophy: "Better Life For The Next Generation."

SANIX HOLDINGS INCORPORATED
President and Representative Director,
Hiroshi Munemasa

Sanitation — In 1975, our founder, Shinichi Munemasa, recognized the potential in this word, which means "hygiene management," and decided to build a business around it. At that time, the idea of entrusting hygiene management to professionals was virtually unknown in Japan, so our journey began entirely from scratch.

Since then, we have expanded our business domains from housing to urban spaces and the global environment, engaging in a variety of initiatives focused on the theme of "environment." This year, we are proud to celebrate our 50th anniversary. We would like to express our heartfelt gratitude to everyone who has supported our group throughout this journey.

It has been ten years since the United Nations adopted the SDGs, and the target year of 2030 is now fast approaching. While progress varies across different fields, many challenges still remain in the environmental goals related to our group's businesses, including those addressing climate change. We are keenly aware of the important role we must play in tackling these issues.

On April 1, 2025, our company changed its name to SANIX HOLDINGS INCORPORATED and transitioned to a holding company structure. Under this new structure, SANIX INCORPORATED, responsible for the housing environment business¹; SANIX ENGINEERING INCORPORATED, overseeing the energy business; and SANIX RESOURCE DEVELOPMENT GROUP INCORPORATED, managing the resource recycling business², will each operate their respective businesses in the most effective manner, supported by swift and agile management decisions. (For an overview of the corporate restructuring, please refer to the next page.)

What we aim for is the early realization of a society where the following become the norm: (1) passing on a comfortable living environment to the next generation, (2) promoting low-environmental-impact energy, and (3) embracing a "no-waste" mindset. Each of our group companies will strive for growth while addressing these social challenges.

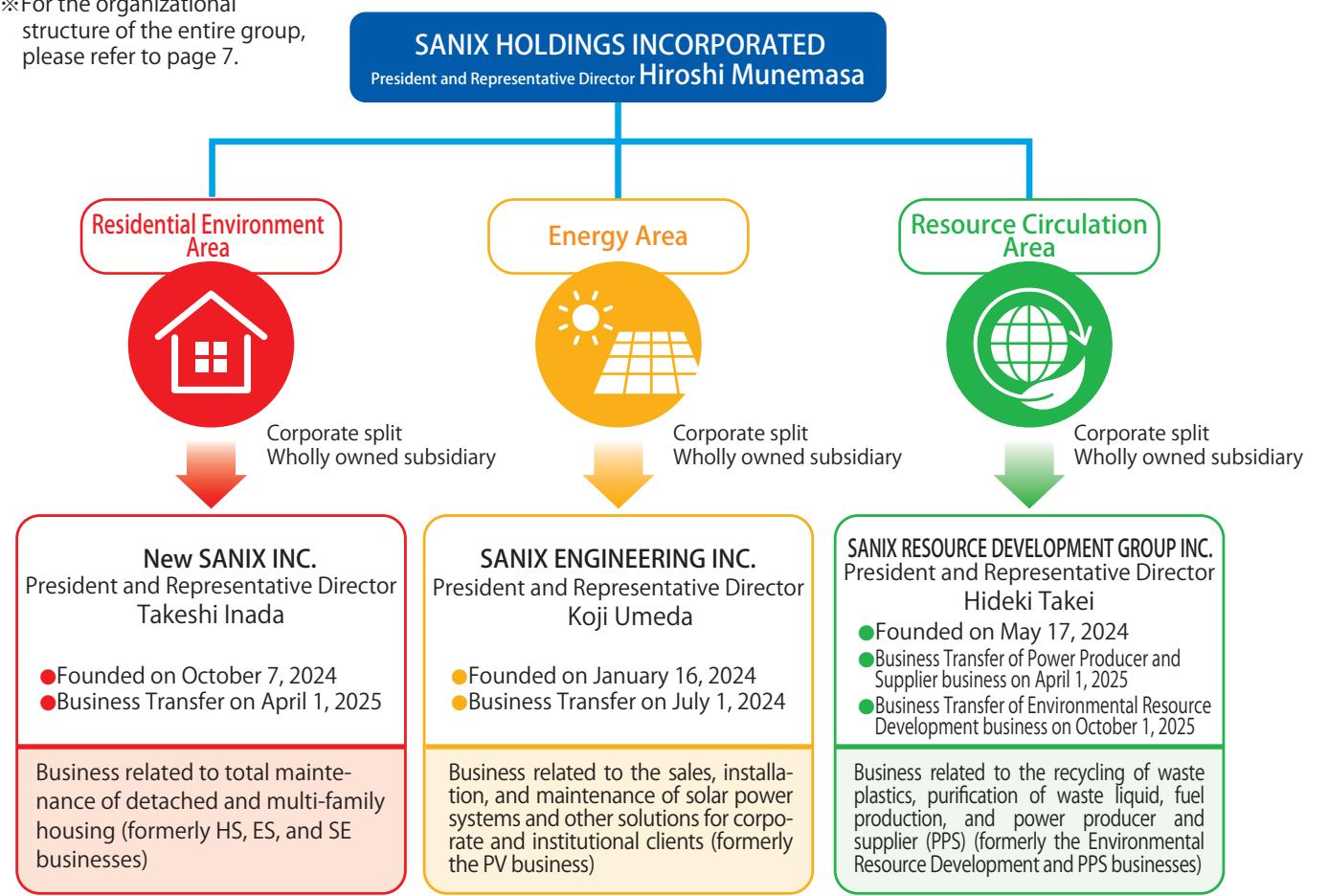
Coincidentally marking our 50th anniversary, the newly restructured the Sanix Group has embarked on a fresh start. United as one, all group companies will continue to take steady steps toward the realization of a sustainable society.

¹ The former company name "SANIX" has been inherited by the company responsible for our original core business — the housing environment segment.

² Within SANIX RESOURCE DEVELOPMENT GROUP INC., the division in charge of industrial waste treatment and recycling is scheduled to be transferred from the holding company in October 2025. From April 2025, only the Power Producer and Supplier business division has been operating under the name SANIX RESOURCE DEVELOPMENT GROUP INC.

■ Overview of the corporate split associated with the transition to a holding company structure

※For the organizational structure of the entire group, please refer to page 7.



Medium-term management plan (2023-2024) and long-term

In our group's long-term vision toward 2030, one of our goals is to achieve a sales scale of 100 billion yen. Currently, we have established a medium-term management plan (fiscal 2024-fiscal 2026) as a foundation period to realize this long-term vision and to build the groundwork for sustainable growth, and we are actively implementing initiatives under this plan.

During the period covered by this plan, we will ensure a stable financial foundation through steady growth of existing businesses, while executing strategic investments aimed at future growth.

In the second year of the medium-term management plan, the fiscal year ending March 2025, we have expanded the production line for "Recycled Oil Bio" at the waste liquid treatment business (Hibiki Factory) and initiated the construction of new equipment for converting sludge into solid fuel. Additionally, at the SANIX ENERGY Tomakomai Power Plant, we have begun large-scale equipment upgrades to achieve stable operation and improved power generation efficiency in the future. In the fiscal year ending March 2026, we plan to renew the turbines and generators, which is expected to increase power generation capacity by approximately

8% (for details, see page 31).

As part of our capital policy, in the fiscal year ending March 2025, we eliminated carried-forward losses and strengthened our financial foundation. While this year's profits were allocated to growth investments, we intend to resume dividend payments in the fiscal year ending March 2026.

In the long term, we believe it is essential to grow our existing businesses while transforming the know-how and experience we have cultivated into new forms to create additional demand. As part of this strategy, we are also considering potential overseas expansion in the future.

Since our founding, the Sanix Group has operated on the principle of "making dirty places clean and unsanitary places hygienic." In recent years, we have often heard that many visitors to Japan are impressed by the country's cleanliness and hygiene. We anticipate that awareness and demand for cleanliness will continue to rise overseas as well, and we believe we can promote and establish Japan's renowned standards of cleanliness and hygiene globally. In countries struggling with waste management or pest control, we hope to leverage the Group's expertise to contribute to solving these challenges.

Business Area 1 Residential Environment – Connecting a comfortable living environment to the next generation

We aim for a society where the concept of "homes that are long-lasting, comfortable, and safe to live in, and that are passed on and circulated to the next generation" becomes the norm.

Our housing services, starting with termite control, laid the foundation of the Sanix Group. Upon transitioning to a holding company structure, the company responsible for this housing environment business inherited the corporate name SANIX INC.

At the time of our founding, the industry typically responded to termite infestations only after they occurred. We emphasized the importance of prevention, early detection, and prompt measures before damage happens, uncovering latent demand and growing the business. To date, we have provided termite treatment for approximately 840,000 homes (as of the end of March 2025).

In addition, aiming to create comfortable and long-lasting homes, we have expanded our services to include measures against moisture, earthquake resistance, renovations, and solar power installations.

We provide maintenance services ranging from pipeline management to the renovation of exterior walls and rooftops, as well as environmental hygiene services for hotels, restaurants, and public facilities. Our main product is preventive maintenance for water supply and drainage pipes. Similar to termite control, we recommend

inspection of pipe interiors and the use of anti-corrosion devices from the perspective of prevention, early detection, and prompt action to minimize deterioration.

In the area of hygiene management services, in addition to pest control, we also support the implementation and operation of HACCP—a hygiene management system required for all businesses handling food.

In the residential environment business, we are focusing on acquiring new customers through measures such as strengthening our workforce, employee training, and business partnerships. The number of our partner organizations has been steadily increasing (see page 33). We will continue to promote housing services to members through partnerships with agricultural cooperatives, consumer cooperatives, mutual aid associations, real estate and construction companies, and retailers, while also strengthening relationships with management companies of buildings and condominiums.

With challenges such as the increase of vacant homes due to Japan's aging population and declining birthrate, as well as changing lifestyles, housing-related needs are becoming increasingly diverse. We aim to expand the range of services we provide and build a system that allows us to offer the right services at the right time, tailored to the life cycle and condition of each customer and property.

Business Area 2 Energy – Promoting the realization of a decarbonized society through low-environmental-impact energy

We aim to create a society where "low-environmental-impact energy" is naturally chosen and widely used.

Our history with solar panels (photovoltaic modules) began in 1989, when small solar panels were introduced as the power source for underfloor ventilation fans, one of the products offered by our detached housing service division. This early experience in deploying solar panels laid the foundation for the launch of our solar power generation business in 2009.

In developing our solar power business, we have built an integrated system covering procurement, sales, design, installation, and maintenance, enabling cost reductions, improved quality, and enhanced customer peace of mind and convenience. Since the start of sales, we have installed and delivered over 50,000 systems for both residential and commercial use (approximately 30,000 for commercial sites). Including wholesale sales, the total installed capacity exceeds 1.4 GW (1.4 million kW)—equivalent to the output of a single nuclear power plant (as of the end of March 2025).

In line with the transition to a holding company structure, the corporate solar power business division

was the first to spin off in July 2024, launching as SANIX ENGINEERING INC. Given the rapidly changing environment surrounding solar power, including government policies, this early spin-off was undertaken to enable swift decision-making.

Renewable energy is positioned as a key power source in national policy, and achieving carbon neutrality by 2050 will require further increasing its share in the energy mix.



Solar power, a leading form of renewable energy, saw accelerated adoption under the FIT system (Feed-in Tariff for Renewable Energy) launched in 2012. However, with falling purchase prices and rising electricity costs, the focus has shifted from “selling” to “using”—that is, from investment for resale to self-consumption. The objectives for adoption have also diversified, including reducing electricity costs, promoting environmental management, and enhancing disaster resilience (BCP).

At the municipal level, efforts toward decarbonization are being promoted under the declaration of “Zero Carbon City” in many local governments as part of achieving carbon neutrality by 2050. We have actively participated in public solicitation projects by municipalities, and by the fiscal year ending March 2025, we secured solar power installation projects for 28 facilities across 8 municipalities.

We are also placing a strong emphasis on developing highly specialized personnel. In addition to obtaining

national certifications in both electrical and construction fields, we provide certified training for drone pilots, fostering experts in surveying, design, and aerial photography (as of August 20, 2025: 176 holders of national qualifications and 100 certified drone pilots).

Alongside the diverse purposes for installing solar power, installation formats have also become varied. Major examples include:

- Self-consumption systems, where the electricity generated by solar panels is used on-site;
- Third-party ownership systems, where equipment is installed on the user's facility by another entity, and the user purchases the generated electricity;
- Systems integrated with storage batteries or electric vehicles (EVs).

By providing optimal proposals tailored to user needs and electricity usage, combined with our reliable technical expertise, we will continue to promote the widespread adoption of solar power.

■ Achievements in Municipal Public Bidding Projects for Promoting the Introduction of Solar Power Generation (photos partially included)

Fukuoka City, Fukuoka Prefecture – 8 facilities

“Solar Power Generation System Installation Project for Fukuoka City-Owned Facilities”



Sasaguri Town, Fukuoka Prefecture – 3 facilities

“Solar Power Generation System Installation Project for Public Facilities in the Kitaseimon School District”

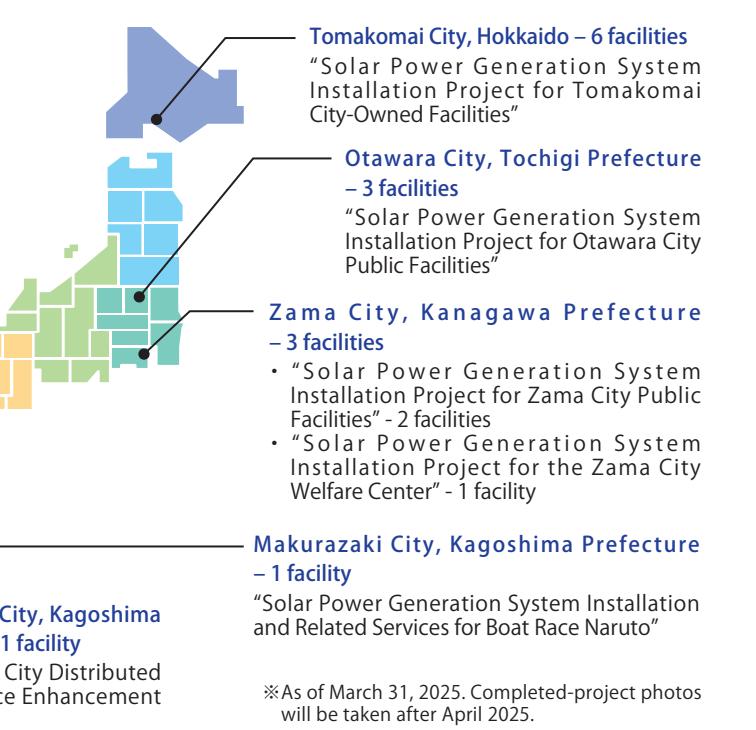


Kumamoto Prefecture – 3 facilities

“Renewable Energy Installation Project for Prefecture-Owned Facilities”



Kumamoto Prefecture Rehabilitation Center for Children with Disability (Solar Carport)



Business Area 3 Resource Circulation —Toward a society that “circulates resources instead of discarding them.”

We aim to create a society in which “not discarding resources” is the norm.

Plastic Recycling and Resource-Circulating Power Generation

Our waste treatment business began in 1994, and more than 30 years have passed since then. The core of our resource-circulation business is “resource-circulating power generation” (see p.11). Our unique business model

covers the entire process—collecting waste plastics that have reached the end of their product life, converting them into fuel, and generating electricity using that fuel. In Japan today, approximately 3.82 million tons of industrial waste plastics are generated annually, of which about 2.52 million tons (66%) are processed through thermal recycling (energy recovery) (FY2023, Plastic Waste Management Institute). In comparison, our group collects and sorts approximately 300,000 tons of waste

plastics per year at 15 plants nationwide, producing about 200,000 tons of fuel. Of this, roughly 150,000 tons are used annually at our group's SANIX ENERGY Tomakomai Power Plant (Tomakomai City, Hokkaido). The electricity generated corresponds to the annual consumption of approximately 55,000 households. The plant has also been certified as a non-fossil power source since FY2020 and participates in the trading of non-fossil energy certificates.

Going forward, we plan to further enhance our recycling operations by separating plastics suitable for material recycling during the fuel-production sorting process, reprocessing them in collaboration with partner companies, and producing recycled products. This will enable more flexible responses to customer (waste-generating businesses) needs such as CO₂ reduction and more effective resource utilization.

Waste liquid Treatment and Fuel-Recovery Recycling

The second pillar of our resource-circulation business is our waste liquid treatment operations (Hibiki Plant, Kitakyushu City, Fukuoka Prefecture). Using microbial treatment and other methods, we purify more than 100,000 tons of sludge and discarded beverages annually from food factories and other sources, with collection areas now extending to the Kinki and Tokai regions.

Beyond simple treatment, we also promote fuel-recovery recycling by extracting and converting the oils and sludge contained in wastewater into fuel. “Recycled Oil Bio,” first produced in 2018, is a regenerated oil made by separating and collecting oil from grease-trap* sludge. It is sold as an alternative to heavy oil, and demand is growing as more companies pursue decarbonization. We aim to expand its applications to enter higher value-added power-fuel markets, including biodiesel fuels and SAF (Sustainable Aviation Fuel).

We are also developing another recycled fuel derived from sludge generated during the dehydration of organic waste liquid. The first production line is scheduled for completion within FY2025.



“Recycled Oil Bio,” a heavy-oil alternative fuel produced by separating and recovering only the oil from waste liquid generated by restaurants and food factories. In March 2024, the production line was expanded to double its capacity. In January 2025, it received the Chairperson's Award from the New Energy Foundation at the FY2024 New Energy Awards.



Sales of Integrated Waste Management System

We are also focusing on the sale of systems that centralize waste management operations. Our system, offered under the “Ichigen-kun Series,” comes in three versions tailored for waste generators, collection and transportation companies, and disposal contractors. Waste management in Japan is strictly regulated due to historical issues such as illegal dumping, making compliance and administrative procedures complex. Waste generators bear the responsibility of ensuring that the waste they produce is properly managed and disposed of until the very end.

Our system, “Kankyo Ace Ichigen-kun,” supports waste generators in managing these responsibilities. It incorporates insights we have gained from decades of experience in waste treatment. Since its launch in April 2022, the system has been helping users manage collection requests and disposal status, perform data analysis, and ensure compliance, thereby enabling proper and efficient operations. By visualizing waste-related processes, it also contributes to cost optimization and the promotion of environmental management by identifying issues and supporting improvements. In May 2024, we added a feature to aggregate CO₂ emissions, reflecting our ongoing commitment to system updates and enhancements.

Through the expansion of the “Ichigen-kun Series” user base, we aim to build a nationwide network for waste recycling, accelerating the overall recycling rate across society.

Additionally, we are advancing initiatives for the recycling of solar panels, anticipating a future increase in waste from this sector.

The “vein industry,” which properly treats and recycles waste to return it to the circulation loop, is essential for realizing a circular economy and a decarbonized society. We will continue to expand the scope of handled waste and recycling methods, contributing to the establishment of a resource-circulating society and the achievement of a carbon-neutral future.

*Grease trap: A grease separation and collection device that removes oils, fats, and food waste contained in kitchen wastewater.

■Risks and Opportunities in Sanix Group by Materiality

Materiality	Related Pages	Risks to Sanix Group	Opportunities for Sanix Group
Global Environment	Responding to climate change → p44	Increased risk of natural disasters due to climate change Tightening of regulations in response to global warming	Expansion of needs that contribute to decarbonization Acceleration of technology development
	Resources and energy efficient use → p43 p44	Depletion of fossil and natural resources	Expansion of business and acceleration of technological development related to energy saving, resource saving, and resource recycling
	Safe water and sanitary environment → p43	Increased health risks due to lack of safe water and sanitary environment	Expanding needs for hygienic environments, spaces, and water
Social Systems	Safe, secure and comfortable lifestyle → p32 p43	Destabilization of life due to intensifying natural disasters, etc.	Resilience improvement business
	Improving the reliability of products and services → p10	Loss of public trust due to deterioration in quality, safety, and environmental performance, etc.	Improve customer satisfaction and expand business, building relationships of trust with business partners
	Community contributions → p16 p47	Impact on business activities due to loss of credibility	To build relationships of trust with communities and stabilize our business foundation through with local communities
Companies and Organizations	Human resource development and employment security → p45	Labor shortage and outflow of human resources	Securing excellent talent. Continuation of smooth business activities
	Occupational health & safety promotion → p46	Impact of physical and human damage on business Loss of social credibility and long working hours	Ensuring employee health and safety, improving productivity, and enhancing motivation
	Promotion of Diversity and Respect for Human Rights → p45	Decreased competitiveness due to inability to meet diversifying needs and values	Securing excellent talent enhancing value creativity through diverse values

Selection of Focus Business Areas and Establishment of a Management Foundation

Residential Environment Area

Providing safe, secure and comfortable lifestyles by implementing appropriate maintenance for detached houses, apartment houses, and other buildings. It also contributes to the efficient



Energy Area

Contributing to the expansion of renewable energy through the sales and installation of PV power generation systems, addressing climate change and contributing to the efficient use of resources and energy.

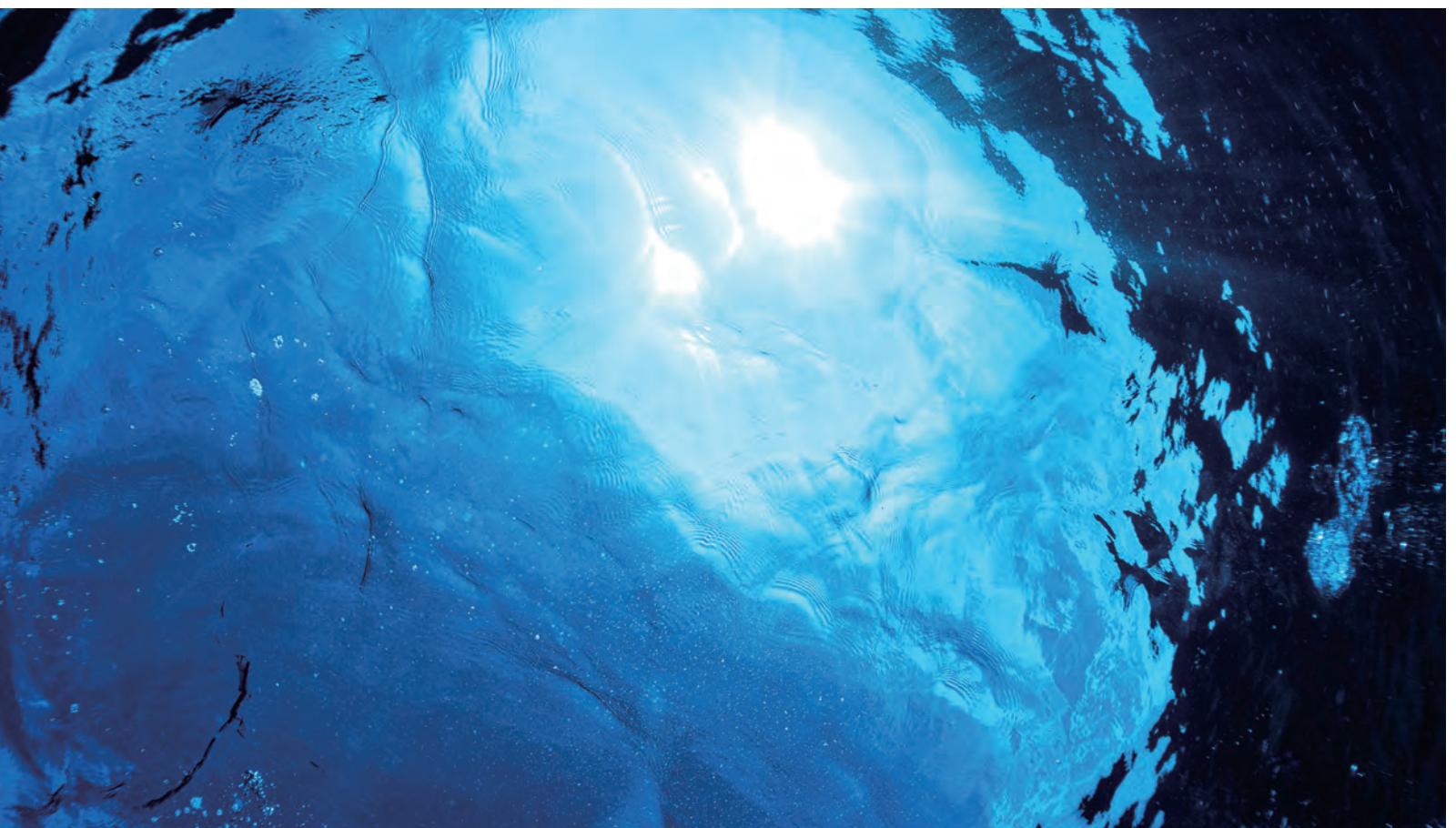


Resource Circulation Area

Contributing to the efficient use of resources, clean water, and safe and secure lifestyles by generating energy through proper treatment, recycling, and thermal recycling of industrial waste, and purifying water resources through wastewater treatment.



Sanix Group's Value Creation



Materiality
Value creation process

Value creation process

We will solve social issues by providing value to our customers and realize a sustainable society that can pass on a clean and comfortable environment to the next generation.

In our society

- Climate change
- Efficient use of resources and energy
- Safe water and sanitary environment
- Intensifying natural disasters

Global trends

- Transition to a decentralized society
- Progress of digitalization
- Paradigm shift (stuff to things, owner to share, closed to open)

The Sanix Group aims to solve the social issues through unique products and services backed by our accumulated know-how, expertise, and network of regional offices. Furthermore, we aim to evolve and deepen our unique business model of creating common value for "Customers", "Society" and "Corporation" by proactively promoting collaboration with various partners that have unique strengths, knowledge, and know-how.

Input

(1) Financial capital (as of March 31, 2025)

- Net assets: 10,170 million yen
- Total assets: 36,655 million yen
- Financial Data → See page 56

(2) Social capital (as of March 31, 2025)

- HS business: 5 HQs, 62 sites
- ES business: 12 sites
- SE business: 2 HQs, 14 sites
- PV business: 27 sites
- PPS business: 1 site
- Environmental resource development business: 19 sites

(3) Intellectual capital

Unique products and services created from the customer-first perspective by utilizing valuable information (customer feedback) that can be obtained from the many points of contact with customers. → see p.10

(4) Human capital (as of March 31, 2025)

Number of employees (consolidated): 2,054 [Abundant number of qualified personnel]
Termite control contractor, First-class architect, real estate agent, construction management engineer, electrical engineer, electrical construction management engineer, energy manager, consumer affairs advisor, etc.

(5) Natural capital (FY2024)

- Energy consumption
Non-fossil: 4,280,000 GJ
Fossil: 252,000 GJ

(6) Manufacturing capital (as of the end of March 2025)

- Logistics Center 1
- Logistics Center 2

The original business model that creates shared value among "Customers", "Society" and "Corporations."

Diverse Partnerships and Evolution and deepening of business area

Residential Environment

Energy

Resource Circulation

A network of points rooted in the region

Proposal ability and problem-solving ability to meet the needs of customers and society

Diverse know-how/expertise

Strategy of sustainability growth

p.26~

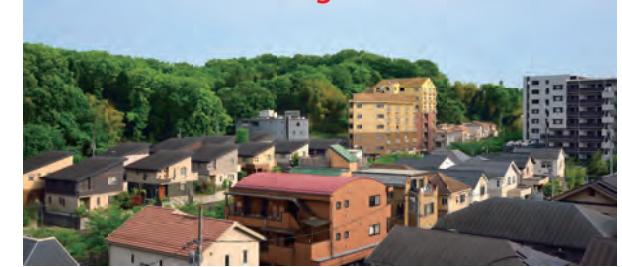
Management foundation for sustainable growth

p.48~



Value

Make it common
"A comfortable living environment to the next generation"



Make it common
"Recycling resources without abandoning"



"Better Life For The Next Generation"

Sanix Group's Growth Strategy



Medium-Term Management Plan (FY2023-2025) Overview

Value Creation Story – Residential Environment Area

Value Creation Story – Energy Area

Value Creation Story – Resource Circulation Area

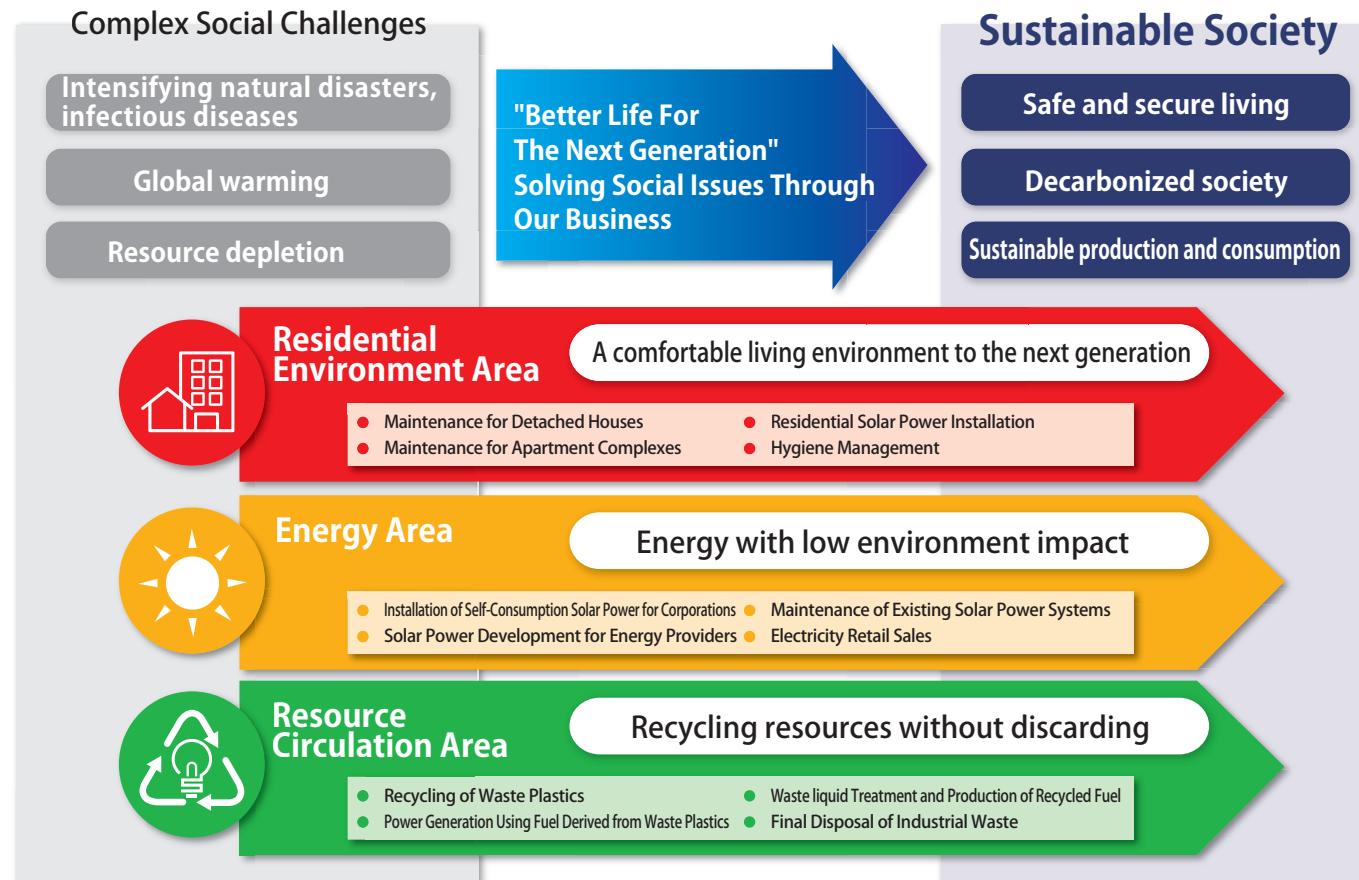
Messages from three Presidents

Topics

Outline of medium-term management plan (FY2023-FY2025)

Amid rising resource and energy prices, inflation driven in part by the weakening yen, and an increasingly uncertain business environment, our Group has formulated and is implementing the Medium-Term Management Plan (2023–2025) as a period for laying the foundation to achieve sustainable growth in our existing businesses.

■ Value Provided by Sanix Group

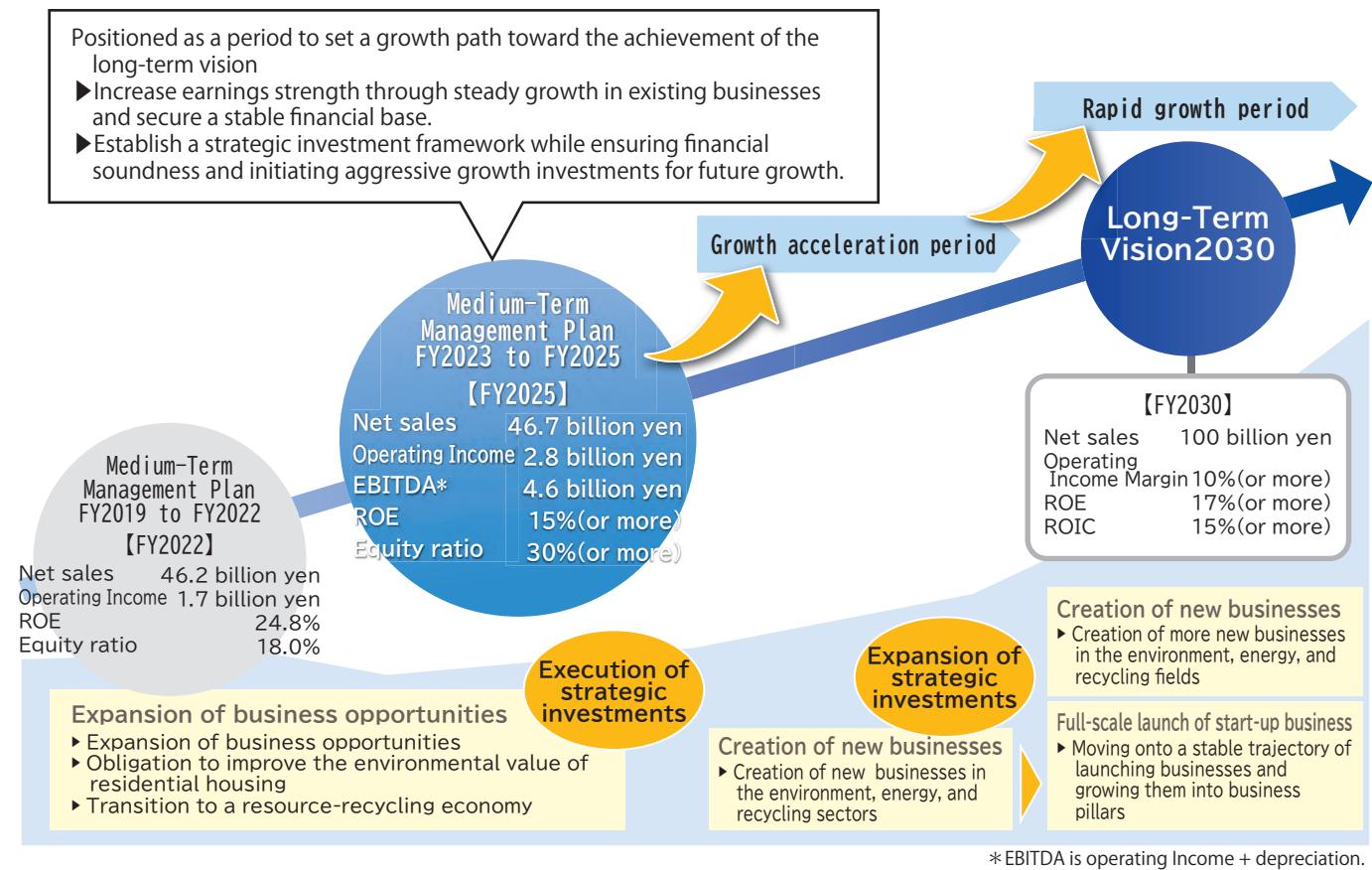


■ Environmental Analysis and Identification of materiality

	Business Environment	Material issues (Materiality)
Residential Environment Area	<ul style="list-style-type: none"> ✓ Government policies to revitalize the pre-owned housing market ✓ Policies aimed at improving the quality of housing stock from a decarbonization perspective (e.g., mandatory solar installation, promotion of ZEH homes) ✓ Increased awareness and demand for hygienic living environments due to the COVID-19 pandemic ✓ Accelerated measures to address aging buildings and condominiums 	<ul style="list-style-type: none"> ✓ Establishment of service systems that contribute to reducing environmental impact and enhancing environmental value of housing, including energy-efficient housing ✓ Promotion of effective utilization of existing housing resources through long-life housing, renovations, etc.
Energy Area	<ul style="list-style-type: none"> ✓ Growing trends in regional communities and businesses toward carbon neutrality ✓ Increasing demand for renewable energy due to rising energy prices, tight electricity supply-demand, and growing environmental awareness 	<ul style="list-style-type: none"> ✓ Promotion of power generation development to meet renewable energy demand ✓ Establishment of solar power as a stable, sustainable social infrastructure
Resource Circulation Area	<ul style="list-style-type: none"> ✓ Rising global awareness of plastic waste issues ✓ Society-wide movement toward a circular economy ✓ Increasing requirements for proper waste treatment and recycling promotion for companies 	<ul style="list-style-type: none"> ✓ Development of new recycling methods ✓ Construction of recycling systems that review the full lifecycle of plastics and contribute to a circular economy
Sanix Group	<ul style="list-style-type: none"> ✓ Higher expectations for corporate governance ✓ Strengthened requirements for ESG indicators and non-financial information disclosure 	<ul style="list-style-type: none"> ✓ Strengthening of financial foundations ✓ Compliance with governance requirements ✓ Securing and developing planning and development personnel across business areas

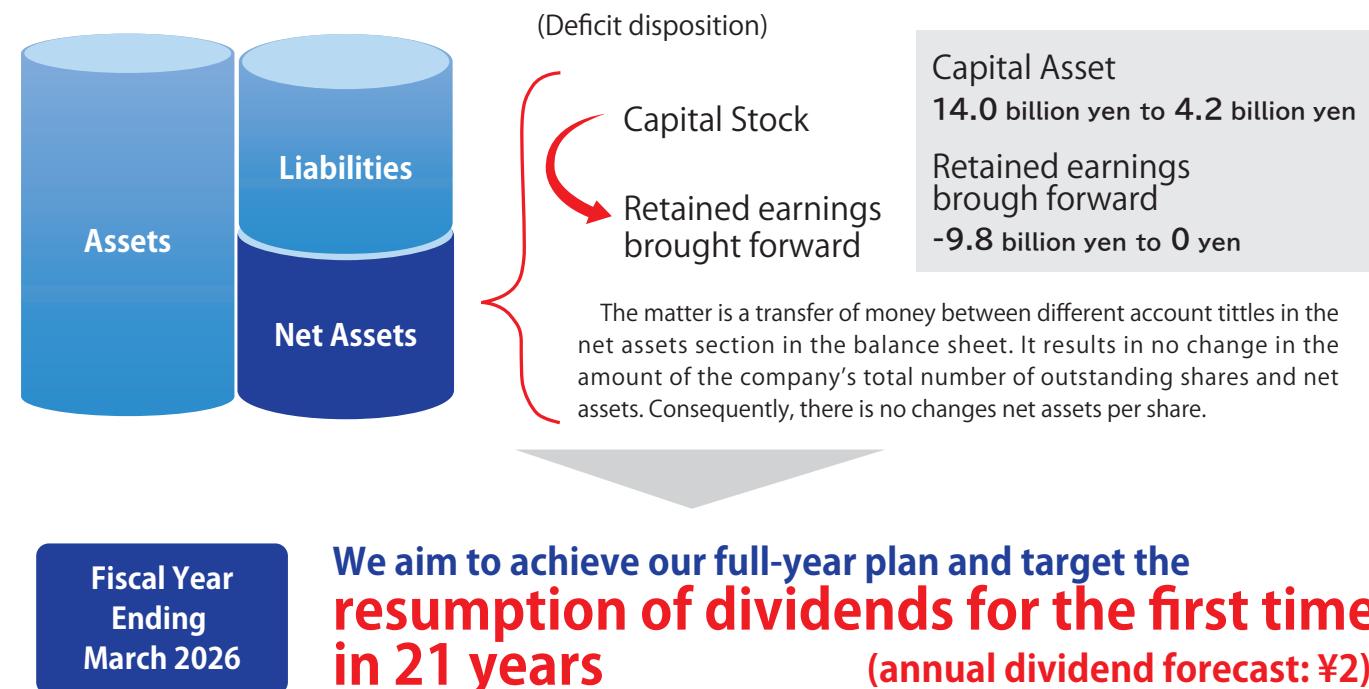
Outline of medium-term management plan (FY2023-FY2025)

■ Sanix Long-Term Vision 2030 and Mid-Term Management Plan



■ Capital Policy: Elimination of Deficits

For the fiscal year ending March 2025, we implemented the elimination of carried-forward losses (strengthening our financial structure) and allocated profits to growth investments outlined in our medium-term management plan to further accelerate corporate growth.



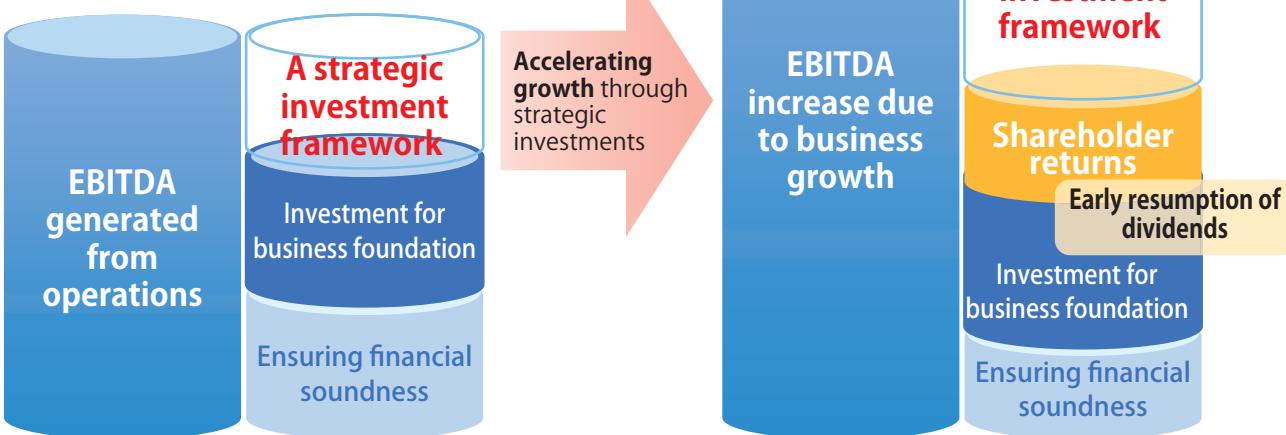
Execution of Strategic Investments for Further Growth

■ Strategic Investment Approach

- Set strategic investment frameworks and invest in growth, using EBITDA generated by the entire business as a source of funds.
- Accelerate future growth through strategic investments, **further expand the strategic investment framework**, and **resume dividend payments as soon as possible**.

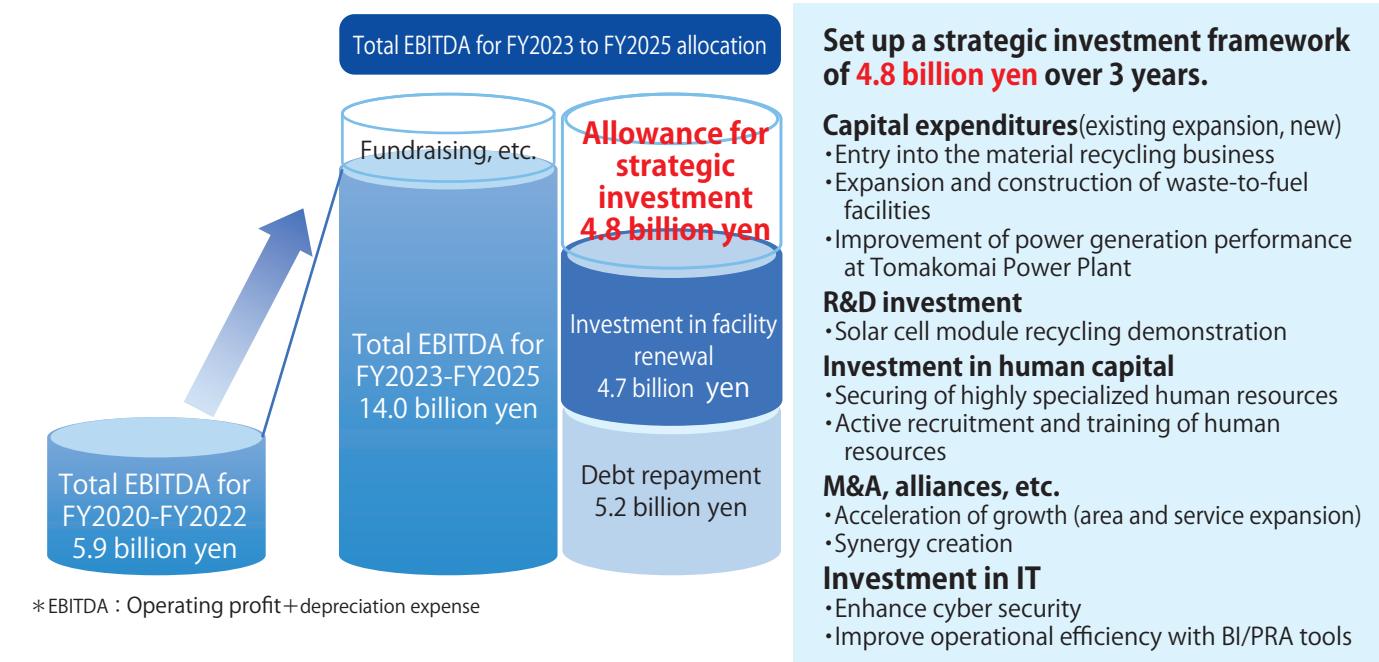
A strategic investment framework is set up

by excluding from EBITDA generated by operations base investments (renewal of facilities and infrastructure of existing businesses, etc.) and cash to maintain financial soundness.



■ Resource Allocation

- The earning power of the entire business will increase during the plan period and three-year accumulated EBITDA is expected to be **14.0 billion yen**.
- The portion excluding debt repayment and facility renewal are considered to be within the limit for **strategic investment** and funds are allocated for growth.



Set up a strategic investment framework of **4.8 billion yen** over 3 years.

Capital expenditures(existing expansion, new)

- Entry into the material recycling business
- Expansion and construction of waste-to-fuel facilities
- Improvement of power generation performance at Tomakomai Power Plant

R&D investment

- Solar cell module recycling demonstration

Investment in human capital

- Securing of highly specialized human resources
- Active recruitment and training of human resources

M&A, alliances, etc.

- Acceleration of growth (area and service expansion)
- Synergy creation

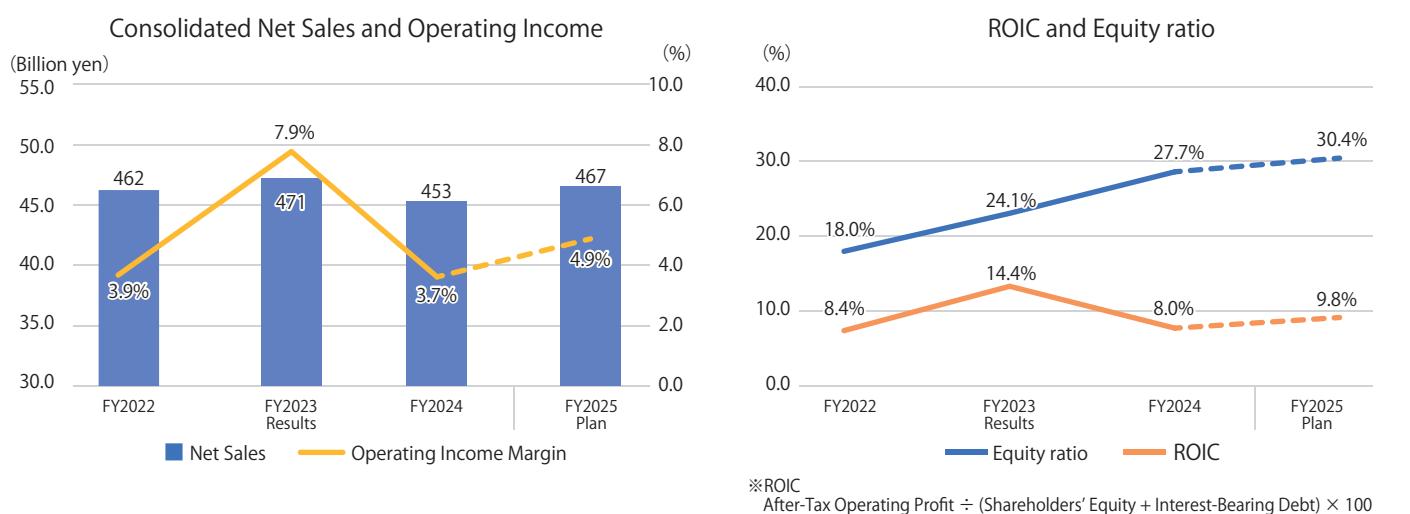
Investment in IT

- Enhance cyber security
- Improve operational efficiency with BI/PRA tools

■ Medium-Term Management Plan (Projections)

	FY2022 Results	FY2023 Results	FY2024 Results	FY2025 Plan
Net Sales	46,277	47,167	45,352	46,791
Operating Income	1,785	3,744	2,227	2,803
EBITDA*	3,674	5,398	3,928	4,663
ROE	24.6%	36.1%	15.6%	16.1%
ROIC	8.4%	14.4%	8.0%	9.8%
Equity ratio	18.0%	24.1%	27.7%	30.4%

*EBITDA : Operating profit+depreciation expense

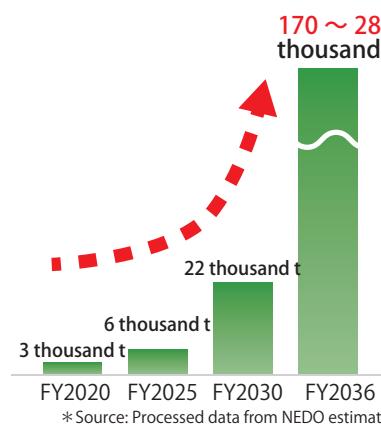


■ Investment for growth R&D toward commercialization – Initiation of solar panel recycling demonstration

Assuming that a large amount of used solar panels will be generated in the 2030s, **establish a technology verification line with the aim of commercializing a solar panel reuse and recycling business** by leveraging our knowledge of solar panels and our strength in industrial waste disposal networks.

Panel disposal forecast in Japan

In the 2030s,
● End of FIT period
● Panel life
Panel disposals are expected to increase sharply due to factors such as

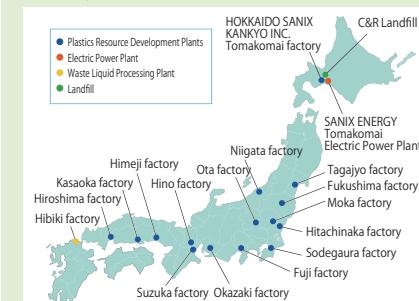


Huge amount of solar panel shipments accumulated in the photovoltaic power generation business

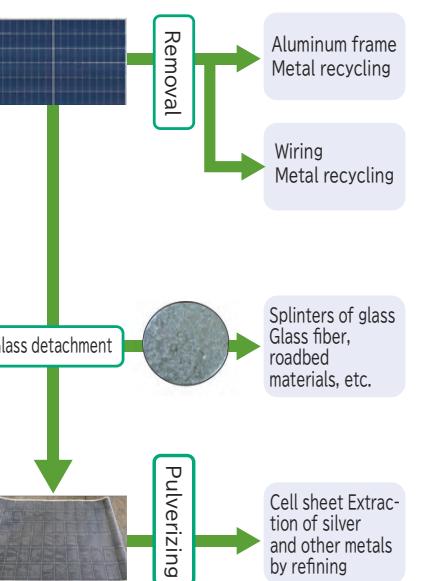
- Residential : Approx. 20,000
- Business use: Approx. 30,000
- Cumulative total 1.4 GW
- Cumulative shipments of approximately 5 million panels

as of March 31, 2025

Utilize our nationwide network of industrial waste treatment and recycling sites.

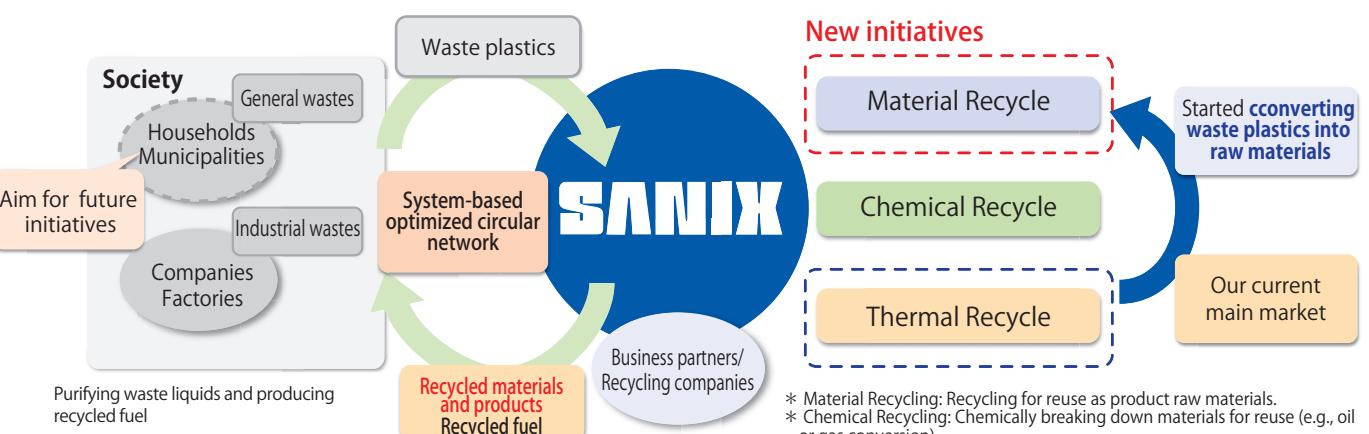


Panel recycling image



■ Investment for growth Strengthening system sales and launching full-scale material recycling to expand our business areas

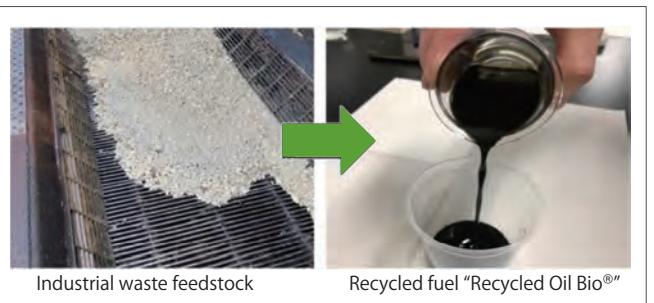
Operational aspects	Infrastructure aspects
<p>Waste Management System: Building a Resource Circulation Network</p> <p>Launching sales of the waste-management systems:</p> <ul style="list-style-type: none"> ● "Kankyo Ace Ichigen-kun" for waste-generating businesses, "Shuun Ace Ichigen-kun" for collection and transportation operators, "Sanpai Ace Ichigen-kun" for intermediate treatment and final disposal operators ● By expanding and upgrading the system, build a waste recycling network in the future and improve the recycling rate of society as a whole. 	<p>Introduction of Material Recycling Equipment</p> <ul style="list-style-type: none"> ● We are introducing new processing equipment for rigid plastics and promoting material recycling—from raw material production to recycled products—in collaboration with recycling businesses. ● In the future, we also aim to handle waste plastics generated by municipalities for container and packaging recycling purposes.



* Material Recycling: Recycling for reuse as product raw materials.
* Chemical Recycling: Chemically breaking down materials for reuse (e.g., oil or gas conversion).
* Thermal Recycling: Utilizing materials as an energy source through fuel conversion or heat recovery.

■ Investment for Growth Implemented capacity expansion and efficiency improvements of existing facilities

Waste Liquid Treatment Business: Doubling of Regenerated Oil Production Lines and Sludge-to-Fuel Conversion



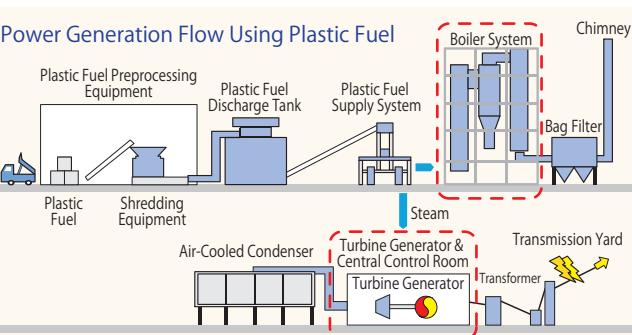
- The Hibiki Plant, which performs purification of waste liquid, **the production line for recycled fuel "Recycled Oil Bio"** derived from organic waste liquid is being expanded.

✓ Due to strong demand as an alternative to fossil fuels, production increases from **one line to two lines** starting March 2024, **doubling the production capacity from 2,160 tons/year to 4,320 tons/year**.

- A new line is also being installed to convert the sludge contained in **organic waste liquid into solid fuel**.

✓ This initiative will reduce sludge disposal costs while generating additional revenue from fuel sales.

Power Generation Business: Equipment Upgrades and Increased Generation Capacity



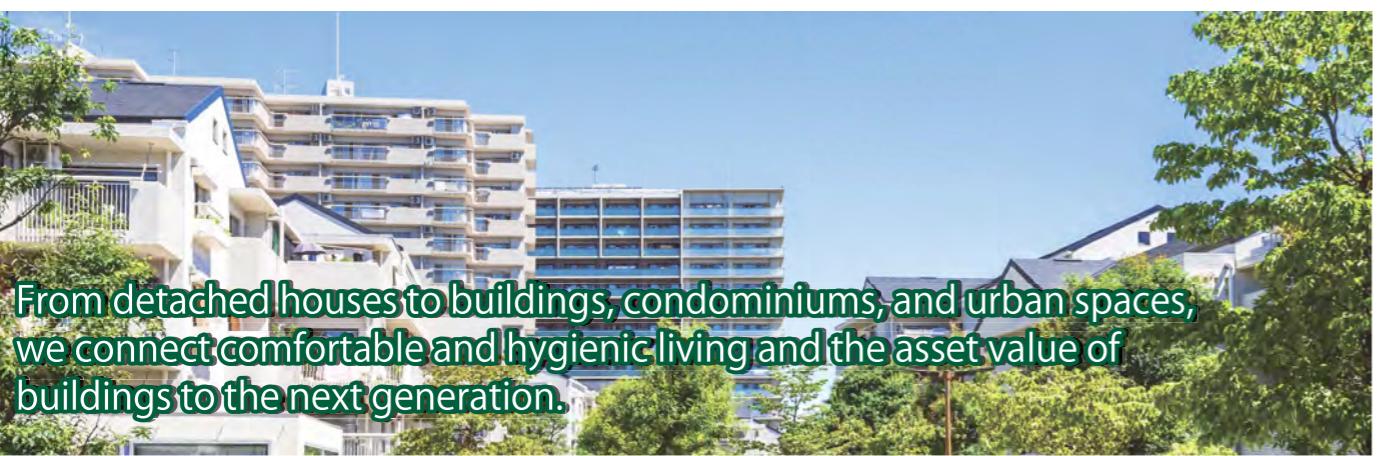
- Since its start of operation in October 2003, approximately 20 years have passed for the Tomakomai Power Plant. Large-scale investments are now being initiated, focusing on key facilities, to ensure future stable operation and improved efficiency.

✓ Boiler System: Starting from FY2025, the internal piping of the boilers will be replaced sequentially over a period of about five years.

✓ Turbine & Generator: Renewal of the turbine and generator is scheduled for FY2026. Through optimal design, **an approximate 8% increase in power generation capacity** is expected.

※"Recycled Oil Bio" is a waste-derived recycled fuel recognized for its high environmental value. It has received the following awards: FY2021 Kitakyushu Eco Premium, 15th Fukuoka Prefecture Recycled Products Award, FY2023 Director-General Award from the Industrial Technology and Environment Bureau, Ministry of Economy, Trade and Industry, and FY2024 New Energy Award, Chairman's Award from the New Energy Foundation

Value Creation Stories in the Residential Environment Area



From detached houses to buildings, condominiums, and urban spaces, we connect comfortable and hygienic living and the asset value of buildings to the next generation.

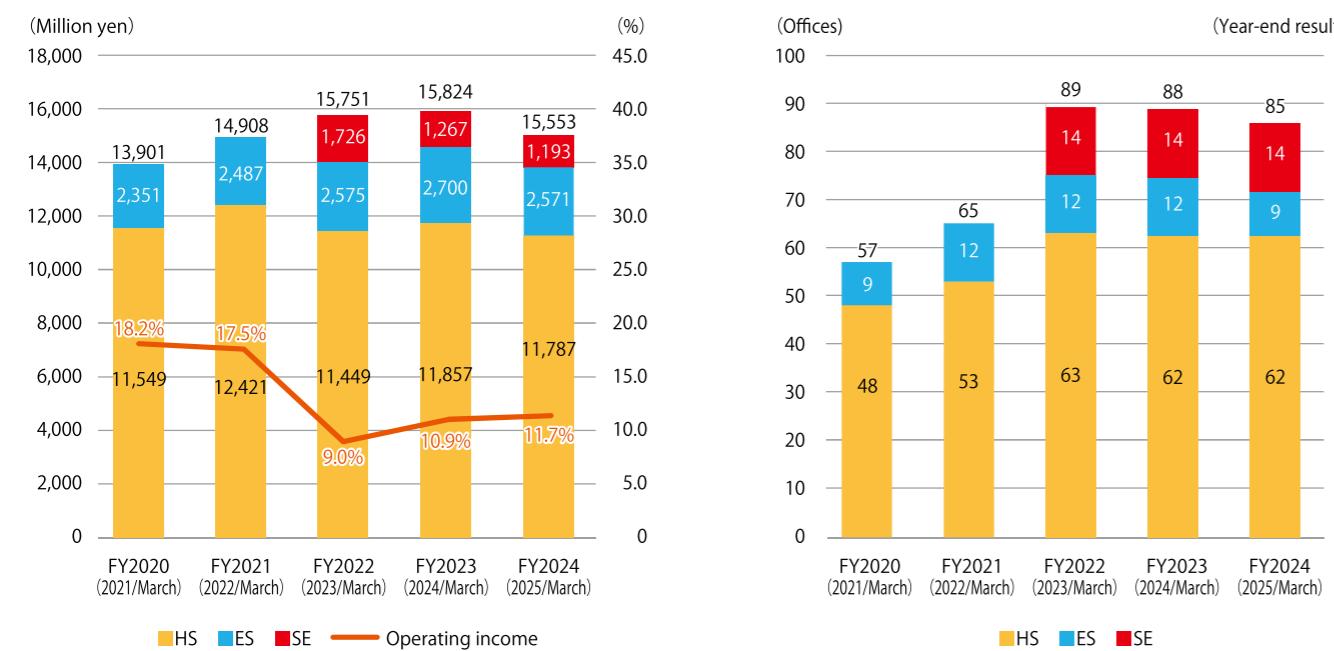
Factors that shorten the lifespan of important buildings lurk in unseen places, such as wood decay and termite damage in houses and deteriorated water supply and drainage pipes in buildings and condominiums.

The Sanix Group promotes total maintenance from the viewpoint of "preventive medical care" (the concept of preventing the occurrence of problems before they occur). We also provide solar power generation, renovation, and sanitary management of urban spaces to realize comfortable and hygienic living that can be passed on from generation to generation.

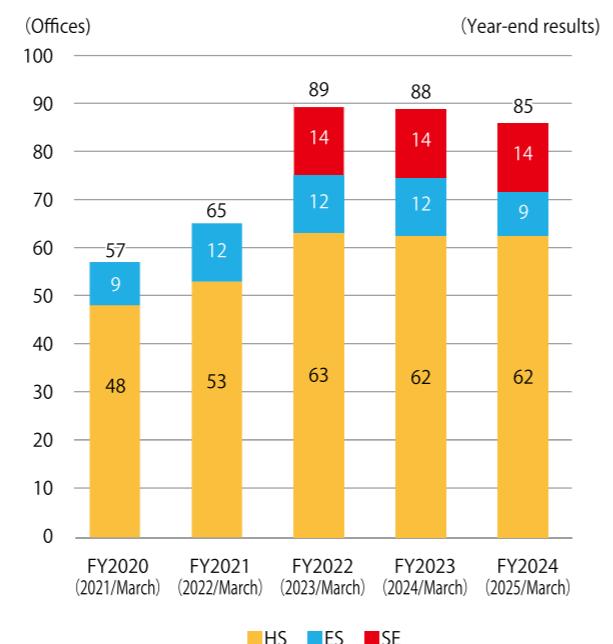
■ Residential Environment Domain Results

	FY2020 (2021/March)	FY2021 (2022/March)	FY2022 (2023/March)	FY2023 (2024/March)	FY2024 (2025/March)
Net Sales	13,901	14,908	15,751	15,824	15,553
Gross profit	8,362	8,995	8,822	8,867	8,674
Gross margin	60.2%	60.3%	56.0%	56.0%	55.8%
Operating income	2,525	2,609	1,421	1,724	1,823
Operating margin	18.2%	17.5%	9.0%	10.9%	11.7%

■ Net Sales by Segment - Operating Income



■ Number of Sales Offices by Segment

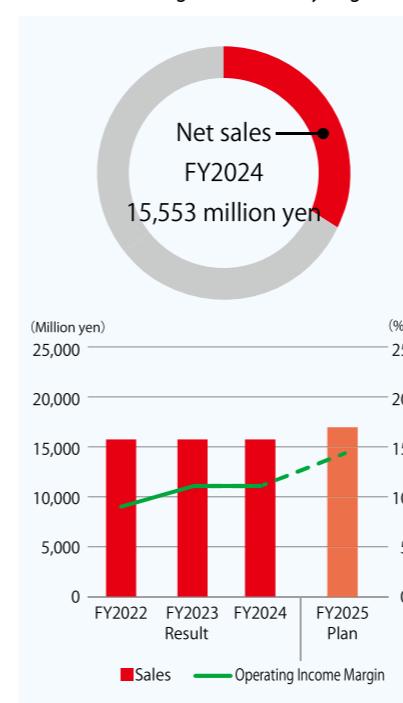


Value Creation Story (Growth Strategy) in the Residential Environment Area

Strengthen corporate sales (cultivation of business partners) system

- Expand new customer channels and improve sales productivity through expansion of business partners.
- Increase sales capabilities and service quality through enhanced retention and development of human resources.

<Mid-term Management Plan by Segment>



	FY2022 Results	FY2023 Results	FY2024 Results	FY2025 Plan
Net Sales	15,751	15,824	15,553	16,198
HS	11,449	11,857	11,787	13,406*
ES	2,575	2,700	2,571	2,792
SE	1,726	1,267	1,193	—
Operating Income	1,421	1,724	1,823	2,294

*FY2025: The "HS Business" and "SE Business" are integrated and presented together.

- For the fiscal year ending March 2026, we aim to expand our customer base by enhancing our continuous support structure for existing clients and strengthening our corporate sales organization. In services for detached houses, we will improve productivity by integrating the HS business and SE business to better meet a wide range of residential environmental needs. In services for multi-unit housing, we aim to expand our business by broadening our maintenance solutions from anti-corrosion equipment (Dorman Shock) to include water supply and drainage system preservation.

(as of March 31, 2025)

Affiliated JA
57 JA
Alliance for collective housing
105 Corporations
Alliance for individual customers
441 Corporations

<Our strengths and external environment>

<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

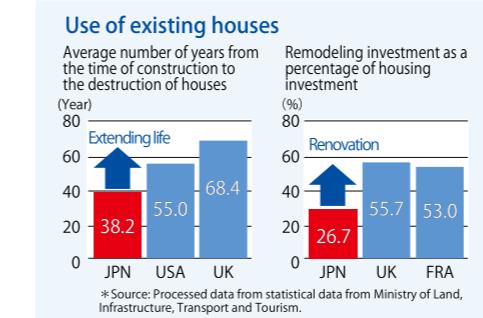
<External environment>

- Government policy that forms high-quality housing stock and emphasizes the use of housing stock, including home renovation and existing home distribution
- Expansion of demand for housing maintenance and hygienic environments generated by the COVID-19 pandemic
- Growing need for photovoltaic power generation for residential housing due to the steep rise in electricity fees and growing environmental awareness

Housing Policy Trends

Total number of housing units: **approx. 65 million**, of which wooden single-family houses: **approx. 30 million** (including vacant houses)

- With the number of new housing starts expected to shrink against the backdrop of a declining population and other factors, the Company has shifted to a policy of improving the quality of existing housing and **emphasizing the use of existing housing**.
- In addition, the policy is to promote energy conservation from the perspective of decarbonization.



Promotion of decarbonization (Energy conservation)

- Photovoltaic power generation
- Storage batteries
- Improved thermal insulation performance (Windows, insulation, etc.)

Market revitalization for both new and existing buildings given a trend toward mandatory construction and expansion of support (subsidy) programs, etc.

Improvement of corporate marketing

In addition to strengthening the sales style of individual visits, **the corporate sales system will be expanded** to broaden the scope of sales and respond to diverse needs.

<Partnership examples>

- JA, Co-op and other organizations
- Real estate management company
- House builders, construction companies, etc.

Expand improve sales productivity through expansion of business partners.

Individual sales → SANIX → Customers

Value Creation Stories in the Energy Area



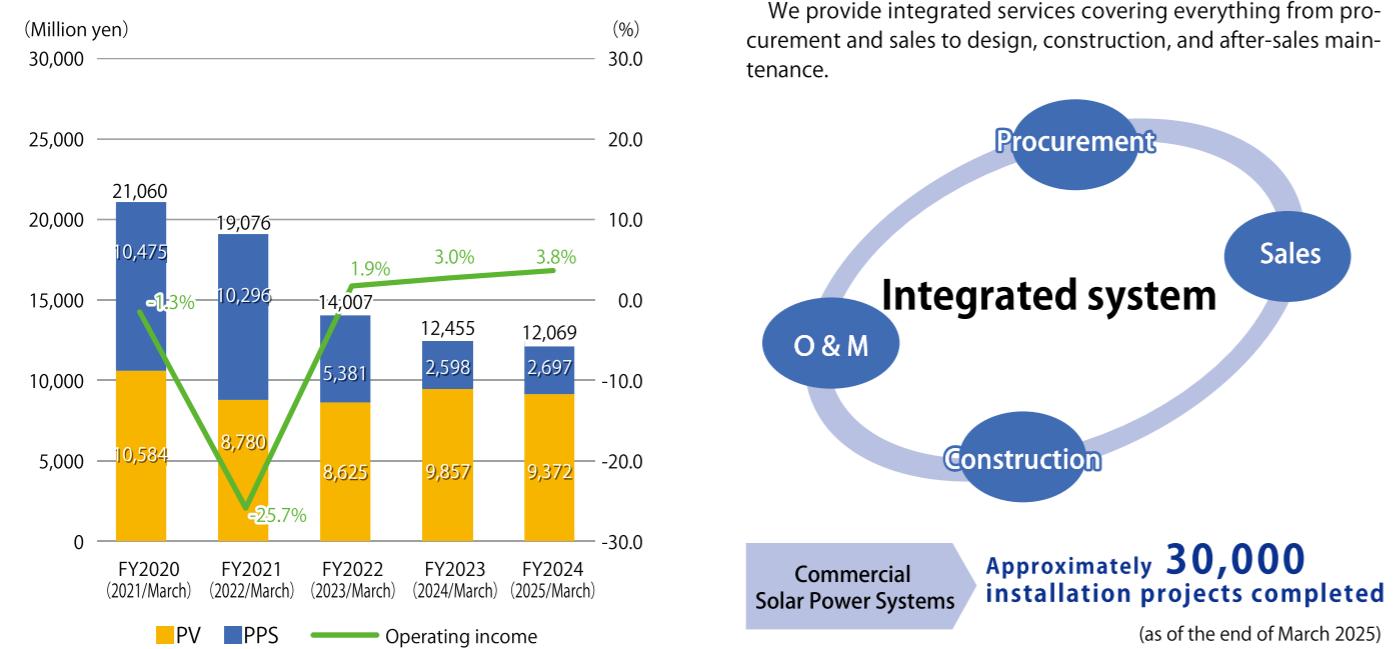
Decarbonization is now a common challenge for all humankind. In Japan, this trend has been accelerating since the 2050 Carbon Neutral Declaration.

We propose the most appropriate form of solar power generation systems to meet the needs of our customers. From installation to maintenance, we support the promotion of environmental management and the spread of renewable energy.

■ Energy Area Results

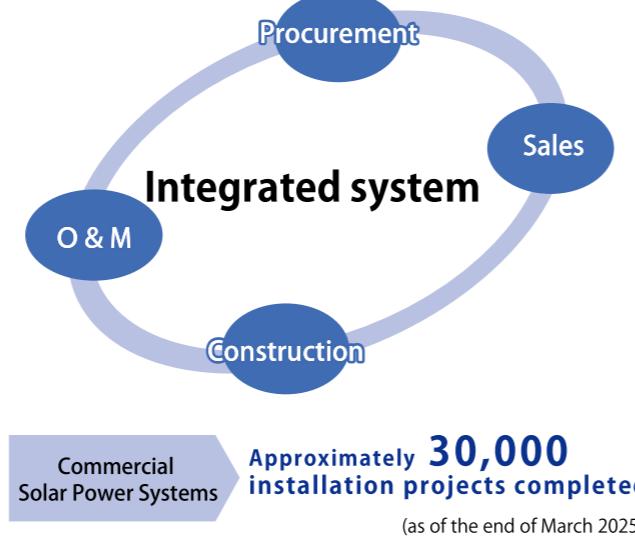
	FY2020 (2021/March)	FY2021 (2022/March)	FY2022 (2023/March)	FY2023 (2024/March)	FY2024 (2025/March)
Net sales	21,060	19,076	14,007	12,455	12,069
Gross profit	3,252	△1,859	2,348	2,450	2,876
Gross margin	15.4%	△9.7%	16.8%	19.7%	23.8%
Operating income	△279	△4,908	261	377	457
Operating margin	△1.3%	△25.7%	1.9%	3.0%	3.8%

■ Sales by Segment - Operating Income



■ Strengths of Our Group

We provide integrated services covering everything from procurement and sales to design, construction, and after-sales maintenance.

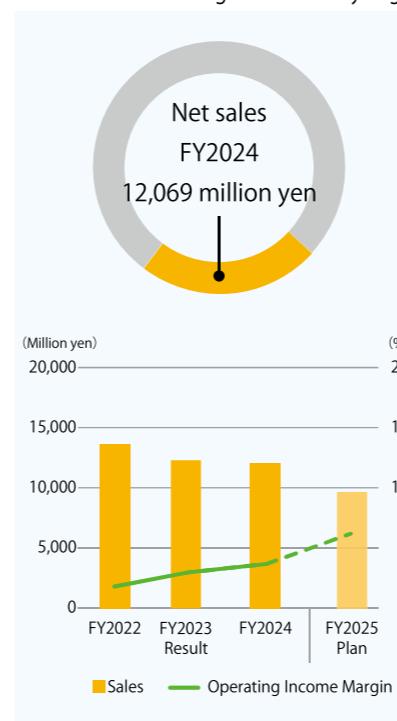


Value Creation Story (Growth Strategy) in Energy Area

Full transition to non-FIT model

- Reinforcement and area expansion of the system for proposing photovoltaic power for self-consumption to companies and municipalities that are strengthening their decarbonization efforts.
- Promote the development of photovoltaic power plants as a renewable energy source for energy providers supplying renewable electricity.

<Medium-term Management Plan by Segment>



※FY2026: The "New Power Business" has been reclassified from the Energy segment to the Resource Circulation segment.

- For the fiscal year ending March 2026, we aim to expand our business by broadening sales channels for "self-consumption" solar power systems, while strengthening our structure for equipment replacement and after-sales maintenance of existing solar power plants. In addition, by ensuring rigorous profitability management for each project and reducing material costs, we will work to further improve our profit structure.



A fully self-consumption solar power system implemented through a PPA model (third-party ownership)
(Bunkado Printing Co., Ltd., Shonan Plant No. 1 & No. 2 / Minamiashigara City, Kanagawa Prefecture)

<Our strengths and external environment>

<Our strengths>

- Ability to provide integrated services ranging from procurement, sales, and installation of solar power systems to maintenance
- Capability to propose optimal self-consumption solutions by leveraging our expertise in electricity
- High construction quality supported by a large number of certified professionals and engineers
- Track record of approximately 30,000 commercial solar power plant installations

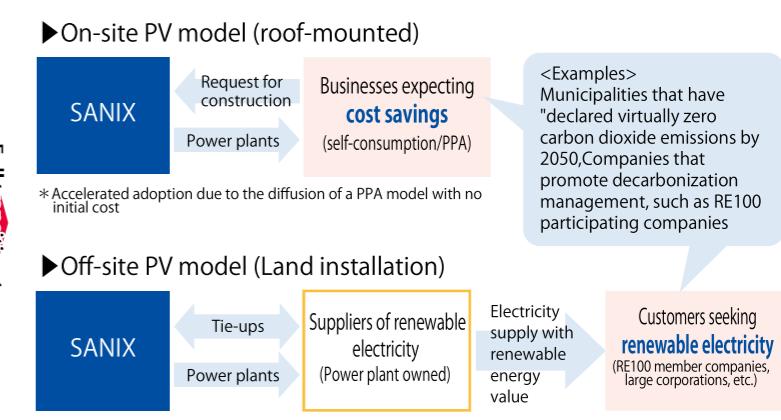
<External environment>

- Improved effectiveness of system installation due to rising electricity prices and declining costs of solar power equipment
- Growing demand for renewable energy sources among power companies and others, driven by increasing visibility of renewable-energy needs
- Full-scale efforts by companies to reduce GHG emissions and by local governments to achieve zero-carbon cities

Conventional model based on FIT system

SANIX	Request for construction	Power plants	Investors who expect to receive revenues from the sale of electricity
FY2012	More than 10 kW	40Yen/kWh	
FY2013	More than 10 kW	36Yen/kWh	
↓		↓	
FY2023	More than 10 kW and less than 50 kW More than 50kW (ground-mounted)	10Yen/kWh 9.5Yen/kWh	
FY2024	More than 10 kW and less than 50 kW More than 50kW (ground-mounted)	10Yen/kWh 9.2Yen/kWh	
FY2025	More than 10 kW and less than 50 kW More than 50kW (ground-mounted)	10Yen/kWh 8.9Yen/kWh	

New dissemination model that does not rely on the FIT system



* Attractiveness of FIT declines significantly as unit purchase price declines.

Value Creation Stories in the Resource Circulation Area



Aiming for harmony between the global environment and industrial development as a member of the "vein industry".



Since the creation of a sustainable society has become a common social issue, the adequate disposal and recycling of industrial waste is an important theme.

Our group contributes to the creation of a circulation-oriented society through businesses that consider the global environment for the next generation, such as the recycling of waste plastics into fuel and the purification and recycling of waste liquid discharged from food factories.

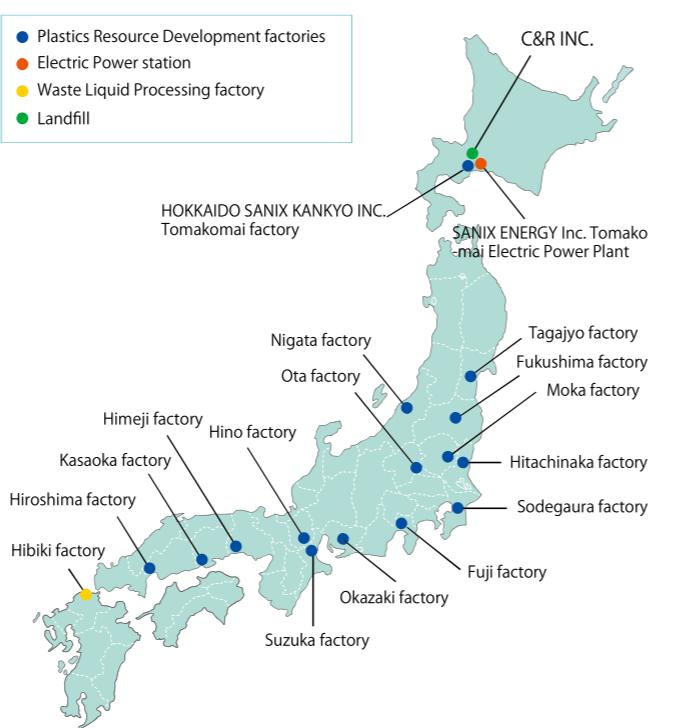
■ Resource Circulation Area Results

	FY2020 (2021/March)	FY2021 (2022/March)	FY2022 (2023/March)	FY2023 (2024/March)	FY2024 (2025/March)
Net sales	16,578	17,008	16,518	18,886	17,729
Gross profit	5,538	4,957	5,037	6,784	5,055
Gross margin	33.4%	29.2%	30.5%	35.9%	28.5%
Operating income	3,673	3,158	3,153	4,722	2,635
Operating margin	22.2%	18.6%	19.1%	25.0%	14.9%

■ Sales by Segment - Operating Income



■ Location of ERD factories and Facilities

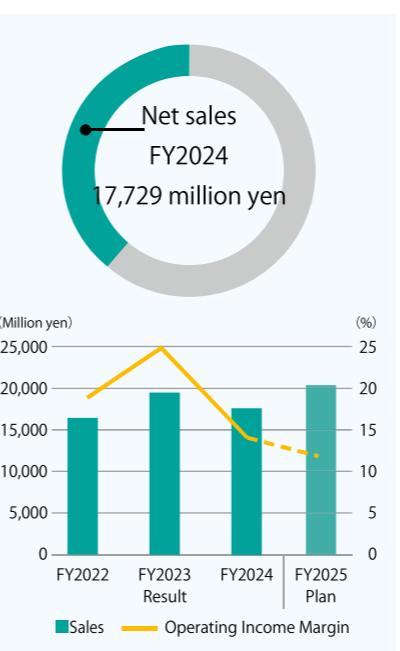


Value Creation Story (Growth Strategy) in Resource Circulation Area

Execute strategic investments to expand business areas and advance and diversify recycling technologies.

- Start of material recycling in waste plastics treatment and investment for fuel conversion projects in waste liquid treatment.
- Continuation of planned equipment renewal investments to establish a sustainable business foundation.

<Medium-term Management Plan by Segment>



*FY2026: The "New Power Business" has been reclassified from the Energy segment to the Resource Circulation segment.

For the fiscal year ending March 2026, in power plant sales, we expect a decline in profits due to a reduction in operating days and an increase in repair costs, as we conduct statutory periodic inspections in addition to large-scale investments aimed at ensuring stable future operations and improving power generation efficiency.

We aim to further expand our business through the enhancement of waste plastics shredding facilities, the introduction of material recycling equipment, and the installation of systems to convert sludge generated after waste liquid treatment into fuel.

<Our strengths and external environment>

<Our strengths>

- Characteristic resource-recycling power generation model that uses only waste plastics as fuel (Non-fossil power source).
- A nationwide network of 15 intermediate waste plastics processing plants to collect waste plastics.
- High rate of conversion to fuel and recycling technologies backed by an established track record.

<External environment>

- Increasing demand for resource recycling throughout the supply chain, and expanding efforts to increase the recycling ratio, especially among large companies.
- Demand for the establishment of appropriate regional resource circulation systems.
- Demand for waste-derived recycled fuels is growing due to corporate GHG emissions reductions and soaring fossil fuel prices.

Trends in wastes and resource recycling policies

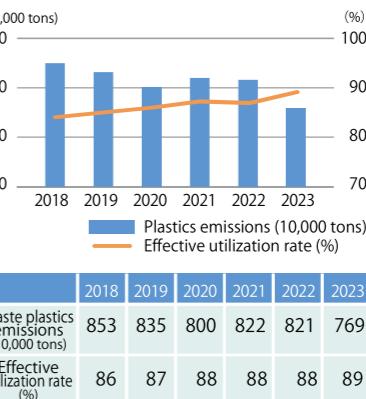
Policies toward a circular economy in which resources are circulated instead of discarded are strengthened. In particular, the recycling of plastic resources will be promoted.

- Establishing comprehensive strategy for plastic material recycling
- Law Concerning the Promotion of Resource Recycling of Plastics (New Plastics Law) comes into effect.
- Effectively utilize used plastics through 100% reuse and recycling, etc. by the year 2035
- Double the use of recycled plastics by the year 2030

Measures will be taken to promote plastic resources recycling efforts by all entities (from product design to treatment of discharged plastics), and waste generators will be required to actively reduce discharges and to work on recycling plastics.

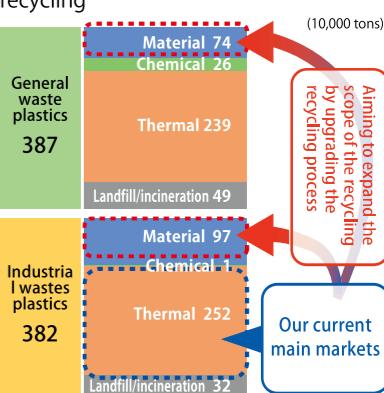
Waste plastics emission trends

Waste plastics emissions are gradually decreasing while the effective utilization rate is increasing (2020 - COVID 19 impact)



Starting material recycling initiatives

Aiming to respond to market needs and expand target areas by upgrading recycling



*There are cases where the breakdown total and total number do not match due to rounding.

*All figures are processed by our company based on the "Status of Production, Disposal, Recycling, Treatment and Disposal of Plastic Products in 2023" (Japan Plastic Recycling and Reuse Association).

Holding Company Structure

In April 2025, the Sanix Group transitioned to a holding company structure.

The Residential Environment, Energy, and Resource Circulation segments became independent companies, each operating as a subsidiary of SANIX HOLDINGS. (Regarding the Resource Circulation segment, the industrial waste treatment and recycling business is scheduled for business succession on October 1, 2025.)

The following are messages from each company president regarding the current status and future outlook.

For Our Customers' Comfortable Living and the Realization of a Sustainable Society



SANIX INCORPORATED
President and Representative Director
Takeshi Inada

In April 2025, the Residential Environment business company inherited the SANIX name and embarked on a new chapter. Our core services, including termite control and hygiene management, originate from the founding business of the Sanix Group. Guided by the founding spirit of "making dirty places clean and unhygienic places sanitary," we have devoted ourselves to contributing to society. We are confident that this spirit has laid the foundation of the Sanix Group.

Our vision is a society where "connecting a comfortable living environment to the next generation is the norm." We protect homes from termites and moisture, promote lifestyles with solar power systems, and advance deterioration countermeasures for buildings and apartments. These efforts are closely aligned with national policies that emphasize the use of existing housing, such as decarbonization and seismic reinforcement. Extending the life of existing homes helps reduce resource consumption from rebuilding or demolition, contributing to a lower environmental impact.

Leveraging our strong customer base and regionally rooted sales network, we aim to contribute to creating comfortable living spaces by offering optimal proposals tailored to each customer's life cycle and the condition of their buildings. In addition to our individual-visit sales approach, we are strengthening our corporate sales structure to broaden our outreach and meet the diverse needs of our customers.

We will continue to further refine our core strengths—sales capabilities and technical expertise—while actively fostering an attractive work environment where every employee can feel fulfilled. All of our employees, carrying the "Sanix Pride", are committed to pursuing further growth and achieving new heights.

Shaping the Future of Renewable Energy through Experience and Achievements



SANIX ENGINEERING INCORPORATED
President and Representative Director
Koji Umeda

On July 1, 2024, SANIX ENGINEERING spun off from its parent company, taking over the commercial solar power business. Since the spin-off, we have felt a noticeable increase in employee autonomy. While the company itself is only one year old, this business boasts 13 years of experience and approximately 30,000 in-house installation projects (as of the end of March 2025, including achievements prior to business succession)*. We provide end-to-end services, from sales and proposal of solar power systems to material procurement, design, installation, and after-sales maintenance. Moving forward, we also plan to pursue panel recycling in collaboration with other group companies. Additionally, leveraging our technical expertise, we undertake the installation of PPA (third-party owned solar power) projects for other companies.

With the global challenge of building a decarbonized society, efforts to achieve carbon neutrality by 2050 are accelerating in Japan as well. Companies are actively reducing GHG emissions, and local governments are implementing initiatives toward zero-carbon cities. In this context, we have secured 28 municipal projects across 8 local governments through public tenders*. We are also advancing partnerships with major power and gas group companies.

From FY2026, businesses consuming over 1,500 kiloliters of fossil fuels annually (in crude oil equivalent) will be required to set targets for rooftop solar power installation. This is expected to further increase demand for solar energy.

While we aim to meet these growing needs, we also envision expanding our business to renewable energy beyond solar power in the future. We will continue to strengthen our technical capabilities and leverage the strength of having group companies engaged in waste treatment, recycling, and electricity retail businesses to drive further growth.

*Achievements are as of the end of March 2025 and include accomplishments prior to the business succession.

Under the New Structure, Expanding the Circle of Resource Circulation in Harmony



SANIX RESOURCE DEVELOPMENT GROUP INCORPORATED
President and Representative Director
Hideki Takei

On October 1, 2025, the Environmental Resource Development Business will embark on a new chapter as SANIX RESOURCE DEVELOPMENT GROUP INCORPORATED. With the transition to a circular economy becoming an urgent global issue, the importance of proper waste management and the promotion of recycling has never been greater. Having been involved in this business for over 30 years, I feel a strong sense of mission. Our core businesses include the treatment and recycling of industrial waste plastics and waste liquid, power generation and electricity retail, and the sale of integrated waste management systems. In plastic recycling, we have established a unique business model that combines collection and fuel production through a network of 15 intermediate treatment plants nationwide, and resource-circulating power generation using this fuel as a non-fossil energy source. Our integrated waste management system reflects insights gained from years of experience, offering simple operation and cost-effective pricing, which have been highly praised by our customers.

Moving forward, we plan to expand into material recycling of waste plastics, sludge fuel production, and solar panel recycling, thereby broadening our business scope. At the same time, we aim to build a recycling network through the wider adoption of our integrated waste management system, contributing to higher recycling rates across society. To establish a sustainable business foundation, we will continue to enhance and improve the efficiency of existing facilities while actively making further growth investments.

Finally, October 1 is recognized as "Day of Harmony." In these challenging times, it is essential that the "circle" of our group remains united in harmony. Building on this spirit, we will ensure the steady development of our diverse new businesses and contribute to creating a comfortable environment for the next generation.

Topics

Entered into a Business Alliance Agreement with DAIGAS ENERGY CO., LTD. for the Commercial Solar Power and Resource Circulation Businesses

To further expand its commercial solar power and resource circulation businesses, our group entered into a business alliance agreement on March 7, 2025, with DAIGAS ENERGY CO., LTD., a wholly owned subsidiary of OSAKA GAS CO., LTD.

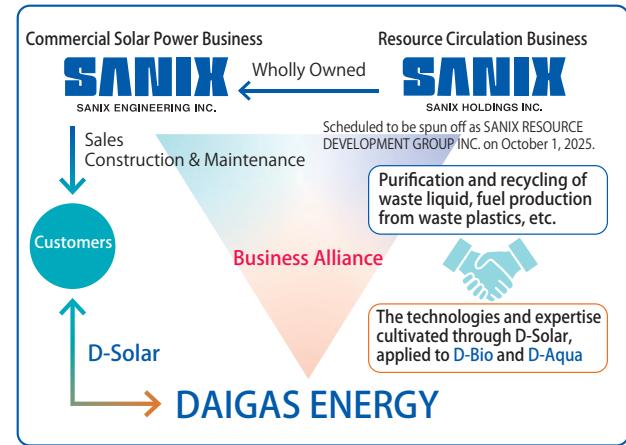
Through this business alliance, the following solutions are expected:

● Commercial Solar Power Business

By expanding the sales channels of DAIGAS ENERGY CO., LTD.'s solar power services, we will be able to propose solar power system installations to a greater number of customers, contributing to the wider adoption of renewable energy.

● Resource Circulation Business

By combining the wide range of solutions provided by the Sanix Group—including purification, recycling, and regenerated oil production from waste liquid; fuel production from waste plastics; and power generation using recycled plastic fuel—with the technologies and expertise of DAIGAS ENERGY CO., LTD., we will work to create further added value.



Received the New Energy Foundation Chairman's Award at the "New Energy Awards" for the recycled fuel "Recycled Oil Bio" derived from industrial waste.

The recycled fuel "Recycled Oil Bio" derived from industrial waste was recognized and received the New Energy Foundation Chairman's Award at the 2024 New Energy Awards.

"Recycled Oil Bio" is produced by removing solid waste and sludge from industrial waste such as waste liquid and sludge generated by restaurants and food factories, and isolating and recovering the oil content to create a usable fuel. Its calorific value is close to that of heavy oil, making it suitable as a substitute fuel for boilers and other applications. This carbon-neutral fuel, made from animal and plant-based oils, not only utilizes previously untapped resources but also contributes to both reducing industrial waste and recycling resources, making it an environmentally valuable solution.



Public Recognition of "Recycled Oil Bio"

- 2021: Selected for the Kitakyushu Eco-Premium
- 2023: Certified as a Fukuoka Prefecture Recycled Product
- 2023: Awarded the Director-General's Award, Industrial Science and Environment Bureau, Ministry of Economy, Trade and Industry
- 2025: Received the New Energy Foundation Chairman's Award at the New Energy Awards

● New Energy Awards (organized by the New Energy Foundation)

The awards aim to promote further adoption, dissemination, and awareness of new energy. They accept submissions of products related to new energy, as well as initiatives for its introduction or activities to raise public awareness. Among these, outstanding achievements are recognized and awarded.



Award Ceremony (January 29, 2025)
Left: Nobuaki Terasaka, Chairman, New Energy Foundation
Right: Hiroshi Munemasa, President & CEO, our company

Initiatives to Further Expand the Business Foundation in the Resource Circulation Sector Expanding Sales Channels for the Integrated Waste Management System "Ichigen-kun" Series

As part of our efforts to expand the business foundation in the resource circulation area, we are working to broaden sales channels for the Integrated Waste Management System "Kankyo Ace Ichigen-kun" through initiatives such as a free-use campaign, TV commercials, and web advertising.

By promoting the widespread adoption and further advancement of the integrated waste management system, we aim to establish a recycling network for waste in the future and build a stable business foundation.

Initiatives to Expand Sales Channels



Business Foundation Expansion

Revenue Increase from the "Ichigen-kun" Series

Increase in Acceptance of New Waste

Even in a competitive pricing environment, we aim to prevent customer churn by providing high-value-added services.

Trial

Two-Year Free Trial for "Kankyo Ace Ichigen-kun"

Reducing Costs While Solving Waste Management Challenges

Application Period: October 1, 2024 – September 30, 2025

※Free-use period: 2 years from system start date

Initial and Maintenance Fees

Free

Usage Fee

Free for 2 years

Awareness Expansion

TV, CM, and Web Campaigns for "Kankyo Ace Ichigen-kun"

Raising Recognition of "Ichigen-kun" and the Sanix Group

▼ Watch the video here ▼



About the "Ichigen-kun" Integrated Waste Management System Series

A system that supports every aspect of waste management operations.

Waste Management System for Waste Generators



Service Click here for details



- ▶ A system that makes all waste data visible and ensures efficient, compliant waste management.

Sales launched on April 1, 2022

In May 2024, the product name was changed to "Kankyo Ace Ichigen-kun," and its features were upgraded, including CO₂ emissions tracking.

- For Waste Generators, the system enables
 - ① Compliance – adherence to laws and regulations
 - ② Streamlined Operations – labor and efficiency improvements through integrated management
 - ③ Cost Optimization – through full visibility of waste data
 - ④ Environmental Contribution – supporting decarbonization, resource circulation, and SDGs

Waste Management System for Waste Treatment and Disposal Companies



Service Click here for details



- ▶ Digitalizing tasks like estimates, manifests, and payment management to ensure efficient and compliant intermediate waste processing.

Sales launched on May 15, 2024

Routing and Dispatch System for General Waste Haulers



Service Click here for details

- ▶ A system that makes all aspects of general waste collection and transport visible, ensuring efficient and compliant operations.

Sales launched on May 1, 2023

Sustainability



Environment

Housing / Energy / Waste Management / Climate Change

Society

Employees / Employment / Occupational Health and Safety / CSR

Sustainability Environment

■Housing

Creating a society where “passing on a comfortable living environment to the next generation” is the norm

Factors that shorten the lifespan of buildings often lie hidden from view—such as wood decay and termite damage in houses, or the deterioration of plumbing systems in buildings and condominiums. From the perspective of “preventive care” (the philosophy of preventing problems before they occur), the Sanix Group promotes comprehensive maintenance solutions. Furthermore, through solar power generation, renovation services, and urban hygiene management, we help ensure a comfortable, sanitary living environment that can be passed down across generations.

▼ Progress of Key Performance Indicators (KPIs)

Cumulative Results Since the Start of Operations (As of Fiscal Year-End)	March 2023	March 2024	March 2025
Number of Termite Control Treatments Completed	830,000	835,000	40,000
Number of Water Supply and Drainage Pipe Maintenance Services Provided	38,000	39,000	

※Figures below 1,000 houses/cases are rounded down

▼ Examples of Initiatives in Fiscal Year 2024

Strengthening ongoing alliances through business partnerships with companies and organizations:

- Collaborations to expand sales channels:
Partnerships with local government mutual aid associations, corporate cooperatives, and real estate management companies, among others.
- Collaborations to expand services that reduce environmental impact and extend housing lifespan:
Partnerships with solar power PPA providers, house cleaning service providers, and housing equipment repair support companies.



■Energy

Creating a society where “low-environmental-impact energy” is the norm

Efforts toward decarbonization have become a shared challenge for all of humanity. In Japan, this movement has accelerated since the 2050 Carbon Neutrality declaration. We propose optimal solar power systems tailored to our customers' needs, supporting environmental management from installation to maintenance, while promoting the wider adoption of renewable energy.

▼ Progress of Key Performance Indicators (KPIs)

Cumulative Results Since the Start of Operations (As of Fiscal Year-End)	March 2023	March 2024	March 2025
Number of Solar Power Installations (In-House)	49,000	50,000	51,000

※Figures below 1,000 cases are rounded down

※Includes both residential and industrial units

▼ Examples of Initiatives in Fiscal Year 2024

- Contracted installation of solar power systems for companies and organizations (e.g., Kyushu Sangyo University, Chiba Factory of Toko Metal Co., Ltd.)
- Selected as the project provider for municipal solar power initiatives (e.g., Prefectural facilities in Kumamoto Prefecture, Boat Race Naruto in Naruto City, Tokushima Prefecture, and public facilities in the Hokuseimon District, Sasaguri Town, Fukuoka Prefecture)



Kyushu Sangyo University



ToKo Metal Co., Ltd. (Chiba Factory)

Waste

Creating a society where “not discarding” is the norm

As building a sustainable society becomes a shared challenge, the proper treatment, management, and recycling of industrial waste is a critical issue. Through initiatives such as converting waste plastics into fuel and purifying and recycling waste liquid from food factories, our group contributes to the creation of a circular society while considering the environment for the future generation.

▼ Progress of Key Performance Indicators (KPIs)

Cumulative Results Since the Start of Operations (As of Fiscal Year-End)	March 2023	March 2024	March 2025
Volume of Waste Plastics Processed	5,900	6,200	6,500
Volume of Waste liquid Processed	2,500	2,600	2,700

※Figures below 1,000 tons are rounded down

▼ Examples of Initiatives in Fiscal Year 2024

- Expanded the production line of “Recycled Oil Bio,” a renewable fuel obtained by separating and recovering oil from waste liquid and sludge, doubling its previous capacity
- Relaunched the integrated waste management system “Ichigen-kun” series and launched a campaign to promote its use among waste-generating businesses



Global Warming

Environmental issues such as global warming, pollution, and resource depletion have reached a stage that requires global-scale measures, and the creation of a sustainable society has become a shared understanding worldwide. This is evident in initiatives such as the United Nations' Sustainable Development Goals (SDGs), the Paris Agreement adopted at COP21, and the European Union's New Circular Economy Action Plan. In Japan as well, following the 2050 Carbon Neutrality declaration, various policies are rapidly shifting toward frameworks based on building a sustainable society.

▼ Goals and Progress of Key Issues

GHG Emission Reduction Target:

50% reduction in GHG emissions by FY2030 compared to FY2020 = 12,397 t-CO₂

Fiscal Year	FY2021	FY2022	FY2023	FY2024
GHG Emissions	24,707	21,233	20,684	19,389

※Figures below 1,000 tons are rounded down

▼ Examples of Initiatives in Fiscal Year 2024

Installed a solar power system at our Mooka Factory (Mooka City, Tochigi Prefecture) under a third-party installation model (PPA), in partnership with VPP Japan Co., Ltd.



Solar Power Installation under PPA (Mooka Factory)
System Capacity: 362.97 kW
Estimated Annual On-Site Consumption: 23,968 kWh
Estimated Annual CO₂ Reduction: Approximately 121.82 t-CO₂

Sustainability Society

Employees/Employment

All corporate activities depend on human resources. Cultivating talent to shape the future

At the Sanix Group, we position “people development” as one of the key priorities in our management strategy. We focus on talent development and employment retention, promotion of occupational health and safety, and the advancement of diversity and respect for human rights. Through these initiatives, we aim to secure skilled personnel, ensure the smooth continuity of business operations, safeguard employee health and safety, improve productivity and motivation, and enhance the ability to create value through diverse perspectives.



▼ Targets and Progress of Key Issues

- Average Paid Leave Utilization Rate: 70% or higher by 2030
- Parental Leave Uptake Rate (average for men and women): 100% by 2030

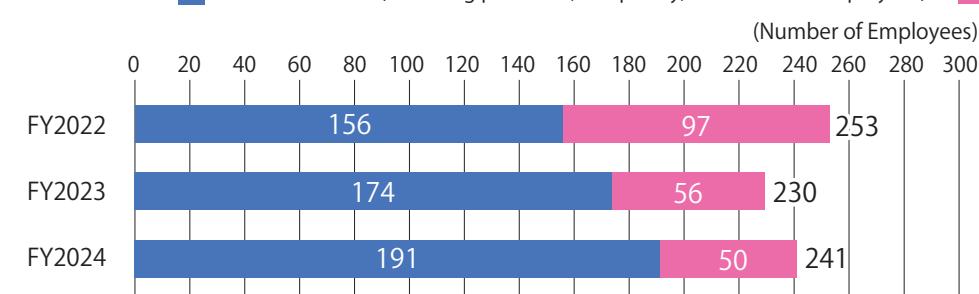
Fiscal Year	FY2022	FY2023	FY2024
Average Paid Leave Utilization Rate	68.6	64.4	56.5
Parental Leave Uptake Rate	71.2	72.7	69.0
Percentage of Female Managers	3.0	3.0	3.3
Gender Pay Gap (including part-time and fixed-term employees)	65.6	65.9	67.6

▼ Examples of Initiatives in Fiscal Year 2024

- Implemented a full two-day weekend system
- Expanded special leave by introducing Wellness Leave and Anniversary Leave (up to 2 days per year each)

Hiring Trends (Number of New Employees)

※Standalone ■ Mid-Career Hires (including part-time, temporary, and contract employees) ■ New Graduates



Diverse Employment Support Systems

► Support through the Mentorship System

For new graduates, each new employee is assigned a mentor. Unlike practical training supervisors, mentors provide dedicated support by addressing the mentee's feelings, concerns, and questions directly.

► Life Planning through Retirement Age Selection

We have implemented a retirement age selection system at 60 or 65. Post-retirement employment is also handled flexibly, including contracted employment for ages 60–65 and contract employee positions after age 65.

■ Occupational Health and Safety

Basic Policy on Occupational Health and Safety

We consider ensuring safety and the physical and mental health of our employees as one of the most important foundations of our corporate activities. Our ultimate goal is "Zero Occupational Accidents." Through education, we aim to raise employees' awareness of safety and health, and by fostering voluntary actions by employees in collaboration with the company, we strive to create a comfortable workplace environment.

1. Recognize that employee safety and physical and mental health are the cornerstone of business development, and aim to create a comfortable workplace environment.
2. Ensure each employee actively engages in safety measures, fostering a culture where everyone can mutually watch out for one another in real time, thereby building a robust safety system.
3. Conduct risk assessments for all tasks in advance, and continuously implement measures to identify, eliminate, or reduce hazards.
4. Strictly comply with all laws and regulations related to occupational health and safety as well as internal company rules, and establish an organizational system that enables the promotion of occupational health and safety activities.
5. Continuously provide safety education and training so that each employee maintains safety awareness and can act with correct knowledge and behavior.
6. Promptly report and share dangerous incidents (including work-related accidents resulting in one or more days of leave) and thoroughly implement measures to prevent recurrence.

Targets and Achievements Related to Occupational Accidents (FY2024)

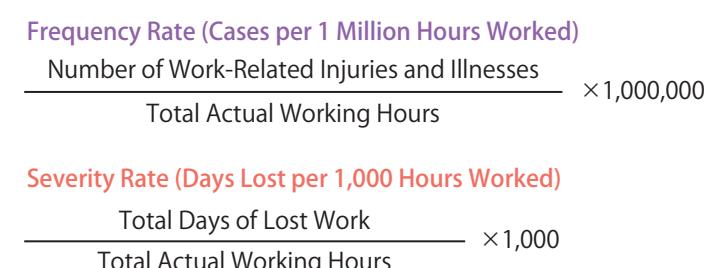
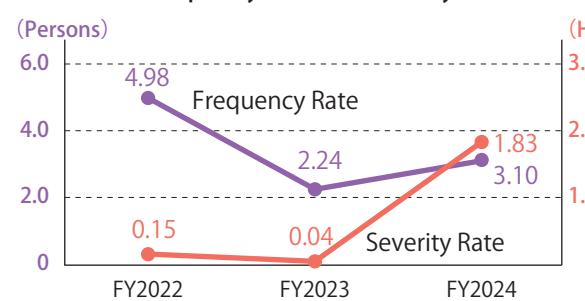
【Key Priority Targets】

1. Zero fatalities due to occupational accidents
2. Zero occupational accidents resulting in four or more days of leave
3. Zero cases of health issues caused by overwork exceeding 80 hours per month
4. Ensure thorough compliance with health checkups
5. Prevent occupational accidents and health issues through risk assessments

【Key Priority Measures】

- Conduct risk assessments for each task to reduce the risk of accidents causing leave, and manage residual risks appropriately.
- Enhance safety and health awareness through occupational safety and health education, promoting voluntary safety activities by employees.
- Identify workplace issues through company-wide safety and health meetings and on-site safety patrols, and improve the workplace environment to ensure a fulfilling and safe work life.
- Ensure employees undergo health checkups within the designated period, encourage re-examinations for those with abnormal findings, and promote appropriate treatment.
- Prevent occupational accidents caused by hazardous substances through thorough risk assessments and countermeasures performed by chemical substance managers for regulated chemicals.
- Eliminate long working hours and prevent property and personal accidents by leveraging partner companies and implementing centralized oversight and management from headquarters.

【Trends in Frequency Rate and Severity Rate】



Examples of Occupational Safety and Health Management Activities

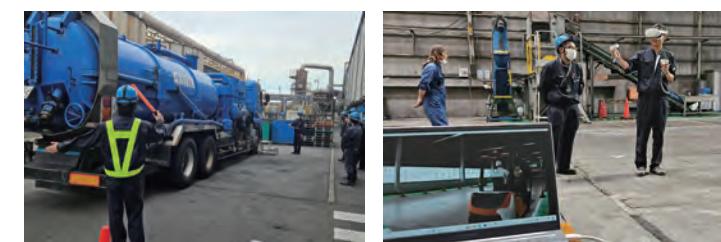
■ Sharing and Utilizing "Near-Miss" Incidents

Near-miss incidents recorded at each site are submitted to the head office for sharing and analysis. High-risk cases are discussed during monthly meetings, where countermeasures, rules, and procedures are reviewed and improved.



Example of a Near-Miss Shared Report

■ Safety Convention (Environmental Resource Development Division)



Each year, safety conventions are planned and organized at each plant with unique themes and activities to enhance knowledge and awareness related to accident and disaster prevention.

■ Corporate Social Responsibility (CSR)

To promote the healthy development of young people through the advancement of international exchange in sports and cultural activities.

The Sanix Group hosts international sports tournaments and cultural events, providing opportunities for youth athletes to develop their skills and engage in international exchange. For participating athletes, it is not only a chance to compete seriously with players from other countries, but also an excellent opportunity to deepen mutual understanding of each other's cultures by living together and communicating outside of competition.

▼ Progress of Key Performance Indicators (KPIs)

Fiscal Year	2022 (Fiscal year ending March 2023)	2023 (Fiscal year ending March 2024)	2024 (Fiscal year ending March 2023)
Hosting sports events	○	○	○

Number of participants in sports events of the youth generation
(Rugby, soccer, handball, rhythmic gymnastics, judo)

44 countries / regions
Approximately

55,000 people

(as of end of March 2025)

※Results as of March 31, 2025

▼ FY2024 Initiatives: Sponsorship of the following tournaments and events

SANIX World Rugby Youth Tournament

Held every year from late April to early May since 2000.
Girls (Rugby sevens) Annual event held since 2013.
【Host: Japan Rugby Football Union, SANIX Sports Foundation, Global Arena】



■ Participant nations and regions
Australia, Canada, Chinese Taipei, England, Fiji, France, Ireland, Italy, Namibia, New Zealand, Russia, Samoa, Scotland, South Africa, South Korea, Thailand, Tonga, USA, Uruguay, Wales, Japan
(Total number of participants until 2024: 14,488)

SANIX Cup Int'l Youth Soccer Tournament

Annual event held at the end of March, since 2003
【Host: Kyushu Soccer Association, SANIX Sports Foundation】



■ Participant nations and regions
Australia, Bulgaria, China, Chinese Taipei, England, France, India, Italy, Malaysia, Netherlands, New Zealand, Russia, South Korea, Russia, Thailand, USA, Uzbekistan, Vietnam, Japan
(Total number of participants until 2025: 8,785)

Since 2014, the domestic tournament for girls has been held. (Cumulative total of participants: 2,550)

SANIX Cup U-17 Int'l Handball Tournament

Annual event held at the end of October, since 2008
【Host: Kyushu Handball Association, SANIX Sports Foundation】



■ Participant nations and regions
Canada, Chinese Taipei, France, Germany, Hong Kong, Netherlands, South Korea, Thailand, Japan
(Total number of participants until 2024: 4,270)
The women's competition has been held since 2013.

SANIX Cup Int'l Junior Rhythmic Gymnastics Group Tournament

Annual event held at the end of November, since 2003*
【Host: Fukuoka Gymnastics Association, SANIX Sports Foundation】



■ Participant nations and regions
Australia, Azerbaijan, Bulgaria, China, Chinese Taipei, Hong Kong, Kazakhstan, Lithuania, Malaysia, Russia, South Korea, Thailand, Japan
(Total number of participants until 2024: 12,804)

Since 2017, the "SANIX Open Rhythmic Gymnastics Team Championships," which is for a higher age group, is held in January, and the "SANIXCUP Men's Rhythmic Gymnastics Competition," which is for men, is held in February. (Total number of participants until 2025: 934 for SANIX Open and 726 for SANIXCUP Men)

SANIX Int'l Juvenile Judo Championship in Fukuoka

Annual event held in December, since 2003
【Host: Kyushu Judo Federation, SANIX Sports Foundation, etc.】



■ Participant nations and regions
Australia, Beslan, Bulgaria, Chechen Republic, China, Chinese Taipei, Germany, Hong Kong, Israel, Latvia, Mongolia, Netherlands, Palestine, Romania, Russia, Singapore, Slovenia, South Africa, South Korea, Sri Lanka, United Arab Emirates, USA, Japan
(Total number of participants until 2024: 13,664)

Photo of the ★ mark is ©MasafumiONO

Global Arena Bulgarian Festival

Annual event held since 2001* * December 2001, then September.
【Host: Kyushu Judo Federation, SANIX Sports Foundation, etc.】

■ Purpose
Introduce the culture of Bulgaria and promote cross-cultural and international exchange between Japan and Bulgaria. The Kazanlac Folk Dance Ensemble, which comes to Japan, visits elementary and junior high schools and welfare facilities in various places in addition to events at the Global Arena.



Management system

(As of June 26, 2025)

Management Foundation for Sustainable Growth



Management Structure
Corporate Governance
Compliance, Risk Management, and Crisis Management



President and Representative Director
Hiroshi Munemasa
(Date of birth: Jul. 17, 1975)



Director, Managing Executive Officer
Hideki Takei
(Date of birth: Jul. 21 1970)



Director
(Audit Committee Member)
Kenji Kaneko
(Date of birth: Oct. 2, 1951)



Outside Director
(Audit Committee Member)
Naoki Kaneko
(Date of birth: May. 8, 1967)



Outside Director
(Audit Committee Member)
Sadahito Baba
(Date of birth: Apr.3, 1954)

Jan. 2003 Joined the Company
Jun. 2007 Director in charge of Special Missions, Executive Office
Jun. 2013 Director, Vice President and Executive Officer
Jan. 2017 President and Representative Director, to present

[Status of Significant Concurrent Positions]
President & CEO, Bion Corporation
Chairman, Munemasa Shuzo Co., Ltd.
Representative Director, Sanix Sports Foundation
Chairman, SANIX ENERGY INC.
Chairman, SE WINGS INC.
President & CEO, SANIX SOFTWARE DESIGN INC.

Apr. 2001 Joined the Company
Jul. 2010 General Manager of Accounting Dept.
Jun. 2012 Director, General Manager of Accounting Dept.
Jun. 2015 Director, Managing Executive Officer, General Manager of Accounting Dept. and in charge of IT Promotion
Aug. 2018 President and Representative Director, Sanix Solar Electric Co., to present
Nov. 2019 Director, Managing Executive Officer, Deputy General Manager of Administration Division and General Manager of Energy Business Development Department, Energy Business Division
Jun. 2022 Director, Managing Executive Officer, General Manager of Corporate Division and General Manager of Administration Division
Jul. 2023 Director, Managing Executive Officer, Head of the Corporate Planning Headquarters
Apr. 2025 Director, Vice President, Head of Group Management Division, to present

Aug. 1999 Joined the Company
Dec. 2009 General Manager of Environmental Resources Development Business Headquarters Administration Dept.
Apr. 2016 Executive Officer, General Manager of Environmental Resources Development Business Headquarters and General Manager of Administration Dept.
Jun. 2016 Managing Executive Officer, General Manager of Environmental Resources Development Business Headquarters
Oct. 2017 Director, Managing Executive Officer, General Manager of Environmental Resources Development Business Division and General Manager of Resources Recycling Business Division
Apr. 2022 Director, Managing Executive Officer, General Manager of Environmental Resources Development Business Division and General Manager of Resources Recycling Business Division
Apr. 2024 Director, Managing Executive Officer, Head of the Environmental Resources Recycling Department, and Head of the Preparatory Office for the Establishment of the Resource Circulation Business Company, to present
May.2024 President and Representative Director, SANIX RESOURCE DEVELOPMENT GROUP, to present
Jan. 2025 Director, Managing Executive Officer, Head of the Environmental Resources Development Business Division, and Head of the Preparatory Office for the Establishment of the Resource Circulation Business Company, to present

Apr. 1970 Joined The Nishi-Nippon Sogo Bank, Limited (currently The Nishi-Nippon City Bank, Limited)
Jun. 2005 Managing Director, Head of Hakata Branch and Fukuoka Central Block
Oct. 2006 Managing Director, Department Head of Chikugo Area
Mar. 2008 Transfer to the company, Executive Advisor
Jun. 2008 Managing Director of the Company, in charge of Business Strategy
Oct. 2008 Managing Director, in charge of Business Strategy and General Manager of Environmental Resources Development Business Headquarters
Jun. 2010 Managing Director, General Manager of Special Sales Dept. (currently Corporate Sales Dept.), HS Business Div.
Sep. 2011 Managing Director, in charge of Management Division
Apr. 2017 Director, Managing Executive Officer, Deputy General Manager of SE, HS and ES Business Headquarters and General Manager of Special Sales Dept. (currently Corporate Sales Dept.)
Apr. 2021 Director, Managing Executive Officer, Deputy General Manager of SE, HS and ES Business Headquarters and General Manager of Corporate Sales Department
Jun. 2024 Director and Full-time Audit Committee Member, to present
Jun. 2001 President and Representative Director of TOYOTA Rental & Leasing Fukuoka Co., Ltd., to present
May. 2005 President and Representative Director of Fukuoka Showa Taxi, to present
Jun. 2006 Representative Director and President of Fukuoka Toyota Corporation, to present
Sep. 2009 Representative Director and President of SEED Holdings, Inc., to present
Feb. 2010 Representative Director and President of Showa Group Marketing, to present
May. 2010 Representative Director and President of TOYOTA L&F FUKUOKA, to present
Jun. 2010 Outside Director, Kyushu Asahi Broadcasting Co., Ltd. (currently KBC Group Holdings Co., Ltd.), to present
Jun. 2013 Chairman and Representative Director, TOYOTA COROLLA FUKUOKA Co., Ltd., to present
Jun. 2014 Chairman and Representative Director, Showa Bus Co., Ltd., to present
Jun. 2015 Outside Director of the company
Jun. 2019 Outside Director of the company (Audit Committee Member), to present
Oct. 2019 Representative Director and Chairman of the Board, FUKUOKA TOYOPET Corporation, to present
Apr. 2020 Representative Director and Chairman of the Board, Toyota Mobility Service Fukuoka Corporation
Feb. 2022 Chairman, Japan Automobile Dealers Association
Feb. 2024 Senior Advisor, Japan Automobile Dealers Association, to present
Apr. 1978 Joined Toyota Motor Co., Ltd. (currently Toyota Motor Corporation)
Feb. 1992 Transferred to Toyota Motor Kyushu Inc.
Jan 1998 General Manager of Production Planning Office, Production Control Dept.
Apr. 2001 General Manager of Production Control Dept.
Apr. 2003 General Manager of Business Administration Dept.
Jun. 2003 Director, Toyota Mortor Kyushu Inc.
Jun. 2007 Managing Director, Toyota Mortor Kyushu Inc.
Jun. 2011 Senior Managing Director, Toyota Mortor Kyushu Inc.
Jun. 2014 Representative Director, Executive Vice President, Toyota Mortor Kyushu Inc.
Jun. 2018 Chairman, Iizuka Research and Development Organization
Jan. 2021 Executive Advisor, Toyota Motor Kyushu Inc.
Jun. 2021 Outside Director (Member of the Audit Committee), RIX Corporation
Jun. 2021 Outside Director of the company (Audit Committee Member), to present

Corporate governance

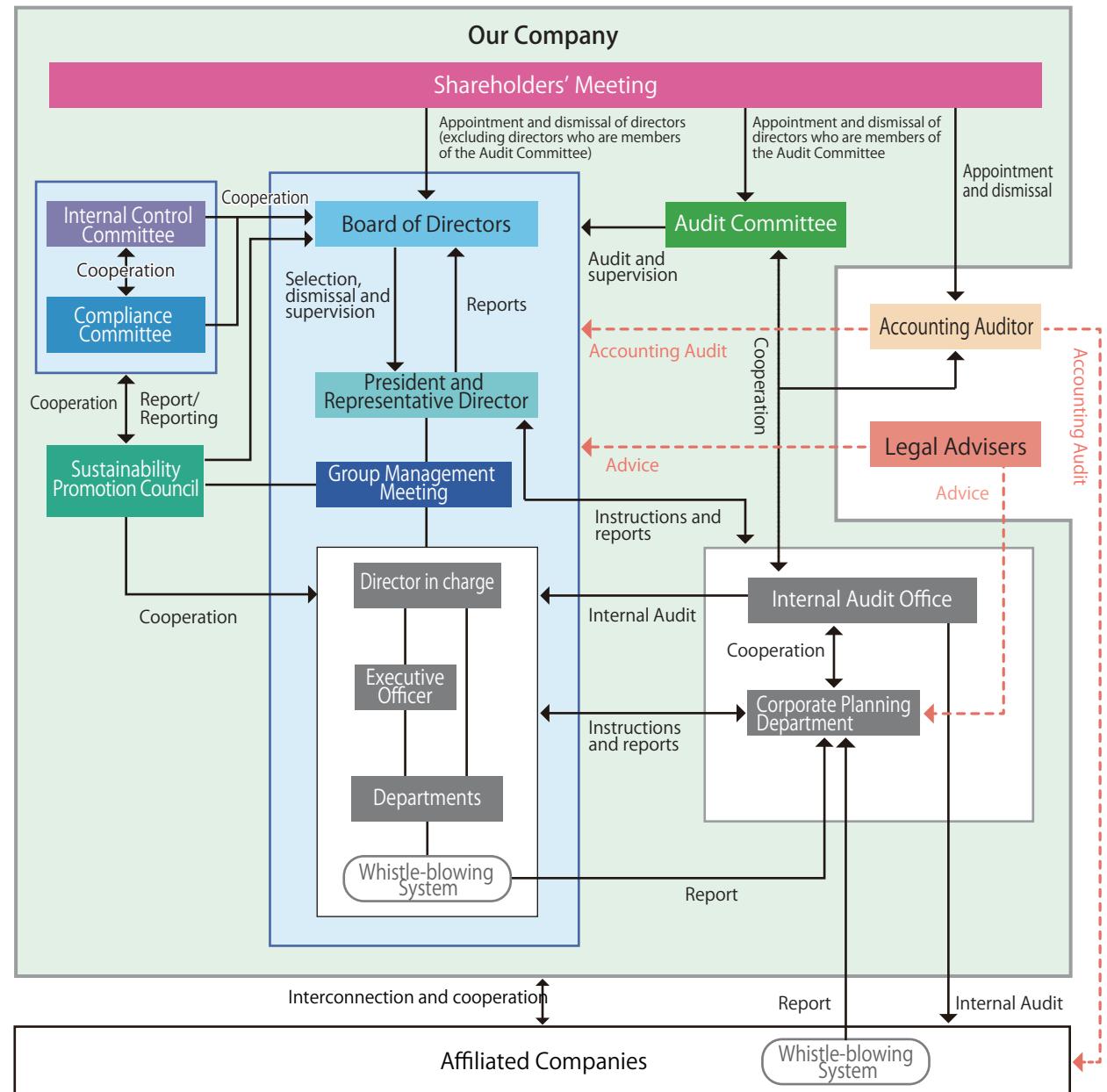
With the recognition that corporate governance is a serious issue that calls for socially responsible management in line with corporate ethics, the Sanix Group build a corporate governance system based on a long-term perspective, while striving to establish a system that functions well in terms of decision-making efficiency, management supervision, management fairness and transparency, and compliance, in order to maximize corporate value and conduct shareholder-oriented management.

■ Corporate governance system to ensure sound management and efficient decision-making

The Sanix Group has adopted a company-with-audit-committee structure in the belief that it will contribute to the further enhancement of corporate value. By establishing the Audit Committee, the majority of whose members are outside directors, and by granting directors who are Audit Committee members the right to vote at meetings of the Board of Directors, we aim to enhance the supervisory function of the Board of Directors, further strengthen corporate governance, and increase the fairness and transparency of management. In addition, by allowing the Board of Directors to delegate decisions on business execution to a wide range of directors, we aim to separate business execution from supervision and improve the efficiency of decision-making.

■ Corporate Governance Schematic Diagram (As of April 1, 2025)

As of April 1, 2025, our company transitioned to a holding company structure. The corporate governance framework after the transition is as follows:



■ Role of the Board of Directors

The Board of Directors shall make appropriate decisions on important matters (management plans and strategies) in a lawful and prompt manner and supervise the execution of duties by Directors (excluding those who are members of the Audit Committee) and Executive Officers in cooperation with the Audit Committee, in order to contribute to the sustainable growth of the Sanix Group and the enhancement of corporate value over the medium to long term.

■ Role of the Audit Committee

The Audit Committee shall audit and supervise the performance of the duties of the directors, determine the content of proposals for the appointment, dismissal and non-reappointment of the Independent Auditor, exercise its authority in relation to audit remuneration, and perform such other duties as may be prescribed by law and the Audit Committee Rules.

■ Internal Control Committee

- The Internal Control Committee shall promote the development and operation of internal controls and compile the results of evaluation of their effectiveness.
- The Internal Control Committee shall review the internal and external risk factors surrounding the business of the Sanix Group and report to the Board of Directors.
- In order to achieve appropriate financial reporting, the Committee shall work closely with the Audit Committee and exchange opinions in a timely and appropriate manner to enhance the effectiveness of internal controls.
- The chairman shall be the President & Representative Director, and the committee shall be composed of the presidents of major operating companies, the Head of Group Management, and other division heads in charge. A secretariat shall be established within the Corporate Planning Department to manage its operations.

■ Audit System (Three-way Audit)

The Audit Committee members will audit and supervise the directors' performance of their duties by sharing with the Audit Committee various information collected by attending the Management Committee and other important meetings. In addition, the Audit Committee plans to closely exchange opinions with the accounting auditor and will work closely with internal audit and internal control related departments by adding the Audit Committee to their reporting lines to ensure timely and appropriate auditing and supervision.

The Internal Audit Office, which reports directly to the President, is responsible for auditing the operations of each division and office, and audits compliance with company regulations and overall business operations for appropriateness, effectiveness and legality.

■ Activities and attendance of outside directors (FY2024)

	Attendance		Main activities (summary of duties performed with respect to expected role)
	Upper Section: Board Meeting Lower Section: Supervisory Committee		
Naoki Kaneko	15/16	93.8%	Based on his management experience as a representative director of a company, he provides valuable advice on management from a medium- to long-term perspective, as well as valuable advice on the functions and discussions of the Board of Directors, thereby fulfilling a supervisory function over management from an objective position that is free from the management team engaged in business execution.
	13/14	92.9%	
Yasufumi Kubota	16/16	100.0%	Based on his experience and insight as a legal expert, he provides valuable advice, especially for strengthening management in general and governance in particular, and fulfills a supervisory function over management from an objective position free from the management team that executes the business.
	14/14	100.0%	
Sadahito Baba	14/16	87.5%	Due to his extensive experience as a corporate executive and broad insight, he provides valuable advice on management from a medium- to long-term perspective, as well as valuable advice on the functions and discussions of the Board of Directors, thereby fulfilling a supervisory function over management from an objective position that is free from the management team engaged in business execution.
	13/14	92.9%	
Hiroyuki Ohe	13/13*	100.0%	Due to his extensive experience and deep insight in corporate management, he provides valuable advice on management from a medium- to long-term perspective, as well as valuable advice on the functions and discussions of the Board of Directors, thereby fulfilling a supervisory function over management from an objective position that is free from the management team engaged in business execution.
	10/10*	100.0%	

※Meetings Held Since Appointment as Director

■ Compliance Committee

To ensure the proper operation of business activities, a "Compliance Committee" has been established, with the President & Representative Director serving as Chairman and the head of the compliance division serving as Vice Chairman (for details, see the following page).

Compliance, risk and crisis management

The Sanix Group is engaged in business activities that contribute to the realization of a sustainable society and considers compliance to be the foundation of robust corporate management. In order to raise the awareness of compliance throughout the organization, we include compliance-related lectures in the training curriculum for new employees, and have established the Voluntary Code of Conduct, which is stricter than the laws and regulations related to the business activities of each division.

In addition to ensuring compliance, we implement measures to prevent risks from arising, while also taking steps to minimize the impact in the event of a crisis.

■ Compliance system

■ Compliance Committee

The Sanix Group has established a "Compliance Committee" to ensure the proper operation of business activities. The committee is chaired by the President & Representative Director, with the head of the compliance division serving as Vice Chairman, and its members include the heads of each business division and other appointed members.

Since fiscal year 2006, the committee has held 89 meetings (as of the end of March 2025). It also coordinates with the Board of Directors and the Internal Control Committee as necessary.

Furthermore, following the transition to a holding company structure in April 2025, newly established subsidiaries are required to promptly report to the Company any issues of significant risk or other concerns.

■ Information security

Protecting Personal Information

The Sanix Group has a long history of serving numerous individual customers. As a result, we consider it our social responsibility to handle personal information with utmost care. In addition to our "Information Security Policy," we have established a dedicated "Personal Information Protection Policy" to ensure that all executives, employees, and related parties understand and comply with our commitment to privacy.

We collect personal information only for specific, clearly defined purposes related to our business operations. The collection and use of personal information are carried out lawfully and fairly and are limited to what is necessary to fulfill these purposes. All personal information processed within the Sanix Group is subject to this policy.

Physical Countermeasures such as Utilization of Data Centers and Paperless Initiatives

From a Business Continuity Planning (BCP*) perspective, we have migrated various servers critical to our core business operations to an external data center. To mitigate the risks associated with ransomware attacks, we also conduct regular offline data backups. Furthermore, in compliance with the revised Law on Book and Record Keeping through Electronic Methods, enacted in January 2024, we are actively promoting paperless initiatives.

*While our BCP is primarily designed to address large-scale disasters or infectious diseases, our group has expanded its scope to include IT-focused measures such as the rapid recovery of systems and networks in the event of cyberattacks.

Proactive Cybersecurity Measures Based on Vulnerability Assessments

We have proactively conducted vulnerability assessments of our attack surface*, engaging external experts to ensure that our group's information infrastructure and network are free from critical vulnerabilities. Additionally, we maintain robust monitoring systems to detect and block unauthorized access attempts around the clock. In response to the enhanced regulations of the revised Personal Information Protection Act, enacted in April 2024, we are implementing additional cybersecurity measures to safeguard against threats like web skimming.

*The total area of an organization's network that is exposed to potential attacks.

Robust Management System and Comprehensive Employee Training for Data Privacy

We have established a robust management system for personal information, appointing a dedicated Personal Information Protection Manager to oversee the implementation and operation of our Personal Information Protection Policy. Each business division and office has designated individuals responsible for personal information handling, ensuring comprehensive coverage.

To address the evolving threat landscape of cyberattacks, we have implemented a comprehensive employee training program. All employees, regardless of their role, receive ongoing online training to enhance their understanding of information security best practices.



■ Notification System

■ Whistle-blowing System

We have established an internal reporting system with the aim of contributing to the early detection and correction of illegal activities and strengthening compliance management. This reporting system can be used not only by employees of the Sanix Group but also by their family members and subcontractors in the construction industry. In FY2024, we received 10 reports from domestic and overseas Group companies, all of which were resolved through the appropriate procedures. Importantly, none of the contents had any material impact on the financial statements.

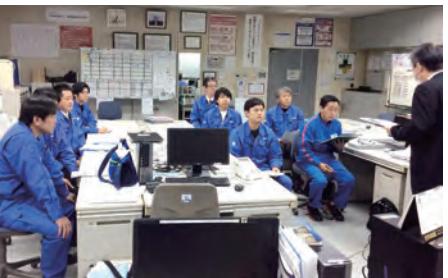
Following the transition to a holding company structure on April 1, 2025, an internal reporting (whistle-blowing) system has been established at the parent company, and each subsidiary is also able to set up its own reporting channels, ensuring a framework that allows reports to be submitted widely (see page 50, "Corporate Governance Structure Diagram").

■ Specific compliance initiatives in sales activities

■ Voluntary Code of Conduct

In order to provide high quality services in compliance, each business unit has established its own set of voluntary standards of conduct, which are shared within the business unit. The voluntary code of conduct is revised as necessary in response to changes in social conditions, such as amendments to relevant laws and regulations.

■ Compliance promotion council



We hold monthly compliance committees at each sales branch of our BtoC business division. In addition to the Act on Specified Commercial Transactions, which is closely related to our business activities, all employees share their opinions on themes such as voluntary standards of conduct and improving customer satisfaction, in order to improve and establish an awareness of compliance.

■ Direct Sales Staff Training

In the HS Division, which is engaged in direct sales, the head of all sales branches and all sales and customer management staff have been registered for JDSA-approved training by the Japan Direct Selling Association (241 employees have obtained this certification as of March 31, 2024). In addition, as of March 31, 2024, 22 "door-to-door sales staff education instructors" have been assigned to the company as a measure to enhance and strengthen the registration system, to ensure thorough education related to the registration system and to maintain the education level.

<JDSA accredited training and registration>

The purpose of this system is to educate and improve the quality of sales staff. After completing the education curriculum set by the Japan Direct Selling Association and passing its examination, the salesperson is registered and issued with a "JDSA Certified Education Registration Certificate".

JDSA Accredited Education Registered Education Curriculum

Training Items		Curriculum	Type of Course	Remarks
Specialty	Standards			
The history of the company and its role in society / Professional training (product knowledge etc.) required for our industry	What to expect from door-to-door salesperson / Laws and regulations to be observed /The main points of the relevant reports	History of the Company - Role (70 min.) General Architecture (140 min.)	Each participant must take the entire curriculum via "e-Learning" within a certain period of time, and then take and pass the assessment test.	We use textbooks prepared by us and audited by the Japan Door-to-Door Sales Association.
		Termite (70 min. x 2) Foundation repair (70 min.)		
		Ventilation (70 min. x 2) Heat shielding and insulation (70 min.)		
		Specified Commercial Transactions Law, Installment Sales Law, etc. (360 minutes)	Group training.	



▲Door-to-door sales representative education instructor certificate

■ Suppliers (building a sustainable value chain)

■ For stable procurement

In order to mitigate procurement risks in the event of a disaster, accident or tight supply-demand situation, and to maintain stable procurement, the Sanix Group takes into account the unique risks and characteristics of each country and region and implements the following measures:

- (1) Management of safety stock quantities set for each item
- (2) Promotion of multi-supplier system
- (3) Consideration of alternative products
- (4) Identifying distribution routes

■ Crisis Management and BCP

■ Crisis Management

When an incident occurs—or is likely to occur—that threatens the physical, mental, or property safety of customers, business partners, local residents, or the Sanix Group employees (collectively referred to as "stakeholders"), improper handling can significantly impact the company's trust and business. For incidents considered to have a significant impact, the Crisis Management Response Regulations have been established.

<Basic Policy>

1. In managing serious incidents, the primary principle of action is to ensure the safety and peace of mind of affected or potentially affected stakeholders, and to respond with sincerity.
2. If the cause of a serious incident lies with another party, facts must be handled appropriately, and the company must not participate in or cooperate with any concealment, falsehood, or misconduct by that party.
3. Actions are taken with the awareness of potential or expanding risks, even if there is no or only limited damage to stakeholders' personal safety or living environment (including the natural environment, flora, and fauna).

Types of Serious Incidents:

- A) Human or property damage due to product safety issues
- B) Damage to the surrounding environment caused by factory operations
- C) Secondary disasters resulting from natural disasters
- D) Leakage of personal or corporate customer information
- E) Misconduct by officers or employees
- F) Incidents causing significant damage to company assets, including employees

■ BCP (Business Continuity Plan)

The Sanix Group has established a Business Continuity Plan (BCP) to ensure that, in the event of natural disasters such as earthquakes or typhoons, or emergencies such as fires, the safety of employees and their families is secured, damage to business assets is minimized, and business operations are either maintained or promptly restored. The purpose of the BCP is to maintain the trust of customers and business partners, ensure the continuity of the company, and ultimately contribute to the development of society and the economy.

<Basic Policy of the Sanix Group in the Event of a Disaster>

1. Prioritize the protection of the lives and safety of employees and their families.
2. Minimize damage to business operations and promptly restore operations.
3. Take actions that prioritize maintaining trust with customers.
4. Fulfill the social responsibilities expected of the Sanix Group.



Disaster Drill at the Sanix Hakata Building (Head Office) – August 26, 2024. Through regular initiatives and training, the Sanix Group aims to enhance employees' disaster preparedness awareness and strengthen readiness for emergency situations.

Data section



Financial data highlights
Sustainability Data
Share information
Company information

Financial data highlights

Fiscal Year	(Million yen)				
	FY2015	FY2016	FY2017	FY2018	FY2019
Net sales	61,916	50,955	49,993	50,719	52,531
Operating profit	△2,229	1,036	1,246	1,224	2,791
EBITDA ^{*)}	△3,151	1,633	1,939	1,735	3,714
Net profit attributable to owners of the parent	△4,604	416	1,180	240	1,850
Depreciation and amortization	918	688	709	808	914
Capital expenditure	455	599	594	1,080	2,742
Cash flows from operating activities	△5,403	1,668	2,184	△25	4,080
Cash flows from investing activities	1,062	△409	171	△947	△2,154
Cash flows from financing activities	1,288	1,437	△2,156	392	△1,110

(Million yen)					
At the end of the period					
Total assets	31,248	31,645	29,938	31,009	32,514
Tangible fixed assets	12,417	12,278	11,926	12,057	13,739
Interest-bearing debt	12,874	14,634	12,780	13,474	12,397
Net assets	2,629	2,845	4,076	4,193	6,056

(yen)					
Per share information					
Net profit per share	△96.32	8.70	24.68	5.02	38.72
Net assets per share	54.34	58.86	84.54	87.08	126.15
Dividend per share	0.00	0.00	0.00	0.00	0.00

Financial ratios					
Return on equity (ROE) ^{*)}	△93.0%	15.4%	34.4%	5.9%	36.3%
Return on assets (ROA) ^{*)}	△4.9%	2.9%	3.3%	3.9%	8.2%
Return on invested capital (ROIC) ^{*)}	△15.7%	3.4%	8.6%	2.3%	10.8%
Shareholders' equity ratio (%)	8.3%	8.9%	13.5%	13.4%	18.5%
Number of employees (average for the period) (Persons)	2,850	1,952	1,777	1,876	2,005

Fiscal Year	(Million yen)				
	FY2020	FY2021	FY2022	FY2023	FY2024
Net sales	49,416	50,936	46,277	47,167	45,352
Operating profit	2,325	△2,618	1,785	3,744	2,227
EBITDA ^{*)}	3,397	△1,365	3,741	5,354	3,916
Net profit attributable to owners of the parent	1,965	△3,449	1,332	2,697	1,483
Depreciation and amortization	1,097	1,509	1,889	1,654	1,701
Capital expenditure	3,083	2,776	1,566	2,743	4,053
Cash flows from operating activities	2,756	△3,067	5,034	4,821	2,648
Cash flows from investing activities	△2,564	△2,937	△1,056	△1,800	△3,575
Cash flows from financing activities	△743	4,447	△3,307	△678	△666

(Million yen)					
At the end of the period					
Total assets	32,940	34,953	33,586	36,965	36,655
Tangible fixed assets	15,322	16,382	16,100	17,232	19,407
Interest-bearing debt	11,462	15,268	12,379	11,719	10,976
Net assets	8,097	4,732	6,068	8,912	10,170

(yen)					
Per share information					
Net profit per share	41.11	△72.16	27.87	56.43	31.03
Net assets per share	168.84	98.52	126.51	186.04	212.76
Dividend per share	0.00	0.00	0.00	0.00	0.00

Financial ratios					
Return on equity (ROE) ^{*)}	27.9%	△54.0%	24.8%	36.1%	15.6%
Return on assets (ROA) ^{*)}	6.4%	△8.5%	4.5%	9.8%	5.3%
Return on invested capital (ROIC) ^{*)}	11.2%	△14.6%	8.4%	14.4%	8.0%
Shareholders' equity ratio (%)	24.5%	13.5%	18.0%	24.1%	27.7%
Number of employees (average for the period) (Persons)	2,052	2,074	2,099	2,081	2,081

*Notes

1) EBITDA: Earnings before taxation + interest paid + depreciation expense

2) Return on equity (ROE): Net income attributable to shareholders of the Company / Average shareholders' equity at the beginning and end of the period x 100

3) Return on assets (ROA): Ordinary income / Average total assets at the beginning and end of the fiscal year x 100

4) Return on Invested capital (ROIC) :Operating income after tax ÷ (Average shareholders' equity at beginning and end of period + Average interest-bearing debt at beginning and end of period) × 100

Financial data highlights

【Consolidated balance sheet】

	(Million yen)	
	FY2023	FY2024
Assets		
Cash and deposits	6,397	4,816
Notes and accounts receivable	5,371	4,852
Electronically recorded debts	65	7
Inventories	3,181	2,784
Other assets	1,301	1,509
Allowance for doubtful accounts	△105	△96
Total current assets	16,211	13,873
Buildings and structures (net)	2,145	2,017
Machinery, equipment and vehicles (net)	4,718	5,972
Land	8,248	8,732
Lease assets (net)	847	767
Construction in progress	1,115	1,744
Other (net)	157	173
Total tangible fixed assets	17,232	19,407
Total intangible fixed assets	484	337
Total investments and other assets	3,036	3,036
Total fixed assets	20,753	22,781
Total assets	36,965	36,655
Liabilities		
Notes and accounts payable-trade	1,968	1,554
Electronically Recorded Debts	486	493
Short-term loans payable	4,015	4,642
Current portion of long-term debt	1,364	1,397
Current portion of bonds payable	300	300
Account payable	4,503	4,264
Other liabilities	5,371	4,257
Total current liabilities	18,010	16,910
Bonds payable	700	400
Long-term debt	4,107	3,213
Provision for disposal site closing expenses	577	635
Liability related to retirement benefits	2,217	2,478
Other liabilities	2,440	2,846
Total long-term liabilities	10,042	9,574
Total liabilities	28,053	26,484
Total net assets		
Capital stock	14,041	4,205
Capital surplus	—	5
Retained earnings	△3,968	7,351
Treasury stock	△1,481	△1,481
Total shareholders' equity	8,591	10,080
Valuation and translation adjustments	302	90
Minority interests	18	—
Total net assets	8,912	10,170
Total liabilities and net assets	36,965	36,655

【Consolidated income statement】

	(Million yen)	
	FY2023	FY2024
Net sales	47,167	45,352
Cost of sales	29,064	28,745
Gross profit	18,102	16,606
Selling, general and administrative expenses	14,358	14,378
Operating profit	3,744	2,227
Non-operating income	142	294
Non-operating Expenses	420	570
Ordinary income	3,466	1,950
Extraordinary income	—	—
Extraordinary losses	19	—
Income before income taxes and minority interests	3,446	1,950
Income taxes	634	510
Income tax adjustments	116	△43
Net income	750	467
Net income attributable to non-controlling interests	△1	△0
Net profit for the year attributable to owners of the parent	2,697	1,483

【Consolidated statement of comprehensive income】

	(Million yen)	
	FY2023	FY2024
Net profit for the year	2,695	1,482
Other comprehensive income		
Unrealized gains on available-for-sale securities	65	△51
Foreign currency translation adjustments	57	5
Adjustment for retirement benefits	25	△165
Total other comprehensive income	148	△211
Comprehensive income	2,844	1,271
Comprehensive income attributable to owners of the parent	2,845	1,271
Comprehensive income relating to non-controlling interests	△1	△0

【Selling, general and administrative expenses】

	(Million yen)	
	FY2023	FY2024
Sales Commissions	612	581
Advertising expenses	408	574
Allowance for doubtful accounts	△44	△6
Personnel expenses	8,359	8,357
Rental expenses	1,063	1,043
Depreciation and amortization	376	349
Other	3,582	3,479
Total SG&A expenses	14,358	14,378

Financial data highlights

【Consolidated statement of cash flows】

(Million yen)

	FY2023	FY2024
Cash flows from operating activities		
Income before income taxes and minority interests	3,446	1,950
Depreciation and amortization	1,654	1,701
Impairment losses	19	—
Increase (△=decrease) in provision for bonuses	19	3
Increase (△=decrease) in provision for disposal site closing expenses	54	58
Increase (△=decrease) in liabilities for retirement benefits	138	96
Increase (△=decrease) in allowance for doubtful accounts	△123	△48
Interest and dividend income received	△13	△14
Interest paid	252	264
Decrease (△=increase) in trade receivables	△608	577
Decrease (△=increase) in inventories	33	398
Decrease (△=increase) in other current assets	△71	64
Increase (△=decrease) in trade payables	△804	△407
Increase (△=decrease) in accrued liabilities	971	△354
Increase (△=decrease) in accrued consumption tax, etc.	△230	△54
Increase (△=decrease) in other current liabilities	288	△591
Other	297	41
Sub-total	5,324	3,686
Interest and dividends received	32	11
Interest paid	△249	△268
Income taxes paid	△376	△785
Refund of income taxes	91	5
Cash flows from operating activities	4,821	2,648
Cash flows from investing activities		
Payments into time deposits	△352	△31
Proceeds from withdrawal of time deposits	824	30
Payments for acquisition of tangible fixed assets	△2,091	△3,591
Proceeds from sale of property, plant and equipment	13	36
Payments for acquisition of intangible fixed assets	△135	△28
Cash flows from other activities	△57	8
Cash flows from investing activities	△1,800	△3,575
Cash flows from financing activities		
Increase (△=decrease) in short-term borrowings	553	627
Proceeds from long-term borrowings	—	560
Repayment of long-term borrowings	△1,372	△1,420
Proceeds from issue of bonds	500	—
Redemption of bonds	△200	△300
Proceeds from sale and leaseback	41	90
Repayments of finance lease obligations	△540	△529
Proceeds from sale and installment back	1,140	1,273
Payments of installment obligations	△775	△943
Other	△23	△24
Cash flows from financing activities	△678	△666
Effect of exchange rate changes on cash and cash equivalents	10	10
Net increase (△=decrease) in cash and cash equivalents	2,352	△1,582
Cash and cash equivalents at beginning of year	3,916	6,269
Cash and cash equivalents at end of year	6,269	4,686

Sustainability Data

Environment



■ Environmental contribution through business

	Unit	FY2022	FY2023	FY2024
Volume of waste plastics processed	(K tons)	273	278	295
Power generation using waste resources ^{*)1}	(GWh)	242	262	241
Solar panel	Number of installations	952	692	954
	Installation capacity (MW)	31	28	28
Volume of Contracted Waste Liquid Treated	(K tons)	100	103	102

^{*)1} The power generation figures represent electricity produced using plastics that have undergone intermediate processing at our plastic recycling plants.

■ Environmental load in business

	Unit	FY2022	FY2023	FY2024
Greenhouse Gas Emissions	Scope1 ^{*)2} (t·CO ₂)	9,623	7,681	6,910
	Scope2 ^{*)3} (t·CO ₂)	11,610	13,003	12,479

^{*)2} In addition to the adjusted emissions calculated under the SHK system, this figure includes emissions from company-owned vehicles and relevant emissions within the Sanix Group.

^{*)3} In addition to the adjusted emissions calculated under the SHK system, this figure includes relevant emissions within the Sanix Group.

Social



■ Employment and Employees (Standalone)

		Unit	FY2022	FY2023	FY2024
Employment and Workforce	Number of Employees	Total (Persons)	1,868	1,871	1,912
		Male / Female (Persons)	1,556 / 312	1,561 / 310	1,594 / 318
	New employees	Total (Persons)	253	230	241
		New Graduates / Mid-career Hires (Persons)	97 / 156	56 / 174	50 / 191
	Employment of Persons with Disabilities	Number / Ratio (Persons / %)	31 / 2.4	30 / 2.2	32 / 2.1
		Average Age (Years)	43.9	43.6	43.8
	Average Years of Service	(Years of Service)	10.1	10.7	10.9
		All Workers (%)	65.6	65.9	67.6
	Gender Pay Gap	Regular Employees (%)	65.1	65.6	67.5
Labor and Leave	Part-time / Fixed-term Employees	(%)	57.6	56.0	53.4
		Ratio of Female Managers (%)	3.0	3.0	3.3
	Average Actual Working Hours	(Hours per Person)	2,283	2,302	2,113
		Average Paid Leave Utilization Rate (%)	68.6	64.4	56.5
	Childcare Leave Utilization Rate	Total (%)	71.2	72.7	69.0
		Male / Female (%)	66.7 / 90.0	68.8 / 83.3	63.6 / 88.9
Occupational Safety and Health	Frequency Rate (Occupational Accident Frequency ^{*)4})		4.98	2.24	3.10
	Severity Rate (Occupational Accident Severity ^{*)5})		0.15	0.04	1.83

^{*)4} The frequency of occupational accidents is measured as the number of fatalities and injuries per 1 million actual working hours.

^{*)5} The severity of occupational accidents is measured as the number of lost workdays per 1,000 actual working hours.

Governance



	Unit	FY2022	FY2023	FY2024
Ratio of Outside Directors (%)	(%)	33.0	33.3	36.4
Number of Female Directors (Persons)	(Persons)	0	0	0

Share information (as of end Mar. 2025)

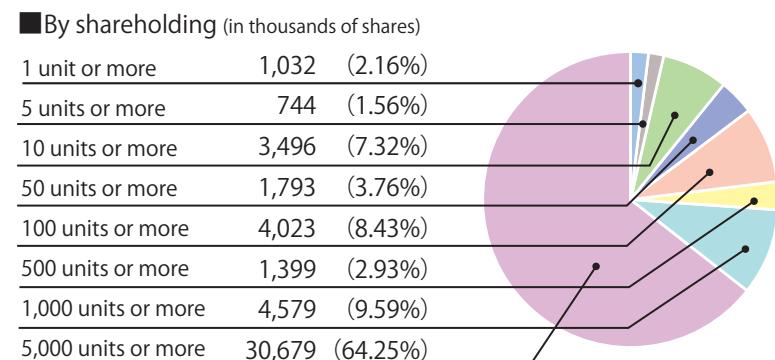
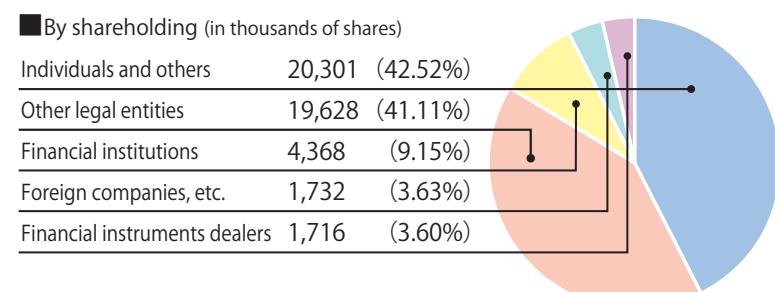
Status of shares

Total number of shares authorized	163,500,000
Total number of shares issued	48,919,396
Total number of shareholders	10,521

Major shareholders (top 10)

	Name or title	Number of shares owned (1000 shares)	Ratio of shares held to the total number of shares issued (excluding treasury shares) (%)
1	Bion Corporation	8,716	18.23%
2	Hiroshi Munemasa	6,454	13.50%
3	UH5 CO., LTD.	3,582	7.49%
4	UH Partners 2 CO., LTD.	3,281	6.86%
5	The Master Trust Bank of Japan, Ltd (Trust Account)	3,160	6.61%
6	The SANIX Mutual Benefit Association, Inc.	1,700	3.55%
7	SANIX Employees' Shareholding Association	1,275	2.66%
8	FTGroup CO., LTD.	1,050	2.19%
9	SBI SECURITIES Co.,Ltd.	921	1.92%
10	THE NISHI-NIPPON CITY BANK, LTD	536	1.12%

Share distribution status

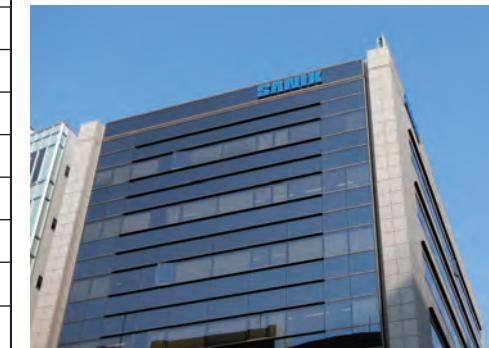


※Excludes treasury stock (1,115,481 shares) and odd-lot shares.

Company information (As of March 31, 2025)

About Us

Trade name	SANIX HOLDINGS INCORPORATED ※Renamed from SANIX INCORPORATED, as of April 1, 2025
Headquarters	2-1-23,Hakata-eki Higashi,Hakata-ku,Fukuoka 812-0013,Japan
Established	September 1978
Capital	4,205,380,000 JPY
Number of bases, main bases	2,054 (Consolidated)
HS division	5 HQs, 62 sites
ES division	12 sites
SE division	2 HQs, 14 sites
PV division	27 sites
PPS division	1 sites
ERD division	19 factories *Including power plant and final disposal facilities of Group companies



Group Companies (As of July 1, 2025)

Company Name	Related Area	Main business contents	Voting rights ownership ratio
SANIX INCORPORATED	Residential Environment Area	Total maintenance businesses for detached houses, apartment buildings, and other residential properties	100%
SANIX RESOURCE DEVELOPMENT GROUP INCORPORATED	Resource Development Area	Sorting and processing of waste plastics, production of recycled fuel, treatment of waste liquids such as organic waste and industrial waste liquid, and retail electricity sales to households and corporate customers.	100%
SANIX ENGINEERING INCORPORATED	Energy Area	Installation and maintenance of solar power systems for corporate and business customers, and wholesale distribution of solar power system equipment.	100%
SANIX HOME BUID SERVICE INCORPORATED	Residential Environment Area	Construction business pertaining to construction license and related businesses	100% (100%)
SUNAIM INCORPORATED	Residential Environment Area	Manufacture and sale of chemical products, and vehicle leasing and rental.	100% (100%)
SANIX ENERGY INCORPORATED	Resource Development Area	Power generation using waste plastics as recycled fuel	100%
C & R INCORPORATED	Resource Development Area	Final disposal and recycling of industrial waste, and petroleum tank cleaning, etc.	100% (100%)
HOKKAIDO SANIX KANKYO INCORPORATED	Resource Development Area	Industrial Waste Treatment Business and Related Activities	100% (100%)
SE WINGS INCORPORATED	Resource Development Area	Electricity Procurement, Retail Electricity Sales, and Other Power-Related Businesses	100% (100%)
SANIX SOFTWARE DESIGN INCORPORATED	Other Area	Contracted development of various information systems, provision of various solution systems, and temporary staffing services.	100%
SHANRI (SHANGHAI) ENERGY SCIENCE AND TECHNOLOGY CO.,LTD	Energy Area	Production, sale, and import/export of solar cell modules and related components.	100%
SANIX SOLUTION INCORPORATED	Resource Development Area	Waste Management Consulting and Sales of Fuel Additives, etc.	100%
SANIX TAIYOUKOU DENKI INCORPORATED	Energy Area	Residential Electricity-Related Business	100% (100%)

※The figures in parentheses for ownership percentages of voting rights indicate the portion held indirectly.

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<https://hd.sanix.jp/company/>

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