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Notice Concerning Transfer of Fixed Assets, Recording of Extraordinary Income, Revision of Consolidated Earnings Forecast, and Announcement of Non-Consolidated Earnings Forecast

November 11, 2025

To Whom It May Concern:

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Shinagawa Refra Co.,Ltd. (the “Company”) hereby announces that it has resolved its own transfer of fixed assets at the Board of Directors meeting on November 11, 2025.

As a result, the Company has revised the full year earnings forecast for the fiscal year ended March 31, 2026, announced on August 8, 2025, as follows. The Company does not disclose the forecast of non-consolidated results, but it does announce the difference between the forecast of non-consolidated results for the fiscal year ended March 31, 2026 and the actual results for the previous fiscal year.

Notation

1. Transfer of Fixed Assets and Recording of Extraordinary Income

(1) Reason for transfer

After closing the Company’ s Sagami Plant, it used the transferred property as a rental Land, but it decided to transfer it in order to strengthen its financial position by repaying interest-bearing debt and to secure investment funds for sustainable growth.

(2) Details of the assets to be transferred

Details and location of assets	Land area	Gain on transfer	Current status
Land 5245-1, Komatsubara 2-chome, Zama-shi, Kanagawa, etc.	21,868 m ²	Approx. 4,657 million yen	Leasing Land

- The transfer price and book value are not disclosed in the agreement with the transferee, but are transferred at an appropriate price reflecting the markets price.
- The gain on transfer is approximate amount obtained by deducting the book value and the estimated costs related to the transfer from the transfer value.

(3) Overview of the transferee

The transfer partner (domestic corporation) will not be disclosed in accordance with the arrangement with the other party. There are no notable capital, personal or business relationships between the transferee and the Company.

(4) Schedule of the transfer

Date of decision	November 11, 2025
Date of conclusion of transfer agreement (scheduled)	December 19, 2025
Date of handover of the asset to be transferred (scheduled)	December 19, 2025

(5) Impact on financial results

As a result of this transfer of fixed assets, the Company expects to record approximately 4,657 million yen of gain on sale of fixed assets to be included in extraordinary income in the consolidated and non-consolidated financial statements for the fiscal year ended March 31, 2026.

2. Revision of Consolidated Earnings Forecast

Figures for consolidated earnings forecast in full year for the fiscal year ended March 31, 2026 (From April 1, 2025 to March 31, 2026)

	Sales	EBITDA	Operating profit	Ordinary profit	Net income attributable to owners of the parent	Net income Per share
	Million yen	Million yen	Million yen	Million yen	Million yen	Yen
Previous forecast (A)	176,000	23,000	14,500	14,500	8,500	186.39
Revised forecast (B)	176,000	23,000	14,500	14,900	13,000	284.88
Change (B-A)	0	0	0	400	4,500	98.68
Change (%)	0	0	0	2.8	52.9	—
(Reference) Consolidated Results for the Previous Fiscal Year (Full year for the Fiscal Year Ended March 2025)	144,072	17,953	13,278	13,655	9,778	214.48

<Reasons for the revision>

Regarding full-year earnings for the fiscal year ended March 31, 2026, as described in “1. The Transfer of Fixed Assets and the Recording of Extraordinary Income,” net income attributable to owners of the parent is expected to record gain on sale of fixed assets as extraordinary income and ordinary profit is expected to increase foreign exchange gains, so full year’s business results are expected to exceed the previous forecast. In light of these factors, the Company has decided to revise its earnings forecasts.

As mentioned above, the Company plans to use the proceeds from this transfer of fixed assets to reduce interest-bearing debt. Therefore, the Company will not change the annual dividend forecast of 90 yen announced on May 15, 2025.

Going forward, the Company will continue to maintain a sound financial position by promoting the sale of real estate and other assets. At the same time, the Company will aim to steadily implementation its growing strategy and further improve our corporate value.

3. Announcement of Non-Consolidated Earnings Forecast

Full-year non-consolidated earnings forecast for fiscal year ended March 31, 2026 (From April 1, 2025 to March 31, 2026) and actual results for the previous fiscal year.

	Sales	Operating profit	Ordinary profit	Net income	Net income Per share
	Million yen	Million yen	Million yen	Million yen	Yen
Previous announced forecast (A)	–	–	–	–	–
Current announced forecast (B)	85,500	7,500	10,500	12,500	273.92
Change (B-A)	–	–	–	–	–
Change (%)	–	–	–	–	–
Actual results for the previous fiscal year	85,410	7,367	8,666	7,493	164.38

<Reason for the difference between current announced forecast and actual results for the previous fiscal year>

For the fiscal year ended March 2026, as mentioned above, the Company expects gain on sale of fixed assets to be included in extraordinary income, so net income is expected to significantly exceed the previous fiscal year's results.