

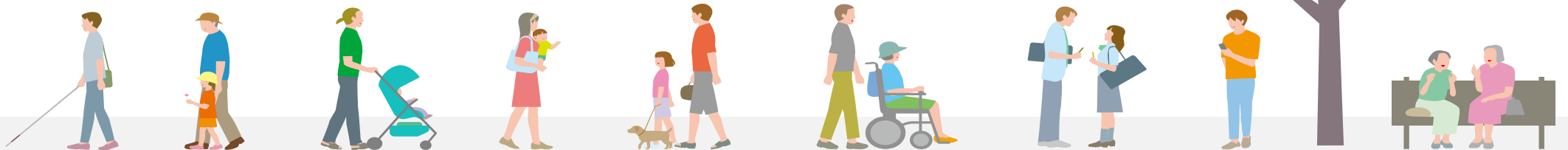


TOKAI Holdings Corporation

Medium-Term Management Plan 2028

FY2026~FY2028

May 8, 2026



Agenda

1. Top Message
2. Future Vision
3. Review of the previous medium-term management plan
4. Key points of the Medium-Term Management Plan 2028
5. Business strategy
6. Financial and capital strategy
7. Sustainability strategy
8. Shareholder returns

Appendix

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Top Message



We aim to bring “smiles” to everyday life.

Since our founding in 1950, the TOKAI group have steadily developed our business operations. In the new medium-term management plan, we aim to further accelerate this progress.

Allocating investments to growth businesses, We are promoting the "Triple Accel Strategy," which aims to strengthen the three axes: Area, Account, and ARPU.

We will expand our Shizuoka business model—with its overwhelming market share—nationwide to achieve further growth.

Transitioned to a holding company structure in 2011, We have been working to enhance our financial soundness. Now that we have established a stable financial foundation, our financial and capital strategies will enter a new phase.

In addition to business profit growth, we are making a major shift toward “a new stage of shareholder return enhancement”. Taking corporate value beyond its all-time high through the dual engines: “growth” and “returns.”

By realizing a safe, secure, comfortable, and convenient life, we aim to meet stakeholders’ expectations and continuously enhance corporate value.

Building on this foundation, we will move forward with this plan as one unified group, with the goal of creating a future filled with even more smiles for everyone.

More smiles for a better life.

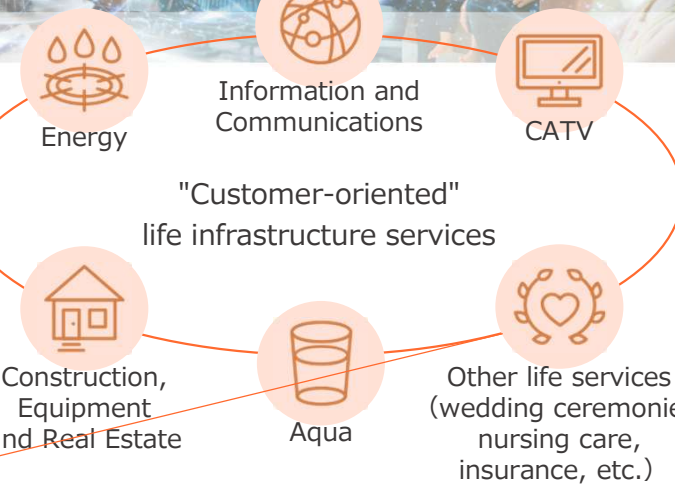


TOKAI Holdings Corporation President & CEO
Katsuo Oguri

Future Vision

For more smiles. A leap toward becoming a "Social Value Creation Company"

The TOKAI Group is taking a significant leap from a "service provider" to a "Social Value Creation Company" addressing Japan's regional, social, and global issues



Expanding our market from Shizuoka to all of Japan

Two-thirds of Shizuoka households are our customers



Contributing to the global environment and understanding local communities
Driving continuous innovation with outstanding proposals and expertise

"More smiles for a better life"
Becoming Japan's leading life infrastructure company

2. Future Vision

Sustainability Strategy: Four Pillars

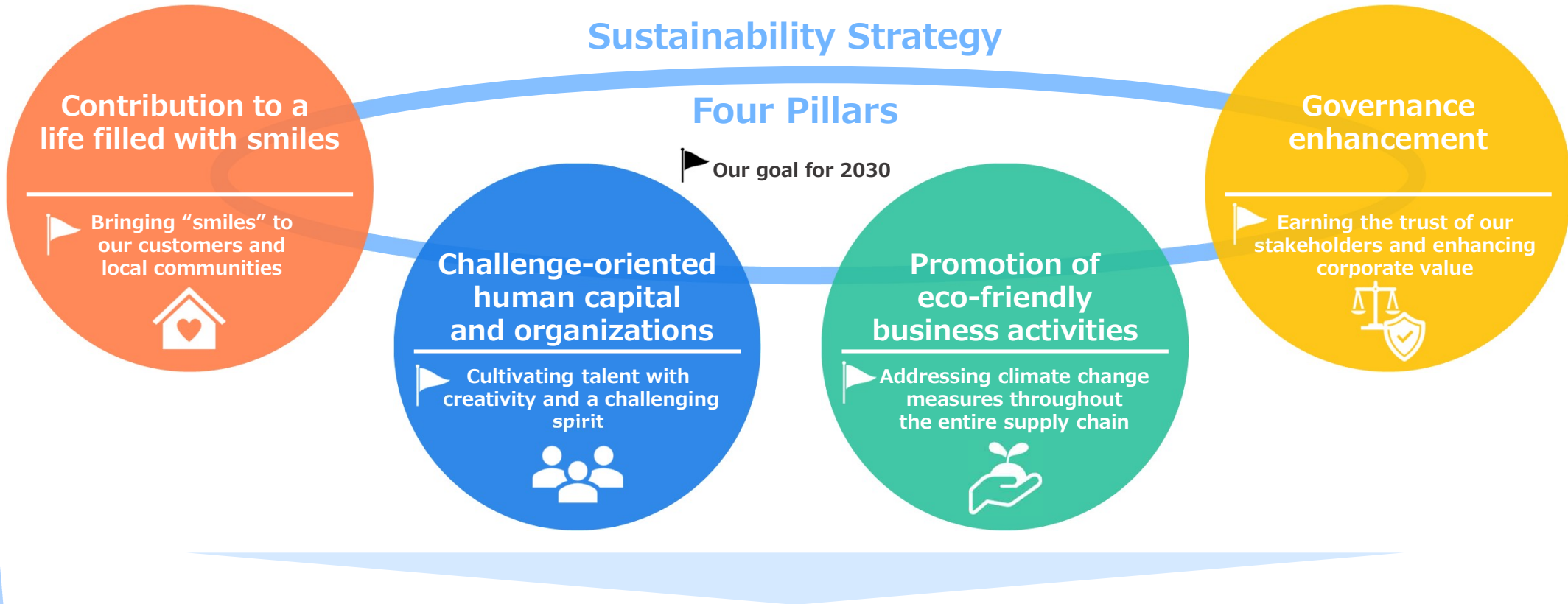


Formulation of the sustainability strategy—Four Pillars—to leap toward becoming a “Social Value Creation Company”

Sustainability Strategy

Four Pillars

Our goal for 2030



Achievement of a leap toward becoming a “Social Value Creation Company”

Our press release regarding the new TOKAI Group materiality “Notice Regarding the Review of TOKAI Group Materiality (Key Issues)” is available here: <https://www.tokaiholdings.co.jp/news/2026/20260508release2.html>

3. Review of the previous medium-term management plan

Quantitative results



FY2025: Record-high sales and profits, significant growth in key management KPIs
Next Stage: Further accelerated business growth and capital efficiency enhancement

(Billions of yen)

	FY2022 Results		FY2025 Results	changes	MTP2025	
					Targets	changes
Net sales	230.2	↗	244.8	+14.6	260.0	△15.2
Operating profit	14.9	↗	18.7	+3.8	17.5	+1.2
Ordinary profit	13.3	↗	19.2	+5.9	17.5	+1.7
Profit attributable to owners of parent	6.5	↗	10.7	+4.2	10.0	+0.7
Operating cash flow	21.2	↗	27.2	+6.0	24.4	+2.8
Customer count (million)	3.30	↗	3.47	+0.17	3.57	△0.10
ROE (%)	8.2	↗	11.0	+2.8	10.8	+0.2
ROIC (%)	8.3	↗	8.9	+0.6	8.7	+0.2

FY2028



Further accelerated business growth



Capital efficiency enhancement centered on improving ROE

3. Review of the previous medium-term management plan

Key Initiatives and Achievements (by segment)



Building on steady profit growth in each segment to drive further group growth

	Key Initiatives of MTP 2025	Operating profit by segment		Achievements	
		FY2022 results	FY2025 results		
Energy	<ul style="list-style-type: none"> Area & customer count expansion customer acquisition cost optimization 	¥7.4 B	 +¥3.2B	¥10.6 B	M&As have been successful, resulting in an increase in both service areas and customer count.
Information and Communications	<ul style="list-style-type: none"> Domestic and international business area expansion Strengthening organizational structure & capital expenditures 	¥5.3 B	 +¥0.6B	¥5.9 B	Due to the expansion of our network infrastructure and new orders , our performance has steadily improved.
CATV	<ul style="list-style-type: none"> Customer base enhancement & touchpoint strengthening 	¥6.2 B	 +¥0.6B	¥6.8 B	Customer base expansion through cross-selling
Construction, Equipment and Real Estate	<ul style="list-style-type: none"> Business expansion in Chukyo region Construction service lineup expansion 	¥2.0 B	 +¥0.6B	¥2.6 B	Profit growth resulted from successful M&As in the Chukyo region.
Aqua	<ul style="list-style-type: none"> Customer acquisition with new water servers 	¥0.5 B	 +¥0.3B	¥0.8 B	Profit growth thanks to higher customer acquisition with new water servers.

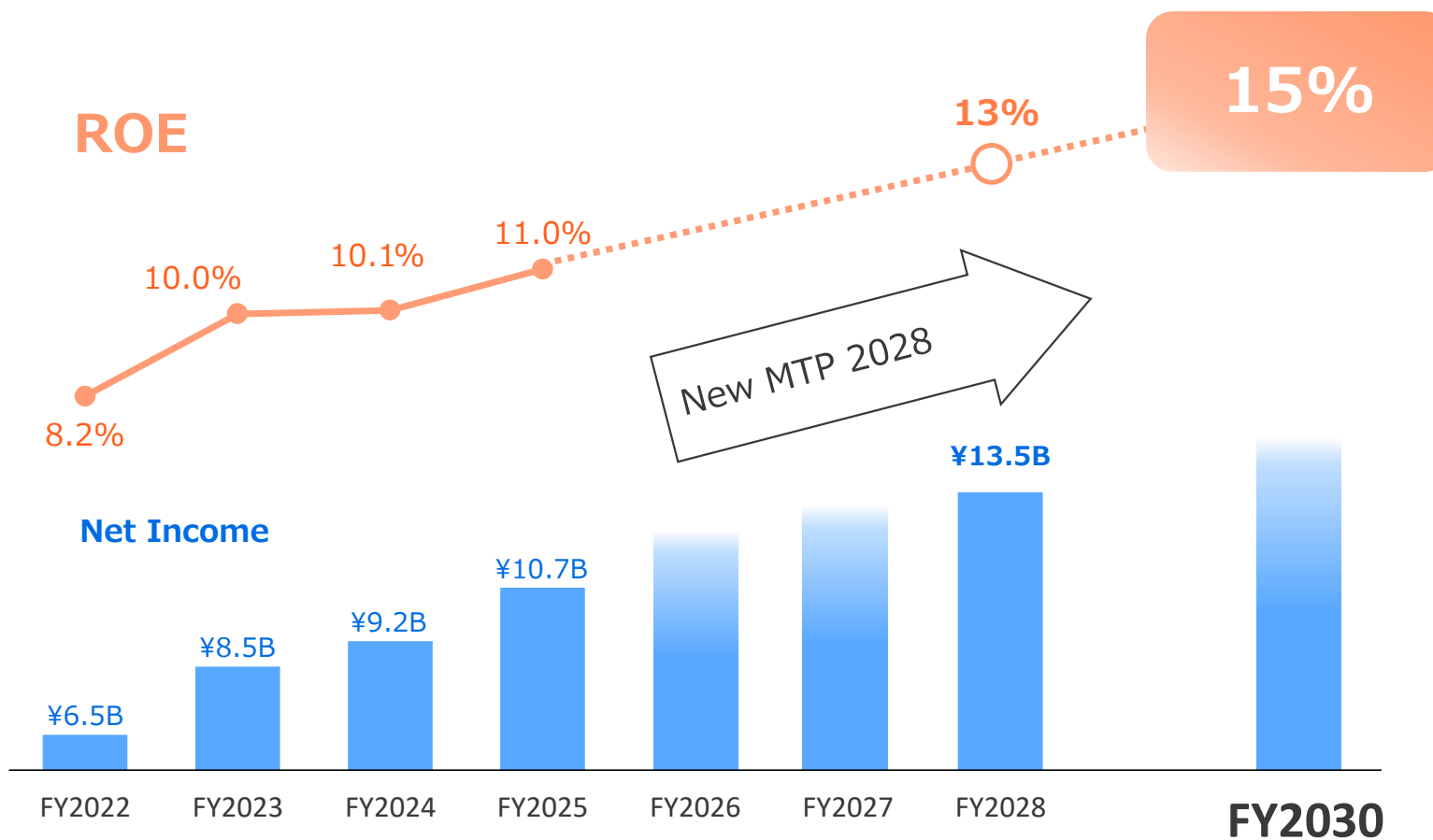
Profits were realized in business segments, improved financial soundness, and stable dividends delivered.

4. Key points of the Medium-Term Management Plan 2028

Long-term vision



Setting “achievement of 15% ROE in FY2030” as a long-term target driving both business growth and greater shareholder value

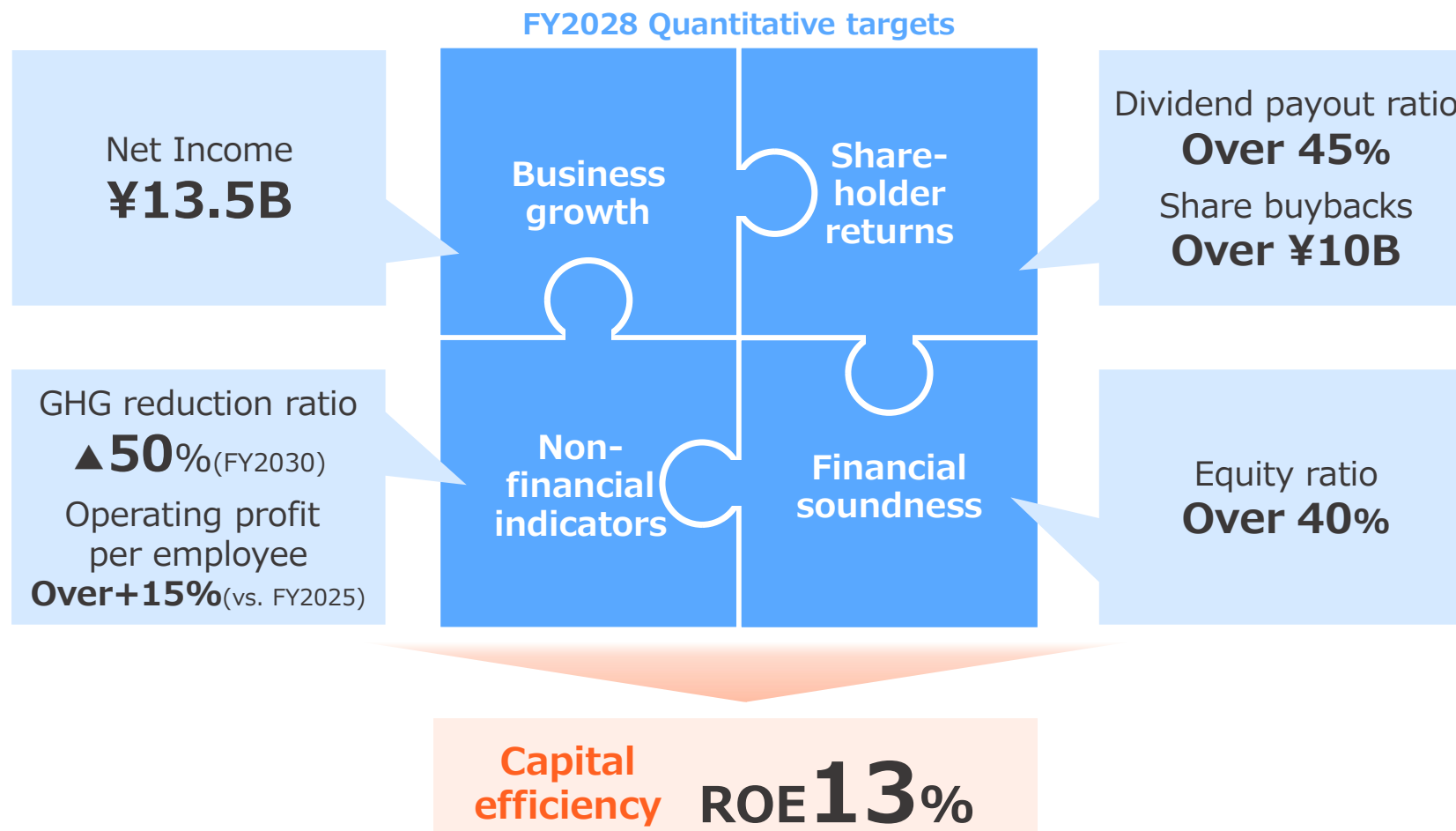


4. Key points of the Medium-Term Management Plan 2028

Quantitative targets of the medium-term management plan

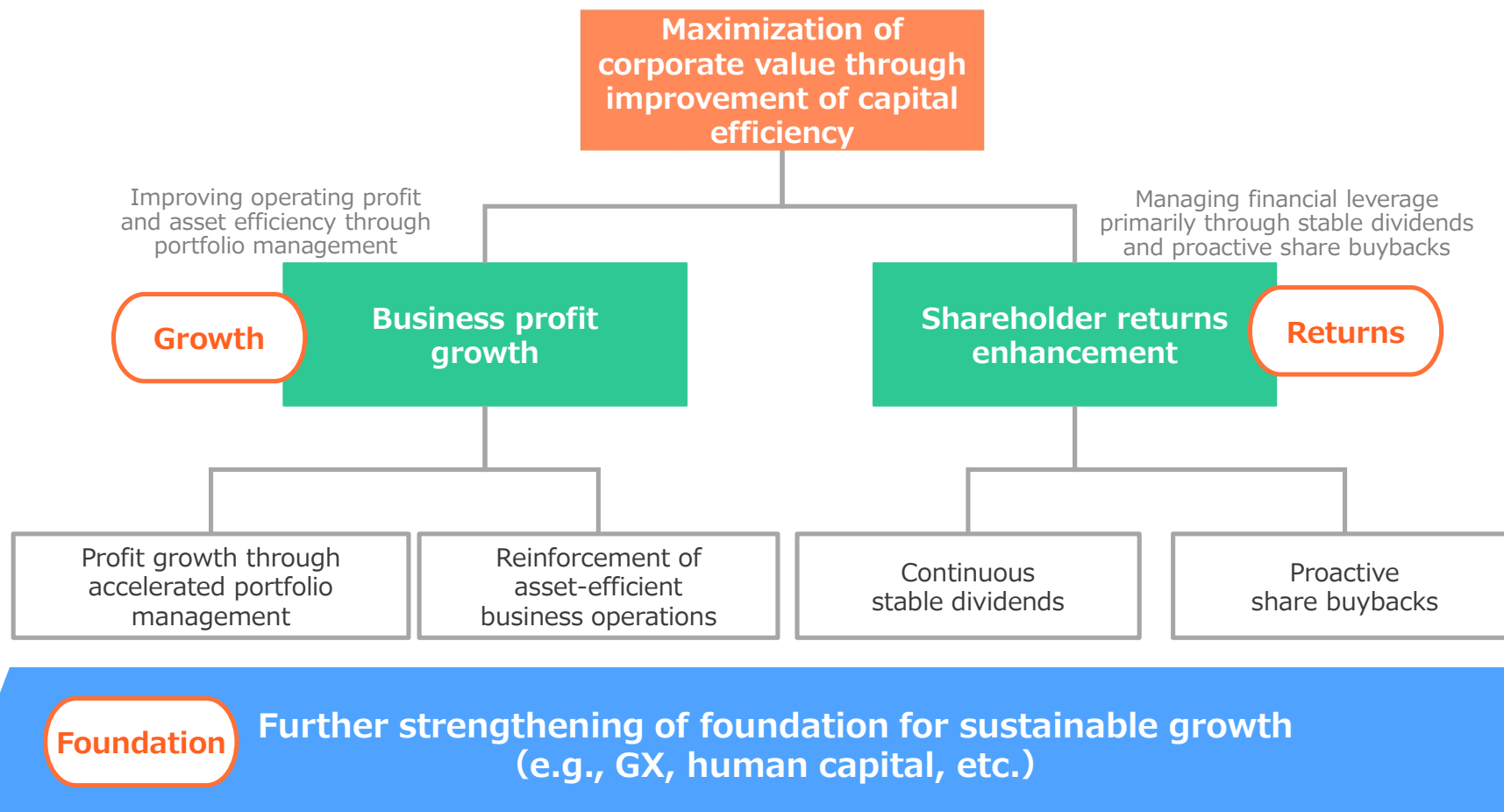


Aiming for record-high ROE of 13% in FY2028 through the attainment of linked targets



Overview of the medium-term management plan

Maximization of corporate value through the dual engines: business profit growth and shareholder returns enhancement, underpinned by a strengthened management foundation



5. Business strategy

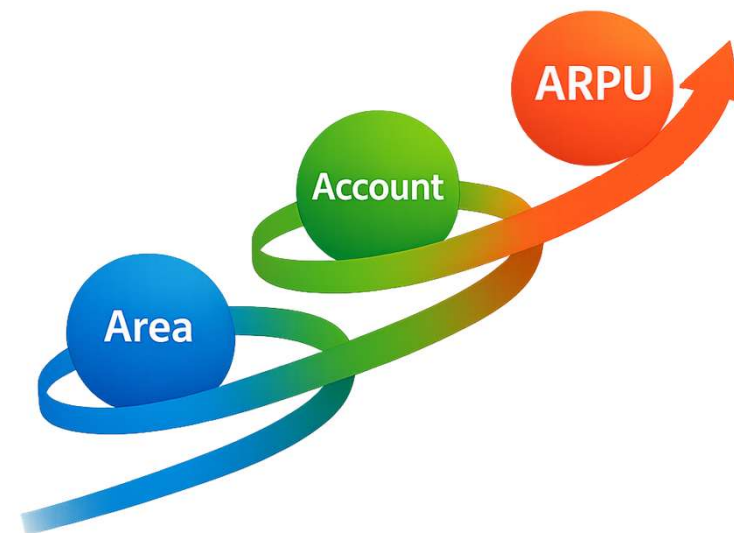
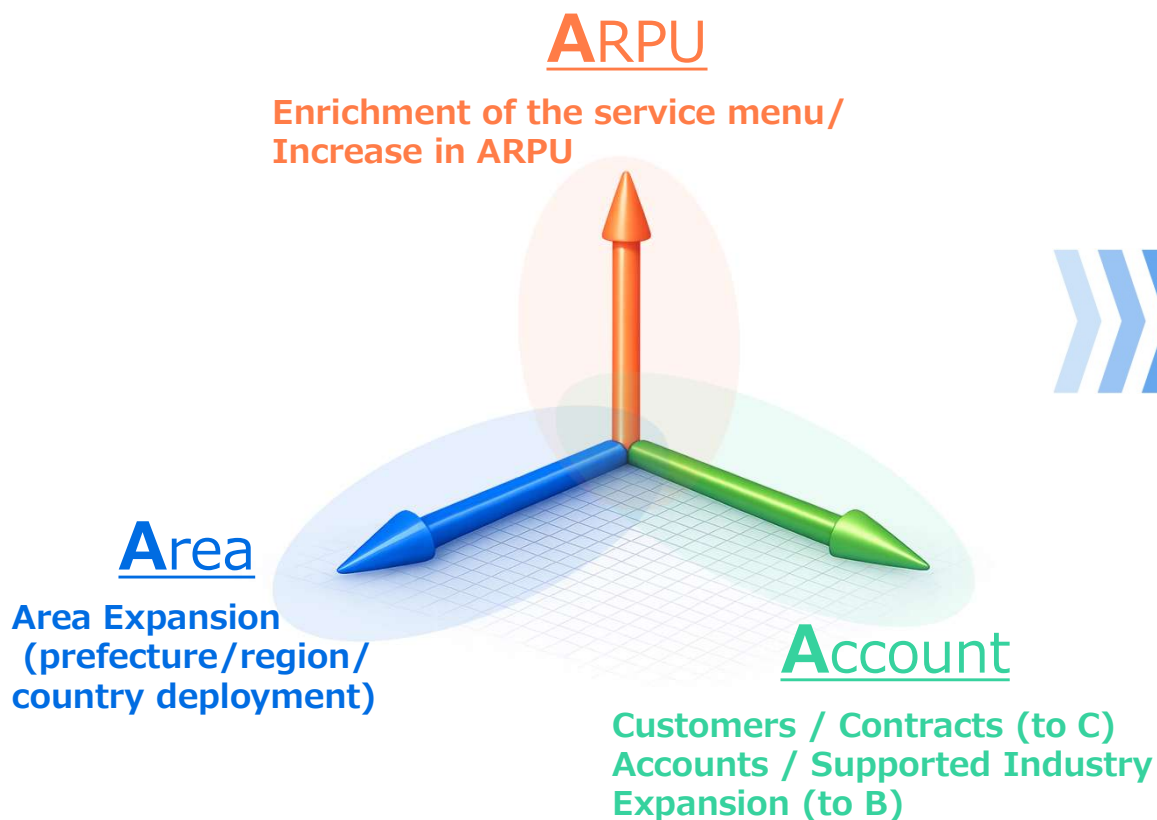
Business growth strategy



"Triple Accel" Strategy—driven accelerated business growth

• The three axes of the "Triple Accel" Strategy •
(Accelerating growth with the three A's)

• Business growth image •



Area Expansion → Number of Customers/Contracts → ARPU
(Our Key Strength: Solid Client Base)

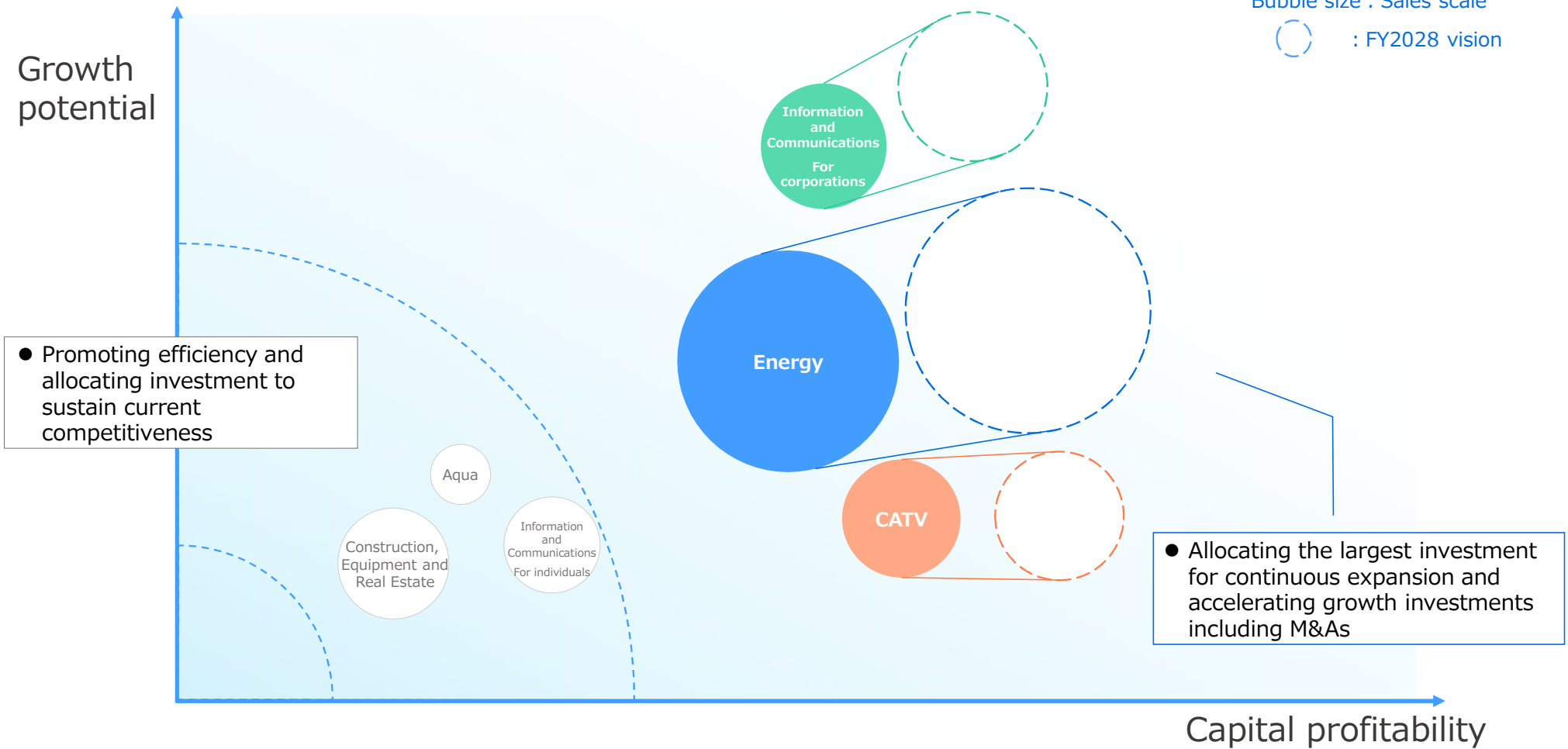
= "Group business scale" expansion

Business Portfolio Policy



Group-wide growth acceleration through portfolio-based investment centered on our three key businesses

Bubble size : Sales scale
○ : FY2028 vision



5. Business strategy

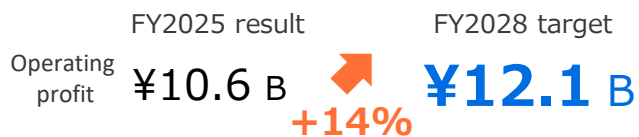
Core drivers of group growth: Three growth segments



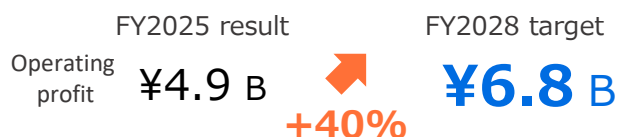
Group growth driven by Energy, Information and Communications (For corporate customers), and CATV.



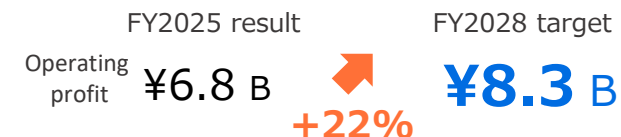
Energy



Information and Communications (For corporate customers)



CATV



Growth direction

Expansion into new areas and acceleration of M&A

Major investments

M&A (Establishing an investment and implementation framework)

Cloud market share growth and new deal expansion

Recruitment of engineers, Network infrastructure investment

ARPU growth through expanded related options and promotion of high value-added plans

Promotion of cross-selling and M&A

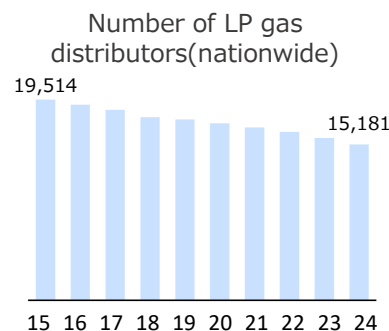
Business Strategy Highlights (1)Energy business



Geographic expansion through customer acquisition in new areas and M&As, leveraging a leading market share and the successful model in Shizuoka

Market Environment

- Decline in demand due to population decrease and widespread adoption of energy-saving appliances
- **Acceleration of LP gas industry restructuring**
- The 2050 carbon-neutral policy

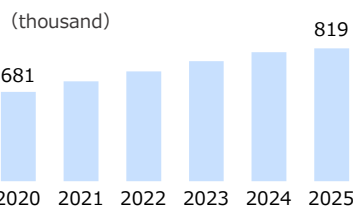


Source: METI, "Number of Sales Agents and Security Service Providers Nationwide"(unofficial translation)

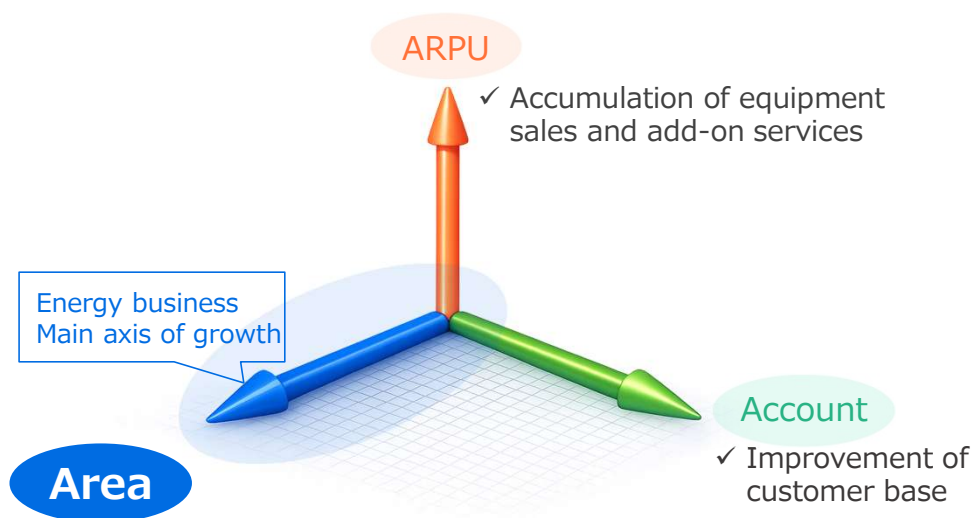
Our Strengths

- ◆ Dominant market share leader in Shizuoka Prefecture
- ◆ Extensive business operations from Tohoku to Kyusyu
- ◆ Ranked No.3 in the industry for number of customers (Company estimate)
- ◆ Customer-focused proposals and sales activities

LP gas customer count



Our strategies and initiatives



Expansion into new areas and accelerated M&A

- Promotion of business partnerships at each branch
- Development of M&A Specialists
- Building a management system along with area expansion

Business Strategy Highlights (2) Information and Communications (For corporations)

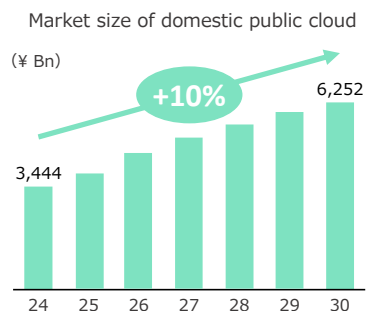


Continuous increase in customer and contract count through accurate capture of robust demand in information infrastructure and cloud markets

Information and Communications (For corporations)

Market Environment

- Progress of the digital economy, DX, and AI
- **The trend of expanding demand for cloud**
- A shortage of engineers and intensifying competition for talent acquisition



*FY2025 (estimate), FY2026 onward (forecast)
Source : Fuji Chimera Research Institute, Inc., "2025 The Current Status and Future Outlook of Cloud Computing: Market Edition" (unofficial translation)

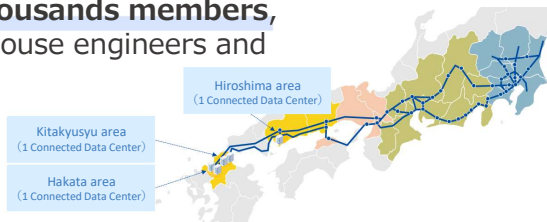
Our Strengths

- ◆ Owning approximately **12,000km** of optical fiber
- ◆ Recognized as an **AWS Premier Tier Services Partners** (top-tier partner)
- ◆ A structure with up to **two thousands members**, including seven hundreds in-house engineers and business partners

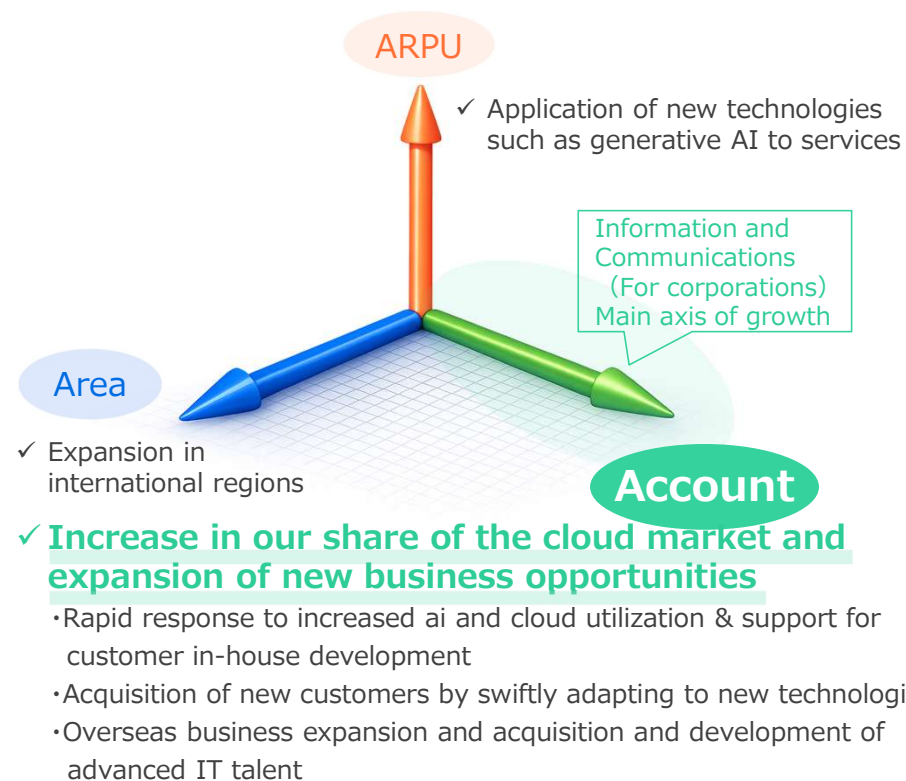
AWS project achievements
Over 200

leading AWS connections
Over 2,000

AWS certification
Over 300



Our strategies and initiatives



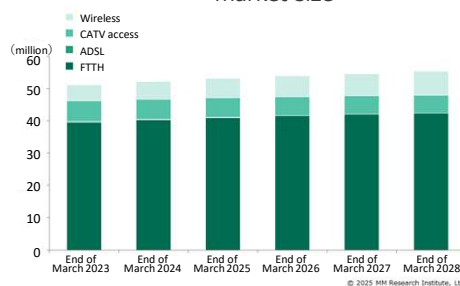
Business Strategy Highlights (3)CATV business



ARPU enhancement through diversified services and cross-selling, leveraging community-based sales and responsiveness to customer needs

Market Environment

Trends in the fixed broadband market size

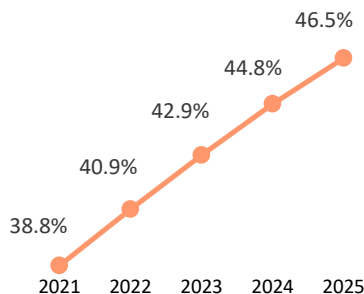


- Moderate growth trend in the fixed broadband market
- Slowing growth in the number of households within the area

Our Strengths

- ◆ A customer base of **920 thousand for broadcasting and 430 thousand for communication**
- ◆ Area-focused sales structure
- ◆ High-quality **cross-selling of broadcasting, telecommunications, and telephone services**

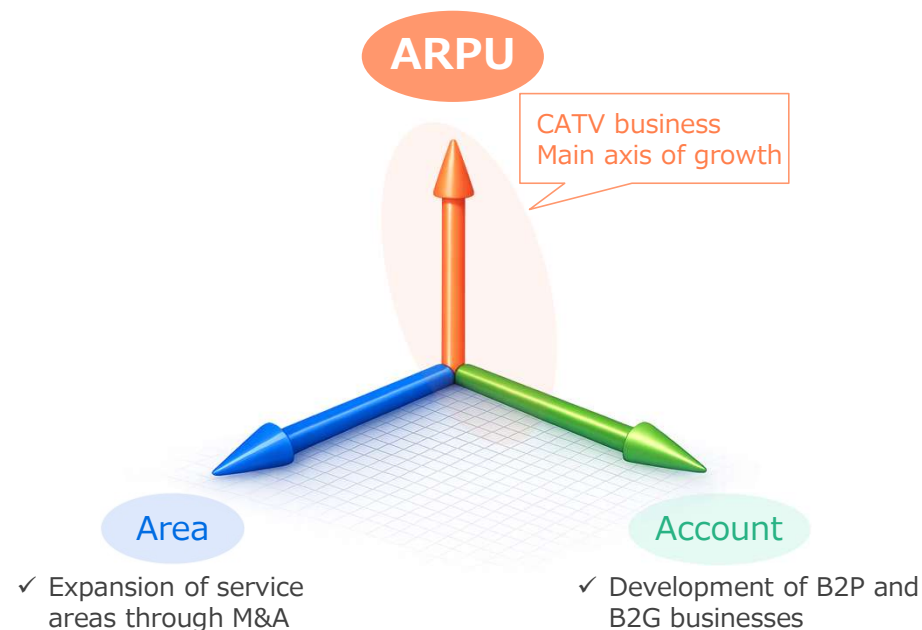
Cross-selling rate (broadcasting and telecommunications simultaneous subscription rate)



Our strategies and initiatives

✓ ARPU growth through cross-selling promotion

- Strengthening cross-selling of FTTH internet services

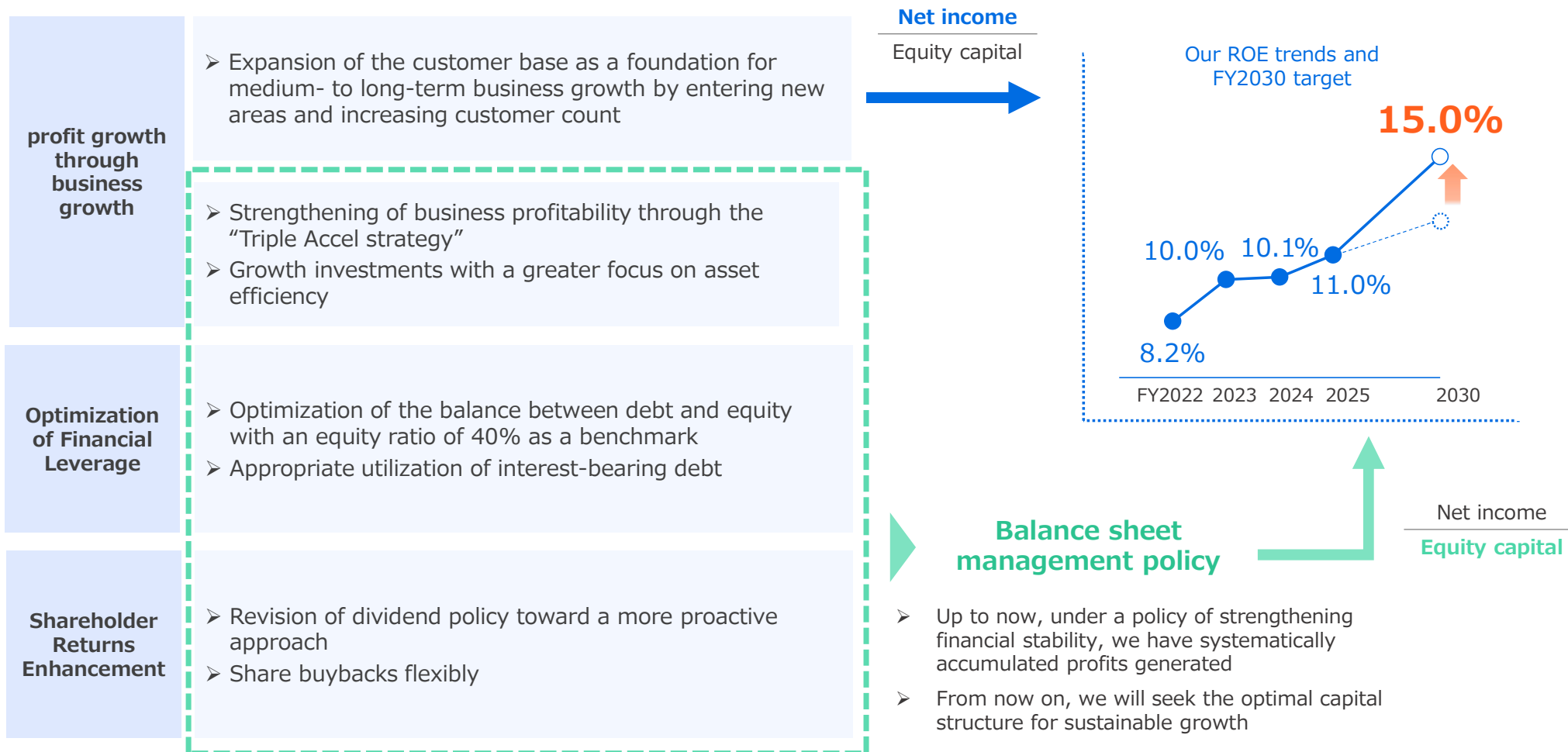


6. Financial and capital strategy

Balance sheet management policy to improve capital efficiency



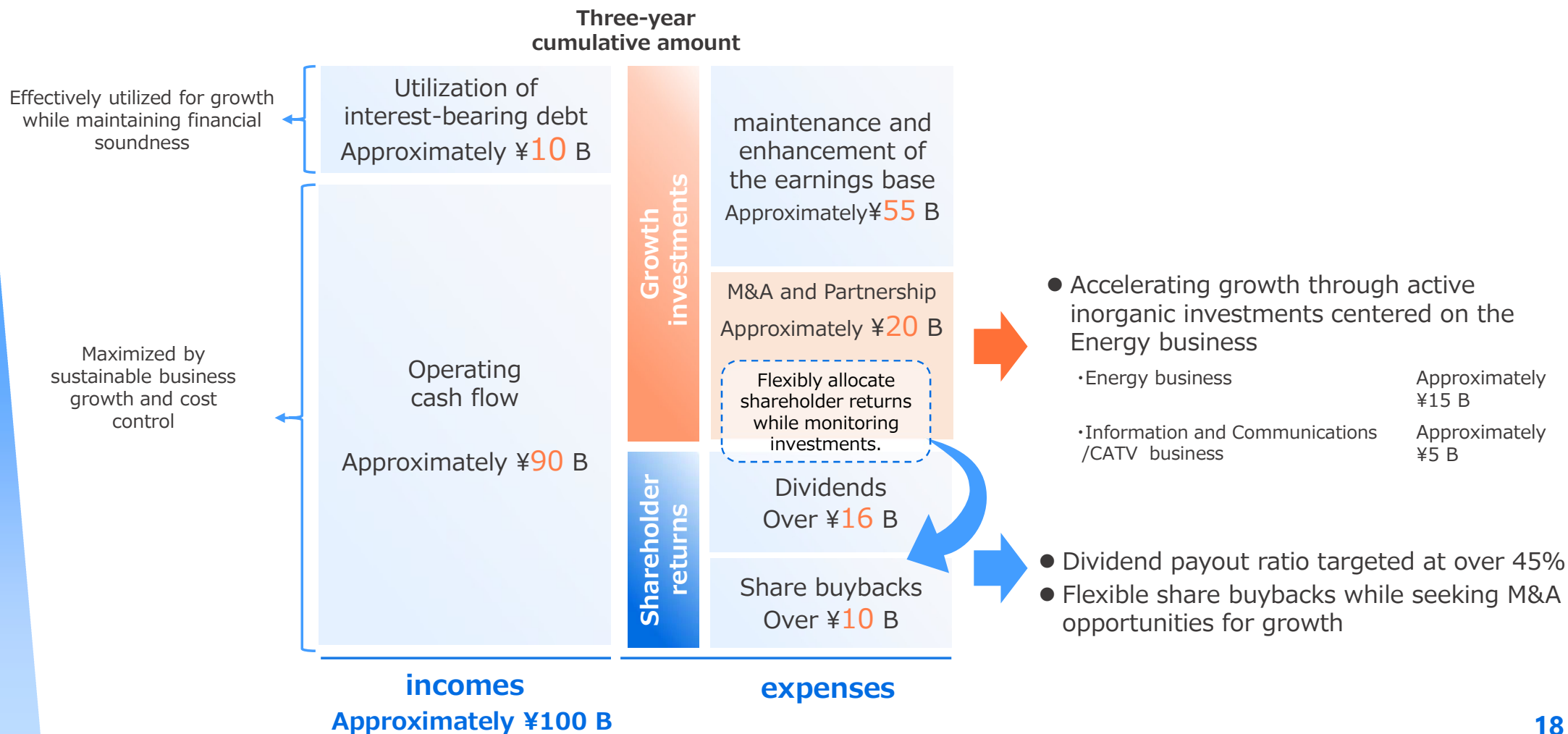
Promotion of balance sheet management for improved capital efficiency



Capital allocation



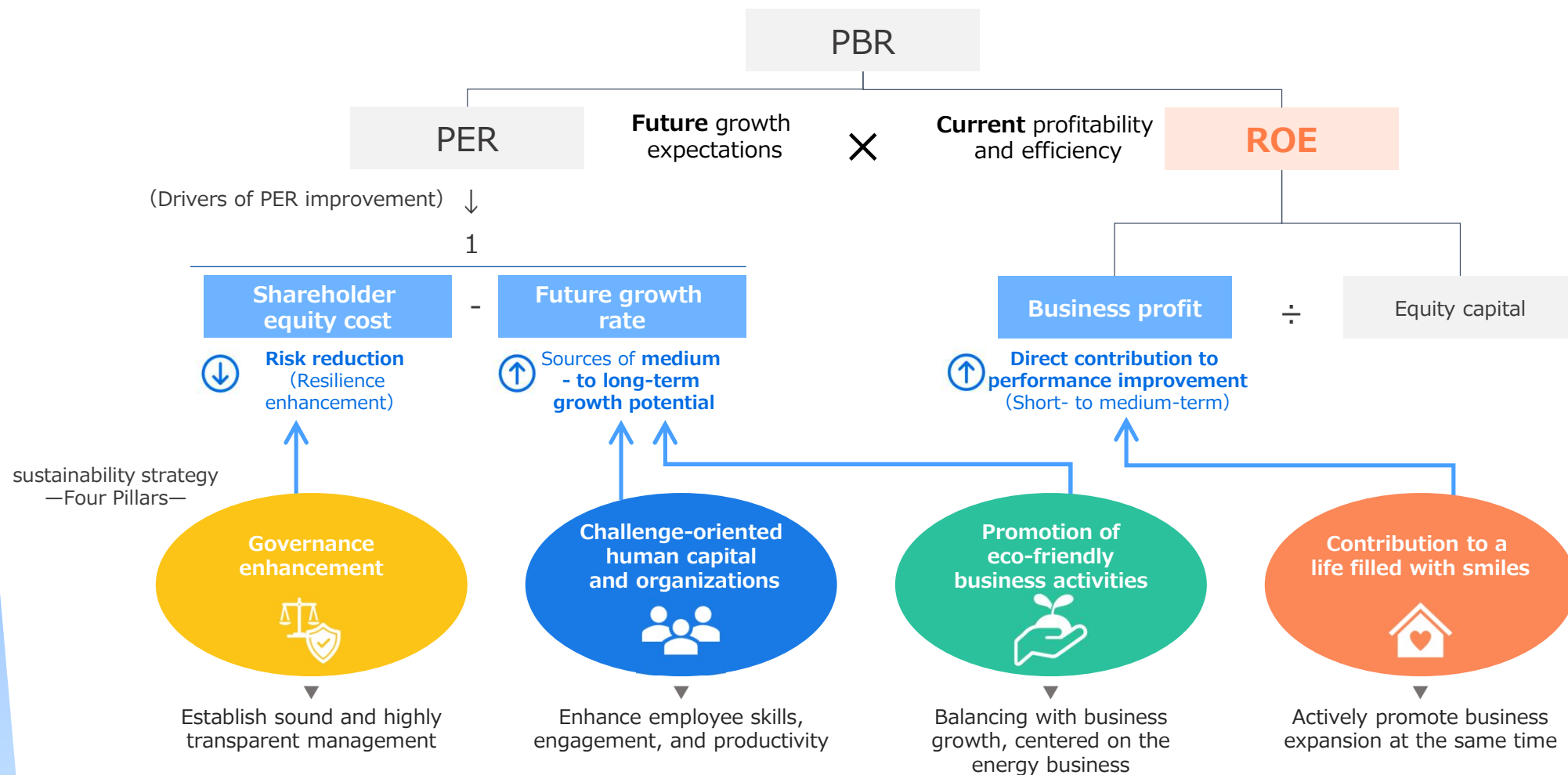
Stable profit growth and strategic allocation for ROE improvement



The connection between sustainability strategy and enhancement of corporate value



Promotion of the sustainability strategy in conjunction with further enhancement of corporate value



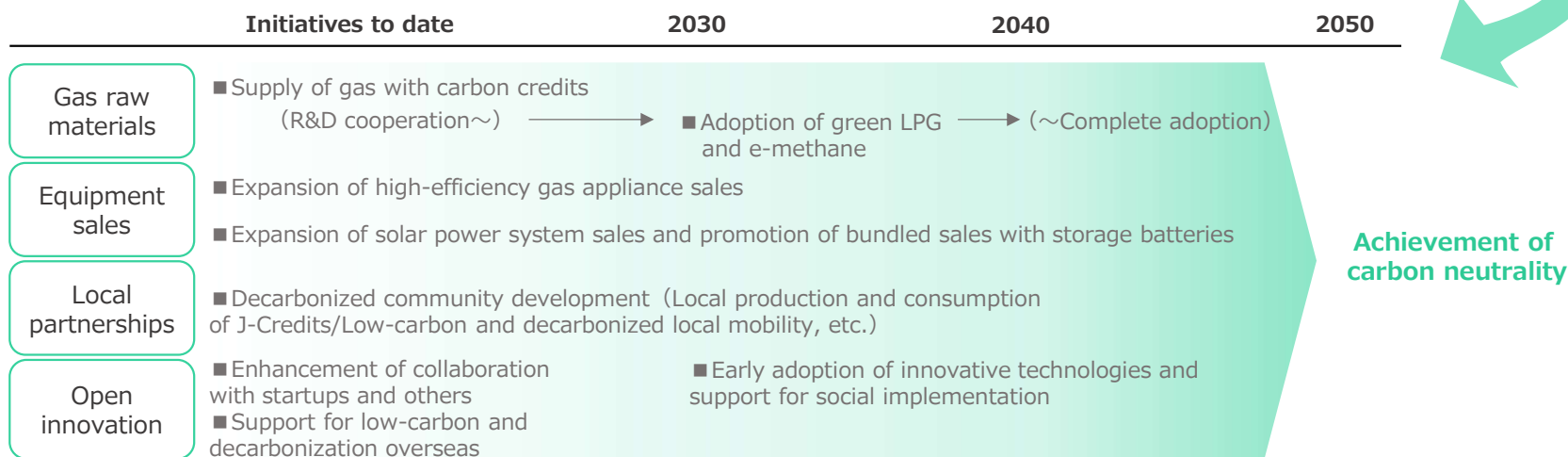
Overall picture of GX initiatives



Achievement of both “environmental value creation” across the entire supply chain and our company’s “business growth”



[Carbon neutrality roadmap for the Energy business]



Human capital and development policy



Enhancement of corporate value through productivity improvement driven by human resource strategies and human capital investment

Fostering a highly skilled, engaged, and motivated organization



Each employee at the customer interface contributes to expanding the customer count and our services—driving the “Triple Accel Strategy.”



Achieve the group’s overall management strategy and taking corporate value beyond its all-time high

Policy for implementing talent strategy and human capital investment

ideal individual

×

ideal organization

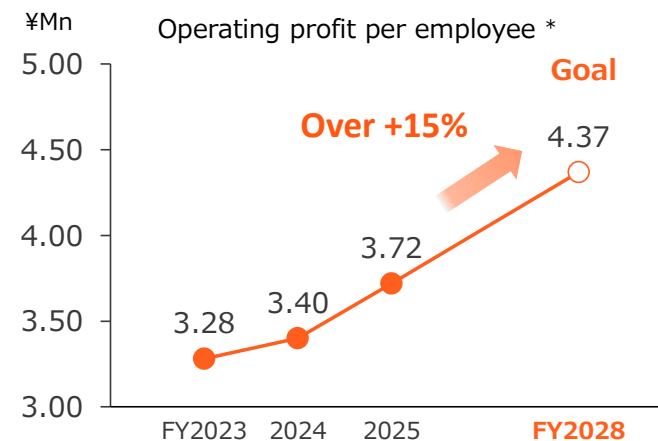
“Self-motivated, energetic, and passionate talent”

“Empowering and strength-based organization”

Integrate human capital with business strategy

Setting “Operating profit per employee” as the human capital KGI for productivity.

Integration of human and financial capital organizations aimed at achieving both talent development and financial KPI targets



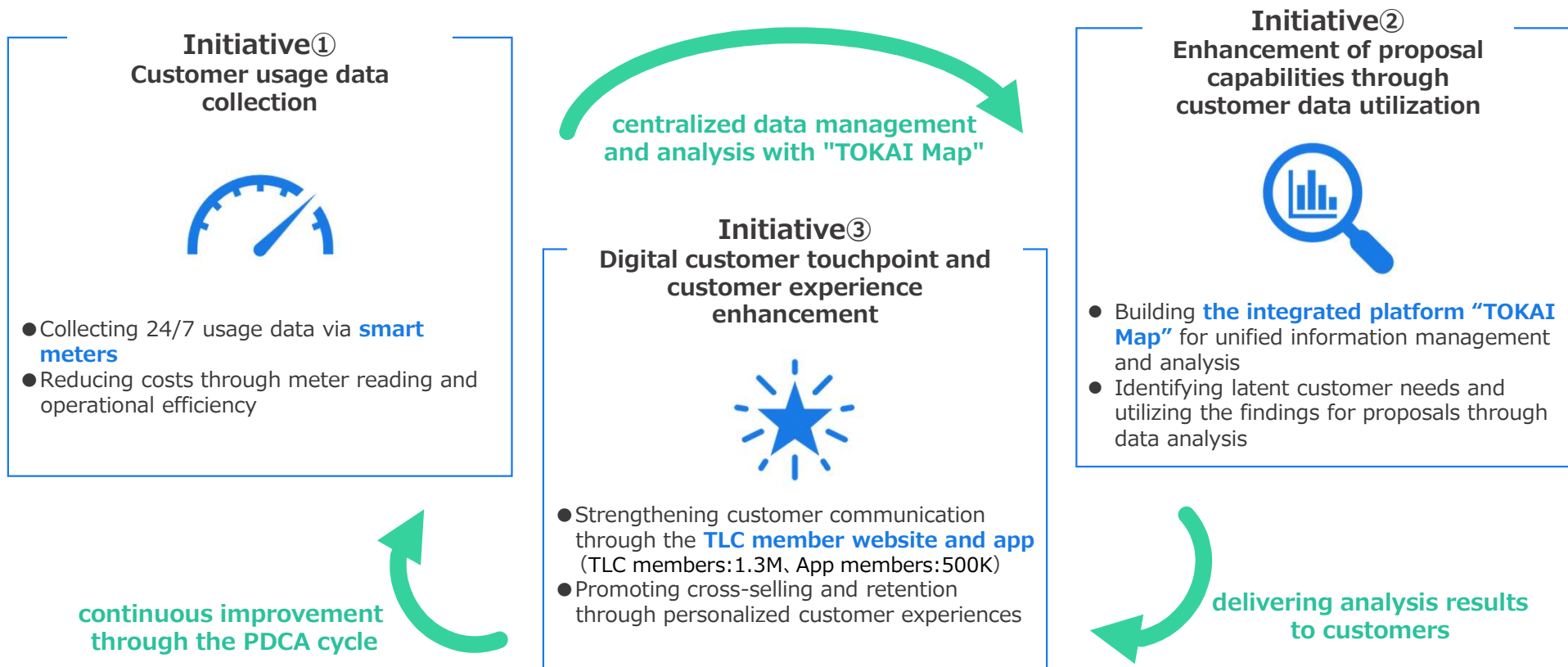
* Contract and part-time employees are not included in the employee count

Realization of management strategy and enhancement of corporate value

DX strategy and initiatives



Continuous improvement of user experience through a cycle of data collection, analysis, and utilization



New organization established to strategically utilize **AI** for advanced and accelerated DX promotion

8. Shareholder Return Policy

Shareholder Return Policy

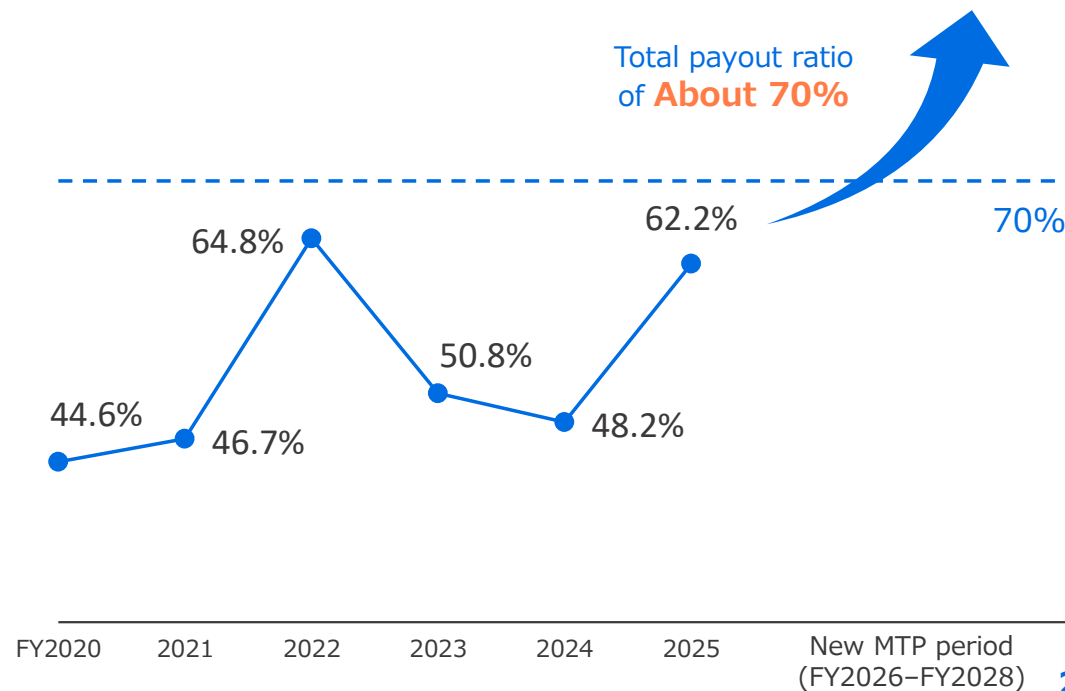
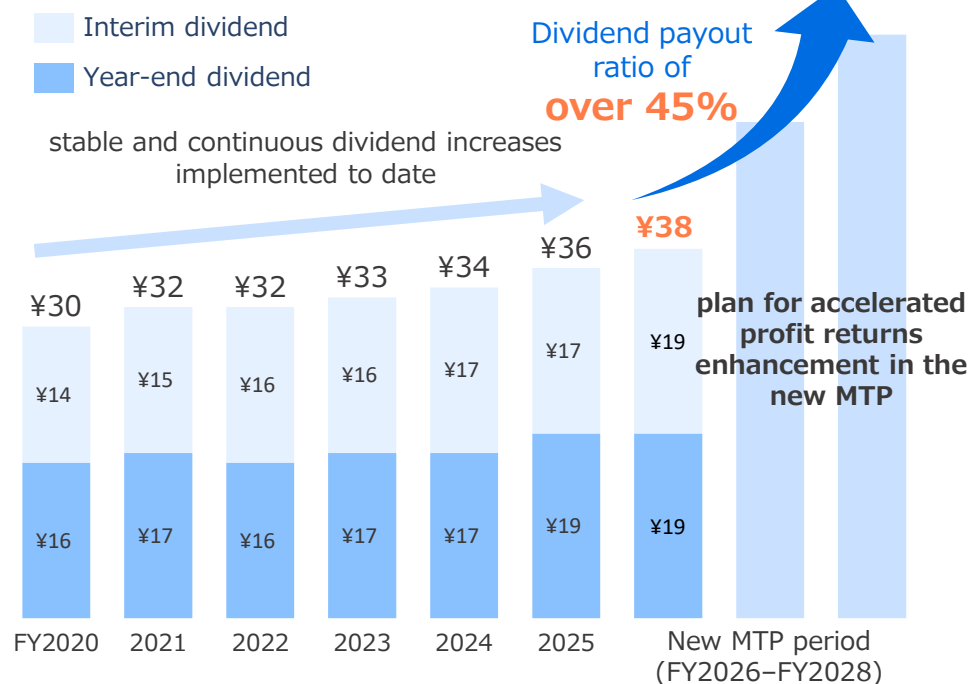


**Further strengthening shareholder returns on our track record of increasing dividends
Setting a dividend payout ratio of 45% or more in the new mid-term plan, with the goal
of “achievement of 15% ROE in FY2030.”**

Previous records	New MTP period
<ul style="list-style-type: none"> • Dividend payout ratio targeted at 40-50% • We have reviewed the possibility of share buybacks depending on the situation. 	<ul style="list-style-type: none"> ✓ Dividend payout ratio of over 45% ✓ Flexible share buybacks while seeking M&A opportunities for growth ✓ Share buybacks of over 10 billion yen

Dividend per share

Total payout ratio



The performance forecasts and forward-looking statements in these materials are based on information currently available to the company, and include potential risks and uncertainties. Please be aware that due to changes in a variety of factors, actual results may differ materially from the projections and other forward-looking statements in these materials.

Please contact us with any questions regarding these materials.

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Appendix

Details of business-specific strategies (1) Information and Communications (For individuals)

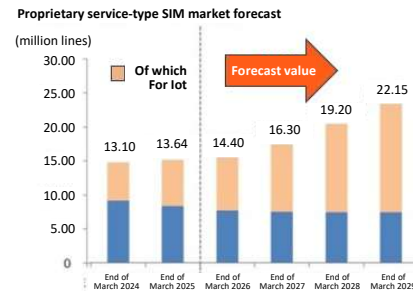


Increasing profit through AMPU improvement and cost optimization and strengthening customer acquisition for sustainable growth

Information and Communications (For individuals)

Market Environment

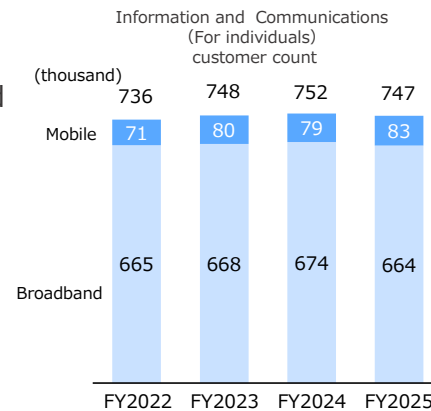
- Continued moderate growth in the broadband market
- Carrier reorganization and agency consolidation with mobile market maturation
- **MVNO market expansion driven by smartphones and IoT applications**



Source: MM Research Institute, "Domestic MVNO Market Survey" (as of the end of September 2025) (unofficial translation)

Our Strengths

- ◆ Comprehensive telecommunications service provision covering broadband and mobile
- ◆ **Customer base exceeding 7 hundred thousand**
- ◆ **Customer channels and abundant sales opportunities** through partnerships with major companies



Quantitative targets

Operating profit by segment

¥1.0B
(FY2025 result)



¥1.2B
(FY2028 target)

Our strategies and initiatives

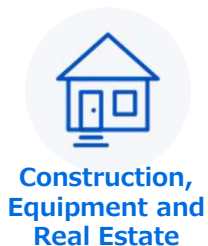
【Broadband business】

- ✓ Improvement of sales and AMPU through new service development
- ✓ Efficiency improvement and cost reduction through review of the operational structure

【Mobile business】

- ✓ Strengthening of customer acquisition capabilities at own and partner stores
- ✓ Maintenance of market competitiveness by revising product design and pricing plans
- ✓ Improvement of customer service quality at web agencies

Details of business-specific strategies (2) Construction, Equipment and Real Estate

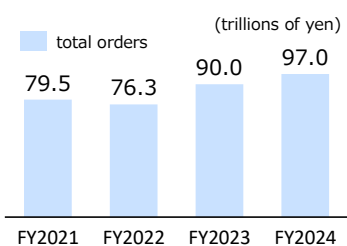


Seizing business opportunities in new and growing markets, leveraging strong design and construction capabilities and a leading track record in Shizuoka

Market Environment

- Decline in demand for new detached houses, **steady market for energy-saving renovations and equipment installations**
- Expansion of solar power and storage battery demand driven by rising electricity costs
- Continued high construction costs due to rising building expenses

Remodeling and renovation market size
(Non-residential building)



Source: Ministry of Land, Infrastructure, Transport and Tourism, "Survey on Building Renovation and Renewal" (unofficial translation)

Our Strengths

- ◆ Leading scale and track record in the prefecture, with **strengths in large-scale and complex projects**
- ◆ Competitive advantage through **advanced design proposal capabilities** and strong responsiveness to comprehensive order needs
- ◆ Expansion of order opportunities through multi-business development and extensive group and partner channels

〈broad project portfolio〉



Quantitative targets

Operating profit by segment

¥2.6B
(FY2025 result)

➔
+17%

¥3.0B
(FY2028 target)

Our strategies and initiatives

【Construction and Equipment】

- ✓ Order strengthening for large-scale new construction projects and revenue expansion through integration with maintenance services
- ✓ Strengthening renewable energy business with offsite PPA and acquisition of secondary solar power plants
- ✓ Order promotion focused on renovation, renewal projects, and non-residential contracts

【Real Estate】

- ✓ Expansion of property types handled (e.g., income properties, secondhand commercial properties, etc.) and property selection based on profitability

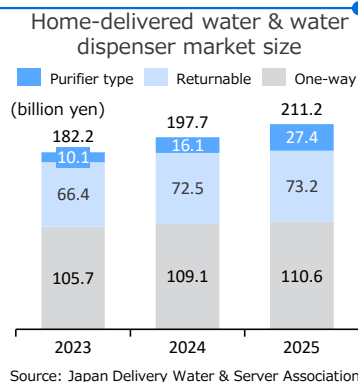
Details of business-specific strategies (3) Aqua



Securing sustainable profits through group-wide sales collaboration and business operational efficiency

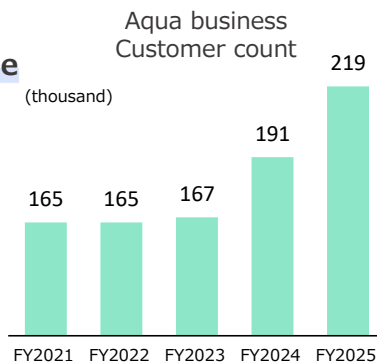
Market Environment

- Market maturity in the overall home water delivery sector
- **Growth in demand for water purification dispensers**
- Rise in logistics, material, and manufacturing costs and higher requirements for addressing environmental issues



Our Strengths

- ◆ **Taste and quality recognized by multiple certification bodies** (Monde Selection Grand Gold Award, ITI Superior Taste Award: Three Stars)
- ◆ **Support for both home water delivery and water purification services**
- ◆ **Group network-based sales** and shared group loyalty point program



Quantitative targets

Operating profit by segment

¥0.8B
(FY2025 result)



¥0.9B
(FY2028 target)

Our strategies and initiatives

- ✓ Promotion of both home water delivery and water dispenser services (offering convenient menus tailored to various lifestyles)
- ✓ Strengthening of web-based acquisition framework (reduction of acquisition cost)
- ✓ Reduction of logistics, material, and manufacturing costs



TOKAI corporation, Aqua Fujisan Plant

List of Financial Targets

List of Financial Targets



(Billions of yen)

	FY2025 results	FY2026 target	changes
Net sales	244.8	260.0	+15.2
Operating profit	18.7	19.0	+0.3
Ordinary profit	19.2	19.2	±0.0
Net Income	10.7	11.0	+0.3

FY2028 target	Compared to FY2025
274.0	+29.2
23.5	+4.8
23.5	+4.3
13.5	+2.8

ROE	11.0%	11.0%	±0.0pt
ROIC	8.9%	8.7%	△0.2pt
Equity ratio	46.4%	46.0%	△0.4pt

13.0%	+2.0Pt
9.7%	+0.8pt
41.0%	△5.4pt

Customer count (million)	3.47	3.50	+0.03
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3.60	+0.13
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