

Financial Results Presentation Materials

March 2027 Quarter 1

1. President's Message
2. Financial Highlights
3. Initiatives Going Forward
4. Shareholder Returns
5. Topics
6. Corporate Information

水をつなぐ
SANEI

Securities Code: 6230

(Tokyo Stock Exchange, Standard Market)

Yuki Matsui has been appointed President & Executive Officer

Thank you very much for your continued support of SANEI.

Globally, the business environment is becoming increasingly uncertain due to rising geopolitical risks, fluctuations in resource prices, and rapid technological innovation. Within Japan, population decline and diversifying values are advancing, requiring companies to adapt to change more than ever before.

Even in this environment, we at SANEI continue to cherish the spirit of "Doing Our Best Every Day," a motto that we have followed since our founding, viewing change as an opportunity for growth as we take on the challenge of creating new value. Through our business, we engage with water, an element indispensable to people's lives.

While water is something we take for granted in our daily lives, the points of contact between water and people hold great potential to create comfort, peace of mind, well-being, and prosperity.

SANEI does not simply aim to be a company that provides products. We aspire to be a company that creates new value at the intersection of water and people.

To achieve this, trust-based relationships are essential with our customers and also our many partners including suppliers and dealers. We always cherish this commitment to growing and creating value together.

We also believe that people are the source of our corporate value. We are committed to building an organization where every employee can work with pride, think independently, and continue to take on new challenges.

Moving forward, we are working for sustainable growth and the enhancement of corporate value to meet the expectations of our shareholders and investors. We ask for your ongoing support.



Representative Director,
President & Executive Officer
Yuki Matsui

Following these changes, President Toshiaki Nishioka became Representative Director and Chairman, while Vice President Masahiro Yoshikawa became Representative Representative Director and Vice Chairman.

■ Sales increased but profits declined year over year

Despite continued uncertainty due to external factors, net sales reached 104% of the prior-year level.

Nevertheless, net income fell sharply, down 49.1% year over year.

We will continue to implement price revisions and expand sales of high-value-added products.

Q1 Sales

7,392 million yen

YoY: 104.0%

YoY change: 282 million yen

Q1 Operating profit

137 million yen

YoY: -44.9%

YoY change: -111 million yen

Q1 Net Income

78 million yen

YoY: -49.1%

YoY change: -75 million yen

PBR

0.67x

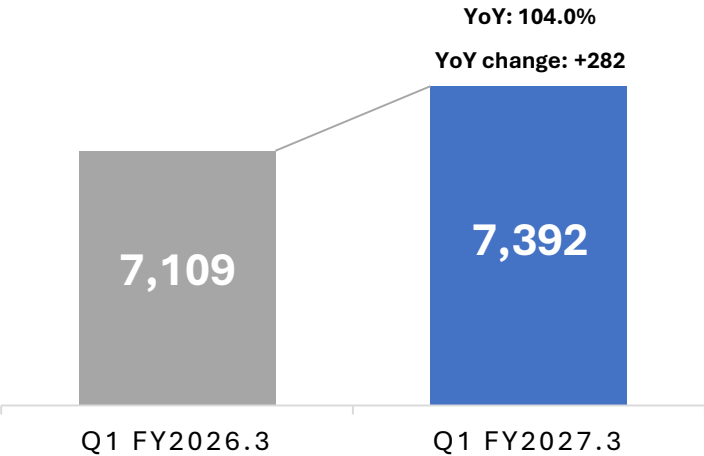
PER: 8.0x

ROE: 8.4%

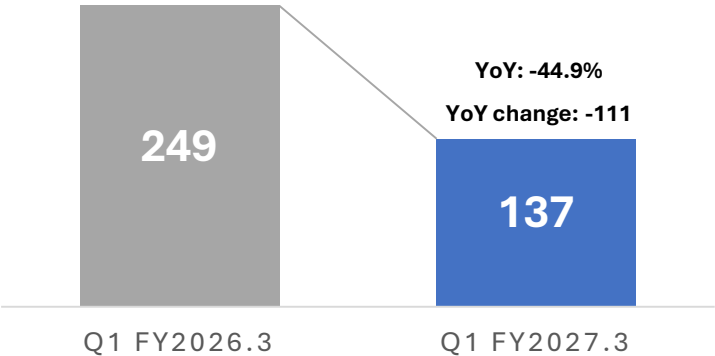
- Higher sales were secured through expanded sales of new products, Ultra Fine Bubble products, and high-value-added products featuring sophisticated designs.
- Profitability was put under pressure by higher raw material costs, due to high copper and resin prices. We aim to improve profitability through optimized procurement, production-line automation, steady implementation of price revisions, a diverse brand portfolio, and the effective use of multiple sales channels.

Sales increased but profits declined year-over-year

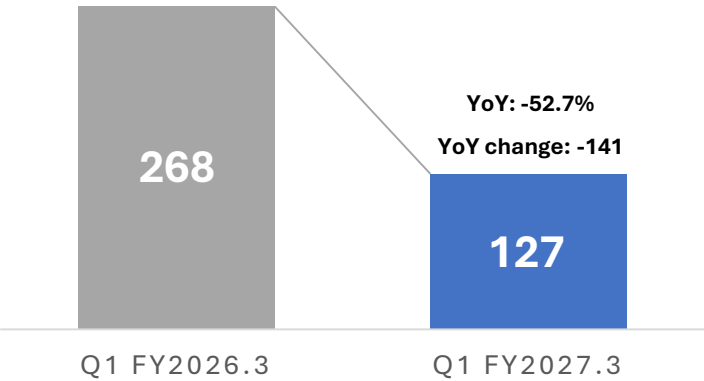
Sales (total) Million yen



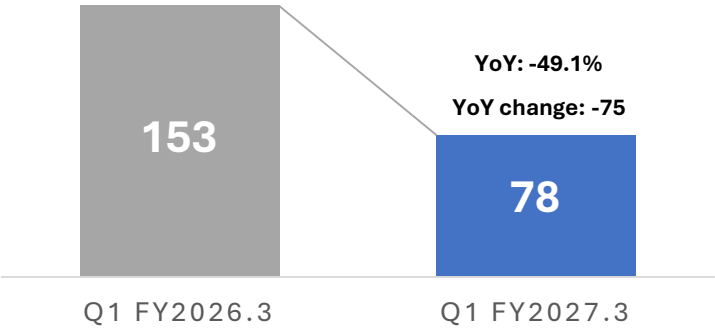
Operating profit (total) Million yen



Accumulated ordinary profit (total) Million yen

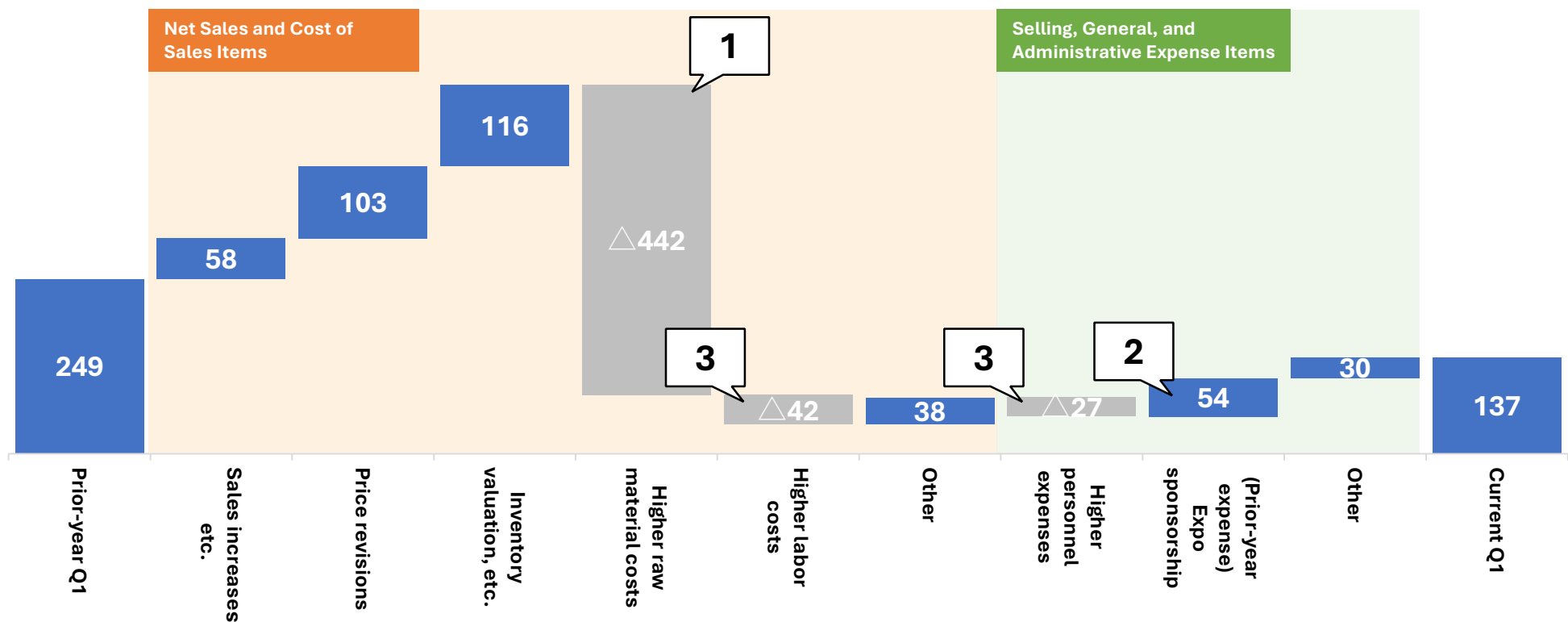


Net income attributable to owners of the parent (total) Million yen



Profit impact from higher raw material costs

Factors Affecting Changes in Operating Income Million yen

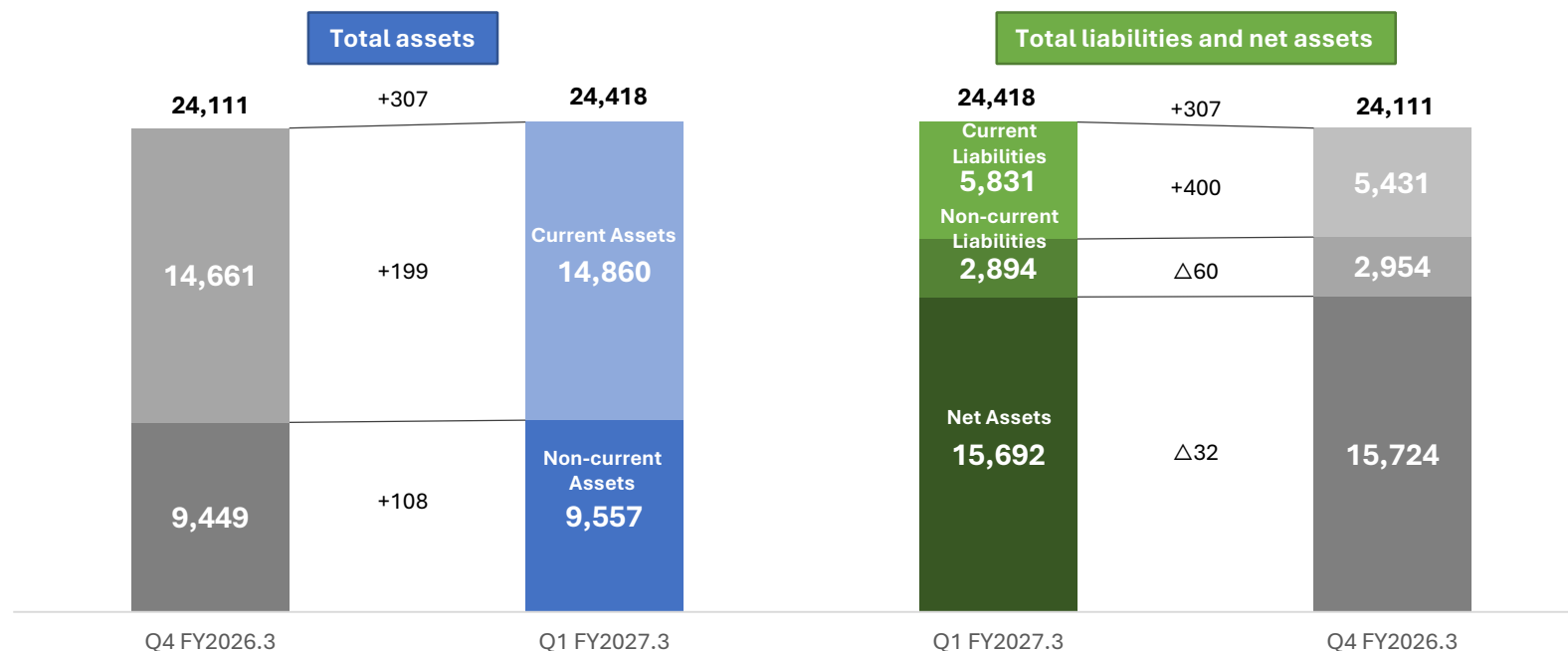


- 1. Higher prices for key materials such as brass and bronze reduced profit. Price revisions began in June, so the impact of higher material costs has not yet been fully offset as of Q1.
- 2. Sponsorship expenses for “Expo 2025 Osaka, Kansai, Japan” were recorded as a one-time expense in the prior fiscal year; no one-time expense of a similar scale was incurred this fiscal year.
- 3. Labor and personnel expenses increased following base-pay increases as part of our investment in human resources.

Accounts payable increased due to higher raw material prices and other factors

Balance Sheets

Million yen

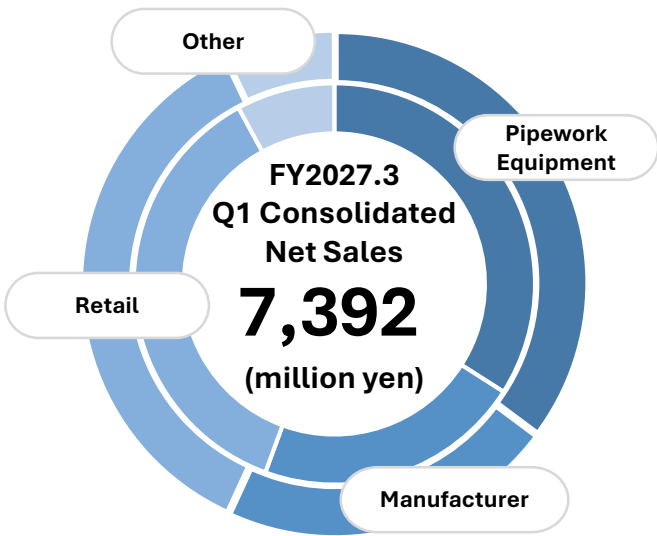


Major Changes

Current Assets	▪ Accounts receivable	△213
	▪ Merchandise and products	+223
	▪ Raw materials and supplies	+243
Non-current Assets		

Current Liabilities	▪ Accounts payable	+829
	▪ Accrued income taxes	△229
	▪ Provision for bonuses	△173
Non-current Liabilities		
	▪ Long-Term loans	△79
Net Assets		
	▪ Net income	+78
	▪ Dividends from retained earnings	△169

Sales Channels and Strategic Products



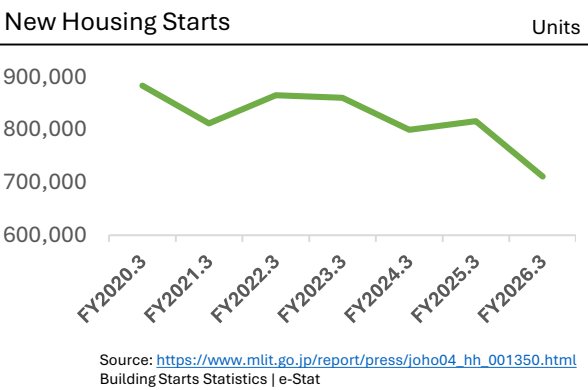
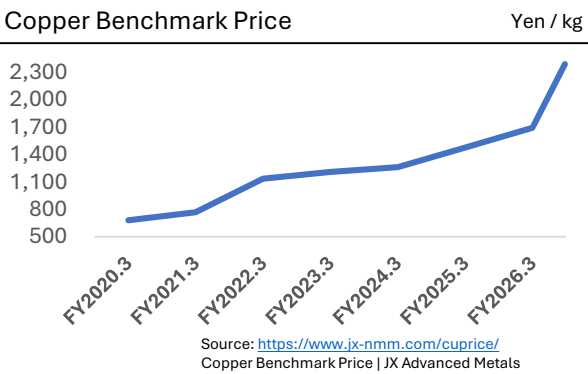
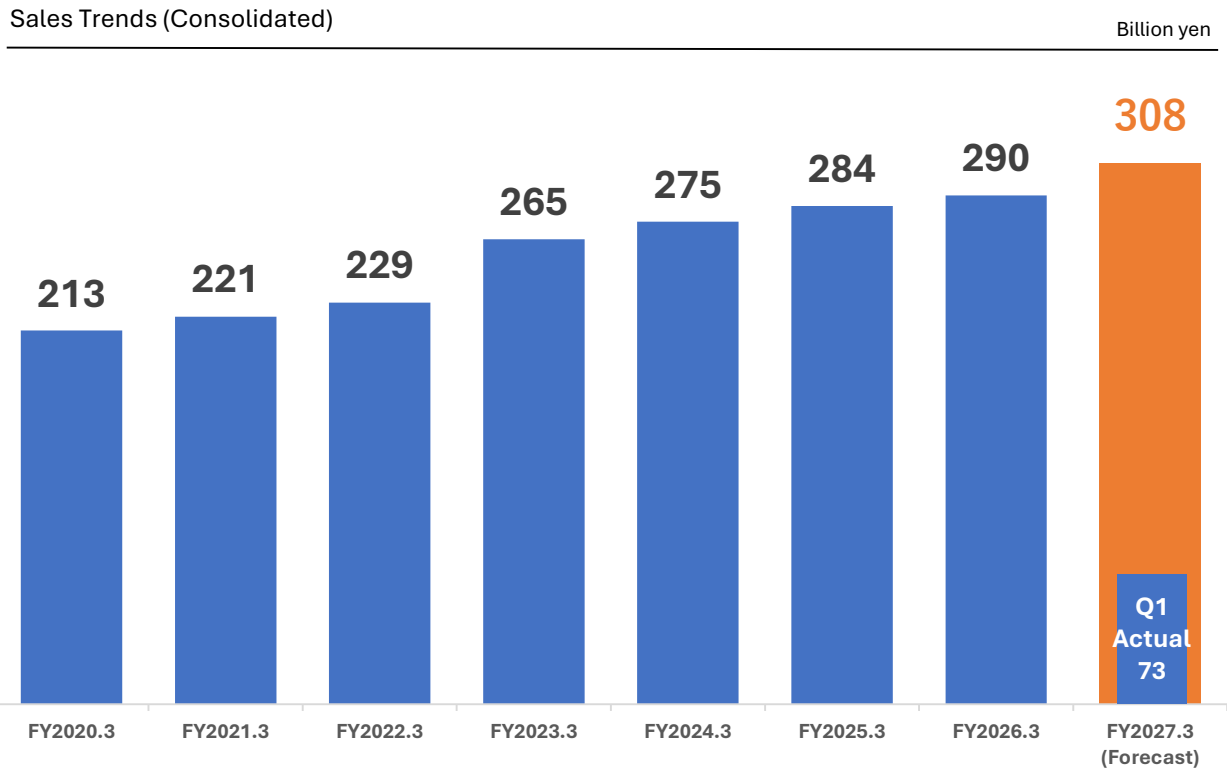
Sales Channels

Channel	Sales (YoY)	Trend
Pipework Equipment Channel		Sales of high-value-added products remained steady, including faucets designed with a focus on aesthetics and advanced functionality.
Manufacturer Channel		Sales remained steady. We will continue to strengthen sales of mid- to high-end products.
Retail Channel		Sales remained steady. Sales growth was driven by high-performance shower products, including touchless faucets and Ultra Fine Bubble products.
Other (Channel for International/Related Businesses)		Sales through overseas channels remained steady. Other related businesses remained slightly below the prior-year level.

Strategic Products

Product Category	Sales (YoY)	Trend
Design Products		sanei brand Increase in sales
High-performance Products		Touchless faucets Increase in sales

Steady upward trend for seven consecutive fiscal years



Aiming for eight consecutive fiscal years of net sales growth in spite of declining housing starts and soaring raw material prices

- Achieved seven consecutive fiscal years of net sales growth through steady price revisions, a diverse brand portfolio, and the use of multiple sales channels.
- In response to higher raw material prices, including copper prices, price revisions were implemented from June to improve profitability.
- In anticipation of a decline in residential construction starts, we will focus on developing the non-residential market and expanding sales of high-value-added products. We aim to achieve revenue growth for the eighth consecutive fiscal period.

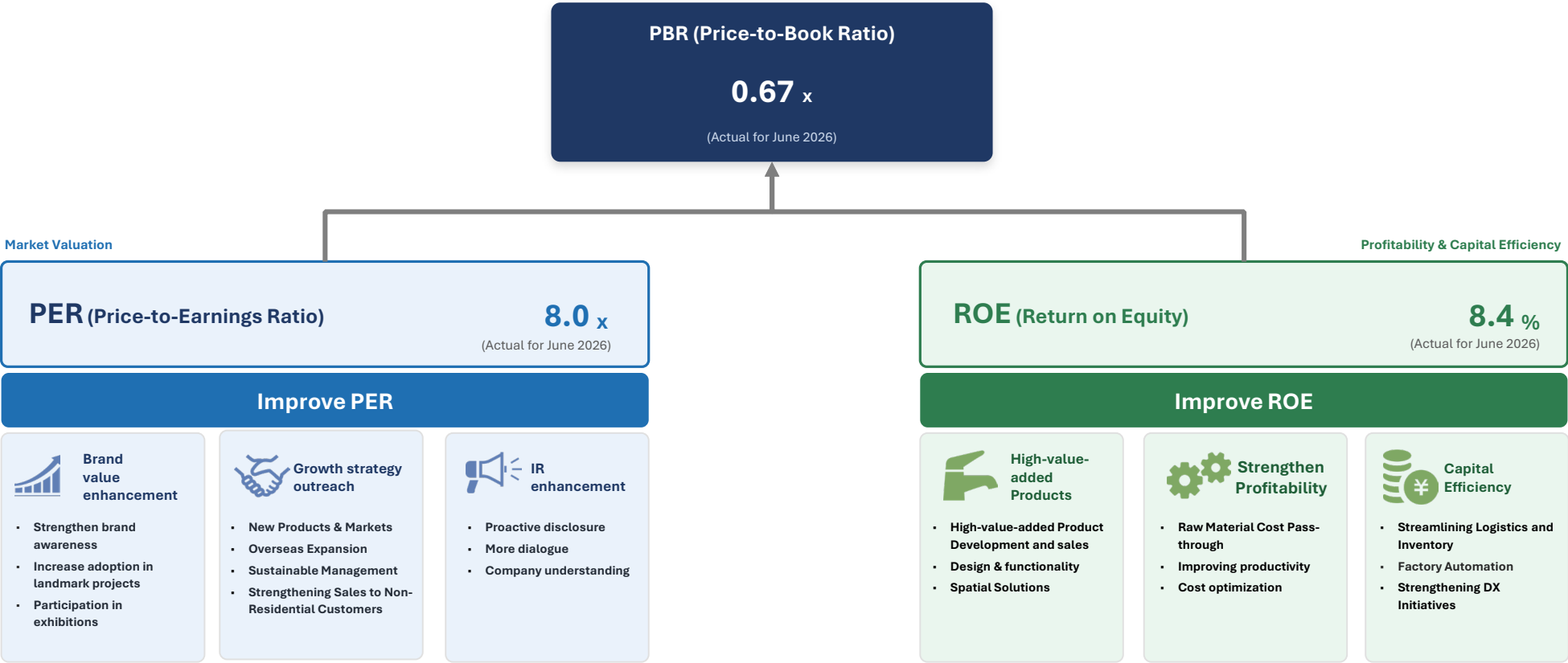
Enhancing shareholder value

Toward Achieving a PBR of 1.0x

PBR = PER × ROE. Through a two-pronged approach focused on improving both the PER and ROE, we aim to achieve a PBR of over 1.0x in the medium to long term.

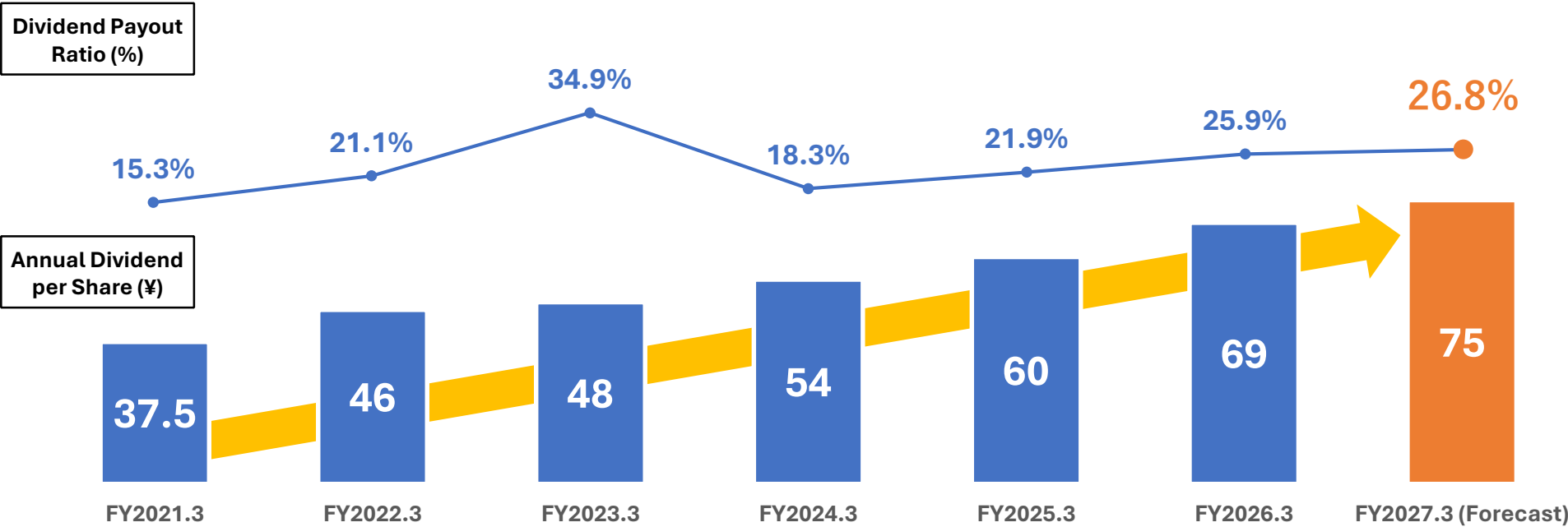
PBR = PER × ROE

PBR : Price-to-Book Ratio (Share Price / Book Value per Share)
PER : Price-to-Earnings Ratio (Share Price / Earnings per Share)
ROE : Return on Equity (Net Income / Equity)



Annual dividend per share and dividend payout ratio

A progressive dividend policy has been adopted to provide stable shareholder returns.



For FY2027.3, the dividend forecast is 37 yen for the interim period and 38 yen for the year-end, for an annual total of ¥75.

We have adopted a progressive dividend policy and place importance on stable returns to shareholders. For the current fiscal year, we plan an annual dividend of 75 yen per share, with a dividend payout ratio of 26.8%. We will continue to provide sustainable shareholder returns while balancing returns with profit growth.

* A 2-for-1 stock split was conducted effective October 1, 2024. Share price and per-share figures have been converted based on the post-split basis.

Changes to executive management

At the Annual General Meeting of Shareholders and the extraordinary Board of Directors meeting held on June 23, 2026, the following changes to executive management were approved.

Changes: Bold and black underline

Name	New Position	Previous Position
Toshiaki Nishinoka	Representative Director and <u>Chairman</u>	Representative Director and President
Masahiro Yoshikawa	Representative Director and <u>Vice Chairman</u>	Representative Director and Executive Vice President
Yuki Matsui	<u>Representative Director, President & Executive Officer</u>	Director, Executive Officer, Vice President of Sales Division
Yuji Nitta	Director & <u>Senior Managing Executive Officer</u> Vice President of Corporate Administration Division and Purchasing Division	Managing Director, Executive Officer, Vice President of Corporate Administration Division and Purchasing Division
Tohru Hayakawa	Director & Executive Officer Vice President of Manufacturing Division	Director & Executive Officer Vice President of Manufacturing Division
Tatsuya Marukawa	Director & Executive Officer Vice President of R&D Division	Director, Executive Officer, Head of Development Division
Katsumi Taki	Outside Director	Outside Director
Yuko Nagayama	Outside Director	Outside Director
Hirokazu Hamasaki	<u>Full-time Corporate Auditor</u>	—
Koichi Matsui	Outside Corporate Auditor	Outside Corporate Auditor
Nobuko Ohara	Outside Corporate Auditor	Outside Corporate Auditor
Sakae Muramatsu	Executive Officer, <u>Vice President of Sales Division</u>	Executive Officer, Vice President of Retail Sales Division
Yoshizumi Kikuchi	Executive Officer, Vice President of International Business Division	Executive Officer, Vice President of International Business Division

Toshio Kishida retired as a Full-time Corporate Auditor on June 23, 2026.

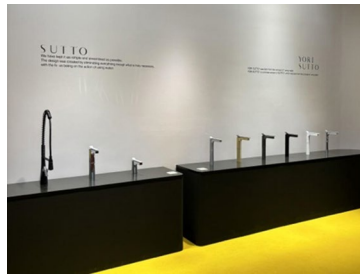
We sincerely thank him for his kindness and support during his tenure.

Exhibiting at Kitchen & Bath China 2026

We exhibited at Kitchen & Bath China 2026, held in Shanghai from May 26 to 29, 2026.



At the exhibition, we showcased the “MONOTON,” “SUTTO,” and “cye” series from our sAnei faucet brand, as well as Shigaraki-yaki washbasins, which were well received by visitors.



New products featured in the 2026 catalog

**A new comprehensive catalog was published in May,
featuring many new Ultra Fine Bubble products.**



We published a new catalog in May featuring approximately 6,000 water-related products. This year's catalog includes new Ultra Fine Bubble-equipped "IENI" faucet products and new "RAINY" shower heads. We will continue to provide greater value to water-related spaces.



This year's catalog is inspired by the protea flower, whose name derives from Proteus, the sea god known for freely changing his form. This motif conveys the message of "continuing to evolve" by adapting and changing to suit any environment. This year's theme is EVOLVE. As a company that proposes spatial and product value to customers with diverse lifestyles and needs, SANEI continues to adapt to the times and lead the way as a pioneer.

Report session and dialogue event held

**On July 24, we held a report session on international design events
and a dialogue event at the VERSE / FLUSSO showroom.**



Event held at the VERSE / FLUSSO showroom.

The first session featured a report based on field research at “3daysofdesign” in Denmark and “Milano Salone 2026” in Italy. The second session featured a dialogue between Outside Directors Mr. Katsumi Taki and Ms. Yuko Nagayama.

SANEI is more than a company that sells products. As a company that provides new perspectives and ideas for products and water-related spaces, we will continue to engage in events and other activities.

Established the B&D Division

As part of the organizational changes in 2026, we established the B&D Division and opened the Nishi-Azabu office in Japan.



The B&D Division was newly established to strategically place "branding," "design capabilities," and "planning capabilities" at the core of management. We believe these are essential to creating high-value-added products.

By integrating functions such as planning, sales, and public relations across organizational boundaries and covering the entire process from market understanding to product planning and communications, the division accelerates decision-making and enhances responsiveness to market needs. A new office was also opened in Nishi-Azabu to coincide with the launch of the new organization.

History

Starting as a “Point”

1954-1980

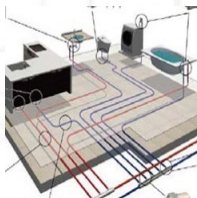
Water is essential for human life, and modern daily life would not be possible without running water. Based on the idea that faucets are a "point of contact" and "essential" to life, San-Ei Faucet Manufacturing Co., Ltd. (now SANEI LTD.) has been actively engaged in product development from its establishment



From a “Point” to a “Line”

1980-2018

In the 1980s, we established a system that could produce not only faucets but also parts for the entire water supply and drainage environment within a building. Even though it may not be visible from the outside, each component is used in its specific place to support the irreplaceable flow of water in our daily lives.



From a “Line” to a “Plane”

2018-

Since the early 2000s, we have expanded the scope of our proposals to include surfaces. Our designs for faucets, spaces, and lifestyles have received high acclaim. We are also actively advancing initiatives to fulfill our responsibilities in realizing a sustainable society.



1954

Founded by three young men in their 20s, Akira Nishioka, Hiroji Yoshikawa, and Kenichi Hashimoto, the company was named "SANEI."



1967

Japan's first hot and cold water mixer with a shower. It was a hit product ahead of its time as indoor baths became more common in households across the country.



1980

We offer total solutions, from faucets to piping. With a wide range of products and a nationwide sales network, we have grown into a comprehensive manufacturer of plumbing products.



2018

The company name was changed to SANEI Co., LTD. The new company name, with a broader scope than just faucets, is also consistent with the name used overseas.



2020

Listed on the Tokyo Stock Exchange Second Section In December 2020, we were listed on the TSE Second Section (now the Standard Market).



2024

"soroe" wins "reddot's Best of the Best" and the iF Design Award.



2024-2025

Completed the new First Plant and Second Plant. We will continue to pursue further productivity improvements.



2025

"Grazioso" awarded the reddot "best of the best" and the iF Design Award. "grooglo" was also awarded the iF Design Award.

Product portfolio

A product lineup supporting every “point of contact with water” in the home. We cover the entire water-related space, from kitchens, bathrooms, washrooms, and toilets to outdoor applications.



* Images shown are AI-generated illustrations and do not represent actual products or buildings.

Multi-brand strategy

“Life with Water” Supported by Five Brands

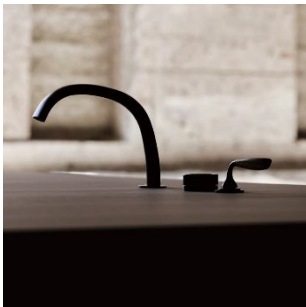
Our five unique brands work together to create comprehensive proposals spanning from faucets to entire spaces, supporting sustainable growth.

Faucet-focused Brand

V E R S E

Time and Experience

The finest luxury with carefully selected sophistication. Lifetime warranty services are also offered.



s a n e i

A Sense of Beauty and the Extraordinary

Design collections tailored to diverse lifestyles, created in collaboration with numerous designers.



SANEI

Safety and Comfort

Simple choices that support comfortable everyday life. A broad lineup spanning water supply, drainage, and faucets.



Beyond Faucets

W A I L E A

Custom Kitchen and Washbasin Brand

A bespoke interior brand offering comprehensive proposals for luxurious water-related spaces.



FIUSSO

High-end Bath Brand

A bath brand that pursues ultimate relaxation, viewing the bathroom as a microcosm.



Sales channels and future outlook



Pipework Equipment Channel

- **Design Firms / Property Owners**
Proposing high-performance, high-value-added products
- **Power Builders / Homebuilders / Local Contractors**
Proposing comprehensive water-space proposals
- **Wholesalers / Trading Companies**
Expand sales of new products, including Ultra Fine Bubble products



Manufacturer Channel

- **Housing Equipment Manufacturers**
Strengthen sales of mid- to high-end products
Secure standard-specification adoption and propose water-related spaces through collaboration
Strengthen new sales to non-residential markets



Retail Channel

- **Home Improvement Stores**
Expand professional-use products and improve displays
- **Electronics Retailers / General Merchandise Stores, etc.**
New channels for water-related and renovation products
- **Online Retailers**
Proposing health, beauty and personal care products



Overseas Channel

- **Asian Markets**
Launch mid- to high-end products in China, Taiwan, Indonesia, and other Asian markets
- **Other Markets**
Strengthen local partnerships and expand sales in North America

Foresting well-being among people, water, and life

SANEI SUSTAINABILITY

People, water, and life.

To sustain a better future for each of us,
we will continue creating rich,
comfortable relationships through water.



Environmental Initiatives

We are working toward carbon neutrality in 2050 by reducing greenhouse gas emissions and protecting the environment.



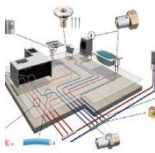
Manufacturing Without Waste

We promote the effective use of water resources through rainwater and reclaimed-water systems, as well as water- and hot-water-saving products.



Environmentally Conscious Product Development

We thoroughly manage industrial wastewater and recycle resources to reduce our environmental impact.



From the Meter to the Water Supply Faucet

We support lifelines, deliver safe and reliable water, and pursue environmental initiatives.



Toward an Off-grid Future

We are advancing off-grid initiatives through a capital and business alliance with AQUAM, Inc. , which develops atmospheric water generators, as well as the use of rainwater and reclaimed water.



Safe and Accessible to Everyone

We pursue products that are easy for everyone to use and promote universal design, including voice-recognition faucets.



Sponsorship of Architecture and Design Events

We participate in events in collaboration with architecture and design communities, communicating new value and the appeal of faucets.



Industry-Academia Events

We provide opportunities to learn about water and daily life through factory tours and industry-academia collaborations.



Support for Regional Revitalization Activities

We contribute to building sustainable local communities through co-creation activities and product provision.

Corporate Creed

Guided by the principle that “Water is essential as long as humanity exists,” we are focused on the vision of water systems as fountains of life and relaxation. In satisfying humanity’s thirst, we contribute to society with this as the source of our company’s prosperity and the happiness of all of our employees.

Company name	S A N E I LTD.
Business content	Manufacture and sale of water faucets, plumbing fixtures, joints, and piping components
Founding	September 1954
Main office	1-12-29 Tamatsu, Higashinari-ku, Osaka City
Capital	432 million yen *As of the end of March 2026
Consolidated results	Sales: 29,042 million yen; Ordinary Profit: 1,830 million yen *Fiscal year ending March 2026
Employees	Consolidated: 827 employees, Non-consolidated: 630 employees *As of the end of March 2026
Group companies	Aqua Engineering Co., Ltd. Dalian Sanei Faucet Co., Ltd. MIZSEI MFG CO.,LTD.



SANEI LTD.

The performance forecasts and other forward-looking statements contained in this document are based on information currently available to the Company and certain assumptions that the Company deems reasonable. These statements are not intended to guarantee that the Company will achieve these forecasts. Actual performance may differ significantly due to a variety of factors.

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