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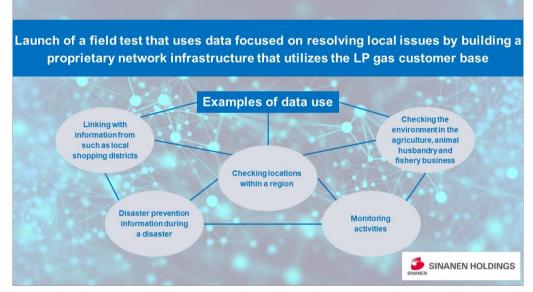


September 26, 2023 Sinanen Holdings Co., Ltd.

## Launch of a field test that uses data focused on resolving local issues by building a proprietary network infrastructure that utilizes the LP gas customer base

-Providing new added value for LP gas sales by promoting DX—

Sinanen Holdings Co., Ltd. (Headquarters: Minato-ku, Tokyo, President and CEO: Masaki Yamazaki), a comprehensive energy, housing, and daily-life services provider, is pleased to announce the start of a field test from October 2023 which aims to utilize data relating to customers and communities in each business area, including the amount of LP gas cylinders used, by building a proprietary IT network infrastructure utilizing the customer base developed by LP gas sales in the BtoC business.



### Field test background

In the past, companies who sell LP gas visited the customer to conduct a visual inspection of the LP gas meter. However, there has been a recent increase in the automation of this procedure using LPWA<sup>\*</sup>. However, there are some issues involving the implementation of LPWA, which are that it requires costs and man-hours for such as setting up equipment and communication for data transfer.

During this field test, the Sinanen Holdings Group will build a proprietary IT network infrastructure in the region using a new special low-power wireless network technology together with the existing LPWA to collect and use various data from customers and the local community in order to provide new added value rooted in the community.

### Field test overview

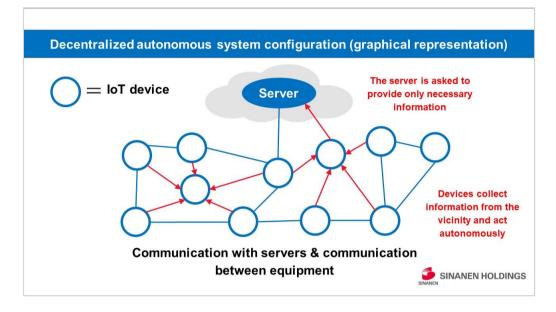
The field test will be implemented in some areas of the Kanazawa Branch of Melife-West Co., Ltd. (Headquarters: Osaka City, Osaka, President and CEO: Nobuhiro Nakagawa), which sells LP gas, electricity, kerosene, and other energy products in the western Japan area and is a subsidiary of Sinanen Holdings.

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Proprietary developed devices will be installed during this field test at LP gas customers who have given their approval in the field test areas in order to collect the amount of gas used, while IoT devices will be used to collect various data from customers and the field test areas.

The IoT devices have a "decentralized autonomous" system configuration that allows them to communicate with each other. Therefore, they will continue to communicate even if the public communications network or servers are down during a disaster or similar event.



### What building a proprietary network will accomplish

Combining a proprietary communications network with various IoT devices is expected to enable the collection of various data concerning information about the location of people, information relating to a disaster such as the magnitude of an earthquake and the sea level during an earthquake, as well as information relating to the environment such as CO2 emissions, temperature and humidity. This type of data can then be used for example to provide a monitoring service for older people who are carrying an IoT device, and this IoT device can also be given to small children for use in preventing them from being left behind.

Furthermore, Melife-West employees who are in charge of the field test areas can link their smartphones to the network and share the location of company vehicles in the local area so that the Company can respond quickly to inquiries from customers.

### Future plans

The field test is scheduled for implementation by September 2024. The Group will verify what type of data can be collected and how this data can be used, and based on the results will also consider developing services rooted in the community of the field test areas and in other business areas.

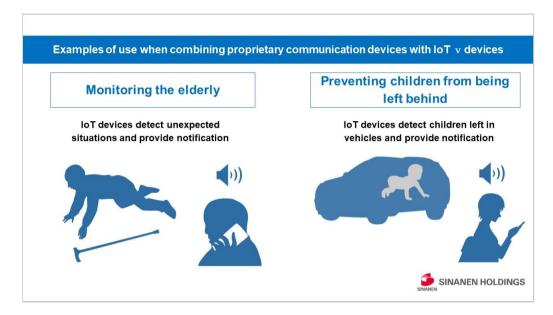
The Sinanen Holdings Group is transforming its corporate climate, culture, and business model, and is promoting DX (Digital Transformation) as a key measure for strengthening its group management foundation and increasing its operational efficiency in order to improve its corporate value. As of December 1, 2021, the Group has obtained the "Certified DX Business Operator" certification based on the DX Certification System established by the Ministry of Economy, Trade and Industry.

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The Group will continue to promote DX in the future with the aim of providing even more valuable services to customers and to contribute to the realization of a decarbonized society and achievement of Sustainable Development Goals (SDGs).

\*LPWA: Low Power Wide Area is a low-cost small-capacity communication service. It can achieve low power consumption over an extensive area at low cost, and is used as a system to remotely inspect gas meters that use this technology.



### Sinanen Holdings Co., Ltd.: https://sinanengroup.co.jp/en/

Founded in 1927, Sinanen Holdings Co., Ltd. is the holding company of a corporate group offering comprehensive services related to energy, housing, and daily life. With the mission of the Group to contribute to realizing a comfortable life for all customers in their communities through energy and home & life services, we provide Retail/Wholesale Energy & Related Business for consumers, Energy Solution Business for corporations, and non-energy businesses such as bicycle, bicycle sharing, environmental and recycling, system development, antimicrobial, building management and maintenance, and other services. We are also strengthening efforts to develop new environmentally-friendly businesses and corporate initiatives to achieve a decarbonized society.

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