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## Consolidated Financial Results for Three Months Ended August 31, 2025 (Japanese GAAP)

October 6, 2025

Name of Listed Company: CREATE SD HOLDINGS CO., LTD. Listing: Tokyo Stock Exchange  
Securities code: 3148 URL: <https://www.createsdhd.co.jp/English/tabid/129/Default.aspx>  
Representative: Taizo Hirose, Representative Director and President  
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Scheduled date of start of dividend payment: —  
Supplementary materials for the financial results: None  
Financial results briefing sessions: None

(Figures are rounded down to the nearest million yen)

### 1. Consolidated First Quarter Results for Fiscal Year Ending May 31, 2026 (June 1, 2025 to August 31, 2025)

#### (1) Consolidated Operating Results (Figures in percentages denote the year-on-year change)

	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 August 31, 2025	121,586	6.7	5,633	6.6	5,908	8.0	3,996	16.7
Three months ended August 31, 2024	113,898	9.4	5,284	10.7	5,471	11.9	3,425	4.0

(Note) Comprehensive income: Three months ended August 31, 2025: ¥3,969 million (16.5%)

Three months ended August 31, 2024: ¥3,407 million (3.3%)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended August 31, 2025	61.87	—
Three months ended August 31, 2024	53.04	—

#### (2) Consolidated Financial Position

	Total assets	Total net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of August 31, 2025	234,515	143,848	61.3
As of May 31, 2025	236,561	142,720	60.3

(Reference) Net assets: As of August 31, 2025: ¥143,848 million

As of May 31, 2025: ¥142,720 million

### 2. Dividend Payments

	Dividends per share				
	First quarter	Second quarter	Third quarter	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended May 31, 2025	—	34.00	—	44.00	78.00
Fiscal year ending May 31, 2026	—				
Fiscal year ending May 31, 2026 (forecast)		45.00	—	45.00	90.00

(Note) Revisions to most recently announced dividend forecast: None

### 3. Consolidated Financial Forecast (From June 1, 2025 to May 31, 2026)

(Figures in percentages denote the year-on-year change)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending November 30, 2025	240,700	7.1	11,260	7.6	11,660	7.9	7,900	12.5	122.29
Full-year	491,500	7.5	24,100	6.5	24,900	6.3	16,300	3.9	252.31

(Note) Revisions to most recently announced financial results forecast: None

#### Notes

(1) Significant changes of subsidiaries in three months ended August 31, 2025: None

Newly consolidated: — companies (company name(s)); Deconsolidated: — companies (company name(s))

Notes on significant changes in the scope of consolidation during period

(2) Application of accounting treatments specific to preparation of quarterly consolidated financial statements: Yes

Notes on application of accounting treatments specific to preparation of quarterly consolidated financial statements

(3) Changes in accounting policies, changes of accounting estimates and restatement

(i) Changes in accounting policies due to amendments to accounting standards: None

(ii) Other changes in accounting policies: None

(iii) Changes in accounting estimates: None

(iv) Restatements: None

Notes on changes in accounting policies

(4) Issued shares (common shares)

(i) Issued shares (including treasury shares) at period-end:

(ii) Treasury shares at period-end:

(iii) Average issued shares during period:

Three months ended August 31, 2025	66,819,342 shares	Fiscal year ended May 31, 2025	66,819,342 shares
Three months ended August 31, 2025	2,217,078 shares	Fiscal year ended May 31, 2025	2,217,058 shares
Three months ended August 31, 2025	64,602,277 shares	Three months ended August 31, 2024	64,582,384 shares

Note on issued shares

Review of the attached quarterly consolidated financial statements by a certified public accountant or audit firm: None

Cautionary statement regarding business results forecasts and special notes

(Notes concerning forward-looking statements, etc.)

The financial forecasts and other forward-looking statements contained herein are based on currently available information and certain assumptions considered by the Company to be reasonable. Actual financial results may differ materially due to various factors. Refer to

“(3) Overview of Consolidated Financial Results Forecast and Future Expectations” on page 3 of the supplementary material for the underlying assumptions and proper use of the forecasts.

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## 1. Qualitative Information Related to Consolidated Financial Results

### (1) Overview of Operating Results

During the first three months of the fiscal year ending May 31, 2026 (June 1, 2025 to August 31, 2025), the Japanese economy showed signs of a moderate recovery supported by improvements in the employment and income environment and an increase in the number of foreign visitors to Japan. However, the outlook remains uncertain due to concerns over a slowdown in personal consumption resulting from continued inflation, heightened geopolitical risks, and fluctuations in financial and capital markets.

In the drug store industry, the business environment surrounding the Company has become increasingly challenging due to the intensified competition from the opening of stores by competitors across different sectors and business models, heightened price competition, and the trend toward industry consolidation and scale expansion through M&A among major players.

Under these circumstances, the Group has formulated a new Medium-term Management Plan, Next STAGE 2030, with the fiscal year ending May 31, 2030 as its final year, and is promoting various measures to achieve its goals.

#### **Drug Stores**

During the first three months of the fiscal year ending May 31, 2026, both net sales and customer numbers at existing stores remained strong thanks to the continued promotion of our Everyday Low Price (EDLP) strategy in the merchandise sales division. In the prescriptions division, efforts focused on increasing the number of prescription drug stores, strengthening collaboration with nearby medical institutions and enhancing the calculation of various reimbursement additions, resulting in steady progress in the number of prescriptions handled and the average prescription unit price. In addition, to strengthen the competitiveness of existing stores, we undertook remodeling initiatives incorporating elements of our “Cremo” stores specializing in enhanced beauty care, as well as floor space expansion of prescription counters. At the same time, we pursued store openings in diverse formats, such as the launch of facilities-based home-care-centered pharmacies designed with future outsourcing of prescription dispensing in mind.

During the period, we opened five new drug stores. On the other hand, we closed four stores, consisting of two from scrap-and-build redevelopment and two due to expiration of contracts. In terms of prescription drug stores, we opened eight new stores: seven in-store prescription drug stores and one dedicated prescription drug store. In addition, on August 29, 2025, we acquired all shares of SANEFU INC. (Fuchu City, Tokyo), which operates nine dedicated prescription drug stores, making it a consolidated subsidiary, thereby adding nine dedicated prescription drug stores.

#### **Nursing Care**

As society ages, we are operating two paid assisted living facilities characterized by delicious meals for elderly people who want to live safely and securely under the care of nursing staff as well as 37 half-day rehabilitative adult care centers for those who want to continue living at home. For our paid assisted living facilities and adult day care services we have put every effort into customer service, which is one of the distinctive characteristics of our Group, to increase user satisfaction and improve occupancy rates.

Owing to the efforts above, the number of Group stores as of August 31, 2025, was as follows: 788 drug stores, one supermarket, and five combination drug store/fresh produce stores and 48 dedicated prescription drug stores, for a total of 842 stores. In addition, the Group operates 424 in-store prescription drug stores. In the nursing care business, the Group operates two paid assisted living facilities and 37 half-day adult care centers.

As a result of the above, net sales for the first three months of the fiscal year ending May 31, 2026 were 121,586 million yen (up 6.7% year on year), operating profit was 5,633 million yen (up 6.6%), ordinary profit was 5,908 million yen (up 8.0%), and profit attributable to owners of parent was 3,996 million yen (up 16.7%).

### (2) Overview of Financial Position

Total assets as of August 31, 2025 were 234,515 million yen, down 2,045 million yen from the end of the previous fiscal year. The main factors were increases of 834 million yen in accounts receivable – trade and 3,176 million yen in non-current assets, as well as decreases of 2,305 million yen in cash and deposits, 1,772 million yen in merchandise, and 1,939 million yen in accounts receivable – other.

Total liabilities as of August 31, 2025 were 90,667 million yen, down 3,173 million yen from the end of the previous fiscal year. The main factors were a 2,935 million yen decrease in accrued income taxes, which exceeded the 718 million yen increase in accounts payable - trade.

Net assets as of August 31, 2025 were 143,848 million yen, up 1,127 million yen from the end of the previous fiscal year. The main factors were a 2,842 million yen decrease due to dividends paid and the recording of 3,996 million yen in profit attributable to owners of parent.

### (3) Overview of Consolidated Financial Results Forecast and Future Expectations

At this time, no changes have been made to the forecast for the fiscal year ending May 31, 2026 announced on July 14, 2025.

## 2. Consolidated Financial Statements and Notes

### (1) Consolidated Balance Sheet

(Millions of yen)

	FY2024 (As of May 31, 2025)	1Q of FY2025 (As of August 31, 2025)
<b>Assets</b>		
Current assets		
Cash and deposits	37,746	35,440
Accounts receivable - trade	17,512	18,346
Merchandise	45,659	43,886
Other	11,122	9,144
Total current assets	112,041	106,819
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	46,973	48,371
Land	33,034	34,483
Other, net	6,336	6,377
Total property, plant and equipment	86,344	89,233
Intangible fixed assets		
Goodwill	294	983
Other	650	634
Total intangible assets	944	1,618
Investments and other assets		
Long-term loans receivable	10,324	10,117
Leasehold and guarantee deposits	12,303	12,345
Other	14,663	14,440
Allowance for doubtful accounts	(60)	(58)
Total investments and other assets	37,231	36,845
Total non-current assets	124,520	127,696
Total assets	236,561	234,515
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	59,763	60,481
Accrued income taxes	5,148	2,213
Accrued bonuses	384	1,972
Provision for bonuses for directors (and other officers)	150	29
Provision for point card certificates	190	200
Asset retirement obligations	19	5
Provision for losses on cancellation	132	123
Other	18,879	16,305
Total current liabilities	84,668	81,333
Non-current liabilities		
Net defined benefit liability	3,263	3,366
Asset retirement obligations	4,153	4,204
Provision for loss on subleasing	17	16
Provision for losses on cancellation	238	210
Other	1,497	1,535
Total non-current liabilities	9,171	9,334
Total liabilities	93,840	90,667

(Millions of yen)

	FY2024 (As of May 31, 2025)	1Q of FY2025 (As of August 31, 2025)
Net assets		
Equity capital		
Share capital	1,000	1,000
Capital surplus	3,709	3,709
Retained earnings	140,131	141,285
Treasury shares	(2,705)	(2,705)
Total shareholders' equity	142,134	143,288
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	50	53
Remeasurements of defined benefit plans	536	506
Total accumulated other comprehensive income	586	559
Total net assets	142,720	143,848
Liabilities and net assets	236,561	234,515

## (2) Consolidated Statements of Income and Comprehensive Income

### Consolidated Statement of Income

First three months of the fiscal year ending May 31, 2026

(Millions of yen)

	1Q of FY2024 (From June 1, 2024 to August 31, 2024)	1Q of FY2025 (From June 1, 2025 to August 31, 2025)
Net sales	113,898	121,586
Cost of sales	84,839	90,881
Gross profit	29,059	30,704
Selling, general and administrative expenses		
Provision for point card certificates	170	200
Salaries and allowances	9,486	10,213
Provision for bonuses	2,061	1,972
Provision for directors' bonuses	34	27
Retirement benefit expenses	173	166
Depreciation and amortization	1,247	1,370
Land/office rent	4,479	4,698
Other	6,121	6,420
Total selling, general and administrative expenses	23,775	25,070
Operating profit	5,284	5,633
Non-operating profit		
Interest income	27	67
Dividend income	0	0
Rent income	94	242
Other	107	69
Total non-operating income	229	381
Non-operating expenses		
Compensation expenses	0	0
Rental expenses	40	108
Other	1	(1)
Total non-operating expenses	42	106
Ordinary profit	5,471	5,908
Extraordinary profit		
Gain on sale of investment securities	1	—
Subsidy income	—	22
Total extraordinary income	1	22
Extraordinary losses		
Loss on retirement of non-current assets	0	0
Loss on tax purpose reduction entry of non-current assets	—	22
Provision for losses on cancellation losses	419	—
Total extraordinary losses	419	22
Profit before income taxes	5,053	5,908
Income taxes	1,627	1,911
Profit	3,425	3,996
Profit attributable to non-controlling interests	—	—
Profit attributable to owners of parent	3,425	3,996

Consolidated Statement of Comprehensive Income  
First three months of the fiscal year ending May 31, 2026

(Millions of yen)

	1Q of FY2024 (From June 1, 2024 to August 31, 2024)	1Q of FY2025 (From June 1, 2025 to August 31, 2025)
Profit	3,425	3,996
Other comprehensive income		
Valuation difference on available-for-sale securities	(0)	3
Remeasurements of defined benefit plans, net of tax	(18)	(29)
Total other comprehensive income	(18)	(26)
Comprehensive income	3,407	3,969
Comprehensive income attributable to:		
Owners of parent	3,407	3,969
Non-controlling interests	—	—



### (3) Notes to Consolidated Financial Statements

#### **Going concern assumption**

Not applicable

#### **Notes in case of significant changes in shareholders' equity**

Not applicable

#### **Application of specific accounting treatment in the preparation of consolidated financial statements**

(Calculation of tax expenses)

We make a reasonable estimate of the effective tax rate to be imposed on profit before income taxes in the fiscal year ending May 31, 2025, including the first three months, after applying tax effect accounting and perform the calculation by multiplying profit before income taxes by the estimated effective tax rate.

#### **Segment information**

First three months of the fiscal year ended May 31, 2025 (From June 1, 2024 to August 31, 2024)

Since the Group has a high proportion of drug store business which is considered to be of little importance as disclosed information, segment information has been omitted.

First three months of the fiscal year ending May 31, 2026 (From June 1, 2025 to August 31, 2025)

Since the Group has a high proportion of drug store business which is considered to be of little importance as disclosed information, segment information has been omitted.

#### **Notes on consolidated statements of cash flows**

The consolidated quarterly statement of cash flows for the first three months of the fiscal year ending May 31, 2026 has not been prepared. However, depreciation for the first quarter (including depreciation and amortization of intangible assets, excluding goodwill) and the amortization of goodwill are as follows.

	(Millions of yen)	
	1Q of FY2024 (From June 1, 2024 to August 31, 2024)	1Q of FY2025 (From June 1, 2025 to August 31, 2025)
Depreciation and amortization	1,260	1,459
Amortization of goodwill	20	15

### 3. Supplemental Information

#### (1) Production, Orders Received, and Sales

##### 1) Sales results

##### (i) Sales results by product division

Sales results by product division during the first three months of the fiscal year ending May 31, 2026 were as follows:

Product division	1Q of FY2025 (From June 1, 2025 to August 31, 2025)	
	Amount (millions of yen)	YoY change (%)
Drug Stores		
Medical and health products	30,581	105.9
OTC	15,299	98.5
Prescription drug stores	15,281	114.6
Cosmetics	13,855	105.5
Food products	52,362	109.0
Daily products	18,068	104.1
Other	5,367	102.0
Subtotal	120,235	106.7
Supermarkets	728	116.8
Nursing Care		
Paid assisted living facilities	183	99.3
Adult day care services	387	103.8
Subtotal	570	102.3
Revenue from contracts with customers	121,534	106.8
Other revenue (Note)	51	100.3
Total	121,586	106.7

(Note) Other revenue includes rent income based on the Accounting Standard for Lease Transactions (ASBJ Statement No. 13).

##### (ii) Sales results by region

Sales results by region during the first three months of the fiscal year ending May 31, 2026 were as follows:

	1Q of FY2024 (From June 1, 2024 to August 31, 2024)		1Q of FY2025 (From June 1, 2025 to August 31, 2025)	
	Amount (millions of yen)	Share (%)	Amount (millions of yen)	Share (%)
Kanagawa	69,316	60.9	74,093	60.9
Tokyo	15,485	13.6	16,702	13.7
Shizuoka	12,403	10.9	12,855	10.6
Chiba	10,480	9.2	11,416	9.4
Other	6,212	5.5	6,518	5.4
Total	113,898	100.0	121,586	100.0

(2) Purchase results

Purchase results by product division during the first three months of the fiscal year ending May 31, 2025 were as follows:

Product division	1Q of FY2025 (From June 1, 2025 to August 31, 2025)	
	Amount (millions of yen)	YoY change (%)
Drug Stores		
Medical and health products	18,064	104.4
OTC	8,498	93.4
Prescription drug stores	9,565	116.8
Cosmetics	8,274	108.0
Food products	45,177	107.7
Daily products	12,439	103.9
Other	4,005	97.7
Subtotal	87,961	106.0
Supermarkets	555	113.5
Nursing Care		
Paid assisted living facilities	—	—
Adult day care services	—	—
Subtotal	—	—
Purchases for revenue from contracts with customers	88,516	106.1
Other revenue	—	—
Total	88,516	106.1