



Prime Market, Tokyo Stock Exchange
Securities code: 9628

SAN HOLDINGS, INC.

Supplementary Materials for the Full-Year Financial Results
(Fiscal Year Ended August 31, 2026)

Be a dependable end-of-life partner by moving even closer to the senior generation and their family members



SAN HOLDINGS, INC.

October 15, 2026

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The fiscal year ended August 2026 is an irregular 17-month period from April 1, 2025 to August 31, 2026. Accordingly, percentage changes from the previous fiscal year are not presented.

1.

FY8/26 Financial Overview

Be a dependable end-of-life partner by moving even closer to the senior generation and their family members



SAN HOLDINGS, INC.

FY8/26 Financial Highlights

1 **Funeral service revenue was significantly affected by external factors.**

- The number of deaths from July 2025 to June 2026 decreased by approximately 5.8%* compared with the same period of the previous year, affecting the Company's business.

2 **Operating expenses increased as the Company continued its aggressive strategy of opening new locations, as in the previous fiscal year.**

- Numerous funeral halls for which contracts had been signed in the previous fiscal year opened, resulting in an increase in rent and other expenses associated with opening new locations.
- Recruitment and personnel expenses increased due to hiring employees in preparation for future business growth.

3 **On February 1, 2026, Cocolonet CO., LTD. became a consolidated subsidiary through a share exchange.**

- Period included in consolidation for the fiscal year ended August 31, 2026: April 2026 to August 2026 (5 months)

Overview of FY8/26 Consolidated Results of Operations

(Millions of yen)	Past years		FY8/26 (17-month accounting period)				
	2024.4~2025.3	2025.4~2025.8	Full-year results	2025.4~2026.3	YoY change	2026.4~2026.8	YoY change
	③	④	①	②	②÷③	①—②	(①—②)÷④
Operating revenue	31,984	15,194	57,736	37,865	118.4%	19,871	130.8%
Operating expenses	24,216	12,426	47,964	30,833	127.3%	17,131	137.9%
SG&A expenses	3,246	1,478	5,817	3,907	120.4%	1,910	129.2%
Operating profit	4,521	1,289	3,954	3,124	69.1%	830	64.4%
(Operating margin)	14.1%	8.5%	6.8%	8.3%	—	4.2%	—
Ordinary profit	4,363	1,233	3,734	2,956	67.8%	778	63.1%
Profit	4,721	742	4,562	4,500	95.3%	62	8.4%
(ROE)	13.5%	—	11.2%	—	—	—	—
(EDITDA)	6,736	—	8,381	—	—	—	—



Overview of FY8/26 Quarterly Consolidated Results of Operations

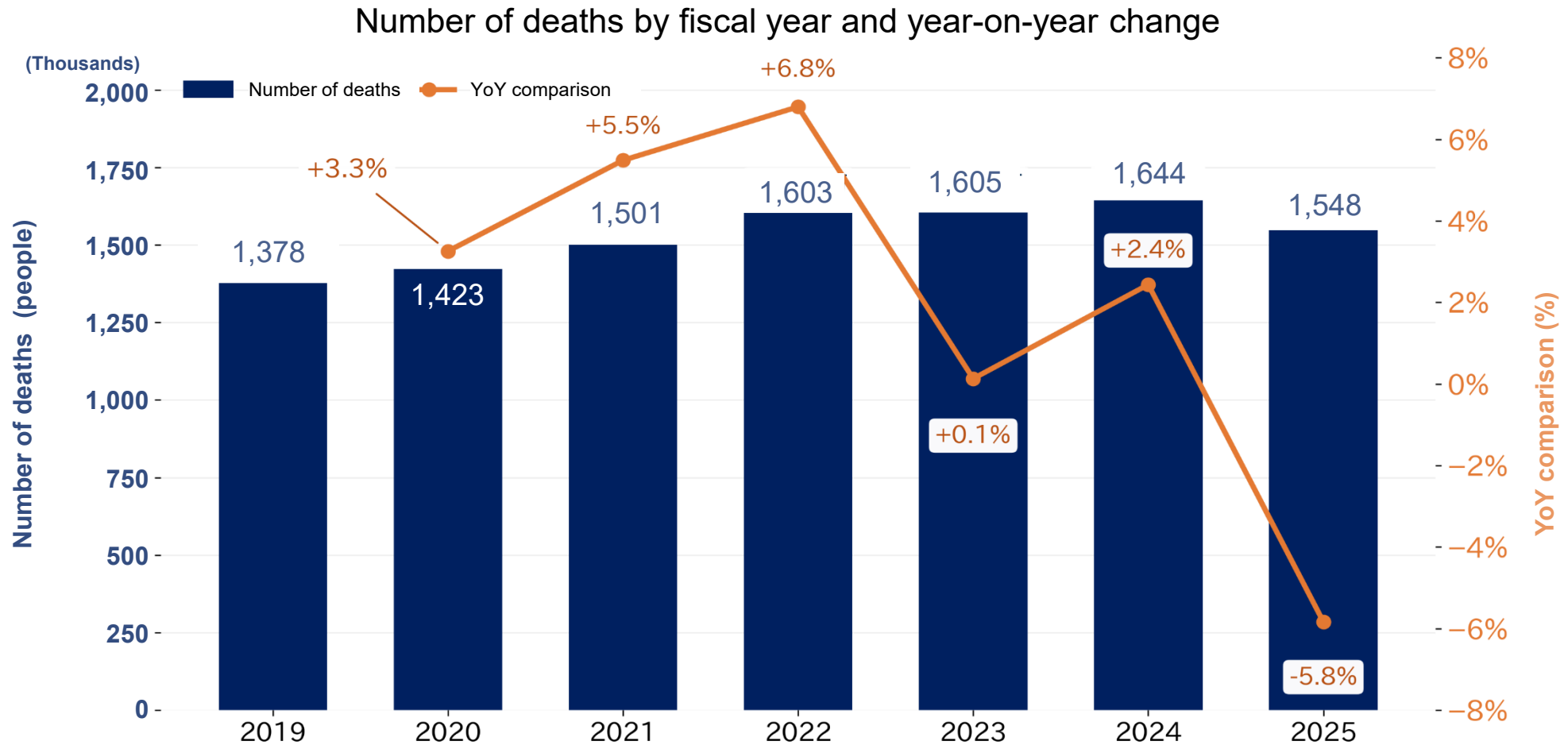
(Millions of yen)	1Q Results	YoY change %	2Q Results	YoY change %	3Q Results	YoY change %	4Q Results	YoY change %	5Q Results	YoY change %	6Q Results	YoY change %
Operating revenue	9,154	65.9%	9,078	60.2%	9,568	-0.2%	10,064	-10.3%	11,175	22.1%	8,695	43.7%
Operating expenses	7,393	74.8%	7,518	71.5%	7,845	5.2%	8,076	-0.9%	9,590	29.7%	7,540	50.4%
SG&A expenses	859	94.3%	914	53.8%	831	-29.5%	1,301	26.3%	1,071	24.7%	838	37.6%
Operating profit	901	6.7%	645	-6.3%	891	-6.1%	686	-66.3%	513	-43.0%	315	-26.6%
(Operating margin)	(9.8%)	-5.5pt	(7.1%)	-5.0pt	(9.3%)	-0.6pt	(6.8%)	-11.3pt	(4.6%)	-5.3pt	(3.6%)	-3.5pt
Ordinary profit	861	-0.3%	619	-11.6%	829	-10.3%	645	-65.5%	474	-44.9%	303	-26.4%
Profit	582	5.7%	308	-21.5%	497	-6.0%	3,112	-4.2%	205	-64.8%	-143	-169.8%

*6Q results cover two months.

*The consolidation period for the KIZUNA Group for the fiscal year ended August 31, 2026 is from March 2025 to August 2026 (18 months).
The 6Q results include three months of the KIZUNA Group's results.

Number of Deaths by Fiscal Year and Year-on-Year Change (External Environment)

In FY2025, the number of deaths was 1.548 million, a decrease of 5.8% year on year.

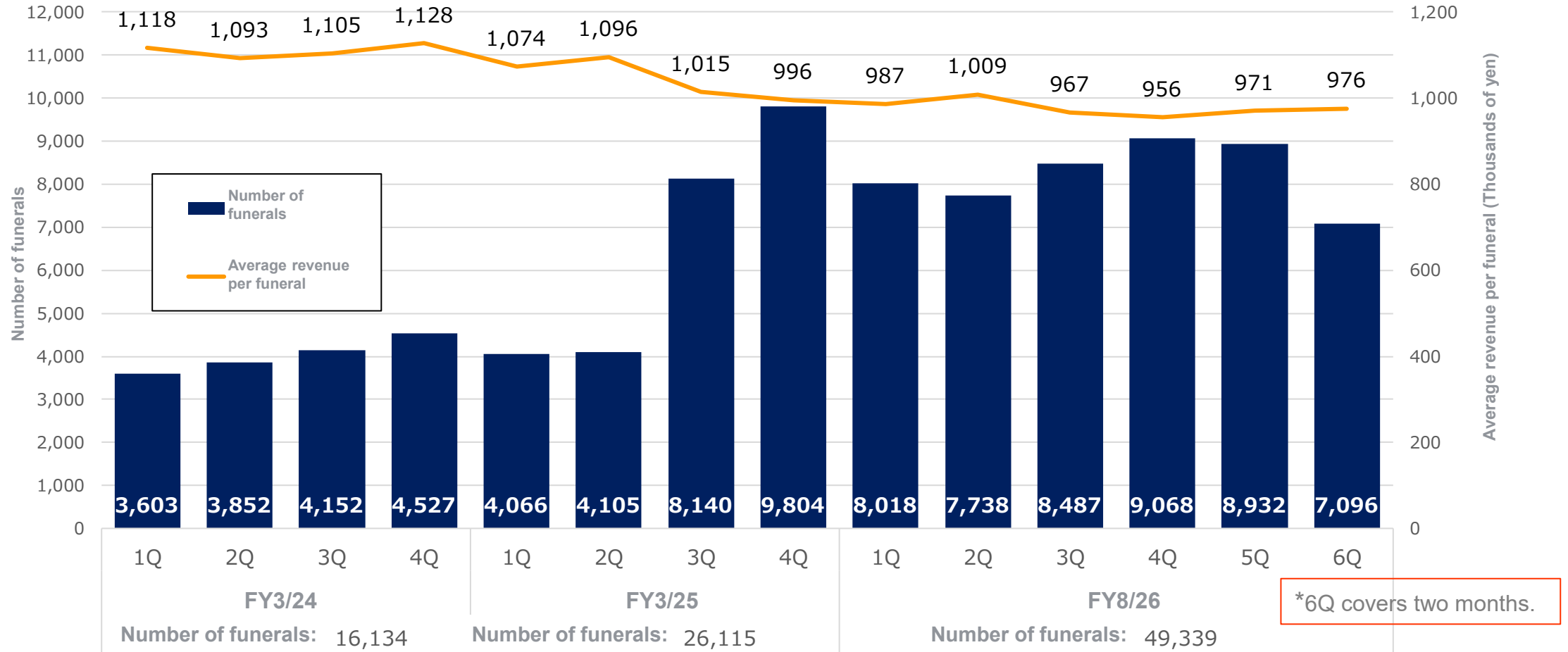


Fiscal year (from July to June of next year)

Source: Preliminary Vital Statistics, Ministry of Health, Labour and Welfare

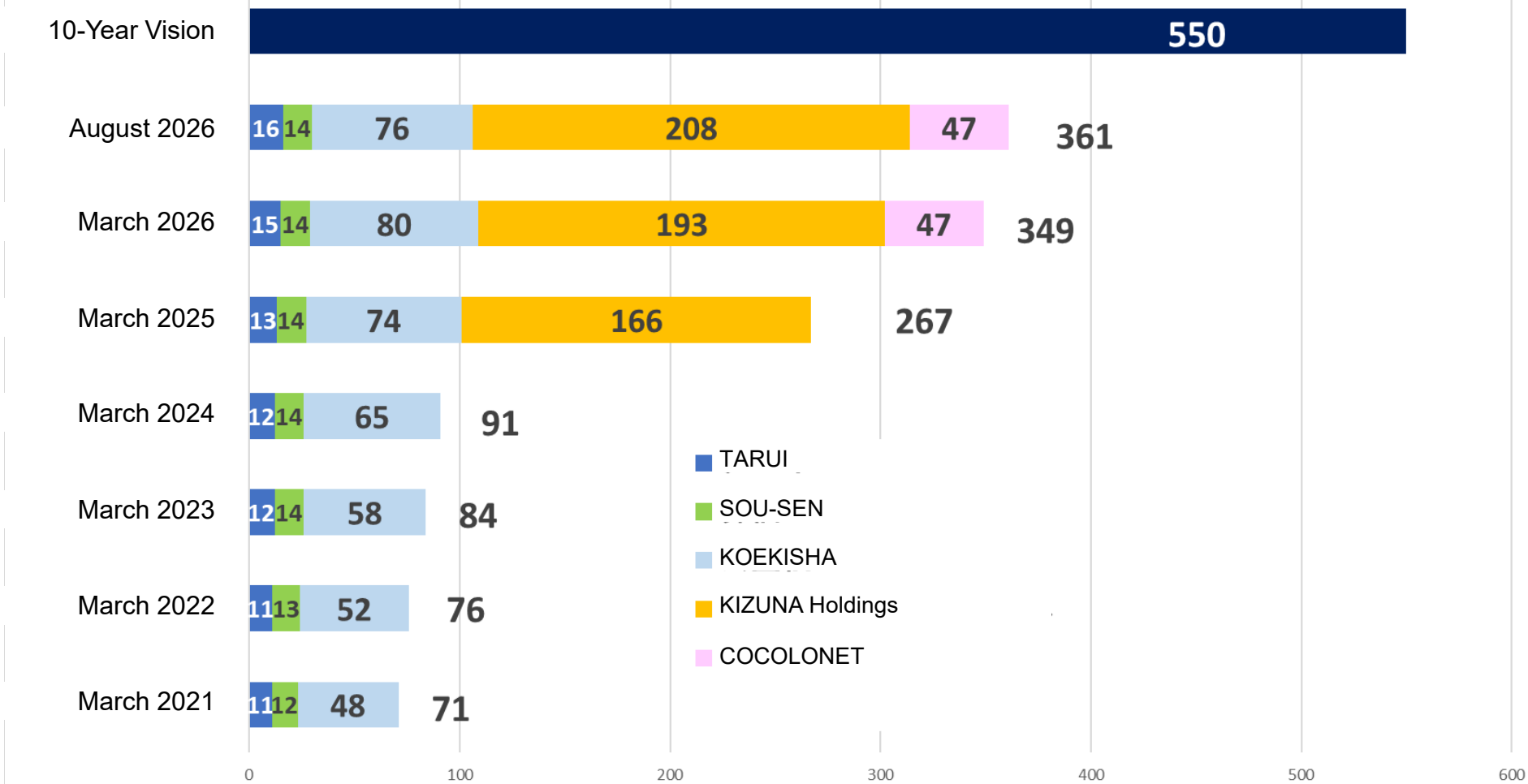
The Group's Number of Funerals and Average Revenue Per Funeral

[Quarterly number of funerals and average revenue per funeral]



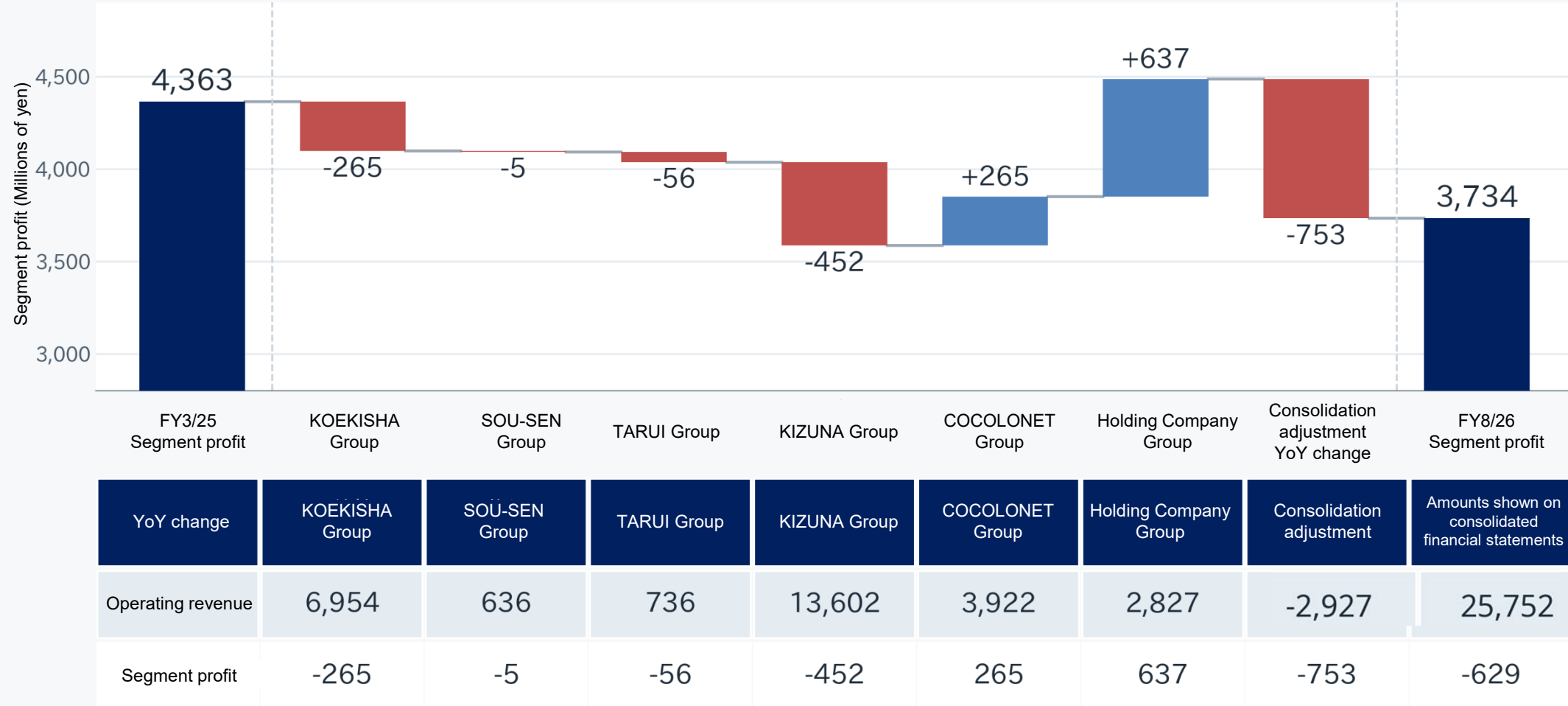
Trends in the Number of Funeral Halls

The Group operates funeral halls in 21 prefectures across Japan.
The business integration with Cocolonet CO., LTD. represents significant progress toward achieving the 10-Year Vision.



Factors Contributing to Changes in Segment Profit

Main components of segment expenses: Increased rent and other expenses associated with opening new funeral halls, increased amortization of goodwill, etc.



Changes in the Balance Sheet

Equity ratio increased by 1.5 percentage points from the end of the previous fiscal year to 60.5%

(Millions of yen)

Major items Cash and deposits -3,218	Current assets: 13,576 (YoY change: -1,690)	Liabilities: 29,148 (YoY change: +3,267)	Major items Current portion of long-term borrowings -71 Advances for prepaid transactions 8,596
Major items Buildings and structures 5,653 Goodwill -1,104	Non-current assets: 60,201 (YoY change: +12,414)	Net assets: 44,628 (YoY change: +7,456)	Major items Capital surplus 2,835 Profit 4,562 Dividends of surplus -1,112
Total assets: 73,777 (YoY change: +10,724)			

2. Overview of Results by Segment

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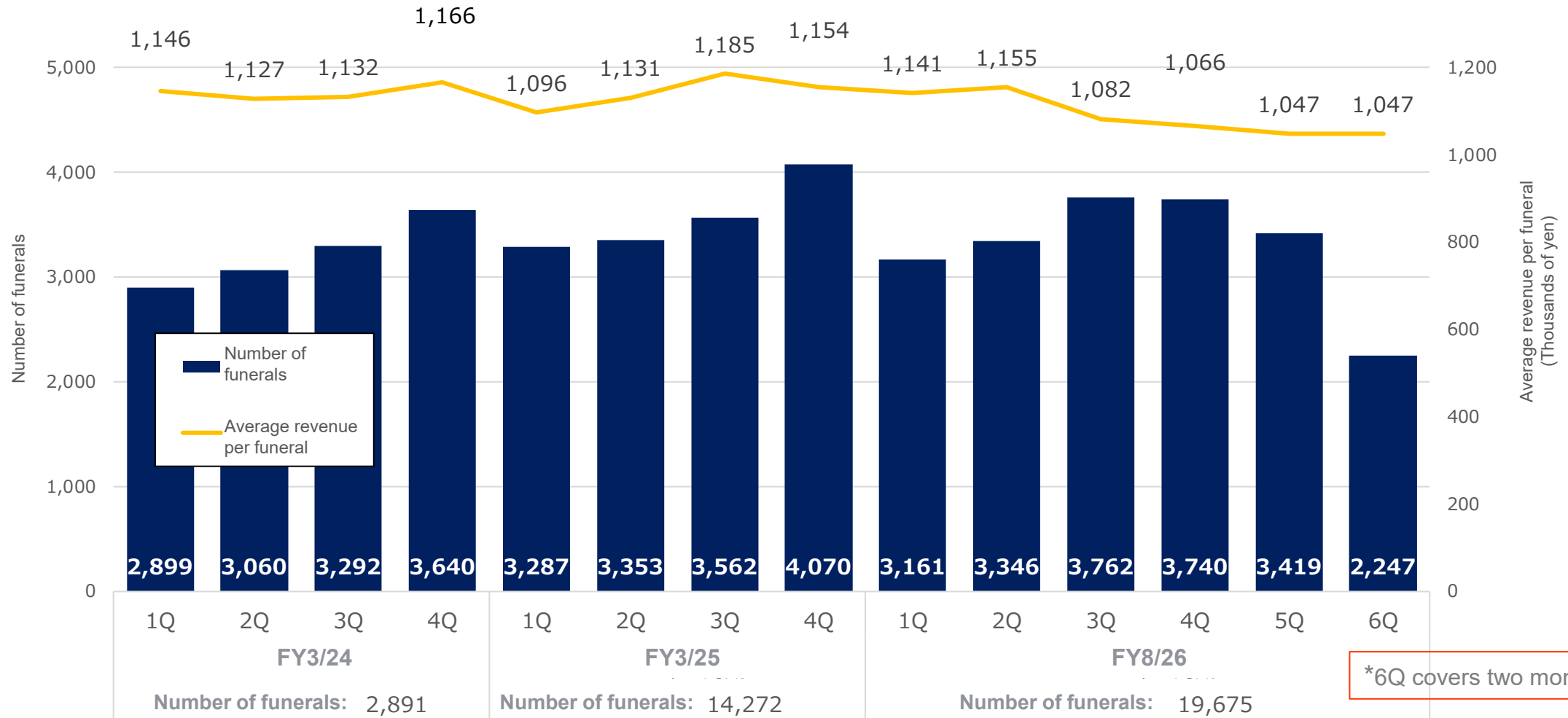
KOEKISHA Group Financial Highlights

- Number of funerals conducted: Remained at approximately the same level as the corresponding period of the previous year by maintaining a competitive advantage, despite a decline in the number of deaths year on year.
- Average revenue per funeral: Declined mainly due to an increase in the proportion of direct cremations (cremation only) in the total number of funerals conducted.

	Past years		FY8/26 (17 months)				
	2024.4~ 2025.3	2025.4~ 2025.8	Full-year results	2025.4~ 2026.3	YoY change	2026.4~ 2026.8	YoY change
	③	④	①	②	②÷③	①—②	(①—②)÷④
Number of funerals	14,272	5,416	19,675	14,009	98.2%	5,666	104.5%
Average revenue per funeral (Thousands of yen)	1,026	1,143	1,091	1,109	97.0%	1,094	91.6%
Segment revenue (Millions of yen)	20,427	7,846	27,381	19,686	96.4%	7,695	98.1%
Segment profit (Millions of yen)	3,091	741	2,826	2,259	73.1%	567	76.5%

KOEKISHA: Number of Funerals and Average Revenue Per Funeral

[Quarterly number of funerals and average revenue per funeral]



Overview of Results for the SOU-SEN Group

- Number of funerals conducted: Decreased due to a decline in the number of deaths in its operating areas. Maintained its competitive advantage.
- Average revenue per funeral: Remained stable, supported by the maintenance of average revenue per general funeral.

	Past years		Full-year results	FY8/26 (17 months)			
	2024.4~ 2025.3	2025.4~ 2025.8		2025.4~ 2026.3	YoY change	2026.4~ 2026.8	YoY change
	③	④		②	②÷③	①—②	(①—②)÷④
Number of funerals	1,638	641	2,221	1,618	98.8%	603	94.1%
Average revenue per funeral (Thousands of yen)	880	885	889	883	100.3%	888	102.1%
Segment revenue (Millions of yen)	1,623	653	2,259	1,631	100.5%	628	96.1%
Segment profit (Millions of yen)	204	56	199	163	79.9%	36	64.5%

Overview of Results for the TARUI Group

- Number of funerals conducted: Decreased due to a decline in the number of deaths in its operating areas. Maintained its competitive advantage.
- Average revenue per funeral: Declined due to an increase in the proportion of direct cremations (cremation only) in the total number of funerals conducted.

	Past years		Full-year results	FY8/26 (17 months)			
	2024.4~ 2025.3	2025.4~ 2025.8		2025.4~ 2026.3	YoY change	2026.4~ 2026.8	YoY change
	③	④		②	②÷③	①－②	(①－②)÷④
Number of funerals	1,851	686	2,505	1,805	97.5%	700	102.0%
Average revenue per funeral (Thousands of yen)	1,054	1,114	1,041	1,050	99.6%	1,027	91.4%
Segment revenue (Millions of yen)	2,113	826	2,849	2,075	98.2%	774	93.7%
Segment profit (Millions of yen)	512	138	456	368	71.9%	88	64.0%

KIZUNA Group Financial Highlights (1)

1 Period Included in Consolidation (Contribution to Results)

- Became a consolidated subsidiary: September 1, 2024. The deemed acquisition date: August 31, 2024.
- Period included in consolidation for the fiscal year ended March 31, 2025: September 2024 to February 2025 (6 months)
- Period included in consolidation for the fiscal year ended August 31, 2026: March 2025 to August 2026 (18 months)

2 Progress of PMI

- Regional characteristics and operational differences among the operating subsidiaries and areas under Kizuna Holdings Corp. are addressed on a case-by-case basis.
- In addition to personnel exchanges with SAN HOLDINGS, the absorption-type merger of Kizuna Holdings Corp. into Famille Corp. has enabled faster decision-making.
- The establishment of a corporate governance structure has been completed.

3 Amortization of Goodwill

- Amortization of goodwill of 1,071 million yen was recorded for the fiscal year ended August 31, 2026.

KIZUNA Group Financial Highlights (2)

Segment profit declined due to an increase in fixed costs associated with opening new locations and the recording of amortization of goodwill of 1,071 million yen.

Profitability was maintained excluding the impact of amortization of goodwill.

	Past years		FY8/26 (17 months)				
	2024.9~ 2025.2	2025.3~ 2025.8	Full-year results	2025.3~ 2026.2	YoY change	2026.3~ 2026.8	YoY change
	③	④	①	②	②÷③	①－②	(①－②)÷④
Included in consolidation since September 2024							
Number of funerals	8,354	7,661	23,326	15,879	-	7,447	97.2%
Average revenue per funeral (Thousands of yen)	860	870	867	865	-	872	100.2%
Segment revenue (Millions of yen)	7,459	6,943	21,061	14,280	-	6,781	97.7%
Segment profit (Millions of yen)	366	92	-86	153	-	-239	-

Overview of Results for the COCOLONET Group (1)

1

Period Included in Consolidation (Contribution to Results)

- Became a consolidated subsidiary: February 1, 2026. The deemed acquisition date: March 31, 2026.
- Period included in consolidation for the fiscal year ended August 31, 2026: April 2026 to August 2026 (5 months)

2

Expansion of Business Results Following Consolidation as a Subsidiary

- Following consolidation as a subsidiary, results contributed for five months (operating revenue of 3,922 million yen and ordinary profit of 285 million yen).

3

Gain on Negative Goodwill

- A gain on negative goodwill of 2,810 million yen was recorded as extraordinary income as a result of the business integration.

Overview of Results for the COCOLONET Group (2)

Results have been included in the consolidated statement of income since April 2026 (5 months).

	Past years		FY8/26 (17 months)				
	2024.4~ 2025.3	2025.4~ 2025.8	Full-year results	2025.4~ 2026.3	YoY change	2026.4~ 2026.8	YoY change
	③	④	①	②	②÷③	①－②	(①－②)÷④
Number of funerals	—	—	1,612	—	—	1,612	—
Average revenue per funeral (Thousands of yen)	—	—	1,195	—	—	1,195	—
Segment revenue (Millions of yen)	—	—	3,922	—	—	3,922	—
Segment profit (Millions of yen)	—	—	265	—	—	265	—

3. Shareholder Distribution Policy

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SAN HOLDINGS, INC.

Shareholder Distribution Policy

[Dividend policy]

Distributing earnings to shareholders is one of our highest priorities. For the dividend, our policy is to maintain or increase dividends in principle without reducing them **with a progressive dividend policy**. Dividends reflect our consolidated performance and financial condition, the need to retain earnings for investments for medium and long-term growth, financial soundness and other applicable factors.

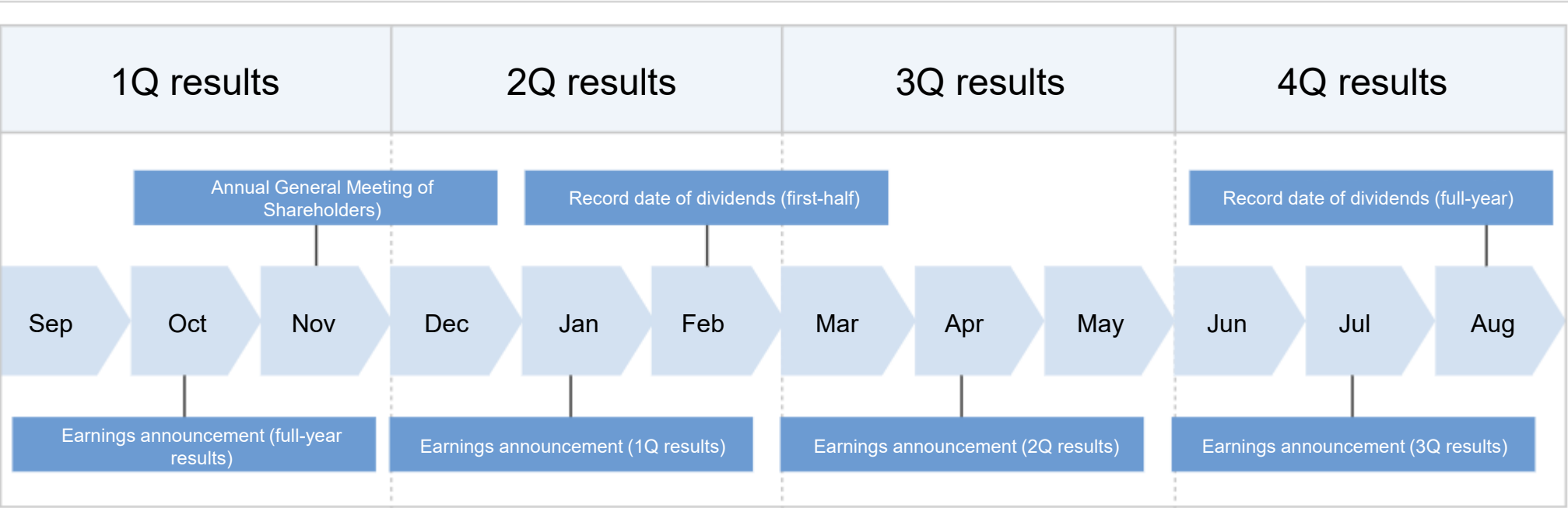
Retained earnings are used mainly for IT systems, M&A and other strategic investments with emphasis on constructing funeral halls. The objective is to use retained earnings for strengthening our business foundation and increasing corporate value.

In addition, we will consider repurchasing stock in a flexible manner that takes into account the stock price and other applicable factors.

IR Schedule for the Fiscal Year Ended August 31, 2026 and Beyond

Dividends from surplus are scheduled to be paid as follows:
Fiscal year ended August 31, 2026: November 2026 (year-end)
Fiscal year ending August 31, 2027: May 2027 (interim), November 2027 (year-end)

Annual IR Schedule (fiscal year ending August 2027 and beyond)



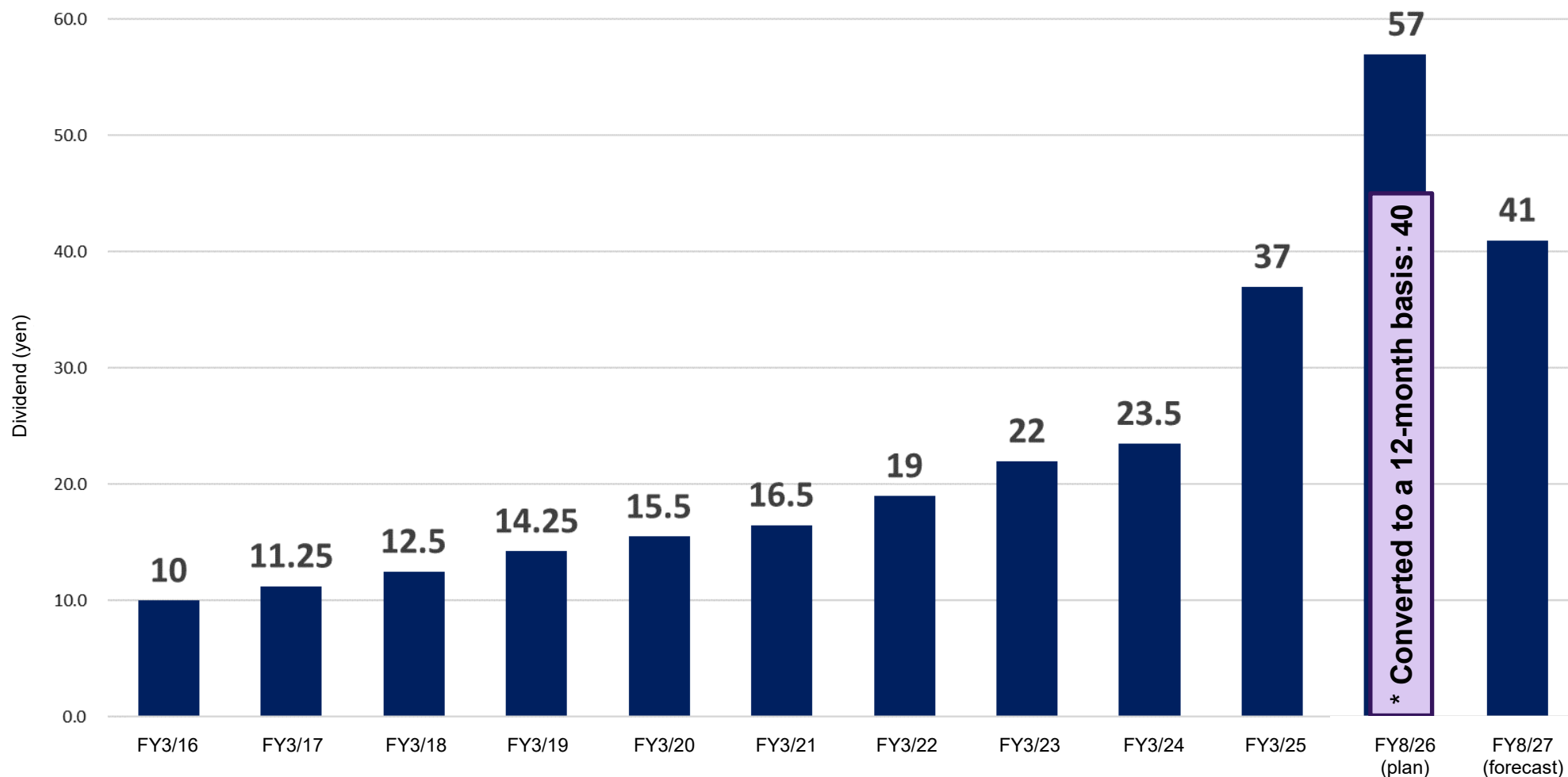
Dividend Forecast

For the fiscal year ending August 31, 2027 (forecast), the annual dividend is expected to be 41 yen per share (interim dividend of 20.5 yen and year-end dividend of 20.5 yen).

(Yen)		FY3/25	FY8/26 (17 months)	*Reference: Converted to a 12- month basis	FY8/27 (forecast)
	Dividend per share (pre-split adjustment)	37.0 (74.0)	57.0 (114.0)	40.0 (80.0)	41.0 (82.0)
	Interim (pre-split adjustment)	12.0 (24.0)	28.5 (57.0)	20.0 (40.0)	20.5 (41.0)
	Year-end (pre-split adjustment)	25.0 (50.0)	28.5 (57.0)	20.0 (40.0)	20.5 (41.0)
Dividend payout ratio (consolidated)		16.0%	27.3%	29.9%	58.4%

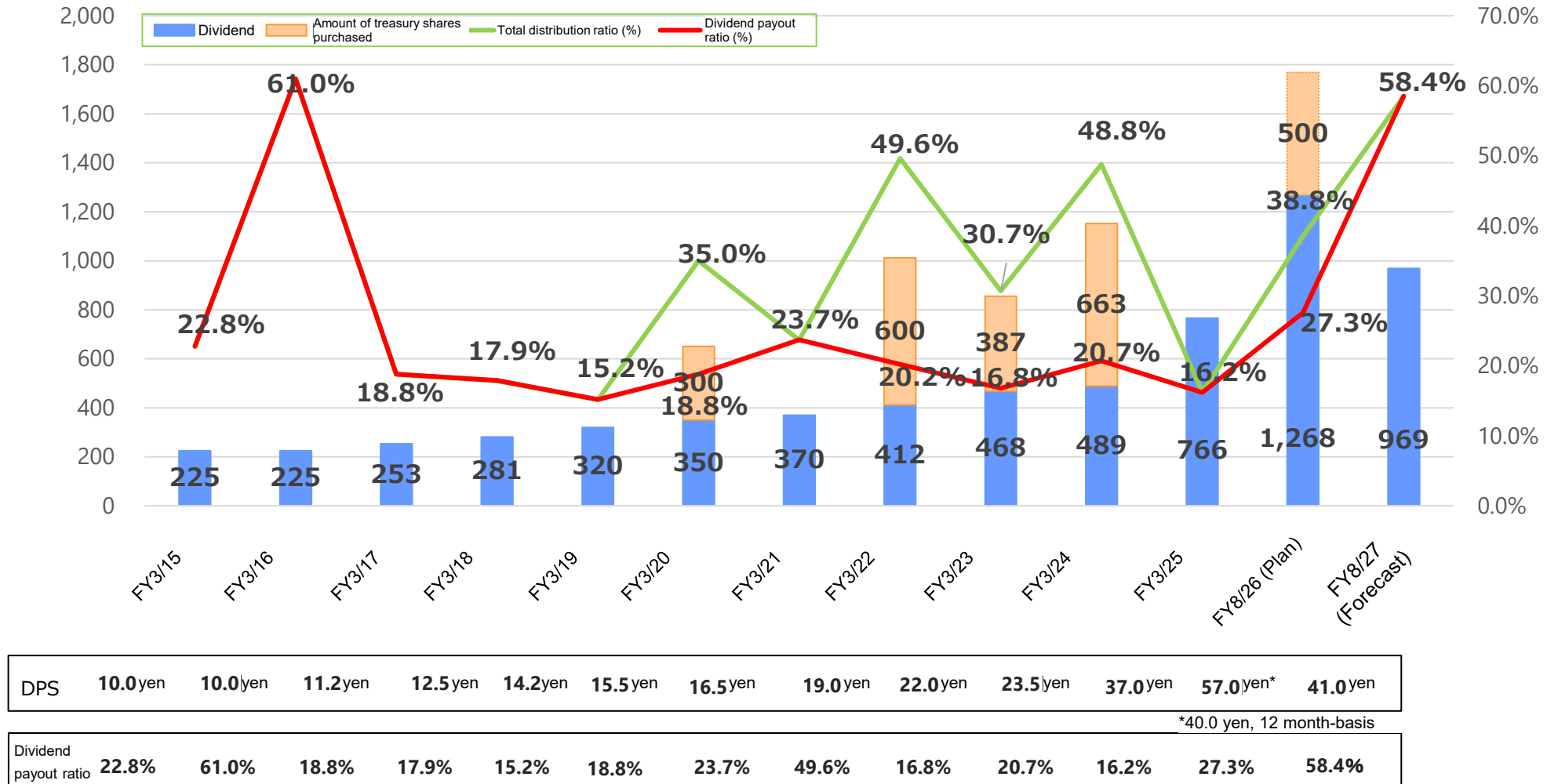
Dividend Forecast

Including the dividend forecast for the fiscal year ending August 31, 2027, this will mark the 11th consecutive year of dividend increases.



Trends in Dividend Payout Ratio and Total Shareholder Return Ratio

The dividend payout ratio for the fiscal year ending August 31, 2027 is expected to be 58.5%.



4.

FY8/27 Forecasts

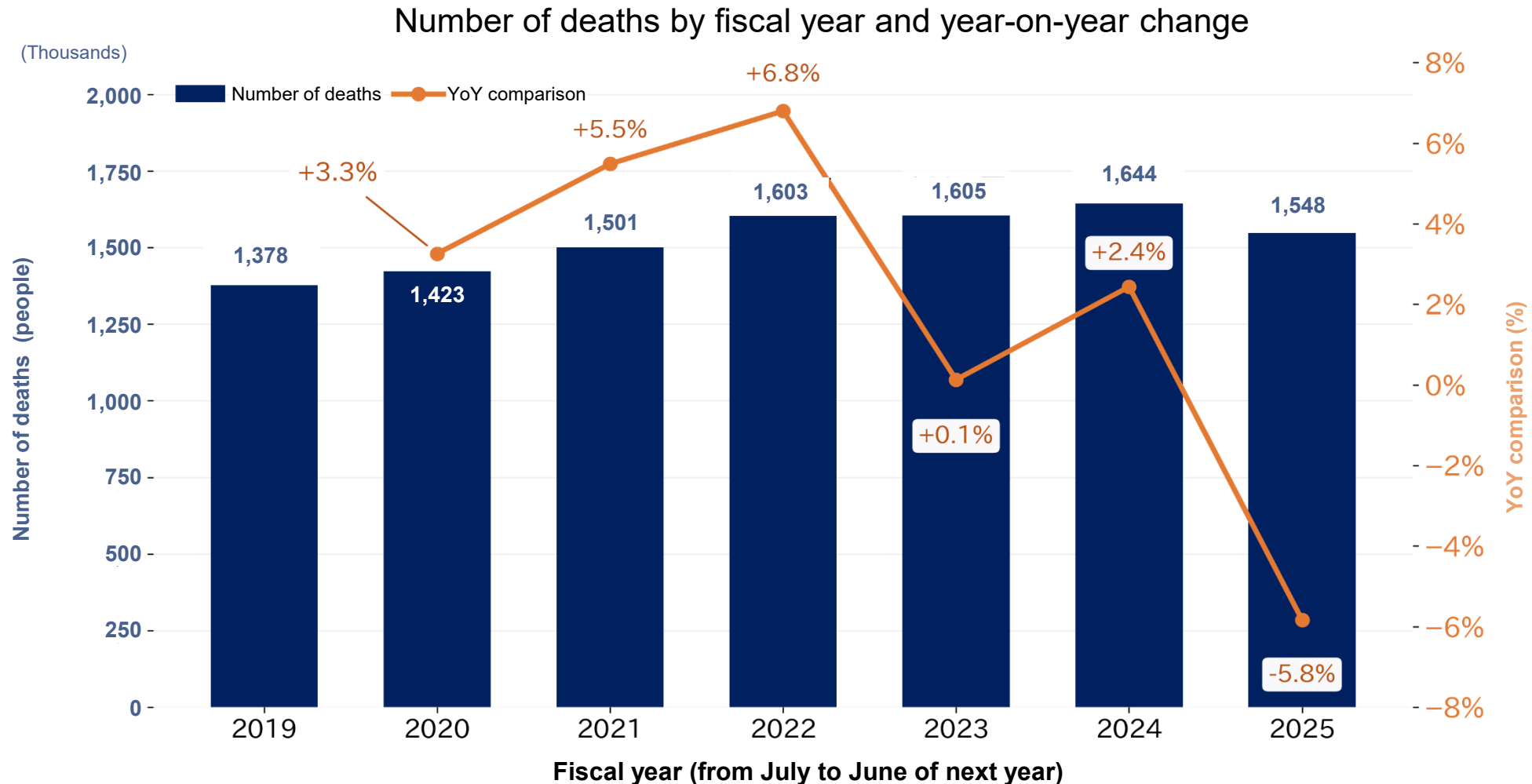
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External Environment (1): Number of Deaths by Fiscal Year and Year-on-Year Change

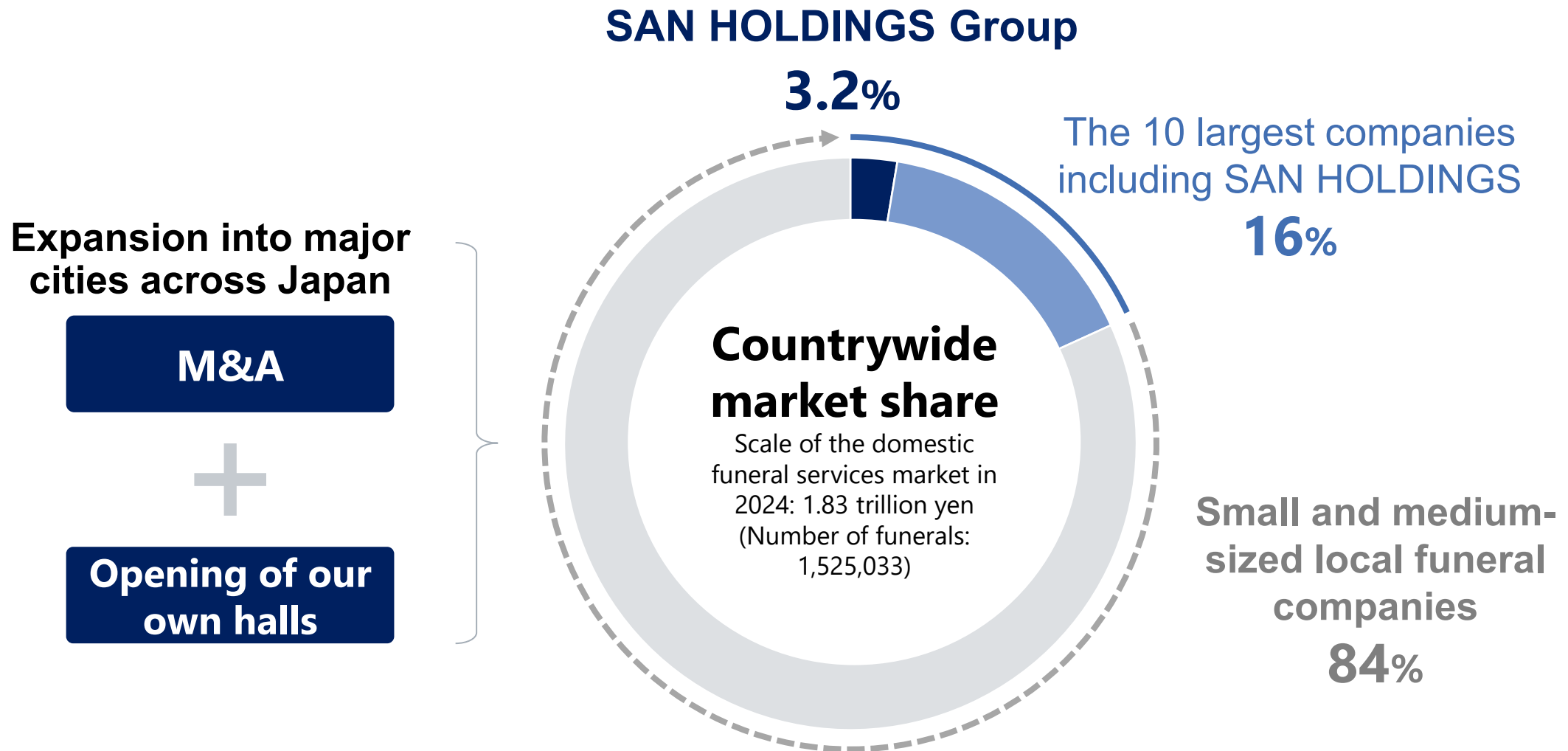
In FY2025, the number of deaths was 1.548 million, a decrease of 5.8% year on year.



Source: Preliminary Vital Statistics, Ministry of Health, Labour and Welfare

External Environment (2): Overview of the Funeral Industry

	Dedicated funeral companies		Mutual aid associations for weddings and funerals	Funeral service agencies
	Large funeral companies	Small and medium-sized local funeral companies		
Characteristics of business models	- National level - Focused on the funeral business	- Local based - Family business - Funeral business	Business related to weddings and funerals carried out by mutual aid associations	Customer acquisition via the Internet or other media Refer clients to funeral companies
Revenue scale of funeral business	Approx. 45 billion yen at our company (the largest company in Japan)	From several tens of millions to several hundred million yen for most companies	Several tens of billion yen for large companies	Several billion yen
Number of companies listed on the Tokyo Stock Exchange Prime Market	1 (our company only)	None	None	1



FY8/27 Forecasts

1 Operating Revenue

- Funeral business: Although the funeral business is affected by fluctuations in the number of deaths, we expect revenue to increase by strengthening efforts to secure more funeral services through opening new locations, marketing initiatives, and sales promotion measures, while minimizing the decline in average revenue per funeral due to the trend toward smaller and simpler funerals. In addition, the results of Cocolonet CO., LTD. will contribute for the full fiscal year.
- End-of-life support business: We aim to achieve business growth by strengthening services from end-of-life planning through post-funeral support, as well as expanding rehabilitation-focused day care services and meal services at senior care facilities.

2 Expenses

- We expect costs associated with opening new locations, mainly rent expenses, as well as recruitment and personnel expenses in preparation for future business growth.
- While the one-time expenses associated with the consolidation of Cocolonet CO., LTD. as a subsidiary will no longer arise, amortization of goodwill related to Kizuna Holdings Corp. will continue.

Business Policies for the Fiscal Year Ending August 31, 2027

1 Top Priority: Strengthening the Business's Earnings Power

- We will accelerate management integration across the Group.

2 Completion of PMI

- We will complete PMI with Kizuna Holdings Corp. and Cocolonet CO., LTD. and translate tangible synergies into earnings.
- Assuming that average revenue per funeral will continue to decline, we aim to redesign our business model to generate stable profits.

3 Further Improvement in Service Quality

- We will introduce NPS (Net Promoter Score) across all Group companies to provide[®] services that deliver the highest levels of customer satisfaction and delight in Japan.

FY8/27 Forecasts

(Millions of yen)

	FY8/26 (17 months)			FY8/27 (12 months)		
	Full-year results	2025.4~2025.8	2025.9~2026.8	Full-year results forecast	YoY change Amount	YoY change %
	①	②	③=①-②	④	④-③	④÷③-100%
Operating revenue	57,756	15,194	42,562	49,100	6,538	15.4%
Operating profit	3,954	1,288	2,666	3,430	764	28.7%
Ordinary profit	3,734	1,233	2,501	3,280	779	31.2%
Profit	4,562	742	3,820	1,650	-2,170	-56.8%
Net income per share (EPS)	208.74 yen	—	—	70.24 yen	—	—