

July 29, 2025

Consolidated Financial Results for the Three Months Ended June 30, 2025 (Under Japanese GAAP)

Company name: SUN-WA TECHNOS CORPORATION
 Listing: Tokyo Stock Exchange
 Securities code: 8137
 URL: <https://www.sunwa.co.jp>
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 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: None

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

1. Consolidated financial results for the three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)

(1) Consolidated operating results (cumulative)

(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 | 31,322 | (1.7) | 269 | (58.6) | 378 | (51.8) | 245 | (59.5) |
| June 30, 2024 | 31,848 | (24.6) | 652 | (61.5) | 785 | (59.9) | 605 | (56.2) |

Note: Comprehensive income For the three months ended June 30, 2025: ¥(830) million [-%]
 For the three months ended June 30, 2024: ¥1,101 million [(52.7)%]

| | Basic earnings per share | Diluted earnings per share |
|----------------------------------|--------------------------|----------------------------|
| | Yen | Yen |
| Three months ended June 30, 2025 | 16.16 | - |
| June 30, 2024 | 40.07 | - |

(2) Consolidated financial position

| | Total assets | Net assets | Equity-to-asset ratio |
|---------------------|-----------------|-----------------|-----------------------|
| | Millions of yen | Millions of yen | % |
| As of June 30, 2025 | 90,581 | 47,219 | 52.1 |
| March 31, 2025 | 93,078 | 49,112 | 52.8 |

Reference: Equity
 As of June 30, 2025: ¥47,219 million
 As of March 31, 2025: ¥49,112 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, 2025 | - | 50.00 | - | 70.00 | 120.00 |
| Fiscal year ending March 31, 2026 | - | | | | |
| Fiscal year ending March 31, 2026 (Forecast) | | 60.00 | | 60.00 | 120.00 |

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, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

| | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | | Basic earnings per share |
|--------------------------------------|-----------------|------|------------------|--------|-----------------|--------|---|--------|--------------------------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % | Yen |
| Six months ending September 30, 2025 | 71,700 | 3.3 | 1,080 | (34.6) | 1,220 | (27.4) | 845 | (33.6) | 55.67 |
| Fiscal year ending March 31, 2026 | 155,000 | 11.0 | 3,500 | (0.2) | 3,760 | (1.5) | 2,610 | 6.8 | 171.94 |

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

* **Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: Yes
- (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, 2025 | 16,044,000 shares |
| As of March 31, 2025 | 16,044,000 shares |

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

| | |
|----------------------|----------------|
| As of June 30, 2025 | 864,164 shares |
| As of March 31, 2025 | 864,164 shares |

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

| | |
|----------------------------------|-------------------|
| Three months ended June 30, 2025 | 15,179,836 shares |
| Three months ended June 30, 2024 | 15,111,494 shares |

- * Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: Yes (optional)

* Proper use of earnings forecasts, and other special matters

(Cautions on forward-looking statements, etc.)

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. For the conditions on which earnings forecasts are predicated and precautions for using earnings forecasts, please refer to "1. Summary of Operating Results, etc. (3) Explanation of Forward-Looking Information such as Consolidated Earnings Forecasts."

(Method of accessing supplementary material on quarterly financial results)

Supplementary materials for the announcement of financial results will be disclosed on TDnet on the same day and will be posted on the Company's website.

Quarterly consolidated balance sheet

(Millions of yen)

| | As of March 31, 2025 | As of June 30, 2025 |
|--|----------------------|---------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 23,371 | 21,840 |
| Notes and accounts receivable - trade, and contract assets | 36,091 | 31,689 |
| Electronically recorded monetary claims - operating | 7,965 | 8,100 |
| Merchandise | 12,953 | 14,163 |
| Work in process | 2 | 11 |
| Other | 2,617 | 4,725 |
| Allowance for doubtful accounts | (125) | (122) |
| Total current assets | 82,875 | 80,407 |
| Non-current assets | | |
| Property, plant and equipment | 2,192 | 2,155 |
| Intangible assets | 153 | 137 |
| Investments and other assets | 7,857 | 7,880 |
| Total non-current assets | 10,203 | 10,173 |
| Total assets | 93,078 | 90,581 |
| Liabilities | | |
| Current liabilities | | |
| Notes and accounts payable - trade | 18,686 | 18,124 |
| Electronically recorded obligations - operating | 11,368 | 12,165 |
| Short-term borrowings | 5,447 | 4,822 |
| Income taxes payable | 406 | 204 |
| Provisions | - | 16 |
| Other | 3,224 | 3,346 |
| Total current liabilities | 39,133 | 38,679 |
| Non-current liabilities | | |
| Long-term borrowings | 3,000 | 3,000 |
| Long-term accounts payable - other | 51 | 51 |
| Provision for retirement benefits for directors (and other officers) | 152 | 57 |
| Retirement benefit liability | 588 | 595 |
| Other | 1,040 | 976 |
| Total non-current liabilities | 4,832 | 4,681 |
| Total liabilities | 43,966 | 43,361 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 3,727 | 3,727 |
| Capital surplus | 3,618 | 3,618 |
| Retained earnings | 35,915 | 35,097 |
| Treasury shares | (1,557) | (1,557) |
| Total shareholders' equity | 41,703 | 40,886 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 2,912 | 2,808 |
| Foreign currency translation adjustment | 4,496 | 3,524 |
| Total accumulated other comprehensive income | 7,409 | 6,333 |
| Total net assets | 49,112 | 47,219 |
| Total liabilities and net assets | 93,078 | 90,581 |

Quarterly consolidated statement of income

(Millions of yen)

| | Three months ended June 30, 2024 | Three months ended June 30, 2025 |
|--|-------------------------------------|-------------------------------------|
| Net sales | 31,848 | 31,322 |
| Cost of sales | 27,358 | 27,007 |
| Gross profit | 4,490 | 4,315 |
| Selling, general and administrative expenses | 3,838 | 4,045 |
| Operating profit | 652 | 269 |
| Non-operating income | | |
| Interest income | 5 | 36 |
| Dividend income | 56 | 68 |
| Purchase discounts | 6 | 8 |
| Rental income from buildings | 38 | 37 |
| Foreign exchange gains | 33 | - |
| Other | 62 | 42 |
| Total non-operating income | 201 | 192 |
| Non-operating expenses | | |
| Interest expenses | 52 | 36 |
| Loss on sale of trade receivables | 8 | 11 |
| Foreign exchange losses | - | 32 |
| Other | 7 | 4 |
| Total non-operating expenses | 68 | 84 |
| Ordinary profit | 785 | 378 |
| Extraordinary income | | |
| Gain on sale of investment securities | 147 | - |
| Total extraordinary income | 147 | - |
| Profit before income taxes | 932 | 378 |
| Income taxes | 326 | 133 |
| Profit | 605 | 245 |
| Profit attributable to owners of parent | 605 | 245 |

Quarterly consolidated statement of comprehensive income

(Millions of yen)

| | Three months ended June 30, 2024 | Three months ended June 30, 2025 |
|--|-------------------------------------|-------------------------------------|
| Profit | 605 | 245 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | (454) | (103) |
| Foreign currency translation adjustment | 950 | (972) |
| Total other comprehensive income | 495 | (1,075) |
| Comprehensive income | 1,101 | (830) |
| Comprehensive income attributable to | | |
| Comprehensive income attributable to owners of parent | 1,101 | (830) |
| Comprehensive income attributable to non-controlling interests | - | - |

(Notes on segment information, etc.)
Segment Information
I. the three months of the previous fiscal year (April 1, 2024 to June 30, 2024)
1. Information on sales and the amount of profit or loss for each reported segment

(in millions of yen)

| | Reportable segments | | | | Other (Note) 1 | Total | Adjustment amount (Note) 2 | Quarterly Consolidated Statements of Income (Note)3 |
|-------------------------------------|---------------------|--------|---------------------------------|--------|-------------------|--------|-------------------------------|--|
| | Japan | Asia | Europe and the United States | Total | | | | |
| Sales | | | | | | | | |
| Revenues from external customers | 20,784 | 9,421 | 1,435 | 31,641 | 207 | 31,848 | - | 31,848 |
| Transactions with other segments | 2,314 | 1,189 | 192 | 3,695 | 7 | 3,703 | (3,703) | - |
| Total | 23,098 | 10,610 | 1,627 | 35,337 | 215 | 35,552 | (3,703) | 31,848 |
| Segment Profit | 345 | 229 | 75 | 650 | 10 | 661 | (8) | 652 |

Note: 1. The "Other" category refers to business segments that are not included in the reporting segments and includes the business activities of domestic subsidiaries.
2. Segment profit adjustment of (8) million yen includes inter-segment transaction elimination of 6 million yen and inventory adjustment of (15) million yen.
3. Segment profit is adjusted to operating income in the quarterly consolidated statements of income.
2. Information on impairment losses or goodwill on fixed assets by reporting segment
Not applicable.

II. the three months of the current fiscal year (April 1, 2025 to June 30, 2025)
1. Information on sales and the amount of profit or loss for each reported segment

(in millions of yen)

| | Reportable segments | | | | Other (Note) 1 | Total | Adjustment amount (Note) 2 | Quarterly Consolidated Statements of Income (Note)3 |
|-------------------------------------|---------------------|-------|---------------------------------|--------|-------------------|--------|-------------------------------|--|
| | Japan | Asia | Europe and the United States | Total | | | | |
| Sales | | | | | | | | |
| Revenues from external customers | 21,107 | 8,547 | 1,510 | 31,164 | 157 | 31,322 | - | 31,322 |
| Transactions with other segments | 2,618 | 1,376 | 194 | 4,189 | 3 | 4,193 | (4,193) | - |
| Total | 23,725 | 9,923 | 1,704 | 35,354 | 161 | 35,516 | (4,193) | 31,322 |
| Segment Profit | 44 | 173 | 40 | 259 | 2 | 261 | 8 | 269 |

Note: 1. The "Other" category refers to business segments that are not included in the reporting segments and includes the business activities of domestic subsidiaries.
2. Segment profit adjustments of 8 million yen include 7 million yen of inter-segment transaction elimination and 0 million yen of inventory adjustments.
3. Segment profit is adjusted to operating income in the quarterly consolidated statements of income.
2. Information on impairment losses or goodwill on fixed assets by reporting segment
Not applicable.