

The background of the entire page is a photograph showing a vast number of monarch butterflies in flight. They are scattered across a clear, bright blue sky, with a dense cluster of them resting on the green, needle-covered branches of a tree in the lower portion of the image. The butterflies are in various stages of flight, some appearing as sharp silhouettes and others as soft, blurred shapes, creating a sense of dynamic movement.

Annual Report 2024

# Creating Value, The AMITA Way





### Team effort to go the distance

A vast migration of millions of monarch butterflies (*Danaus plexippus*) travel an astonishing 3,000 miles from Canada and northern United States to Mexico during their wintering period. This remarkable journey is facilitated by their flying in swarms, which enables them to collectively overcome the challenges associated with such long-distance travel. Notably, swarming provides an advantage in maintaining warmth and efficiently collecting nectar from flowers, both of which are individually arduous endeavors.

The AMITA Group is committed to partnering with like-minded stakeholders to address numerous challenges we encounter at this pivotal juncture of a transformative social shift. We believe that collaborative efforts serve as a powerful catalyst for going the distance in achieving something great.

### About this report

Today, we find ourselves in an unprecedented tapestry of uncertainties, woven with intricate threads of complex challenges, such as climate change, dwindling natural resources, geopolitical risks, and transformative innovations. On this volatile and uncertain global landscape, it is imperative that we take a profound reassessment and realignment of our social values. It is time to abandon the conventional notion that society's health is predicted solely by economic prosperity, and embrace the alternative perspective that an economy's health should be measured by its ability to foster social prosperity.

Since its founding in 1979, the AMITA Group has dedicated itself to achieving a sustainable society in which natural and relational capital is enhanced in a virtuous circle as economy and society evolve. Our primary focus for the upcoming years is to fulfill AMITA Vision 2030, our corporate initiative and commitment to establishing an ecosystem society by 2030. This vision serves as a guiding principle that helps propel Japan from a global economic powerhouse to a global leader in circular economy.

In this annual report, we discuss the AMITA Group's achievements and challenges in the fiscal year ended December 31, 2024 (FY 2024). Furthermore, we present an overview and a strategic road map outlining the Group's long-term initiatives for FY 2025 through 2030, with a focus on our vision of an ecosystem society and the strategies we will implement to achieve it.

We trust this report will be of assistance to you in understanding and embracing the incremental steps toward achieving social transformation, as well as in joining us on our quest to accomplish it.

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# AMITA's Vision of Transforming Japan from a Global Economic Powerhouse to a Global Leader in Circular Economy

## Historic juncture of a transformative shift toward a sustainable society

In January 2025, Donald Trump was inaugurated into his second term as the President of the United States. The trade and foreign policy initiatives announced and implemented by the new administration have alarmed other governments worldwide. At the same time, the escalating challenges posed by climate change and the depletion of natural resources have exacerbated uncertainty in an already volatile global landscape, leading to surging commodity prices and heightened procurement risks.

In Japan, consumers are grappling with the rising cost of living and the diminishing purchasing power of wages. The public infrastructure, including highways, bridges, and railways, constructed during the 1960s and early 1970s, when the Japanese economy enjoyed sustained growth, has begun to show signs of deterioration. The traditional social system, which has long underpinned the nation's economic prosperity, is no longer regarded as an unquestioned assumption. In the current era of uncertainty and

upheaval, we find ourselves at a critical juncture where our conventional wisdom and business-as-usual approach are losing their relevance. Historically, the Japanese economic model has been characterized by its reliance on imports of natural resources from foreign nations and exports of manufactured goods to international markets. If the Japanese manufacturing sector continues to embrace this conventional economic model, it will result in a dangerously hollow domestic industry, severely impacting the small and mid-sized businesses. They collectively comprise 99% of total Japanese enterprises and support the majority of the nation's supply chains.

In my opinion, implementing a circular economy to bolster domestic demand is the sole path forward to securing a sustainable future for our nation. Presently, digital solutions, such as blockchain and AI technologies, facilitate a transition to a circular

industry. While the AMITA Group does not identify itself solely as an environmental solutions provider, it aspires to be a leading force in propelling Japan to become a global leader in the circular economy. This ambitious objective forms the core of AMITA Vision 2030, our corporate initiative and commitment to establishing an ecosystem society in Japan by 2030.

AMITA Vision 2030 has emerged from a profound sense of impending crisis, wherein a conventional linear economic model is diminishing its efficacy. Alarming signs are pervasive: unstable supply chains of resources; income inequality; an aging population; and job insecurity. These socioeconomic developments coincide with the disintegration of the economic foundations of this nation, resulting in an expanding disparity between the real and financial economies and dysfunctional industrial and financial capitalism. This daunting reality is the direct consequence of a debilitated

## KUMANO Eisuke

Chairman and Chief Visionary Officer (CVO)  
AMITA HOLDINGS CO., LTD.



Scan the code to learn more  
about AMITA Vision 2030





state of shared social capital, encompassing the natural environment, human capital, and social and economic frameworks. The shared capital has become so weakened in our society that it can no longer sustain a self-perpetuating cycle of economic growth.

We are witnessing a historic paradigm shift from a linear economic model to an unconventional socioeconomic order.

This transformation is as profound as the one that occurred centuries ago, when a mercantile model, characterized by the ruthless exploitation of natural resources, labor, and wealth by developed nations from less developed nations, gave way to liberal capitalism, which relies on self-sourced resources and labor for its prosperity.

### **Evolving form of capitalism characterized by circularity and inclusion**

The AMITA Group embraces a distinctive form of capitalism characterized by circularity and inclusion, which simultaneously enhances natural and relational capital. Circularity operates as a mechanism that circulates resources, information, and value in a continuous cycle, rather than in a linear fashion. Inclusion serves as a means to design and foster an inclusive community where individuals with diverse values and needs respect and support one another. This form of capitalism does not aspire to a singular solution to every proposition. Instead, it endeavors to identify the most optimal solution to a proposition on a case-by-case basis.

Circularity and inclusion share a common thread: Both motivate individuals to act for the benefit of others or for the future. When circularity and

inclusion are synergistically combined, they become more effective in fostering a natural, altruistic inclination in people to contribute positively to society.

This mechanism serves as the foundation for a novel form of capitalism we call “ecosystem-driven capitalism.” In this paradigm, monetary gains and value are not concentrated in a select few individuals or communities, but rather they are continuously amplified in a virtuous cycle, reaching every corner of a community and society. There, they are reinvested to stimulate the nation’s domestic economic demand.

This circular capitalism model presents Japan with a unique opportunity to transition from a global economic powerhouse to a global leader in circular economy. Furthermore, this economic model, developed and tested in Japan, can be scaled up globally to enhance the sustainability of the global economy. In particular, we believe this model holds the potential to address the economic and social challenges prevalent in the Global South.

### **AMITA’s proposed Social Circular Platform**

The circular capitalism model discussed in the preceding chapter is supported by a sustainable, circular industrial model. In this regard, the AMITA Group offers two innovative, industry-leading service suites. One is Cyano Project, designed to assist businesses in developing circular business models and achieving greater corporate sustainability. The other is MEGURU STYLE, which empowers municipalities to enhance their community sustainability. These two service suites support circular industrial and community models. Furthermore, MEGURU STYLE provides a

mechanism to generate data-driven predictive insights that can be integrated into the Remix Model, enabling businesses to accurately forecast consumer demand and precisely control production volumes. This whole process serves as the foundation for establishing a robust Social Circular Platform that provides a basis for fostering mutually-supportive communities and designing circular models of transaction, production, and consumption.

► See pages 8 to 14

The establishment of an ecosystem society transcends the mere implementation of innovative technologies or novel social schemes; it entails transformative social changes. I posit that the world as we currently perceive it will converge at a pivotal juncture in the year 2030. The collective aspirations of individuals serve as the foundation for the future trajectory. As the Chief Visionary Officer (CVO) of the Group, my primary responsibility is to formulate a strategic plan that aligns with people’s aspirations for a sustainable and resilient future.

We anticipate a challenging road ahead to 2030. Nevertheless, we are confident this journey will lead to the establishment of a sustainable society where abundant natural and relational capital is circulated. The AMITA Group is committed to fulfilling its core purpose embodied in “Our Mission II,” which was announced in 2012, the year following the Great East Japan Earthquake. We remain steadfast in our commitment and appreciate your continued confidence in us as we embark on this exciting and transformative journey.



## AMITA's Aspirations

Since its founding in 1979, the AMITA Group has dedicated itself to fostering a sustainable society where natural and relational capital is harmoniously enhanced in a virtuous circle as the economy and society evolve.

Our Mission II, which embodies the AMITA Group's core purpose, defines the Group's mission as augmenting natural and relational capital to uphold the sanctity of human lives. This commitment to our stakeholders is explicitly stipulated in our Articles of Incorporation.

## Our Mission II

Wisdom and Life are Infinite.

Through changes in our surroundings and the evolution of sympathy, the formation of external and internal relationships creates us.

There are no stable phenomena; the universe is in flux.

Because we are who we are, we need to have a good relationship with infinite life.

Our hearts hold everything that humanity seeks.

What humanity seeks is to protect the dignity of our future children.

We have the passion to give this goal a form and offer it.

We declare:

To attest that life is capital to create value, to give priority to building cyclical relationships for realizing a sustainable society, to conduct only business that contributes to increasing natural capital and human relation capital, and to protect the dignity of living systems.



# AMITA Vision 2030

## Blueprint for achieving Our Mission II

In November 2022, we unveiled AMITA Vision 2030, our corporate initiative and commitment to establishing an ecosystem society in Japan by 2030. This vision aims to create a society that mirrors a natural ecosystem characterized by perpetual changes and evolution, while preserving its complete integrity. In an ecosystem society, every member assumes both a leading and a supporting role in co-creating value.

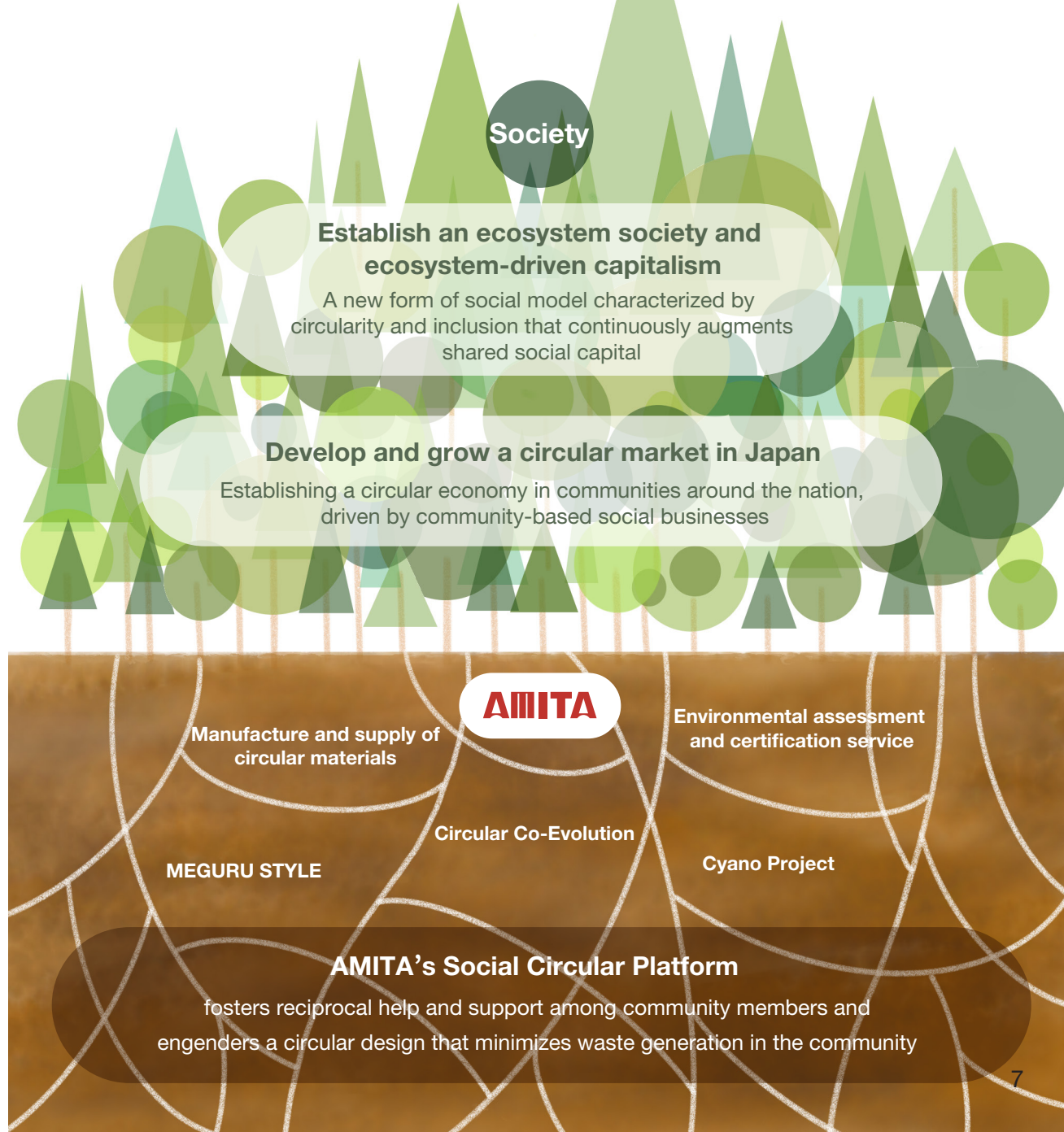
An ecosystem society is defined by its intricate network of interdependent relationships among its members. This implies that a diverse spectrum of businesses and residents engage in collaborative efforts to reduce their reliance on the central government and conventional industrial systems. Alternatively, they can autonomously establish and sustain shared social capital, encompassing essential components such as education, healthcare services, community engagement, and the preservation of the natural environment.

For this mechanism to work, the community must become less dependent on tax revenue or revenue generated from commercial transactions with external markets in order to prosper. The community can thrive on local social business ventures that address social challenges while creating economic value. Socially responsible products made in the community create value and demand within the community, thereby enhancing the sustainability of local industry and improving the quality of life for residents. This inclusive society is built upon a Social Circular Platform.

The AMITA Group's services and investments are designed to develop and establish a Social Circular Platform that underpins an ecosystem society. This platform provides a basis for fostering mutually supportive communities and designing circular models of transaction, production, and consumption that minimize waste generation in the community.

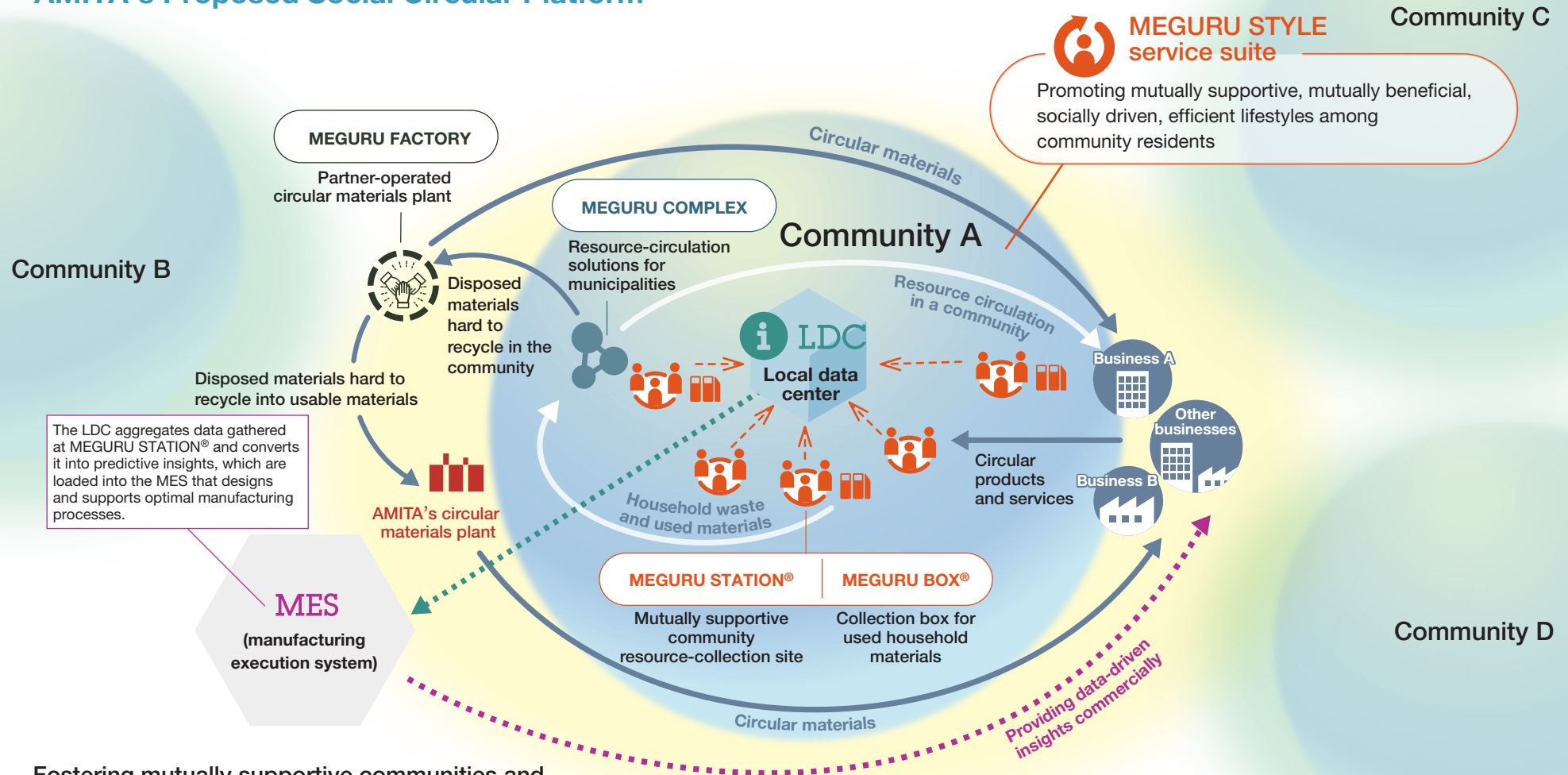
The AMITA Group is a forward-looking, future-design enterprise that uses a multifaceted network of relationships with stakeholders to build a solid foundation for a sustainable society.

## Transforming Japan into a global leader in circular economy





## AMITA's Proposed Social Circular Platform



### Fostering mutually supportive communities and designing efficient circular models of transaction, production, and consumption

The AMITA Group envisions the establishment of an ecosystem society, in which people, the natural environment, resources, manufactured goods, and information are interconnected and circulated efficiently. This society operates on the Social Circular Platform, which optimizes the connection and interactions among people, resources, and information within a community.

#### Point 1

#### Circular design

This platform facilitates the visualization and analysis of residents' behavioral patterns and lifestyle needs, serving as a foundation for designing a circular community and optimizing manufacturing planning and operations.

#### Point 2

#### Mutually supportive communities

This platform fosters socially motivated behaviors and lifestyles among residents, serving as a basis for establishing an autonomous collaborative network of circular, coevolutionary communities less reliant on centralized control.



## Key components of the Social Circular Platform



Promoting mutually supportive, mutually beneficial, socially driven, efficient lifestyles among community residents

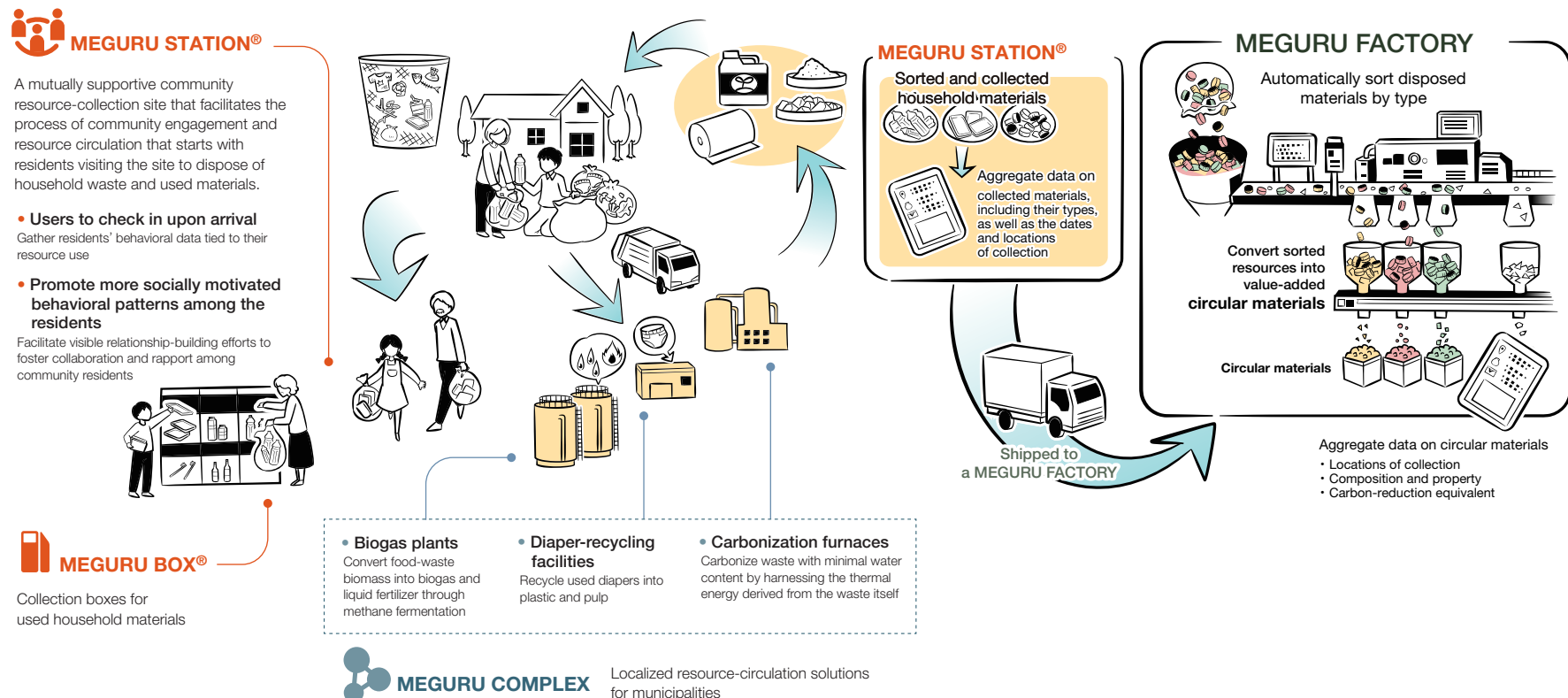
- ▶ Promote the development of mutually supportive communities and facilitate the efficient circulation of resources, supported by MEGURU STATION®, MEGURU BOX®, and MEGURU COMPLEX



## MEGURU FACTORY

Circular materials plants that support a circular economy

- ▶ Convert hard-to-recycle used household materials collected at MEGURU STATION® into value-added circular materials





## Transforming Businesses

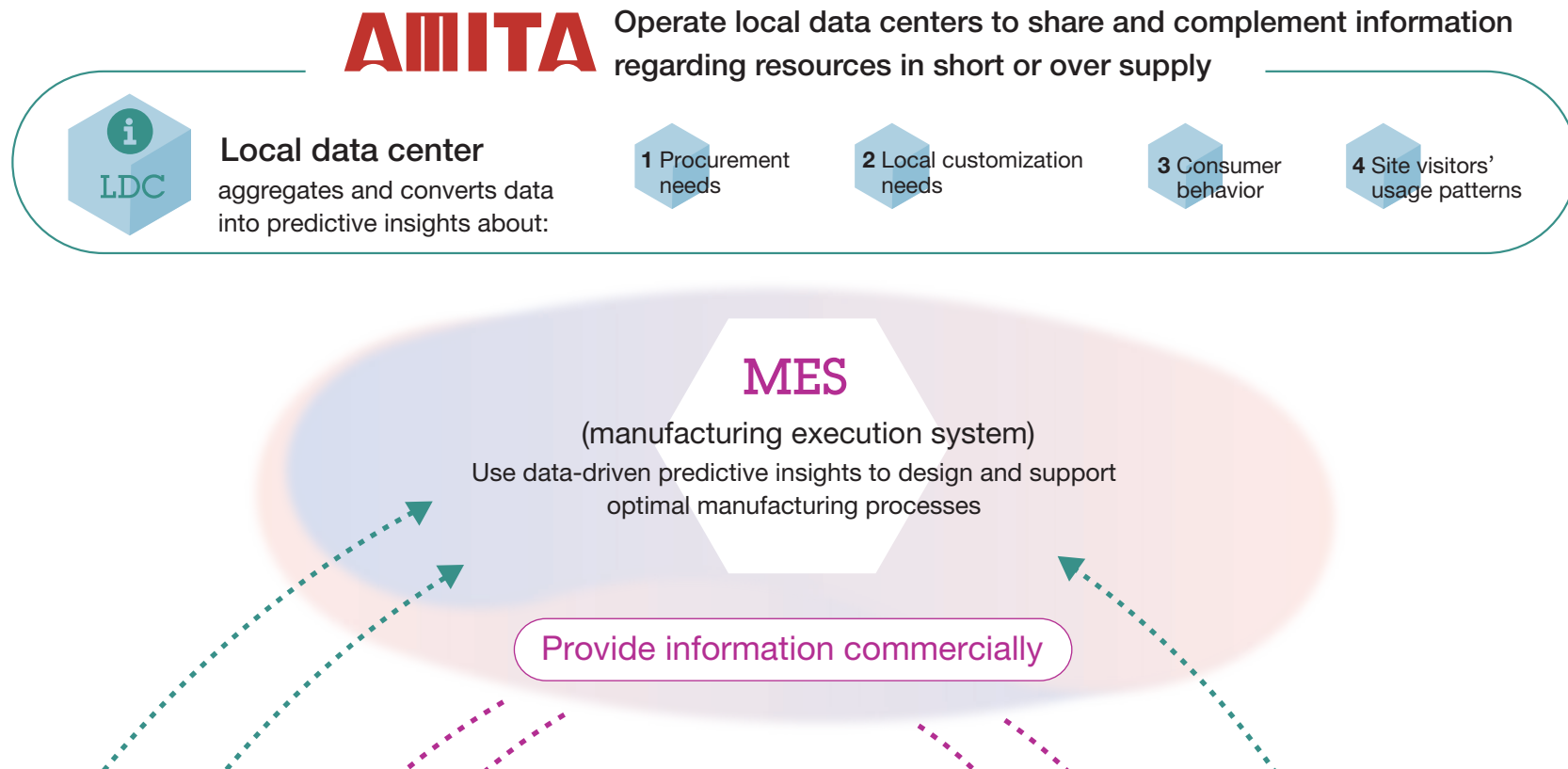
### The Remix Model optimizes the use of data-driven predictive insights on the Social Circular Platform

MEGURU STATION® facilitates the process of community engagement and information gathering that starts with the mundane chore of visiting the site by residents to dispose of household waste and used materials. Information pertaining to the demographics of site users, their usage patterns, and the materials disposed of and collected at the site is aggregated at a local data center (LDC) operating in the community.

AI analyzes and converts the data aggregated by the LDC to predictive insights about procurement needs, local customization needs, consumer behavior, and site visitors' usage patterns. The comprehensive datasets are subsequently loaded into a manufacturing execution system (MES), which uses these data-driven insights to optimize a production plan. The MES determines the product type and quantity to

be manufactured, as well as the optimal location and method of manufacturing, thereby minimizing the risk of overproduction or stock-outs.

AMITA provides local businesses and municipalities with data-driven insights to optimize their materials procurement and production, aligning with local needs. This whole operation promotes community-based social business initiatives and fosters a sustainable, self-sufficient local economy. Moreover, predictive insights provided by several LDCs in neighboring communities can be consolidated to facilitate much better use of underutilized resources across community borders. This comprehensive process of aggregating, analyzing, managing, and sharing data forms the foundation of AMITA's proposed Remix Model.







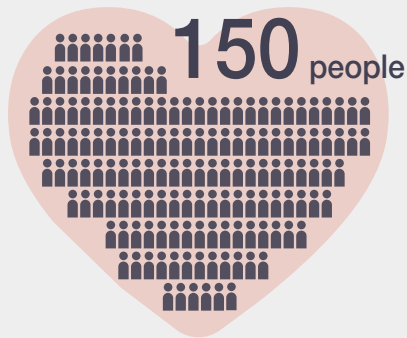
## Transforming Communities



AMITA's approaches to designing **MEGURU STYLE** to socially motivate all parties involved

### Dunbar's number

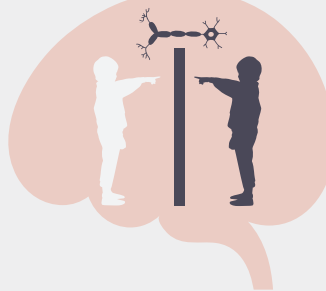
A concept proposed by Robin Dunbar, a British biological anthropologist, about a cognitive limit to the number of individuals (approximately 150) with whom an individual can establish and maintain stable relationships with others



» AMITA's approach: Design a community consisting of a network of tightly knit groups, each with a capacity of up to 150 individuals. This structure facilitates the comfortable demonstration of socially motivated behaviors among its members.

### Mirror neuron

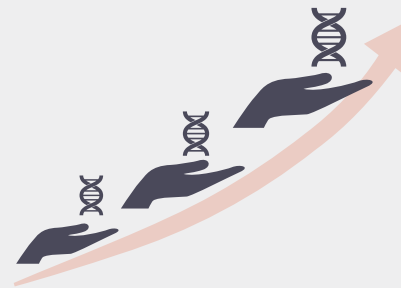
Activated both when an individual executes an action and when they observe the same action being performed by others. They essentially mirror the behavior of others as if the observer were participating in the action.



» AMITA's approach: Employ the principles of behavioral psychology of learning by imitation and empathizing with others to create an environment or mechanism that fosters a desire for social interactions among individuals.

### Meme

A cultural or social concept, practice, or style that is disseminated or replicated from person to person within a specific culture or society



» AMITA's approach: Design a mechanism that emphasizes social connections and interpersonal relationships as fundamental cultural norms, transcending individualistic tendencies.

### Three fundamental aspects of human social needs

Empathy, reciprocal help, and the sense of togetherness



» AMITA's approach: Develop a mechanism that facilitates the manifestation of the three aspects of visceral needs to enable community residents to remain in pursuit of social needs.

MEGURU STYLE is fueled by people's profound social motivation to engage in altruistic and beneficial actions for others and society, transcending their economic interests. The key is to facilitate their ongoing pursuit of social aspirations, which may be unpredictable and unstable, yet are inherent in the human condition.

People's social motivation intensifies when they feel the deepest emotion and persists when their memory of such experience remains vivid. AMITA capitalizes on the latest scientific findings in the disciplines of brain science and social psychology to design a system that facilitates people's sustained and consistent pursuit of social motivation. Furthermore, we develop and provide a shared platform and resources that consolidate and enhance people's social aspirations.

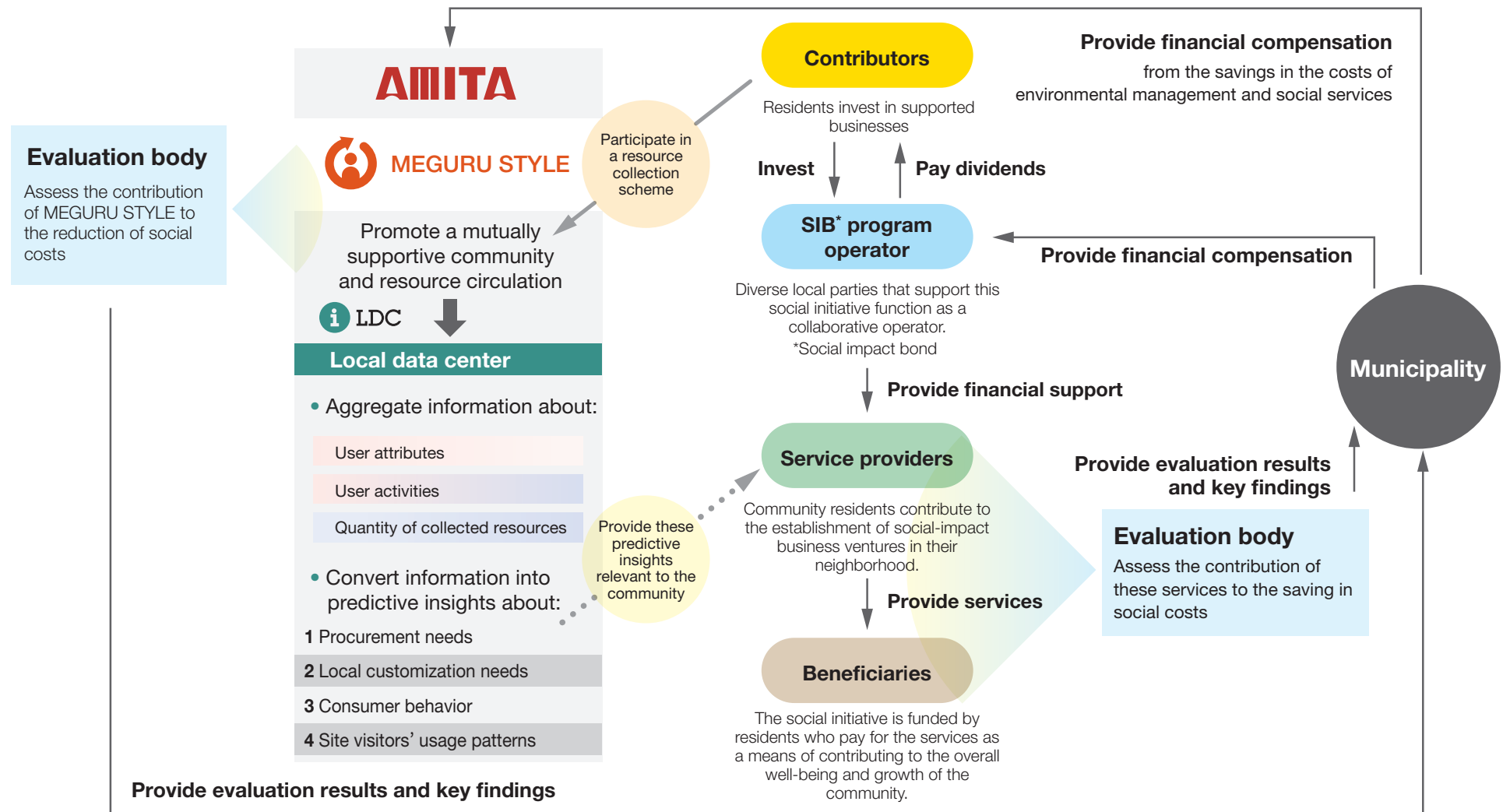
## Transforming Communities



### Transformative municipal model built on MEGURU STYLE

Establishing a circular local economy in a socially driven community through the active involvement of residents

The AMITA Group provides data-driven predictive insights to local enterprises, empowering them to undertake social-impact business ventures within a socially driven community. These social ventures, funded and supported by the community, serve as a foundation for developing a flexible circular local economy more resilient to external influences.





## The Social Circular Platform catalyzes business and community transformations



### Conventional economic model

A linear economic model that pursues the economies of scale through mass production and mass consumption

#### Challenges

- The escalating prices of resources, primarily driven by the depletion of natural resources and climate change
- Heightened global procurement risks
- Rising costs of recruiting and retaining workers and the diminishing market size caused by a shrinking workforce



### Conventional community model

A community model that relies on tax revenue and subsidies provided by local governments

#### Challenges

- Increasingly serious sociodemographic issues: Population drain, aging and shrinking population, declining employment opportunities, and rising costs of social security programs
- The decline of community attachment
- The adverse effects on consumers of the rising cost of living and the diminishing purchasing power of wages
- Deteriorating social infrastructure

Before

## Develop and implement the Social Circular Platform

After

A transition to the **“economies of quality”** that develop in a spiral manner efficiently

The emergence of **“ecosystem-driven capitalism”**, which empowers residents to manage their community through investments in, participation in, and use of community services

### ① Changes in manufacturing processes to facilitate the circulation of materials

- Design optimal manufacturing processes based on the prediction of local demand and materials availability
- Implement a circular business model that facilitates the recovery and repurposing of used products
- Customize product designs and specifications to enhance their alignment with customer requirements

Example | Auto industry | Manufacture a diverse range of vehicles in smaller quantities, using materials salvaged from discarded and decommissioned vehicles

### ② Changes in value creation that facilitate value circulation

- Make the transition from the conventional linear economic model characterized by mass production to diverse value creation models that align with the servicing of manufacturing and cater to local needs

Example | Auto industry | Shift from selling vehicles to consumers to offering them the value of mobility experience through car-sharing and subscription services

### ③ Changes in the supply chain

- Industry-specific circular supply chains implemented

### ① Changes in resident involvement

- Facilitate residents' investment in the service providers they support through the purchase of social impact bonds
- Facilitate residents' participation in the circular local economy through the disposal of used household materials at MEGURU STATION® and the selective purchase of socially responsible products
- Enable residents to access services offered by local social business operators that make the effective use of local resources

### ② Changes in community

- Support local social business ventures that address community needs
- Develop a circular local economy
- Develop safety net programs that are not financially supported by a national or local government

## Outcome

**Community model that achieves better quality of life for residents and greater sustainability for the community**

Extended healthy life expectancy	Reduced costs of social security programs	A variety of business ventures launched	Greater employment opportunities
Investment by residents	Robust local economy	Enhanced interconnection among residents	Healthier and more productive community
Circular local economy	Stable tax revenue	Resident-initiated service operations	Proud and happy residents

## Our To-Be Vision of Our Business Scope in 2030

### Our positioning

**Social Circular Platform  
player**

### Our unique value proposition that sets us apart from the competition

**The Remix Model supported by our local data centers  
and Social Circular Platform**

### Our business scope

**Business development and  
value creation**

**Assisting municipalities in achieving greater  
community sustainability**

### MEGURU STYLE

- Use data-driven predictive insights obtained from the Social Circular Platform to propose optimal solutions to community issues that enhance the efficiency of municipal environmental management and social services
- Propose MEGURU STYLE as a basis for cultivating a mutually supportive and caring community in the context of developing a local circular economy and bolstering community engagement

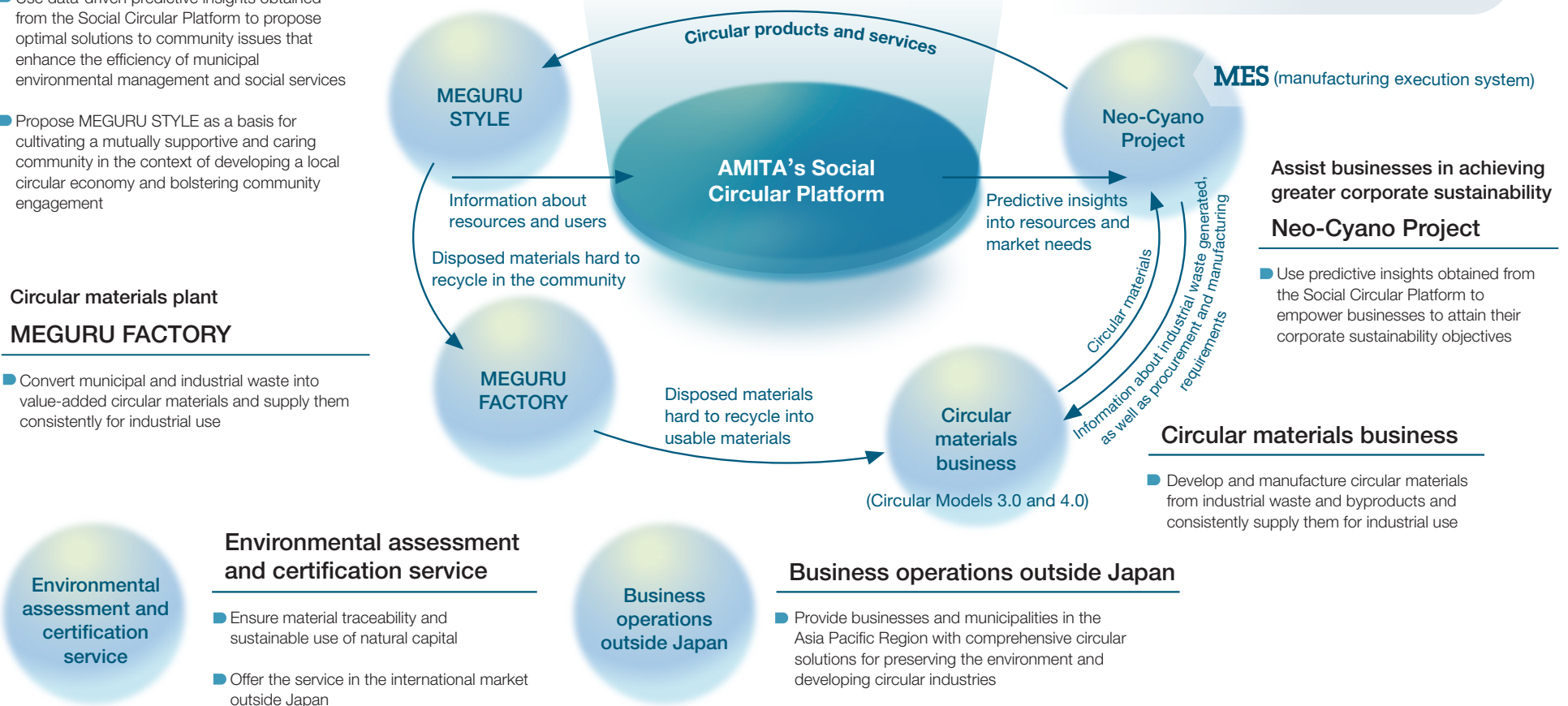
### Circular materials plant

### MEGURU FACTORY

- Convert municipal and industrial waste into value-added circular materials and supply them consistently for industrial use

**IoE: Develop and operate a database and a platform that track  
and gather information about everything**


Compile and analyze information about the quantity and quality of resources collected within a community, as well as about its residents, in order to identify the behavioral patterns and needs of both residents and the community





## The AMITA Group's Strategic Initiatives to Achieve Its Business Objectives for 2030

The AMITA Group employs the backcasting method to formulate and execute strategies that align with its AMITA Vision 2030 and business objectives for 2030. Our primary focus for FY 2025 through 2030 is on establishing a circular market in Japan. In addition, we intend to disseminate the sustainability solutions and expertise we have acquired through our Japanese operations in the Asia Pacific region.

	Primary business	Strategy and initiative for 2030	Details
Legacy business	 <b>Cyano Project</b> <b>Assist clients in achieving greater corporate sustainability</b> <b>Consulting and solution services</b> <ul style="list-style-type: none"> <li>Assistance in transitioning to greater corporate sustainability</li> <li>Assist in proof-of-concept (PoC) assessments on business transformation and development</li> </ul> <b>Operation service</b> <ul style="list-style-type: none"> <li>Sustainable business-process-outsourcing (BPO) service                             <ul style="list-style-type: none"> <li>Convert industrial waste into circular materials for commercial use</li> <li>Take over corporate clients' environmental management tasks</li> </ul> </li> <li>Develop and offer a supply-chain management system</li> </ul>	<ol style="list-style-type: none"> <li>Work with corporate partners to broaden the market for sustainability solutions</li> </ol> <div>▶ Offer Circular Co-Evolution service</div> <ol style="list-style-type: none"> <li>Implement our proprietary inbound marketing strategy to foster mutually beneficial relationships with corporate clients</li> <li>Develop and deploy an AI chatbot for our Cyano Project service</li> </ol>	Pages 18 and 19
	<b>Circular materials business</b> <b>(Circular Models 3.0 and 4.0)</b> <b>Offer closed-loop recycling services for finite resources</b> <ul style="list-style-type: none"> <li>Convert industrial waste and byproducts into value-added materials</li> <li>Meet corporate clients' requirements for sustainable procurement</li> </ul>	<ol style="list-style-type: none"> <li>Operate the smart Himeji Circular Materials Plant</li> <li>Develop a system that streamlines and optimizes inbound and outbound shipments</li> <li>Develop an AI chatbot that generates concepts for innovating the production of circular materials</li> </ol>	Pages 20 and 21
	<b>Environmental assessment and certification service</b> <b>Ensure material traceability and sustainable use of natural capital</b> <ul style="list-style-type: none"> <li>FSC® and PEFC forest certification</li> <li>MSC and ASC fishery certification</li> </ul>	<ol style="list-style-type: none"> <li>Make the service infrastructure more robust</li> <li>Expand the service's reach into international markets beyond Japan</li> <li>Expand the scope of certification service offerings</li> </ol>	Page 25

## Legacy business

## Primary business

## Business operations outside Japan

## Extend our circular solutions developed in Japan into Asian markets

- Convert industrial waste into circular materials for commercial use
- Assist local businesses and municipalities in achieving greater corporate and community sustainability

Key markets: India, Indonesia, Malaysia, Palau

## Strategy and initiative for 2030

1. Collaborate with local business partners to generate enhanced value
2. Align our business strategy with the Japanese government's national policy
3. Take a step-by-step approach to implementing circular solutions in local markets

## Details

Pages  
26 and 27

## MEGURU STYLE

## Resolve four primary community issues: population drain; aging and shrinking population; declining employment opportunities; and rising costs of social security programs

- Develop and offer MEGURU STATION®, which serves as a community hub to connect people, resources, and information
- Develop and offer MEGURU COMPLEX, a circular materials management system that does not rely on waste incineration and landfilling or fossil fuels

1. Enhance the hardware capabilities of MEGURU STYLE, ensuring optimal performance and functionality
2. Develop a prototype of MEGURU STYLE and design its standardized model in preparation for its nationwide launch
3. Develop a framework of a community association that facilitates collaboration between the private- and public-sector players
4. Design a fundraising scheme that encourages residents' active participation

Pages  
22 and 23

## IoT (Internet of Everything)

## Develop and operate a database and a platform that tracks and gathers information about everything

- Compile and analyze information about the quantity and quality of resources collected within a community, as well as about its residents, in order to identify the behavioral patterns and needs of both residents and the community

1. Develop an AI-assisted information-gathering system and the scheme to effectively use the gathered information
2. Quantify the social value generated by MEGURU STYLE
3. Seek corporate partners

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## MEGURU FACTORY

- Convert municipal and industrial waste into value-added circular materials and supply them consistently for commercial use

Design an efficient system for sorting disposed waste and materials to extract usable products and components

—

## Investment and development



## Key Business Strategy 1: Expand the scope and scale of the Cyano Project service suite

Since its inception in 2021, AMITA's Cyano Project corporate sustainability service suite has continued to evolve, expanding its scope and scale to provide comprehensive assistance to business clients in enhancing their corporate sustainability. In preparation for the Group's Business Expansion Phase, which will begin in FY 2026, we will collaborate with other entities to augment our service offerings and will optimize our sales and marketing processes.

For FY 2024 achievements

See pages 34 to 36

### Social background and market needs

The conventional linear business model, which emphasizes the pursuit of economies of scale, has become less viable in the current unpredictable business environment, characterized by climate change, rising resource prices, and labor shortages.

In response to this trend, businesses have attempted to adopt a sustainable business model that emphasizes collaborative efforts with diverse stakeholders in creating value. Nevertheless, many of them are encountering challenges in formulating and executing a transition strategy.

#### Enduring linear business model, popularized in the post-Industrial-Revolution era

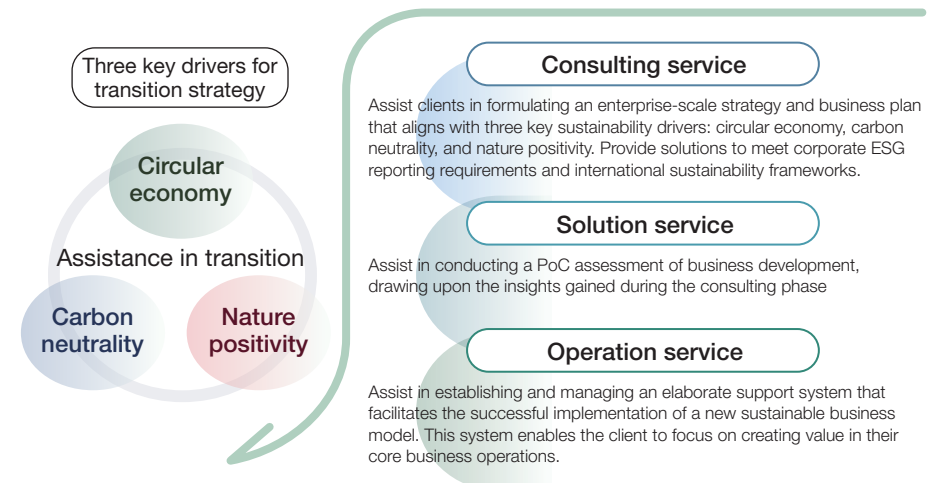
Economic discipline	Economies of scale
Operational approach	Pursue a go-it-alone strategy to capture a larger market share Produce few selected items in large quantity efficiently
Key financial metric	Revenue growth
Manufacturing discipline	Make-to-stock mass production
Focus of capital expenditure	Plants and machinery

#### To-Be circular business model

Economic discipline	Economies of scope
Operational approach	Collaborate with diverse stakeholders to produce a wide variety of products. Optimize procurement processes to enhance profitability.
Key financial metric	Improved operating profit margin and total asset turnover
Manufacturing discipline	Customize-to-order production, smart plant
Focus of capital expenditure	Relationship-building with other parties

### Service overview

Cyano Project offers business clients comprehensive solutions and services to enhance their corporate sustainability. Our approach focuses on addressing three key sustainability drivers at the enterprise level: circular economy, carbon neutrality, and nature positivity.



#### Point

### AMITA's competitive advantages

- Expertise and experience in developing and implementing circularity solutions**
  - Know-how in addressing social and environmental issues, accumulated over the past five decades
  - A wealth of consulting experience in sustainability solutions
- The demonstrated ability to deliver results**
  - Act as a team of doers in offering comprehensive and holistic support encompassing strategy development and its seamless execution
  - Provide BPO services to assume the management of clients' highly specialized business processes and administrative tasks in order to help them reduce associated risks and costs
- An extensive collaborative network**
  - A nationwide collaborative network involving municipalities, which facilitates the identification of potential PoC sites
  - Nationwide collaborative networks for resource circulation and corporate partnerships

## Strategies

### 1. Work with corporate partners to broaden the market for sustainability solutions

The AMITA Group operates on an endoskeletal corporate structure to facilitate collaboration and engagement with external stakeholders. This approach enables us to jointly create value with others while showcasing our compelling core competencies to secure competitive advantages.

Partnering with other like-minded entities allows us to provide a broader range of value and identify business opportunities on a larger client base and in more diverse fields compared with operating independently. This approach is crucial for accelerating the development of the market for sustainability solutions.

#### ► Identify market opportunities and capture a greater share of the client's wallet to achieve profit growth

- Work with corporate partners to capitalize on market opportunities and secure new clients
- Identify up-selling and cross-selling opportunities within the AMITA Group to present comprehensive proposals to existing clients, thereby addressing their concerns more effectively



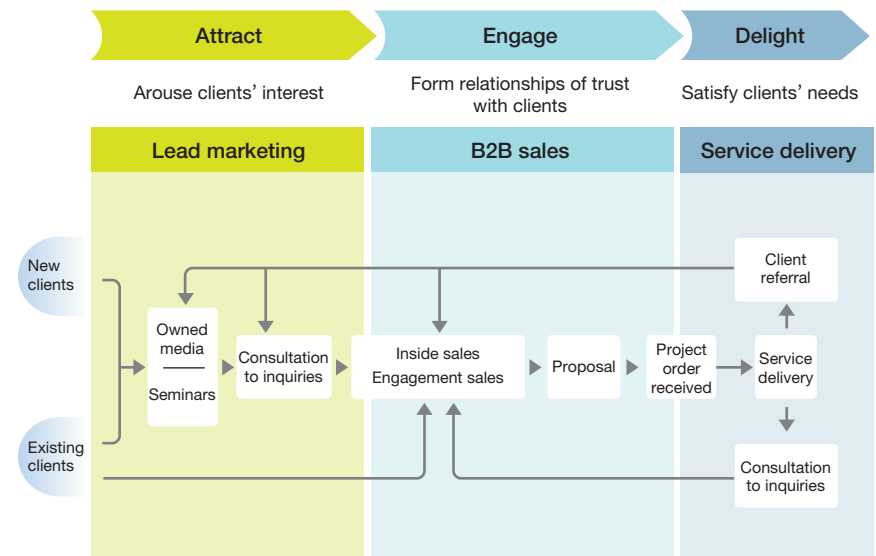
#### Case study Five-party collaboration to provide enhanced sustainability services

Amita Corporation has partnered with ABeam Consulting Ltd., Circular LinX Co., Ltd., GX Concierge Inc., and Sumitomo Mitsui Finance and Leasing Co., Ltd. to launch the Circular Co-Evolution (CCE) sustainability service initiative on June 30, 2025. This initiative is designed to augment and enhance our Cyano Project service offerings.

AMITA's extensive experience in supporting PoC assessments and its commitment to sustainable BPO services, coupled with the specialized expertise of its partners in their respective operational domains, will provide corporate clients with enhanced assistance in transitioning to circular business models.

### 2. Implement a unique inbound marketing strategy to foster mutually beneficial relationships with corporate clients

Our sales and marketing functions, encompassing visioning, corporate communications, account relations, and B2B sales, collaborate to identify unmet social needs and establish long-term client relationships. This unique relationship-building effort serves as a foundation for sustaining consistent revenue growth.



#### Case study AMITA-sponsored seminars for business leaders and executives

In FY 2025, AMITA HOLDINGS will host a four-part seminar for business leaders and executives. The seminar will focus on the risks and opportunities that arise from navigating today's unpredictable operating environment. In this seminar, esteemed business leaders and subject matter experts from various disciplines will share their insights on business strategies to navigate and overcome today's mounting challenges. This event will equip attending business executives with a novel perspective on corporate management, fostering valuable networking connections as well. Furthermore, AMITA and four other corporate partners participating in the CCE initiative will conduct a three-part seminar on sustainability solutions tailored for mid-level business managers. These two seminars will present the AMITA Group with avenues to engage with prospective corporate clients spanning both executive and mid-management levels.



## Key Business Strategy 2: Take our circular materials business to the next level with the development of Circular Models 3.0 and 4.0

In FY 2025, the AMITA Group will initiate a comprehensive upgrade of its Circular Materials Business. This transformation aims to establish this business as a robust foundation for AMITA's Social Circular Platform by FY 2030. We will employ AI and other advanced ICT solutions to empower this service to manage a broader spectrum of industrial waste and byproducts, as well as to address labor shortages and other social issues.

### Social background and market needs

The AMITA Group operates eight circular materials plants within and outside Japan that process 2,000 types of industrial waste and byproducts obtained from business operators. These plants use our proprietary closed-loop recycling processes to convert waste streams into value-added circular materials, which are subsequently provided to industrial customers.

The procurement of resources has become increasingly challenging due to the uneven distribution of resources globally, their depletion risks, and the tightening of export control measures implemented by resource-producing nations. Furthermore, the specific business needs of supply-chain players have become more defined. This is due to the transformations in the industrial structure resulting from the diminishing economic model associated with mass production and mass consumption, as well as from a shrinking workforce.

#### Business needs of supply-chain players

Business operators that generate industrial waste	<ul style="list-style-type: none"> <li>• Recycle broad categories of industrial waste in small quantities</li> <li>• Process industrial waste economically</li> </ul>
Corporate users of circular materials	<ul style="list-style-type: none"> <li>• Ensure sustainable, traceable procurement of circular materials</li> <li>• Meet regulatory requirements for Scope 1, 2, and 3 emissions reduction and environmental disclosure</li> </ul>
Circular materials producer (AMITA)	<ul style="list-style-type: none"> <li>• Achieve greater productivity through automated and streamlined manufacturing</li> <li>• Mitigate labor shortages by enhancing working conditions and fostering an employee acquisition and retention strategy</li> </ul>
Trucking companies	<ul style="list-style-type: none"> <li>• Prepare to address driver shortages anticipated to intensify in 2030</li> <li>• Achieve low- and zero-carbon operations</li> </ul>

For FY 2024 achievements

See page 36

Scan the code to learn more about our circular materials business



### Strategies

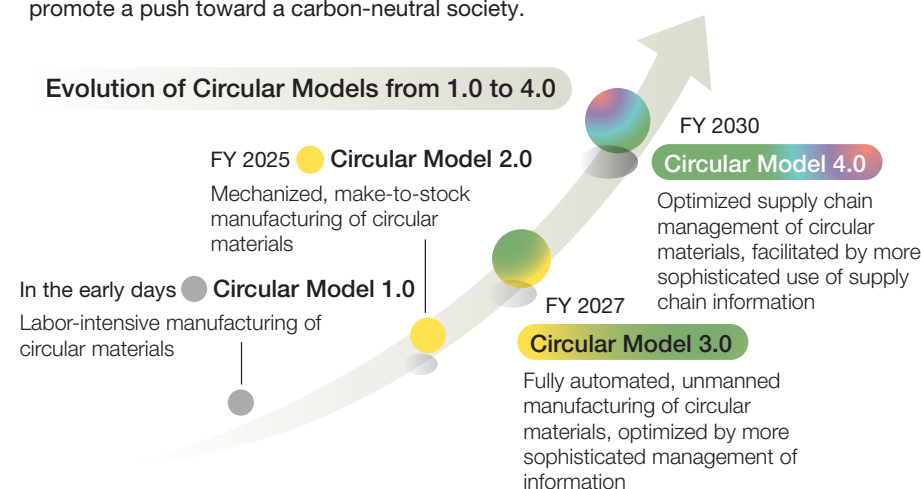
#### 1. Implement Circular Model 3.0 to facilitate the fully automated production of circular materials (FY 2025 to 2027)

We will fully automate the production of circular materials in our circular materials plants by implementing a more sophisticated system for managing supply-chain information. Upon completion, these plants will transform into smart plants, adopting DX and AI technologies to enhance their capability and versatility. This transformation will enable the development of a broader range of circular materials and facilitate more efficient production and supply of circular materials, effectively addressing the diverse needs of the industry.

#### 2. Upgrade Circular Model 3.0 to 4.0 (FY 2027 to 2030)

The information management system implemented in Circular Model 3.0 will undergo significant enhancements. We will leverage AI technologies to optimize the entire supply chain of circular materials, including logistics operations. This optimization will be achieved by continuously monitoring the real-time supply and demand status of industrial waste and circular materials. Circular Model 4.0 will facilitate closed-loop production of circular materials and optimize logistics operations for industrial waste and circular materials. It will also address the compounded social issues anticipated to impact Japanese industries in 2030, and promote a push toward a carbon-neutral society.

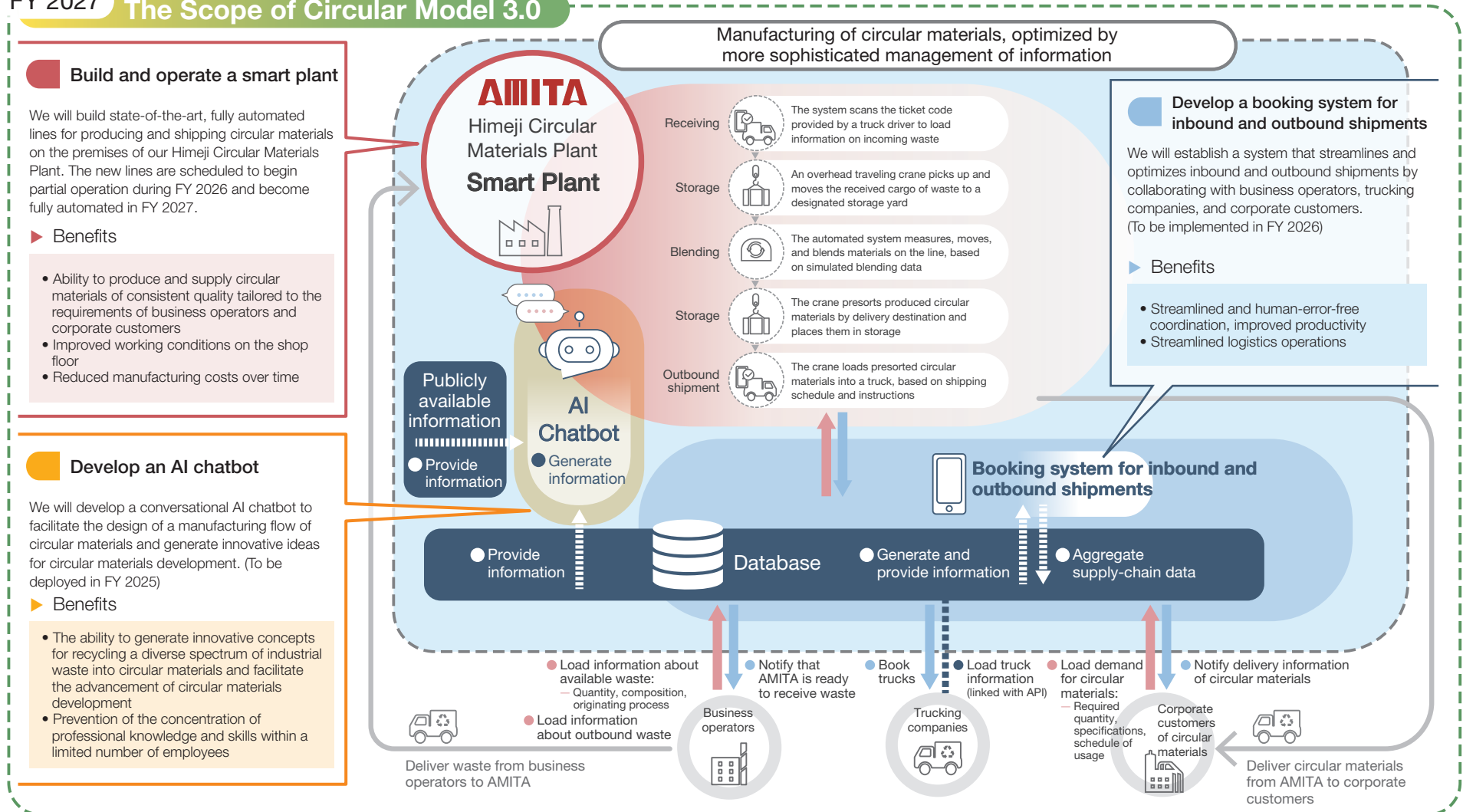
#### Evolution of Circular Models from 1.0 to 4.0



## Take our circular materials business to the next level

### Implementing Circular Model 3.0

#### FY 2027 The Scope of Circular Model 3.0



Circular Model 3.0 provides a basis for Circular Model 4.0

#### FY 2030 Circular Model 4.0

## Key Business Strategy 3: Develop and offer the MEGURU STYLE service suite

For FY 2024 achievements See page 39

We will develop a prototype MEGURU STYLE service suite and design its standardized model as a step toward establishing an innovative community design nationwide that is less susceptible to external influences. This will enrich the community, attracting more and more residents over time.

### About MEGURU STYLE

This suite of sustainable community design services promotes reciprocal assistance and support among residents, while also implementing circular design principles for social products and information. More specifically, we will take the following approaches to establishing a socially affluent community:

- Ensure the persistent realization of the three fundamental aspects of human social needs: Empathy, reciprocal help, and the sense of togetherness
- Conduct a comprehensive analysis of local resources and human-flow patterns to establish a foundation for the optimal design of business operations and community management strategies
- Establish an infrastructure for closed-loop resource circulation



See pages 12 and 13 for the vision of MEGURU STYLE in 2030.

### Strategies

#### 1. Develop and implement a prototype of MEGURU STYLE

AMITA collaborates with municipalities and their residents to implement and evaluate a prototype MEGURU STYLE in Kameoka, Kyoto, and other pilot communities. The findings from PoC assessments conducted in the pilot communities will be used to develop a comprehensive community design and resource circulation scheme that form the foundation of MEGURU STYLE.

#### 2. Design a standardized model in preparation for the nationwide launch of MEGURU STYLE

The outcomes of the field tests conducted on prototypes in pilot communities are used to develop a standardized operational model of MEGURU STYLE, which will subsequently be deployed in other communities. This serves as a foundation for achieving sustainable community management on a nationwide scale.

### Key initiatives

Our primary objective for FY 2025 through 2030 is to design and implement community association, information aggregation and usage, and fundraising schemes in collaboration with partners.

#### 1 Establish a community association

A community association assumes the responsibility of disseminating the value proposition of MEGURU STYLE and ensuring its establishment and seamless operation within the community.

AMITA's objective is to collaborate with a municipality, local businesses, and citizen groups to establish a community association that is less susceptible to annual municipal budgetary constraints or delays in the local government's decision-making processes.

#### 2 Establish and operate a local data center

AMITA will partner with DX and ICT companies to establish a local data center that aggregates information regarding user profiles of a network of MEGURU STATION®, user activities, and collected used materials. The center converts the aggregated data into predictive insights, which are disseminated to the community to enable residents to initiate and manage a local social business venture that addresses local needs.

This approach is in line with the Watt-Bit Collaboration\*, which facilitates the collaborative efforts among both public and private sector players to develop an infrastructure for data centers in Japan.

\*Collaboration between electricity (watt) and telecommunications (bit) companies

#### 3 Design a fundraising scheme that encourages residents' active participation

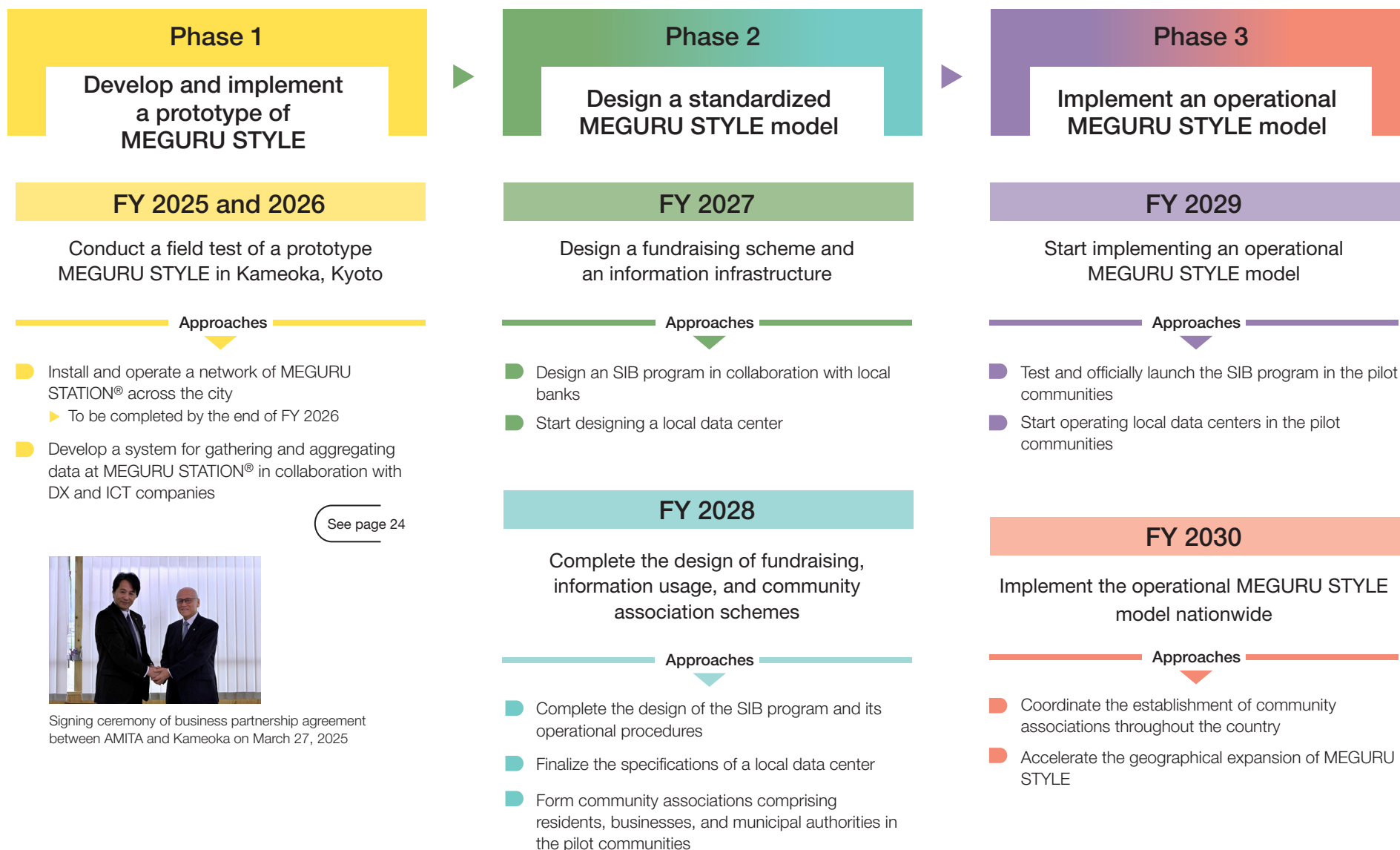
In a project where community residents take the initiative to design the community's future, they also take the initiative in raising project funds. To assist residents' fundraising efforts, AMITA partners with local banks to develop and implement an empathy-based micro-funding program and a social-impact-bond (SIB) investing program.

These programs capitalize on residents' passion and determination for community development to facilitate the collection and circulation of funds without relying on subsidies provided by the local government.



## MEGURU STYLE

### Key strategic milestones



Signing ceremony of business partnership agreement between AMITA and Kameoka on March 27, 2025

See page 24

## Key Business Strategy 4: Undertake IoE-enabled business development initiatives

The AMITA Group has been implementing IoE-enabled business development initiatives as part of developing the Social Circular Platform Business. Leveraging an information infrastructure for gathering and aggregating IoH and IoT data, we will develop the Social Circular Platform that converts these datasets into socially relevant information. This information can be used to support businesses and municipalities in enhancing their corporate and community sustainability.

### Strategies

#### 1. Develop an AI-assisted information-gathering system and a scheme to effectively use the gathered information

We will develop and implement an automated data-gathering system at MEGURU STATION® that uses AI-powered cameras to collect data on the number of visitors and the duration of their stays, as well as the types and quantities of used materials they bring to the site for disposal. This system facilitates the uninterrupted and precise gathering of user data, which serves as the basis for optimizing the operation of MEGURU STATION®.

The designing of a local data center (LDC) will begin in FY 2027, which will aggregate and analyze the collected data. The LDC will be linked to an MES (manufacturing execution system) via EDI (electronic data interchange). The MES will use data-driven predictive insights provided by the LDC regarding local product demand, to support business partners in their manufacturing operations.

Employing state-of-the-art AI technologies and collaborating with other businesses will enable us to expedite our development timeline and accelerate our business expansion.

#### 2. Quantify the social value generated by MEGURU STYLE

To quantify the social value generated by MEGURU STYLE, we will employ an impact assessment method. This assessment will evaluate changes in residents' lifestyles and behaviors, as well as the positive impact on society resulting from the collaboration between businesses and municipalities. The findings from this assessment will be shared with all parties involved.

In addition, we will enhance the value of real-time IoT and IoH data by converting them into socially relevant information. This information will be shared with businesses and municipalities, enabling them to use it to enhance their corporate and community sustainability.

### Key milestones for establishing an information infrastructure

#### FY 2025 and 2026: Implement an AI-assisted information gathering system

- Install AI-powered sensing devices to facilitate automated data gathering at MEGURU STATION® in Kameoka, Kyoto.

#### FY 2027 and 2028: Design an LDC and confirm EDI compatibility between the LDC and the MES

- Utilize AI technologies and corporate partnerships to design an LDC that aggregates data collected at MEGURU STATION®.
- Confirm the EDI compatibility between the LDC and the MES.

#### FY 2029: Link a network of LDCs with the MES

- Start operating a network of LDCs.
- Provide data-driven predictive insights about local product demand to the MES via EDI, which functions as an information infrastructure for a circular community and provides a basis for launching the business in FY 2030.

#### From FY 2030 onward: Launch the Social Circular Platform Business

- Expand the geographical reach of the Social Circular Platform Business, which facilitates businesses and municipalities in enhancing their corporate and community sustainability.

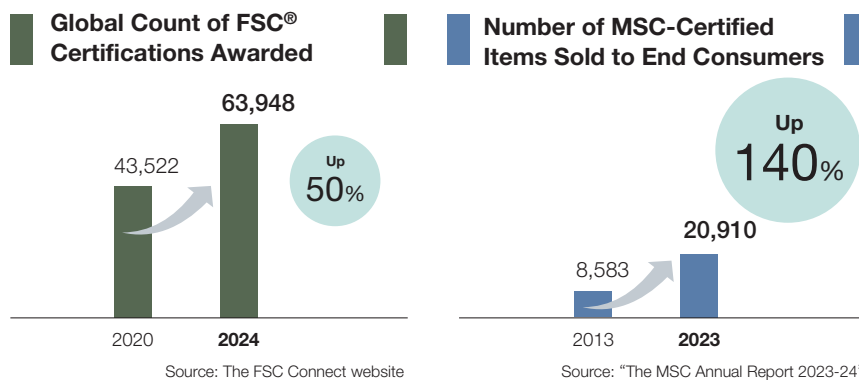
## Key Business Strategy 5: Expand the scope and scale of our environmental assessment and certification service

Since the commencement of its environmental assessment and certification service, AMITA has distinguished itself as the first Japanese assessor for FSC® (Forest Stewardship Council) certification and the first Asian certifying entity for MSC and ASC CoC (Marine Stewardship Council and Aquaculture Stewardship Council Chain of Custody) certification. As a pioneering service provider in the environmental certification market, we intend to expand the scope and scale of this service beyond Japan. Our primary objective in this endeavor is to assist businesses in augmenting their enterprise value and becoming more competitive in the market.

### Social background and market needs

To safeguard and conserve dwindling natural resources, nations globally have enacted more stringent procurement protocols and implemented stricter regulations.

Businesses face mounting pressure to adopt ESG-compliant procurement practices and guarantee the traceability of the resources and materials used in their products. Whether voluntary or not, obtaining environmental certifications is crucial for businesses to preserve and enhance the value of their brands or expand into new markets.



### Service overview

Our primary focus is to provide comprehensive forest and fishery certification services.

FSC® and PEFC forest certification	MSC and ASC fishery certification
Lumber and wood products originating from sustainably managed forests are permitted to display ecolabels and can be marketed as "certified."	Similarly, fishery products that adhere to sustainable and environmentally responsible fishing and aquaculture practices are allowed to bear ecolabels and can be sold as "certified."

For FY 2024 achievements

See page 37

Scan the code to learn more about our environmental assessment and certification business



### Strategies

#### 1. Make the service infrastructure more robust (FY 2025)

To effectively expand our business in the rapidly evolving and diverse market for environmental certification services, it is crucial to enhance our service infrastructure. We are proactively implementing various initiatives, including the recruitment of additional staff members to the service department, providing support to staffers aspiring to become assessors in obtaining the necessary qualifications, and optimizing administrative processes through the deployment of DX solutions. These efforts will empower us to demonstrate greater flexibility and agility in accommodating the diverse certification requirements of our corporate clients.

#### 2. Expand the service's reach into the international market beyond Japan (from FY 2027 onward)

For the AMITA Group, ASEAN countries are a high-priority region to which we intend to expand our environmental assessment and certification service. In particular, we consider Malaysia a top-priority market for our fishery certification service, as the country boasts a rich biodiversity, especially in Borneo, and its citizens exhibit a high level of environmental awareness. Our plan is to launch this service in Malaysia in FY 2027, which necessitates the acquisition and training of additional assessors.



#### 3. Expand the scope of certification service offerings (from FY 2028 onward)

We are evaluating the expansion of our certification service to encompass additional fish species subject to certification and an agricultural certification service. This initiative aligns with our commitment to playing a pivotal role in augmenting critical natural capital. In the long term, we will consider offering a certification service for verifying the traceability of natural capital. This approach will facilitate the promotion of local social business initiatives, as stipulated in AMITA Vision 2030.



## Key Business Strategy 6: Expand our business operations outside Japan

The AMITA Group collaborates with local businesses and municipal partners to establish circular economies in the ASEAN and other Asia-Pacific regions. We leverage our innovative circular solutions developed through our business operations in Japan to achieve this goal.

For FY 2024 achievements

See page 38

Scan the code to learn more about our business operations outside Japan



### Social background and market needs

#### Projected waste management market in the ASEAN region in 2029

43.3 billion USD

Source: "ASEAN Waste Management Market Size & Share Analysis," published by Mordor Intelligence

#### Projected CO<sub>2</sub> emissions in the ASEAN region in 2050

2,600 MT of CO<sub>2</sub> equivalent

5.6 times as in Japan

Source: "Report on Circular Economy 2024: ASEAN's Sustainable Development," published by PwC Japan Group

The ASEAN region has been experiencing rapid population growth and economic expansion, which has led to increasingly pressing environmental challenges. These include the illicit disposal of industrial and municipal waste and a substantial surge in greenhouse gas emissions. Concurrently, resource procurement has become a pressing issue due to unstable supply chains and evolving global geopolitical uncertainties. Amid these developments, there has been a growing interest in the circular use of resources in the region.

Moreover, the bilateral trade agreements vigorously promoted by the U.S. Trump administration have contributed to the resurgence of trading blocs globally. In response to this emerging economic reality, ASEAN countries have chosen to prioritize economic growth driven by robust domestic demand.

AMITA's circular solutions are designed to facilitate the circulation of resources, products, and information within a community. They play a pivotal role in catalyzing the growth of domestic demand for goods and services. Given these factors, AMITA's circular solutions have a strong likelihood of success in the ASEAN region. Furthermore, the regional demand for environmental certification services is anticipated to grow, particularly in the context of food and energy security.

### Our Asian operations

#### India

Partner: the Ramky Group

A joint comprehensive feasibility study is being conducted on a low- and zero-emission society and circular economy in emerging markets.



Business development and expansion phase

Preliminary research and groundwork phase

#### Palau

Partner: Koror State

Proposed a joint public-private project to Koror State to implement a compact low-carbon circular system throughout the island.

► A study is underway to assess the commercial feasibility of achieving low- and zero-carbon operations in the tourism industry, which is the primary industry of the island.

#### Malaysia

Partners: the NAZA Group, Sunway University

In FY 2017, we started the resource-recycling business specifically tailored for cement producers. Since then, our annual production has shown consistent growth.

► Projects are in progress to enhance production capacity and establish a broader range of circular materials, thereby propelling business expansion.

The first MEGURU STATION® outside Japan installed on the campus of Sunway University in 2024. The field test is scheduled to continue during 2025.

#### Indonesia

Partners: the Tamaris Moya Group (under the Salim Group), Indocement

We have established two joint ventures with the partners and are preparing to start the production of circular materials for cement producers in FY 2027.

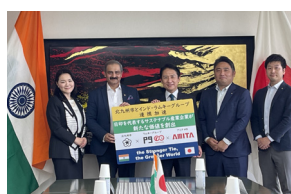
## Business operations outside Japan

### Strategies

#### 1. Collaborate with local business partners to generate enhanced value

We will intensify our efforts to secure partnership agreements and establish joint ventures with local businesses in these countries.

Collaborating with partner companies well-acquainted with local regulations and business customs, coupled with strong working relationships with regulatory authorities, enables us to launch a new business initiative with relatively low investment risks and within a compressed time frame.



Partnership with the Ramky Group, a leading provider of waste management service in India (India Project)



Partnership with the Tamaris Moya Group and Indocement (Indonesia Project)

#### 2. Align our business strategy with the Japanese government's national policy

To conduct commercial feasibility studies in the Asia-Pacific region, we employ public-private collaborative schemes that are subsidized by the Japanese government. This arrangement facilitates the expedited launch of business ventures and enhances their chances of success, while simultaneously mitigating initial business development costs and associated risks. (See Topic on page 38 for information about the latest projects)

#### 3. Take a step-by-step approach to implementing circular solutions in local markets

In ASEAN countries, characterized by robust economic growth and ongoing development of public infrastructure and urban areas through government-sponsored national projects, diverse environmental and social issues are anticipated to emerge or intensify. The AMITA Group recognizes the ASEAN region as a strategically significant market for expanding the circular solutions we have successfully developed and implemented in Japan.

As a first step to establish a robust business foundation, we will engage in the resource-recycling business (hard service), which is already in high demand, in a manner that is customized to meet the specific regulatory and infrastructure requirements of each country. Subsequently, we will transition to launching environmental assessment and certification services and waste management services (soft services) in countries such as Malaysia, where we anticipate a higher likelihood of success.

### Key milestones for planned business operations

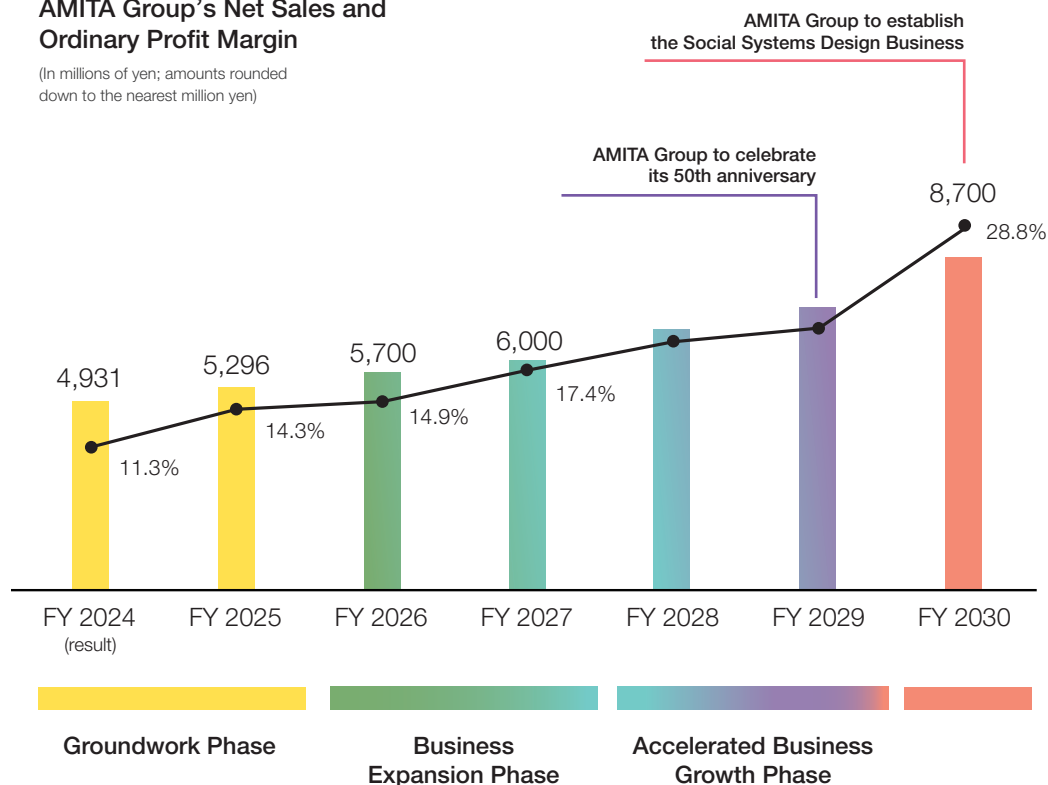
	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
	<b>Establish a new business foundation</b>  Develop business in these countries as a basis for expanding our business foundation			<b>Develop and implement solutions to facilitate the production of diverse circular materials</b>  Deploy our know-how of developing and establishing the Social Circular Platform in Japan		
Malaysia	<ul style="list-style-type: none"> <li>In collaboration with the NAZA Group:               <ul style="list-style-type: none"> <li>Establish additional closed-loop resource-recycling plants</li> <li>Develop new types of circular materials</li> </ul> </li> </ul> <b>Additional plant scheduled to become operational in FY 2026</b>			<ul style="list-style-type: none"> <li>Initiate a business venture that provides support for the development of a platform for materials circulation, including DX solutions and BPO services for environmental and waste management. (Consider expanding this business into other markets, subject to its compatibility with the current pace of business development and adherence to local regulatory frameworks.)</li> <li>Consider launching the environmental assessment and certification service in FY 2027 or later, with a focus on fishery certification service</li> </ul>		
Indonesia	<ul style="list-style-type: none"> <li>Collaborate with the Tamaris Moya Group and Indocement to secure licenses and permits for a resource-recycling business venture, and subsequently construct a plant</li> </ul> <b>Plant scheduled to become operational in FY 2027</b>			<ul style="list-style-type: none"> <li>Enhance production of circular materials and establish it as a profitable enterprise</li> </ul>		
India	<ul style="list-style-type: none"> <li>Collaborate with the Ramky Group to conduct a commercial feasibility study on resource recycling</li> </ul>			<ul style="list-style-type: none"> <li>Consider launching the business in FY 2028 or later</li> </ul>		
Palau	<ul style="list-style-type: none"> <li>Conduct a commercial feasibility study to assess the viability of developing a low-carbon, circular business model through public-private partnership. Consider participating in this collaborative project.</li> </ul>			<ul style="list-style-type: none"> <li>Consider launching the business in FY 2028 or later</li> </ul>		

# Six-Year Management Plan for FY 2025-2030

In FY 2025, the last year of the Groundwork Phase outlined in our Six-Year Management Plan, the AMITA Group will intensify its preparation for the start in FY 2026 of the Business Expansion and Accelerated Business Growth Phases. Over the next six years, our primary objective is to enhance our ordinary profit margin and attain sustainable growth to achieve consolidated net sales of 8.7 billion yen in FY 2030.

## AMITA Group's Net Sales and Ordinary Profit Margin

(In millions of yen; amounts rounded down to the nearest million yen)



In Japan, the AMITA Group provides two primary service suites: Cyano Project for corporate sustainability and MEGURU STYLE for community development. Our focus is on developing and establishing the Social Circular Platform and implementing pioneering business models. Outside Japan, our focus is on enhancing the revenue and profitability of our Malaysian operations and launching and monetizing business ventures in Indonesia. We will also expand our environmental assessment and certification service globally. All these strategic initiatives will position us favorably to accomplish the objectives outlined in our Long-Term Management Plan for FY 2030.

## FY 2025 through 2027

### Japan

- Collaborate with four corporate partners to enhance the value propositions of sustainability service products and broaden the client base. Employ inbound marketing strategies and practices to win more clients and project assignments.
- Develop additional types of circular materials
  - ▶▶ Implement Circular Model 3.0
- Circular LinX to develop and offer new service products
- Develop the MEGURU STYLE service suite
  - ▶▶ Collaborate with Kameoka, Kyoto
- Develop IoT-enabled business

### Outside Japan

- Expand our resource-recycling business in Malaysia
- Launch resource-recycling business in Indonesia

### Corporate management

- Ordinary profit target: 1.04 billion yen or more in FY 2027
- Ordinary profit margin target: 17.4% in FY 2027
- Explore alliance and acquisition opportunities

## FY 2028 through 2030

### Japan

- Launch the MEGURU STYLE service suite
- Launch IoT-enabled business
- Develop and establish the Social Circular Platform
  - ▶▶ Develop Circular Model 4.0

### Outside Japan

- Monetize the resource-recycling business in Indonesia

### Corporate management

- List the Company's stock on the TSE Prime Market (FY 2029 or later)
- Establish the Social Systems Design Business (FY 2030)



## Three-Year Management Plan for FY 2025-2027 and Supporting Strategies

The AMITA Group updates its three-year management plan on a rolling basis annually to remain flexible and agile in an evolving operating environment. On this page, we outline the Group's financial targets for FY 2025 through 2027, as well as key initiatives for FY 2025 aimed at strengthening the foundation of our service lines.

### AMITA Group's Financial Targets for FY 2025-2027

(In millions of yen; amounts rounded down to the nearest million yen)

	FY 2024 result	FY 2025 target	FY 2026 target	FY 2027 target
Net sales	4,931	5,296	5,700	6,000
Operating profit	473	653	700	845
Ordinary profit	557	757	850	1,045
Profit	423	526	570	700
Operating profit margin	9.6%	12.3%	12.3%	14.1%
Ordinary profit margin	11.3%	14.3%	14.9%	17.4%

### The primary objectives of the AMITA Group for FY 2025-2027

#### • Explore alliance and acquisition opportunities

We will explore alliance and acquisition opportunities with mutually-complementary companies outside the Group to strengthen our business foundation and capitalize on enhanced revenue prospects.

#### • Navigate the “Trump effect”

We will closely monitor the effects of the U.S. Trump administration on the global economy and businesses. We will remain flexible and adaptable in providing services to respond to changes in the operating environment and client requirements, while simultaneously strengthening our operating structure.

#### • Implement an upgrade to BCP

We will reassess and enhance our business continuity planning (BCP) strategy to bolster our preparedness against catastrophic natural disasters, global financial crises, and military confrontations in East Asia.



# Building the groundwork for creating a circular market in Japan

## SUETSUGU Takahide

President and Chief Integrated Operations Officer (CIOO)  
AMITA HOLDINGS CO., LTD.



In pursuit of AMITA Vision 2030, the AMITA Group recognizes FY 2024 and 2025 as the Groundwork Phase, during which to prioritize strengthening relationships with internal and external stakeholders and implementing updated strategies for organization, products, procurement, sales and marketing, and production. The successful completion of this phase will position the Group favorably for entry into the Business Expansion Phase in FY 2026.

During FY 2024, the first year of the Groundwork Phase, we were focused on establishing robust partnerships with other companies to collaboratively create enhanced value. We also bolstered the Group's three key growth drivers: compelling value propositions of our service products, sales and marketing excellence, and organizational excellence.

These efforts provided the Group with valuable opportunities to assist more businesses and municipalities in achieving greater sustainability amid evolving uncertainties over global supply chains. Consequently, the Group achieved consolidated net sales of 4,931 million yen, an operating profit of 473 million yen, an ordinary profit of 557 million yen, and a profit of 423 million yen, each surpassing the previous year's performance. This solid financial performance in FY 2024 instilled confidence in our progress toward developing a circular market in Japan.

In the turbulent global landscape catalyzed by the U.S. Trump administration, the Group anticipates a unique opportunity to transition from providing businesses with reactive ESG support to providing proactive support for corporate sustainability, thereby enhancing clients' enterprise value.

In FY 2025, the Group intends to continue progressing toward its business objectives for 2030. Notably, one of the primary objectives is to enhance the value propositions of our service products and bolster sales and marketing excellence, as exemplified by the five-party alliance announced on June 30, 2025, to jointly promote innovative corporate sustainability solutions. In addition, the Group will persist in its efforts to achieve its strategic objectives in production, business operations outside Japan, and DX solutions for business processes, thereby completing the Groundwork Phase.

### Our achievements in FY 2024

#### • Strategic partnerships

Sought enhanced collaboration with external partners to capitalize on their product development and engineering expertise, as well as their sales networks, which complement our own capabilities.

- Jointly established Circular LinX with the SMFL Group.
- Participated in the Ecosystem Society Agency as a founding member
- Established partnerships with local businesses in key Asian markets
- Built a stronger relationship with the burgeoning chip industry

#### • Key driver: Compelling value propositions of our service products

Continued to develop and offer solutions to assist businesses and municipalities in enhancing their sustainability.

- Cyano Project: Assist businesses in enhancing their corporate sustainability (See pages 34 to 36)
- MEGURU STYLE: Assist municipalities in enhancing their community sustainability (See page 39)

#### • Key driver: Sales and marketing excellence

Enhanced our inbound marketing strategies and practices to optimize coordination among our visioning, public relations, account relations, and B2B sales teams.

- Refreshed our business website.
- Hold sales and corporate management seminars for business managers.
- Implemented marketing approaches by area and by industry.

#### • Key driver: Organizational excellence

Updated our talent development and management scheme and organizational structure to encourage employees to exercise greater autonomy and flexibility in a networked team. This change enables employees to adapt to changing organizational requirements more effectively.

- Implemented the OKR performance management framework.
- Invested in and implemented DX solutions throughout the organization.
- Eliminated the mid-level manager positions previously responsible for making routine decisions and organizing the information flow.

▶▶▶ See page 41

# AMITA Group's Value Creation Process and Review of FY 2024

## How the AMITA Group Creates Value

To sustain its business development and operational excellence, the AMITA Group reinvests the operating and relational capital it earns through investments in cultivating robust relationships with society and stakeholders. By collaborating with corporate partners, we enhance the development of our services and solutions and expand our client base. Furthermore, we have revamped the company's talent management and development programs to provide employees with ample opportunities for social engagement. This approach enables us to prioritize organizational excellence, ultimately driving greater value creation at the company level.

### Input to FY 2024

Makeup of AMITA Group's capital as of December 31, 2023

#### Financial capital

	FY 2023 result
Net sales	4,536 million yen <sup>1</sup>
Operating profit	472 million yen <sup>1</sup>
Equity capital ratio	36.6%
Market capitalization	9.4 billion yen <sup>2</sup>

1. Amounts rounded down to the nearest million yen  
2. Amounts rounded down to the second decimal place. Based on the closing quote of the Company's stock as of the last trading day of December 2023.

#### Human capital

	As of December 31, 2023
Number of employees	241

#### Tangible and intangible capital

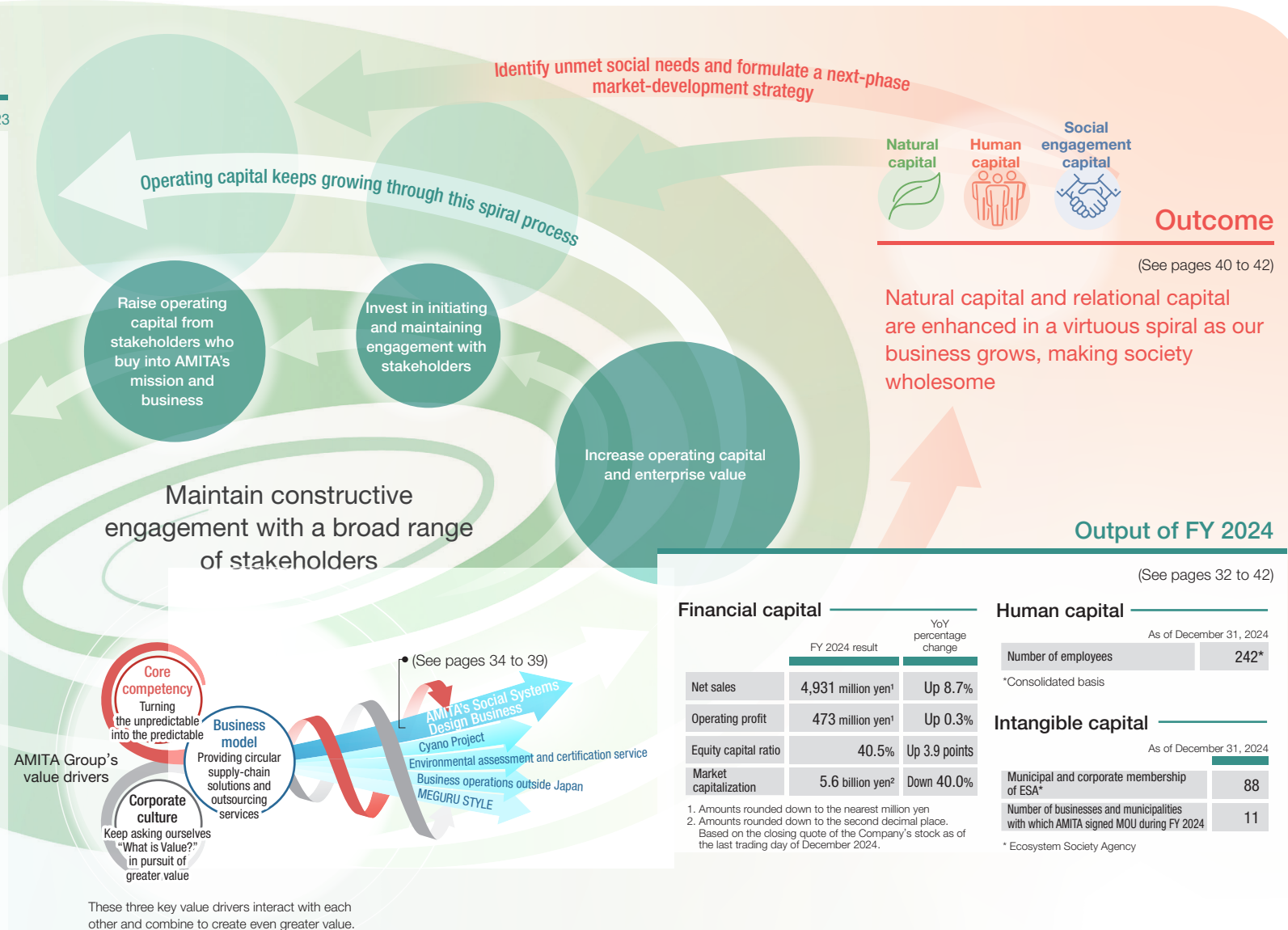
- Network of more than 300 recycling service providers
- Infrastructure for gathering and managing information about industrial waste and recycled materials
- System for gathering information about residents' behavioral patterns and waste disposal
- AMITA's website dedicated to providing information about sustainability solutions, getting 100,000 page views a month
- Collaboration with other businesses, municipalities, and universities

	As of December 31, 2023
Corporate membership of J-CEP*	59
Business partnerships	9

\*Japan Circular Economy Partnership Merged into ESA in April 2024.

#### Information capital

- Information about industrial waste and recycled materials, gathered from our recycling service network and information infrastructure
- Information about community residents' behavioral patterns and waste disposal, gathered at MEGURU STATION®



### Outcome

(See pages 40 to 42)

Natural capital and relational capital are enhanced in a virtuous spiral as our business grows, making society wholesome

### Output of FY 2024

(See pages 32 to 42)

#### Financial capital

	FY 2024 result	YoY percentage change
Net sales	4,931 million yen <sup>1</sup>	Up 8.7%
Operating profit	473 million yen <sup>1</sup>	Up 0.3%
Equity capital ratio	40.5%	Up 3.9 points
Market capitalization	5.6 billion yen <sup>2</sup>	Down 40.0%

1. Amounts rounded down to the nearest million yen  
2. Amounts rounded down to the second decimal place. Based on the closing quote of the Company's stock as of the last trading day of December 2024.

#### Human capital

	As of December 31, 2024
Number of employees	242*

\*Consolidated basis

#### Intangible capital

	As of December 31, 2024
Municipal and corporate membership of ESA*	88
Number of businesses and municipalities with which AMITA signed MOU during FY 2024	11

\*Ecosystem Society Agency

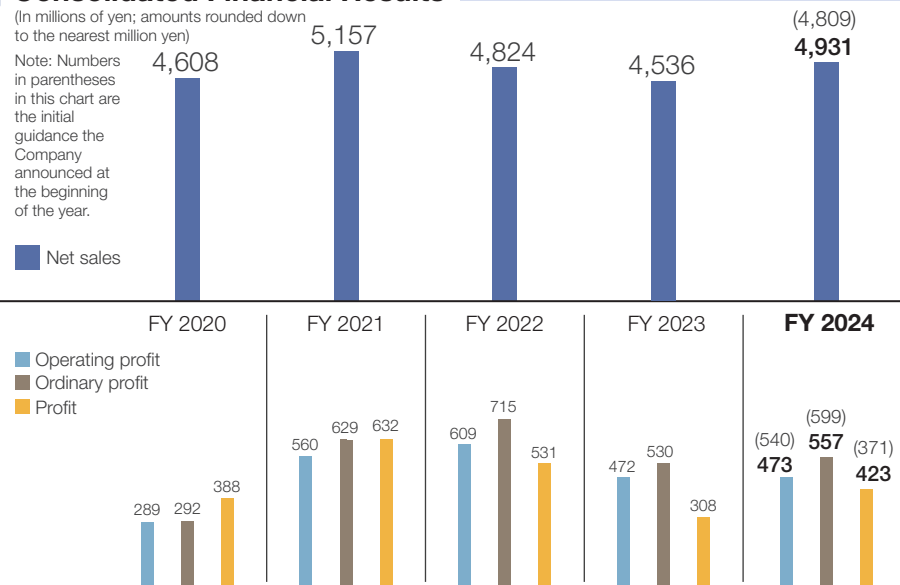


# Financial Highlights of FY 2024

## Consolidated Financial Results

(In millions of yen; amounts rounded down to the nearest million yen)

Note: Numbers in parentheses in this chart are the initial guidance the Company announced at the beginning of the year.



**We achieved a year-on-year increase in both sales and profit in FY 2024, although the operating profit was shy of the initial guidance for the year due to robust investments in talent and business development**

In FY 2024, the AMITA Group recognized the heightened necessity of corporate sustainability among businesses amid the growing global procurement risks for resources and raw materials, coupled with their escalating prices.

Leveraging this favorable trend, the Group bolstered its net sales compared with the preceding year and the initial guidance. This success was attributed to the growing demand for the Cyano Project corporate sustainability service suite and for circular materials, particularly cement alternative materials and fuels for cement producers.

At the same time, the AMITA Group's aggressive investment in talent and business development to establish a robust foundation for future business growth resulted in an increase in SG&A expenses.

Our ordinary profit experienced a significant surge in FY 2024. This growth was primarily driven by a rise in the share of profit attributable to entities accounted for using the equity method from our Malaysian operations and the favorable impact of currency exchange rates. Furthermore, the deferred tax income, stemming from an increase in deferred tax assets, drove the Group's profit for the year above the previous year's level and the initial guidance.

## Key Financial Metrics



**FY 2024 result**

The Group invested in talent development aggressively, which resulted in an increase in the cost of sales and SG&A expenses.

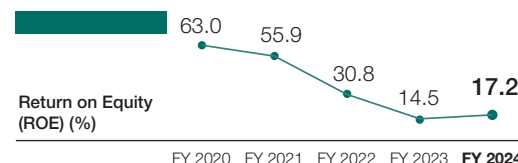
- FY 2025 target: 12.3%



**FY 2024 result**

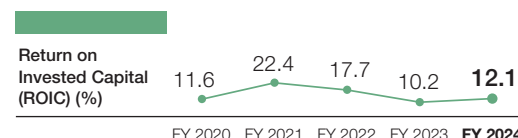
Although ordinary profit increased from the previous year due to a rise in the share of profit of entities accounted for using the equity method from our Malaysian operations and the favorable impact of currency exchange rates, the percentage of year-on-year increase in ordinary profit was not as significant as that of net sales.

- FY 2025 target: 14.3%



**FY 2024 result**

Our ROE was up from the previous year because the deferred income taxes resulting from an increase in deferred tax assets drove the profit up for the year.



**FY 2024 result**

Our ROIC was up from the previous year because after-tax operating profit increased as a result of the reduced effective tax rate based on tax-effect accounting.

Scan the code for the Consolidated Financial Statement for FY 2024



## Updates on Investor Relations Initiatives

### Our underperforming stock price

Our stock price has remained stagnant over the past several years (our stock price: 420 yen as of June 30, 2025). We have identified the following factors that adversely impact our stock price:

#### Financial performance

Although the AMITA Group achieved a year-on-year increase in sales and profit in FY 2024, its operating profit and ordinary profit performance fell short of the guidance announced early in the year. This shortfall has eroded the confidence of shareholders and investors in the Group's ability to execute its Medium-Term Management Plan effectively.

#### Investment-driven business management

The Group performs investment-driven business management that prioritizes up-front investments in developing solutions to unmet social needs to create a market for them. While this approach provides us with a distinct competitive advantage, it takes several years to turn it into a profitable business, which impacts our annual financial performance for the meantime. The extended time required to recoup initial investments has not met investor expectations.

#### Public awareness of AMITA

The Group operates in the B2B market, serving corporate and municipal clients. The public awareness of AMITA is not as prominent as that of companies engaged in the consumer market.

#### Dividend policy

Our dividend payout ratio has been below 20%. This strategic decision prioritizes the aggressive reinvestment of profits in the Groundwork Phase, rather than distributing returns to shareholders.

#### Global economy

Following the inauguration of the second Trump administration, the Japanese and global stock markets have experienced volatility, impacting our stock price.



### How we can bolster our stock price

#### Drive business expansion and enhance financial performance

To drive business expansion and enhance financial performance, we will intensify our focus on developing and providing innovative service solutions, as outlined in our Long-Term Management Plan. This will be complemented by completing the Groundwork Phase, which will serve as a crucial step toward business expansion.

Furthermore, we will actively explore and pursue partnership and acquisition opportunities to expedite the development of our service solutions and expand our client base.

► For our Long- and Medium-Term Management Plans, see pages 28 and 29.

#### Enhance investor relations and public relations strategies and practices

To secure investor buy-in to our investment-driven business management and enhance public awareness of AMITA,

we will implement the following measures:

- Maintain regular communication with investors and analysts regarding our up-front investment strategies, and quantitative plan and progress in recovering investments, as well as the positive impact of the investments on our business operations
- Establish regular channels of communication with investors and analysts
  - Establish good working relationships with institutional investors and analysts, provide earnings briefings to private investors, and enhance the public awareness of AMITA through media exposure and external channels

Note: 344 articles about AMITA appeared in the Japanese media during FY 2024.

#### Update our capital policy

To bolster the trading volume of our shares on the market, we will explore the possibility of securitizing the Company's shares held by prominent private and corporate shareholders. In addition, we will consider implementing a capital policy that will enable us to increase our dividend payout ratio to 30% by the end of FY 2027.

### Meeting TSE's Continued Listing Criteria

AMITA HOLDINGS met the Tokyo Stock Exchange's continued listing criteria for the Growth Market, as of December 31, 2024.

	Listing requirements for the Growth Market on TSE	AMITA HOLDINGS as of December 31, 2024
Number of shareholders	150 or more	2,520
Number of tradable shares	1,000 or more share units	44,310 share units
Market capitalization of tradable shares*	500,000,000 yen or more	1,656,777,073 yen
Tradable-share ratio	25% or more	25.23%

\*Market capitalization of tradable shares was based on the average closing share price of 373.90 yen for the three months up to the last day of the fiscal year.

### Year-end Dividend

Year-end dividend rates for FY 2024 and FY 2025 (guidance) are shown below. The Company strives to achieve a dividend payout ratio of 30% by the time the Business Expansion Phase is completed in FY 2027.

	FY 2023 result	FY 2024 result	FY 2025 (guidance)
Dividend rate	4.00 yen	4.00 yen	5.00 yen
Consolidated dividend payout ratio	22.8%	16.6%	16.7%

## Achievements in FY 2024 and Initiatives for FY 2025

FY 2024 was the first year of the Groundwork Phase under the Group's long-term business strategy. This section presents our achievements in FY 2024 and key initiatives planned for FY 2025, the second year of the Groundwork Phase.

### Cyano Project

During FY 2024, our primary focus was on enhancing the value propositions of our solution and operation services offered in Cyano Project. Consequently, we experienced a 50% increase in inquiries about Cyano Project from prospective clients compared with the preceding year. Notably, this surge in interest was driven by our demonstrated expertise in conducting PoC assessments of sustainable business models, as well as in providing Business Process Outsourcing (BPO) services for resource circulation and waste management.

#### Key initiatives undertaken in FY 2024

We actively engaged in corporate alliances and relationship-building initiatives. Consequently, we conducted nine PoC assessments in collaboration with corporate partners spanning diverse industry sectors.

▶▶▶ Gaining extensive experience in PoC assessments enabled us to refine our solution offerings, ultimately resulting in an increase in project wins.

Jointly established Circular LinX with the Sumitomo Mitsui Finance and Leasing Group to launch collaborative services. (See page 36)



#### Consulting service

Assist clients in formulating an enterprise-scale strategy and business plan that aligns with three key sustainability drivers: circular economy, carbon neutrality, and nature positivity

#### Solution service

Assist in conducting a PoC assessment for business development, drawing upon the insights gained during the consulting phase

#### Focused services in FY 2024

#### Operation service

Assist in establishing and managing an elaborate support system that facilitates the successful implementation of a new sustainable business model



### Assistance in transitioning to enhanced corporate sustainability (consulting and solution services)

Assisting clients in achieving greater corporate sustainability and developing new business models

#### Received more firm project orders and inquiries in FY 2024 than in FY 2023.

Project orders received from  
**26** corporate clients, up from 24 in FY 2023

▶▶▶ An average of  
**2** per month

Number of inquiries from prospective clients: Up **53%** year on year

Number of PoC assessments in which AMITA participated or provided assistance

**9**

### A shift in management priorities of our corporate clients garnered increased interest in our Cyano Project

#### FY 2023 and earlier

They were focused on complying with requirements for ESG information disclosure and sustainability initiatives.

#### FY 2024

They were under pressure to assess and implement circular business models.

▶▶▶ As a result, a growing number of businesses demonstrated a keen interest in AMITA's proven track record in being action-oriented in delivering exceptional results in sustainability services and solutions.

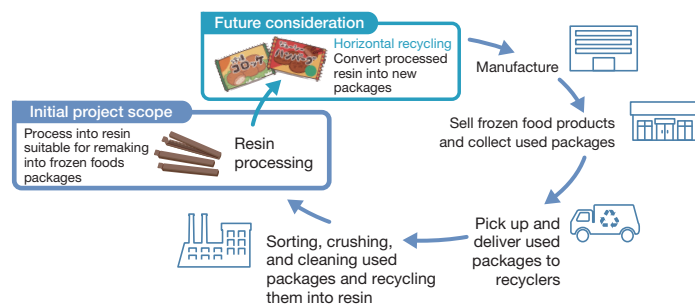


## Case study 1 on providing assistance in PoC assessment

**Client** Nichirei Foods Inc.

**Project period** Since October 2024 and ongoing as of June 2025

### ● Develop a circular model for frozen food packages



#### Objective

- Develop an alternative recycling framework for used plastic packages and containers
- Develop a package-collection scheme in collaboration with municipalities

#### AMITA's role

- Provide professional advice on disposal of household waste
- Assist in identifying suitable locations for the installation of collection boxes
- Coordinate with municipalities and recycling service providers

#### Outcome

- Acquired technical insights about recycling used packages and scalable recycling solutions derived from the analysis of collected packages.



In-store collection boxes  
(Photo courtesy of Omori Ito-Yokado store)



Project members  
(Photo courtesy of TOPPAN Inc.)

## Case study 2 on providing assistance in PoC assessment

**Clients** Kewpie Corporation and The Nisshin Oillio Group, Ltd.

**Project period** May through November 2024

### ● Test the collection of used plastic bottles for cooking oil

#### Objective

- Identify and resolve issues associated with collecting and recycling used plastic bottles for cooking oil and salad dressing

#### AMITA's role

- Design and coordinate the project and support its implementation

#### Outcome

- Acquired technical insights about the challenging process of recycling used plastic bottles for cooking oil and salad dressing.



#### Key initiatives for FY 2025

Pursued sales and marketing excellence and enhanced the value propositions of our service products

- The five-party alliance to start offering new services (See page 19)
- Host a four-part seminar for business leaders on the risks and opportunities that arise from navigating today's unpredictable operating environment (See page 19)

## Sustainable BPO service

Operation service that supports corporate clients' circular business models, encompassing the conversion of industrial waste into value-added circular materials for commercial use and the development and operation of an environmental management system for clients

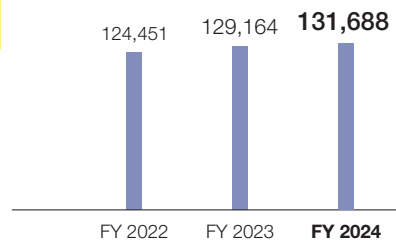


## Converting industrial waste into circular materials for commercial use

### Production of cement alternative materials and fuels remained on a steady upward trajectory

- Amid the escalating risk of materials procurement, businesses were increasingly compelled to prioritize sustainable procurement practices.
- Stepped up our collaborative efforts with cement producers.
- Established a scheme for accepting industrial waste that is hard to recycle.

Cement Alternative Materials and Fuels Produced by the AMITA Group and Its Partners in Japan (t)



### An additional recycling line for silicon slurry became operational to meet the escalating demand of the chip industry

- Our production of recycled silicon remained on a steady upward trajectory.
- Started a joint verification study on the materials circulation with other supply-chain players in the chip industry. Commercialization scheduled for FY 2025.

Production of recycled silicon by the AMITA Group in FY 2024

Up 5% year on year

### Key initiatives for FY 2025

Start designing and building a state-of-the-art fully automated plant

- The AMITA Group has unveiled a plan to build a state-of-the-art plant on the premises of its Himeji Circular Materials Plant. Fully automated, unmanned production lines are designed to deliver value-added circular materials.

Press release about the construction of a new plant



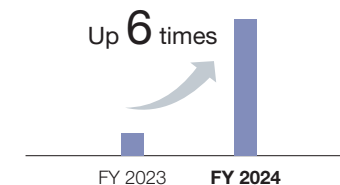
## Developing and offering a waste management system and taking over corporate clients' environmental management tasks

Jointly established Circular LinX with the Sumitomo Mitsui Finance and Leasing Group, realigning the value propositions of services



- The two parties consolidated their services to provide comprehensive support to corporate clients in optimizing their environmental management practices, as well as in developing and implementing circular business models.
- Offered sophisticated DX solutions for waste tracking and management to help clients effectively comply with regulatory requirements and mitigate their staff shortages.
- By combining AMITA's extensive expertise in waste and environmental management with the SMFL Group's proven sales know-how, Circular LinX expanded its client base and secured new business opportunities.

Number of first-time corporate subscribers to the LinX Management waste management system



### Key initiatives for FY 2025

Lay the robust business foundation to meet market needs

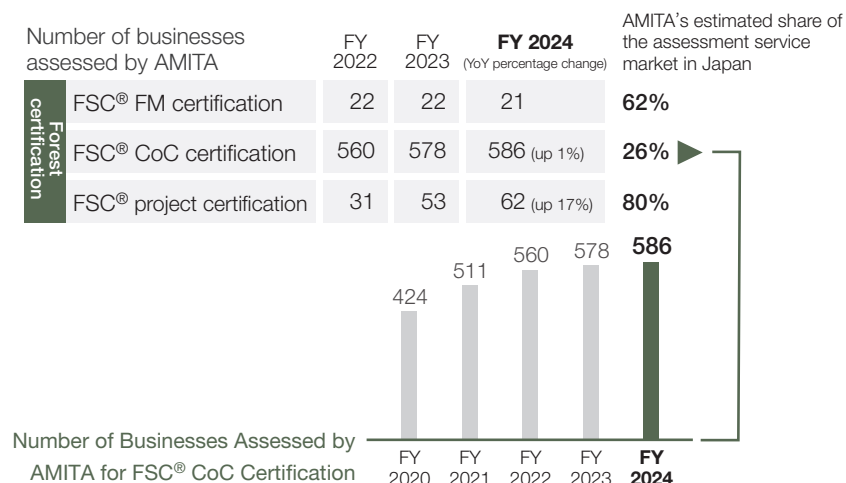
- Integrate systems to achieve greater service QCD (quality, cost, and delivery) performance
- Within a compressed time frame, expand the scope of the LinX BPO service to include support for corporate clients' manufacturing operations and product development. Simultaneously, reorganize service delivery teams to facilitate this expansion.

## Environmental Assessment and Certification Service

AMITA's FSC®/PEFC forest and MSC/ASC fishery assessment and certification services empower businesses to attain sustainable procurement practices, and contribute to the responsible use of natural resources in society and the safeguarding of biodiversity.



### Signed up an increasing number of corporate subscribers to our FSC® CoC certification service, reflecting growing procurement risks



### We conducted more fishery assessments than in the previous year. Added more assessors to meet clients' growing need to obtain certification.

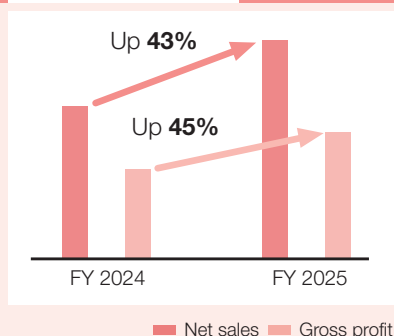
	FY 2022	FY 2023	FY 2024 (YoY percentage change)	AMITA's estimated share of the assessment service market in Japan
<b>Fishery certification</b>				
MSC/ASC CoC certification	166	176	195 (up 11%)	51%
ASC aquaculture certification	13	15	17 (up 13%)	100%
ASC-MSC seaweed certification	1	1	1	50%

### Key initiatives for FY 2025

Achieve a 5% year-on-year increase in net sales and gross profit in this business

- Add more assessors
- Establish a cross-industry network to expand the scope of our assessment and certification services
- Expand the client base, including potential expansion into the Southeast Asian market

### Result of Q1 FY 2025



### Reasons for driving the growth

- A reduction in the idle time of assessors per head resulted in an increase in the collective number of assessments they performed.
- Expanded the client base.

### Column

### AMITA's competitive advantages

AMITA Group started its environmental assessment and certification service in 1999, becoming the first Japanese assessor for FSC® forest certification. In 2010, we were designated as the first certification body in Asia for MSC CoC certification, which guarantees responsible management, processing, and distribution of fishery resources. In 2016, we became the first Japanese certification entity for ASC aquaculture certification.

Since the beginning, AMITA has been at the forefront of the environmental certification market in Japan. Our primary objective in this business is to provide corporate clients and other entities with high-quality assessments based on professional expertise and objectivity, and disseminate up-to-date information to them. Through this service, we play a pivotal role in fostering a more sustainable society.

## Business Operations outside Japan

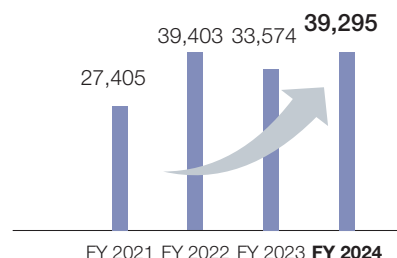
In April 2024, we established AMITA CIRCULAR DESIGN SDN. BHD. in Malaysia as our regional headquarters in Asia. This strategic move was intended to accelerate the Group's business development and expansion in India, Indonesia, Malaysia, and Palau, in collaboration with prominent local corporate partners.

### Malaysia

**Our production of circular materials jumped 17% year on year, generating record-high dividend income**

Our expanded collaboration with the NAZA Group, a prominent conglomerate in Malaysia and our venture partner, facilitated the acquisition of industrial waste from a wider range of business entities, which significantly bolstered our production volume of circular materials.

**Cement Alternative Materials Produced at the AMITA NAZA Plant in Malaysia (t)**



### Indonesia

**Established two joint ventures in preparation for launching the circular materials business**

To accelerate our business development in the nation, we have established two joint ventures: One with the Tamaris Moya Group, a subsidiary of the esteemed Salim Group, and the other with a subsidiary of Indocement, a prominent cement manufacturer.

Press release about joint ventures



### India

**A joint comprehensive feasibility study on a low- and zero-emission society and a circular economy**

We have signed an MOU with the Ramky Group, a leading waste management service provider in India, to jointly conduct a commercial feasibility study on the production of circular materials for cement manufacturers. This study will serve as a foundation for the potential establishment of a business partnership.

Press release about signing an MOU



### Key initiatives for FY 2025

#### Malaysia

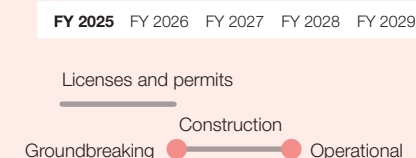
**Expand the scope and scale of production of circular materials to achieve the highest level of non-operating profit**

- Continue to work closely with the NAZA group to boost the production of circular materials
- Consider building a second plant to increase production capacity
- Obtain a license and a permit to be able to start producing other types of circular materials, such as alternative solid and liquid fuels
- Continue the field test of MEGURU STATION® as a basis for developing a circular market

#### Indonesia

**Prepare to start operating a circular materials plant in FY 2027 and monetize the business in FY 2028 or later**

- Design and manage the project
- Obtain licenses and permits
- Develop good working relationships with local business operators that supply industrial waste to the plant
- Prepare to start construction
- Raise funds



### Topic

AMITA-proposed low-carbon initiatives for India, Indonesia, and Palau have received blessing from MOE of Japan and JICA. These initiatives are designed to propel the economically dynamic Asia toward a low-carbon society. The projects are anticipated to yield a record-high non-operating profit for the AMITA Group.

Press release about the MOE-sanctioned projects





## Developing the MEGURU STYLE Service Suite

MEGURU STYLE provides comprehensive solutions to the four major community issues\*. It offers a comprehensive suite of resource-circulation solutions, including MEGURU BOX® resource-collection boxes, MEGURU STATION® mutually supportive resource-collection sites, and MEGURU COMPLEX, which is a tailored solution designed for municipalities, encompassing biogas generation facilities, diaper-recycling facilities, and carbonization furnaces. MEGURU STYLE's mission is to foster mutually supportive, mutually beneficial, socially driven, and efficient lifestyles among community residents.

\*Population drain, aging and shrinking population, declining employment opportunities, and rising costs of social security programs



### Locations of MEGURU STATION® in Japan and Malaysia (as of June 30, 2025)

17 locations in 6 areas

#### Kobe, Hyogo Prefecture

Since March 2023 and ongoing • 2 locations\*

AMITA signed a partnership with Kobe City to jointly achieve a sustainable ecosystem community. ▶▶▶ Cross-industry partnerships and SIP\*\*-initiated projects underway in collaboration with Kobe City.

\*AMITA provided MEGURU STATION® know-how to Kobe City when launching two of the 49 household-waste-collection sites operated by the city (as of June 30, 2025). \*\*Strategic Innovation Promotion Program, sponsored by the Japanese government

#### Tachiarai, Fukuoka Prefecture

November 2024 • 5 locations

MEGURU STATION® became operational in all four of the city's school districts, making it accessible to all residents. It opened in the fifth location by popular demand.

#### Buzen, Fukuoka Prefecture

December 2024 • 2 locations

The first MEGURU STATION® became operational in the city. ▶▶▶ Intended to reduce household waste to be disposed of and promote community engagement among residents

#### Nara, Nara Prefecture

April 2024 • 6 locations

It was part of a project to promote a sustainable, mutually supportive community undertaken by Nara City. A food-waste composting system was also installed at one of the locations.

#### Nagakute, Aichi Prefecture

March 2025 • 1 location

A food-waste composting system and a MEGURU BOX® resource-collection box were installed at a municipal waste-pick-up site in the city, promoting resource circulation and community engagement among residents.

#### Kameoka, Kyoto

• To expand geographical coverage across the city

AMITA signed a partnership with Kameoka to assist the city in looking into its community issues, creating a community vision, and developing innovative talent.

#### Malaysia

June 2024 • 1 location

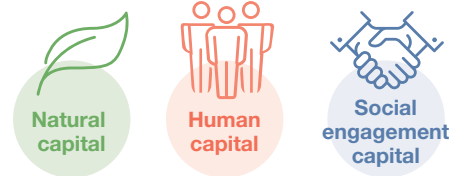
The first MEGURU STATION® outside Japan was installed on a trial basis on the campus of Sunway University. ▶▶▶ The field test is scheduled to continue during FY 2025.



#### Key initiatives for FY 2025

- Publish the results of a social impact assessment of MEGURU STATION®
- Continue to promote the agenda in the partnership with Kameoka City

## Sustainability Initiatives



The AMITA Group's articles of incorporation specify that our primary purpose is to augment natural and relational capital, thereby facilitating the enhancement of sustainability for businesses and communities. In this chapter, we present our initiatives to bolster natural, human, and social engagement capital by engaging with both internal and external stakeholders.



### Natural Capital

#### Our achievements in business operations

▶▶▶ See pages 34 to 39 for details of each business

#### Case 1 Cyano Project

Firm project orders received from **26** corporate clients in FY 2024

We provide businesses with comprehensive support for their long-term corporate sustainability initiatives. These initiatives encompass meeting ESG requirements, such as reducing Scope 1, 2, and 3 GHG emissions\*, as well as developing circular business models and transforming legacy business models. This

multifaceted support contributes positively to the economy, society, and the environment.

\*Classifications of GHG emissions:  
Scope 1: Direct GHG emissions from sources owned or controlled by the company  
Scope 2: Indirect GHG emissions from the generation of electricity purchased and consumed by the company  
Scope 3: Indirect GHG emissions from sources not owned or controlled by the company

#### Case 2 Environmental assessment and certification service

In this service, we evaluate the compliance of forestry, fishery, and aquaculture businesses, as well as those engaged in product processing and distribution in these industries, with regulatory standards and requirements. This service facilitates sustainable resource procurement with minimal risks, and contributes to the prevention of

Forests covered by AMITA's certification service in FY 2024: **290,000** hectares

overharvesting of forests and overexploitation of marine products. Certification labels affixed to these products empower consumers to discern and select certified products in a retail environment, thereby supporting the preservation and restoration of sustainable natural capital.

#### Case 3 Production and supply of circular materials

As part of our commitment to ensuring resource conservation and energy reduction in the industrial sector, we use our proprietary technologies to recycle industrial waste and byproducts into value-added circular materials for commercial use. Our environmentally responsible manufacturing operations

adhere to strict standards, ensuring the discharge of no wastewater and emitting GHGs at a one-twentieth level compared with the industry average<sup>1</sup>.

1. Based on data published by the National Institute for Environmental Studies

Alternative cement fuels produced by AMITA in FY 2024	109,172 t <sup>2</sup>	Equivalent to 379,630 t of mined coal	<b>3.5 times</b> as much as circular materials produced
Recycled materials, such as nickel, produced by AMITA and supplied for the production of special steel in FY 2024	1,928 t <sup>3</sup>	Equivalent to 10,432 t of mined nickel	<b>5.4 times</b> as much as circular materials produced
Recycled copper produced by AMITA in FY 2024	659 t	Equivalent to 42,144 t of mined copper	<b>64 times</b> as much as circular materials produced

2. Alternative cement fuels include SlurMix®. 3. Applicable to nickel alternative materials.

#### Case 4 MEGURU STYLE

AMITA installs MEGURU STATION® in communities to collect and segregate household waste and materials generated by residents. These materials are subsequently transformed into liquid

compost and electricity or are provided to recycling service providers. This process promotes environmentally conscious consumption and behavior among residents.

Household waste and materials collected at MEGURU STATION® and its equivalent in 50 locations in Japan in FY 2024: **65 t**

### Carbon neutrality initiative

Since the announcement of AMITA's Climate-Positive Long-Term Targets in FY 2022, we have been working diligently toward achieving carbon neutrality.



## Human Capital

### Our three-pillared approach to enhancing human capital

The AMITA Group believes that a team of ordinary individuals possesses the potential to achieve something extraordinary. Furthermore, the Group recognizes that maintaining a harmonious balance among work, life, and learning contributes to an individual's professional growth. Consequently, we upgrade our talent development programs and cultivate a positive corporate culture, with a focus on three key concepts. These concepts enable our employees to adapt more effectively to the dynamic nature of the operating environment and continuously generate novel value individually and as a team.

Developing talent capable of creating greater value as a team

Fostering a workplace culture and environment that promote employees' well-being

Embracing greater diversity, equity, and inclusion in the workplace

#### Developing talent capable of creating greater value as a team

##### OKR performance management framework

We have replaced an employee appraisal scheme with the OKR performance management framework, which visualizes how company- and department-level objectives are aligned with each employee's objective. This framework incorporates a monthly hypothesis verification process to expedite the PDCA cycle.

##### Developing DX-savvy talent

We offer training programs, both online and in-person, to equip employees with the knowledge and skills to excel in DX solutions, including AI-assisted business processes. Employees who have acquired qualifications in DX solutions are entitled to a special allowance.

##### Encouraging employee leadership

Percentage of employees who have nominated themselves for the "leader" position

59.7%<sup>1</sup>

In FY 2024, we eliminated the mid-level manager positions previously responsible for making routine decisions and organizing the information flow. These positions have been replaced by self-nominated "leaders" who are driven to create greater value, possess leadership qualities, and are entitled to performance-based allowances.

##### AMITA-designed training programs

Training time per employee

20.5 hours a year  
for full-time employees

Classroom training subjects include philosophy, business skills, and DX solutions. Field training is also offered, contingent upon employees' job roles and career progression. Example: Raison d'être Training Program Training to define equality, fairness, the individual, individuality, rights, duties, freedom, and independence, and how they all relate to each other

##### Self-development allowance

Program usage rate among employees

20.5%

Number of employee users

53

Frequency of uses

160

AMITA offers employees a fixed subsidy to partially cover the expenses associated with acquiring professional qualifications, gaining cultural experiences, and visiting art museums. This program aims to enhance the overall well-being and development of employees. Subsidies are not subject to any prior application.

#### Fostering a workplace culture and environment that promote employees' well-being

##### AMITIME program

Number of employees who have participated:

10

Number of annual paid holidays used:

286.1

The program empowers employees to donate their unused annual paid holidays to the company, enabling others to use them to provide nursing care for their children and other family members. It was born out of the KAGUYA-Project (see the right column).

##### Employee-management dialogue

###### Achievements

- Addition of a summer allowance for employees working at circular materials plants and revision of an allowance for late-night on-call
- Redefining of the OKR framework and employee briefing on OKR

This dialogue presents an opportunity to facilitate the exchange of ideas for the reassessment and updating of company policies and procedures. In FY 2025, we plan to conduct a session between leadership and junior-level employees who finish group training and departmental orientation sessions.

##### First-aid training

Started in 2021, at an employee's request. We train all our employees in essential emergency care skills to ensure the safety and well-being of their coworkers, family members, and customers. Employees who are certified junior and senior first-aid instructors are entitled to a special allowance.

Employee participation rate

36.5%

##### Flextime

Program usage rate among employees

84.8%

Since before the pandemic, employees have had the option of teleworking and flextime work arrangements to accommodate their family responsibilities and lifestyles.

#### Embracing greater diversity, equity, and inclusion in the workplace

##### KAGUYA-Project

###### Achievements

- AMITIME program
- "Bring your children to work" day (Inviting employees' children to company premises on a prearranged date)
- Diaper-changing table installed in the first-aid office

Female employees have the opportunity to submit ideas for workplace improvements directly to the leadership.

##### Hiring based on personality and professional drive

Our hiring criteria are based on applicants' readiness to embrace the company's mission and take on challenging tasks, not on their nationalities, gender, or academic and professional background. Job-seeking students are not required to submit application documents for preliminary screening or resumes for initial job interviews.

##### Employee engagement survey

Employee response rate

86.3%<sup>2</sup>

Employees anonymously submit their ideas and suggestions to enhance the fairness of the company's talent management and appraisal policies, as well as its workplace environment. The survey results are disseminated throughout the organization, and improvement ideas are incorporated into training sessions and workshops.

##### Percentages of female employees and directors

Percentage of female employees

All employees: 54.8%

Full-time employees: 42.9%

Percentage of female managers 20%

Percentage of female directors 9.1%<sup>3</sup>

We promote employees to higher positions who align with the company's mission and values. These individuals demonstrate a strong commitment to continuous learning and development, irrespective of their gender, age, academic credentials, or nationality.

1. Among employees who joined the company before the end of the previous fiscal year, whose job grades are above a specific threshold, and who are eligible to apply for a leadership allowance. Managers or supervisors not included.  
2. Among 175 full-time employees, including those on leave. Survey period: December 3 to 13, 2024. 3. Among directors, members of the audit and supervisory committee, and executive officers of the Company.



## Social Engagement Capital

## Contributing catalyst for our value creation

▶▶▶ See page 31 for AMITA Group's value creation process

We define social engagement capital as an enduring relationship we build with our stakeholders and a positive outcome arising from that relationship.



Stakeholders	Our social engagement capital as of December 31, 2024	Actions taken during FY 2024 to enhance our social engagement capital
<b>All stakeholders</b>	<p>Number of unique visitors to AMITA Group companies' websites: <b>875,000</b></p> <p>Number of subscribers to our email newsletters: <b>25,000</b></p> <p>Number of our social media followers: <b>5,300*</b></p>	<p><b>Year-round</b></p> <ul style="list-style-type: none"> <li>Shared company information through websites and social media.               <ul style="list-style-type: none"> <li>Published 57 press releases; garnered 344 media exposures.</li> </ul> </li> <li>Published email newsletters on our services and events.</li> <li>Sponsored 12 intensive group sessions on socially relevant concepts.</li> <li>Opened the AMITA Museum to the public, attracting 1,300 visitors.</li> <li>Held 35 open seminars on diverse topics at our Tokyo Office.</li> </ul> <p><b>February</b> Announced AMITA's Five Commitments to Earn and Retain Public Trust.</p> <p><b>April</b></p> <ul style="list-style-type: none"> <li>Relocated the Group's Tokyo Office.</li> <li>Refreshed a website dedicated to our Social Systems Design Business.</li> <li>Participated in the 88-member Ecosystem Society Agency (ESA) as one of the founding members.</li> </ul> <p><b>July</b> Sponsored a symposium to commemorate the launch of the ESA, attracting 470 participants.</p>
<b>Shareholders and investors</b>	<p>Number of shareholders: <b>3,007</b></p>	<p><b>Year-round</b> Published 53 investor relations announcements through TSE and our website.</p> <p><b>February</b> Held an earnings briefing session for FY 2024 for investors and analysts.</p> <p><b>March</b> Held a general meeting of shareholders for FY 2024.</p> <p><b>June</b> Published Annual Report 2023.</p> <p><b>September</b> Participated in an event sponsored by an investment trust firm for its beneficiaries.</p> <p><b>October</b> Published a newsletter for shareholders, 25.5% of whom answered a survey questionnaire.</p>
<b>Businesses</b>	<p>Number of corporate partners <b>23*</b></p> <p>Number of corporate and municipal clients: <b>1,516</b></p>	<p><b>Year-round</b> Engaged with corporate clients through service provision.</p> <p><b>April</b> Jointly established Circular LinX with the Sumitomo Mitsui Finance and Leasing Group.</p> <p><b>May</b> Agreed with the Ramky Group in India to jointly conduct a commercial feasibility study.</p> <p><b>July</b> Sponsored a symposium on a circular model for the chip industry, attracting 120 participants.</p> <p><b>August and October</b> In partnership with the Tamaris Moya Group and Indocement in Indonesia, established two joint ventures engaged in a closed-loop resource-recycling business.</p> <p><b>September</b> Agreed with Cenergi in Malaysia to research and develop a biomass business.</p>
<b>Municipalities</b>	<p>Number of municipal partners <b>11*</b></p> <p>Number of collaborative projects: <b>9</b></p>	<p><b>Year-round</b></p> <ul style="list-style-type: none"> <li>Engaged with municipal clients through service development and provision.</li> <li>Made it easy for employees to take leave to participate in volunteer activities.</li> </ul> <p><b>On an ad hoc basis</b></p> <p><b>April</b> MEGURU STATION® became operational at six locations in Nara, Nara Prefecture.</p> <p><b>September</b> Signed a partnership with Kameoka, Kyoto.</p> <p><b>November and December</b> MEGURU STATION® became operational in Buzen and Tachiarai, Fukuoka Prefecture.</p>
<b>Employees</b>	<p>Number of full-time and temporary employees: <b>242</b></p> <p>Percentage of employees who said they are proud of working for AMITA: <b>73.5%</b></p>	<p><b>Year-round</b> Continued to promote the right balance among life, work, and learning, flextime and teleworking options, the AMITIME program, and a 32-hour workweek.</p> <p><b>On an ad hoc basis</b></p> <ul style="list-style-type: none"> <li>Rice grown on liquid fertilizer produced at the Minamisanriku BIO facility offered to all employees.</li> <li>Held employee-management dialogue sessions at all AMITA Group offices and plants.</li> </ul> <p><b>April</b> Eliminated mid-level manager positions and updated talent management programs to encourage each employee to exercise ownership and leadership at work.</p> <p><b>December</b> Conducted an employee engagement survey.</p>

\*As of June 30, 2025



# About the AMITA Group

As of December 31, 2024

## AMITA

• AMITA HOLDINGS CO., LTD.

Head office  
Headed by  
Nakagyo-ku, Kyoto  
KUMANO Eisuke, Chairman and CVO  
SUETSUGU Takahide, President and CIOO

Established  
Capital  
Number of employees

April 1, 1977  
483,560,300 JPY  
261 (consolidated; corporate officers and temporary employees not included)

Stock code: 2195  
on TSE Growth Market



## AMITA

### AMITA CORPORATION

(wholly owned subsidiary of AMITA HOLDINGS)

- Assist businesses and municipalities in Japan in enhancing their sustainability

Head office  
Headed by  
Established  
Capital  
Chiyoda-ku, Tokyo  
OKADA Kenichi,  
President and CEO  
January 5, 2023  
80,000,000 JPY



## AMITA CIRCULAR DESIGN

### AMITA CIRCULAR DESIGN SDN. BHD.

(wholly owned subsidiary of AMITA HOLDINGS)

- Assist businesses and municipalities outside Japan in enhancing their sustainability

Head office  
Headed by  
Established  
Capital  
Kuala Lumpur, Malaysia  
YAMATO Eiichi,  
Managing Director and CEO  
July 2015  
RM 2,300,000



## AMITA CIRCULAR

### AMITA CIRCULAR CORPORATION

(wholly owned subsidiary of AMITA HOLDINGS)

- Provide end-to-end solutions for sustainable procurement and use of resources

Head office  
Headed by  
Established  
Capital  
Chiyoda-ku, Tokyo  
TSUCHIMOTO Kenji,  
President and CEO  
April 1, 1977  
200,000,000 JPY



Transition strategy and  
advisory business

Circular materials  
business

Business operations  
outside Japan

## AMITA's Social Systems Design Business

Low-carbon  
transition  
advisory business

Circular  
management  
business

### AMITA NAZA SDN. BHD. (Malaysia)

- Recycle industrial waste into value-added materials in Malaysia

### PT Amita Tamaris Lestari (Indonesia)

- Own a non-controlling stake in PT Amita Prakarsa Hijau, assist in transition strategy and business development

### PT Amita Prakarsa Hijau (Indonesia)

- Recycle industrial and municipal waste into value-added materials in Indonesia



Codo Advisory, Inc.  
(joint venture)

- Assist businesses in defining and refining their low-carbon transition strategies

Head office  
Headed by  
Established  
Capital  
Chuo-ku, Fukuoka  
SUZUKI Kaori, Representative Director & CEO  
AOKI Ulysses, Representative Director & Co-CEO  
March 28, 2022  
100,000,000 JPY



### Circular LinX Co., Ltd.

(joint venture)

- Provide a waste management system and the sustainable BPO service

Head office  
Headed by  
Established  
Capital  
Chiyoda-ku, Tokyo  
Tabei Shinichi, President and CEO  
Murota Yasuhiko,  
Senior Managing Director and COO  
April 1, 2024  
50,000,000 JPY



AMITA &



MCP Japan Holdings Limited

AMITA & SMFL

Sumitomo Mitsui Finance and Leasing Group



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TEL: +81-75-277-0378 (main switchboard number) E-MAIL: [press@amita-net.co.jp](mailto:press@amita-net.co.jp)

Listed on TSE Growth Market (stock code: 2195)

<https://en.amita-hd.co.jp>

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