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October 10, 2025

Consolidated Financial Results for the Three Months Ended August 31, 2025 (Under Japanese GAAP)

Company name: SUMINOE Co., Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 3501
 URL: <https://suminoe.co.jp/en/>
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 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on financial results: None
 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 August 31, 2025 (from June 1, 2025 to August 31, 2025)

(1) Consolidated operating results (cumulative) (Percentages indicate year-on-year changes.)

| | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | |
|--------------------|-----------------|-----|------------------|--------|-----------------|---|---|---|
| Three months ended | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| August 31, 2025 | 25,465 | 3.7 | 318 | 285.8 | 533 | - | 59 | - |
| August 31, 2024 | 24,567 | 2.7 | 82 | (81.8) | (139) | - | (462) | - |

Note: Comprehensive income For the three months ended August 31, 2025: ¥ 457 million [- %]
 For the three months ended August 31, 2024: ¥(15) million [- %]

| | Basic earnings per share | Diluted earnings per share |
|--------------------|--------------------------|----------------------------|
| Three months ended | Yen | Yen |
| August 31, 2025 | 4.48 | - |
| August 31, 2024 | (34.21) | - |

* Since the Company implemented a 2-for-1 stock split of its common stock with an effective date of March 1, 2025, the Company has calculated basic earnings per share assuming that the stock split was implemented at the beginning of the previous consolidated fiscal year.

(2) Consolidated financial position

| | Total assets | Net assets | Equity-to-asset ratio |
|-----------------|-----------------|-----------------|-----------------------|
| As of | Millions of yen | Millions of yen | % |
| August 31, 2025 | 97,684 | 37,202 | 31.9 |
| May 31, 2025 | 94,976 | 37,163 | 32.8 |

Reference: Equity

As of August 31, 2025: ¥ 31,152 million
 As of May 31, 2025: ¥ 31,181 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 May 31, 2025 | - | 40.00 | - | 20.00 | - |
| Fiscal year ending May 31, 2026 | - | | | | |
| Fiscal year ending May 31, 2026 (Forecast) | | 21.50 | - | 21.50 | 43.00 |

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

* Since the Company implemented a 2-for-1 stock split of its common stock with an effective date of March 1, 2025, the amount of the final dividend per share for the fiscal year ended May 2025 and the amount of the dividend per share for the fiscal year ending May 2026 (forecast) is calculated taking into account the impact of the stock split, and the total annual dividend for the fiscal year ended May 2025 is shown as "-". The amount of the final dividend per share for the fiscal year ended May 2025 without taking into account the stock split is 40.00 yen and the total annual dividend is 80.00 yen.

3. Consolidated financial results forecast for the fiscal year ending May 31, 2026 (from June 1, 2025 to May 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 November 30, 2025 | 51,460 | 1.5 | 670 | (9.7) | 910 | 103.6 | 100 | 52.1 | 7.55 |
| Full year | 105,000 | 0.2 | 3,100 | 3.3 | 3,350 | 33.2 | 1,500 | 123.9 | 113.25 |

Note: Revisions to the financial result forecast most recently announced: None

* Notes

(1) Significant changes in the scope of consolidation during the period: Yes

Newly included: - company(-)

Excluded: 1 company(Suzhou Suminoe Textiles Co., Ltd.)

(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 August 31, 2025 | 15,364,324 shares |
| As of May 31, 2025 | 15,364,324 shares |

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

| | |
|-----------------------|------------------|
| As of August 31, 2025 | 2,119,664 shares |
| As of May 31, 2025 | 2,119,604 shares |

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

| | |
|------------------------------------|-------------------|
| Three months ended August 31, 2025 | 13,244,685 shares |
| Three months ended August 31, 2024 | 13,510,510 shares |

* Since the Company implemented a stock split at a ratio of 2 shares for 1 common share with an effective date of March 1, 2025, the number of shares issued 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 fiscal year are calculated assuming that the stock split was carried out at the beginning of the previous consolidated 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
(Note on the forward-looking statements)

The forward-looking statements in this document concerning forecasts of performance, etc. are based on currently available information, and contain uncertain factors. The actual performance may be significantly different from the forecasts due to various factors.

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheet

(Millions of yen)

| | As of May 31, 2025 | As of August 31, 2025 |
|--|--------------------|-----------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 8,847 | 12,239 |
| Notes and accounts receivable - trade, and contract assets | 15,976 | 15,089 |
| Electronically recorded monetary claims - operating | 9,423 | 8,962 |
| Merchandise and finished goods | 9,962 | 9,795 |
| Work in process | 2,568 | 2,689 |
| Raw materials and supplies | 4,565 | 4,848 |
| Other | 3,648 | 3,557 |
| Allowance for doubtful accounts | (61) | (60) |
| Total current assets | 54,931 | 57,123 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Land | 15,669 | 15,647 |
| Other, net | 15,706 | 15,961 |
| Total property, plant and equipment | 31,376 | 31,608 |
| Intangible assets | 1,605 | 1,537 |
| Investments and other assets | | |
| Deferred tax assets | 1,173 | 960 |
| Other | 6,027 | 6,592 |
| Allowance for doubtful accounts | (136) | (138) |
| Total investments and other assets | 7,064 | 7,414 |
| Total non-current assets | 40,045 | 40,561 |
| Total assets | 94,976 | 97,684 |

(Millions of yen)

| | As of May 31, 2025 | As of August 31, 2025 |
|--|--------------------|-----------------------|
| Liabilities | | |
| Current liabilities | | |
| Notes and accounts payable - trade | 10,678 | 10,635 |
| Electronically recorded obligations - operating | 10,940 | 10,180 |
| Short-term borrowings | 13,995 | 17,420 |
| Current portion of bonds payable | 1,000 | 1,000 |
| Income taxes payable | 761 | 285 |
| Other | 5,229 | 5,096 |
| Total current liabilities | 42,606 | 44,617 |
| Non-current liabilities | | |
| Long-term borrowings | 5,929 | 6,191 |
| Deferred tax liabilities | 342 | 350 |
| Provision for retirement benefits for directors (and other officers) | 44 | 46 |
| Retirement benefit liability | 3,713 | 3,678 |
| Other | 5,176 | 5,596 |
| Total non-current liabilities | 15,206 | 15,863 |
| Total liabilities | 57,813 | 60,481 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 9,554 | 9,554 |
| Capital surplus | 2,388 | 2,388 |
| Retained earnings | 12,358 | 12,152 |
| Treasury shares | (2,976) | (2,976) |
| Total shareholders' equity | 21,324 | 21,119 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 1,341 | 1,722 |
| Deferred gains or losses on hedges | (7) | 9 |
| Revaluation reserve for land | 6,192 | 6,192 |
| Foreign currency translation adjustment | 2,316 | 2,092 |
| Remeasurements of defined benefit plans | 13 | 16 |
| Total accumulated other comprehensive income | 9,856 | 10,033 |
| Non-controlling interests | 5,981 | 6,050 |
| Total net assets | 37,163 | 37,202 |
| Total liabilities and net assets | 94,976 | 97,684 |

Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statement of Income
For the three months ended August 31, 2025

(Millions of yen)

| | For the three months ended August 31, 2024 | For the three months ended August 31, 2025 |
|---|---|---|
| Net sales | 24,567 | 25,465 |
| Cost of sales | 19,596 | 20,270 |
| Gross profit | 4,971 | 5,195 |
| Selling, general and administrative expenses | 4,888 | 4,876 |
| Operating profit | 82 | 318 |
| Non-operating income | | |
| Interest income | 9 | 11 |
| Dividend income | 29 | 20 |
| Foreign exchange gains | - | 167 |
| Rental income from real estate | 102 | 67 |
| Other | 101 | 97 |
| Total non-operating income | 242 | 364 |
| Non-operating expenses | | |
| Interest expenses | 84 | 113 |
| Share of loss of entities accounted for using equity method | 0 | 0 |
| Foreign exchange losses | 326 | - |
| Rental expenses on real estate | 15 | 8 |
| Other | 38 | 27 |
| Total non-operating expenses | 464 | 149 |
| Ordinary profit (loss) | (139) | 533 |
| Extraordinary income | | |
| Gain on sale of non-current assets | 15 | 1 |
| Gain on liquidation of subsidiaries and associates | - | 17 |
| Total extraordinary income | 15 | 19 |
| Extraordinary losses | | |
| Loss on sale and retirement of non-current assets | 6 | 3 |
| Total extraordinary losses | 6 | 3 |
| Profit (loss) before income taxes | (130) | 549 |
| Income taxes - current | 165 | 244 |
| Income taxes - deferred | 26 | 52 |
| Total income taxes | 192 | 296 |
| Profit (loss) | (322) | 253 |
| Profit attributable to non-controlling interests | 139 | 193 |
| Profit (loss) attributable to owners of parent | (462) | 59 |

Quarterly Consolidated Statement of Comprehensive Income
For the three months ended August 31, 2025

(Millions of yen)

| | For the three months ended August 31, 2024 | For the three months ended August 31, 2025 |
|--|---|---|
| Profit (loss) | (322) | 253 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | (237) | 381 |
| Deferred gains or losses on hedges | 2 | 16 |
| Foreign currency translation adjustment | 537 | (195) |
| Remeasurements of defined benefit plans, net of tax | 3 | 2 |
| Total other comprehensive income | 306 | 204 |
| Comprehensive income | (15) | 457 |
| Comprehensive income attributable to | | |
| Comprehensive income attributable to owners of parent | (191) | 235 |
| Comprehensive income attributable to non-controlling interests | 175 | 222 |