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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2025 (J-GAAP)

July 31, 2025

Listed Company Name: Sanwa Holdings Corporation	Listing: Tokyo Stock Exchange
Securities Code: 5929 URL https://www.sanwa-hldgs.co.jp/english/	
Representative: Yasushi Takayama, Representative Director, President	
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Scheduled Date to Start Dividend Payment: —	
Preparation of Results Briefing Materials: Yes	
Holding of Financial Results Briefing: None	

(Amounts of less than one million yen have been truncated)

1. Consolidated Financial Results for the Three Months Ended June 30, 2025 (from April 1, 2025 to June 30, 2025)

(1) Consolidated Operating Results (Percentages indicate year-on-year changes)

	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 June 30, 2025	140,775	(1.1)	9,924	(0.1)	10,409	(3.4)	7,218	(1.5)
Three Months Ended June 30, 2024	142,375	7.7	9,931	14.5	10,774	30.4	7,326	25.6

Note: Comprehensive income Three Months Ended June 30, 2025: (2,609) million yen —%
 Three Months Ended June 30, 2024: 16,853 million yen 94.0%

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three Months Ended June 30, 2025	33.75	33.74
Three Months Ended June 30, 2024	33.50	33.44

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2025	487,975	296,515	60.3
As of March 31, 2025	534,609	324,192	60.2

Reference: Shareholders' equity As of June 30, 2025: 294,376 million yen
 As of March 31, 2025: 322,074 million yen

2. Dividends

	Full-year dividend				
	First quarter-end	Second quarter-end	Third quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	—	47.00	—	59.00	106.00
Fiscal year ending March 31, 2026	—				
Fiscal year ending March 31, 2026 (Forecast)		62.00	—	62.00	124.00

Note: Revision of dividends forecast since last announcement: None

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

(Percentages represent year-on-year changes)

	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
First half	306,000	(2.5)	33,500	3.7	34,300	0.3	23,300	(2.0)	109.15
Full year	654,000	(1.3)	81,000	0.6	82,700	(1.6)	58,000	0.8	270.70

Note: Revision of consolidated results forecast since last announcement: None

Notes:

(1) Significant changes in the scope of consolidation during the period under review: None

New: — Excluded: —

(2) Application of special accounting treatments in preparing quarterly consolidated financial statements: Yes

Note: For details, please refer to "2. Quarterly Consolidated Financial Statements and Primary Notes (3) Notes to Quarterly Consolidated Financial Statements (Notes on Accounting Treatments Specific to the Preparation of Quarterly Consolidated Financial Statements)" on page 8 of the attached materials.

(3) Changes in accounting policies, accounting estimates, and retrospective restatements

1) Changes in accounting policies in accordance with revision of accounting standards: Yes

2) Changes in accounting policies other than item 1) above: None

3) Changes in accounting estimates: None

4) Retrospective restatements: None

Note: For details, please refer to "2. Quarterly Consolidated Financial Statements and Primary Notes (3) Notes to Quarterly Consolidated Financial Statements (Notes on Changes in Accounting Policies)" on page 8 of the attached materials.

(4) Number of shares issued (common stock)

1) Number of shares issued at the end of the period (including treasury shares)

As of June 30, 2025 223,000,000 shares

As of March 31, 2025 227,000,000 shares

2) Number of treasury shares at the end of the period

As of June 30, 2025 10,558,180 shares

As of March 31, 2025 12,160,918 shares

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

Three Months Ended June 30, 2025 213,860,774 shares

Three Months Ended June 30, 2024 218,690,202 shares

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

Explanation regarding appropriate use of results forecast and additional notes

(Earnings forecasts and other forward-looking statements)

This document includes projections based on assumptions, forecasts, and plans for the future that are available on the day of its publication, and actual results may differ from the forecast figures stated in the document due to various risk factors and uncertainties. For further details regarding the earnings forecasts, please see "1. Overview of Operating Results for the Three Months Ended June 30, 2025, (3) Explanation of Consolidated Results Forecasts and Other Forward-looking Statements" on page 3 of the attached materials.

(Supplementary presentation materials for financial results)

Supplementary materials for financial results will be posted on the Company's website, along with a summary of the quarterly financial results report.

(Review of the accompanying quarterly consolidated financial statements by a certified public accountant or auditing firm)

The Company plans to disclose the quarterly financial results with a review report attached after the review is completed.

Scheduled date of disclosure: August 8, 2025

Contents of the Attachment

1. Overview of Operating Results for the Three Months Ended June 30, 2025.....	2
(1) Operating Results.....	2
(2) Financial Position.....	3
(3) Explanation of Consolidated Results Forecasts and Other Forward-looking Statements.....	3
2. Quarterly Consolidated Financial Statements and Primary Notes.....	4
(1) Quarterly Consolidated Balance Sheets.....	4
(2) Quarterly Consolidated Statements of Income and Comprehensive Income.....	6
(3) Notes to Quarterly Consolidated Financial Statements.....	8
(Notes on Changes in Accounting Policies).....	8
(Notes on Accounting Treatments Specific to the Preparation of Quarterly Consolidated Financial Statements).....	8
(Segment Information, etc.).....	8
(Notes on Significant Changes in the Amount of Shareholders' Equity).....	9
(Notes on Going Concern Assumption).....	9
(Notes on Quarterly Consolidated Statements of Cash Flows).....	9

1. Overview of Operating Results for the Three Months Ended June 30, 2025

(1) Operating Results

During the three months ended June 30, 2025, the external environment surrounding the Sanwa Group continued to face an uncertain outlook due to intensifying trade friction caused by the U.S. tariff policy and the risk of an economic downturn, the slowdown of the Chinese economy, and heightened geopolitical risks.

Amid this environment, the Sanwa Group launched “Sanwa Global Vision 2030: Mid-Term Management Plan 2027” in fiscal year 2025, and worked to strengthen and expand its foundation to become a global leader of smart entrance solutions that meet the changing needs of society due to climate change and digitalization.

Under our basic strategies of strengthening and expanding core businesses in Japan, North America, and Europe, we have been implementing initiatives aimed at strengthening our core products, including shutters and doors, and strategic products, including partitions and dock levelers, as well as expanding our service businesses. We focused our activities on strengthening our customer strategy and supply system, as well as expanding our market share and sales through strengthening our distributor channel strategy and demand creation measures. In the Americas, we acquired Pasco Doors, a company specializing in automatic door services and installations, in order to strengthen our business. To grow Asian businesses with solid profits, we worked to strengthen and restructure our efforts in sales, manufacturing, and management of eastern China and Vietnam businesses. To expand business through disaster preparedness products, climate change response products, and smart products and services, we expanded our lineup of products for disaster preparedness and climate change response and advanced solutions to social issues through our core business operations, while also taking steps toward commercializing smart products and services. To increase productivity and expand production capacity through digitalization and manufacturing innovation, we promoted the digitalization of business processes and increased productivity by expanding production capacity and optimizing the manufacturing network, including the integration and elimination of plants such as sectional door plants in the Americas. To enhance sustainability management and human capital management, we continued efforts to reduce CO₂ emissions, including the installation of new solar car ports at the Ota Door Factory, and to reduce waste, while implementing measures aimed at achieving the key performance indicators (KPIs) tied to environmental, social, and governance material issues (ESG materiality.) We also worked to strengthen efforts in “People” with a particular emphasis on the promotion of human capital management and promoted the maximization of human capital through a cycle of individual and organizational growth.

Looking at the operating results by segment, in Japan, maintenance services performed well, but we saw a decrease in revenue due to a reactionary decline from the strong performance of core products such as doors for buildings and condominiums in the previous year. In North America, we advanced measures to expand sales and worked to reduce costs by improving productivity, etc. In Europe, we continued to face difficult circumstances due to the sluggish market conditions on top of rising costs. In Asia, the eastern China business faced challenging market conditions, but we saw strong performance in Taiwan.

As a result, net sales for the three months ended June 30, 2025 amounted to ¥140,775 million, an 1.1% year-on-year decrease. On the profit side, operating profit amounted to ¥9,924 million, a 0.1% year-on-year decrease, ordinary profit amounted to ¥10,409 million, a 3.4% year-on-year decrease, and profit attributable to owners of parent amounted to ¥7,218 million, an 1.5% year-on-year decrease.

The following describes performance by segment.

Segment results show the figures before elimination of inter-segment transactions.

< Japan >

Net sales amounted to ¥54,731 million, an 1.6% year-on-year decrease, with segment income of ¥1,419 million, a 16.6% increase.

< North America >

Net sales amounted to ¥55,804 million, a 0.5% year-on-year increase (a 0.4% decrease on a local currency basis), with segment income of ¥8,017 million, a 6.4% decrease.

< Europe >

Net sales amounted to ¥27,642 million, a 2.3% year-on-year decrease (a 0.6% decrease on a local currency basis), with segment income of ¥413 million, an 1.5% decrease.

< Asia >

Net sales amounted to ¥2,683 million, a 10.6% year-on-year decrease, with segment loss of ¥52 million, a decrease of ¥91 million.

(2) Financial Position

(Assets, Liabilities, and Net Assets)

As of June 30, 2025, total assets decreased by ¥46,634 million from the end of the previous fiscal year to ¥487,975 million, mainly due to a decrease in cash and deposits resulting from year-end dividends and the collection of trade receivable. Liabilities decreased by ¥18,958 million from the end of the previous fiscal year to ¥191,459 million, mainly due to decreases in accrued consumption taxes and income taxes payable. Net assets decreased by ¥27,676 million from the end of the previous fiscal year to ¥296,515 million, mainly due to a decrease in retained earnings resulting from year-end dividends and a decrease in foreign currency translation adjustment.

As a result, the shareholders' equity ratio increased by 0.1 points from the end of the previous fiscal year to 60.3%.

(3) Explanation of Consolidated Results Forecasts and Other Forward-looking Statements

No changes have been made to the consolidated results forecasts for the fiscal year ending March 31, 2026 that were announced on May 14, 2025.

2. Quarterly Consolidated Financial Statements and Primary Notes

(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	125,495	102,672
Notes and accounts receivable - trade, and contract assets	119,172	94,738
Electronically recorded monetary claims - operating	15,905	14,562
Securities	8,893	10,897
Merchandise and finished goods	15,418	15,244
Work in process	16,013	20,339
Raw materials	53,050	51,703
Other	12,565	10,265
Allowance for doubtful accounts	(3,816)	(3,525)
Total current assets	362,699	316,897
Non-current assets		
Property, plant and equipment		
Buildings, net	27,914	26,978
Land	21,681	21,663
Other, net	48,857	47,589
Total property, plant and equipment	98,454	96,231
Intangible assets		
Goodwill	3,551	3,241
Other	18,647	17,942
Total intangible assets	22,199	21,184
Investments and other assets		
Investment securities	33,426	36,472
Retirement benefit asset	10,524	10,635
Other	8,374	7,592
Allowance for doubtful accounts	(1,069)	(1,038)
Total investments and other assets	51,256	53,661
Total non-current assets	171,910	171,077
Total assets	534,609	487,975

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	48,540	39,356
Electronically recorded obligations - operating	12,649	14,181
Short-term borrowings	7,811	7,870
Current portion of long-term borrowings	3,043	10,743
Income taxes payable	10,362	4,725
Provision for bonuses	13,323	11,036
Other	52,947	50,080
Total current liabilities	148,676	137,994
Non-current liabilities		
Bonds payable	20,000	20,000
Long-term borrowings	14,252	6,263
Provision for retirement benefits for directors (and other officers)	424	348
Retirement benefit liability	10,797	10,608
Other	16,265	16,244
Total non-current liabilities	61,740	53,464
Total liabilities	210,417	191,459
Net assets		
Shareholders' equity		
Share capital	38,413	38,413
Capital surplus	39,430	39,430
Retained earnings	204,938	189,257
Treasury shares	(26,631)	(28,747)
Total shareholders' equity	256,151	238,354
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	8,062	9,303
Deferred gains or losses on hedges	(177)	(154)
Foreign currency translation adjustment	56,611	45,481
Remeasurements of defined benefit plans	1,426	1,390
Total accumulated other comprehensive income	65,923	56,021
Share acquisition rights	68	68
Non-controlling interests	2,049	2,071
Total net assets	324,192	296,515
Total liabilities and net assets	534,609	487,975

(2) Quarterly Consolidated Statements of Income and Comprehensive Income
(Quarterly Consolidated Statements of Income)
(For the Three Months Ended June 30)

(Millions of yen)

	Three Months Ended June 30, 2024 (From April 1, 2024 to June 30, 2024)	Three Months Ended June 30, 2025 (From April 1, 2025 to June 30, 2025)
Net sales	142,375	140,775
Cost of sales	98,300	96,015
Gross profit	44,075	44,759
Selling, general and administrative expenses	34,143	34,834
Operating profit	9,931	9,924
Non-operating income		
Interest income	970	734
Dividend income	252	289
Foreign exchange gains	121	—
Share of profit of entities accounted for using equity method	46	68
Other	88	144
Total non-operating income	1,478	1,237
Non-operating expenses		
Interest expenses	312	335
Foreign exchange losses	—	18
Other	323	398
Total non-operating expenses	636	752
Ordinary profit	10,774	10,409
Extraordinary income		
Gain on sale of non-current assets	12	15
Total extraordinary income	12	15
Extraordinary losses		
Loss on sale and retirement of non-current assets	5	15
Business restructuring expenses for subsidiaries	386	319
Loss on liquidation of subsidiaries and associates	—	0
Total extraordinary losses	391	334
Profit before income taxes	10,395	10,090
Income taxes	3,002	2,798
Profit	7,393	7,292
Profit attributable to non-controlling interests	67	73
Profit attributable to owners of parent	7,326	7,218

(Quarterly Consolidated Statements of Comprehensive Income)
(For the Three Months Ended June 30)

(Millions of yen)

	Three Months Ended June 30, 2024 (From April 1, 2024 to June 30, 2024)	Three Months Ended June 30, 2025 (From April 1, 2025 to June 30, 2025)
Profit	7,393	7,292
Other comprehensive income		
Valuation difference on available-for-sale securities	(585)	1,240
Deferred gains or losses on hedges	22	23
Foreign currency translation adjustment	9,986	(11,048)
Remeasurements of defined benefit plans, net of tax	5	(36)
Share of other comprehensive income of entities accounted for using equity method	31	(81)
Total other comprehensive income	9,460	(9,901)
Comprehensive income	16,853	(2,609)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	16,738	(2,681)
Comprehensive income attributable to non-controlling interests	115	72

(3) Notes to Quarterly Consolidated Financial Statements

(Notes on Changes in Accounting Policies)

(Application of “Accounting for and Disclosure of Current Taxes Related to the Global Minimum Tax Rules”, etc.)

Accounting for and Disclosure of Current Taxes Related to the Global Minimum Tax Rules (ASBJ Practical Solution No.46, March 22, 2024) was applied from the beginning of the first quarter of the fiscal year ending March 31, 2026. Due to the application of Paragraph 7 of the aforementioned Practical Solution, no income taxes related to the global minimum tax rules have been recorded in the consolidated financial statements for the first quarter of the fiscal year ending March 31, 2026.

(Notes on Accounting Treatments Specific to the Preparation of Quarterly Consolidated Financial Statements)

(Calculation of Tax Expenses)

The Company reasonably estimates an effective tax rate after applying tax effect accounting to profit before income taxes for the fiscal year in which the first quarter of the fiscal year ending March 31, 2026 is included, and calculates tax expenses by multiplying quarterly profit before income taxes by the estimated effective tax rate. However, in cases where the calculation of tax expenses using the estimated effective tax rate yields a result that is considered not to be reasonable to a significant extent, the statutory tax rate is used. Note that income taxes - deferred is included in income taxes.

(Segment Information, etc.)

I. Three months ended June 30, 2024 (From April 1, 2024 to June 30, 2024)

1. Net sales and income or loss by reportable segment

(Millions of yen)

	Reportable segment					Adjustments (Note 1)	Quarterly consolidated statements of income (Note 2)
	Japan	North America	Europe	Asia	Total		
Net sales							
Sales to customers	55,609	55,520	28,276	2,952	142,359	16	142,375
Intersegment sales or transfers	25	22	28	47	124	(124)	—
Total	55,635	55,543	28,304	3,000	142,483	(107)	142,375
Segment income	1,216	8,568	419	39	10,243	(312)	9,931

Notes: 1. Adjustments are as follows:

(1) Net sales

- Other net sales ¥16 million
- Elimination of intersegment transactions ¥(124) million

(2) Segment income

- Other income ¥16 million
- Corporate expenses ¥(555) million
- Amortization of goodwill ¥(585) million
- Other adjustments ¥6 million
- Elimination of intersegment transactions ¥805 million

Items marked as “Other” involve incidental activities associated with management operations.

Corporate expenses primarily consist of general and administrative expenses that are not attributable to any of the reportable segments.

2. Segment income is reconciled to the operating profit of the quarterly consolidated statements of income.

3. The major countries and regions in each reportable segment are as follows:

North America: USA, Canada, etc.

Europe: Germany, France, Italy, Netherlands, UK, etc.

Asia: China, Hong Kong, Taiwan, and Vietnam

2. Impairment losses on non-current assets or goodwill, etc. by reportable segment

Not applicable.

II. Three months ended June 30, 2025 (From April 1, 2025 to June 30, 2025)

1. Net sales and income or loss by reportable segment

(Millions of yen)

	Reportable segment					Adjustments (Note 1)	Quarterly consolidated statements of income (Note 2)
	Japan	North America	Europe	Asia	Total		
Net sales							
Sales to customers	54,712	55,779	27,634	2,632	140,758	16	140,775
Intersegment sales or transfers	18	25	8	51	103	(103)	–
Total	54,731	55,804	27,642	2,683	140,862	(87)	140,775
Segment income or loss	1,419	8,017	413	(52)	9,797	126	9,924

Notes: 1. Adjustments are as follows:

(1) Net sales

- Other net sales ¥16 million
- Elimination of intersegment transactions ¥(103) million

(2) Segment income or loss

- Other income ¥16 million
- Corporate expenses ¥(541) million
- Amortization of goodwill ¥(189) million
- Other adjustments ¥41 million
- Elimination of intersegment transactions ¥800 million

Items marked as “Other” involve incidental activities associated with management operations.

Corporate expenses primarily consist of general and administrative expenses that are not attributable to any of the reportable segments.

2. Segment income or loss is reconciled to the operating profit of the quarterly consolidated statements of income.

3. The major countries and regions in each reportable segment are as follows:

North America: USA, Canada, etc.

Europe: Germany, France, Italy, Netherlands, UK, etc.

Asia: China, Hong Kong, Taiwan, and Vietnam

2. Impairment losses on non-current assets or goodwill, etc. by reportable segment

Not applicable.

(Notes on Significant Changes in the Amount of Shareholders' Equity)

Three months ended June 30, 2025 (From April 1, 2025 to June 30, 2025)

Not applicable.

(Notes on Going Concern Assumption)

Not applicable.

(Notes on Quarterly Consolidated Statements of Cash Flows)

The Group has not prepared a quarterly consolidated statement of cash flows for the three months ended June 30, 2025. Depreciation and amortization (including amortization of intangible assets, excluding goodwill) and amortization of goodwill for the period were as follows.

(Millions of yen)

	Three Months Ended June 30, 2024 (From April 1, 2024 to June 30, 2024)	Three Months Ended June 30, 2025 (From April 1, 2025 to June 30, 2025)
Depreciation and amortization	3,336	3,492
Amortization of goodwill	585	189