

FY 2025 1Q

Supplementary Materials for Financial Results



August 7, 2025

SAN-AI OBBLI CO., LTD. (Stock code: 8097)

CAUTIONARY STATEMENT

This document was prepared using our machine translation. This document is to be used solely as a reference and in cases where any differences occur between English version and the original Japanese version, the Japanese version shall prevail.

This document contains forward-looking statements, including statements regarding our management plans and future performance. These statements are based on our judgment at the present time. Actual results may differ materially from these statements because of various risks and uncertainties.

We assume no responsibility for any investment activities conducted based on the material contained in this document. You will be asked to make decisions regarding investment in your own judgment.

[About the notation in this material]

- **In principle, the figures in these materials are stated in millions of yen.**
- **Fiscal years beginning in April and ending in March 2026 (from April 2025 to March 2026) are indicated as "Fiscal 2025" or "FY2025."**

Key Points of Financial Results

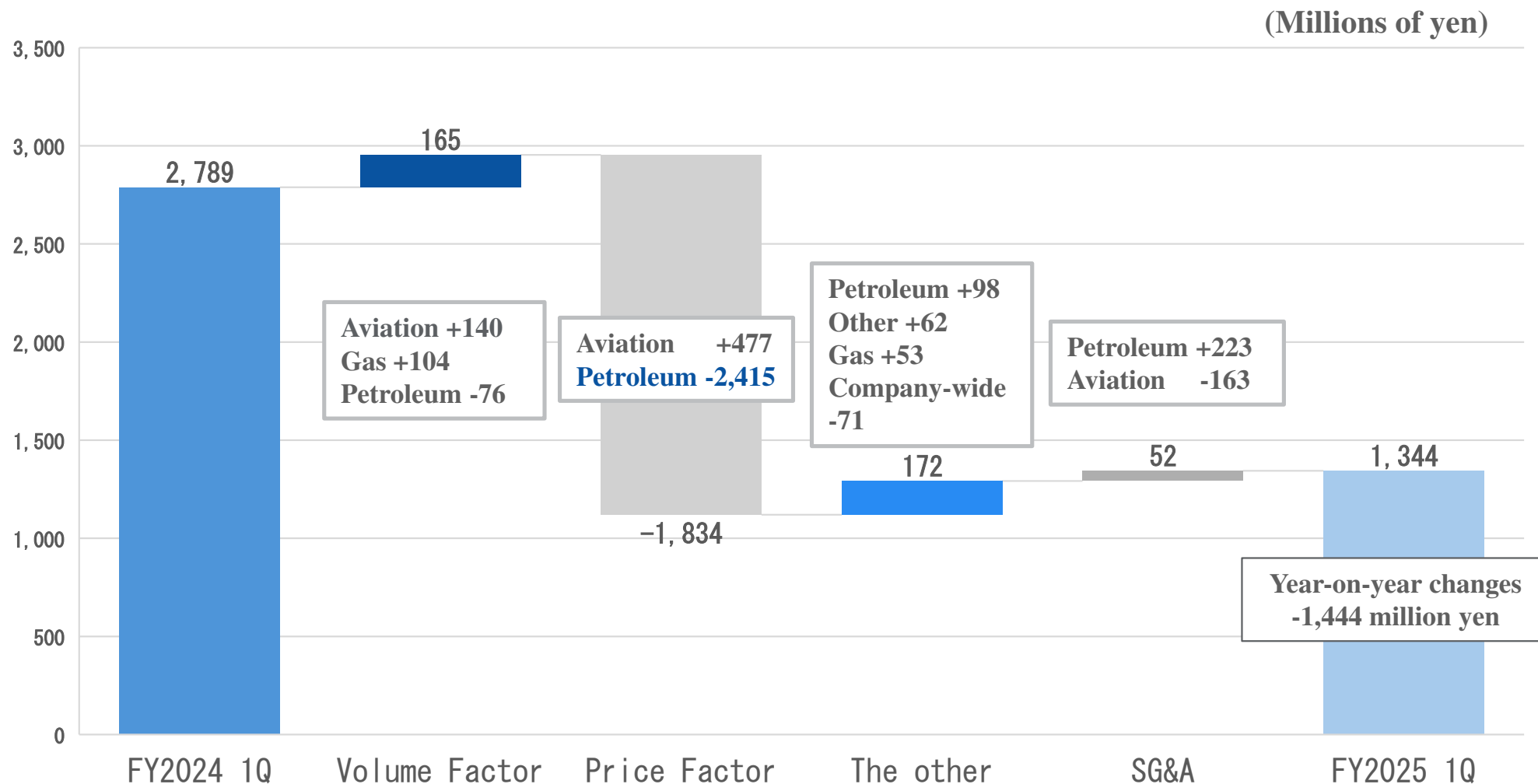
Financial Results for the FY2025 1Q

(Millions of yen)

	FY2024 1Q	FY2025 1Q	Year-on-year changes	(Reference) FY2025 forecast	Progress rate
Net sales	150,894	154,034	+2.1%	660,000	23.3%
Operating profit	2,440	1,021	-58.2%	13,000	7.9%
Ordinary profit	2,789	1,344	-51.8%	14,000	9.6%
Profit attributable to owners of parent	2,611	1,073	-58.9%	9,100	11.8%

- Market prices of domestic petroleum remained unstable due to the impact of rising crude oil prices resulting from the tension in the Middle East and the subsidy provided by the government's measures to reduce the price of fuel oil on a fixed basis.
- Segment loss was recorded in the Petroleum-related business due to the sharp deterioration in profitability caused from a price distortion between purchases and sales in some transactions of Kygnus Sekiyu K.K.
- The Chemical Products, Gas, Aviation, and the Other business segments were performing soundly.
- Profits declined significantly year-on-year due to the impact of lower profits in the petroleum-related business.

Details of Year on Year Changes in Ordinary Profit

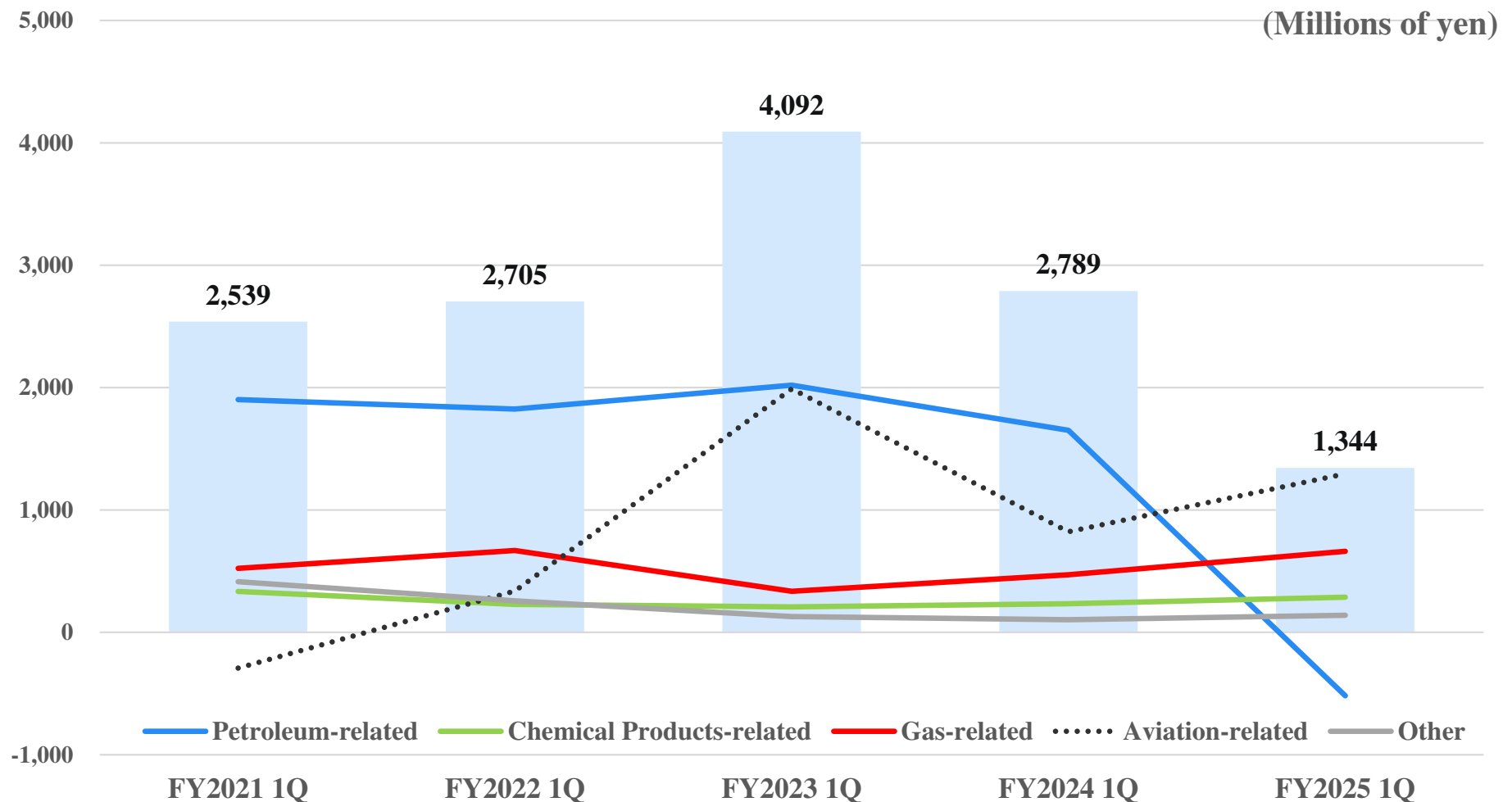


- The profit/loss impact from inventory is included in the unit price factor.
- The other factors include increases and decreases in commission income, net sales of completed construction contracts, and non-operating income and expenses, excluding commissions on aviation fuel.

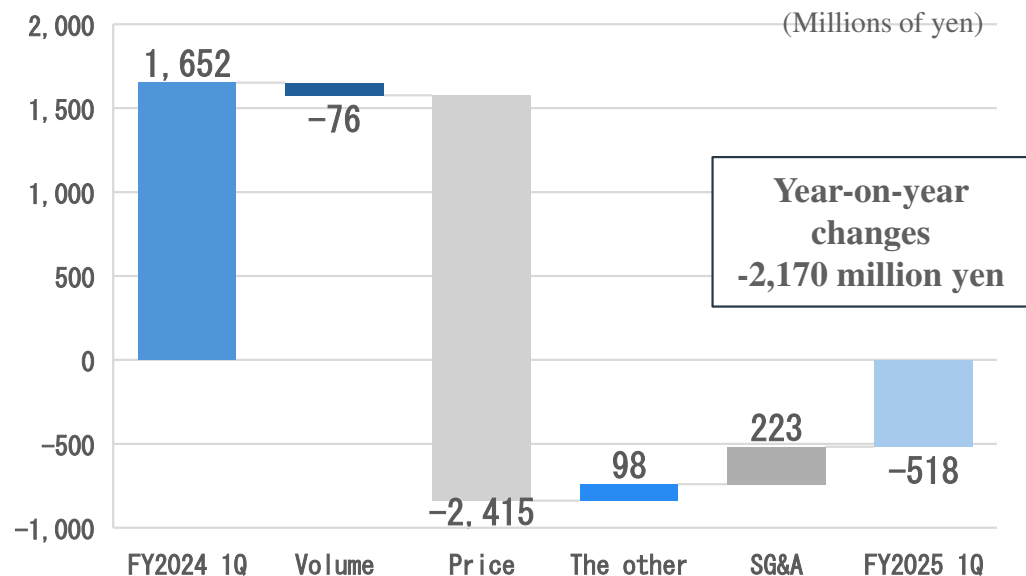
Change in segment separates ordinary profit

In the Petroleum-related business, segment losses were recorded in 1Q due to the deterioration in business performance of Kygnus Sekiyu K.K.

In the Aviation-related business, demand for aviation fuel continues to be firm due to factors such as an increase in the number of foreign visitors to Japan.



Petroleum-related Business



Petroleum-related Business supplies petroleum products across the country through wholesale to dealers, sales of industrial fuels and lubricants for factories, and retail sales at SS (service stations)

Affiliated SS 979 locations as of June 30, 2025



※ The amounts listed next to each business represent the breakdown of ordinary profit.

Retail Division 338 million yen

Volume Sales volume decreased. (-)

Price Profit margins improved. (+)

Wholesale Division -924 million yen

Volume Sales volume increased slightly. (+)

Price Kygnus Sekiyu K.K. saw a significant decline in profits due to distortions in the price formation of purchases and sales. (-)

Industrial Fuel Oil Sales Division 48 million yen

Price Profit margins improved. (+)

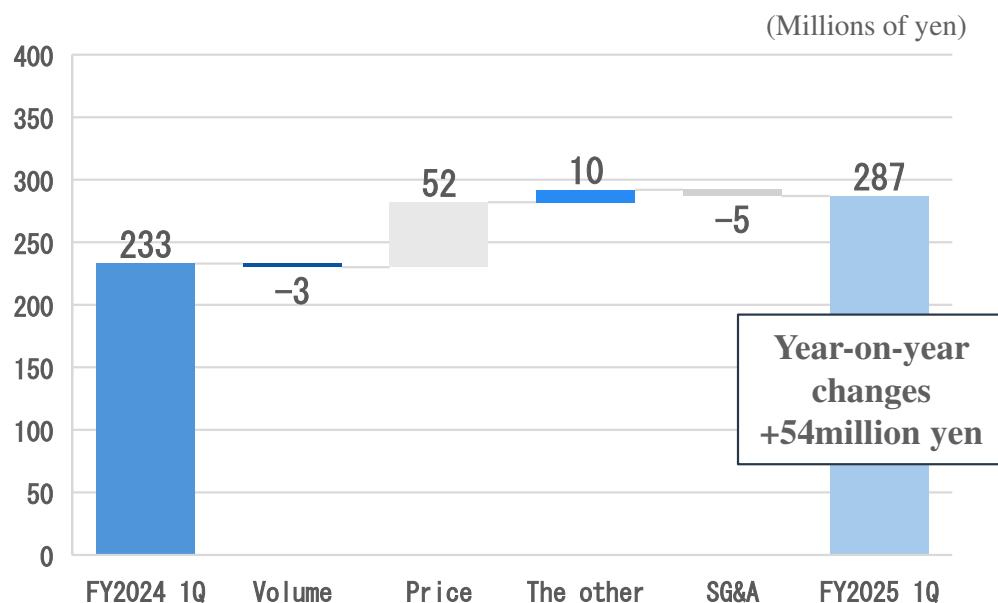
Industrial Lubricants Sales Division 19 million yen

Other Orders for maintenance work decreased. (-)

Selling, general and administrative expenses

Personnel expenses decreased. (+)

Chemical Products-related Business



Chemical Products-related Business manufactures and sells biocide products and commercial car wash products. In addition, it sells petroleum-based solvents and tackifiers wholesale.



※ Since only the Chemical Products-related Business is explained by product, the percentage of gross profit is shown in the product category.

Commercial Car Wash Products 16.1%

Volume Sales of car wash agents decreased. (-)

Price Profit margins improved. (+)

Biocide Products 32.3%

Volume Sales volume increased. (+)

Solvent & Industrial Chemicals 33.1%

Price Profit margins improved. (+)

Tackifier 12.7%

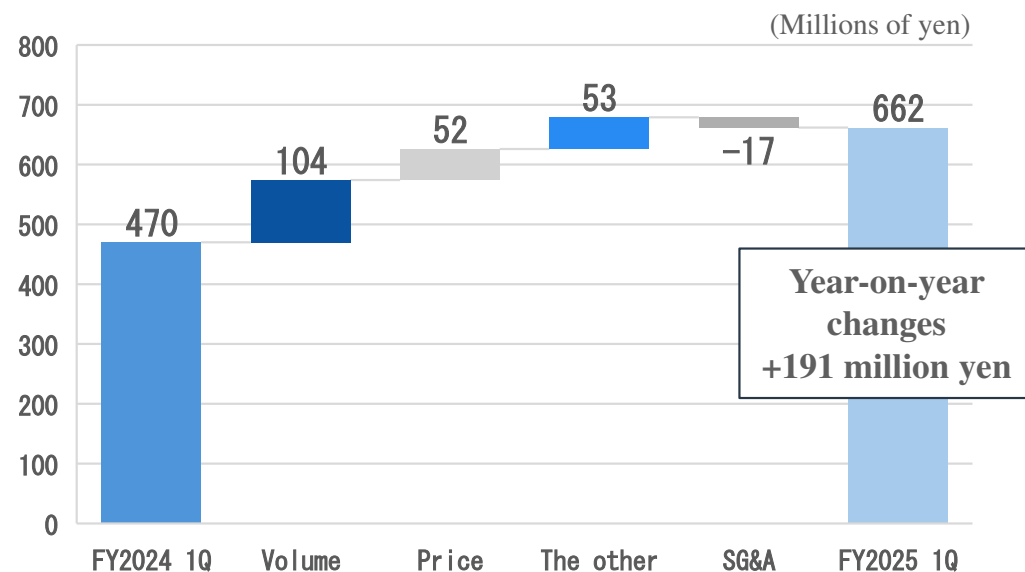
Volume Sales volume increased. (+)

Price Profit margins declined. (-)

Others (Performance Chemicals, etc.) 5.7%

Price Profit margins on higher alcohol declined. (-)

Gas-related business



<LPG sales Business>

LPG Sales Business sells residential and commercial LP gas and sells renovations and gas appliances mainly in the Kanto and Tokai areas, Chugoku and Kinki areas, and Kyushu areas.

123 thousand retail customers as of June 30, 2025

<Natural Gas Business>

The company supplies to factories and the others using the Saga Natural Gas Pipeline, etc., and also supplies city gas to general consumers in Saga Prefecture.



<LP Gas Sales Business>

546 million yen

Retail Division

Volume

Sales volume increased due to the acquisition of retail goodwill. (+)

Wholesale Division

Volume

Sales volume were unchanged from the same period of the previous fiscal year.

Price

Profit margins improved. (+)

<Natural Gas Sales>

116 million yen

Household use

Volume

Sales volume increased due to the acquisition of Imari Gas Co., Ltd. (+)

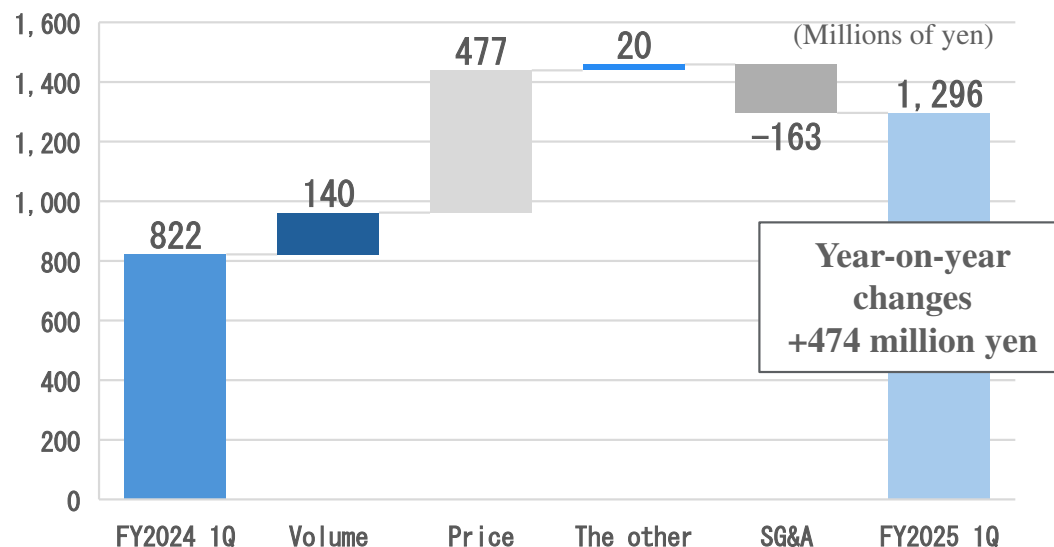
Commercial and industrial

Volume

Demand increased at the major customer. (+)

※The amounts listed next to each business represent the breakdown of ordinary profit.

Aviation-related Business



Aviation-related Business operates aviation fuel facilities and refuel aircraft at Haneda Airport. Additionally, the business operates aviation fuel facilities and refueling operations at 27 locations across Japan, from Hokkaido to Okinawa.



Haneda Airport

Volume

Domestic flights was flat year on year. International flights were strong due to an increase in flights resulting from the rise the number of foreign visitors to Japan. (+)

Price

The unit price of fuel handling fees rose. (+)

The other airports (25 airports, 1 heliport)

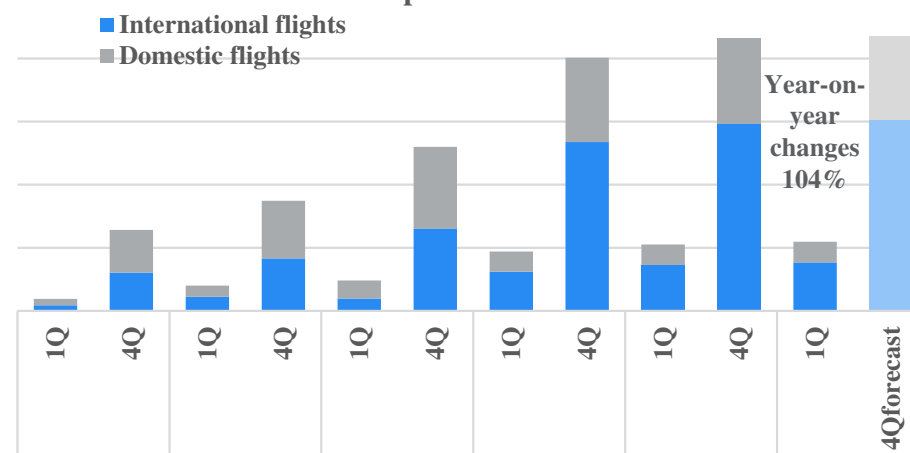
Volume

The volume of refueling remained strong. (+)

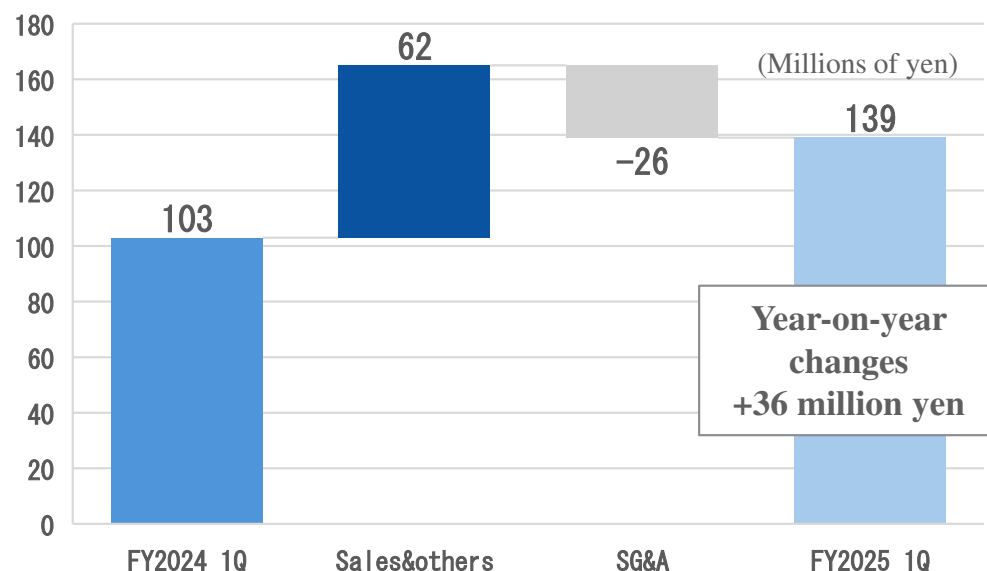
Selling, general and administrative expenses

System maintenance fees and state-owned land rents increased. (-)

Changes in Haneda Airport Aviation Fuel Transportation Volume



The Other Businesses



The Other Business include cleaning and surface treatment for metal products, construction work and so on. In recent years, the revenue ratio of component cleaning of semiconductor manufacturing equipment has increased.



※ The amounts listed next to each business represent the breakdown of ordinary profit.

Cleaning and surface treatment of metal products Business
102 million yen

Sales and others

Orders from major customers increased. (+)

Construction Business
30 million yen

Sales and others

Orders related to facilities increased. (+)

Real Estate Leasing and Solar Business
8 million yen

SAN-AI OBBLI CO., LTD. produces and publishes videos introducing aircraft refueling operations. You can view the images of refueling operations at Haneda Airport taken with a 360-degree camera at URL below.

https://youtu.be/30He_VpS_VI



Balance sheet

<u>End of FY2024</u>		<u>End of FY2025 1Q</u>	(Millions of yen)
	Interest-bearing debt, 4,138		Interest-bearing debt, 4,014
Cash and deposits, 40,599		Cash and deposits, 40,219	
Other current assets, 55,790	Other liabilities, 82,948	Other current assets, 47,393	Other liabilities, 70,400 (Notes and accounts payable-trade -9,931)
Non-current assets, 59,774		Non-current assets, 59,469	
Investments and other assets, 50,945	Net assets, 120,023 (Equity ratio 54.8%)	Investments and other assets, 44,592	Net assets, 117,260 (Equity ratio 58.0%) (Profit +1,073) (Year-end dividend -3,116)

[Major Variance Factors]

- Net assets decreased by 2,763 million yen due to the payment of year-end dividends and other factors.
- The equity ratio rose due to a decrease in notes and accounts payable-trade.

Cash allocation status

End of FY2025 1Q

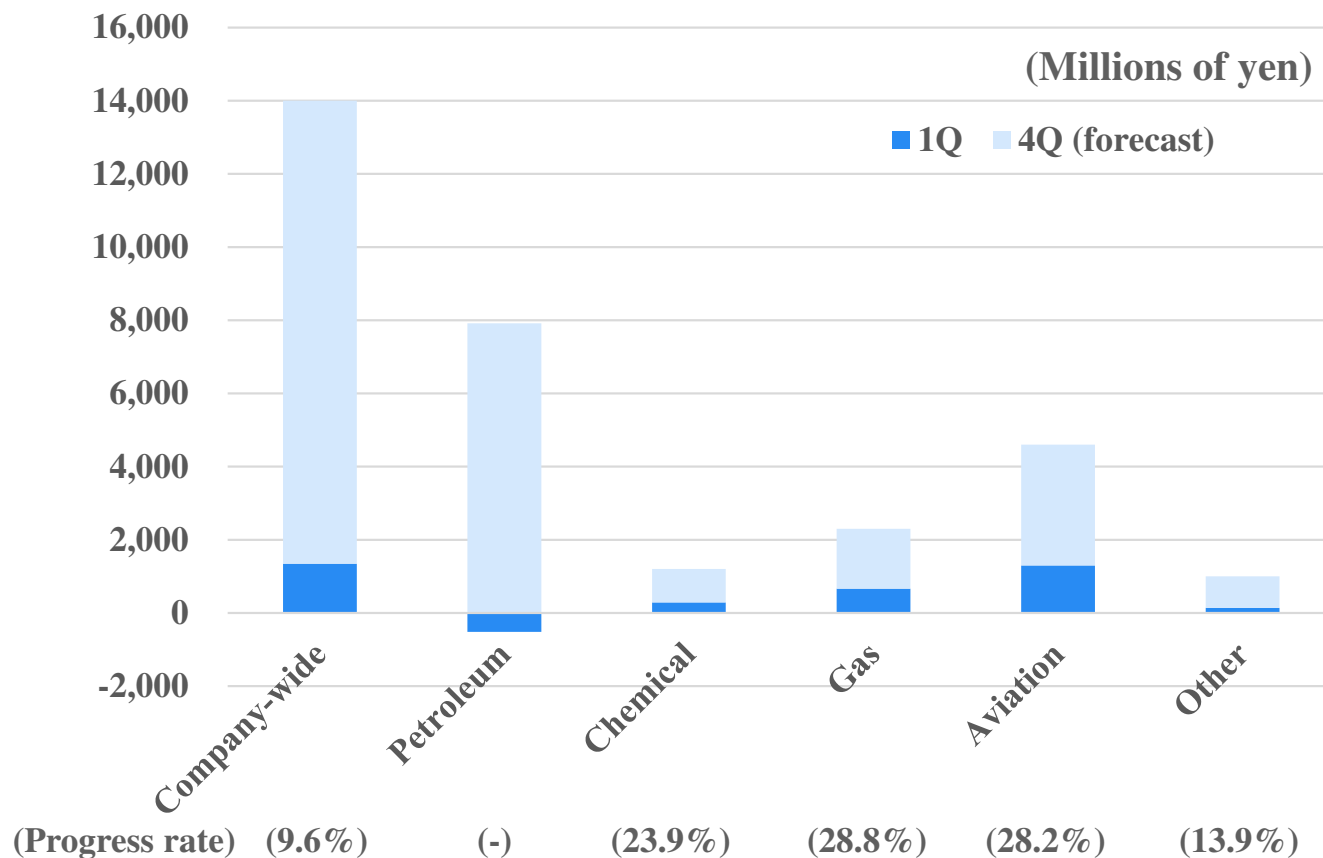
(Millions of yen)

Fund procurement		Composition ratio
Cash generation from operation (excluding working capital)	1,597	11.3%
Asset sales, etc.	207	1.5%
Collection of operating deposits, etc.	5,971	42.2%
Utilization of cash on hand	6,374	45.0%

Fund utilization		Composition ratio
Capital and business investment	1,862	13.2%
Cash dividends paid	3,116	22.0%
Income tax paid	2,339	16.5%
Placement of time deposits	6,021	42.6%
Other funds utilization	811	5.7%

- Funds procured from operating activities and the collection of operating security deposits are mainly used for capital and business investments and dividend payments.
- Operating security deposits pledged as collateral to suppliers in the previous fiscal year were changed to bank guarantees, and the funds were collected.
- Deposits of time deposits were made to utilize funds during the summer.

Progress of Business Results and Future Outlook



Medium-term management plan
FY2024-2026 Targets

Ordinary profit
13 to 15 billion yen

Consolidated ROE
8% or more

- The urgent issue is to the elimination of distortions between the purchase price and the sales price of Kygnus Sekiyu K.K.
- In the Petroleum-related business, we aim to recover by improving profitability, mainly in the retail division.
- The Aviation-related business has exceeded expectations, and demand is expected to remain strong going forward.
- The Chemical Products and Gas-Related Business are making steady progress.