

Consolidated Financial Results for the Nine Months Ended December 31, 2025 [IFRS]



February 9, 2026

Company name: Shinwa Co., Ltd.

Stock exchange listing: Tokyo Stock Exchange and Nagoya Stock Exchange

Code number: 3447

URL: <https://www.shinwa-jp.com/en/relation/index.html>

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Scheduled date of commencing dividend payments: –

Availability of supplementary briefing material on financial results: Yes

Schedule of financial results briefing session: None

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Nine Months Ended December 31, 2025

(April 1, 2025 to December 31, 2025)

(1) Consolidated Operating Results

(% indicates changes from the previous corresponding period.)

	Revenue		Operating profit		Profit before tax		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended December 31, 2025	15,397	19.9	2,348	65.6	2,214	67.0	1,673	93.2
December 31, 2024	12,840	32.7	1,418	104.3	1,325	101.9	865	96.2

	Profit attributable to owners of parent		Comprehensive income		Basic earnings per share		Diluted earnings per share	
	Million yen	%	Million yen	%	Yen	Yen	Yen	Yen
Nine months ended December 31, 2025	1,676	93.3	1,742	103.5	123.02	–	–	–
December 31, 2024	867	97.5	856	92.6	62.44	–	–	–

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of parent	Equity attributable to owners of parent to total assets
	Million yen	Million yen	Million yen	%
As of December 31, 2025	31,626	16,861	16,861	53.3
March 31, 2025	29,967	15,846	15,841	52.9

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended March 31, 2025	Yen –	Yen 16.00	Yen –	Yen 16.00	Yen 32.00
Fiscal year ending March 31, 2026	–	16.00	–	–	–
Fiscal year ending March 31, 2026 (Forecast)	–	–	–	18.00	34.00

Note: Revision to the dividends forecast announced most recently: None

**3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026
(April 1, 2025 to March 31, 2026)**

(% indicates changes from the previous corresponding period.)

	Revenue		Operating profit		Profit before tax		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Full year	20,000	14.3	2,000	23.3	1,820	21.5	1,246	28.1

	Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Yen
Full year	1,246	27.8	91.20

Notes: Revision to the financial results forecast announced most recently: None

*** Notes:**

- (1) Significant changes in the scope of consolidation during the period: Yes
 Newly included: 1 company, KAIZU KENSETSU CO., LTD.
 Excluded: –
- (2) Changes in accounting policies and changes in accounting estimates
 1) Changes in accounting policies required by IFRS: None
 2) Changes in accounting policies other than 1) above: None
 3) Changes in accounting estimates: None
- (3) Total number of issued shares (common shares)
 1) Total number of issued shares at the end of the period (including treasury shares):
 December 31, 2025: 14,103,000 shares
 March 31, 2025: 14,103,000 shares
 2) Total number of treasury shares at the end of the period:
 December 31, 2025: 543,303 shares
 March 31, 2025: 180,434 shares
 3) Average number of shares outstanding during the period:
 Nine months ended December 31, 2025: 13,627,876 shares
 Nine months ended December 31, 2024: 13,888,454 shares

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

*** Proper use of financial results forecast and other notes**

Financial results forecasts were prepared based on information available at the time of the announcement of this document, and actual results may differ from the forecasts owing to a wide range of factors. For the conditions that form the assumptions for the financial results forecasts, please refer to (3) Explanation of Consolidated Financial Results Forecast and Other Forward-Looking Information in 1. Qualitative Information on Quarterly Financial Results on page 4 of the attachments.

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1. Qualitative Information on Quarterly Financial Results

(1) Explanation of Operating Results

During the first nine months of the current fiscal year, the Japanese economy continued to recover gradually, although some areas of domestic demand, such as personal consumption and the housing market, showed signs of weakness. It also continues to face uncertainties, including the impact of rising prices and heightened international tensions. Particularly in the housing market, the trend of restrained new housing starts continues against a backdrop of persistently high construction material prices, labor shortages, and caution regarding rising interest rates. Meanwhile, equipment investment and production activities show resilience, supported by fiscal and monetary policies.

Under these circumstances, overall construction demand remained robust. According to the Comprehensive Construction Statistics released by the Ministry of Land, Infrastructure, Transport and Tourism, the total value of construction work completed in October 2025 amounted to approximately ¥5.252 trillion, up 1.6% year on year. In addition, construction investment is expected to increase year on year in fiscal 2025, driven by rising material costs, the need to address aging domestic infrastructure, and progress in urban redevelopment projects. Both building and civil engineering investments continue to show solid momentum.

In this business climate, the Shinwa Group (the “Group”) has accurately grasped the shift in demand from “ownership” to “use” of wedge binding type scaffolding, our main product in the Scaffolding Equipment Division, and has strengthened our flexible proposals in both sales and rental in accordance with customer needs. In addition, the Yagumi Group, which became our subsidiary in April 2024, complements our business foundation through scaffolding installation works, contributing to the improvement of the Group’s overall responsiveness and value proposition. In the Logistics Equipment Division, in addition to improving the performance of existing products and expanding our lineup, we are focusing on developing new products that meet diversifying market needs, thereby contributing to the resolution of issues. Furthermore, as for OHTORIKINZOKU KOGYO CO., LTD., which became a subsidiary in May 2025, and KAIZU KENSETSU CO., LTD., which became a subsidiary in October of the same year, we are proceeding with the reorganization of the business structure and integration of operational processes to create synergies within the Group. Additionally, due to the acquisition of KAIZU KENSETSU, the net assets at the time of acquisition exceeded the acquisition cost. Consequently, negative goodwill of ¥504 million was recorded in “Other Income” for the third quarter. We recorded a loss of ¥250 million under “Other Expenses” related to the fund outflow incident at our subsidiary disclosed on December 3 and December 25, 2025.

In order to reduce manufacturing costs, we have implemented multifaceted measures, including optimizing the distinction between in-house and outsourced production, reviewing suppliers in response to persistently high raw material cost, optimizing logistics, and improving production efficiency. Through these measures, we have worked on maintaining a stable supply system while strengthening our cost competitiveness.

Thanks to these measures, revenue for the first nine months amounted to ¥15,397 million (up 19.9% year on year). Operating profit was ¥2,348 million (up 65.6% year on year). Profit before tax amounted to ¥2,214 million (up 67.0% year on year), and profit attributable to owners of parent amounted to ¥1,676 million (up 93.3% year on year).

The Company’s business activities are based on the purpose of “Protecting Lives and Supporting the Future.”

Prioritizing the safety of those working at construction sites, we pursue both reduced workload and improved safety and productivity at work sites by reducing product weight. We are also responding to a wider range of on-site needs, such as by providing suspended scaffolding for special construction work such as bridges. As the construction industry, which supports social infrastructure, is becoming more important, we

will continue to respond sincerely to market needs and social demands, working together with our customers to solve issues and contribute to achieving a sustainable future.

As the Shinwa Group (the “Group”) is comprised of a single business segment of manufacturing and sale of scaffolding equipment and logistics equipment, information by segment is not provided. Instead, the performance of each business division is provided as follows:

1) Scaffolding Equipment Division

The Scaffolding Equipment Division, under an integrated system that handles everything “from manufacturing to installation,” manufactures, sells, and rents wedge binding type scaffolding and next-generation scaffolding that can be used for a wide range of applications, from detached housing to high-rise construction, and provides scaffolding installation services.

Demand for scaffolding materials remained strong during the first nine months. With raw material prices remaining high and product prices continuing to rise, the trend toward choosing rentals over purchases remained strong. However, by strengthening proposals tailored to on-site needs, purchases also performed well.

In this situation, the Scaffolding Equipment Division has been promoting flexible sales proposals encompassing both sales and rentals, while also strengthening sales activities in key areas and striving to provide optimal services tailored to customer needs.

In addition, Yagumi Group, our Group company, is steadily building up its track record of completed projects, even amid a worsening labor shortage, by leveraging its abundant human resources and steadily capturing firm construction demand.

Revenue for the Scaffolding Equipment Division during the first nine months amounted to ¥11,110 million (up 9.1% year on year). This increase was attributable to steady performance in both wedge binding type scaffolding and installation and rental, partially due to the contribution of sales from KAIZU KENSETSU CO., LTD., which became a group company in October 2025.

2) Logistics Equipment Division

The Logistics Equipment Division offers solutions that improve transportation and storage efficiency and safety through providing made-to-order products to a wide range of industries, including large-scale logistics warehouses and automobiles.

During the first nine months, on top of the projects related to large-scale logistics warehouses, we received continuous orders from a wide range of industries including glass, stone and clay products, and automated warehouses.

Among these, large-scale logistics warehouse projects made a significant contribution and drove the division’s sales growth, and as a result, revenue for the first nine months in the Logistics Equipment Division amounted to ¥4,286 million (up 61.2% year on year).

(Thousand yen)

Name of product and service		For the nine months ended December 31, 2024	For the nine months ended December 31, 2025
Scaffolding equipment	Wedge binding type scaffolding	3,894,150	4,289,849
	Next generation scaffolding	1,002,392	982,162
	Installation and rental	3,740,949	4,256,423
	Other sales	1,078,446	1,130,469
	Other	465,024	451,995
	Subtotal	10,180,962	11,110,899
Logistics equipment	Pallets	2,659,137	4,286,791
	Subtotal	2,659,137	4,286,791
Total		12,840,100	15,397,691

Note: Revenue stated in “Installation and rental,” “Pallets,” and “Other” includes revenue arising from leases under IFRS 16 of ¥511,361 thousand for the nine months ended December 31, 2024, and ¥603,620 thousand for the nine months ended December 31, 2025.

(2) Explanation of Financial Position

(Assets)

Current assets at the end of the third quarter of the current fiscal year decreased by ¥273 million from the end of the previous fiscal year to ¥9,603 million. This was mainly due to a decrease in cash and cash equivalents of ¥1,172 million and a decrease in trade and other receivables of ¥232 million, partially offset by an increase in inventories of ¥254 million. Non-current assets increased by ¥1,931 million from the end of the previous fiscal year to ¥22,022 million. The increase was primarily attributable to an increase in property, plant and equipment of ¥1,260 million. As a result, total assets increased by ¥1,658 million from the end of the previous fiscal year to ¥31,626 million.

(Liabilities)

Current liabilities at the end of the third quarter of the current fiscal year increased by ¥307 million from the end of the previous fiscal year to ¥7,000 million. This was primarily due to an increase in trade and other payables of ¥214 million. Non-current liabilities increased by ¥336 million from the end of the previous fiscal year to ¥7,764 million. As a result, total liabilities increased by ¥643 million from the end of the previous fiscal year to ¥14,764 million.

(Equity)

Total equity at the end of the third quarter of the current fiscal year increased by ¥1,014 million from the end of the previous fiscal year to ¥16,861 million. This was mainly due to the posting of profit attributable to owners of parent of ¥1,676 million, partially offset by dividends paid of ¥439 million and the repurchase of treasury shares of ¥299 million.

(3) Explanation of Consolidated Financial Results Forecast and Other Forward-Looking Information

The full-year consolidated earnings forecast is currently under review, and any revisions deemed necessary will be disclosed promptly as soon as they are determined.

2. Condensed Quarterly Consolidated Financial Statements and Primary Notes
(1) Condensed Quarterly Consolidated Statement of Financial Position

(Thousand yen)

	As of March 31, 2025	As of December 31, 2025
Assets		
Current assets		
Cash and cash equivalents	2,908,656	1,736,174
Trade and other receivables	4,410,414	4,177,656
Inventories	2,439,383	2,693,460
Other financial assets	21,000	827,620
Other current assets	97,520	169,057
Total current assets	<u>9,876,975</u>	<u>9,603,968</u>
Non-current assets		
Property, plant and equipment	5,163,007	6,423,917
Right-of-use assets	993,946	1,054,719
Goodwill	12,264,652	12,264,652
Intangible assets	1,438,909	1,415,734
Other financial assets	199,623	715,677
Deferred tax assets	12,405	114,354
Other non-current assets	18,383	33,256
Total non-current assets	<u>20,090,928</u>	<u>22,022,311</u>
Total assets	<u><u>29,967,904</u></u>	<u><u>31,626,279</u></u>

(Thousand yen)

	As of March 31, 2025	As of December 31, 2025
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	1,603,024	1,817,131
Borrowings	4,589,755	4,375,115
Income taxes payable	127,790	334,539
Other financial liabilities	123,950	174,636
Other current liabilities	248,781	298,926
Total current liabilities	<u>6,693,303</u>	<u>7,000,349</u>
Non-current liabilities		
Bonds payable	—	41,889
Borrowings	5,897,270	5,727,427
Provisions	101,892	191,920
Other financial liabilities	882,894	897,393
Deferred tax liabilities	484,080	722,193
Other non-current liabilities	61,650	183,506
Total non-current liabilities	<u>7,427,787</u>	<u>7,764,330</u>
Total liabilities	<u>14,121,090</u>	<u>14,764,680</u>
Equity		
Share capital	153,576	153,576
Capital surplus	6,930,092	6,929,957
Retained earnings	8,885,060	10,120,615
Treasury shares	(137,618)	(412,127)
Other components of equity	10,697	69,576
Total equity attributable to owners of parent	<u>15,841,808</u>	<u>16,861,598</u>
Non-controlling interests	5,005	—
Total equity	<u>15,846,814</u>	<u>16,861,598</u>
Total liabilities and equity	<u><u>29,967,904</u></u>	<u><u>31,626,279</u></u>

(2) Condensed Quarterly Consolidated Statements of Profit or Loss and Comprehensive Income

Condensed Quarterly Consolidated Statement of Profit or Loss For the Nine-Month Period

	(Thousand yen)	
	For the nine months ended December 31, 2024	For the nine months ended December 31, 2025
Revenue	12,840,100	15,397,691
Cost of sales	(9,379,337)	(11,031,997)
Gross profit	3,460,762	4,365,693
Selling, general and administrative expenses	(2,022,911)	(2,331,721)
Other income	18,946	570,917
Other expenses	(38,554)	(256,392)
Operating profit	1,418,243	2,348,497
Finance income	6,711	18,278
Finance costs	(99,032)	(152,071)
Profit before tax	1,325,922	2,214,704
Income tax expense	(459,967)	(541,469)
Profit	865,955	1,673,235
Profit attributable to:		
Owners of parent	867,128	1,676,462
Non-controlling interests	(1,173)	(3,226)
Profit	865,955	1,673,235
Earnings per share:		
Basic earnings per share (yen)	62.44	123.02

Condensed Quarterly Consolidated Statement of Comprehensive Income
For the Nine-Month Period

(Thousand yen)

	For the nine months ended December 31, 2024	For the nine months ended December 31, 2025
Profit	865,955	1,673,235
Other comprehensive income		
Items that will not be reclassified to profit or loss:		
Financial assets measured at fair value through other comprehensive income	(9,931)	69,234
Total of items that will not be reclassified to profit or loss	(9,931)	69,234
Items that may be reclassified to profit or loss:		
Exchange differences on translation of foreign operations	573	375
Total of items that may be reclassified to profit or loss	573	375
Other comprehensive income, net of tax	(9,358)	69,610
Comprehensive income	856,596	1,742,845
Comprehensive income attributable to:		
Owners of parent	857,489	1,745,887
Non-controlling interests	(892)	(3,042)
Comprehensive income	856,596	1,742,845

(3) Notes to Condensed Quarterly Consolidated Financial Statements

(Going concern assumption)

There is no relevant information.

(Significant changes in shareholders' equity)

There is no relevant information.

(Significant subsequent events)

There is no relevant information.

(Segment information)

The Group mainly engages in the business of manufacturing and sale of scaffolding equipment and logistics equipment. There is a single reportable segment of the manufacturing and sale of scaffolding equipment and logistics equipment.

Revenue from external customers for each product and service is as follows.

(Thousand yen)

Name of product and service		For the nine months ended December 31, 2024	For the nine months ended December 31, 2025
Scaffolding equipment	Wedge binding type scaffolding	3,894,150	4,289,849
	Next generation scaffolding	1,002,392	982,162
	Installation and rental	3,740,949	4,256,423
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	Subtotal	10,180,962	11,110,899
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Total		12,840,100	15,397,691

Note: Revenue stated in "Installation and rental," "Pallets," and "Other" includes revenue arising from leases under IFRS 16 of ¥511,361 thousand for the nine months ended December 31, 2024, and ¥603,620 thousand for the nine months ended December 31, 2025.

(Notes to consolidated statement of cash flows)

Condensed quarterly consolidated statement of cash flows for the nine months ended December 31, 2025 is not prepared. Depreciation and amortization for the nine months ended December 31, 2024 and 2025 are as follows.

(Thousand yen)

	For the nine months ended December 31, 2024	For the nine months ended December 31, 2025
Depreciation and amortization	389,380	648,840