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Consolidated Financial Results for the Six Months Ended February 28, 2026 [Japanese GAAP]

April 10, 2026

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 Securities code: 9270 URL: <https://www.valence.inc/>
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 Contact: (Title) Director and CFO (Name) Shinichiro Sato (TEL) +81-3-4580-9983
 Scheduled date for filing semi-annual securities report: April 10, 2026 Scheduled date for commencing dividend payments: —
 Preparation of supplementary financial results briefing materials: Yes
 Holding of financial results briefing: Yes

(Amounts of less than one million yen are truncated.)

1. Consolidated financial results for the six months ended February 28, 2026 (September 1, 2025 to February 28, 2026)

(1) Consolidated operating results (% indicates year-over-year change)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended February 28, 2026	51,970	27.3	3,554	408.9	3,454	415.8	2,252	694.2
Six months ended February 28, 2025	40,831	3.6	698	—	669	—	283	—

Note: Comprehensive income: Six months ended February 28, 2026 2,298 million yen [615.2%] Six months ended February 28, 2025 321 million yen [—%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended February 28, 2026	170.82	170.03
Six months ended February 28, 2025	21.69	21.61

(2) Consolidated financial position

	Total assets	Net assets	Equity capital ratio
	Million yen	Million yen	%
As of February 28, 2026	38,894	9,703	24.2
As of August 31, 2025	30,938	7,676	23.8

(Reference only) Equity: As of February 28, 2026 9,418 million yen As of August 31, 2025 7,361 million yen

2. Dividends

	Annual dividends				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended in August 2025	—	0.00	—	10.00	10.00
Fiscal year ending in August 2026	—	0.00			
Fiscal year ending in August 2026 (forecast)			—	45.00	45.00

Note: Revision to the dividend forecast announced most recently: Yes

3. Consolidated financial forecast for the fiscal year ending in August 2026 (September 1, 2025 to August 31, 2026)

(% indicates year-over-year change)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	106,000	24.9	5,500	278.3	5,260	299.8	3,000	339.9	227.62

Note: Revision to the financial forecast announced most recently: Yes

* Notes

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Accounting treatments adopted specially for the preparation of semi-annual consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and retrospective restatements
 - 1) Changes in accounting policies due to application of new or revised accounting standards: None
 - 2) Changes in accounting policies other than 1) above: None
 - 3) Changes in accounting estimates: None
 - 4) Retrospective restatements: None

(4) Number of shares of common stock issued

1) Number of shares issued at the end of the period (including treasury shares)	As of February 28, 2026	13,926,360 shares	As of August 31, 2025	13,744,460 shares
2) Number of shares of treasury shares at the end of the period	As of February 28, 2026	752,480 shares	As of August 31, 2025	594,880 shares
3) Average number of shares of common stock during the period	Six months ended February 28, 2026	13,185,281 shares	Six months ended February 28, 2025	13,073,071 shares

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Explanation on appropriate use of financial forecasts and other matters of note

Financial forecasts and other forward-looking statements provided in these materials are based on information available to the Company and certain other assumptions deemed reasonable as of the date of publication of this document, and do not represent any guarantee that the Company will achieve these results. Actual financial results and other aspects of business performance may differ significantly from these forecasts owing to various factors. Please refer to “1. Qualitative information on semi-annual financial results (3) Explanation of consolidated financial forecast and other forward-looking information” on page 6 of the attached materials for conditions forming the basis for financial forecasts, notes regarding the use of financial forecasts, and other information.

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1. Qualitative information on semi-annual financial results

(1) Explanation of business results

The reuse industry in which the Company Group operates is expected to continue to grow. The size of the reuse market increased by 4.5% year on year to 3,262.8 billion yen in 2024 and is expected to reach 4 trillion yen in 2030 (source: “2025 Estimate of the Reuse Industry’s Market Size (2024 Edition)” published by The Japan Journal of Remodeling (September 2025)).

As a company whose core business is “reuse,” one of the key initiatives in creating a circular society, the Company Group aims to contribute to a sustainable society through its business activities with “Circular Design for the Earth and Us” set as its purpose. Furthermore, the Company Group aims to become a “Circular Design Company” by 2030, creating new revenue opportunities by offering a variety of options to its customers and partners and promoting the circulation of not only the goods owned by the Company Group but also those owned by its customers and partners.

In the mid-term management plan “To the Next Stage: For 2030 Revival Vision” covering the 3-year period through the fiscal year ending in August 2027, the Company Group is striving to expand its business with the basic policy of carrying out structural reforms to improve profitability and carefully selecting investments that will contribute to expanding the retail business and overseas purchasing, which have been designated as priority areas.

As a result of the business activities based on the above plan, the Company Group’s consolidated financial results for the six months ended February 28, 2026 were as follows.

(Unit: million yen)

	Six months ended February 28, 2025 (from September 1, 2024 to February 28, 2025)	Six months ended February 28, 2026 (from September 1, 2025 to February 28, 2026)	Year-on-year change	
			Amount	Percentage
Net sales	40,831	51,970	11,139	27.3%
Operating profit	698	3,554	2,856	408.9%
Ordinary profit	669	3,454	2,784	415.8%
Profit attributable to owners of parent	283	2,252	1,968	694.2%

Specific initiatives in the six months ended February 28, 2026 were as follows.

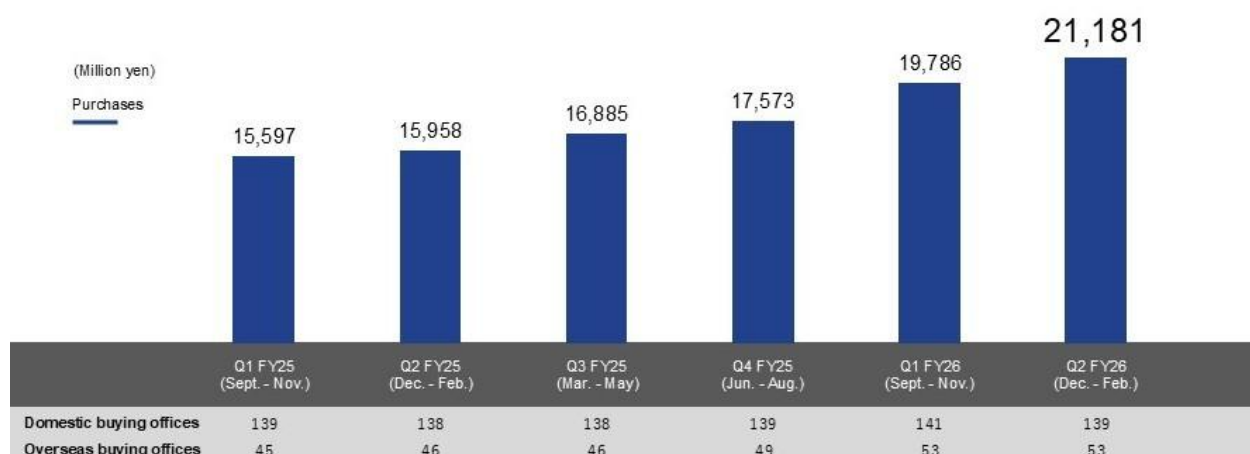
With regard to purchases, the Company Group continued efficiency-focused buying office operations, in addition to purchases prioritizing the gross profit margin. Although external factors such as the rise in bullion prices provided a partial tailwind, purchases through *Nanboya* buying offices and other channels remained strong in the domestic business. In addition, purchases through alliances were steady. Furthermore, in the overseas business, purchases in the focus area of Southeast Asia saw particularly significant growth. As a result of these initiatives, purchases in the six months ended February 28, 2026 totaled 40,967 million yen (up 9,411 million yen, or 29.8%, from the previous corresponding period).

In terms of office openings, the Company Group continued to implement measures such as carefully selecting locations while emphasizing per-office efficiency, and has completed the scrap-and-build approach. In the domestic business, the Company Group continued to open new buying offices based on buying office opening standards. In the overseas business, the Company Group opened new directly-operated and partner buying offices, primarily in Southeast Asia, where purchasing conditions remain favorable. As a result, the total number of buying offices as of the end of the six months ended February 28, 2026 amounted to 192 offices, including 139 domestic offices and 53 overseas offices.

In addition, purchases for the second quarter of the current fiscal year totaled 21,181 million yen (up 5,223 million yen, or 32.7%, from the previous corresponding period), owing to factors such as the increase in purchases at *Nanboya* buying offices and the favorable performance of purchases through alliances and in the overseas business. With continued buying office operations focusing on per-office efficiency and strong expansion in per-office purchases despite no increase in the number of offices, purchases also exceeded plans in categories other than bullion.

Quarterly trends in purchases and the number of buying offices are as follows.

Purchases and Buying Offices



* Domestic buying offices figures exclude cooperation offices..

Purchases reported in “1. Qualitative information on semi-annual financial results (1) Explanation of business results” do not include purchases of automobiles.

With respect to selling operations, net sales for the six months ended February 28, 2026 amounted to 51,970 million yen (up 11,139 million yen, or 27.3%, from the previous corresponding period), due to solid expansion of net sales in each sales channel on the back of the abundant inventory at the beginning of the period and favorable purchasing.

As for the auction, sufficient volumes of auction items were secured through abundant inventory at the beginning of the period and favorable purchasing conditions. In addition, market conditions for each product remained stable. As a result, net sales from the auction totaled 16,332 million yen (up 982 million yen, or 6.4%, from the previous corresponding period) during the six months ended February 28, 2026. Furthermore, consignments remained strong, and GMV of winning bids on consignments at the auctions totaled 12,403 million yen (up 2,582 million yen, or 26.3%, from the previous corresponding period). In addition to these results, owing to the contribution from the collection of auction membership and participation fees, net sales from auction commissions amounted to 1,909 million yen (up 399 million yen, or 26.5%, from the previous corresponding period).

In terms of retail, e-commerce net sales expanded, contributed to by the extension of duration of seamless listing that has been implemented since August 2025, as well as due in part to an increase in the number of items listed. In addition, we launched cross-border e-commerce in November 2025, enabling global sales through our own e-commerce platform. Furthermore, inbound demand remained strong at stores, while one-to-one marketing initiatives targeting domestic customers also contributed to sales growth. As a result, retail net sales amounted to 13,207 million yen (up 3,958 million yen, or 42.8%, from the previous corresponding period) during the six months ended February 28, 2026.

Additionally, net sales from wholesale (bullion) continued to perform well and amounted to 15,459 million yen (up 4,820 million yen, or 45.3%, from the previous corresponding period) due to the rise in the bullion market.

Net sales for the second quarter of the current fiscal year amounted to 27,442 million yen (up 5,434 million yen, or 24.7%, from the previous corresponding period).

During the second quarter of the current fiscal year, we prioritized allocating products to retail due to the peak retail season, which includes Christmas and the year-end shopping season. As a result, while net sales from the auction totaled 7,539 million yen (down 6 million yen, or 0.1%, from the previous corresponding period), retail net sales reached a record high of 7,249 million yen (up 2,108 million yen, or 41.0%, from the previous corresponding period). Furthermore, net sales from auction commissions amounted to 918 million yen (up 153 million yen, or 20.1%, from the previous corresponding period) due to continued strong consignments with improved recognition of our auction platform as well as the collection of auction membership and participation fees. In addition, net sales from wholesale (bullion) amounted to 9,106 million yen (up 2,647 million yen, or 41.0%, from the previous corresponding period) as the bullion market performed well continuing from the first quarter of the current fiscal year.

Furthermore, in the second quarter of the current fiscal year, domestic net sales totaled 21,925 million yen (up 4,763 million yen, or 27.8%, from the previous corresponding period), mainly due to a large growth in retail net sales to domestic customers reflecting the peak retail season as well as the expansion of bullion net sales. While inbound demand remained favorable in retail, the second quarter of the current fiscal year was a slow auction season. As a result, overseas net sales totaled 5,516 million yen (up 671 million yen, or 13.9%, from the previous corresponding period). The ratio of overseas sales to total sales was 20.1% (down 1.9 percentage points from the previous corresponding period).

Quarterly net sales by channel and net sales (in domestic and overseas) are as follows.

Net Sales by Channel



* Net sales for the automobile business are included in wholesale, other net sales (excl. bullion).

Net Sales (Domestic, Overseas)



* Net sales to inbound customers are included in overseas net sales.

The gross profit margin for the six months ended February 28, 2026 was 27.1% (up 1.5 percentage points from the previous corresponding period). This was mainly attributable to the continued implementation of a margin-focused purchasing policy, an increase in the ratio of retail net sales, and the expansion of net sales from auction commissions, as well as market conditions across product categories that remained stable.

In addition, selling, general and administrative expenses amounted to 10,540 million yen (up 794 million yen, or 8.2%, from the previous corresponding period) during the six months ended February 28, 2026. While personnel expenses rose largely due to aggressive recruitment in anticipation of future business expansion, including new buying office openings, and the implementation of customer acquisition initiatives utilizing the “Original Birkin” resulted in higher advertising expenses, we continued efficiency-focused business operations. As a result of the above, operating profit amounted to 3,554 million yen (up 2,856 million yen, or 408.9%, from

the previous corresponding period) during the six months ended February 28, 2026.

The Company Group has only one business segment—reuse business involving brand name products, antiques, works of art, and other articles. Thus, information by segment is omitted.

(2) Explanation of financial conditions

1) Status of assets, liabilities, and net assets

(Assets)

As of the end of the six months ended February 28, 2026, total current assets were 27,950 million yen, up 7,906 million yen from the end of the previous fiscal year. This was mainly due to an increase of 3,229 million yen in merchandise on the back of favorable purchasing, an increase of 2,610 million yen in cash and deposits to secure sufficient liquidity, an increase of 1,096 million yen in consumption taxes refund receivable, and an increase of 392 million yen in accounts receivable - trade caused by an increase in credit card receivables associated with retail net sales expansion. Total non-current assets were 10,944 million yen, up 50 million yen from the end of the previous fiscal year. This was mainly due to an increase of 33 million yen in property, plant and equipment largely stemming from an increase in buildings and structures associated with the opening of buying offices and expansion of logistics warehouses and an increase of 23 million yen in intangible assets largely stemming from the recording of software associated with system development. As a result, total assets were 38,894 million yen, up 7,956 million yen from the end of the previous fiscal year.

(Liabilities)

Total current liabilities as of the end of the six months ended February 28, 2026 were 22,247 million yen, up 9,325 million yen from the end of the previous fiscal year. This was mainly due to an increase of 2,400 million yen in short-term loans payable to secure sufficient liquidity and an increase of 6,237 million yen in current portion of long-term loans payable resulting from the transfer of long-term loans payable due within one year from non-current liabilities. Total non-current liabilities were 6,944 million yen, down 3,396 million yen from the end of the previous fiscal year. This was mainly due to a decrease of 3,377 million yen in long-term loans payable largely stemming from the transfer of long-term loans payable due within one year to current liabilities, despite new long-term loans payable obtained for product procurement. As a result, total liabilities were 29,191 million yen, up 5,929 million yen from the end of the previous fiscal year.

(Net assets)

Total net assets as of the end of the six months ended February 28, 2026 were 9,703 million yen, up 2,027 million yen from the end of the previous fiscal year. This was mainly due to increases of 82 million yen in both capital stock and capital surplus resulting from the issuance of new shares as restricted stock compensation and an increase of 2,120 million yen in retained earnings largely reflecting the recognition of profit attributable to owners of parent, despite the acquisition of 275 million yen treasury shares in January 2026.

2) Status of cash flow

Cash and cash equivalents as of the end of the six months ended February 28, 2026 were 7,913 million yen, up 2,610 million yen from the end of the previous fiscal year.

An overview of cash flows by category in the six months ended February 28, 2026 and major underlying factors are presented below.

(Cash flow from operating activities)

Cash flow from operating activities in the six months ended February 28, 2026 was an outflow of 1,387 million yen (the result for the previous corresponding period was an outflow of 117 million yen), due mainly to fund increases, including 3,483 million yen in profit before income taxes and 717 million yen in depreciation expenses on the one hand, and fund decreases, including 392 million yen in increase in accounts receivable – trade largely caused by an increase in credit card receivables associated with retail sales expansion, 3,229 million yen in increase in inventories on the back of favorable purchasing, and 1,141 million yen in increase in consumption taxes receivable on the other hand.

(Cash flow from investment activities)

Cash flow from investment activities in the six months ended February 28, 2026 was an outflow of 687 million yen (the result for the previous corresponding period was an outflow of 843 million yen), due mainly to fund decreases, including 313 million yen in purchase of property, plant and equipment for the opening of buying offices and expansion of logistics warehouses, 325 million yen in purchase of intangible assets largely stemming from the recording of software associated with system development, and 72 million yen in payments for guarantee deposits associated with the opening of buying offices.

(Cash flow from financing activities)

Cash flow from financing activities in the six months ended February 28, 2026 was an inflow of 4,647 million yen (the result for the previous corresponding period was an inflow of 1,389 million yen), due mainly to fund decreases, including 939 million yen in repayment of long-term loans payable resulting from scheduled payments on the one hand, and fund increases, including 2,400 million yen in increase in short-term loans payable to secure sufficient liquidity and 3,800 million yen in proceeds from long-term borrowings resulting from new borrowings related to product procurement on the other hand.

(3) Explanation of consolidated financial forecast and other forward-looking information

The consolidated financial forecast for the fiscal year ending in August 2026 have been revised in light of the financial results of the six months ended February 28, 2026.

For details, please refer to “Notice of Revisions to Consolidated Financial Forecasts and Dividend Forecast for the Fiscal Year Ending August 31, 2026” and “Q2 FY26 Financial Results” released today (April 10, 2026).

2. Semi-annual consolidated financial statements and major notes

(1) Semi-annual consolidated balance sheet

	(Unit: thousand yen)	
	Previous fiscal year (As of August 31, 2025)	Six months ended February 28, 2026 (As of February 28, 2026)
Assets		
Current assets		
Cash and deposits	5,304,975	7,915,547
Accounts receivable - trade	1,097,094	1,489,504
Merchandise	10,405,960	13,635,396
Consumption taxes refund receivable	1,920,525	3,016,766
Other	1,841,945	2,369,712
Allowance for doubtful accounts	(526,968)	(476,899)
Total current assets	20,043,532	27,950,027
Non-current assets		
Property, plant and equipment		
Buildings and structures (net)	3,524,765	3,460,354
Tools, Furniture and fixtures (net)	1,832,806	1,958,656
Other (net)	498,894	470,835
Total property, plant and equipment	5,856,466	5,889,846
Intangible assets		
Software	1,605,785	1,673,353
Other	186,136	141,584
Total intangible assets	1,791,921	1,814,937
Investments and other assets		
Shares of subsidiaries and associates	200,028	202,197
Guarantee deposits	2,047,341	2,093,223
Other	999,076	944,935
Allowance for doubtful accounts	(20)	(175)
Total investments and other assets	3,246,427	3,240,181
Total non-current assets	10,894,815	10,944,965
Total assets	30,938,347	38,894,993

(Unit: thousand yen)

	Previous fiscal year (As of August 31, 2025)	Six months ended February 28, 2026 (As of February 28, 2026)
Liabilities		
Current liabilities		
Accounts payable – trade	394,651	533,130
Short-term loans payable	8,300,000	10,700,000
Current portion of bonds payable	200,000	200,000
Current portion of long-term loans payable	523,180	6,760,800
Income taxes payable	417,399	1,198,471
Provision for bonuses	489,508	544,145
Asset retirement obligations	91,582	86,151
Other	2,505,302	2,224,436
Total current liabilities	12,921,623	22,247,134
Non-current liabilities		
Bonds payable	300,000	200,000
Long-term loans payable	8,889,973	5,512,400
Asset retirement obligations	1,036,442	1,081,697
Other	114,048	150,105
Total non-current liabilities	10,340,464	6,944,203
Total liabilities	23,262,088	29,191,337
Net assets		
Shareholders' equity		
Capital stock	1,373,285	1,456,231
Capital surplus	1,579,303	1,662,068
Retained earnings	4,916,381	7,037,197
Treasury shares	(668,489)	(944,275)
Total shareholders' equity	7,200,481	9,211,222
Accumulated other comprehensive income		
Foreign currency translation adjustment	160,922	207,360
Total accumulated other comprehensive income	160,922	207,360
Share acquisition rights	314,856	285,073
Total net assets	7,676,259	9,703,655
Total liabilities and net assets	30,938,347	38,894,993

(2) Semi-annual consolidated statements of income and comprehensive income
(Semi-annual consolidated statement of income)

(Unit: thousand yen)

	Six months ended February 28, 2025 (from September 1, 2024 to February 28, 2025)	Six months ended February 28, 2026 (from September 1, 2025 to February 28, 2026)
Net sales	40,831,286	51,970,656
Cost of sales	30,387,140	37,875,867
Gross profit	10,444,146	14,094,789
Selling, general and administrative expenses	9,745,584	10,540,069
Operating profit	698,562	3,554,719
Non-operating income		
Interest income	2,779	4,183
Share of profit of entities accounted for using equity method	65,036	2,169
Foreign exchange gains	–	44,651
Other	8,305	4,372
Total non-operating income	76,121	55,377
Non-operating expenses		
Interest expenses	82,453	121,551
Foreign exchange losses	18,265	–
Settlement payments	–	18,320
Other	4,150	15,535
Total non-operating expenses	104,869	155,407
Ordinary profit	669,814	3,454,689
Extraordinary income		
Gain on reversal of share acquisition rights	16,968	34,417
Total extraordinary income	16,968	34,417
Extraordinary losses		
Impairment loss	10,110	5,531
Total extraordinary losses	10,110	5,531
Profit before income taxes	676,672	3,483,574
Income taxes – current	376,831	1,175,997
Income taxes – deferred	16,263	55,264
Total income taxes	393,094	1,231,262
Profit	283,578	2,252,311
Profit attributable to owners of parent	283,578	2,252,311

(Semi-annual consolidated statement of comprehensive income)

(Unit: thousand yen)

	Six months ended February 28, 2025 (from September 1, 2024 to February 28, 2025)	Six months ended February 28, 2026 (from September 1, 2025 to February 28, 2026)
Profit	283,578	2,252,311
Other comprehensive income		
Foreign currency translation adjustment	37,844	46,438
Total other comprehensive income	37,844	46,438
Comprehensive income	321,422	2,298,750
Comprehensive income attributable to:		
Owners of parent	321,422	2,298,750

(3) Semi-annual consolidated cash flow statement

(Unit: thousand yen)

	Six months ended February 28, 2025 (from September 1, 2024 to February 28, 2025)	Six months ended February 28, 2026 (from September 1, 2025 to February 28, 2026)
Cash flow from operating activities		
Profit before income taxes	676,672	3,483,574
Depreciation expenses	653,494	717,677
Share-based payment expenses	86,095	86,883
Increase (decrease) in allowance for doubtful accounts	(15,306)	(49,093)
Increase (decrease) in provision for bonuses	58,805	50,743
Interest and dividend income	(2,779)	(4,183)
Interest expenses	82,453	121,551
Share of loss (profit) of entities accounted for using equity method	(65,036)	(2,169)
Subsidy income	(1,201)	-
Gain on reversal of share acquisition rights	(16,968)	(34,417)
Impairment loss	10,110	5,531
Decrease (increase) in accounts receivable - trade	(394,459)	(392,410)
Decrease (increase) in inventories	(1,648,768)	(3,229,436)
Increase (decrease) in accounts payable - trade	59,071	138,479
Decrease/increase in consumption taxes receivable/payable	716,197	(1,141,776)
Other	(198,011)	(632,053)
Subtotal	369	(881,099)
Interest and dividend income received	2,442	3,643
Interest expenses paid	(85,020)	(127,557)
Subsidies received	1,201	-
Income taxes paid	(217,567)	(382,279)
Income taxes refund	181,077	-
Cash flow from operating activities	(117,496)	(1,387,292)
Cash flow from investment activities		
Purchase of property, plant and equipment	(406,687)	(313,665)
Purchase of intangible assets	(333,335)	(325,519)
Fulfillment of asset retirement obligations	(1,257)	(7,974)
Payments for guarantee deposits	(115,172)	(72,718)
Proceeds from collection of guarantee deposits	13,200	32,175
Cash flow from investment activities	(843,252)	(687,702)

(Unit: thousand yen)

	Six months ended February 28, 2025 (from September 1, 2024 to February 28, 2025)	Six months ended February 28, 2026 (from September 1, 2025 to February 28, 2026)
Cash flow from financing activities		
Increase (decrease) in short-term loans payable	1,900,000	2,400,000
Proceeds from long-term borrowings	–	3,800,000
Repayment of long-term loans payable	(297,990)	(939,953)
Redemption of bonds	(100,000)	(100,000)
Proceeds from issuance of shares	1,174	–
Purchase of treasury shares	–	(275,786)
Cash dividends paid	(19)	(131,378)
Other	(113,916)	(105,651)
Cash flow from financing activities	1,389,248	4,647,230
Effect of exchange rate change on cash and cash equivalents	34,600	38,252
Increase (decrease) in cash and cash equivalents	463,100	2,610,487
Opening balance of cash and cash equivalents	6,915,372	5,303,467
Closing balance of cash and cash equivalents	7,378,473	7,913,954

(4) Notes on semi-annual consolidated financial statements

(Notes on Segment information, etc.)

The Company Group has only one business segment—reuse business involving brand name products, antiques, works of art, and other articles. Thus, information by segment is omitted.

(Notes in the case of significant changes in the amount of shareholders' equity)

(Acquisition of treasury shares)

The Company Group acquired 152,200 treasury shares in accordance with a resolution passed at the Board of Directors meeting held on January 29, 2026. As a result, treasury shares increased 275,786 thousand yen during the six months ended February 28, 2026.

(Notes regarding going concern assumptions)

Not applicable