July 31, 2026

Consolidated Financial Results
for the First Three Months of the Fiscal Year Ended March 31, 2027
<under Japanese GAAP>

Company name: **TAIYO HOLDINGS CO., LTD.**
Listing: Prime Market of the Tokyo Stock Exchange
Stock code: 4626
URL: https://www.taiyo-hd.co.jp/en
Representative: Hitoshi Saito, President and CEO
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Scheduled date to commence dividend payments: –
Preparation of supplementary results briefing material on financial results: Yes
Holding of financial results presentation meeting: None

(Millions of yen with fractional amounts discarded, unless otherwise noted)

1. Consolidated financial results for the first three months of the fiscal year ended March 31, 2027 (from April 1, 2026 to June 30, 2026)

(1) Consolidated operating results (cumulative)

(Millions of yen, % year on year)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
Three months ended:		%		%		%		%
June 30, 2026	39,019	17.6	10,505	48.9	11,220	68.5	7,500	61.8
June 30, 2025	33,179	7.5	7,055	11.0	6,657	7.7	4,636	0.7

Note: Comprehensive income
For the three months ended June 30, 2026: 10,033 million yen [85.9%]
For the three months ended June 30, 2025: 5,396 million yen [(25.0%)]

	Basic earnings per share	Diluted earnings per share
Three months ended:	Yen	Yen
June 30, 2026	67.40	–
June 30, 2025	41.76	–

Note: We performed a stock split with effect from December 1, 2025 whereby each common stock of Taiyo Holdings was divided into two shares. We calculated basic earnings per share under the assumption that this stock split was performed at the beginning of the previous consolidated fiscal year.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
June 30, 2026	211,843	126,332	59.6	1,135.13
March 31, 2026	201,928	115,757	57.3	1,040.16

Reference: Equity (Net assets excluding non-controlling interests)
As of June 30, 2026: 126,311 million yen
As of March 31, 2026: 115,745 million yen

2. Cash dividends

	Annual cash dividends				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	–	165.00	–	0.00	165.00
Fiscal year ended March 31, 2027	–				
Fiscal year ended March 31, 2027 (Forecast)		–	–	–	–

Notes:
1. Revisions to the forecasts of cash dividends most recently announced: None
2. We performed a stock split with effect from December 1, 2025 whereby each common stock of Taiyo Holdings was divided into two shares. The cash dividends per share for the fiscal year ended March 31, 2026 are presented without reflecting the effect of this stock split.
3. We do not plan to pay an interim or year-end dividend for the fiscal year ended March 31, 2027.

3. Consolidated earnings forecasts for the fiscal year ended March 31, 2027 (from April 1, 2026 to March 31, 2027)

(Millions of yen, % year on year)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Basic earnings per share
		%		%		%		%	Yen
Six months ended September 30, 2026	75,900	11.9	18,900	24.4	19,200	27.3	13,100	18.8	117.73
Fiscal year ended March 31, 2027	149,100	8.2	36,400	11.9	36,300	12.6	25,400	5.8	228.26

Note: Revisions to the consolidated earnings forecasts most recently announced: Yes

ENGLISH TRANSLATION OF JAPANESE-LANGUAGE DOCUMENT
This is a translation of the original Japanese-language document and is provided for convenience only.
In the event of any discrepancy between this translated document and Japanese original, the original shall prevail.

*** Notes**

(1) Significant change in scope of consolidation during the first three months of the fiscal year ended March 31, 2027: Yes

Excluded: 1 company (Company name) TBF Semiconductor Material (Shenzhen) Co., Ltd.

(2) Application of specific accounting for preparing quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements after error corrections

a. Changes in accounting policies due to revisions to accounting standards and other regulations: None
b. Changes in accounting policies due to other reasons: None
c. Changes in accounting estimates: None
d. Restatement of prior period financial statements after error corrections: None

(4) Number of issued shares

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

As of June 30, 2026	116,839,616 shares
As of March 31, 2026	116,839,616 shares

b. Number of treasury shares at the end of the period

As of June 30, 2026	5,564,832 shares
As of March 31, 2026	5,562,934 shares

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

As of June 30, 2026	111,275,313 shares
As of June 30, 2025	111,042,532 shares

Notes: 1. The number of treasury shares includes the Company's shares held by The Master Trust Bank of Japan, Ltd. (trust account for shares granted under the Employee Stock Ownership Plan (ESOP)).
2. We performed a stock split with effect from December 1, 2025 whereby each common stock of Taiyo Holdings was divided into two shares. We calculated the total number of issued shares at the end of the period, the number of treasury shares at the end of the period and the average number of outstanding shares during the period under the assumption that this stock split was performed at the beginning of the previous consolidated fiscal year.
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*** Review of the accompanying quarterly consolidated financial statements by a certified public accountant or audit firm : None**

*** Proper use of earnings forecasts and other special matters**

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. The Company makes no promise regarding the achievement of any content in the forward-looking statements. Actual business and other results may differ substantially due to various factors.

Index of Supplementary Schedules and Notes

1. Overview of Operating Results

Please refer to the overview of operating results which is included in the financial results briefing material posted today (July 31, 2026) on TDnet and our corporate website (https://www.taiyo-hd.co.jp/en).

2. Consolidated Financial Statements and Explanatory Notes

(1) Consolidated balance sheet

(Millions of yen)

	Consolidated fiscal year ended March 31, 2026 (As of March 31, 2026)	The first three months of consolidated fiscal year ended March 31, 2027 (As of June 30, 2026)
Assets		
Current assets		
Cash and deposits	43,203	45,700
Notes and accounts receivable - trade, and contract assets	34,317	37,510
Merchandise and finished goods	10,331	10,723
Work in process	1,239	1,642
Raw materials and supplies	10,083	10,915
Other	3,957	2,579
Allowance for doubtful accounts	(17)	(13)
Total current assets	103,115	109,058
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	30,582	30,266
Other, net	39,919	40,953
Total property, plant and equipment	70,501	71,219
Intangible assets		
Goodwill	2,744	2,669
Sales rights	4,525	4,360
Customer-related assets	4,047	3,928
Other	3,147	3,045
Total intangible assets	14,465	14,004
Investments and other assets		
Other	14,344	18,077
Allowance for doubtful accounts	(498)	(516)
Total investments and other assets	13,846	17,561
Total non-current assets	98,813	102,785
Total assets	201,928	211,843
Liabilities		
Current liabilities		
Notes and accounts payable - trade	9,501	11,551
Short-term borrowings	1,273	1,746
Current portion of long-term borrowings	14,480	16,342
Income taxes payable	5,007	3,648
Provision for bonuses	1,867	2,977
Other provisions	198	204
Other	7,987	8,134
Total current liabilities	40,316	44,604
Non-current liabilities		
Long-term borrowings	41,098	35,576
Retirement benefit liability	352	349
Other provisions	188	57
Other	4,215	4,921
Total non-current liabilities	45,854	40,906
Total liabilities	86,170	85,510
Net assets		
Shareholders' equity		
Share capital	10,206	10,206
Capital surplus	15,328	15,328
Retained earnings	83,274	90,774
Treasury shares	(7,825)	(7,826)
Total shareholders' equity	100,983	108,482
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,190	4,980
Foreign currency translation adjustment	11,555	12,834
Remeasurements of defined benefit plans	15	13
Total accumulated other comprehensive income	14,761	17,828
Non-controlling interests	12	20
Total net assets	115,757	126,332
Total liabilities and net assets	201,928	211,843

(2) Consolidated statement of income and consolidated statement of comprehensive income

Consolidated statement of income (cumulative)

(Millions of yen)

	The first three months of consolidated fiscal year ended March 31, 2026 (April 1, 2025 to June 30, 2025)	The first three months of consolidated fiscal year ended March 31, 2027 (April 1, 2026 to June 30, 2026)
Net sales	33,179	39,019
Cost of sales	17,471	18,938
Gross profit	15,707	20,081
Selling, general and administrative expenses	8,652	9,575
Operating income	7,055	10,505
Non-operating income		
Interest income	62	89
Subsidy income	59	167
Gain on valuation of investment securities	—	887
Other	53	116
Total non-operating income	175	1,260
Non-operating expenses		
Interest expenses	130	182
Foreign exchange losses	316	143
Other	127	219
Total non-operating expenses	573	546
Ordinary income	6,657	11,220
Extraordinary losses		
Corporate action expenses	*1 337	*1 84
Special employee benefit expenses	—	*2 813
Total extraordinary losses	337	898
Profit before income taxes	6,319	10,322
Income taxes - current	1,937	2,871
Income taxes - deferred	(254)	(57)
Total income taxes	1,683	2,814
Profit	4,636	7,508
Profit and loss attributable to non-controlling interests	(0)	8
Profit attributable to owners of parent	4,636	7,500

Consolidated statement of comprehensive income (cumulative)

(Millions of yen)

	The first three months of consolidated fiscal year ended March 31, 2026 (April 1, 2025 to June 30, 2025)	The first three months of consolidated fiscal year ended March 31, 2027 (April 1, 2026 to June 30, 2026)
Profit	4,636	7,508
Other comprehensive income		
Valuation difference on available-for-sale securities	52	1,789
Foreign currency translation adjustment	650	738
Remeasurements of defined benefit plans, net of tax	57	(2)
Total other comprehensive income	760	2,525
Comprehensive income	5,396	10,033
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,397	10,024
Comprehensive income attributable to non-controlling interests	(0)	8

(3) Notes to consolidated financial statements

(Consolidated statement of income (cumulative))

***1 Corporate action expenses**

Substantial expenses were incurred, mainly for advisory expenses related to the tender offer ("Tender Offer") by KJ005 Co., Ltd. for our common shares. These expenses were related to an extraordinary response that do not normally occur. Therefore, they are recorded as extraordinary losses of 84 million yen.

***2 Special employee benefit expenses**

Taiyo Holdings and some of its subsidiaries have introduced an Employee Stock Ownership Plan (ESOP) Trust, an employee incentive plan for employees of Taiyo Holdings and board directors and employees of some subsidiaries (hereafter, “recipient employees, etc.”) with the aim of (1) fostering feelings of solidarity and a willingness to participate in management, (2) raising their morale and motivating them to contribute to our long-term performance and stock price, and (3) encouraging them to enhance our medium to long-term corporate value.

Under this ESOP, shares of the Company’s stock are held in a trust, the beneficiaries of which are recipient employees, etc. of the Company. The trust purchases shares of the Company’s stock, either from the Company or on the stock market, in an amount equivalent to the amount expected to be delivered to the recipient employees, etc. All purchases will comply with stock delivery rules established in advance. Pursuant to these rules, the trust then delivers the shares to recipient employees, etc. during their service for no consideration, in an amount commensurate with the rank of the employee, etc. during the period in which the shares were held in the trust. The trust’s purchases of shares are funded entirely by the Company; the recipient employees, etc. bear none of the cost.

Previously, the Company granted Company’s stock to the recipient employees, etc. from the trust as welfare expenses in cost of sales and selling, general and administrative expenses.

However, under the agreement relating to the Tender Offer, the Company has agreed not to grant shares until the completion of the Tender Offer and the series of subsequent transactions. Accordingly, in lieu of granting Company’s stock, the Company decided to pay the recipient employees, etc. cash equivalent to the economic value they would have received if shares had been granted as of the grant date.

Therefore, the Company has treated the costs that would normally have been incurred if it had granted shares as welfare expenses in cost of sales and selling, general and administrative expenses, consistent with previous accounting practices. Moreover, the Company has recorded the additional costs of 813 million yen resulting from this cash payment as an extraordinary loss, as these costs differ in economic substance from the previous granting of shares and are temporary in nature.

(Additional information)

As stated in “Notice Concerning Expression of Opinion in Support of the Planned Commencement of the Tender Offer for Company Shares by KJ005 Co., Ltd. and Neutral Position Regarding Tendering of Shares” released on March 31, 2026, at the Board of Directors meeting on the same date, we resolved to express our opinion as of March 31, 2026 regarding the Tender Offer. We expressed the opinion that, in the event the Tender Offer is commenced, we will support the Tender Offer and leave the matter of whether to tender their shares in the Tender Offer to the judgment of our shareholders.

For more information on the Tender Offer, see “Notice Concerning Expression of Opinion in Support of the Planned Commencement of the Tender Offer for Company Shares by KJ005 Co., Ltd. and Neutral Position Regarding Tendering of Shares” posted on our website.

(Segment information and related information)

[Segment information]

I. The first three months of consolidated fiscal year ended March 31, 2026 (April 1, 2025 to June 30, 2025)

1. Information regarding net sales and profit or loss by reportable segment

(Millions of yen)

	Reportable segment			Other (Note)	Total
	Electronics	Medical and Pharmaceuticals	Total		
Net sales					
External sales	22,232	9,419	31,651	1,527	33,179
Inter-segment sales or transfers	—	—	—	86	86
Total	22,232	9,419	31,651	1,614	33,266
Segment profit (loss)	6,201	1,378	7,580	(32)	7,547

Note: The “Other” category represents operating segments not included in the reportable segments, and includes ICT business, fine chemicals business, energy business, and food business. These are collectively referred to as ICT and Sustainability business.

2. Differences between the total profit or loss amount in reportable segments and the amount recorded on the consolidated statement of income (cumulative), and details of thereof (reconciliation)

(Millions of yen)

Profit (Loss)	Amount
Reportable segment total	7,580
“Other” segment profit (loss)	(32)
Inter-segment eliminations	8
Profit (Loss) not allocated to business segments (Note)	(500)
Operating income in the consolidated statement of income	7,055

Note: Profit (loss) primarily related to the holding company (company filing the consolidated financial statements).

3. Information regarding impairment loss on non-current assets, goodwill, etc., in each reportable segment

(Significant impairment loss on non-current assets)

None.

(Significant change in the amount of goodwill)

None.

II. The first three months of consolidated fiscal year ended March 31, 2027 (April 1, 2026 to June 30, 2026)

1. Information regarding net sales and profit or loss by reportable segment

(Millions of yen)

	Reportable segment			Other (Note)	Total
	Electronics	Medical and Pharmaceuticals	Total		
Net sales					
External sales	28,049	9,203	37,252	1,766	39,019
Inter-segment sales or transfers	—	—	—	132	132
Total	28,049	9,203	37,252	1,899	39,151
Segment profit	9,761	772	10,534	135	10,669

Note: The “Other” category represents operating segments not included in the reportable segments, and includes ICT business, fine chemicals business, energy business, and food business. These are collectively referred to as ICT and Sustainability business.

2. Differences between the total profit or loss amount in reportable segments and the amount recorded on the consolidated statement of income (cumulative), and details of thereof (reconciliation)

(Millions of yen)

Profit (Loss)	Amount
Reportable segment total	10,534
“Other” segment profit	135
Inter-segment eliminations	9
Profit (Loss) not allocated to business segments (Note)	(173)
Operating income in the consolidated statement of income	10,505

Note: Profit (loss) primarily related to the holding company (company filing the consolidated financial statements).

3. Information regarding impairment loss on non-current assets, goodwill, etc. in each reportable segment

(Significant impairment loss on non-current assets)

None.

(Significant change in the amount of goodwill)

None.

(Substantial changes in the amount of shareholders' equity)

None.

(Premise of going concern)

None.

(Consolidated statement of cash flows)

We did not prepare a consolidated statement of cash flows for the first three months of the consolidated fiscal year ended March 31, 2027. Depreciation (including depreciation of intangible assets except for goodwill) and amortization of goodwill for the first three months of the consolidated fiscal year ended March 31, 2027 are as follows.

(Millions of yen)

	The first three months of consolidated fiscal year ended March 31, 2026 (April 1, 2025 to June 30, 2025)	The first three months of consolidated fiscal year ended March 31, 2027 (April 1, 2026 to June 30, 2026)
Depreciation	2,037	2,091
Amortization of goodwill	84	83