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August 7, 2025

## Consolidated Financial Results for the Three Months Ended June 30, 2025 (Under Japanese GAAP)

Company name: Showa Sangyo Co., Ltd.  
 Listing: Tokyo Stock Exchange  
 Securities code: 2004  
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 Scheduled date to commence dividend payments: -  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

### 1. Consolidated financial results for the three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)

#### (1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2025	84,647	(1.5)	3,534	(14.2)	4,393	(15.4)	2,897	(45.6)
June 30, 2024	85,929	(4.3)	4,118	24.3	5,191	28.4	5,322	91.2

Note: Comprehensive income For the three months ended June 30, 2025: ¥3,260 million [(51.6)%]  
 For the three months ended June 30, 2024: ¥6,735 million [43.1%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2025	89.23	—
June 30, 2024	161.68	—

#### (2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
June 30, 2025	258,346	139,891	52.7
March 31, 2025	255,504	138,619	52.8

Reference: Equity  
 As of June 30, 2025: ¥136,238 million  
 As of March 31, 2025: ¥134,978 million

## 2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	—	40.00	—	60.00	100.00
Fiscal year ending March 31, 2026	—				
Fiscal year ending March 31, 2026 (Forecast)		50.00	—	50.00	100.00

Note: Revisions to the forecast of cash dividends most recently announced: None

## 3. Consolidated earnings forecasts for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	340,000	1.7	11,000	(1.1)	13,000	(4.4)	9,500	(18.1)	292.56

Note: Revisions to the earnings forecasts most recently announced: None

**\* Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
  - (ii) Changes in accounting policies due to other reasons: None
  - (iii) Changes in accounting estimates: None
  - (iv) Restatement: None
- (4) Number of issued shares (common shares)

- (i) Total number of issued shares at the end of the period (including treasury shares)

As of June 30, 2025	32,995,420 shares
As of March 31, 2025	32,995,420 shares

- (ii) Number of treasury shares at the end of the period

As of June 30, 2025	523,238 shares
As of March 31, 2025	523,094 shares

- (iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2025	32,472,280 shares
Three months ended June 30, 2024	32,920,356 shares

- \* Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an audit corporation: None

- \* Proper use of earnings forecasts, and other special matters

- (1) Caution regarding forward-looking statements and others

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. In no way is the Company asserting assurances or guarantees of the achievement of any future business plan targets or measures stated herein.

For matters related to the financial results forecasts, please see “1. Overview of operating results, etc., (3) Explanation of consolidated financial forecasts and other forward-looking statements” on page 8 of the attached materials.

- (2) The material for the financial results briefing was posted on the Company’s website on Thursday, August 7, 2025.

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## 1. Overview of operating results, etc.

### (1) Overview of operating results for the period under review

During the three months ended June 30, 2025, the Japanese economy showed signs of recovery, with a gradual improvement in the employment and income environment and expanded inbound consumption. However, the outlook remained uncertain mainly due to increased consumer frugality stemming from rising prices, increasing logistics and labor costs, the global economic impact of U.S. tariff policies and other trends, and prolonging instability in the international situation.

Under such circumstances, Showa Sangyo Co., Ltd. (the “Company”) started in April 2023 the Medium-term Management Plan 23-25 as the 3rd Stage toward the realization of SHOWA Next Stage for 2025, which is the Vision (Long-term Vision) for FY2025, the year to mark the 90th anniversary of the Company’s founding. Guided by the basic concept of ‘SHOWA’s declaration: “SHIN-KA” Toward the 90th Anniversary, and beyond,’ we are promoting various initiatives under the five key strategies: (1) Strengthening our core businesses, (2) Expansion of our business fields, (3) Reducing burden on the environment, (4) Rebuilding our platform, and (5) Reinforcing stakeholder engagement.

The operating results for the three months ended June 30, 2025 were as follows. Consolidated net sales were 84,647 million yen, or down 1,282 million yen (1.5%) year on year. Operating profit was 3,534 million yen, or down 584 million yen (14.2%) year on year, ordinary profit was 4,393 million yen, or down 797 million yen (15.4%) year on year, and profit attributable to owners of parent was 2,897 million yen, or down 2,424 million yen (45.6%) year on year in the absence of gain on sale of non-current assets, which was recorded in the same period last year due to the sale of real estate for rent.

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025	Year-on-year- changes	Year-on-year- changes
Net sales	85,929	84,647	(1,282)	(1.5)%
Operating profit	4,118	3,534	(584)	(14.2)%
Ordinary profit	5,191	4,393	(797)	(15.4)%
Profit attributable to owners of parent	5,322	2,897	(2,424)	(45.6)%

The operating results by segment were as follows.

#### <Food Business>

In the Food Business, an upward trend continued in cost increasing factors, such as logistics and labor costs as well as material prices, leading to product price revisions, and as a result, consumers became more frugal, creating a challenging sales environment. Under such a market environment, leveraging the strength of our market analytical ability, we strengthened solutions-based sales for each target business category, and promoted sales at fair prices.

In the Flour Milling Category, government selling prices for imported wheat were lowered average 4.6% in April (tax-inclusive prices). Given this situation, we implemented price revisions for flour products. In parallel with this, the Company is making efforts such as to reduce logistics costs and improve production efficiency through the integrated operation of production sites, including its consolidated subsidiaries. The sales volume of wheat flour for commercial use increased year on year due to growth in sales, while that of premixes declined year on year. The sales volume of pasta increased year on year as sales were favorable mainly in the restaurant market. The sales volume of bran declined year on year. The sales volume of household wheat flour and premixes declined year on year, while that of pasta grew year on year, supported by demand for rice substitutes. As a result of the foregoing, net sales of the Flour Milling Category fell year on year.

In the Vegetable Oils Category, we promoted sales at fair prices commensurate with costs, proposed products with functional values, such as long-life oils and bakery oils with less oil stain, and problem-solving type sales. Furthermore, with the aim of reducing costs and maintaining a stable supply, we are making efforts to ensure efficient operations of production sites and streamline the procurement of raw materials in cooperation with Boso oil and fat Co., Ltd., a consolidated subsidiary of the Company, and Tsuji Oil Mills, Co., Ltd., an

equity method affiliate. The sales volume of oils and fats for commercial use increased year on year due to a recovery in demand and the success of problem-solving type sales efforts. The sales volume of oils and fats for household use decreased year on year due to the decline in sales of general-use oils and olive oils, despite an increase in sales of rice bran oils. As a result of the foregoing, net sales of the Vegetable Oils Category declined year on year, despite our efforts for sales at fair prices.

In the Starches and Sweeteners Category, we are making group-wide efforts to resolve issues and improve production efficiency in cooperation with Shikishima Starch MFG. Co., Ltd. and San-ei Sucrochemical Co., Ltd., which are consolidated subsidiaries of the Company. The sales volume of sweeteners remained at the same level year on year largely thanks to strong sales of unique product lines, such as low decomposition corn syrup and powdered syrup. The sales volume of corn starch and modified starch declined year on year due to decreased demand for industrial applications. As for by-products, the sales volume decreased year on year, while selling prices were higher than the same period last year. As a result of the foregoing, net sales of the Starches and Sweeteners Category decreased year on year.

As a result, net sales of the Food Business were 69,413 million yen, or down 1,901 million yen (2.7%) year on year. Operating profit was 3,374 million yen, or down 596 million yen (15.0%) year on year.

#### <Animal Feed Business>

In the Animal Feed Business, we have been advancing proposal-based sales to meet customer needs, strengthening our engagement with producers, such as support on sales of livestock products and on increased value-added offerings, and promoting sales expansion of items with high added values. The sales volume of compound animal feed and eggs decreased year on year due to the impact of bird flu infections expanding from October last year. Although the average sales prices of compound animal feed remained at the same level as the previous year, egg sales prices were higher year on year due to the firm market price of eggs.

As a result, net sales of the Animal Feed Business were 13,953 million yen, or up 508 million yen (3.8%) year on year. Operating profit was 136 million yen, or up 23 million yen (20.8%) year on year.

#### <Other>

In the warehousing business, the volume of cargo handling decreased year on year, despite efforts to increase cargo handling volume by strengthening our engagement with trading companies and our main customers amid intensifying competition to secure cargo.

As a result, net sales of other businesses that combine the real estate business, the insurance agency business, the automobile leasing business, the transportation business, and the plant factory business, came to 1,280 million yen, or up 110 million yen (9.5%) year on year. Operating profit was 379 million yen, or down 6 million yen (1.6%) year on year.

● Information on disaggregation of net sales (by reportable segment and category)

(Millions of yen)

Information on disaggregation of net sales			Three months ended June 30, 2024	Three months ended June 30, 2025	Year-on-year changes	Year-on-year changes
Reportable segment	Food Business	Flour Milling Category	27,325	26,943	(382)	(1.4)%
		Vegetable Oils Category	25,024	23,473	(1,550)	(6.2)%
		Starches and Sweeteners Category	17,343	17,228	(115)	(0.7)%
		Other Food Category (Note 1)	1,621	1,768	147	9.1%
			71,315	69,413	(1,901)	(2.7)%
	Animal Feed Business		13,444	13,953	508	3.8%
	Reportable segment total		84,760	83,366	(1,393)	(1.6)%
Other (Note 2)			755	839	84	11.1%
Revenue from contracts with customers			85,515	84,206	(1,309)	(1.5)%
Revenue from other sources (Note 3)			413	440	26	6.5%
Net sales to outside customers			85,929	84,647	(1,282)	(1.5)%

Notes 1. “Other Food Category” presents sales of food products not belonging to the Flour Milling Category, Vegetable Oils Category, and Starches and Sweeteners Category under the Food Business.

2. “Other” is the business segment not included in the reportable segments, and includes the warehousing business, the real estate business, the plant factory business, the insurance agency business, the automobile leasing business, and the transportation business.

3. “Revenue from other sources” consists solely of revenue from “Other.”

**(2) Overview of financial position for the period under review**

(Millions of yen)

	Fiscal year ended March 31, 2025	Three months ended June 30, 2025	Year-on-year changes
Current assets	112,749	114,222	1,472
Non-current assets	142,754	144,124	1,370
Total assets	255,504	258,346	2,842
Current liabilities	78,362	79,447	1,085
Non-current liabilities	38,521	39,007	485
Total liabilities	116,884	118,454	1,570
Total net assets	138,619	139,891	1,272

The status and analysis of assets, liabilities, and net assets as of June 30, 2025 are as follows.

Total assets amounted to 258,346 million yen, or up 2,842 million yen from the previous fiscal year. The main increasing factors were an increase of 2,125 million yen in investment securities and an increase of 1,371 million yen in inventories.

Liabilities amounted to 118,454 million yen, or up 1,570 million yen from the previous fiscal year. The main increasing factors were an increase of 3,101 million yen in trade payables and an increase of 1,746 million yen in interest-bearing debt (including lease liabilities). The main decreasing factors were a decrease of 1,701 million yen in income taxes payable and a decrease of 1,338 million yen in provision for bonuses.

Net assets amounted to 139,891 million yen, or up 1,272 million yen from the previous fiscal year. The main increasing factor was an increase due to the recording of profit attributable to owners of parent amounting to 2,897 million yen. The main decreasing factor was a decrease of 1,949 million yen due to dividends paid.

**(3) Explanation of consolidated financial forecasts and other forward-looking statements**

The business environment surrounding the Group is expected to remain uncertain from the second quarter onwards due to factors such as instability in the international situation, trends in exchange rates, rising prices, and increases in logistics and labor costs. However, there are no changes to consolidated financial forecasts for the fiscal year ending March 31, 2026 announced on May 12, 2025.



## 2. Quarterly consolidated financial statements and principal notes

### (1) Quarterly consolidated balance sheets

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
<b>Assets</b>		
Current assets		
Cash and deposits	8,106	7,723
Notes and accounts receivable - trade	52,761	53,414
Merchandise and finished goods	15,511	16,248
Work in process	2,475	2,918
Raw materials and supplies	28,777	28,968
Other	5,188	4,995
Allowance for doubtful accounts	(70)	(46)
Total current assets	112,749	114,222
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	31,241	30,887
Machinery, equipment and vehicles, net	27,144	27,412
Land	21,331	21,253
Other, net	7,378	7,223
Total property, plant and equipment	87,096	86,777
Intangible assets		
Goodwill	831	795
Customer-related intangible assets	1,480	1,415
Other	1,451	1,433
Total intangible assets	3,763	3,644
Investments and other assets		
Investment securities	47,221	49,346
Retirement benefit asset	1,654	1,675
Other	3,306	2,968
Allowance for doubtful accounts	(287)	(287)
Total investments and other assets	51,894	53,702
Total non-current assets	142,754	144,124
Total assets	255,504	258,346

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	22,177	25,278
Short-term borrowings	13,516	14,716
Current portion of bonds payable	7,000	7,000
Commercial papers	10,500	11,000
Income taxes payable	2,486	785
Provision for bonuses	2,279	940
Other	20,402	19,726
Total current liabilities	78,362	79,447
Non-current liabilities		
Bonds payable	11,000	11,000
Long-term borrowings	7,966	7,961
Provision for retirement benefits for directors (and other officers)	19	20
Retirement benefit liability	8,951	8,961
Other	10,584	11,062
Total non-current liabilities	38,521	39,007
Total liabilities	116,884	118,454
<b>Net assets</b>		
Shareholders' equity		
Share capital	14,293	14,293
Capital surplus	5,256	5,265
Retained earnings	101,219	102,166
Treasury shares	(1,551)	(1,552)
Total shareholders' equity	119,217	120,173
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	13,592	14,388
Deferred gains or losses on hedges	(17)	(24)
Foreign currency translation adjustment	752	286
Remeasurements of defined benefit plans	1,433	1,415
Total accumulated other comprehensive income	15,761	16,065
Non-controlling interests	3,641	3,653
Total net assets	138,619	139,891
Total liabilities and net assets	255,504	258,346

**(2) Quarterly consolidated statement of income and quarterly consolidated statement of comprehensive income**

**Quarterly consolidated statement of income (cumulative)**

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Net sales	85,929	84,647
Cost of sales	70,381	69,306
Gross profit	15,548	15,341
Selling, general and administrative expenses	11,429	11,806
Operating profit	4,118	3,534
Non-operating income		
Interest income	0	18
Dividend income	349	448
Foreign exchange gains	137	44
Share of profit of entities accounted for using equity method	507	292
Other	160	167
Total non-operating income	1,156	971
Non-operating expenses		
Interest expenses	62	93
Compensation for damage	2	2
Other	18	16
Total non-operating expenses	83	111
Ordinary profit	5,191	4,393
Extraordinary income		
Gain on sale of non-current assets	2,621	0
Total extraordinary income	2,621	0
Extraordinary losses		
Loss on abandonment of non-current assets	92	55
Loss on sale of non-current assets	0	17
Impairment losses	–	19
Loss on valuation of investments in capital	–	149
Other	1	–
Total extraordinary losses	95	241
Profit before income taxes	7,717	4,152
Income taxes - current	1,643	797
Income taxes - deferred	719	403
Total income taxes	2,363	1,201
Profit	5,354	2,951
Profit attributable to non-controlling interests	32	53
Profit attributable to owners of parent	5,322	2,897

# Quarterly consolidated statement of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Profit	5,354	2,951
Other comprehensive income		
Valuation difference on available-for-sale securities	1,162	709
Deferred gains or losses on hedges	80	(6)
Foreign currency translation adjustment	—	(172)
Remeasurements of defined benefit plans, net of tax	(6)	(18)
Share of other comprehensive income of entities accounted for using equity method	144	(203)
Total other comprehensive income	1,380	309
Comprehensive income	6,735	3,260
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,702	3,201
Comprehensive income attributable to non-controlling interests	33	58

### (3) Notes on quarterly consolidated financial statements

(Notes on going concern assumption)

Not applicable.

(Notes in the event of significant changes in the amount of shareholders' equity)

Not applicable.

(Changes in the scope of consolidation or scope of application of the equity method)

(Changes in matters pertaining to the fiscal year of a consolidated subsidiary)

Effective from the three months ended June 30, 2025, the account closing date of a consolidated subsidiary Shosan Kaihatsu Co., Ltd. has been changed from February 28 to March 31. As a result of this change, the accounting period of Shosan Kaihatsu Co., Ltd. for the current first quarter is an irregular period of four-months from March 1, 2025 to June 30, 2025.

This change has minimal impact on the quarterly consolidated financial statements.

(Notes to quarterly consolidated statement of cash flows)

Quarterly consolidated statement of cash flows has not been prepared for the three months ended June 30, 2025. Depreciation (including amortization of intangible assets other than goodwill) and amortization of goodwill for the three months ended June 30, 2025 are as follows.

	(Millions of yen)	
	Three months ended June 30, 2024	Three months ended June 30, 2025
Depreciation	2,643	2,452
Amortization of goodwill	36	36

(Notes on segment information, etc.)

[Segment information]

1. Three months ended June 30, 2024

(1) Information on net sales and profit or loss by reportable segment

(Millions of yen)

	Reportable segment			Other (Note 1)	Total	Adjustment (Note 2)	Amount recorded in quarterly consolidated statement of income (Note 3)
	Food Business	Animal Feed Business	Total				
Net sales							
Net sales to outside customers	71,315	13,444	84,760	1,169	85,929	—	85,929
Inter-segment net sales or transfers	1,003	0	1,003	770	1,774	(1,774)	—
Total	72,318	13,445	85,764	1,939	87,703	(1,774)	85,929
Segment profit	3,971	112	4,083	385	4,469	(350)	4,118

- Notes
1. “Other” is the business segment not included in the reportable segments, and includes the warehousing business, the real estate business, the plant factory business, the insurance agency business, the automobile leasing business, the transportation business, and other businesses.
  2. Adjustment of (350) million yen for segment profit includes elimination of inter-segment transactions of 0 million yen and corporate expenses of (350) million yen. Corporate expenses mainly consist of expenses incurred for advertising of the corporate group and basic R&D expenses not attributable to any reportable segment.
  3. Segment profit is adjusted with operating profit on the quarterly consolidated statement of income.

(2) Information on impairment losses on non-current assets and goodwill by reportable segment

Not applicable.

2. Three months ended June 30, 2025

(1) Information on net sales and profit or loss by reportable segment

(Millions of yen)

	Reportable segment			Other (Note 1)	Total	Adjustment (Note 2)	Amount recorded in quarterly consolidated statement of income (Note 3)
	Food Business	Animal Feed Business	Total				
Net sales							
Net sales to outside customers	69,413	13,953	83,366	1,280	84,647	—	84,647
Inter-segment net sales or transfers	727	1	728	776	1,505	(1,505)	—
Total	70,141	13,954	84,095	2,057	86,152	(1,505)	84,647
Segment profit	3,374	136	3,510	379	3,889	(355)	3,534

- Notes
1. “Other” is the business segment not included in the reportable segments, and includes the warehousing business, the real estate business, the plant factory business, the insurance agency business, the automobile leasing business, the transportation business, and other businesses.
  2. Adjustment of (355) million yen for segment profit includes elimination of inter-segment transactions of (0) million yen and corporate expenses of (354) million yen. Corporate expenses mainly consist of expenses incurred for advertising of the corporate group and basic R&D expenses not attributable to any reportable segment.
  3. Segment profit is adjusted with operating profit on the quarterly consolidated statement of income.

(2) Information on impairment losses on non-current assets and goodwill by reportable segment

This information is omitted as it is not material.