

Management with Awareness of Cost of Equity and Stock Prices

Sanyo Trading Co., Ltd. (Stock exchange code: 3176)

November 17, 2025

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Basic Policy

■ We have set the following policy regarding our dialogue with capital markets.

Structure for dialogue with capital markets

Basic approach to external disclosure

- We are proactive in having dialogue with shareholders and investors with an aim to contribute to our sustainable growth and to the medium- to long-term enhancement of our corporate value. Our policy on the development of a structure and initiatives for promoting constructive dialogue with shareholders and investors is as follows.

(1) IR structure

- In our IR structure, the President serves as the responsible person and the Director and General Manager of Corporate Planning Department serves as the officer in charge of IR. We engage in dialogues with shareholders and investors via the Corporate Planning Department, which is in charge of IR, with the leading role played by the President and the General Manager of Corporate Planning Department.
- For dialogues with shareholders, the Corporate Planning Department serves as the front office and, where necessary, we collect and analyze management information in cooperation with the General Affairs Department, Finance Accounting Department, Risk Management Department, and business divisions. We have thus established a structure that enables to provide appropriate information on a timely basis.

(2) IR activities

- In addition to holding a financial results briefing for investors twice a year, we provide the latest information proactively via our website, integrated reports, and other materials. We also accept requests for individual meetings where possible. At the same time, we hold overseas IR meetings and provide facility tours, creating opportunities for dialogue with both domestic and international shareholders and investors. We also have opportunities to engage in dialogue with individual shareholders and investors, such as by participating in IR events.

(3) Compliance with the fair disclosure rule

- We strive to ensure fair, timely disclosure and comply with the rule.

(4) Feedback

- The opinions and concerns, etc. of shareholders obtained through dialogue are reported as needed to directors and executive officers via governance bodies, emails or other means.

(5) Management of insider information

- In addition to ensuring thorough management of insider information in accordance with our Regulations for Prevention of Insider Trading, we strive to avoid information gap between shareholders.

Management with Awareness of Cost of Equity and Stock Prices - Present State Analysis -

- ROE stays higher than the cost of capital. We will keep the ROE higher than the cost of capital (target: 10% to 12%) and increase PER through initiatives to increase ROE and our visibility, aiming to keep PBR constantly more than 1.

Analysis of present status

[Trends in ROE and the cost of capital^{*1}]

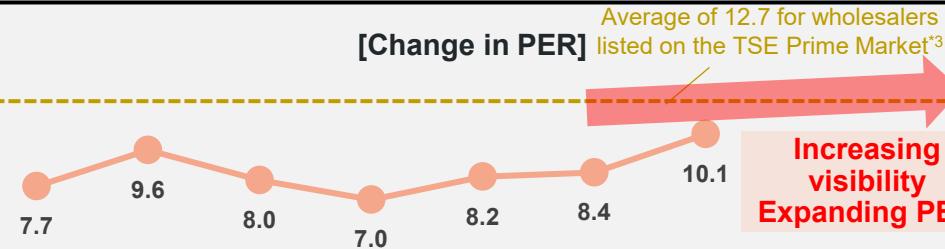


*1: Cost of capital has been calculated based on CAPM and its disclosed value has been 5% to 6%. Given that the value varies according to the way the parameters used for the calculation, among other factors, the perceived range of the values has been revised upward to a certain extent.

[Trends in PBR]



[Change in PER]



*3: As of September 30, 2025

2019.09 2020.09 2021.09 2022.09 2023.09 2024.09 2025.09 ... 2028.09

Strategy for meeting the PBR target

PBR (target^{*2}) of more than 1

ROE (target^{*2}) of 10% to 12%

Profit Margin

Asset Turn

Leverage

PER

Capital cost

Growth rate

Business strategy
Investment Strategy

Investment Strategy
Capital policy

Capital policy

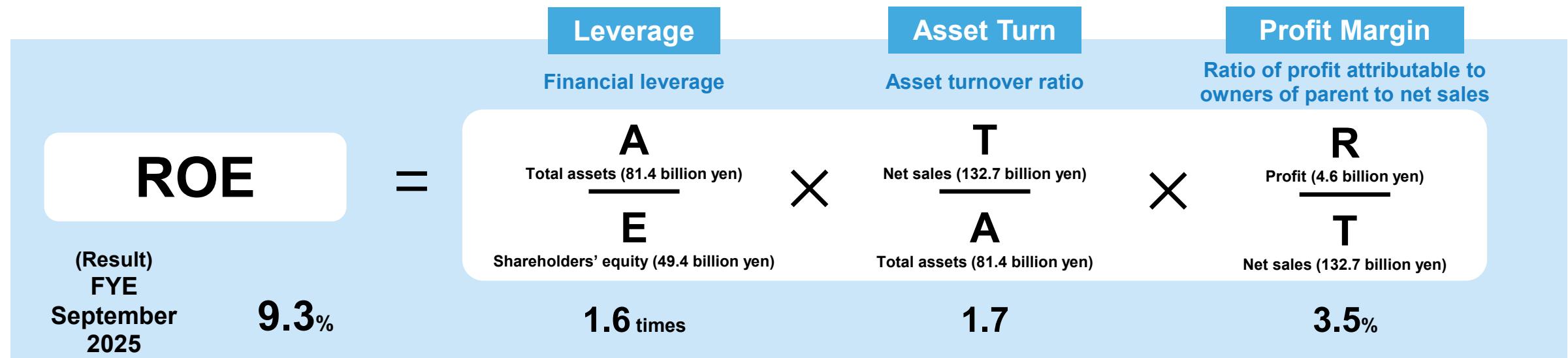
Promotion of
IR activities

*2: The targets are for the fiscal year ending September 30, 2028 set in SANYO VISION 2028

Management with Awareness of Cost of Equity and Stock Prices

- Structural Analysis of ROE -

Higher ROE



High shareholders' equity

Asset-light business model

High value-added merchandise x services = a high rate of return

Constructive Dialogue with Capital Markets (1)

Higher PER

- We reflect constructive opinions obtained through dialogue with stakeholders in management measures, so as to enhance our corporate value.
- In the fiscal year ended September 30, 2025, we had 58 institutional investor meetings with shareholders and investors (in Japan and other countries).



➤ Number of IR meetings (Japan and overseas total)

23/9	24/9	25/9
18	53	58

* We began to hold overseas IR meetings in 24/9.

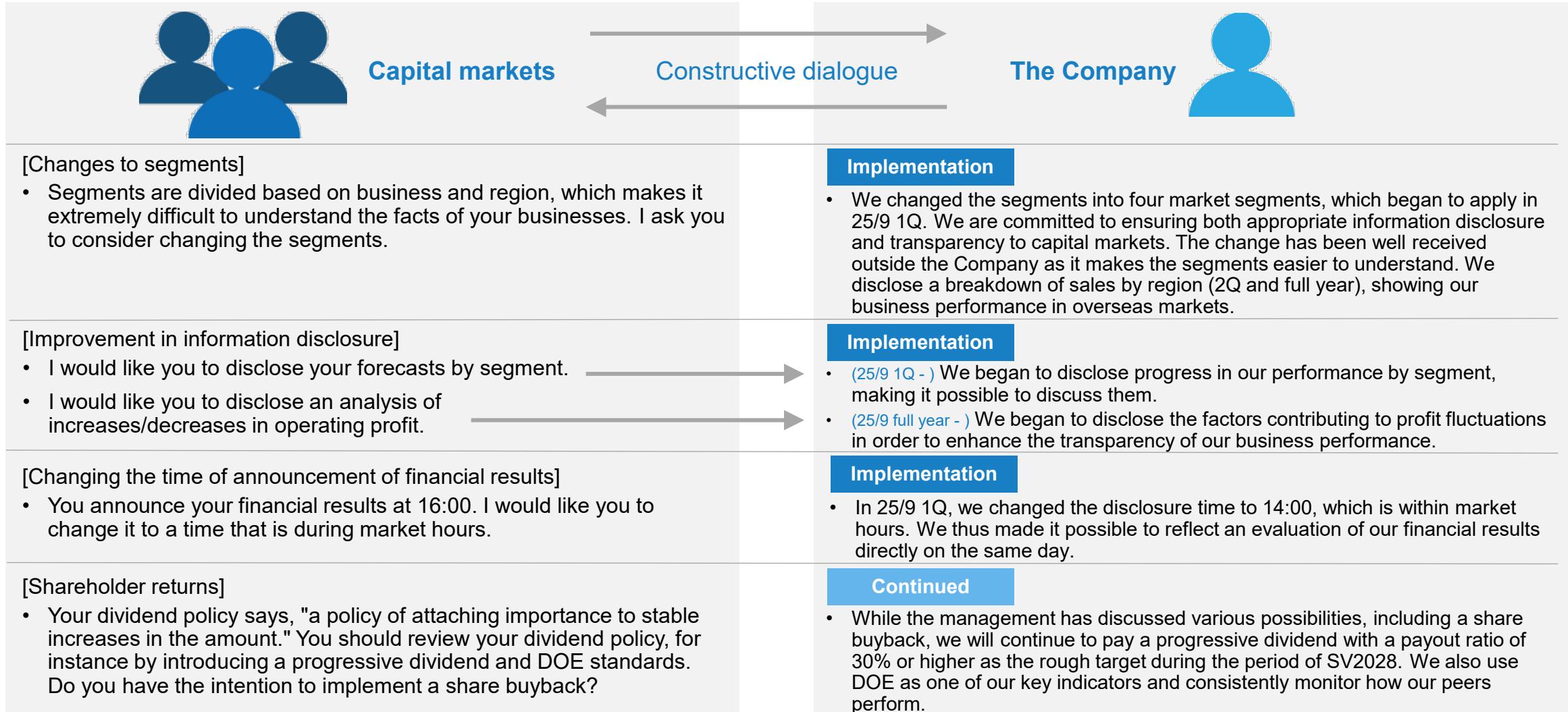


One factor contributing to the weak PER is the low awareness among domestic and overseas investors. We will take steps to increase our overall visibility in the capital markets to increase the number of IR meetings. We will create opportunities to exchange opinions and reflect constructive opinions in our management measures, as part of our efforts to enhance our corporate value.

Constructive Dialogue with Capital Markets (2)

Higher PER

Actual examples of dialogue with capital markets (Period: Up to 25/9)



Quest for Next