May 13, 2022

SENKO Group Holdings Co., Ltd. Summary of Financial Results for the Fiscal Year Ending March 31, 2022 Forecast of Full Year Operating Results for the Fiscal Year Ending March 31, 2023 New Medium-term Management Plan

Key Points of This Announcement



(1) Financial results for the FY ending March 31, 2022

- Increase in revenue for 19 consecutive FY and in ordinary profit for 13 consecutive FY. (Up ¥50.7 billion in revenue and ¥3.88 billion in ordinary profit)
- Decreased ¥1.9 billion in revenue, increased ¥0.43 billion in operating profit, and increased ¥0.5 billion in ordinary profit in the comparisons announced.
- The year-end dividend forecast has been revised from 15 yen to 17 yen, an increase of 2 yen. (Annual 34 yen)
- (2) Forecast of operating results for the FY ending March 31, 2023
 - Operating revenue of ¥700 billion, operating profit of ¥26.7 billion, and ordinary profit of ¥27.0 billion planned for the full year.

(Increase of ¥76.9 billion in revenue, ¥1.93 billion in operating profit, and ¥0.9 billion in ordinary profit)

- The dividend will be 17 yen at the end of the second quarter and 17 yen at year-end, a 34 yen annual dividend.
- (3) New medium-term management plan
 - We set our basic policy as "We deliver new value to people and society and aim for sustainable growth through the deepening and creation of businesses." and aim to achieve operating revenue of ¥1 trillion and operating profit of ¥45.0 billion.



Section 1

Financial Summary for the Fiscal Year Ending March 31, 2022

1. Summary of Operating Results for the FY Ending March 31, 2022

| | | | | | (Millio | n yen, %) | (Reference) | | | |
|-----------------------------------------------|---------------|-----------|--------------|-----------|---------|------------|-------------|--------------------|----------------------|-------------------|
| | FY 3/202 | FY 3/2021 | | FY 3/2022 | | YoY Change | | Cha | nge | |
| | (Previous FY) | Margin | (Current FY) | Margin | Change | Change % | | July- September | October- December | January- March |
| Operating revenue | 572,405 | _ | 623,139 | _ | 50,733 | 8.9 | 14,771 | 12,541 | 13,533 | 9,888 |
| Operating profit | 21,516 | 3.8 | 24,771 | 4.0 | 3,254 | 15.1 | 1,863 | 200 | 893 | 298 |
| Ordinary profit | 22,227 | 3.9 | 26,103 | 4.2 | 3,876 | 17.4 | 2,183 | 13 | 1,180 | 500 |
| Profit attributable to owners of parent | 14,249 | 2.5 | 15,233 | 2.4 | 984 | 6.9 | 1,081 | 147 | - 177 | - 67 |

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2. Summary of Operating Results for the FY Ending March 31, 2022 [Operating Revenue]

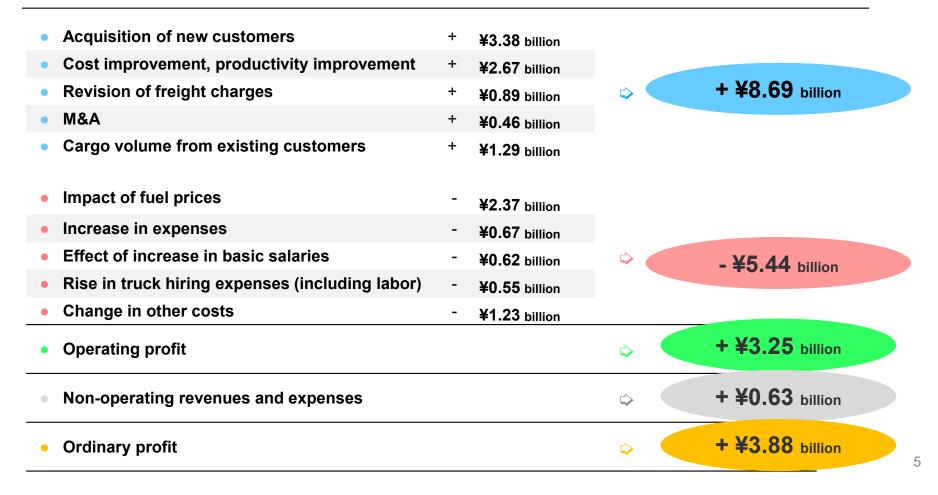


Year-on-year increase in revenue of ¥50.7 billion, 8.9% increase

| ACQUISITION OF NEW CUSTOMERS | + | ¥30.1 BILLION |
|--------------------------------------------------------------------------|---|---------------|
| M&A | + | ¥55.4 BILLION |
| REVISION OF FREIGHT CHARGES | + | ¥0.9 BILLION |
| CARGO VOLUME FROM EXISTING CUSTOMERS | + | ¥9.2 BILLION |
| IMPACT OF APPLYING THE ACCOUNTING STANDARD FOR REVENUE RECOGNITION | - | ¥44.9 BILLION |

3. Summary of Operating Results for the FY Ending March 31, 2022 [Profit] SENKO

Year-on-year increase in ordinary profit of ¥3.88 billion, 17.4% increase



4. Summary of Operating Revenue in Each Business Area for the FY Ending March 31, 2022



| | | | | | | | | | | | m yen, % |
|------------|--------------|-----------------------|----------------------------|-------------------------------------|-------|-------|------------------------------------|-----------------------------------|-----------|--------------------------------------------------------------------|--------------------------|
| | | | | | YoY C | hange | | YoY Cha | angeBreal | kdown | |
| | | | FY 3/2021 (Previous FY) | FY 3/2022 (Current FY) Change | | % | Acquisition of new customers | Revision of freight charges | M&A | Impact of applying the Accounting Standard for Revenue | Cargo volume, etc. |
| | | | 77.0 | 00.0 | 5.0 | 0.4 | | | | Recognition | |
| | | Food logistics | 77.3 | 82.2 | 5.0 | 6.4 | 2.9 | | 0.9 | _ | 1.1 |
| | | Chain store logistics | 79.9 | 83.7 | 3.8 | 4.8 | 4.7 | 0.2 | - | — | - 1.0 |
| | | Fashion logistics | 47.8 | 49.5 | 1.7 | 3.5 | 3.1 | | — | — | - 1.5 |
| | | Others | 23.8 | 40.0 | 16.2 | 68.3 | 2.3 | 0.1 | 15.5 | - 4.5 | 2.9 |
| | Retail | product logistics | 228.7 | 255.4 | 26.7 | 11.7 | 13.0 | 0.2 | 16.4 | - 4.5 | 1.5 |
| | Housi | ng logistics | 58.3 | 61.8 | 3.5 | 6.0 | 2.8 | 0.3 | _ | _ | 0.4 |
| | Chem | icals logistics | 73.5 | 85.9 | 12.4 | 16.9 | 3.6 | 0.3 | 4.6 | 0.2 | 3.7 |
| | Others | 5 | 26.9 | 29.5 | 2.6 | 9.7 | 2.0 | | 0.4 | Ι | 0.2 |
| Log | istics | | 387.4 | 432.5 | 45.2 | 11.7 | 21.5 | 0.9 | 21.4 | - 4.3 | 5.7 |
| Trac | ding & C | Commerce | 161.8 | 153.0 | - 8.8 | - 5.4 | 6.2 | _ | 19.3 | - 39.6 | 5.3 |
| Othe | ers | | 23.2 | 37.6 | 14.3 | 61.6 | 2.4 | _ | 14.8 | - 1.0 | - 1.9 |
| Tota | I | | 572.4 | 623.1 | 50.7 | 8.9 | 30.1 | 0.9 | 55.4 | - 44.9 | 9.2 |
| *Global Io | gistics incl | uded in the above | | | | | | | | | |
| | Logist | ics | 25.2 | 46.4 | 21.1 | 83.7 | | | | | |
| | Tradin | ig & Commerce | 27.9 | 32.3 | 4.4 | 16.0 | | | | | |
| Glo | bal logi | stics | 53.1 | 78.7 | 25.6 | 48.1 | | | | | |
| Con | npositio | n ratio (%) | 9.3% | 12.6% | | | | | | | |

(Billion yen, %)

*Classifications have been revised after reviewing operations of customers as well as newly consolidated companies.

5. Summary of Operating Results by Segment for the FY Ending March 31, 2022 - (1)

(1) Logistics

| | | | (Millio | on yen, %, PT) |
|---------------------------|------------------------|-----------------------------------------|---------|----------------|
| | FY 3/2021 (Previous | FY 3/2022 (Current FY) | ΥοΥ Ο | hange |
| | FY) | 、 , , , , , , , , , , , , , , , , , , , | Change | % |
| Operating revenue | 387,350 | 432,538 | 45,188 | 11.7 |
| Operating profit | 19,398 | 23,013 | 3,615 | 18.6 |
| Operating profit ratio | 5.0 | 5.3 | 0.3 | - |

| T) | (Reference) | | | | | | | | |
|----|-------------|------------|--------------------|----------------------|-------------------|--|--|--|--|
| | | Change | | | | | | | |
| | | April-June | July- September | October- December | January- March | | | | |
| 7 | | 10,959 | 9,512 | 13,451 | 11,266 | | | | |
| 6 | | 2,087 | 236 | 635 | 657 | | | | |
| | | | | | | | | | |

| ▼Main factors of change | (Billion yen) | |
|--------------------------------------------|----------------------|---------------------|
| | Operating revenue | Operating profit |
| Acquisition of new customers | 21.5 | 2.83 |
| M&A | 21.4 | 0.55 |
| Cargo volume from existing customers | 5.7 | 1.75 |
| Cost improvement, productivity improvement | | 2.30 |
| Impact of fuel price difference | | - 2.37 |
| Others | - 3.4 | - 1.44 |
| Total | 45.2 | 3.62 |

Although there was an impact from the rise of fuel prices, while observing a recovery in cargo volume that had declined significantly in the same period of the previous year due to the impact of the COVID-19 pandemic, both sales and profits increased mainly due to the effort to expand sales, improve cost efficiency and improve productivity, as well as M&As that contributed to earnings. 6. Summary of Operating Results by Segment for the FY Ending March 31, 2022 - (2)

(2) Trading & Commerce

| _ | | | | (Millio | on yen, %, PT) | (Reference) | |
|---|------------------------|------------------------|---------------------------|------------|----------------|-------------|------------|
| | | FY 3/2021 (Previous | FY 3/2022 (Current FY) | YoY Change | | | |
| | | FY) | (, | Change | % | April-June | July-Septe |
| | Operating revenue | 161,820 | 153,049 | - 8,770 | - 5.4 | - 1,081 | - 1 |
| | Operating profit | 3,035 | 2,905 | - 130 | - 4.3 | - 38 | |
| | Operating profit ratio | 1.9 | 1.9 | | - | | |

| ▼Main factors of change | Main factors of change | |
|-----------------------------------------------------------------------|------------------------|---------------------|
| | Operating revenue | Operating profit |
| M&A | 19.3 | 0.31 |
| Impact of applying the Accounting Standard for Revenue Recognition | - 39.6 | |
| Changes in existing customers | 5.4 | - 0.47 |
| Acquisition of new customers, etc. | 6.1 | 0.03 |
| Total | - 8.8 | - 0.13 |

Despite the efforts to make the household paper wholesale distributor AZFIT Co.,Ltd. a consolidated subsidiary in April, as well as to expand sales and improve cost efficiency, both sales and profits decreased mainly due to the impact of the adoption of Accounting Standard for Revenue Recognition and increased purchase unit prices in fuel sales.

| <u> </u> | | | | |
|----------|------------|----------------|----------------------|---------------|
| | | Cha | nge | |
| | April-June | July-September | October- December | January-March |
| ŀ | - 1,081 | - 1,443 | - 4,528 | - 1,718 |
| 3 | - 38 | - 51 | - 22 | - 19 |

7. Summary of Operating Results by Segment for the FY Ending March 31, 2022 - (3)

(3) Others

| | | | (Millio | on yen, %, PT) | | (Reference) | 1 | | |
|------------------------|------------------------|---------------------------|---------|----------------|---|-------------|----------------|----------------------|---------------|
| | FY 3/2021 (Previous | FY 3/2022 (Current FY) | YoY C | hange | | | Cha | nge | |
| | FY) | (| Change | % | | April-June | July-September | October- December | January-March |
| Operating revenue | 23,235 | 37,550 | 14,315 | 61.6 | | 4,893 | 4,471 | 4,611 | 340 |
| Operating profit | - 61 | 99 | 161 | - | | - 68 | - 12 | 456 | - 215 |
| Operating profit ratio | - 0.3 | 0.3 | 0.5 | - | - | | | | |

| ▼Main factors of change | e | (Billion yen) |
|--------------------------------------------|----------------------|---------------------|
| | Operating revenue | Operating profit |
| M&A | 14.8 | - 0.40 |
| Impact of COVID-19 | 0.7 | 0.38 |
| Cost improvement, productivity improvement | | 0.11 |
| Others | - 1.2 | 0.07 |
| Total | 14.3 | 0.16 |

Both sales and profits increased mainly due to making the membership-based general wholesale and retail business operator TERAUCHI CO., LTD. a consolidated subsidiary in January 2021, as well as the efforts to expand sales and improve cost efficiency.

8. Summary of Operating Results for the FY Ending March 31, 2022 [Comparison with Plan]



| | (Million yen, ' | | | | | | | | |
|-----------------------------------------------|-----------------|--------|----------|--------|-------------------|-------|--|--|--|
| | FY 3/202 | 2 | FY 3/202 | 2 | Compared to plans | | | | |
| | (Plan) | Margin | (Actual) | Margin | Change | % | | | |
| Operating revenue | 625,000 | _ | 623,139 | _ | - 1,861 | - 0.3 | | | |
| Operating profit | 25,200 | 4.0 | 24,771 | 4.0 | - 429 | - 1.7 | | | |
| Ordinary profit | 25,600 | 4.1 | 26,103 | 4.2 | 503 | 2.0 | | | |
| Profit attributable to owners of parent | 14,800 | 2.4 | 15,233 | 2.4 | 433 | 2.9 | | | |

(Million ven, %)

9. Summary of Forecast of Operating Results by Segment [Comparison with Plan]

Compared to plans FY 3/2022 FY 3/2022 (Plan) (Actual) % Change 427,660 432,538 4,878 1.1 **Operating revenue** Logistics 22,810 23,013 203 0.9 **Operating profit** 5.3 Operating profit ratio 5.3 **Trading &** 158,060 153,049 - 5,011 - 3.2 **Operating revenue** Commerce Operating profit 3,060 2,905 - 155 - 5.1 Operating profit ratio 1.9 1.9 39,280 37,550 - 1,730 Others **Operating revenue** - 4.4 240 - 141 - 58.8 **Operating profit** 99 Operating profit ratio 0.6 0.3 - 0.3

(Million yen, %, PT)

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10. Consolidated Balance Sheet for the FY Ending March 31, 2022



| | | | | | (Billion yen) | |
|-----------------------------------------|--------|--------------------------|---------------------------------|------------------------------------------------------------|---------------|-----------------------------------|
| Assets Section | | | Liabilities, Net Assets Section | | | |
| Current FY | Change | Description | Current FY | | Change | Description |
| Total current assets | | | Т | otal current liabilities | | |
| 171.03 | 7.14 | | | 137.65 | 3.93 | |
| Cash and bank deposits | -7.44 | | | Notes and operating accounts payable | 6.29 | |
| Notes, operating accounts | 9.20 | | | Corporate bonds scheduled to be redeemed within one year | - 7.09 | |
| receivable and contract assets | 3.20 | | | Convertible bonds scheduled to be redeemed within one year | - 10.01 | |
| Electronically recorded monetary claims | 1.02 | | | Short-term loans | 14.30 | |
| Goods and products | 1.19 | | | Others | 0.44 | |
| Others | 3.16 | | | | | |
| Total fixed assets | | | Т | otal long-term liabilities | | |
| 309.45 | 37.28 | | | 182.18 | 24.24 | |
| Tangible fixed assets* | | | | Corporate bonds | 9.98 | |
| Buildings and structures | 10.89 | *Main capital investment | | Long-term loans | 11.86 | |
| Land | 8.68 | Gifu Hashima PD Center | | Long-term lease obligations | 1.09 | |
| Others | 2.50 | Sennan PD Center | | Deferred tax liabilities | 1.32 | |
| Intangible fixed assets | 5.71 | Saitama PD Center | | Others | 1.71 | |
| Investments and other assets | | Wangan Yatomi PD Center | | Total liabilities 319.83 | 29.88 | |
| Investment securities | 0.56 | | | Total net assets 160.66 | 14.54 | *Equity ratio |
| Assets related to retirement benefits | 2.23 | | | Capital 28.48 | 1.92 | (At the end of previous FY) 30.9% |
| Guarantee deposits | 1.30 | | | Additional paid-in capita 31.55 | 1.74 | (At the end of current FY) 30.6% |
| Others | 5.39 | | | Retained earnings 91.74 | 10.53 | |
| | | | | Treasury stock - 8.16 | - 3.52 | |
| Total deferred assets | | | | Non-controlling shareholders' equity, etc. 17.05 | 3.88 | |
| 0.00 | 0.00 | | | | | |
| Total assets | | | | Total liabilities and net assets | | |
| 480.49 | 44.42 | | | 480.49 | 44.42 | |

| Interest-bearing debt | | *Net D/E | ratio |
|-----------------------|-------|--------------------------------|------------|
| 185.19 | 19.00 | (At the end of previous FY) | 0.84 times |
| | | (At the end of current FY) | 0.95 times |

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11. Consolidated Cash Flow Statement for the FY Ending March 31, 2022

| | | (Billion yen) |
|-----------------------------------------|-------------|---------------|
| | Previous FY | Current FY |
| Cash flows from operating activities | 31.86 | 31.89 |
| Cash flows from investing activities | - 46.31 | - 46.14 |
| Cash flows from financing activities | 36.76 | 5.77 |
| Cash and cash equivalents, at end of FY | 50.37 | 42.19 |

Main details of the current FY

SENKO

| Net income before income taxes and others | 24.78 |
|-------------------------------------------|---------|
| Depreciation and amortization | r 19.82 |
| Increase in trade receivables | - 5.12 |
| Increase in accrued liabilities | 3.65 |
| Income taxes paid | - 9.32 |
| Etc. | |

| Acquisition of tangible fixed asse | - 30.31 |
|--------------------------------------------------------|---------|
| Payment of capital investments in associated companies | - 5.67 |
| Acquisition of subsidiary shares | - 8.84 |
| Etc. | |

| Increase in loans | 23.20 |
|-------------------------------------------------------------|---------|
| Repayments of lease obligations | - 5.36 |
| Issuing of corporate bonds Redemption of corporate bonds | 10.00 |
| Redemption of corporate bonds | - 13.23 |
| Acquisition of treasury sto | - 3.63 |
| Dividend payment | - 4.70 |
| Etc. | |



Section 2

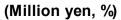
Forecast of Full Year Operating Results for the Fiscal Year Ending March 31, 2023

1. Forecast of Operating Results for the FY Ending March 31, 2023 [Full Year]



| | | | | | (Mil | lion yen, %) |
|-----------------------------------------|-----------|--------|-----------|--------|------------|--------------|
| | FY 3/2022 | | FY 3/2023 | | YoY Change | |
| | (Actual) | Margin | (Plan) | Margin | Change | % |
| Operating revenue | 623,139 | _ | 700,000 | _ | 76,861 | 12.3 |
| Operating profit | 24,771 | 4.0 | 26,700 | 3.8 | 1,929 | 7.8 |
| Ordinary profit | 26,103 | 4.2 | 27,000 | 3.9 | 897 | 3.4 |
| Profit attributable to owners of parent | 15,233 | 2.4 | 16,000 | 2.3 | 767 | 5.0 |

2. Forecast of Operating Results for the FY Ending March 31, 2023 [First Half : Second Half]



SENKO

| | FY 3/2023 | | | | YoY C | hange | | |
|-----------------------------------------------|-----------|--------|-------------|--------|------------|-------|-------------|------|
| | First ha | alf | Second half | | First half | | Second half | |
| | (Plan) | Margin | (Plan) | Margin | Change | % | Change | % |
| Operating revenue | 337,000 | — | 363,000 | _ | 36,238 | 12.0 | 40,623 | 12.6 |
| Operating profit | 12,500 | 3.7 | 14,200 | 3.9 | 795 | 6.8 | 1,134 | 8.7 |
| Ordinary profit | 12,600 | 3.7 | 14,400 | 4.0 | 636 | 5.3 | 261 | 1.8 |
| Profit attributable to owners of parent | 7,500 | 2.2 | 8,500 | 2.3 | 545 | 7.8 | 222 | 2.7 |

| 3. Summary of Forecast of Operating Results for the FY Ending March | SENKO |
|---------------------------------------------------------------------|-------|
| 31, 2023 [Operating Revenue] | SENNU |

Year-on-year increase in revenue of ¥76.9 billion, 12.3% increase

| ACQUISITION OF NEW CUSTOMERS | + | ¥30.3 BILLION |
|------------------------------------------------------|---|---------------|
| M&A | + | ¥36.7 BILLION |
| REVISION OF FREIGHT CHARGES | + | ¥1.0 BILLION |
| • CARGO VOLUME FROM EXISTING CUSTOMERS | + | ¥8.9 BILLION |

4. Summary of Forecast of Operating Results for the FY Ending March 31, 2023 [Profit]



Acquisition of new customers ¥3.61_{billion} + **Revision of freight charges** + ¥0.99_{billion} Cost improvement, productivity improvement + ¥0.88_{billion} \Rightarrow + ¥6.68 billion M&A + ¥0.41_{billion} Cargo volume from existing customers + ¥0.79_{billion} Effect of increase in basic salaries and personnel system reform ¥1.52_{billion} Impact of fuel prices ¥0.87_{billion} - ¥4.75 billion Increase in expenses **¥0.74**_{billion} **Rise in truck hiring expenses** (including labor) ¥0.48_{billion} Change in other costs ¥1.14_{billion} + ¥1.93 billion Operating profit \Box - ¥1.03 billion Non-operating revenues and expenses \sim + ¥0.90 billion **Ordinary profit** \diamond 18

Year-on-year increase in ordinary profit of ¥0.90 billion, 3.4% increase

5. Logistic Centers Operating This FY (1)

FY 2022

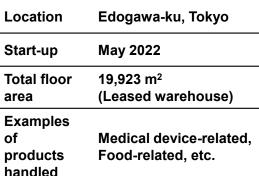
Sennan PD Center

| Location | Sennan City, Osaka |
|---------------------------------------|-------------------------------------|
| Start-up | March 2022 |
| Total floor area | 33,955 m² (In-house development) |
| Examples of products handled | Apparel manufacturers, etc. |



Sendai North PD Center

| Location | Rifu-cho, Miyagi | |
|---------------------------------------|---------------------------------------------|----------------|
| Start-up | April 2022 | and the second |
| Total floor area | 21,752 m ² (Leased warehouse) | |
| Examples of products handled | Drug stores, Mass retailers, etc. | |







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Saitama PD Center

| ay 2022 | riimm |
|------------------------------|-------|
|),923 m² eased warehouse) | |
| | |

Saitama City, Saitama

(In-house development)

Center dedicated for

EC business operators

April 2022

27, 047 m²

Location

Start-up

area

of

Total floor

Examples

products

handled

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6. Logistic Centers Operating This FY (2)

SENKO

West Kanto Logistics Center

Keiyo PD Center

FY 2022

Sapporo Center of Across Transport

| Location | Kitahiroshima City, Hokkaido |
|------------------------------------|---------------------------------|
| Start-up | July 2022 |
| Total floor area | 13,197 m² (Leased warehouse) |
| Examples of products handled | Apparel manufacturers |



| Location | Ayase City, Kanagawa |
|------------------------------------|-------------------------------------|
| Start-up | August 2022 |
| Total floor area | 53,860 m² (Leased warehouse) |
| Examples of products handled | Dedicated center for drug stores |



West Kobe No. 2 PD Center

| Location | Kobe City, Hyogo | |
|------------------------------------|---------------------------------------|--|
| Start-up | December 2022 | |
| Total floor area | 18,275 m² (Leased warehouse) | |
| Examples of products handled | Housing equipment manufacturers, etc. | |

| Location | Ichihara City, Chiba |
|------------------------------------|------------------------------------------------------|
| Start-up | January 2023 |
| Total floor area | 29,509 m² |
| Examples of products handled | Resin and petrochemistry product manufacturers, etc. |



7. Promotion of M&As

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| | Company name | Business details | Consolidation date (P/L) |
|---------------------------|---------------------------|----------------------------------------------------------------------------------------------------------|--------------------------------|
| | Air Road Pty Ltd. | Within Australia Freight vehicle transportation business/Warehousing business | From October 2021 |
| Logistics Air Planners | | Located in Singapore International air and sea transport | From July 2022 tentative |
| Trading & Commerce | Cartas Co., Ltd. | Household paper wholesale | From April 2022 |
| Life Support Business | Dia Cleaning Co., Ltd. | Dry cleaning business Coin-operated laundry business | From January 2022 |
| | OG Sports Co., Ltd. | Fitness business | From October 2022 tentative |
| Business Support Business | Self Grow Inc. | Temporary staffing business for foreign nationals Supervision and training of technical interns | From January 2022 |
| | Kyoudou Project Co., Ltd. | Temporary staffing business for foreign nationals | From July 2022 tentative |

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8. Change of Segmental Accounting Standard

© To unify business management inside and outside of the company, our segmental accounting standard has been changed in FY 2022 as follows.

(Old)

Revenue per business of each business company is classified and aggregated into 3 segments

| (Billion yen) | | | | | |
|--------------------|-----------------------|--------|------|--|--|
| | Actual of FY 3/2022 | | | | |
| | Operating Operating % | | | | |
| Logistics | 432.54 | 23.01 | 5.3% | | |
| Trading & Commerce | 153.05 | 2.91 | 1.9% | | |
| Others | 37.55 | 0.10 | 0.3% | | |
| Adjustment Amount | | - 1.25 | | | |
| Total | 623.14 | 24.77 | 4.0% | | |

*Cost related to M&A is recorded in each segment

(Example)

Revenue of maintenance business in a land transportation company is recorded in Others, and revenue of pallet manufacturing and sales is recorded in Trading & Commerce, and so on (New)

(New-Old)

SENKO

Total revenue of each business company is recorded in one of 4 segments

| | | (| Billion yen) | | (E | Billion yen |
|---------------------------|----------------------|---------------------|--------------|----------------------|---------------------|-------------|
| | Calculated | d figures of | FY 3/2022 | | Change | |
| | Operating revenue | Operating profit | % | Operating revenue | Operating profit | РТ |
| Logistics | 440.56 | 23.81 | 5.4% | 8.02 | 0.80 | 0.1 |
| Trading & Commerce | 146.13 | 2.48 | 1.7% | - 6.92 | - 0.43 | - 0.2 |
| Life Support Business | 28.80 | - 0.68 | -2.4% | - 1.10 | - 0.14 | |
| Business Support Business | 7.65 | 0.64 | 8.4% | - 1.10 | - 0.14 | |
| Adjustment Amount | | - 1.48 | | | - 0.23 | |
| Total | 623.14 | 24.77 | 4.0% | | | |

*Cost related to M&A is recorded as common expense in Adjustment Amount

*We are currently working on improving our accounting system. Because of that, the confirmation of figures in financial results of this year and the previous year under the new segmental accounting standard will be made when we announce the financial results of Q1 in FY 3/2023. The above-mentioned figures are approximate ones.

9. Summary of Forecast of Operating Results by Segment (1) SENKO

(1) Logistics

| *Chan | *Change of segmental accounting standard is currently underway. (Billion yen, %, P | | | | | |
|-------------------|------------------------------------------------------------------------------------|-----------|-----------|------------|------|--|
| | | FY 3/2022 | FY 3/2023 | YoY Change | | |
| | | (Actual) | (Plan) | Change | % | |
| enu | Domestic logistics | 321.69 | 336.25 | 14.56 | 4.5 | |
| rever | Cold chain logistics | 58.23 | 61.02 | 2.80 | 4.8 | |
| Operating revenue | International logistics | 36.58 | 53.72 | 17.14 | 46.9 | |
| | Maritime transport | 24.06 | 27.55 | 3.49 | 14.5 | |
| | Total | 440.56 | 478.54 | 37.98 8 | | |
| Opera | ting profit | 23.81 | 25.11 | l 1.30 | | |
| Opera | ting profit ratio | 5.4 | 5.2 | - 0.2 | | |

| | Operating revenue | Operating profit |
|------------------------------------------------------------------|-------------------|------------------|
| Acquisition of new customers | 28.10 | 3.46 |
| M&A | 11.40 | 0.67 |
| Revision of freight charges | 1.00 | 0.99 |
| Cost improvement, productivity improvement | | 0.88 |
| Effect of increase in basic salaries and personnel system reform | | - 1.52 |
| Impact of fuel price difference | | - 0.87 |
| Increase in expenses | | - 0.67 |
| Rise in truck hiring expenses (including labor) | | - 0.48 |
| Change in other costs | | - 0.80 |
| Cargo volume from existing customers, etc. | - 2.50 | - 0.36 |
| Total | 38.00 | 1.30 |

▼Main factors of change

- (Domestic logistics) Consists of 52 companies such as SENKO Co., Ltd.
- (Cold chain logistics) Consists of 4 companies such as Runtec Corporation
- (International logistics) Consists of 34 companies in and out of Japan such as Senko Forwarding Co., Ltd.

(Maritime transport) Consists of 12 companies such as Nippon Marine Co., Ltd.

(Billion yen)

10. Summary of Forecast of Operating Results by Segment (2) SENKO

(2) Trading & Commerce

| *Change of segmental accounting standard is currently underway. (Billion yen, % | | | | | |
|---------------------------------------------------------------------------------|-------------------------------|-----------|-----------|------------|------|
| | | FY 3/2022 | FY 3/2023 | YoY Change | |
| | | (Actual) | (Plan) | Change | % |
| anı | Trading & commerce & sales | 45.54 | 49.67 | 4.13 | 9.1 |
| j revenue | Household paper wholesale | 81.80 | 101.54 | 19.73 | 24.1 |
| Operating | International trade | 18.79 | 20.00 | 1.21 | 6.4 |
| opé | Total | 146.13 | 171.20 | 25.07 | 17.2 |
| Opera | ting profit | 2.48 | 2.66 | 0.18 7 | |
| Opera | ting profit ratio | 1.7 | 1.6 | - 0.1 | |

| ▼Main factors of change | | (Billion yen) |
|--------------------------------------|----------------------|------------------|
| | Operating revenue | Operating profit |
| M&A | 15.80 | - 0.10 |
| Cargo volume from existing customers | 7.80 | 0.40 |
| Others | 1.50 | - 0.12 |
| Total | 25.10 | 0.18 |

(Trading & commerce & sales) Consists of 12 companies such as Smilecorp Co., Ltd.

(Household paper wholesale) Consists of 3 companies such as Ast Corporation

(International trade) Consists of only SENKO International Trading Co., Ltd.

11. Summary of Forecast of Operating Results by Segment (3) **SENKO**

(3) Life Support Business

| *Change of segmental accoun | (Bill | ion yen, %, PT) | | |
|-----------------------------|-----------|-----------------|--------|-------|
| | FY 3/2022 | FY 3/2023 | ΥοΥ Ο | hange |
| | (Actual) | (Plan) | Change | % |
| Operating revenue | 28.80 | 40.88 | 12.08 | 41.9 |
| Operating profit | - 0.68 | 0.28 | 0.96 | - |
| Operating profit ratio | - 2.4 | 0.7 | 3.1 | |

| ▼Main factors of change | | (Billion yen) |
|--------------------------------------------|----------------------|------------------|
| | Operating revenue | Operating profit |
| M&A | 7.90 | 0.22 |
| Cargo volume from existing customers, etc. | 4.20 | 0.74 |
| Total | 12.10 | 0.96 |

Consists of 10 companies comprising: 3 companies such as Venus Corporation in health area; 4 companies such as TERAUCHI CO., LTD. in life area; 3 companies such as Life Eat Co., Ltd. in food area 12. Summary of Forecast of Operating Results by Segment (4) **SENKO**

(4) Business Support Business

| *Change of segmental accoun | (Bill | lion yen, %, PT) | | |
|-----------------------------|-----------------|------------------|--------|-------|
| | FY 3/2022 | FY 3/2023 | ΥοΥ Ο | hange |
| | (Actual) (Plan) | | Change | % |
| Operating revenue | 7.65 | 9.38 | 1.73 | 22.6 |
| Operating profit | 0.64 | 0.51 | - 0.13 | -20.3 |
| Operating profit ratio | 8.4 | 5.4 | - 3.0 | |

Consists of 15 companies in businesses such as real estate, information and staffing

| ▼Main factors of change | | (Billion yen) | | |
|--------------------------------------------|-------------------|------------------|--|--|
| | Operating revenue | Operating profit | | |
| M&A | 1.60 | 0.05 | | |
| Cargo volume from existing customers, etc. | 0.10 | - 0.18 | | |
| Total | 1.70 | - 0.13 | | |

13. Forecast of Operating Revenue in Each Business Area for the FY Ending March 31, 2023 [Full Year]



| *Chang | *Change of segmental accounting standard is currently underway. (Billion yen, %) | | | | | | | | | |
|---------|----------------------------------------------------------------------------------|--------------------------|-----------------------|---------------------|-------------------------|------|-----------|------------------------|----------|------------------|
| | | | | | YoY Change YoY ChangeBr | | | | Breakdow | n |
| | | | FY 3/2022 (Actual) | FY 3/2023 (Plan) | 101 0 | | | Revision of freight | M&A | Cargo volume, |
| | | | | | Change | % | customers | charges | | etc. |
| | | Food logistics | 82.2 | 85.7 | 3.5 | 4.2 | 3.4 | | 0.3 | - 0.2 |
| | | Chain store logistics | 83.7 | 93.8 | 10.1 | 12.0 | 6.5 | 0.1 | 3.7 | - 0.2 |
| | | Fashion logistics | 49.5 | 54.5 | 5.0 | 10.1 | 7.2 | 0.1 | _ | - 2.3 |
| | | Others | 39.8 | 45.8 | 6.0 | 15.0 | 2.4 | | 4.6 | - 1.1 |
| | Retail | product logistics | 255.2 | 279.7 | 24.5 | 9.6 | 19.5 | 0.2 | 8.6 | - 3.9 |
| | Housi | ng logistics | 61.7 | 63.6 | 1.9 | 3.0 | 2.0 | 0.4 | — | - 0.5 |
| | Chemi | icals logistics | 84.8 | 92.1 | 7.3 | 8.6 | 4.2 | 0.3 | 2.0 | 0.9 |
| | Others | s, etc. | 38.8 | 43.1 | 4.3 | 11.1 | 2.5 | 0.1 | 0.8 | 0.9 |
| | Lo | ogistics | 440.6 | 478.5 | 38.0 | 8.6 | 28.1 | 1.0 | 11.4 | - 2.6 |
| Tra | ading & C | Commerce | 146.1 | 171.2 | 25.1 | 17.2 | 1.5 | — | 15.8 | 7.8 |
| Lif | e Suppor | rt Business | 28.8 | 40.9 | 12.1 | 22.6 | _ | — | 7.8 | 4.2 |
| Bu | siness S | upport Business | 7.7 | 9.4 | 1.7 | 22.6 | 0.7 | — | 1.6 | - 0.6 |
| Tot | Total | | 623.1 | 700.0 | 76.9 | 12.3 | 30.3 | 1.0 | 36.7 | 8.9 |
| *Global | Global logistics included in the above | | | | | | | | | |
| | Logi | stics | 43.6 | 60.0 | 16.5 | 37.8 | | | | |
| | Trad | ing & Commerce | 32.1 | 31.3 | - 0.8 | -2.4 | | | | |
| Glo | obal logi | stics | 75.6 | 91.3 | 15.7 | 20.8 | | | | |

13.0%

12.1% *Classifications have been revised after reviewing operations of customers as well as newly consolidated companies.

Composition ratio (%)

14. Dividends

SENKO

Changes in cash dividend per share (¥/share) and dividend payout



15. Capital Investment Plan for the FY Ending March 31, 2023 SENKO

| (1) Capital investment plan | | | | | |
|-----------------------------|--|--|--|--|--|
| | | | | | |

| | FY 3/2018 | FY 3/2019 | FY 3/2020 | FY 3/2021 | FY 3/2022 | SIP21 | FY 3/2023 |
|--------------|-----------|-----------|-----------|-----------|-----------|-------------|-----------|
| | (Actual) | (Actual) | (Actual) | (Actual) | (Actual) | 5-year plan | (Plan) |
| Consolidated | 37,625 | 21,227 | 18,205 | 33,322 | 31,868 | 142,247 | 36,004 |

(Million ven)

*Includes capital investment deposits

Breakdown of capital investment amount (plan) for FY 3/2023

| | FY 3/2023 | FY 3/2023 General capital investment amount (plan) | | | | | | |
|--------------|-----------|----------------------------------------------------------------|---------------------------|-----------------------------------------------------|--------|--|--|--|
| | Vehicles | Cargo-handling equipment and other production facilities | Large-scale facilities | Non-production facilities (EDP-related, etc.) | Total | | | |
| Consolidated | 6,407 | 5,304 | 22,311 | 1,982 | 36,004 | | | |

(2) Depreciation and amortization

(Million yen) FY 3/2019 FY 3/2020 FY 3/2021 FY 3/2022 FY 3/2023 FY 3/2018 (Actual) (Actual) (Actual) (Actual) (Actual) (Plan) Consolidated 12,439 14,334 15,565 17,419 19,817 21,304

29

(Million yen)



Section 3

New Medium-term Management Plan

1. Review of the previous medium-term management plan (1) SENKO

[Main Medium-term Management Targets]

| | | FY 3/2017 | FY 3/ | 2022 | Cha | Change | | |
|------------------------------------------------|------------------------|------------|-------------------------|------------|---------|---------|--|--|
| | | (1) Actual | (2) Mid-term targets | (3) Actual | (3)-(1) | (3)-(2) | | |
| Operating revenue | Billion yen | 455.40 | 700.00 | 668.10 | 212.60 | - 31.90 | | |
| | | | | | 46.7% | | | |
| Operating profit | Billion yen | 17.08 | 28.00 | 24.77 | 7.69 | - 3.23 | | |
| | | | | | 45.0% | | | |
| Operating profit ratio | % | 3.8 | 4.0 | 3.7 | -0.1 | -0.3 | | |
| Logistics center storage area | million m ² | 3.22 | 4.00 | 4.06 | 0.84 | 0.06 | | |
| Number of in-house vehicles (trailer heads) | Vehicles | 4,426 | 6,700 | 6,727 | 2,301 | 27 | | |
| ROE | % | 9.5 | 10.5 | 10.8 | 1.3 | 0.3 | | |
| Net D/E ratio | Times | 0.58 | 0.64 | 0.95 | 0.37 | 0.31 | | |
| Equity ratio | % | 35.1 | 40.2 | 30.6 | -4.5 | -9.6 | | |

*The actual figures for the FY ending March 31, 2022 are the figures before the application of the accounting standard for revenue recognition.

2. Review of the previous medium-term management plan (2) SENKO

[Targets by Segment]

(Billion yen, %, PT)

| | | FY 3/2017 | FY 3/ | FY 3/2022 Change | | | | |
|-----------------------|------------------------|------------|-------------------------|------------------|--|---------|-------|---------|
| | | (1) Actual | (2) Mid-term targets | (3) Actual | | (3)-(1) | % | (3)-(2) |
| | Operating revenue | 318.00 | 455.00 | 436.84 | | 118.90 | 37.4 | - 18.20 |
| Logistics | Operating profit | 13.42 | 20.03 | 23.01 | | 9.59 | 71.5 | 2.98 |
| | Operating profit ratio | 4.2 | 4.4 | 5.3 | | 1.1 | _ | 0.9 |
| | Operating revenue | 132.90 | 185.00 | 192.70 | | 59.80 | 45.0 | 7.70 |
| Trading & Commerce | Operating profit | 3.21 | 4.80 | 2.91 | | - 0.30 | -9.5 | - 1.90 |
| | Operating profit ratio | 2.4 | 2.6 | 1.5 | | - 0.9 | _ | - 1.1 |
| | Operating revenue | 4.60 | 60.00 | 38.50 | | 34.00 | 741.0 | - 21.50 |
| Others | Operating profit | 0.87 | 3.47 | 0.10 | | - 0.77 | -88.6 | - 3.37 |
| | Operating profit ratio | 19.0 | 5.8 | 0.3 | | - 18.7 | _ | - 5.5 |

*The actual figures for the FY ending March 31, 2022 are the figures before the application of the accounting standard for revenue recognition.



Medium-term management plan for the period from FY 2022 to FY 2026

1. Basic Policy



We deliver new value to people and society and aim for sustainable growth through the deepening and creation of businesses.

2. Important Tasks



- **1. Expansion and deepening of existing businesses**
- 2. Creation and development of growing businesses
- 3. Initiatives for ESG+H (health) management
- 4. Upgrading group management
- 5. Achievement of job satisfaction and personal growth

3-1. Overall Numerical Targets



[Revenue plan]

| | | | | (Billion yen) |
|------------------------|----------------------|-----------------------|---------------------|----------------------|
| | Actual of FY 2021 | Target for FY 2026 | Increased amount | Ratio of increase |
| Operating revenue | 623.1 | 1,000.0 | 376.9 | 60.5% |
| Operating profit | 24.8 | 45.0 | 20.3 | 81.8% |
| Operating profit ratio | 4.0% | 4.5% | 0.5PT | _ |

| ROE | 10.8% | Equal or more than 10% |
|---------------|------------|---------------------------|
| Net D/E ratio | 0.95 times | Less than 1 time |

3-2. Overall Numerical Targets



[Investment plan]

| | (Billion yen) |
|-----------------------------------------------------------------------------------|---------------|
| Logistics and commercial facilities, vehicles and cargo-handling facilities, etc. | 200.0 |
| Strategic investment (M&A, IT, environment) | 90.0 |
| Total | 290.0 |

[Production system]

| | Actual of FY 2021 | Target for FY 2026 | Increase |
|---------------------------------------------|------------------------------------|--------------------------|------------------------------------|
| Logistics center storage area | 4.06 million m ² | 5 million m ² | 0.94 million m ² |
| Number of in-house vehicles (trailer heads) | 6,727 vehicles | 10,000 vehicles | 3,273 vehicles |

4-1. Targets and Prioritized Measures by Segment SENKO

(1) Logistics

| | (Billion) | | | | | |
|------------------|-------------------------|-------------------|-----------------------|---------------------|-------------------|--|
| | | Actual of FY 2021 | Target for FY 2026 | Increased amount | Ratio of increase | |
| Operating | Domestic logistics | 321.7 | 450.0 | 128.3 | 39.9% | |
| revenue | Cold chain logistics | 58.2 | 80.0 | 21.8 | 37.4% | |
| | International logistics | 36.6 | 70.0 | 33.4 | 91.4% | |
| | Maritime transport | 24.1 | 45.0 | 20.9 | 87.0% | |
| | Total | 440.6 | 645.0 | 204.4 | 46.4% | |
| Operating profit | | 23.8 | 34.6 | 10.8 | 45.2% | |
| Operating pro | ofit ratio | 5.4% | 5.4% | | _ | |

4-2. Targets and Prioritized Measures by Segment **SENKO**

(Domestic logistics): Consists of 52 companies such as SENKO Co., Ltd.

- Expansion of orders based on our capability for making comprehensive proposals, as well as stability of our businesses achieved by our own asset (vehicle, strage capacity, human resources, etc)
- Reinforcement of logistics facilities and vehicle system, as well as promotion of M&A

(Cold chain logistics): Consists of 4 companies such as Runtec Corporation

Acceleration of establishing sites and further expansion of the Fresh Delivery

(International logistics): Consists of 34 companies in and outside of Japan such as Senko Forwarding Co., Ltd.

Establishment of global network by increasing number of our sites

(Maritime transport): Consists of 12 companies such as Nippon Marine Co., Ltd.

Promotion of improving our shares by increasing capacity of maritime transport

4-3. Targets and Prioritized Measures by Segment **SENKO**

(2) Trading & Commerce

| | | | | | (Billion yen) |
|------------------------|-------------------------------|-------------------|-----------------------|---------------------|-------------------|
| | | Actual of FY 2021 | Target for FY 2026 | Increased amount | Ratio of increase |
| Operating | Trading & commerce & sales | 45.5 | 60.0 | 14.5 | 31.8% |
| revenue | Household paper wholesale | 81.8 | 110.0 | 28.2 | 34.5% |
| | International trade | 18.8 | 25.0 | 6.2 | 33.0% |
| | Total | 146.1 | 195.0 | 48.9 | 33.4% |
| Operating profit | | 2.5 | 3.8 | 1.4 | 54.4% |
| Operating profit ratio | | 1.7% | 2.0% | 0.3PT | _ |

4-4. Targets and Prioritized Measures by Segment **SENKO**

(Trading & commerce & sales): Consists of 12 companies such as Smilecorp Co., Ltd.

Reinforcement of EC sales and expansion of variety of our original products

(Household paper wholesale): Consists of 3 companies such as Ast Corporation

Increasing management efficiency and improving share of 3 companies

(International trade): Consists of only SENKO International Trading Co., Ltd.

Maintenance and expansion of our commercial rights in China by conducting joint management with a Chinese electronic material company

4-5. Targets and Prioritized Measures by Segment **SENKO**

(3) Life Support Business

| | | | | (Billion yen) |
|------------------------|-------------------|-----------------------|---------------------|-------------------|
| | Actual of FY 2021 | Target for FY 2026 | Increased amount | Ratio of increase |
| Operating revenue | 28.8 | 80.0 | 51.2 | 177.8% |
| Operating profit | -0.7 | 4.8 | 5.5 | — |
| Operating profit ratio | -2.4% | 6.0% | 8.4PT | _ |

Consists of 10 companies comprising:

3 companies such as Venus Corporation (in health area); 4 companies such as TERAUCHI CO., LTD. (in life area); 3 companies such as Life Eat Co., Ltd. (in food area)

Achieving early recovery from sales decline caused by COVID-19 pandemic, and increasing store openings

Promotion of M&A in health, life and food areas

4-6. Targets and Prioritized Measures by Segment **SENKO**

(4) Business Support Business

| | | | | (Billion yen) |
|------------------------|-------------------|-----------------------|------------------|-------------------|
| | Actual of FY 2021 | Target for FY 2026 | Increased amount | Ratio of increase |
| Operating revenue | 7.7 | 30.0 | 22.4 | 292.2% |
| Operating profit | 0.6 | 2.6 | 1.9 | 298.4% |
| Operating profit ratio | 8.4% | 8.5% | 0.1PT | _ |

Consists of 15 companies in businesses such as real estate, information and staffing

Achieving early recovery from sales decline caused by COVID-19 pandemic

Promotion of M&A in businesses such as staffing

4-7. Targets and Prioritized Measures by Segment **SENKO**

(5) Others

| | | | | (Billion yen) |
|------------------------|-------------------|-----------------------|------------------|-------------------|
| | Actual of FY 2021 | Target for FY 2026 | Increased amount | Ratio of increase |
| Operating revenue | | 50.0 | 50.0 | — |
| Operating profit | | 2.0 | 2.0 | _ |
| Operating profit ratio | | 4.0% | _ | _ |

Entering a new business area

4-8. Targets and Prioritized Measures by Segment **SENKO**

(6) Target of operating revenue in each business area

| | | | | | | (Billion yen) |
|---------------|----------------------|--------------------------------------------|---------|---------|---------------------|-------------------|
| | | | FY 2021 | FY 2026 | Increased amount | Ratio of increase |
| Logistics | Retail product | Food logistics | 82.2 | 115.0 | 32.8 | 39.9% |
| | logistics | Chain store logistics | 83.7 | 125.0 | 41.3 | 49.3% |
| | | Fashion logistics (including EC logistics) | 49.5 | 65.0 | 15.5 | 31.4% |
| | | Others | 39.8 | 75.0 | 35.2 | 88.4% |
| | | Total | 255.2 | 380.0 | 124.8 | 48.9% |
| | Chemicals logi | stics | 84.8 | 130.0 | 45.2 | 53.2% |
| | Housing logisti | cs | 61.7 | 75.0 | 13.3 | 21.5% |
| | Others, etc. | | 38.8 | 60.0 | 21.2 | 54.6% |
| | Total | | 440.6 | 645.0 | 204.4 | 46.4% |
| Trading & C | commerce | | 146.1 | 195.0 | 48.9 | 33.4% |
| Life Suppor | t Business | | 28.8 | 80.0 | 51.2 | 177.8% |
| Business Su | upport Business | | 7.7 | 30.0 | 224.0 | 292.2% |
| Others | | | | 50.0 | 50.0 | - |
| Total | | | 623.1 | 1,000.0 | 376.9 | 60.5% |
| *Global logis | tics included in the | above | | | | |
| Global | Logistics | | 43.6 | 77.0 | 33.4 | 76.8% |
| logistics | Trading & Com | merce | 32.1 | 43.0 | 11.0 | 34.2% |
| | Total | | 75.6 | 120.0 | 44.4 | 58.7% |

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5. Prioritized Measures for ESG and Group Management

[Overall numerical targets]

| \mathbf{CO}_2 emission intensity (land transport business) | Reduced by 10% in comparison with FY 2020 |
|--------------------------------------------------------------|-------------------------------------------|
| Ratio of female managers | Equal or more than 15% |

Promotion of our environmental measures and modal shift

Reforming our systems for utilizing various human resources and expanding job opportunities

Introduction of cutting-edge technologies for automation and labor saving

Implementing healthy business management through sports and cultural activities

SENKO



Our company intends to improve shareholder returns by providing stable dividend payouts, making performance-linked dividend payouts and aiming to improve dividend payout ratio.

Company Position (As of March 31, 2022)



| Number of Group companies | Logistics | 115 | Companies | |
|-------------------------------------------|---------------------------------------|--------|------------------------|--|
| (Including 18 non-consolidated companies) | Trading & Commerce | 19 | Companies | |
| | Life Support Business | 11 | Companies | |
| | Business Support Business | 16 | Companies | |
| | Total | 161 | Companies | |
| Number of Group vehicles | (Trailer heads only) | 6,727 | Vehicles | |
| | (Including trailers) | 8,248 | Vehicles | |
| Number of owned ships | (Company ships) | 40 | Ships | |
| Number of controlled ships | (Including company ships) | 69 | Ships | |
| Total storage area | (Including combined warehouses, etc.) | 406 | million m ² | |
| Number of Group employees | (Excluding part-time workers) | 20,725 | Persons | |
| | | | | |



Moving Global