

Financial Supplemental Information for FY03/26 2Q

Tokyo Stock Exchange Prime Market (Code:8137)

SUN-WA TECHNOS CORPORATION

<https://www.sunwa.co.jp/>

October 31, 2025

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Summary of the financial results for FY03/26 2Q

FY03/26 2Q Results

- **Net Sales : 69.38 billion yen** (YoY -0.1%) **Operating Profit : 1.46 billion yen** (YoY -11.2%)
 Ordinary Profit : 1.76 billion yen (YoY +5.2%) **Profit attributable to Owners of parent : 1.20 billion yen** (YoY -5.1%)
- Sales were comparable to the same period of the previous year. Although gross profit margin improved, operating profit decreased compared to the same period of the previous year due to the negative impact from exchange rate fluctuations and the increase in SG&A expenses such as the cost for M&A.
- **Order Received : 72.68 billion yen** (YoY +13.5%)
- The amount of order received exceeded the level of the same period of the previous year ,driven by continued recovery of demand in Japan.

FY03/26 Forecasts

- **Net Sales : 155 billion yen Operating Profit : 3.5 billion yen Ordinary Profit : 3.76 billion yen**
 Profit attributable to Owners of parent : 2.61 billion yen
- **Consolidated results for the second quarter exceeded internal forecasts across all profit categories,** however, due to the delayed recovery in overseas operations, the full-year earnings forecast announced on May 9, 2025, will remain unchanged.

Shareholder Return

- Aiming to pay continuous and stable dividends, we will pay annual dividends of 4.0% or more of DOE (consolidated dividend on Shareholders' equity ratio).
- The forecasts of dividend per share for FY03/26 will be 120 yen
(2nd quarter dividend : 60 yen / term-end dividend : 60 yen, DOE4.31%).
- We will change the contents of shareholder benefit system from the end of March 2026.
We are pleased to offer a digital gift depending on the number of shares owned
as a token of our appreciation to our shareholders.

1. Financial Results for FY03/26 2Q

2. Forecasts for FY03/26

3. Shareholder Return

Financial Highlights for FY03/26 2Q

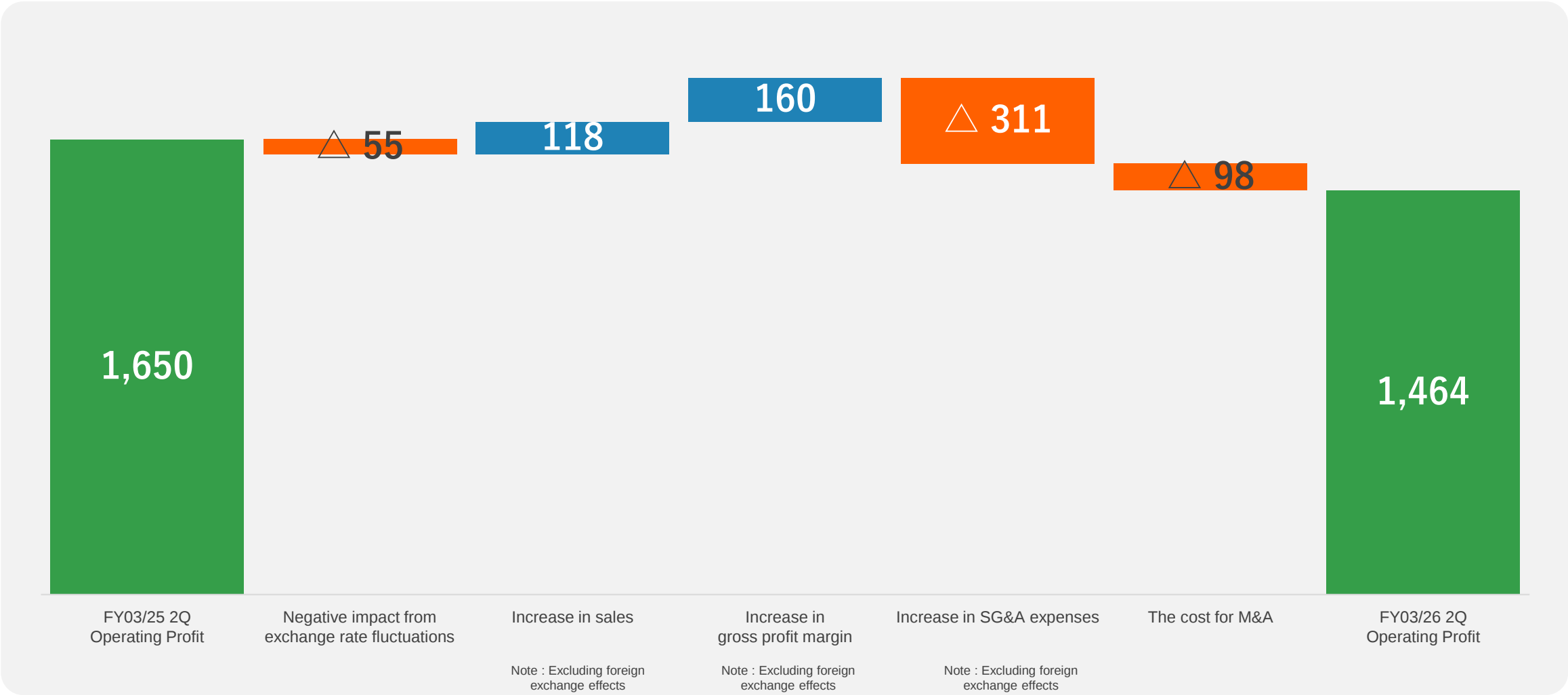
- Sales were comparable to the same period of the previous year. Although gross profit margin improved, operating profit decreased compared to the same period of the previous year due to the negative impact from exchange rate fluctuations and the increase in SG&A expenses such as the cost for M&A.
- All profit exceed the forecasts by the improvement of gross profit margin compared to the expectation at the beginning of the period and the continued efforts to reduce SG&A expenses.

	FY03/25 2Q		FY03/26 2Q			FY03/26 2Q Forecasts Amount	(million yen) Achievement rate to forecasts (%)
	Results	Ratio to Sales (%)	Results	Ratio to Sales (%)	Changes (%)		
Net sales	69,426	—	69,380	—	△0.1	71,700	96.8
Gross profit	9,436	13.59	9,590	13.82	1.6	—	—
SG&A expenses	7,786	11.22	8,125	11.71	4.4	—	—
Operating profit	1,650	2.38	1,464	2.11	△11.2	1,080	135.6
Ordinary profit	1,681	2.42	1,768	2.55	5.2	1,220	145.0
Profit attributable to Owners of parent	1,271	1.83	1,207	1.74	△5.1	845	142.9
Earnings per share (yen)	83.97	—	79.42	—	△5.4	55.67	—
Exchange rate (USD/JPY)	152.25	—	148.60	—	—	144.00	—

Breakdown of Changes in Operating Profit (FY03/25 2Q→FY03/26 2Q)

• Although gross profit margin improved, operating profit decreased compared to the same period of the previous year due to the negative impact from exchange rate fluctuations and the increase in SG&A expenses such as the cost for M&A.

(million yen)



Results by Business Segment for FY03/26 2Q

- Net sales, orders received and orders backlog exceeded the same period of the previous year driven by continued recovery of demand in Japan.
- The demand in overseas markets is recovering at a slower pace.

FY03/26 2Q

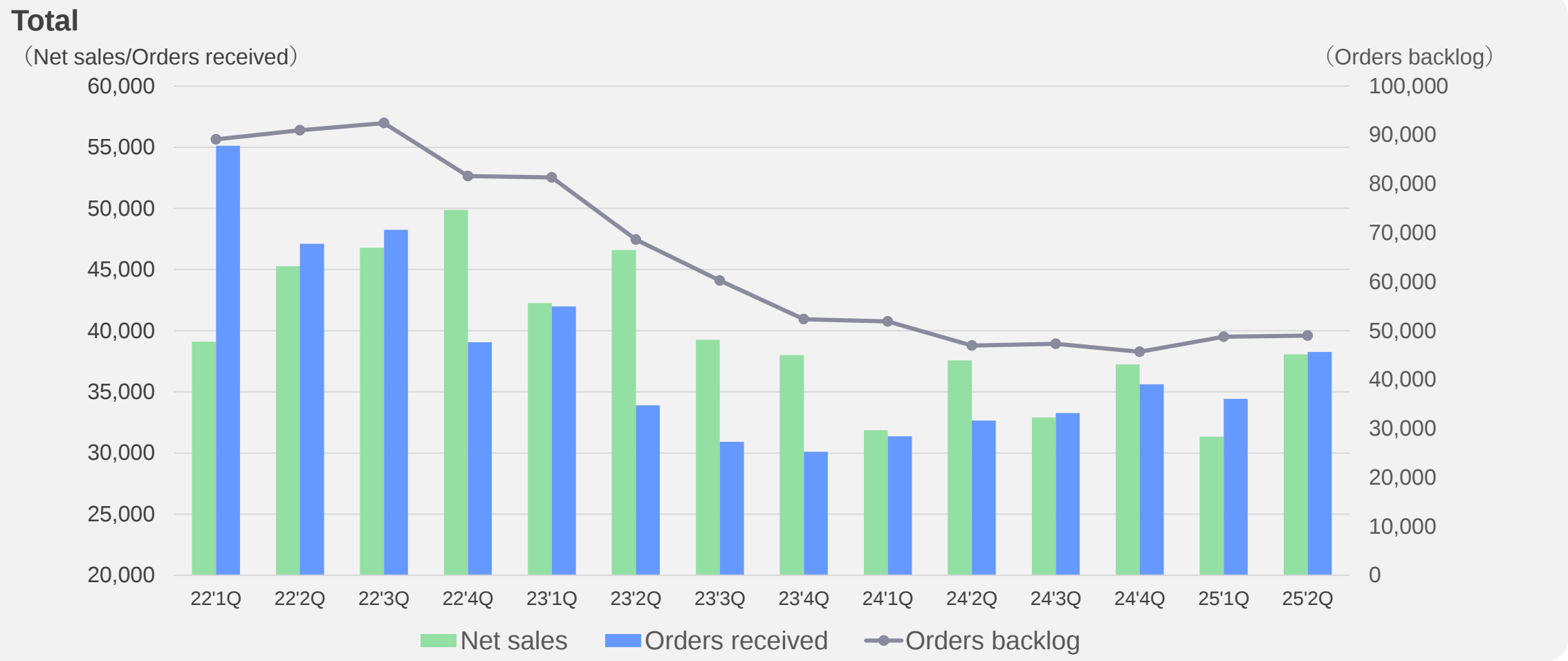
(million yen)
Note: (x.x%) represents YoY

	Net sales		Operating profit		Orders received		Orders backlog	
Japan	53,695	(7.2%)	962	(△6.5%)	51,176	(24.4%)	34,432	(6.9%)
Asia	21,827	(△6.1%)	425	(△16.5%)	18,581	(△5.6%)	12,049	(△5.2%)
Europe/U.S.	3,023	(△9.7%)	14	(△72.6%)	2,433	(△12.4%)	2,065	(15.4%)
Other	378	(△14.5%)	20	(69.5%)	491	(14.9%)	448	(81.2%)
Adjustment	△9,544	(—)	41	(—)	—		—	
Total	69,380	(△0.1%)	1,464	(△11.2%)	72,682	(13.5%)	48,995	(4.3%)

Quarterly Performance for FY03/26 2Q

- The amount of net sales exceeded the most recent quarter.
- The amount of orders received have continued recovery and have exceeded the same period of the previous year for four consecutive quarters.
- The amount of orders backlog remained steady.

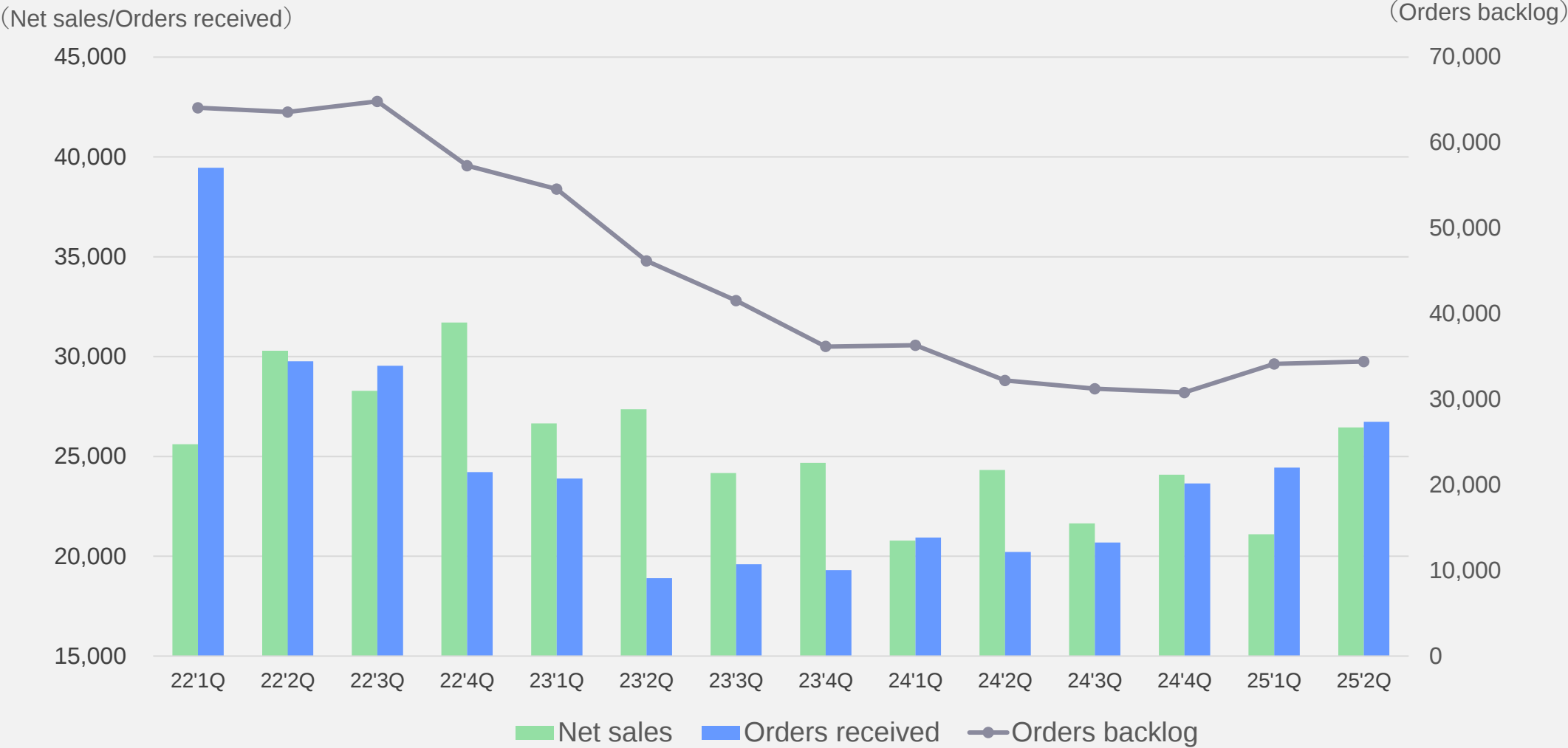
(million yen)



Quarterly Segment Performance for FY03/26 2Q

(million Yen)

Japan

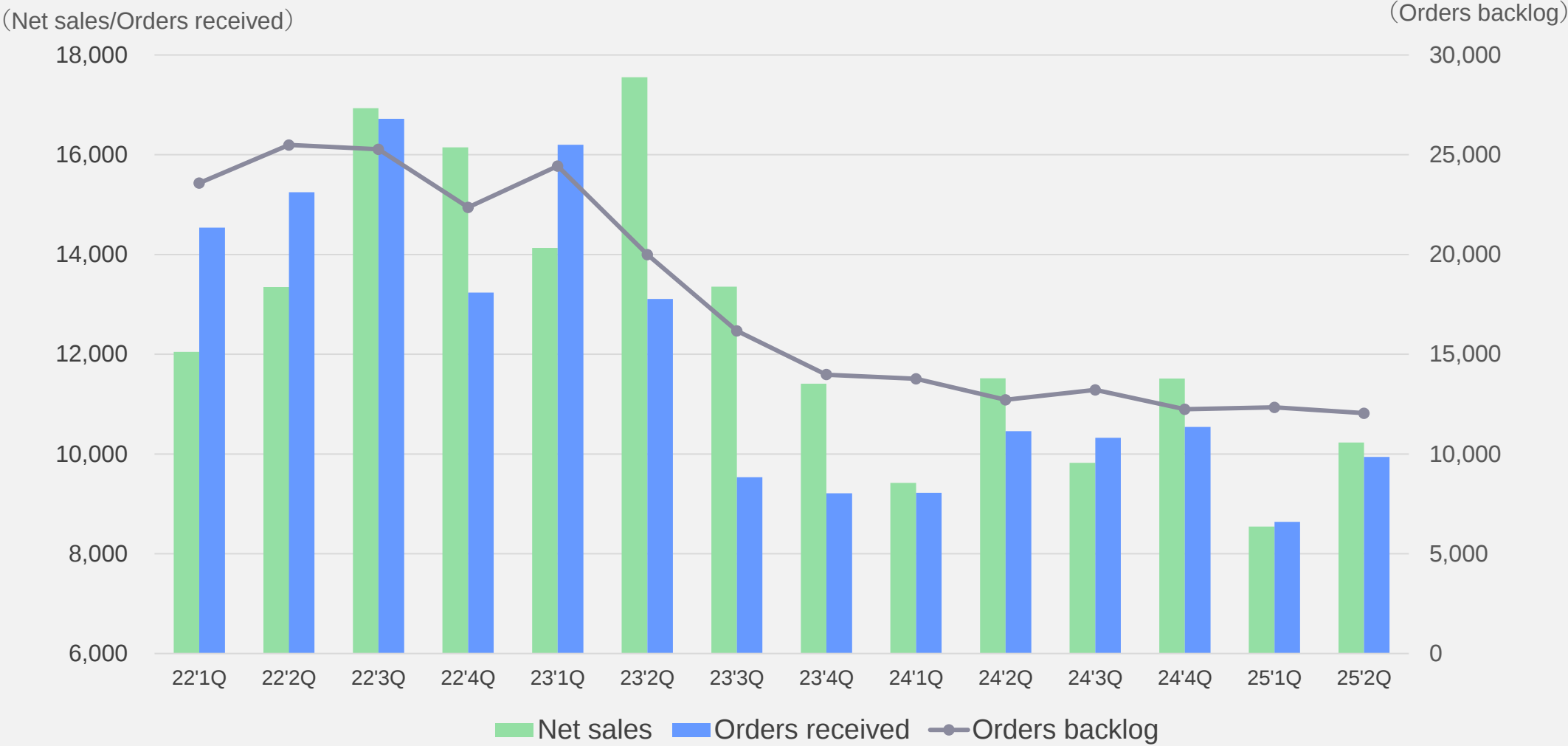


Note : The Net sales figures are presented excluding inter-segment sales or transfers.

Quarterly Segment Performance for FY03/26 2Q

(million yen)

Asia



Note : The Net sales figures are presented excluding inter-segment sales or transfers.

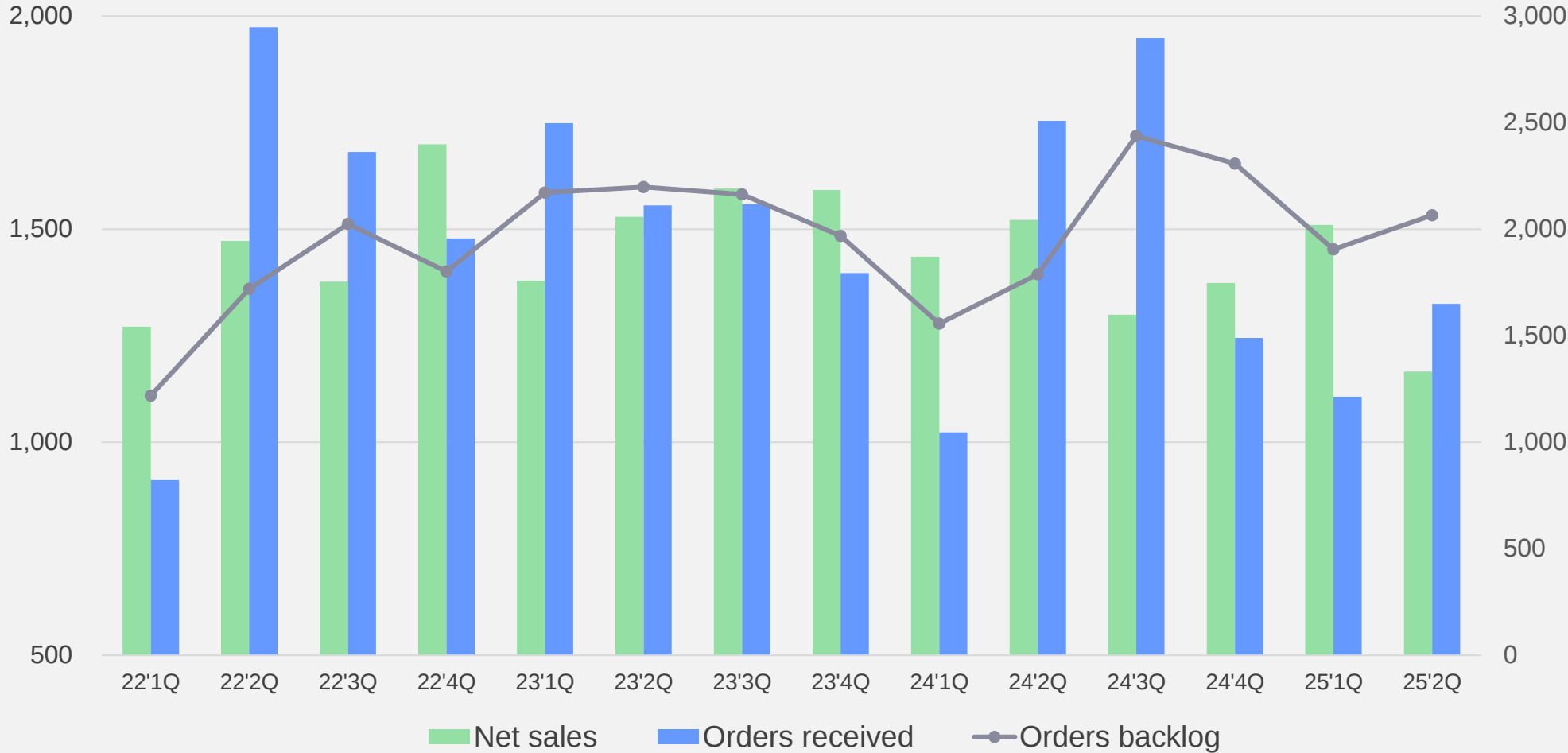
Quarterly Segment Performance for FY03/26 2Q

(million yen)

Europe/U.S.

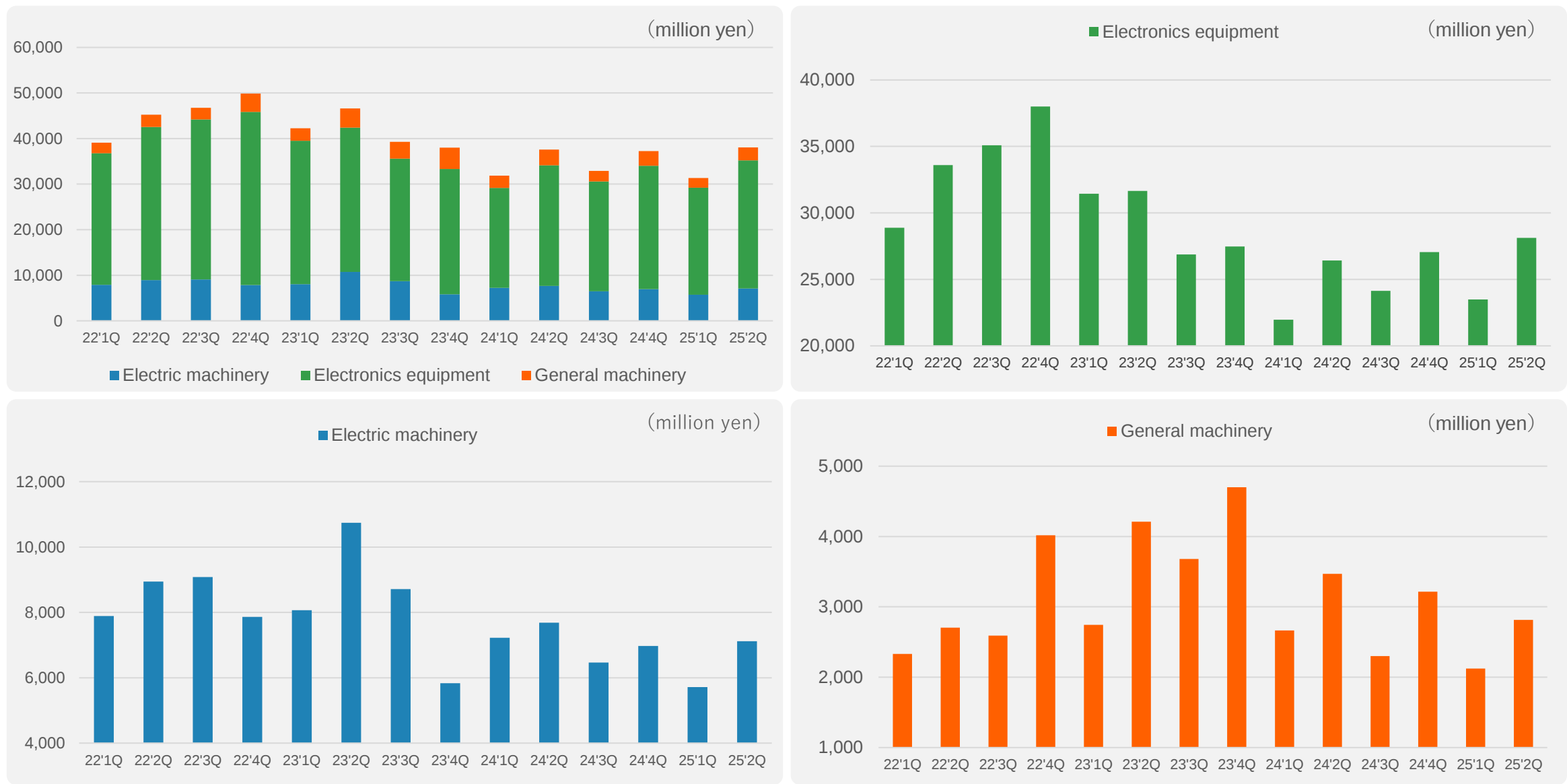
(Net sales/Orders received)

(Orders backlog)



Note : The Net sales figures are presented excluding inter-segment sales or transfers.

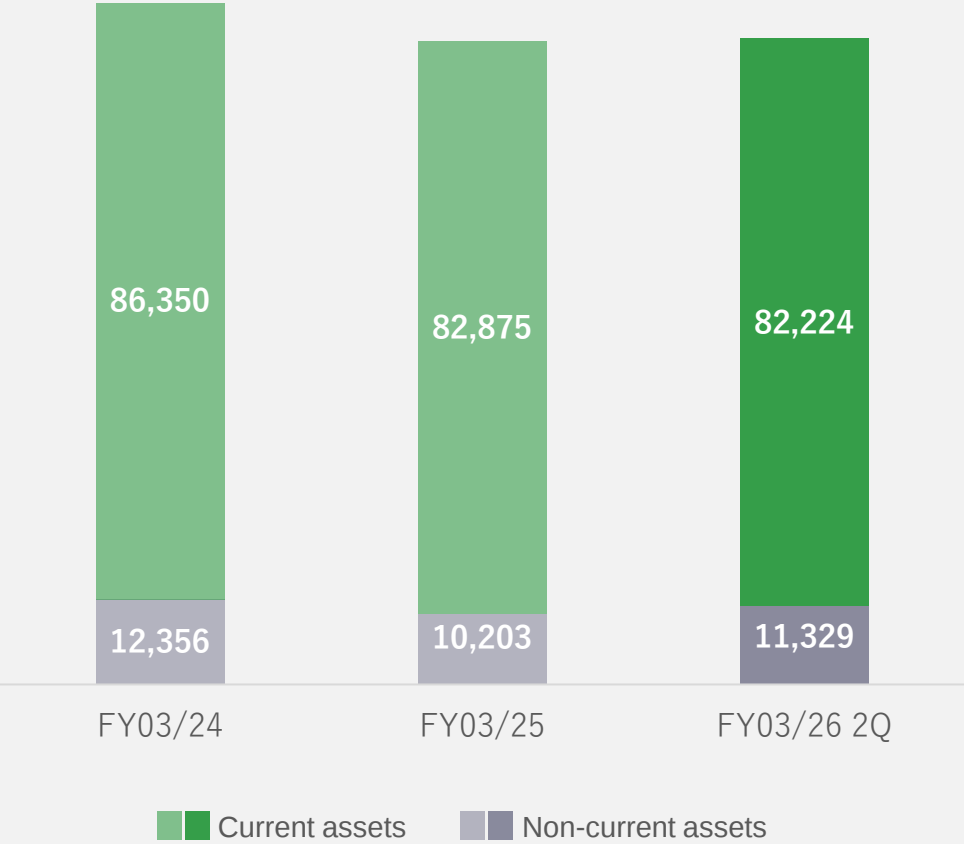
Quarterly Business Segment Net Sales for FY03/26 2Q



Balance Sheet Main Items

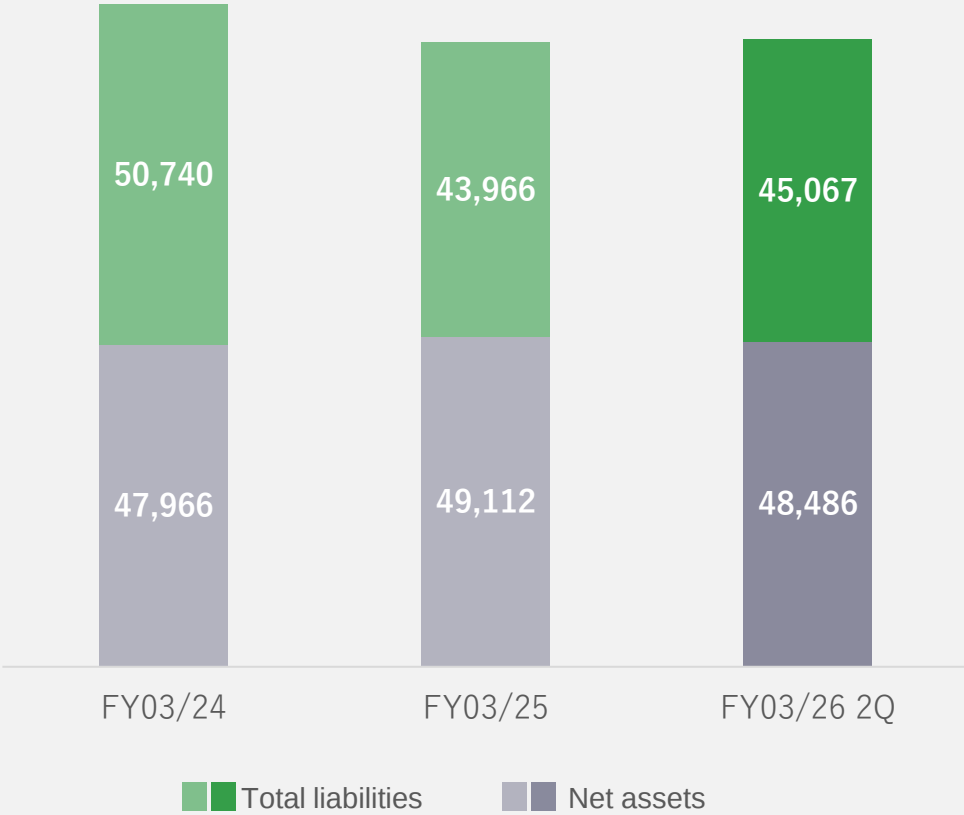
Total assets

(million yen)



Total liabilities and net assets

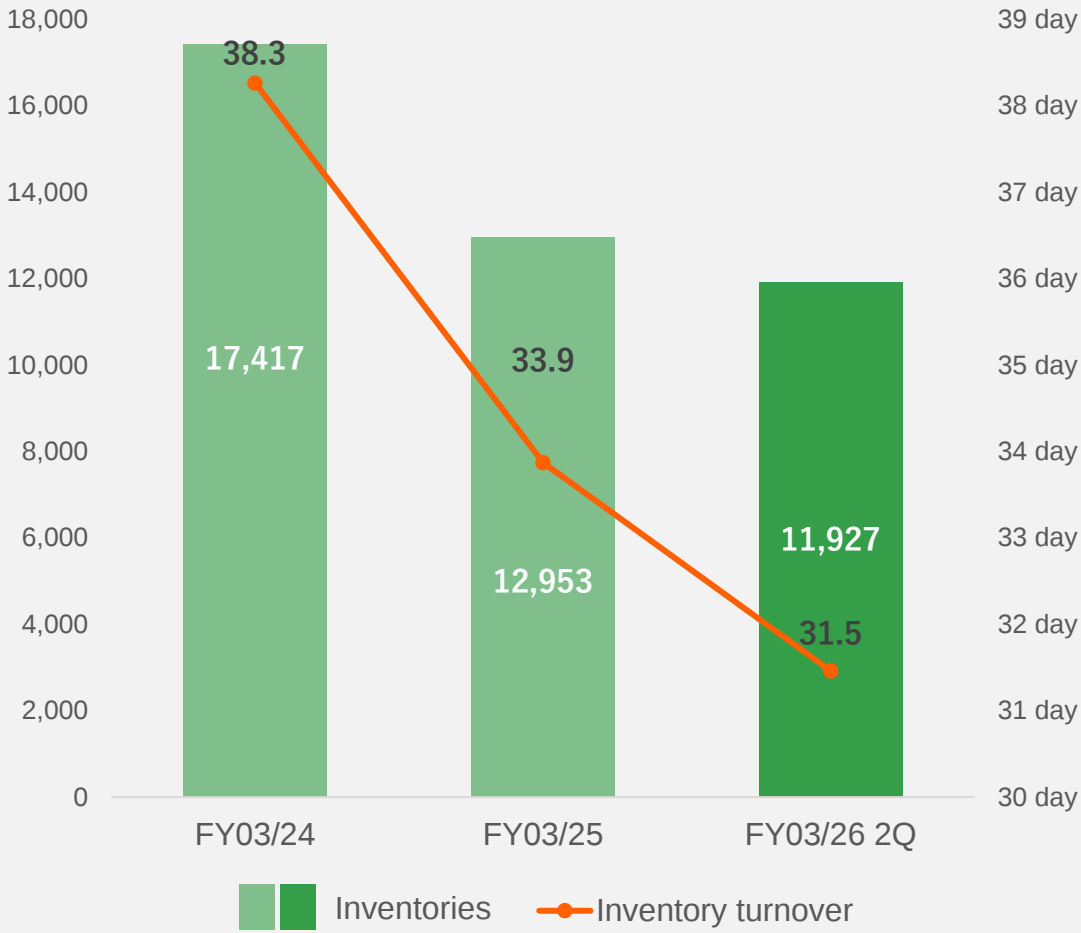
(million yen)



Balance Sheet Main Items

Inventories

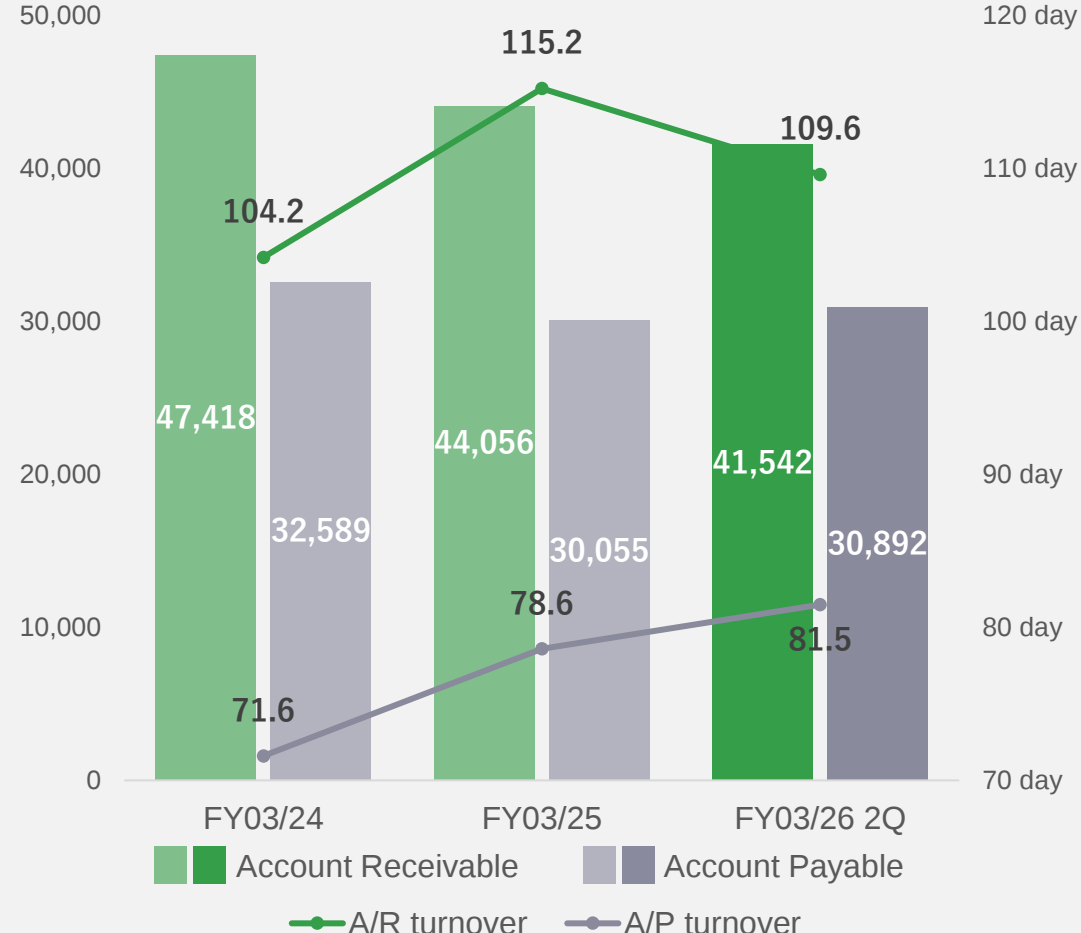
(million yen, day)



Note : Inventory turnover = Inventories ÷ Net Sales × 365 (day) * FY03/26 2Q : 183 (day)

Account receivable / Account Payable

(million yen, day)

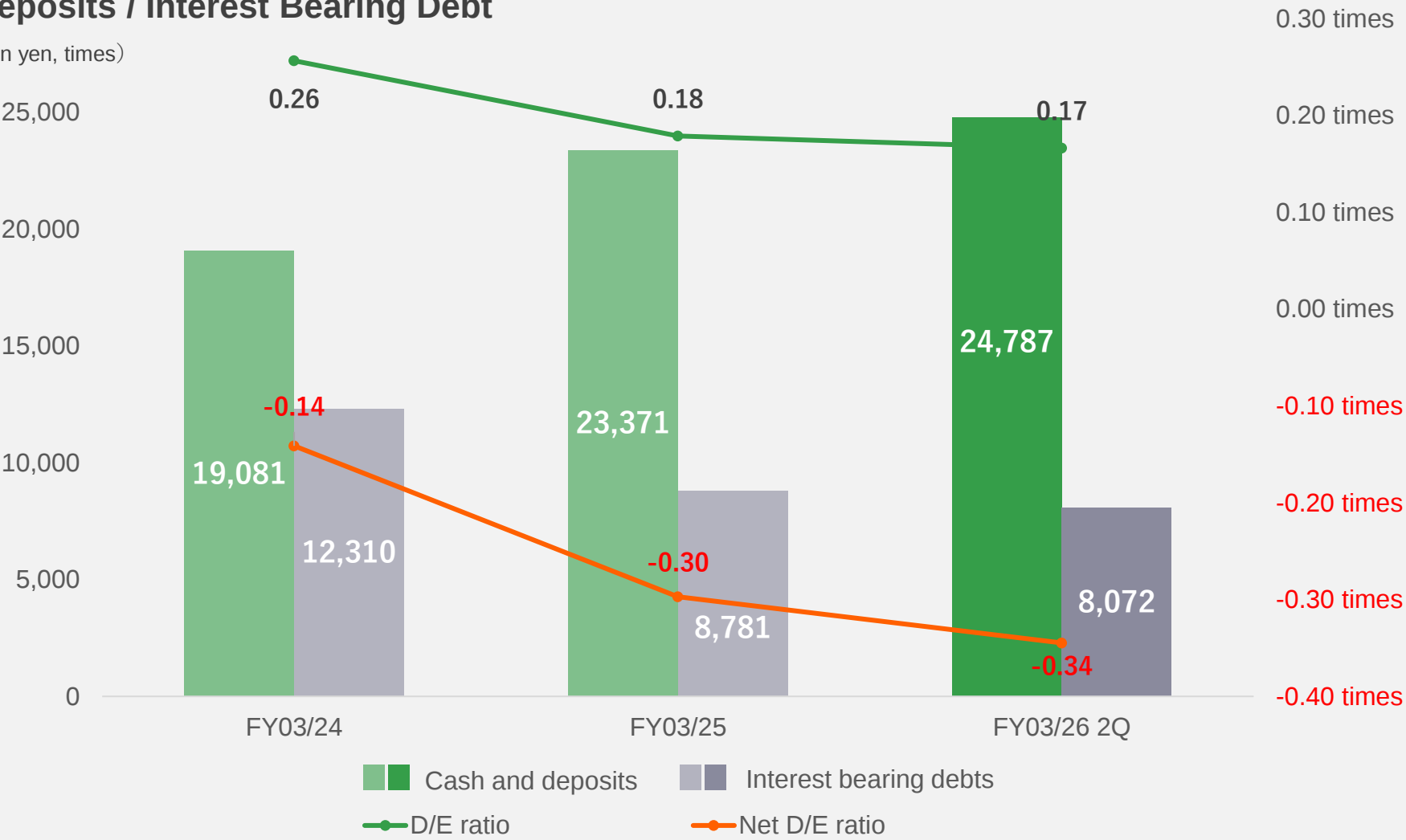


Note : 1. A/R turnover = A/R ÷ Net Sales × 365 (day) * FY03/26 2Q : 183 (day)
Note : 2. A/P turnover = A/P ÷ Net Sales × 365 (day) * FY03/26 2Q : 183 (day)

Balance Sheet Main Items

Cash and Deposits / Interest Bearing Debt

(million yen, times)

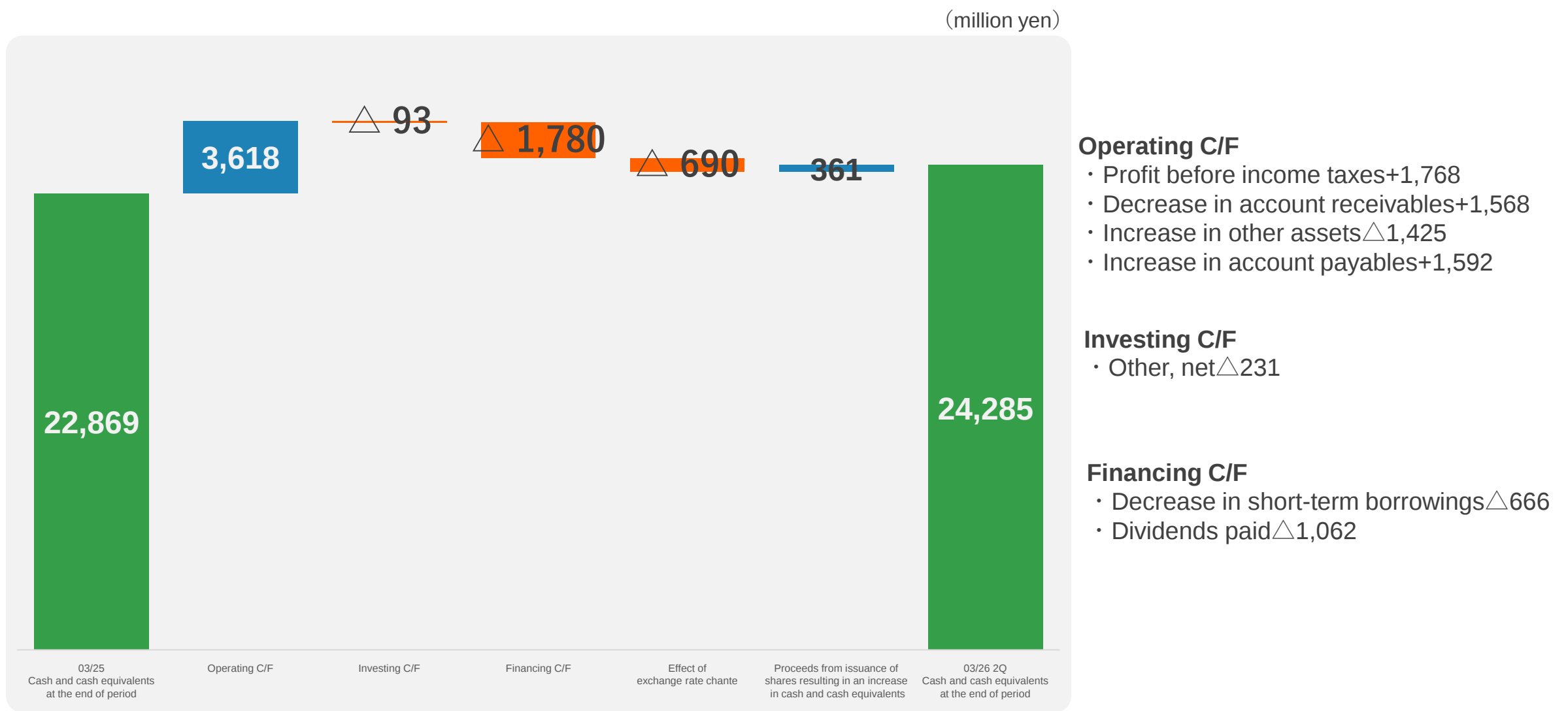


Note : 1. D/E ratio = Interest bearing debts ÷ Net assets

Note : 2. Net D/E ratio = (Interest bearing debts – Cash and deposits) ÷ Net assets

Cash Flow

- Cash and cash equivalents increased by 1.41 billion yen compared to the end of the previous fiscal year, reaching 24.28 billion yen



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2. Forecasts for FY03/26

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Forecasts for FY03/26

Consolidated results for the second quarter exceeded internal forecasts across all profit categories, however, due to the delayed recovery in overseas operations, the full-year earnings forecast announced on May 9, 2025, will remain unchanged.

(million yen)

	FY03/26 2Q Result	FY03/26 Forecasts	Forecasts Progress rate
Net Sales	69,380	155,000	44.8%
Operating profit	1,464	3,500	41.9%
Ordinary profit	1,768	3,760	47.0%
Profit attributable to Owners of parent	1,207	2,610	46.3%
Earnings per share (Yen)	79.42	171.68	—

1. Financial Results for FY03/26 2Q

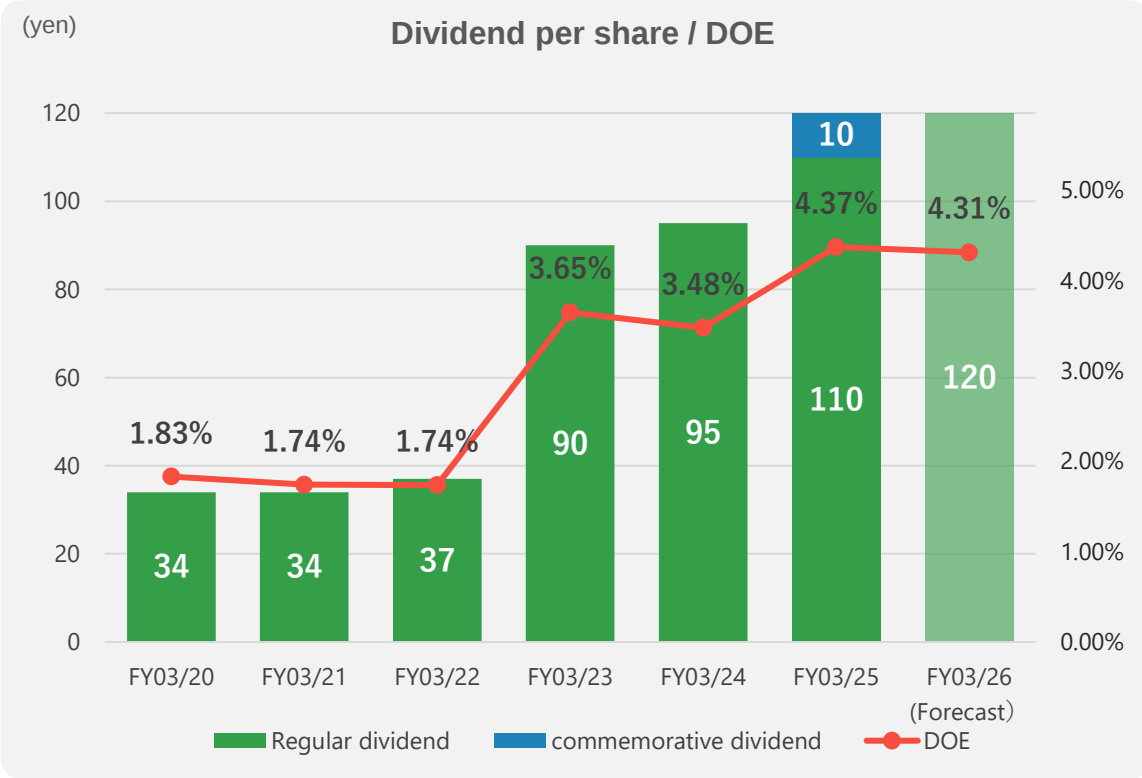
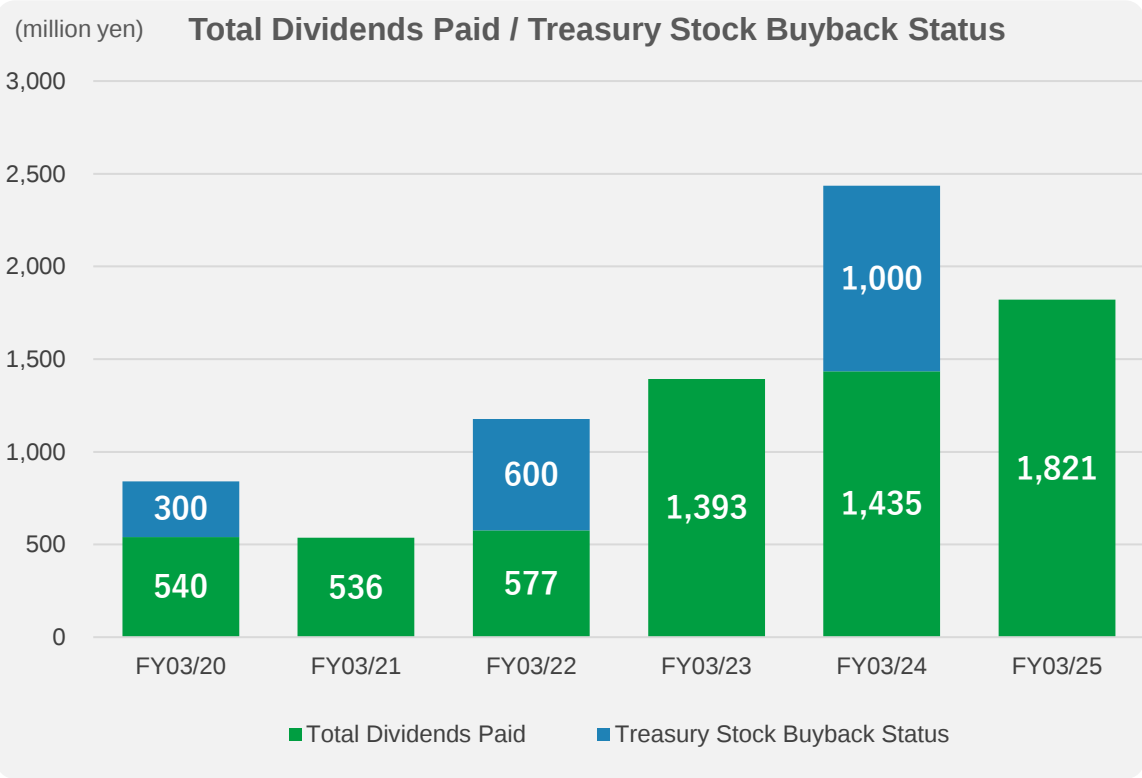
2. Forecasts for FY03/26

3. Shareholder Return

Shareholder Returns

Shareholder Return Policy

- Maintain stable dividends while returning profits to shareholders based on consolidated earnings from a medium- to long-term perspective after taking into consideration the balance between proactive business development for sustainable growth and enhancement of corporate value, and financial soundness to prepare for various risks.
- **Aiming to pay continuous and stable dividends, we will pay annual dividends of 4.0% or more of DOE (consolidated dividend on Shareholders' equity ratio).**
- Flexibly acquire its treasury shares depending on timing and the financial situation in order to enhance shareholder returns and capital efficiency.



Shareholder Benefit System (From the end of March 2026)

SUN-WA TECHNOS CORPORATION (the “Company”) expresses its gratitude to shareholders for their continuous support, and has introduced a shareholder benefit system for the purpose of raising awareness of the Company, increasing the attractiveness of investing in the Company, and allowing shareholders to own the Company’s shares over the medium to long term.

With the aim of further increasing the attractiveness of investing in the Company’s shares, the Company has decided to partially change the details of the shareholders benefit system so that new investors will be able to own the Company’s shares and flexibly utilize the investment limits of the new NISA.

- (1) Abolition of long-term holding benefit (two years or more)
- (2) Change in the classification of the number of shares held

Number of shares held	Benefit Item (QUO Card) Shareholders with a shareholding period of less than two years	Benefit Item (QUO Card) Shareholders with a shareholding period of two years or more (Long-Term Holding Benefit)
100 to less than 200 shares	1,000 yen	+ 1,000 yen to the left
200 shares or more	3,000 yen	+ 2,000 yen to the left

Number of shares held	Benefit Item (Digital Gift)
100 to less than 200 shares	2,000 yen worth
200 to less than 400 shares	5,000 yen worth
400 to less than 800 shares	10,000 yen worth
800 shares or more	20,000 yen worth

- (3) Change to benefit items



Digital Gift

PayPay points, d points, Rakuten points,
Amazon gift card, nanaco gift, etc.

Shareholder Benefit System (From the end of March 2026)

Details of the Recised Shareholder Benefit System

01

Eligible Shareholders

Shareholders who are listed or recorded in the company's shareholder register and own 100 shares (1 unit) or more at the end of each fiscal period.

02

The Content of the benefit system

Eligible shareholders will receive **Digital Gift** based on the number of shares held, as outlined below.

Number of shares held	Benefit Item (Digital Gift)
100 to less than 200 shares	2,000 yen worth
200 to less than 400 shares	5,000 yen worth
400 to less than 800 shares	10,000 yen worth
800 shares or more	20,000 yen worth

03

Time of Presenting

With the base date set at the end of March, the Company will send a shareholder newsletter after the Ordinary General Meeting of Shareholders with the “Information on Shareholder Benefits”, and benefits will be provided once a year.



DIGITAL GIFT

Appendix

Exchange Rate / Forex Sensitivity

	Forex Assumption For FY03/26	Effect of 1 yen change	
		Net sales	Operating profit
USD/JPY	144.0	444 million yen	66 million yen

Note : The effect of 1 yen change for USD/JPY and other currencies changes proportionally by the same ratio.

