August 7, 2026

Consolidated Financial Results for the Three Months Ended June 30, 2026 (Under Japanese GAAP)

Company name: SERENDIP HOLDINGS Co., Ltd.
Listing: Tokyo Stock Exchange
Securities code: 7318
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Scheduled date to commence dividend payments: -
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the three months ended June 30, 2026 (from April 1, 2026 to June 30, 2026)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Adjusted EBITDA		Ordinary profit		Profit attributable to owners of parent		Adjusted net income	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2026	15,872	69.8	530	0.3	1,151	24.5	625	12.2	321	(10.1)	365	(6.2)
June 30, 2025	9,345	94.5	529	266.6	925	114.1	557	181.3	357	239.9	389	270.5

Note: Comprehensive income For the three months ended June 30, 2026: ¥(113) million [-%]
For the three months ended June 30, 2025: ¥(48) million [-%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2026	17.69	17.15
June 30, 2025	19.80	19.61

Note: 1. As of December 1, 2025, we have conducted a stock split at the ratio of 4 shares to 1 common share. With regard to the stock split, the Company's quarterly net income per share and quarterly net income per share adjusted for potential shares are calculated assuming that the stock split took place at the beginning of the previous fiscal year.
2. Adjusted EBITDA is calculated by adding depreciation and amortization, amortization of goodwill, and acquisition-related expenses to operating income.
3. Adjusted quarterly net income is calculated by adding amortization of goodwill and acquisition-related expenses to net income attributable to owners of parent, and subtracting negative goodwill gains.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
June 30, 2026	58,987	18,989	22.7
March 31, 2026	57,655	17,063	23.4

Reference: Equity
As of June 30, 2026: ¥13,365 million
As of March 31, 2026: ¥13,486 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	-	0.00	0.00	0.00	0.00
Fiscal year ending March 31, 2027	0.00				
Fiscal year ending March 31, 2027 (Forecast)		0.00	0.00	0.00	0.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Forecast of consolidated financial results for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Adjusted EBITDA		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2027	64,000	24.8	3,500	59.3	6,000	40.3	3,300	36.1	2,200	(46.9)	121.03

Note: Revisions to the earnings forecasts most recently announced: None

*** Notes**

(1) Significant changes in the scope of consolidation during the period: Yes
Newly included: 2 companies (Japan Manufacturing Succession Holdings, Inc., Serendip SPC3 Co., Ltd.)

Note: For details, please refer to Appendix P.8 "2. Quarterly Consolidated Financial Statements and Major Notes (3) Notes on Quarterly Consolidated Financial Statements (Changes to the Scope of Consolidation or Scope of Application by the Equity Method)."

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None
- (iv) Restatement: None

(4) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of June 30, 2026	19,062,316 shares
As of March 31, 2026	19,062,316 shares

(ii) Number of treasury shares at the end of the period

As of June 30, 2026	889,264 shares
As of March 31, 2026	885,540 shares

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

Three months ended June 30, 2026	18,174,605 shares
Three months ended June 30, 2025	18,065,136 shares

Note: As of December 1, 2025, we have implemented a stock split at the ratio of 4 shares to 1 common share. For the stock split, the number of shares outstanding at the end of the fiscal year, the number of treasury shares at the end of the fiscal year, and the average number of shares during the period are calculated assuming that the stock split occurred at the beginning of the previous fiscal year.

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

* Proper use of earnings forecasts, and other special matters

The forward-looking statements, including forecasts of financial results, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. However, the Company makes no guarantee that these forecasts will be achieved. Actual financial results, etc. may differ substantially due to various factors. Please refer to “(3) Explanation on consolidated earnings forecasts and other forward-looking statements” of “1. Qualitative Information on Quarterly Financial Results” on page 3 of the attached materials for the conditions that form the assumptions for the earnings forecasts and cautions concerning the use thereof.

Quarterly consolidated balance sheet

(Thousands of yen)

	As of March 31, 2026	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	13,583,533	15,515,171
Notes and accounts receivable - trade, and contract assets	8,544,538	8,546,526
Operational investment securities	80,000	80,000
Merchandise and finished goods	1,190,183	996,485
Work in process	619,235	643,774
Raw materials and supplies	3,141,913	2,995,432
Accounts receivable - other	584,411	653,596
Other	1,175,308	1,156,576
Allowance for doubtful accounts	(95,025)	(87,754)
Total current assets	28,824,099	30,499,808
Non-current assets		
Property, plant and equipment		
Buildings and structures	21,279,587	21,580,492
Machinery, equipment and vehicles	34,249,448	34,221,844
Tools, furniture and fixtures	14,586,524	14,612,094
Land	9,613,699	9,590,211
Leased assets	491,316	515,760
Construction in progress	881,104	804,850
Accumulated depreciation	(58,298,820)	(58,569,299)
Total property, plant and equipment	22,802,860	22,755,954
Intangible assets		
Software	61,654	70,148
Goodwill	890,149	860,012
Other	32,952	35,415
Total intangible assets	984,755	965,575
Investments and other assets		
Investment securities	2,974,786	2,646,159
Shares of subsidiaries and associates	76,804	79,820
Long-term prepaid expenses	384,066	359,771
Retirement benefit asset	661,507	664,931
Deferred tax assets	107,414	169,637
Insurance funds	513,352	510,895
Other	392,966	401,912
Allowance for doubtful accounts	(67,363)	(67,363)
Total investments and other assets	5,043,533	4,765,765
Total non-current assets	28,831,150	28,487,296
Total assets	57,655,249	58,987,104

(Thousands of yen)

	As of March 31, 2026	As of June 30, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	7,737,528	7,467,214
Electronically recorded obligations - operating	1,443,957	1,291,215
Short-term borrowings	5,800,000	6,200,000
Current portion of long-term borrowings	4,022,558	4,041,379
Accounts payable - other	1,239,575	1,043,101
Accrued expenses	852,017	773,312
Advances received	1,537,976	1,410,605
Income taxes payable	610,217	544,147
Accrued consumption taxes	263,205	289,125
Provision for bonuses	775,975	859,060
Provision for product warranties	6,156	10,041
Provision for loss on orders received	5,841	8,433
Notes payable - facilities	21,816	33,839
Other	444,860	415,616
Total current liabilities	24,761,683	24,387,093
Non-current liabilities		
Long-term borrowings	13,011,498	12,833,237
Provision for environmental measures	314,400	314,400
Provision for retirement benefits for directors (and other officers)	137,498	138,149
Retirement benefit liability	784,095	796,171
Deferred tax liabilities	1,165,890	1,108,546
Other	417,010	419,900
Total non-current liabilities	15,830,393	15,610,404
Total liabilities	40,592,077	39,997,498
Net assets		
Shareholders' equity		
Share capital	1,164,615	1,164,615
Capital surplus	2,219,115	2,219,115
Retained earnings	7,947,123	8,268,093
Treasury shares	(277,468)	(277,565)
Total shareholders' equity	11,053,385	11,374,259
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,090,640	865,975
Remeasurements of defined benefit plans	62,926	63,500
Foreign currency translation adjustment	1,279,430	1,061,397
Total accumulated other comprehensive income	2,432,998	1,990,873
Share acquisition rights	40,794	46,112
Non-controlling interests	3,535,993	5,578,362
Total net assets	17,063,171	18,989,606
Total liabilities and net assets	57,655,249	58,987,104

Quarterly consolidated statement of income

(Thousands of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Net sales	9,345,095	15,872,089
Cost of sales	7,832,062	13,684,386
Gross profit	1,513,033	2,187,703
Selling, general and administrative expenses	983,617	1,656,948
Operating profit	529,416	530,754
Non-operating income		
Interest income	1,499	2,953
Dividend income	47,869	50,946
Share of profit of entities accounted for using equity method	2,349	3,016
Foreign exchange gains	-	24,245
Compensation income	51,009	74,357
Insurance fee income	-	3,987
Commission income	-	9,768
Other	10,818	35,831
Total non-operating income	113,546	205,106
Non-operating expenses		
Interest expenses	51,872	100,978
Foreign exchange losses	11,421	-
Commission of payment outside business	12,102	817
Litigation expenses	8,057	82
Other	2,240	8,630
Total non-operating expenses	85,694	110,508
Ordinary profit	557,268	625,351
Extraordinary income		
Gain on sale of non-current assets	390	250
Subsidy income	-	35,217
Other	-	44
Total extraordinary income	390	35,511
Extraordinary losses		
Loss on retirement of non-current assets	0	-
Loss on tax purpose reduction entry of non-current assets	-	35,217
Total extraordinary losses	0	35,217
Profit before income taxes	557,659	625,646
Income taxes - current	143,700	244,392
Income taxes - deferred	54,850	(16,296)
Total income taxes	198,550	228,095
Profit	359,108	397,551
Profit attributable to non-controlling interests	1,495	76,119
Profit attributable to owners of parent	357,612	321,431

Quarterly consolidated statement of comprehensive income

(Thousands of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Profit	359,108	397,551
Other comprehensive income		
Valuation difference on available-for-sale securities	(66,450)	(224,665)
Foreign currency translation adjustment	(341,579)	(287,188)
Remeasurements of defined benefit plans, net of tax	-	573
Total other comprehensive income	(408,029)	(511,280)
Comprehensive income	(48,921)	(113,729)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(50,417)	(120,693)
Comprehensive income attributable to non-controlling interests	1,495	6,964

(Notes on segment information, etc.)

Segment Information

1. Information on sales and the amount of profit or loss for each reported segment

I. The three months of the previous fiscal year (April 1, 2025 to June 30, 2025)

Information on sales and the amount of profit or loss for each reported segment

(Thousands of yen)

	Reportable segments				Reconciling items	Quarterly consolidated statements of income (Note 2)
	Manufacturing Business	Solutions Business	Others (Note 1)	Total		
Sales						
Revenues from external customers	8,054,448	1,232,208	58,438	9,345,095	-	9,345,095
Transactions with other segments	6,784	26,014	188,935	221,733	(221,733)	-
Total	8,061,233	1,258,222	247,373	9,566,829	(221,733)	9,345,095
Segment profit (loss)	478,472	16,784	34,528	529,785	(369)	529,416

Note: 1 The "Other" category refers to business segments that are not included in the reporting segments.

2 Segment profit or loss (loss) is consistent with operating income in the quarterly consolidated statements of income.

II. The three months of the current fiscal year (April 1, 2026 to June 30, 2026)

Information on sales and the amount of profit or loss for each reported segment

(Thousands of yen)

	Reportable segments				Reconciling items	Quarterly consolidated statements of income (Note 2)
	Manufacturing Business	Solutions Business	Others (Note 1)	Total		
Sales						
Revenues from external customers	14,620,705	1,238,547	12,836	15,872,089	-	15,872,089
Transactions with other segments	-	11,749	254,461	266,211	(266,211)	-
Total	14,620,705	1,250,297	267,297	16,138,300	(266,211)	15,872,089
Segment profit (loss)	750,757	(220,517)	13,714	543,954	(13,200)	530,754

Note: 1 The "Other" category refers to business segments that are not included in the reporting segments.

2 Segment profit or loss (loss) is consistent with operating income in the quarterly consolidated statements of income.

2. Information on Changes to Reporting Segments, etc.

(Change in the classification method of reporting segments)

In the newly formulated Medium-Term Management Plan, the Group has reviewed its Serendip Investment and Business Portfolio (SIP) and has decided to increase the ratio of M&A investment in solution areas such as DX, robotics and AI, and high value-added areas such as prototyping and design, while building on the manufacturing business with a strong supply chain with high international competitiveness.

As a result, from the first quarter of the current fiscal year, the prototyping and design business and the beauty tech business, which were previously classified as the "manufacturing business," have been reclassified as "solution business," and the "investment business" has been reclassified as "other."

Segment information for the three months of the previous fiscal year is shown using the revised classification method.

(Renaming of Reporting Segments)

From the first quarter of the fiscal year, the name of the former "Manufacturing Business" was changed to "Manufacturing Business". In addition, the name of the "Professional Solutions Business" has been changed to the "Solutions Business." The name change of the reporting segment will not affect the segment information.

Segment information for the three months of the previous fiscal year is based on the revised name.