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June 24, 2026

Non-consolidated Financial Results for the Three Months Ended May 31, 2026 (Under Japanese GAAP)



Company name: HALOWS CO.,LTD.

Listing: Tokyo Stock Exchange

Securities code: 2742

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Scheduled date to commence dividend payments: -

Preparation of supplementary material on financial results: None

Holding of financial results briefing: None

President and Chief Executive Officer

Senior Managing Director and General Manager of
Administrative Groups

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

1. Non-consolidated financial results for the three months ended May 31, 2026 (from March 1, 2026 to May 31, 2026)

(1) Non-consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Operating revenue		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended								
May 31, 2026	57,876	7.2	2,728	(10.5)	2,747	(10.2)	1,977	(7.2)
May 31, 2025	53,996	8.6	3,047	3.3	3,059	3.6	2,131	3.9

	Basic earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended				
May 31, 2026		92.64		92.30
May 31, 2025		99.65		99.21

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
May 31, 2026	137,028	78,974	57.4
February 28, 2026	136,010	77,739	57.0

Reference: Equity

As of May 31, 2026: ¥ 78,711 million

As of February 28, 2026: ¥ 77,488 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 February 28, 2026	-	34.00	-	36.00	70.00
Fiscal year ending February 28, 2027	-				
Fiscal year ending February 28, 2027 (Forecast)		36.00	-	36.00	72.00

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

3. Non-consolidated financial result forecasts for the fiscal year ending February 28, 2027 (from March 1, 2026 to February 28, 2027)

(Percentages indicate year-on-year changes.)

	Operating revenue		Operating profit		Ordinary profit		Profit		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	
Six months ending August 31, 2026	121,747	9.1	6,140	4.8	6,140	4.0	4,230	3.5	Yen 198.15
Full year	245,622	8.8	12,590	0.9	12,580	0.1	8,660	(3.6)	405.66

Note: Revisions to the financial result forecast most recently announced: None

*** Notes**

(1) Adoption of accounting treatment specific to the preparation of quarterly non-consolidated financial statements: Yes
(Note) For details, please see “2. Quarterly Non-consolidated Financial Statements and Principal Notes (3) Notes to Quarterly Non-consolidated Financial Statements (Accounting methods adopted particularly for the preparation of quarterly non-consolidated financial statements)” on page 6 of the attached documents (available in Japanese only).

(2) 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

(3) Number of issued shares (common shares)

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

As of May 31, 2026	21,487,600 shares
As of February 28, 2026	21,485,400 shares

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

As of May 31, 2026	139,318 shares
As of February 28, 2026	139,318 shares

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

Three months ended May 31, 2026	21,347,716 shares
Three months ended May 31, 2025	21,386,403 shares

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

* Proper use of earnings forecasts, and other special matters

The financial results forecasts and other forward-looking statements contained in this document are based on the information available to the Company and certain assumptions deemed to be reasonable as of the date of publication of this document, and actual results may differ significantly due to various factors. For the assumptions that the financial results forecasts are based on and cautionary notes on the use of the forecasts, please see “1. Qualitative Information on Quarterly Financial Results (3) Explanation of Non-consolidated Financial Results Forecasts and Other Forward-looking Information” on page 2 of the attached documents (available in Japanese only).

Quarterly Non-consolidated Financial Statements and Primary Notes
Quarterly Non-consolidated Balance Sheet

(Millions of yen)

	As of February 28, 2026	As of May 31, 2026
Assets		
Current assets		
Cash and deposits	23,061	23,087
Accounts receivable - trade	1,958	2,706
Merchandise	5,394	5,138
Supplies	6	6
Other	3,888	4,406
Allowance for doubtful accounts	(13)	(13)
Total current assets	34,295	35,331
Non-current assets		
Property, plant and equipment		
Buildings and structures	81,491	83,452
Accumulated depreciation	(31,410)	(32,197)
Buildings and structures, net	50,080	51,254
Land	27,780	28,204
Other	21,206	19,692
Accumulated depreciation	(10,671)	(10,702)
Other, net	10,535	8,989
Total property, plant and equipment	88,396	88,448
Intangible assets		
Other	840	824
Total intangible assets	840	824
Investments and other assets		
Leasehold and guarantee deposits	3,376	3,404
Construction assistance fund receivables	1,084	1,054
Long-term prepaid expenses	4,818	4,762
Other	3,198	3,201
Total investments and other assets	12,477	12,423
Total non-current assets	101,714	101,696
Total assets	136,010	137,028

(Millions of yen)

	As of February 28, 2026	As of May 31, 2026
Liabilities		
Current liabilities		
Accounts payable - trade	23,789	25,390
Current portion of long-term borrowings	3,347	3,383
Lease liabilities	356	353
Accounts payable - other	5,272	3,285
Accrued expenses	2,029	2,595
Income taxes payable	2,387	872
Contract liabilities	3,401	3,524
Other	952	1,736
Total current liabilities	41,536	41,141
Non-current liabilities		
Long-term borrowings	6,539	6,640
Lease liabilities	689	709
Provision for retirement benefits	950	960
Asset retirement obligations	3,753	3,796
Deposits for construction assistance fund receivables	1,080	971
Long-term leasehold and guarantee deposits received	2,523	2,533
Long-term unearned revenue	974	1,076
Other	222	222
Total non-current liabilities	16,733	16,911
Total liabilities	58,270	58,053
Net assets		
Shareholders' equity		
Share capital	5,540	5,544
Capital surplus	5,494	5,505
Retained earnings	66,959	68,169
Treasury shares	(508)	(508)
Total shareholders' equity	77,487	78,711
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	0	0
Total valuation and translation adjustments	0	0
Share acquisition rights	251	263
Total net assets	77,739	78,974
Total liabilities and net assets	136,010	137,028

Quarterly Non-consolidated Statement of Income
For the Three-Month Period

(Millions of yen)

	For the three months ended May 31, 2025	For the three months ended May 31, 2026
Net sales	52,502	56,191
Cost of sales	39,174	42,005
Gross profit	13,328	14,186
Operating revenue	1,493	1,684
Operating gross profit	14,821	15,870
Selling, general and administrative expenses		
Advertising expenses	383	399
Supplies expenses	406	518
Salaries and bonuses	4,965	5,539
Share-based payment expenses	11	19
Retirement benefit expenses	16	16
Legal and other welfare expenses	641	711
Rent expenses on land and buildings	1,305	1,421
Rent expenses	65	72
Utilities expenses	892	856
Repair expenses	299	430
Depreciation	1,138	1,351
Taxes and dues	346	395
Other	1,300	1,409
Total selling, general and administrative expenses	11,773	13,142
Operating profit	3,047	2,728
Non-operating income		
Interest income	6	6
Purchase discounts	5	5
Other	25	37
Total non-operating income	37	50
Non-operating expenses		
Interest expenses	20	29
Other	4	1
Total non-operating expenses	25	30
Ordinary profit	3,059	2,747
Extraordinary income		
Subsidy income	5	6
Gain on cancellation of leasehold contracts	1	0
Other	0	0
Total extraordinary income	6	7
Extraordinary losses		
Loss on retirement of non-current assets	0	0
Total extraordinary losses	0	0
Profit before income taxes	3,066	2,754
Income taxes	935	776
Profit	2,131	1,977