



Financial Results

Feb / 2026 (FY2025)

IZAWA TOWEL CO.,LTD. (Securities Code: 365A)

April 14, 2026

[REFERENCE TRANSLATION]

Please note that this translation is to be used solely as reference and the financial statements in this material are unaudited. In case of any discrepancy between this translation and the Japanese original, the latter shall prevail.

Feb / 2026 (FY2025)

Q4 Results

FY25 Q4 Highlights

(Unit: million yen)

Million yen	FY24 Q4	FY25 Q4	FY25 Q4	Previous year		Plan	
	Actual	Plan	Actual	Increase (decrease)	YoY	Difference	Compared to plan
Net sales	9,825	10,884	10,283	458	104.7%	(601)	94.5%
Gross profit	2,034	2,503	2,249	215	110.6%	(254)	89.9%
Gross profit margin	20.7%	23.0%	21.9%	+1.2p	-	(1.1)p	-
Operating profit	638	900	581	(57)	91.1%	(319)	64.6%
Operating profit margin	6.5%	8.3%	5.7%	(0.8)p	-	(2.6)p	-
Exchange gain or loss	367	0	639	272	-	639	-
Ordinary profit	980	849	1,146	166	116.9%	297	135.0%
Profit	578	499	726	148	125.6%	227	145.5%
Profit before amortization of goodwill	780	701	927	147	118.8%	227	132.4%
Reference							
Sales before rebate deduction	10,212	11,278	10,740	528	105.2%	(538)	95.2%
Gross Profit Before Rebate Deduction	2,421	2,897	2,706	285	111.8%	(191)	93.4%
Gross Profit Margin Before Rebate Deduction	23.7%	25.7%	25.2%	+1.5p	-	(0.5)p	-

Sales

<Overall>

- Sales were 94.5% of the plan due to inventory adjustments in the first half and production delays in India. However, sales recovered steadily by capturing demand from 3Q and achieved **record-high sales for the full year**.
- Net sales for the second half were 5,626 million yen (115.5% year on year).

<ODM>

- Inventory adjustments of certain customers improved, and stable deliveries continued in the second half.
- Production delays at Indian cooperative plants related to U.S. tariff policy also normalized.

<Character IP>

- Delivered large projects in 4Q, following 3Q. Full-year progress steadily improved due to contributions in the second half.

< EC >

- Achieved significant revenue growth from the previous year due to the expansion of "Towel Laboratory" both domestically and internationally.

Gross profit

- Although it was 89.9% of the plan due to purchase costs increase caused by the rapid depreciation of the yen, the shift to Indian production boosted the profit margin to 110.6% year-on-year.
- The deterioration in the gross profit margin was hedged with forward exchange contracts and resulted in a increase in ordinary profit.

Operating profit

- Prioritized strengthening the structure for ipo and strategic investments (marketing, advertisement, etc.) for long-term growth, resulting in a decrease in operating income.

Ordinary profit / Profit

- Due to the depreciation of the yen from the beginning of the fiscal year (6.14 yen/dollar), foreign exchange gains from forward exchange contracts and foreign currency deposits occurred (details on the following pages).

Impact of Rebate Recognition

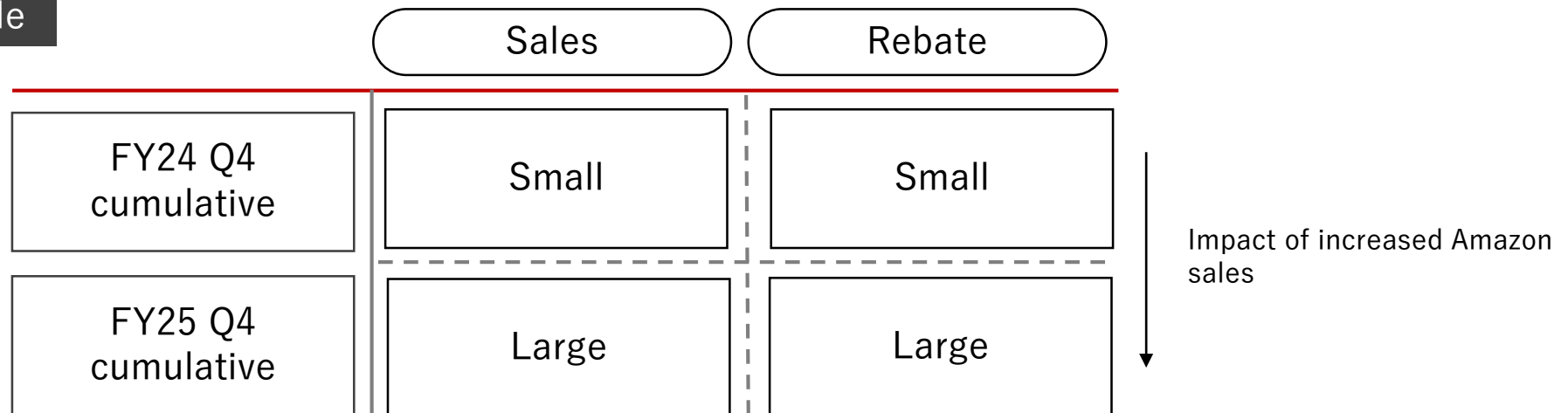
Overview

Since the cost of (future) sales and coupons implemented by business partners is considered a rebate, as the payment obligation arises according to the sales volume, we account for these costs by deducting them from net sales in accordance with the accounting standard for revenue recognition.

<Excerpts from the Accounting Standard for Revenue Recognition>

63. Consideration Payable to a Customer Consideration payable to a customer includes cash amounts that an entity pays, or expects to pay, to a customer (or to other parties that purchase the entity's goods or services from the customer). It also includes credit or other items (e.g., coupons) that can be applied against amounts owed to the entity (or to other parties that purchase the entity's goods or services from the customer). An entity shall account for consideration payable to a customer as a reduction of the transaction price, unless the payment to the customer is in exchange for a distinct good or service that the customer transfers to the entity. If the consideration payable to a customer includes a variable amount, an entity shall estimate the transaction price in accordance with paragraphs 50 to 54.

Delivery for Big Sale

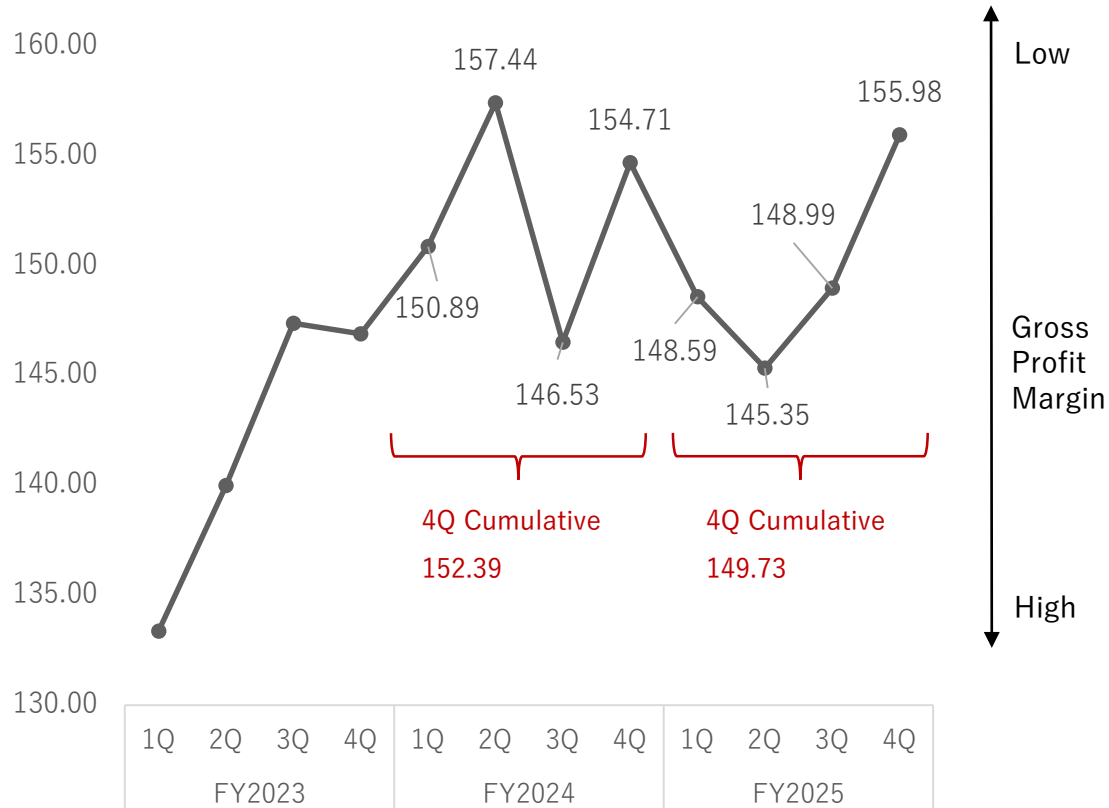


FY25 Q4 Exchange Rate Trends

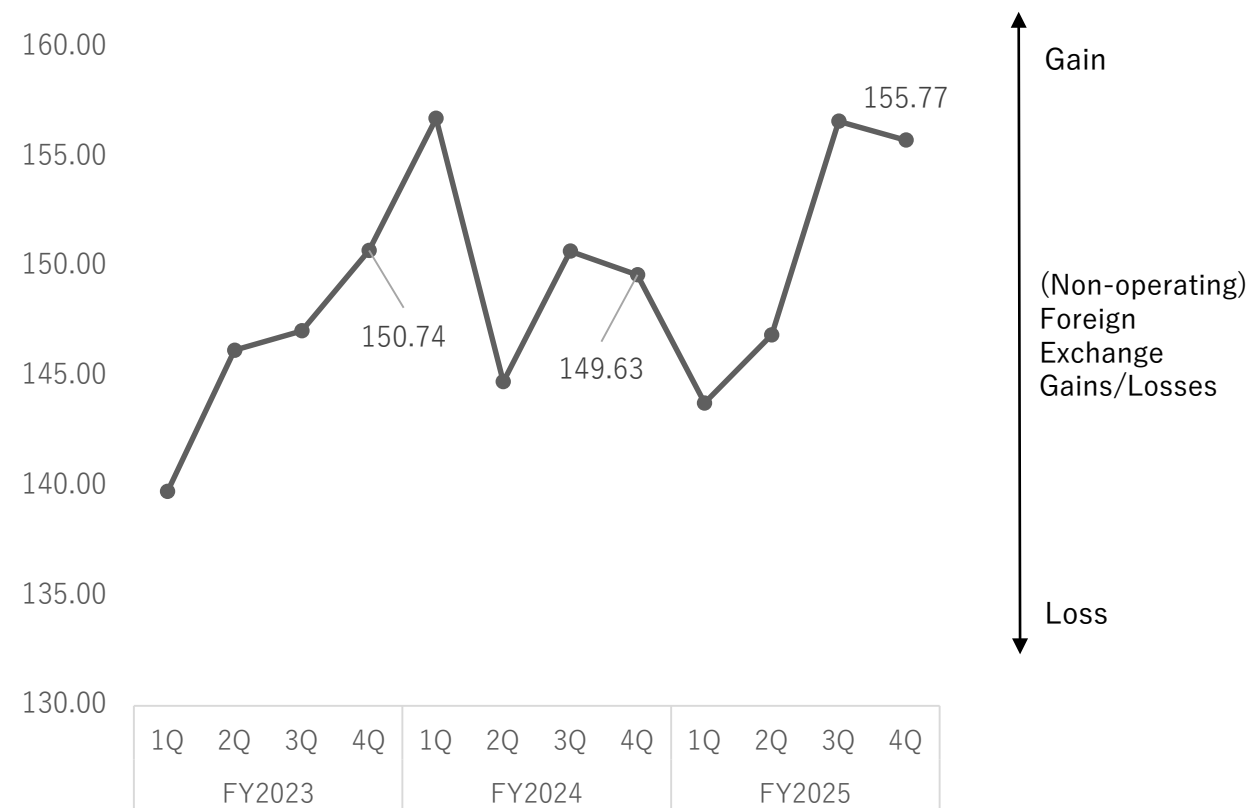
Exchange Rate (Quarterly)

• Average exchange rate for the 4Q cumulative period: 149.73 yen; end of February rate: 155.77 yen

Exchange Rate (Average Rate for the Period)

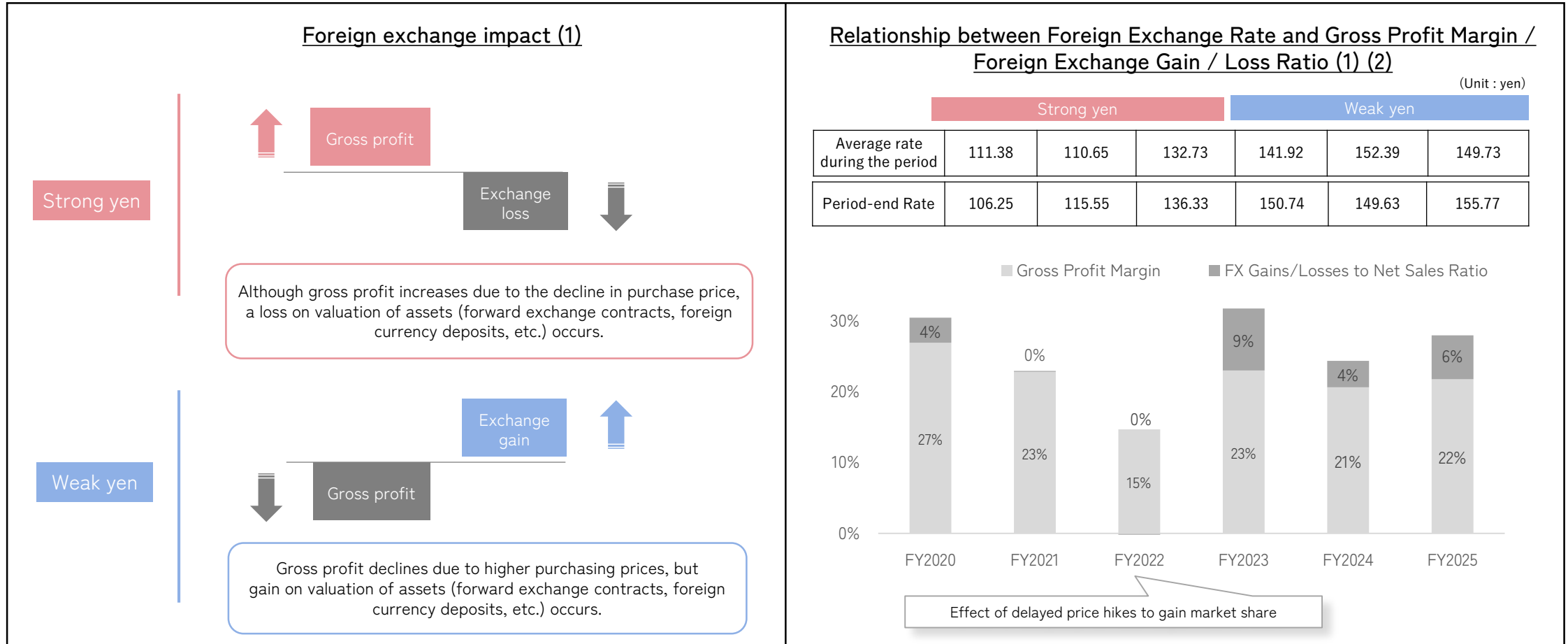


Exchange Rate (Quarter-End Rate)



Impact of exchange rate fluctuations on the Company's business performance

- We execute short- and medium-term foreign exchange forward contracts to equalize the payment rates of our monthly foreign currency purchases.
- Since we adopt the principal method for accounting treatment, it always affects gross profit and non-operating profit/loss (foreign exchange gains/losses).
- The average exchange rate during the period affects gross profit, and the exchange rate at the end of the period (including the end of the quarter) affects foreign exchange gains/losses.
- As of the end of the fourth quarter, the balance of forward exchange contracts was \$45 million, with an average rate of ¥140.22.

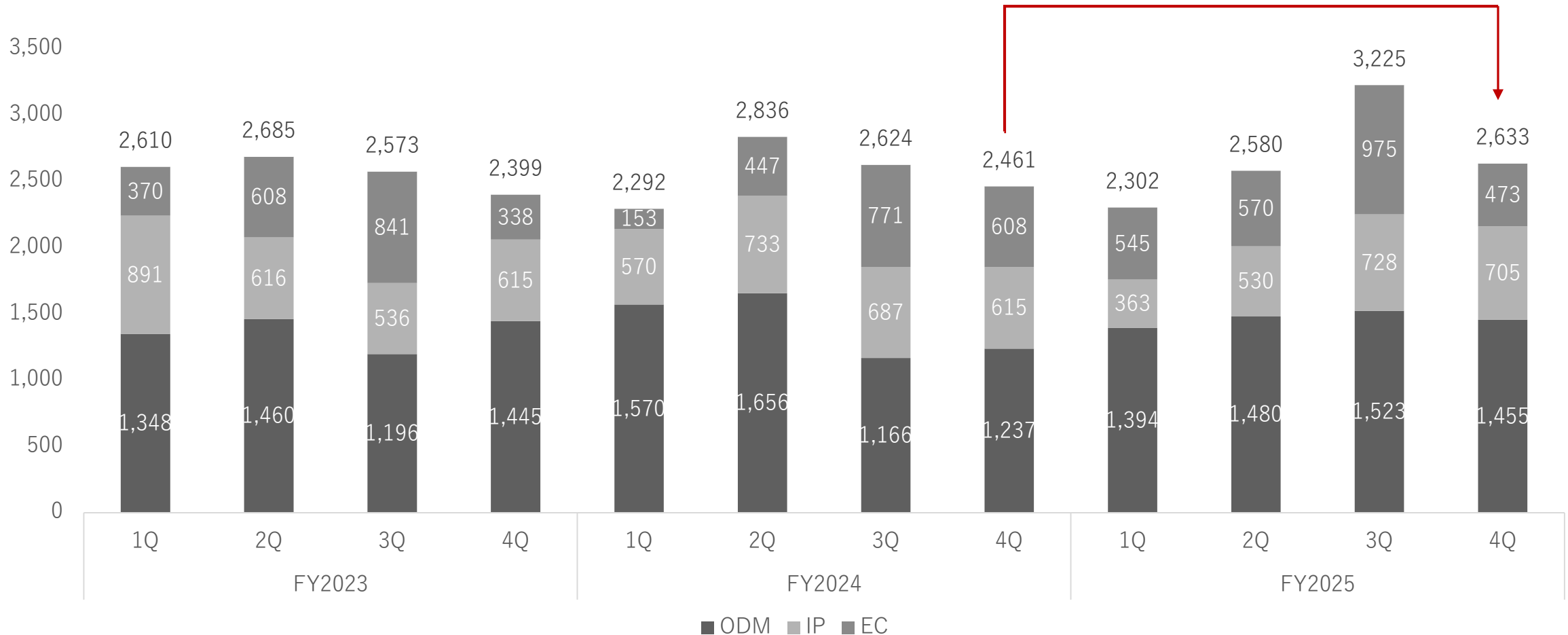


(Note) 1. The table is an image and does not fully reflect all the effects of exchange rates.
 (Note) 2. Figures for FY2021 and before are based on simplified consolidated figures before the integration of subsidiaries.

Sales before Rebate Deduction for the Feb / 2026 (FY2025)

Quarterly Pre-rebate Sales

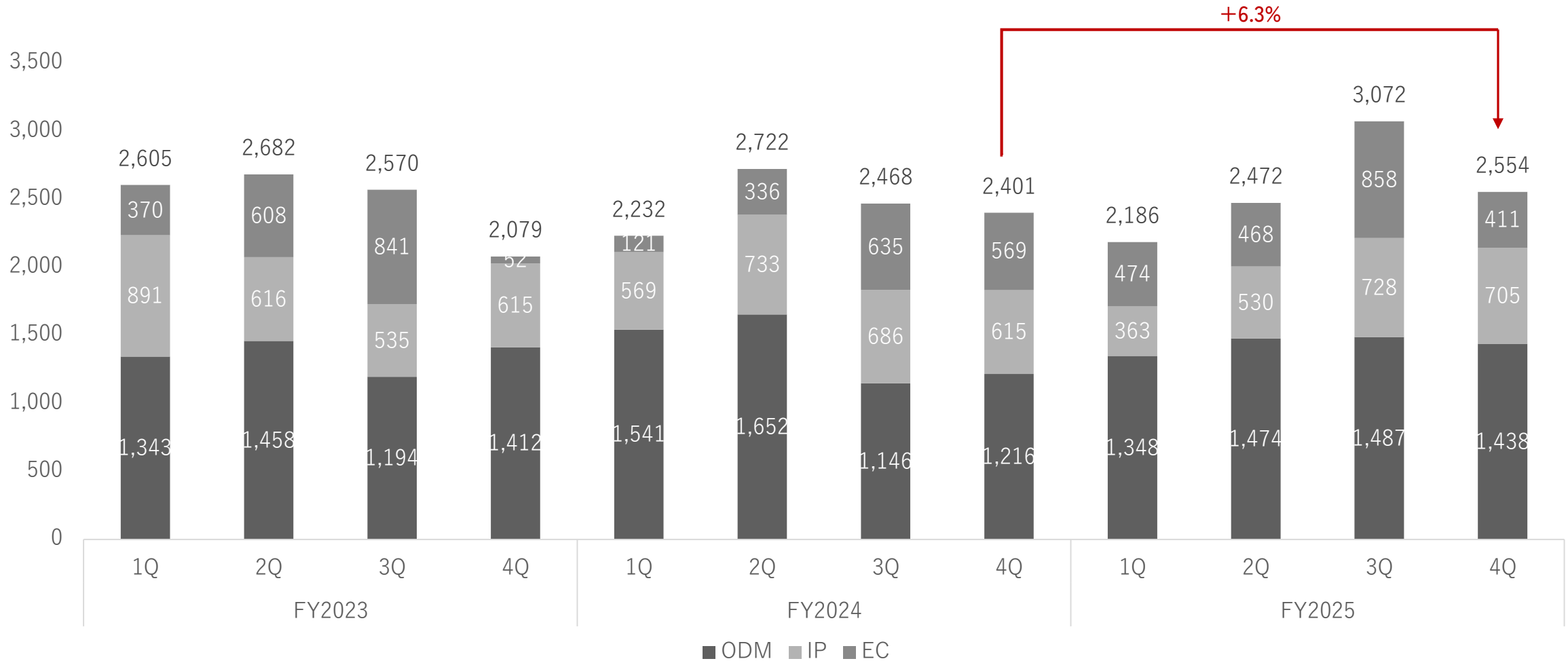
- Sales before rebate deduction were 2,633 million yen, 107.0% of the same quarter of the previous fiscal year (ODM 117.6%, IP 114.6%, EC 77.8%).
- Net sales for the second half of the fiscal year were 5,859 million yen, 115.2% year-on-year.



Sales Trends for the Feb / 2026 (FY2025)

Sales (Quarterly)

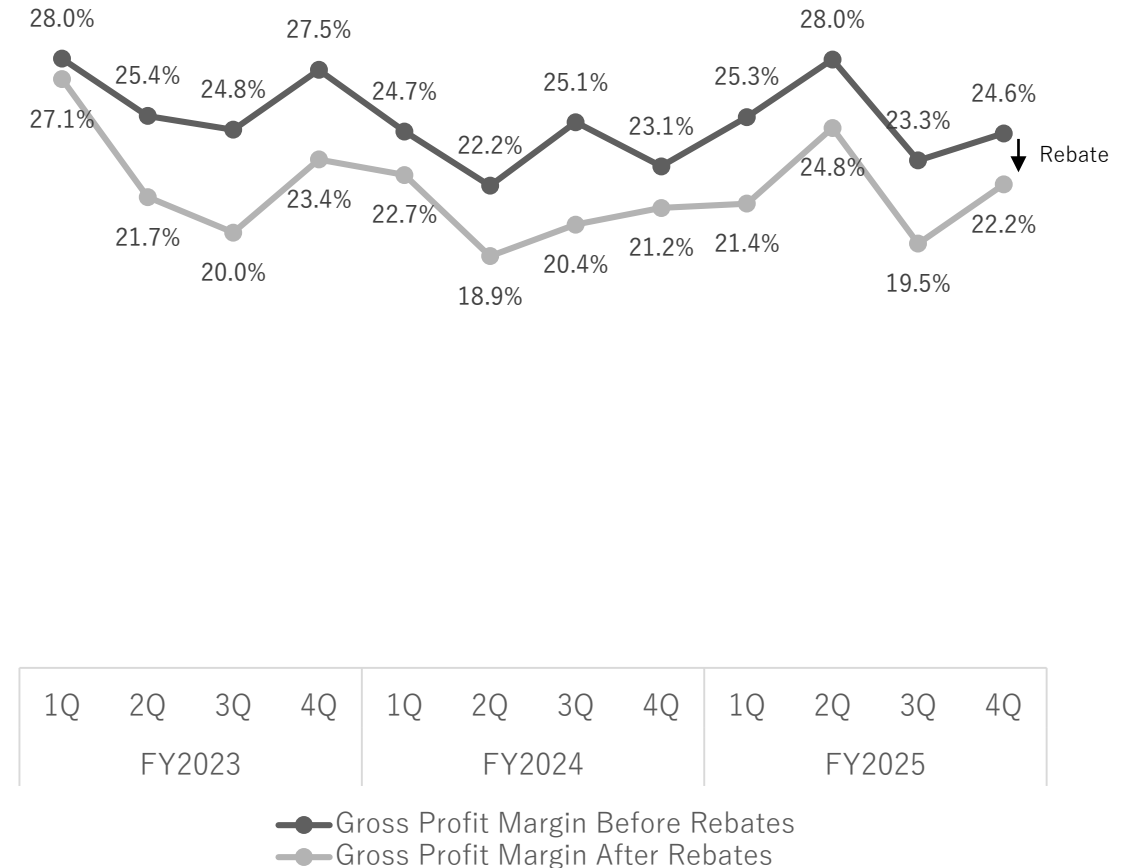
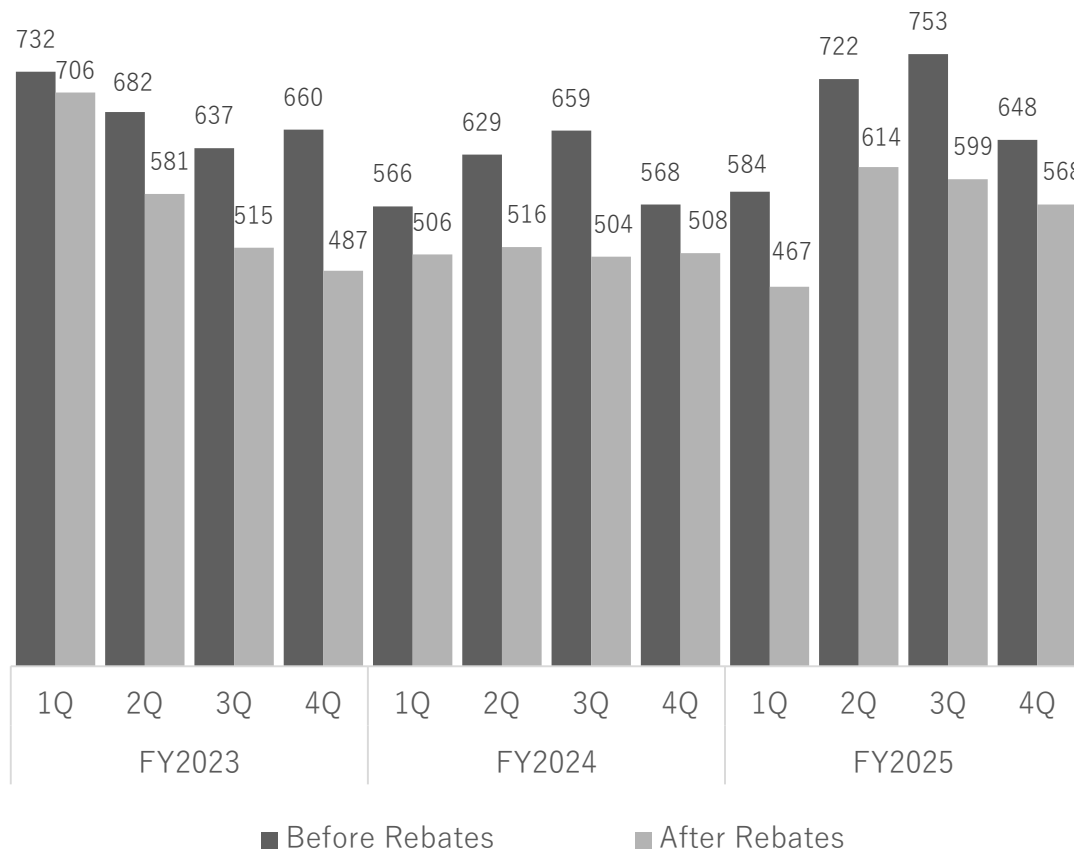
- Net sales were 2,554 million yen, 106.3% year-on-year (ODM: 118.2%, IP: 114.6%, EC: 72.2%).
- Net sales for the second half of the fiscal year were 5,626 million yen, 115.5% year-on-year.



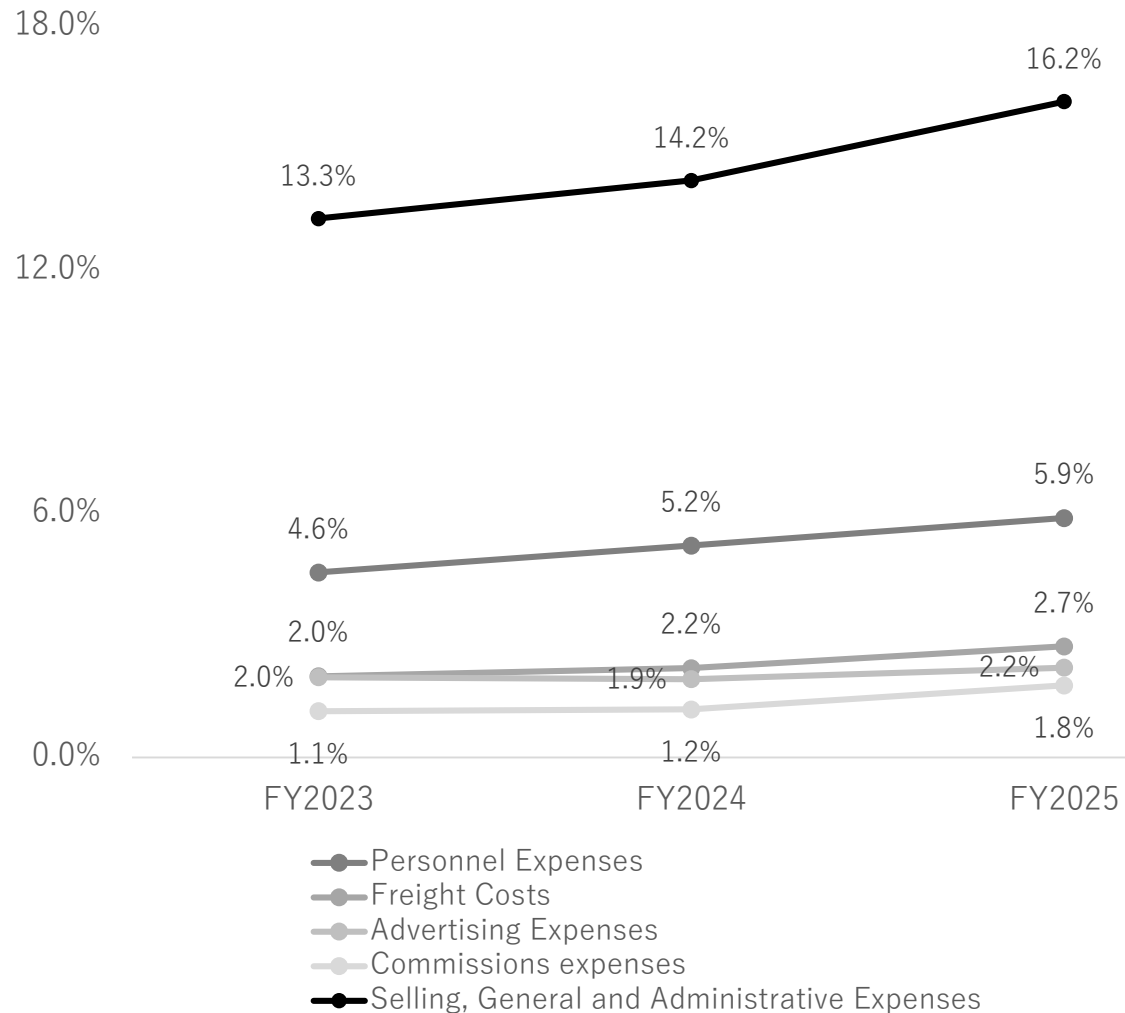
Trends in Gross Profit and Gross Profit Margin for FY25 Q4

Gross Profit (Quarterly)

- Gross profit margin declined from October due to the impact of the weak yen.
- Before rebate deduction: Gross profit was 648 million yen, and the gross profit margin was 24.6%.
- After rebate deduction: Gross profit was 568 million yen, and the gross profit margin was 22.2%.



Trends in Ratio of Selling, General and Administrative Expenses to Net Sales for the Cumulative FY25 Q4



Personnel Expenses

- Headcount expansion and base salary increases following the IPO

Freight Costs

- Increase in logistics unit costs and other costs due to changes in logistics efficiency, etc.

Advertising Expenses

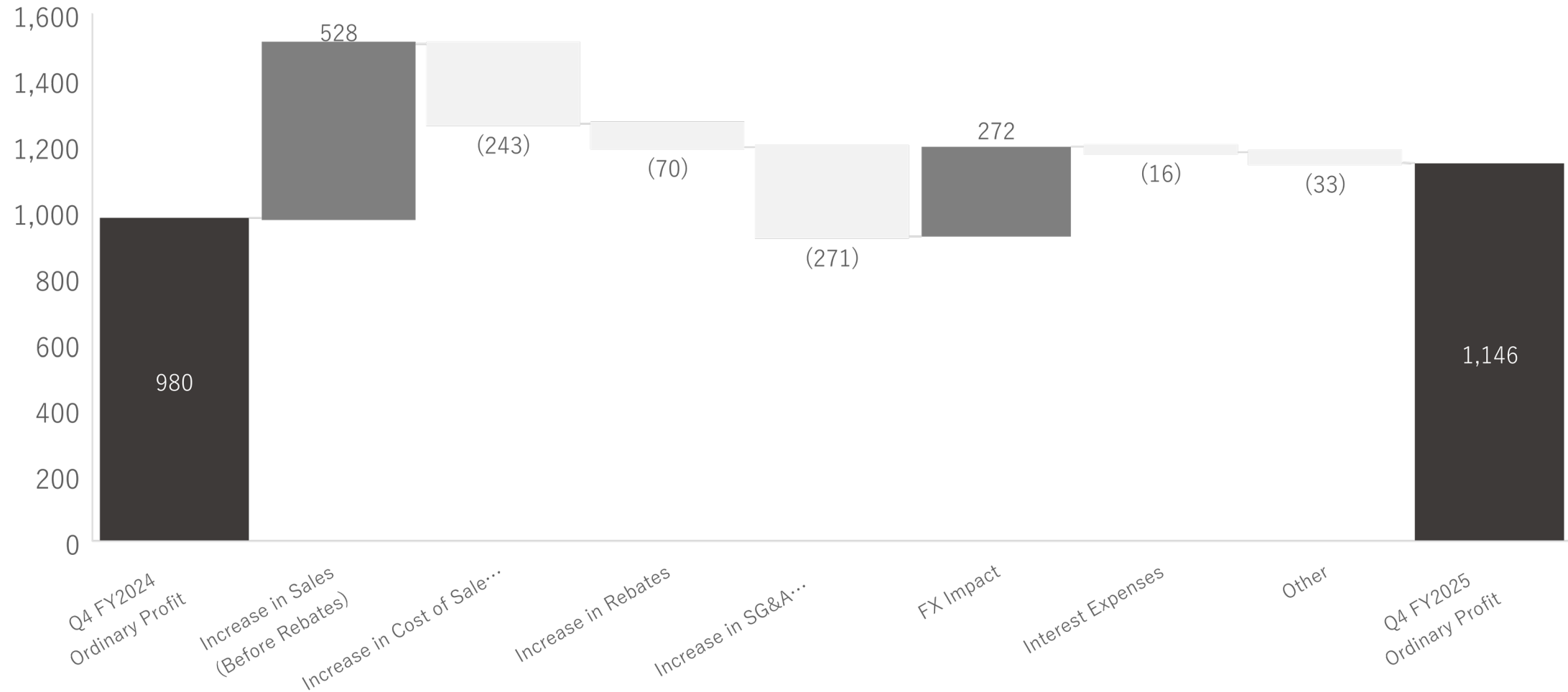
- Proactive digital marketing for "Towel Laboratory"

Commissions Expenses

- Listing expenses
- Patent application costs in Europe and the U.S.A
- Marketing enhancement Expenses

FY25 Q4 Ordinary Profit/Loss Fluctuation Analysis

(Unit: million yen)



FY25 Q4 Financial Position

(Unit: million yen)

Million yen	End of Feb. 25		End of Feb. 26		Compared to the end of the previous fiscal year
	Actual value	Composition ratio	Actual value	Composition ratio	
Assets	8,380	100.0%	8,476	100.0%	101.2%
Current assets	4,194	50.1%	4,279	50.5%	102.0%
Cash and deposits	1,676	20.0%	1,126	13.3%	67.2%
Trade receivables ⁽¹⁾	1,734	20.7%	2,145	25.3%	123.7%
Inventories	419	5.0%	510	6.0%	121.7%
Non-current assets	4,185	49.9%	4,197	49.5%	100.3%
Goodwill	3,325	39.7%	3,123	36.9%	93.9%
Liabilities	4,497	53.7%	4,340	51.2%	96.5%
Current liabilities	1,432	17.1%	1,505	17.8%	105.1%
Current portion of long-term borrowings	230	2.7%	230	2.7%	100.0%
Non-current liabilities	3,065	36.6%	2,835	33.4%	92.5%
Long-term borrowings	3,065	36.6%	2,835	33.4%	92.5%
Net assets	3,882	46.3%	4,136	48.8%	106.6%
Treasury shares	-	-	(81)	(1.0)%	-

(Note) 1. Notes and accounts receivable + electronically recorded monetary claims

Topics by Channel

ODM

Launch of jointly developed towels under Bic Camera's new original brand, "BIC IDEA"



"Towel Laboratory" Offline Rollout

Current Status: Surpassed 1,000 retail locations

Since its launch on January 1, 2026, this initiative has rapidly expanded its retail footprint to include major chains such as KOHNAN, HI HIROSE, YOUME TOWN, APITA, and PIAGO, successfully surpassing 1,000 locations.

*Some stores are not covered depending on the product.

Character IP

Character IP products include the production of a variety of products using popular characters, such as limited products for specific sales channels and products exclusively for amusement facilities.

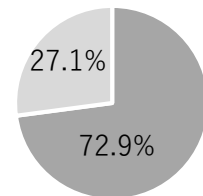
Expansion of product range



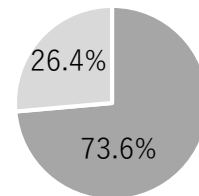
Conventional products such as towels and handkerchiefs

Products that apply towel technology, such as blankets, pouches, and small bags

Breakdown of IP Business by Product



FY2024



FY2025

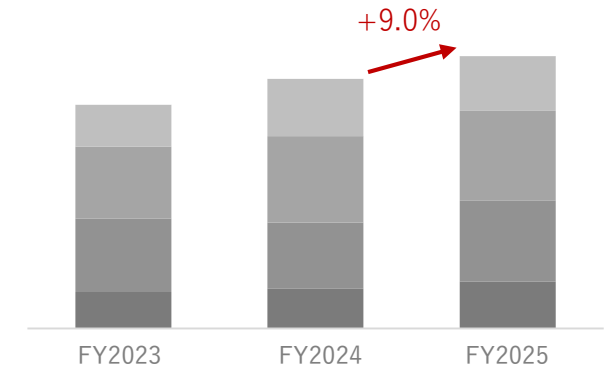
■ Towel products

■ Other than towels

e-commerce (Towel Laboratory)

Amazon Retail Sales Trends

Strong Growth in Both Sell-In and Sell-Through on Amazon.



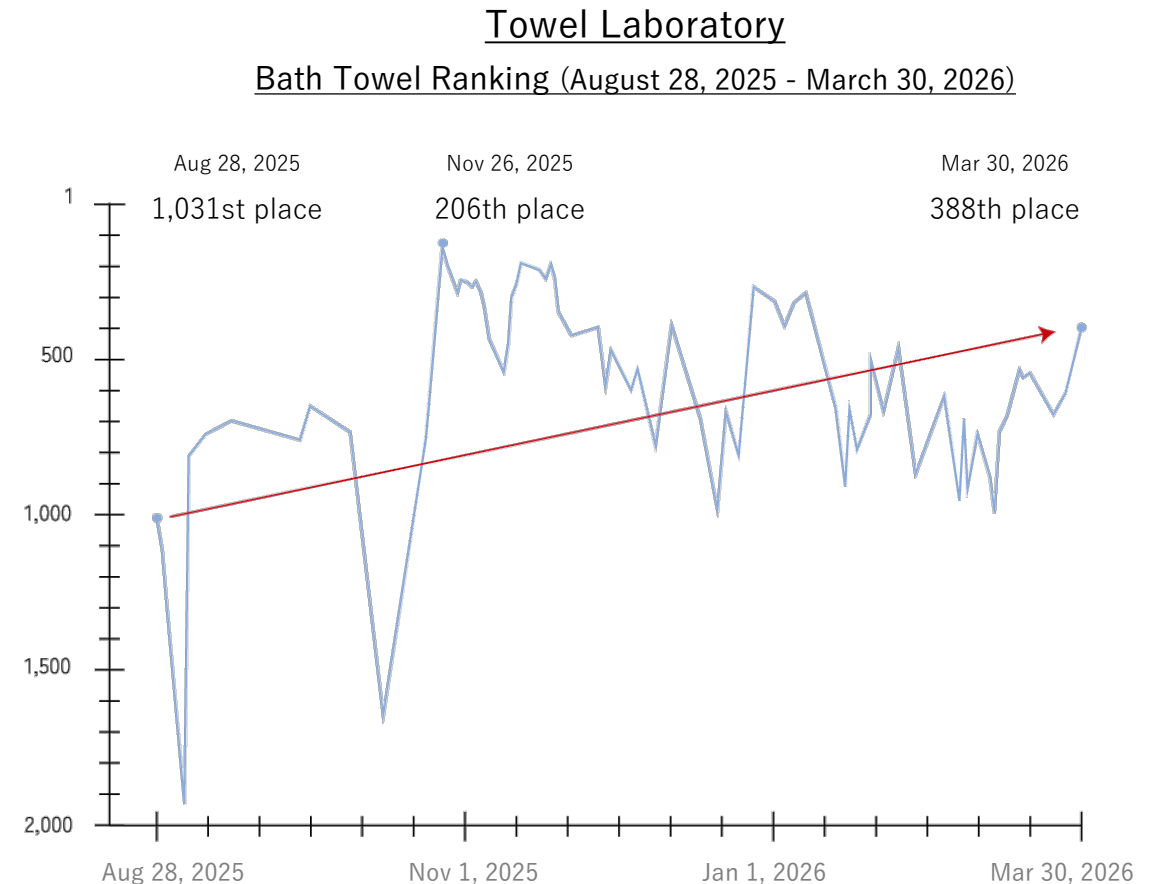
Amazon's New Life Sale performed well.



Major Amazon sales events—including Prime Day, Black Friday, Prime Big Deal Days, and the recent New Life Sale—have consistently delivered strong performance.

Participation in the 250th Anniversary Project of the Founding of the United States has been decided.

- We received a direct order from Amazon U.S. headquarters to manufacture an original beach towel commemorating the 250th anniversary of the founding of the United States.
- This is the first example (1P vendor transaction) of a Japanese towel company that has been highly evaluated for its technical capabilities, quality control system, and supply performance cultivated at "Towel Laboratory".
- Based on this initiative, we will supply products optimized for usage scenarios specific to the United States and accelerate the expansion of towel sales in the United States.



Medium-Term Management Plan
and Feb / 2027 (FY2026) Forecast

1. Enhancement of the ODM Business

- Pursuit of the Izawa Platform (optimal solutions based on tens of thousands of order data and proprietary R&D), and establishment of overwhelming competitive advantage through mutual synergy with our own brands.

2. Diversification of Own Brand and IP Strategy

- Multi-channel development leveraging overwhelming results in e-commerce and expansion of product lineup through strategic use of IP.

3. Establishment of an Overseas Revenue Base

- Overwhelming cost competitiveness through optimization of the production system in India, and establishment of a global growth model starting with Amazon U.S.

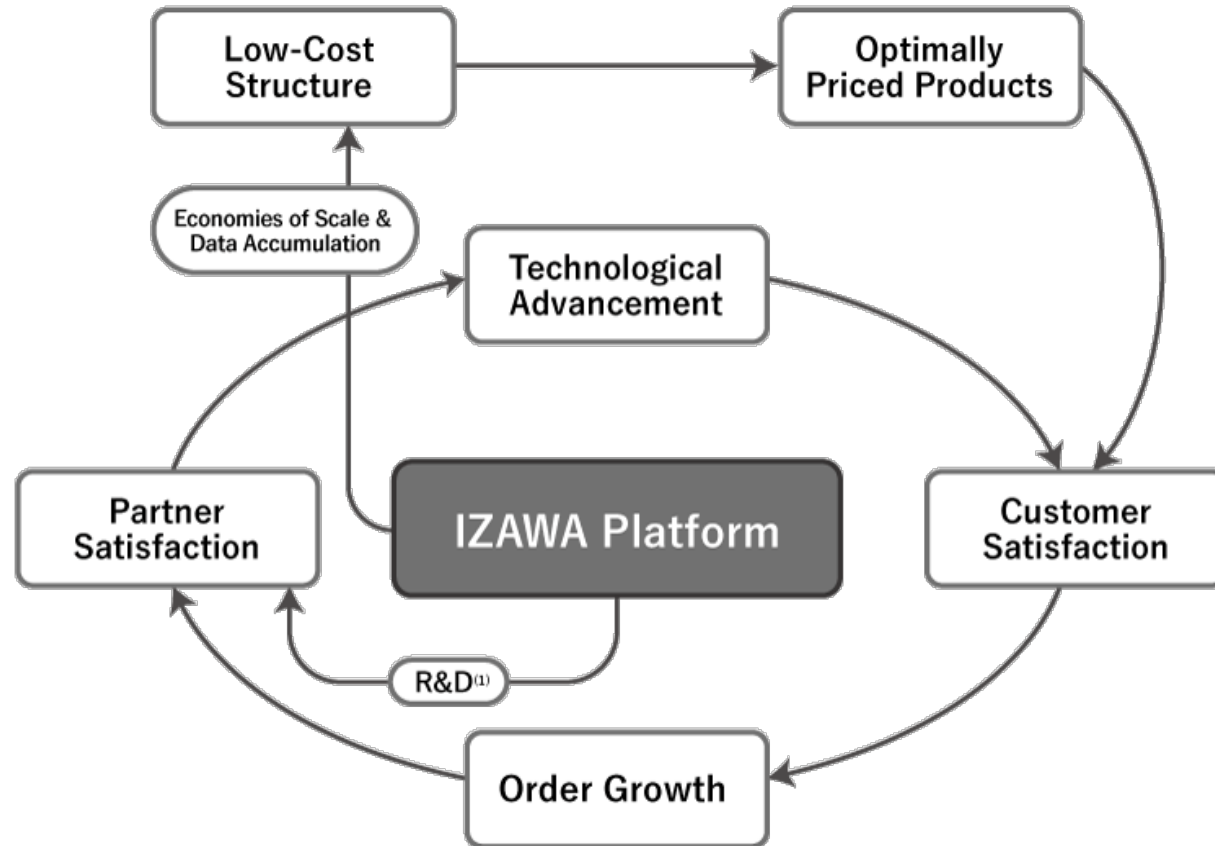
4. Pursuit of Capital Efficiency

- Enforcing strict management discipline focused on ROE (Return on Equity) improvement, alongside flexible shareholder returns.

5. Maximizing human capital

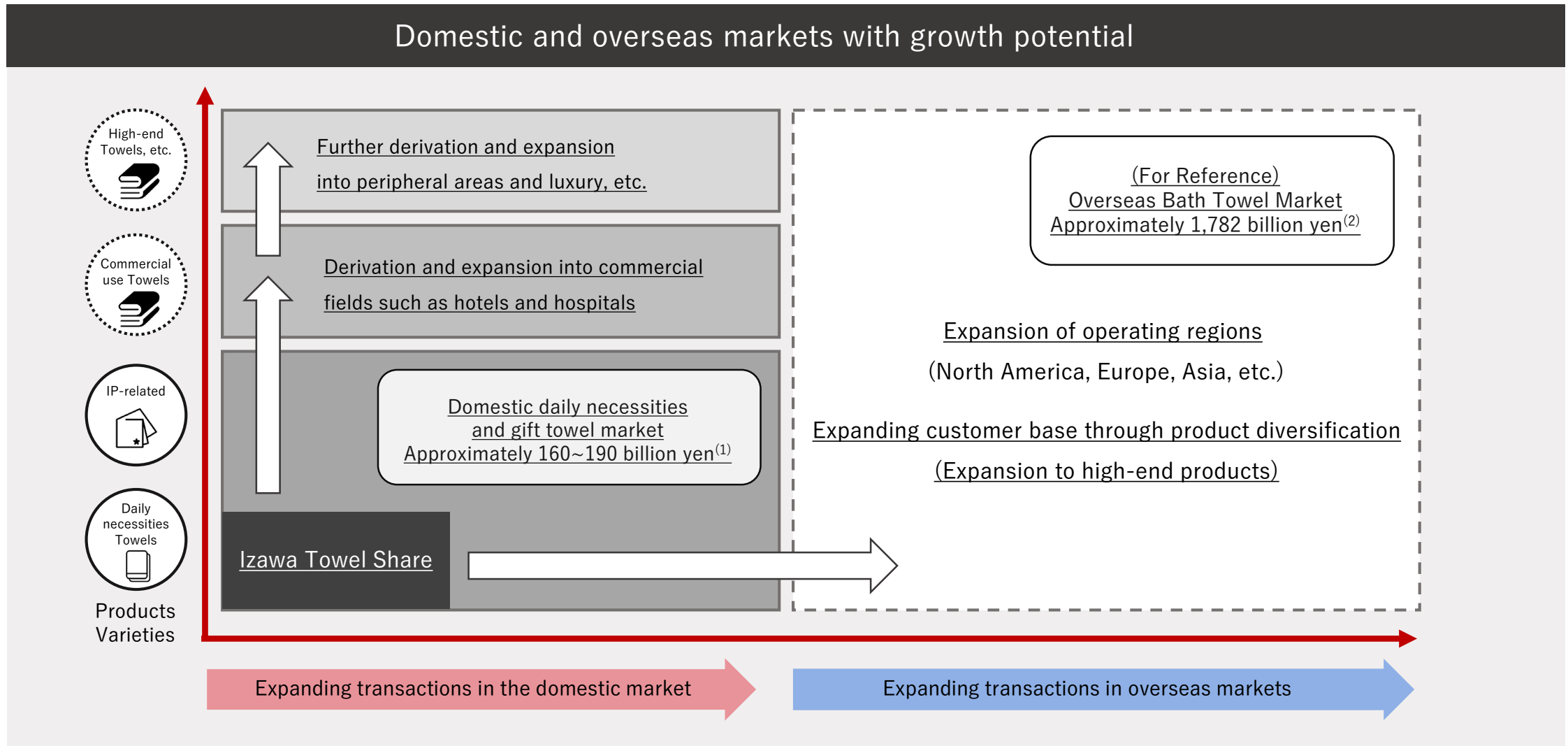
- Securing professional human resources to drive growth of the Izawa platform and building a HR system linked to value-added creation.

Growth structure of Izawa towels



Why we are not going to be second to none

- Accumulation of data on each retail and each factory through tens of thousands of ODM orders over the past 10 years
- Our unique R&D that enables product commercialization through the pursuit and verification of theoretical optimal solutions based on accumulated data
- Establish a structure in which the above activities will have an exponential effect as the platform expands and grows



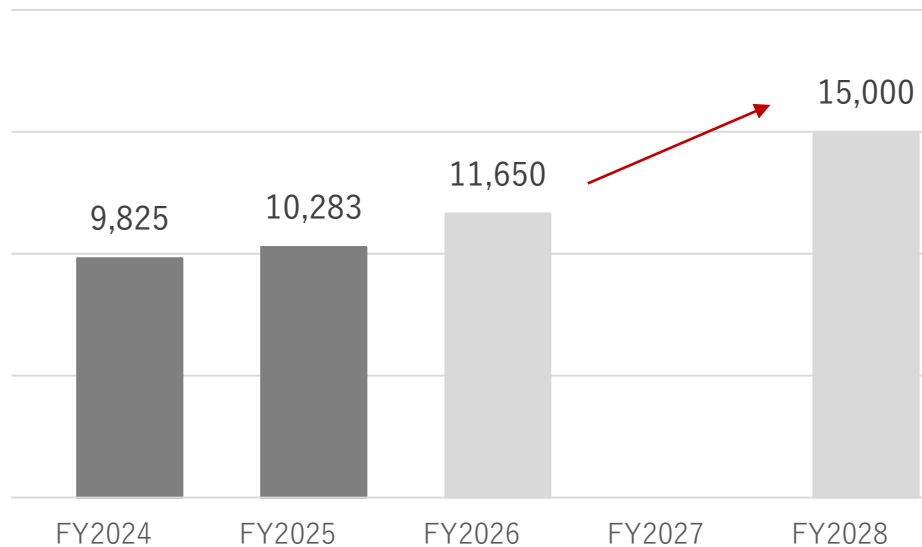
(Note) 1. Cross Marketing Inc. "Towel Industry Market Research Report"

(Note) 2. Calculated from Fortune Business Insights "Bath Towel Market Size, Share & Trend Analysis (2026-2034)" by multiplying the 2024 market size of USD 11.44 billion by JPY/USD 155.77 (TTM as of end of Feb / 2026)

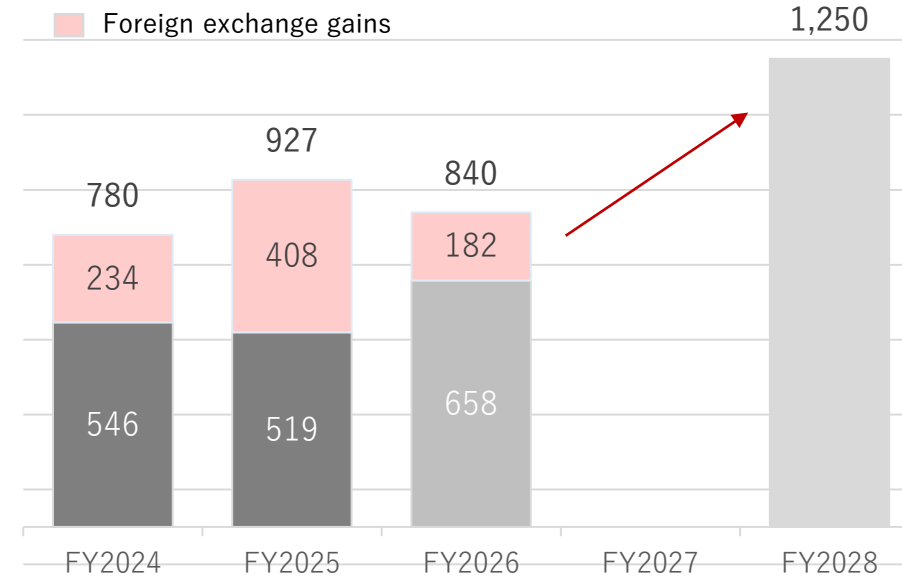
Sales and profit plan

- Aim to achieve net sales of 15 billion yen in the fiscal year ending February 2029 (FY2028) by integrating our unique ODM cycle and global supply network
 - ✓ We will commercialize and verify the enormous market needs accumulated through ODM at "Towel Lab" and promote a unique high-win-rate model that horizontally expands successful cases globally.
 - ✓ Aiming for double-digit growth by accelerating the expansion of domestic market share and penetration into overseas markets, leveraging stable supply and price competitiveness achieved by shifting production bases to India.
- Aim to achieve Profit before amortization of goodwill of 1.25 billion yen in the fiscal year ending February 2029 (FY2028) by hedging foreign exchange based on actual demand and clarifying actual value.
 - ✓ By hedging foreign exchange based on actual demand and adjusting for goodwill amortization, we will secure "Profit of 1.25 billion yen on an actual value basis" unaffected by external factors, and maximize resources for sustainable growth investment and shareholder returns.

Sales

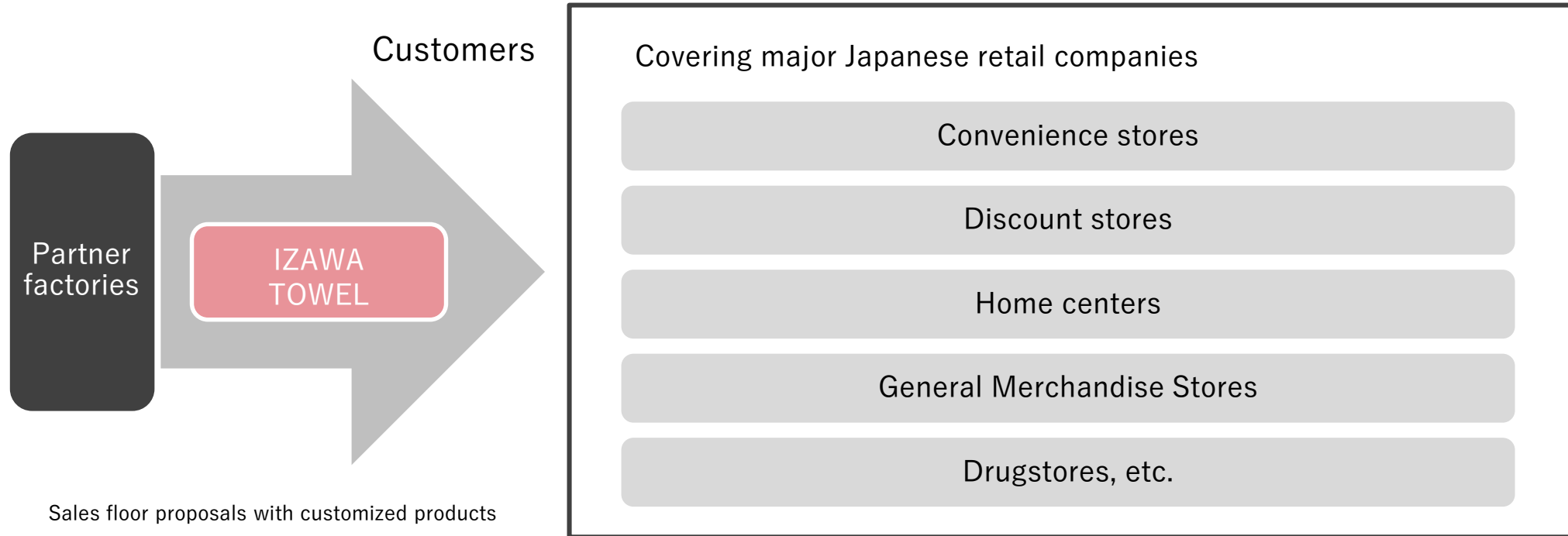


Profit before amortization of goodwill



- Deepening of existing customer base

- ✓ We have a strong business base with major companies in each retail segment in Japan, and we deliver customized towel ODM products to their markets at reasonable prices, **enabling organic sales growth by unlocking the market potential of each retail company.**
- ✓ In addition, because products are customized for each company, it is possible to do business with competing retailers in the same industry and region, and we are receiving inquiries from new customers in various business formats, such as drugstores.



- e-commerce Organic Growth Opportunities

- ✓ The current e-commerce penetration rate for towels in Japan is still estimated to be around 15%⁽¹⁾. The e-commerce penetration rate in the "household goods, furniture, and interior market" is 32%⁽²⁾, indicating significant room for growth in comparison.
- ✓ We believe that our company, which has high brand recognition for the "Towel Laboratory" brand on Amazon, the top e-commerce seller, and possesses best-selling products, has already secured a strong e-commerce sales foundation, and thus still has growth potential along with the growth of the e-commerce market.



We aim to further expand our product lineup by **function** and **application** under the "Towel Laboratory" brand to increase sales.

- New Product Launch on Amazon.co.jp

- ✓ Following the "#052 Dryer-Compatible Towel" launched in October 2025, a new product focusing on hair care and emphasizing functionality was introduced in January 2026.
- ✓ Sale of bedding such as box sheets and pet blankets using 003 towel yarn



• Towel Lab Offline Expansion

■ Background and Market Needs

- Towel product characteristics with high demand for physical confirmation. Increased consumer demand for "wanting to touch and choose" and "wanting to try one piece"
There was demand from many retailers who wanted to handle "Towel Laboratory"
- Leveraging brand awareness
With very high recognition and favorability in Japan, we will open up brand usage outside of Amazon to maximize corporate assets.

■ Objective

- Using our offline expansion as a catalyst, we aim to achieve overwhelming top-of-mind awareness across all channels, establishing "Towel Laboratory" as the definitive go-to brand for towels.
- Creation of synergy effects
Increased exposure in physical stores will further enhance recognition, leading to increased sales on e-commerce platforms like Amazon.
Sales will also be boosted, establishing mutual customer traffic between e-commerce and offline channels.
 - Establish market position
Eliminating the boundaries between online and offline, we aim to be the brand chosen in all aspects of life.
We will solidify our position as a "mass brand."

■ Strategic Rationale & Expected Outcomes

- Maximizing sales efficiency
By leveraging our brand equity, we can achieve faster inventory turnover, higher volume, and premium pricing compared to non-brand products, thereby securing high profit margins.
- Powerful weapon for retail buyers
By demonstrating a proven track record (No. 1 market share on Amazon and a high repeat rate), we can virtually eliminate the risk of unsold inventory for our retail partners.
- Strengthening sales and marketing
We will utilize our physical retail presence as highly effective "advertising channels" to drive new customer acquisition.
- Accelerating product development
We will capture consumer trends and needs directly at physical stores, enabling rapid product iterations and updates.

Diversification of Own Brand and IP Strategy

Towel Lab Offline Expansion

- ✓ The products to be launched are four product numbers: #001, #003, #006, and #052, as well as collaborative products with various companies.
- ✓ Starting with the launch at KOHNAN and HI HIROSE (collaboration products) in January 2026, we have begun handling products at other major retailers such as YOUME TOWN, APITA, and PIAGO.

#003
Band wrap packaging



#006
Header packaging



KOHNAN Collaboration
Individual product packaging



Expansion of character IP products

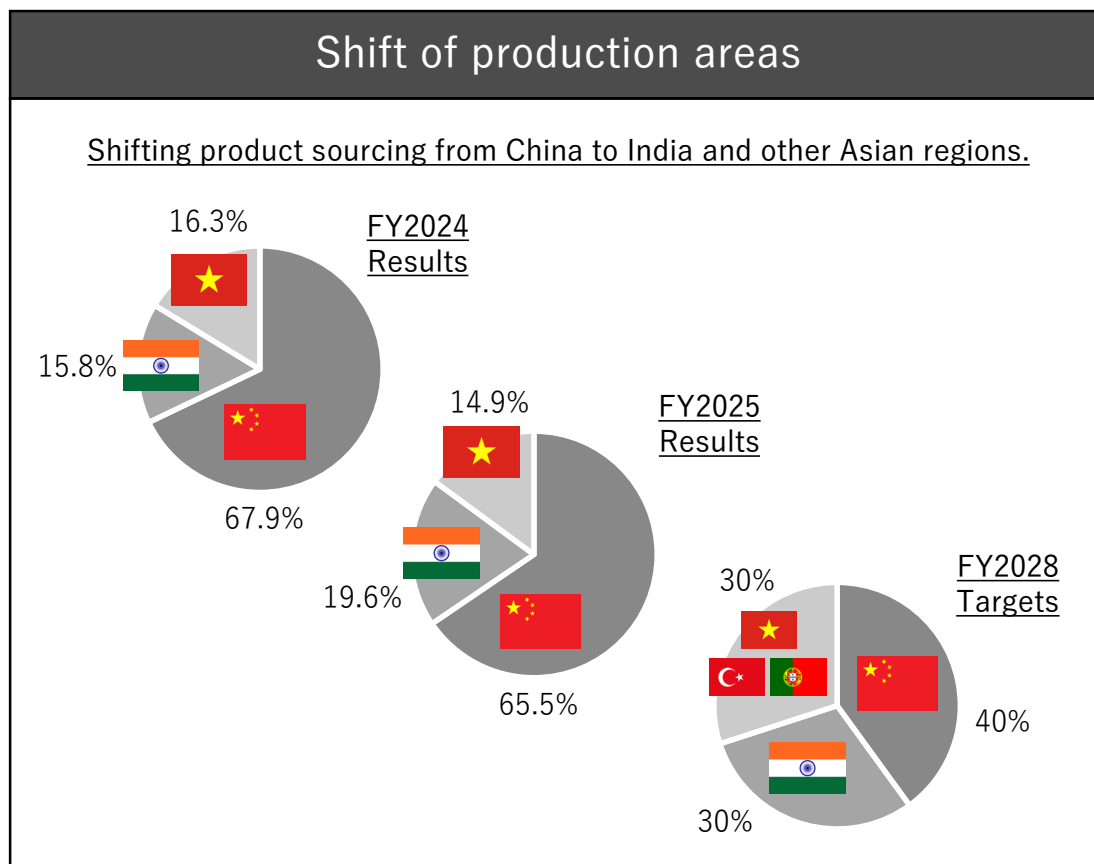
- ✓ The character IP-related market in Japan is expected to grow further, partly due to inbound demand.
- ✓ We have long-standing business relationships with leading character IP owner companies and their sales partners. Leveraging our strict IP management capabilities in overseas manufacturing processes, acquired through IP transactions, we will expand into peripheral products such as sundries and accessories using towel materials, and develop ODM for major retailers using IP.

商品ラインナップ

	ハンドタオル		フェイスタオル		ミニバスタオル		バスタオル
<p>#001 <small>【毎日シンプル】</small> 安心の定番 <small>特徴</small> タオル研究所を初めて使う方におすすめ</p>							
	ハンドタオル		フェイスタオル		ミニバスタオル		バスタオル
<p>#003 <small>【ボリュームリッチ】</small> 贅沢なボリューム <small>特徴</small> タオル研究所のベストセラー</p>							
	ハンドタオル		フェイスタオル		ミニバスタオル		バスタオル
<p>#006 <small>【軽さの理由】</small> 薄手タオルの 常識を超える <small>特徴</small> 洗顔後の顔拭き用に最適</p>							
	フェイスタオル		バスタオル				
<p>#052 <small>【乾燥機対応タオル】</small> ドライキープ <small>特徴</small> 乾燥機にかけても劣化しにくいタオル</p>							

- **Increase in the proportion of Indian products**

- ✓ In addition to the multiple factories currently operating in India, we will begin transactions with one of the world's largest factories, **accelerating the increase in the proportion of Indian products to 30%.**
- ✓ This will reduce geopolitical risk and further strengthen price competitiveness through overwhelming economies of scale.



Margin improvement through production shift

Example of actual margin improvement: "Recent case with existing client A"

Products from China	Products from India
Previously, all products	On a trial basis from this term Switched some products
Indian products have a gross profit margin of approximately +5% compared to Chinese products.	
<ul style="list-style-type: none"> ① Shift to factories that can produce more efficiently <ul style="list-style-type: none"> ✓ Adopted factories with advanced equipment and technical capabilities ② In India, towel products are not subject to customs duties upon export. <ul style="list-style-type: none"> ✓ China has a tariff of about 7%, while India has 0%. ③ Izawa Towel designs and oversees manufacturing, ensuring consistent quality. <ul style="list-style-type: none"> ✓ No difference in quality and no change in sales. ✓ Efficient factories can be used selectively according to the strengths of materials and factory equipment. 	

(Note) The percentage as of FY2/29 is the company's target value and is not a figure that is currently in sight of being achieved.

- Full-Scale Launch of Amazon US Sales

- ✓ The current U.S. towel market is estimated to be about five times larger than that of Japan.
Sales of towel products from the "Towel Laboratory" brand (U.S. brand name "Towel Laboratory") will begin in August 2025 on Amazon, the largest e-commerce site in the United States.
- ✓ A special product commemorating the 250th anniversary of the founding of the United States is planned for introduction in early summer 2026
- ✓ We plan to sequentially introduce products in line with U.S. MD. We will optimize the proven winning pattern of Towel Laboratory in the Japanese market for the U.S. market, aiming for a high probability of market penetration.

<Product Lineup>

"Plush Light Weight": A well-balanced towel that combines volume and lightness

"Super Softness": A towel with a luxurious feel, focused on softness

"Super Low Lint": A highly durable towel with minimal lint shedding

"Super Long Pile": A towel with the thickness and luxurious texture of a hotel towel



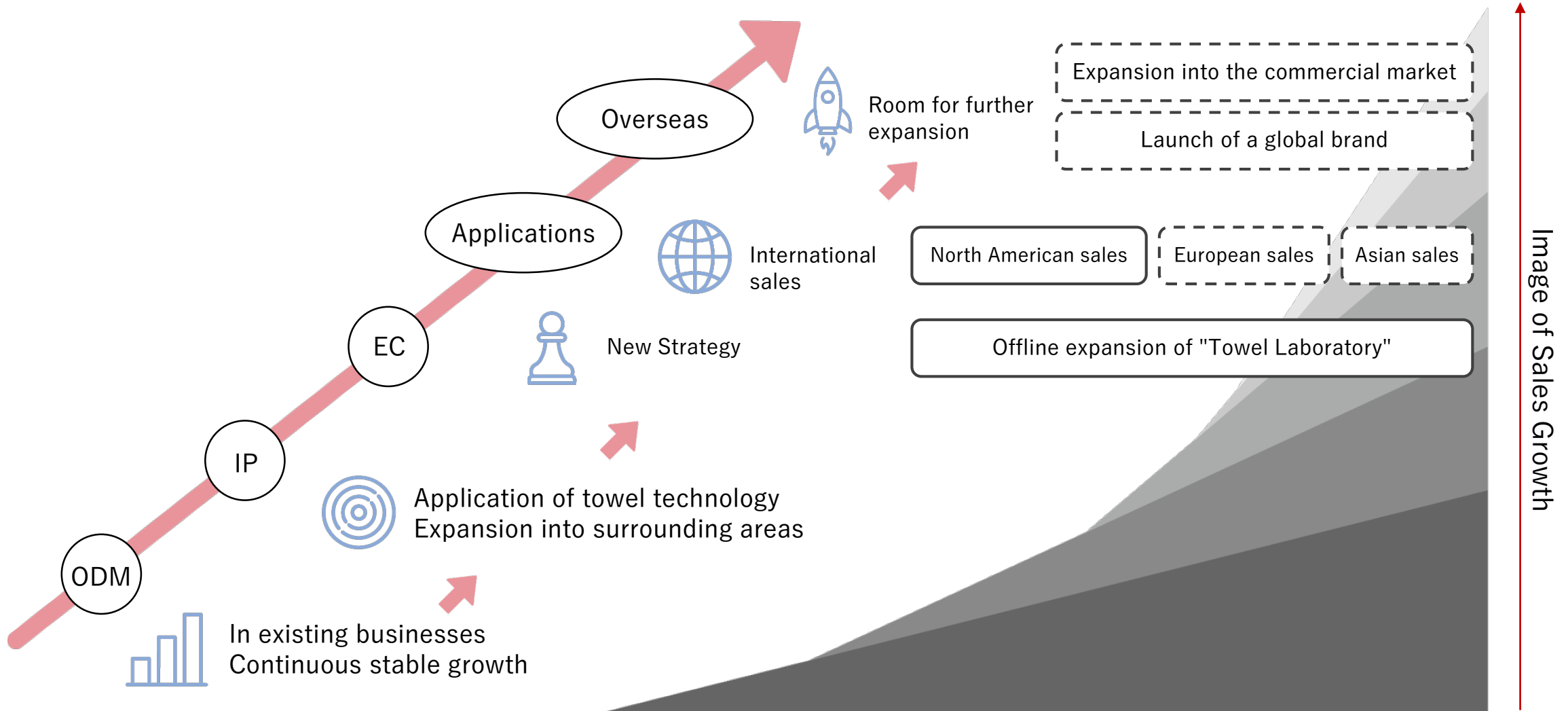
- Considering overseas expansion with one of the world's largest global retailers

- ✓ Leveraging our product competitiveness and supply reliability, which have been proven in the Japanese market, we have begun full-scale discussions and negotiations aimed at securing global orders.

- Management stance of maximizing shareholder value
 - ✓ Position shareholder returns as the most important management issue and promote improvement of capital efficiency
(maintain/improve **ROE of 15%**)
 - ✓ Promotion of the change of market segment to the **TSE Prime Market**
- Stable and high level of shareholder returns
 - ✓ Dividend policy
 - Dividend indicator: Targeting **DOE of 10%** ⁽¹⁾
 - Dividend Frequency: Twice annually (interim and year-end)
 - ✓ Flexible Acquisition of Treasury shares
 - Increase total return ratio by flexibly implementing the plan in accordance with stock price level and financial condition
- Compliance with Global Standards
 - ✓ **Adoption of IFRS** (Target for FY2028) ⁽²⁾
 - Appropriate presentation and transparency of "real profit" through non-amortization of goodwill (approximately 200 million yen/year)
 - ✓ Deepening of Market Dialogue
 - Expanding investor base through expanded English language disclosure and proactive IR activities

- Acquisition of Strategic Human Resources
 - ✓ Strengthen mid-career hiring of highly specialized personnel who will drive global expansion, DX, and marketing
 - ✓ Continue hiring new graduates as next-generation leader candidates to inherit and strengthen Izawa platform-type planning, sales, and technology
- Deepening organizational capabilities and education
 - ✓ Formalization and education of "data-driven planning and sales" know-how utilizing tens of thousands of ODM data
 - ✓ Evolution of a self-reliant organization through further penetration of MVV (Mission/Vision/Value)
- Pursuit of engagement and productivity
 - ✓ Improvement of treatment linked to value creation (continuous wage increase)
 - ✓ Improve operational efficiency through DX promotion and concentrate resources on high-value-added planning and proposal work

Image of Medium-Term Growth Strategy



Full-year Plan for the Feb / 2027 (FY2026)

(Unit: million yen)

Million yen	FY2025	FY2026	YoY
	Actual	Plan	
Net sales	10,283	11,650	113%
ODM	5,747	6,294	110%
Character IP	2,326	2,600	112%
EC	2,211	2,756	125%
Operating profit	581	825	142%
Operating margin	5.7%	7.1%	1.4p
Ordinary profit	1,146	1,082	94%
Profit	726	638	88%
Profit before amortization of goodwill	927	840	91%

Assumptions for sales plan

<Overall>

- The assumed exchange rate is JPY 150, which is the average rate for the most recent year (March 25 to February 26).

<ODM>

- Calculated monthly by multiplying the probability of receiving orders by each stage showing the progress of projects (purchase order, production plan, closed contract, and pre-contract status).
- Sales from Towel Laboratory's offline expansion are recorded under ODM.
- Aim for organic sales growth by deepening the existing customer base.

<Character IP>

- The plan is calculated in the same way as ODM production.
- Aiming for sales growth by expanding into peripheral products such as sundries and accessories using towel materials.

< EC >

- Amazon US sales are recorded in the EC category.
- Aiming for sales growth by further expanding the product lineup by function and application under the "Towel Laboratory" brand.

Assumptions of the profit plan

<Gross Profit>

- As most purchases are in dollars, gross profit is calculated on a dollar basis and then multiplied by the assumed exchange rate.

<Selling, General and Administrative Expenses>

- Ongoing strategic investments in personnel and branding are aimed at securing long-term business growth.

<Foreign Exchange Gains/Losses>

- Only valuation gains on foreign currency deposits converted from forward exchange contracts are factored in.

Shareholder returns

- For the Feb / 2027 (FY2026), the planned dividend is ¥42 per share (interim ¥21, year-end ¥21).
- Also considering the acquisition of Treasury shares in accordance with share price levels and financial conditions.

Dividend Overview

Target period	Feb / 2027 (FY2026)
Dividend Type	Interim and year-end dividends
Dividend per Share	¥42 (interim ¥21, year-end ¥21)
DOE	9.9%
Total Dividends	Approximately 407 million yen

Status of Treasury shares Acquisition

Type of Shares to be Acquired	Common Stock
Acquisition Period	2/1 - 3/31
Total Number of Shares Acquired	300,000 shares
Percentage of total shares outstanding	3%
Total Acquisition Cost	205 million yen

Supplementary Materials

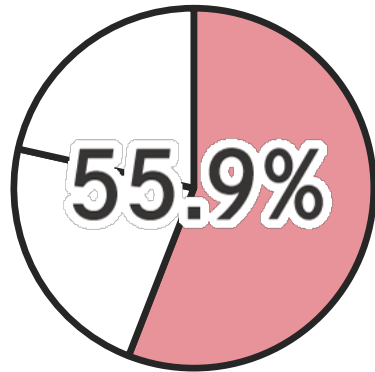
Company Profile

Company Profile

Company Name	Izawa Towel Co., Ltd.
Head Office	1-26-6 Ebisunishi, Shibuya-ku, Tokyo
Founded	October 1970
Listed Stock Exchange	Tokyo Stock Exchange Standard Market (Securities Code: 365A)
President and Representative Director	Shoji Izawa
Number of Employees	76 (as of February 28, 2026)
Subsidiaries (Non-consolidated)	IZAWA TOWEL INC (U.S.) IZAWA TEXTILE CO., LIMITED (Hong Kong)

We are a fables manufacturer operating in a single segment, "planning, manufacturing, and sales of towel products." Our vision is to create a global standard for towels, ensuring that consumers can confidently choose our products, by prioritizing their perspective and continuously focusing on the comfort of towels as daily necessities. Our business revolves around the planning and sales of towel products to retailers and character IP businesses, as well as our own brand "Towel Laboratory" on our e-commerce site and Amazon.

ODM



We offer a wide range of products, from basic towels that are affordably priced as daily necessities to high-priced towels that leverage our technology.

Convenience stores

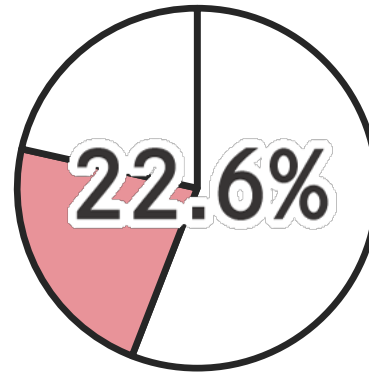
Discount stores

Home centers

General Merchandise Stores

Drugstores, etc.

Character IP

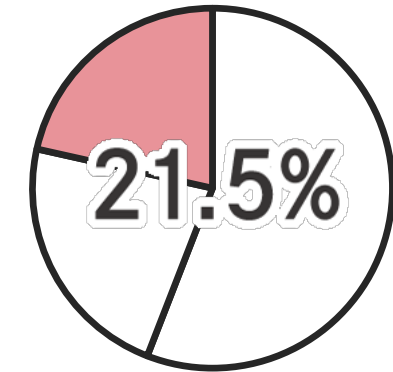


Supplying towel products and miscellaneous goods with character patterns to entertainment business companies.

© Disney

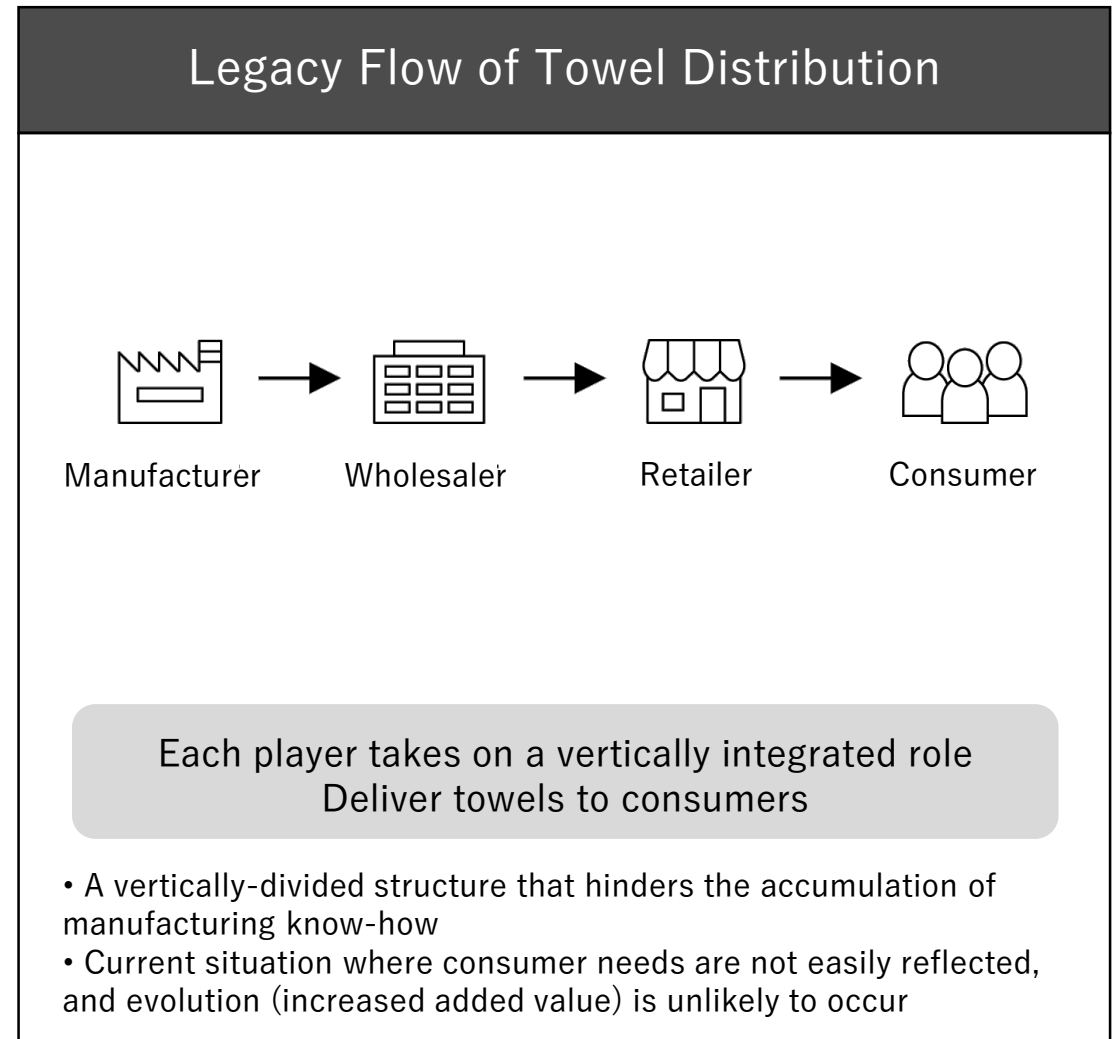
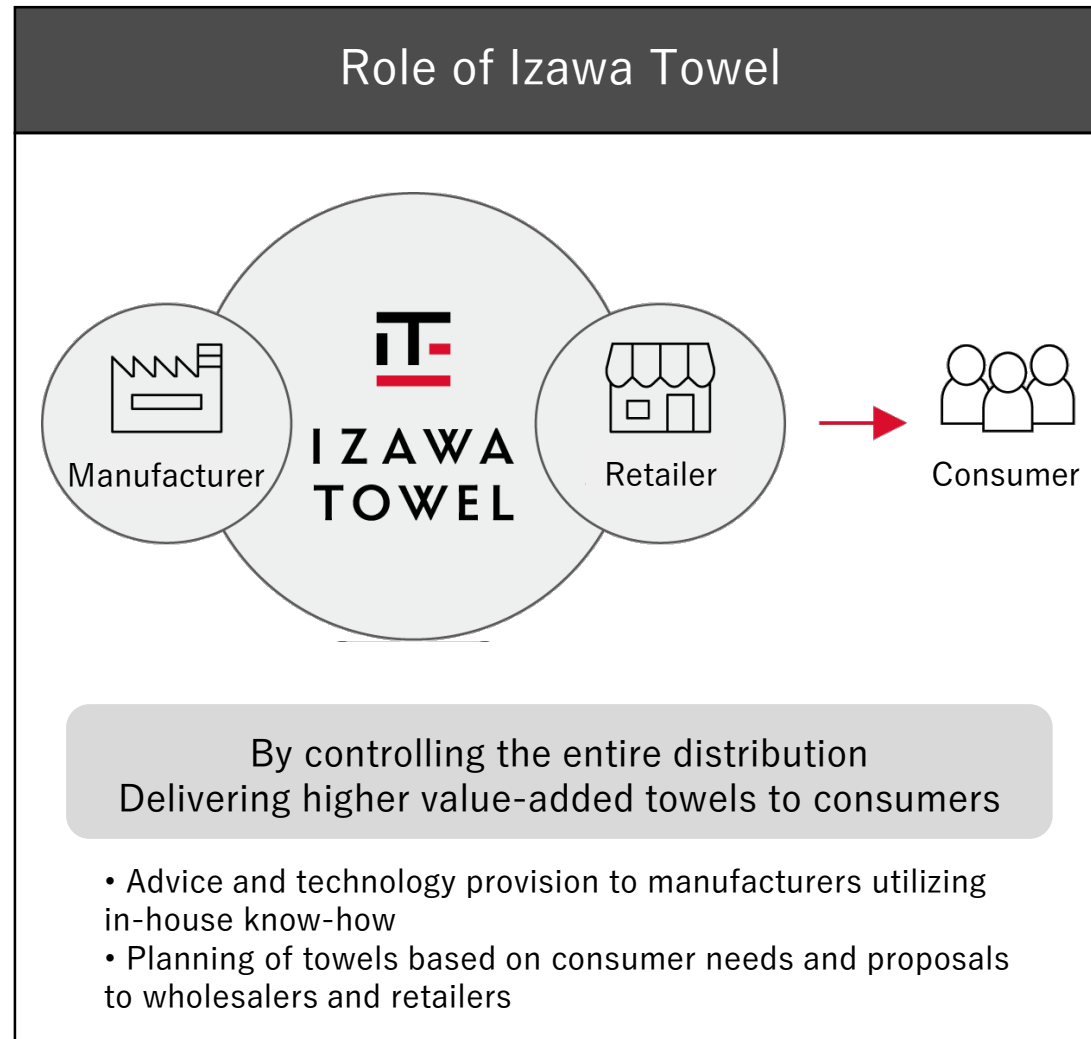
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APPROVAL NO.L652651

e-commerce (Towel Laboratory)

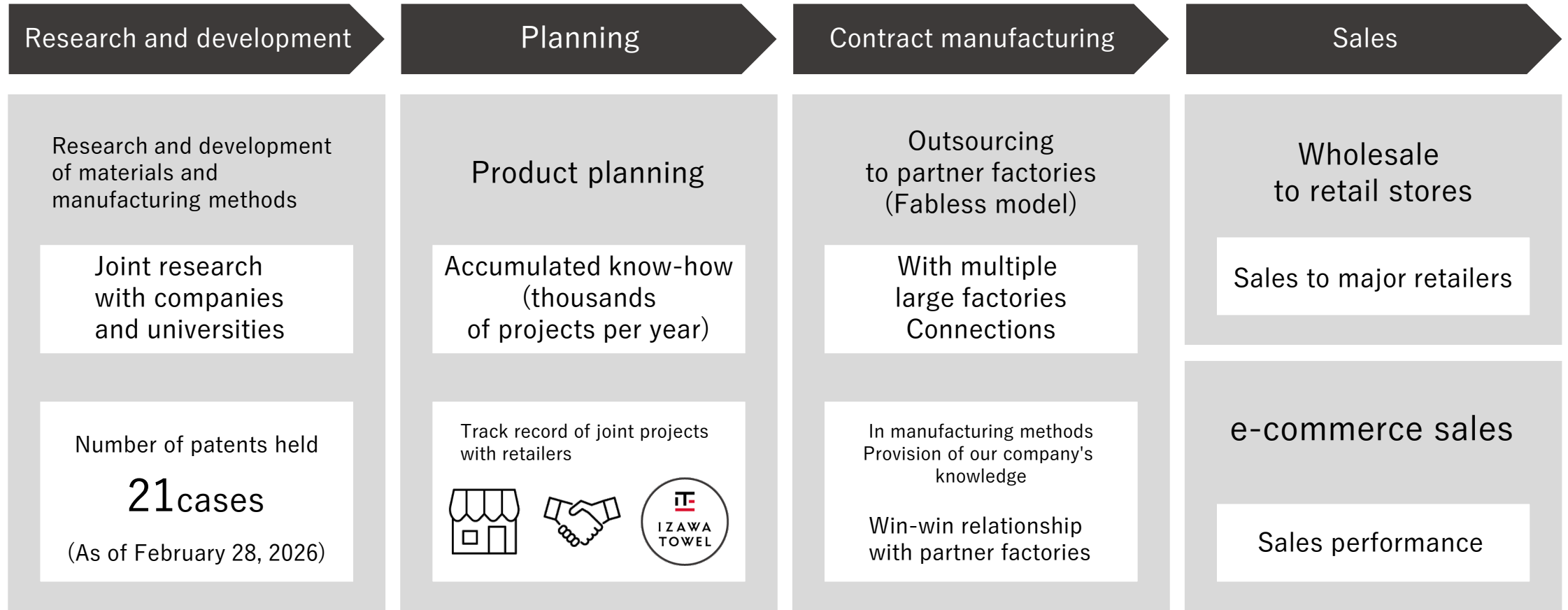


Towel products from "Towel Laboratory" are available on e-commerce sites and Amazon. Amazon's buy-in model (retail sales).





Unique business model



We control the entire process

Unique research and development system that combines expertise and practicality

Extensive research and development system

Joint research with companies and universities

Major textile manufacturer : New performance towel using synthetic fibers

Shinshu University : Objective evaluation of "softness"
- Annual presentation of the above research at The Society of Fiber Science and technology, Japan

University of Fukui : Towel manufacturing utilizing supercritical technology
- Izawa Towel's Sustainable Initiatives
- Participation in the national project "NEDO"

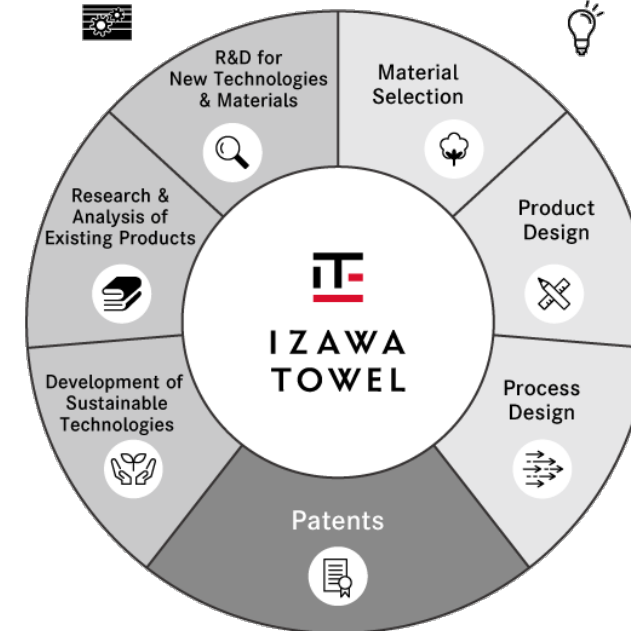
Patents created with high technical capabilities ⁽¹⁾

Number of patents held: **21**

Elements that build high technological capabilities

Data Accumulation through Research

Accumulated Know-How with Partner Factories



Accumulated Expertise in Quality & Manufacturing

Towel industry with high barriers to entry

The towel industry, which is difficult for other industries to enter

Textile companies

Towels have a complex manufacturing process, and unlike clothes and because they are completely different from fabric products, in-house manufacturing at an appropriate price is difficult.

Retailers

consumer needs regarding towels and because we lack manufacturing know-how, it is difficult to complete planning, design, and manufacturing outsourcing.

High barriers to entry exist

Izawa Towel, which has already penetrated the retail industry

Convenience stores and GMS, etc., ahead of competitors, have acquired a high share in the towels they handle.

↓

There are certain hurdles for major retailers to handle it themselves.

IT IZAWA TOWEL

The Company's performance forecasts, plans, strategies, etc., contained in this document are forward-looking statements related to future performance, based on judgments made by the Company's management using currently available information, and include risks and uncertainties. Please note that actual results may differ from these forecasts due to various important factors, including the economic situation and market trends surrounding the Company's business.

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