HANWA
Connecting All Wants and Needs

Outline of Financial Results
for the Three Months ended June 30, 2026

August 2026

Hanwa Co., Ltd. TSE:8078

Note : This document has been translated from the Japanese original for reference purposes only.
In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

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Summary of Consolidated Financial Results

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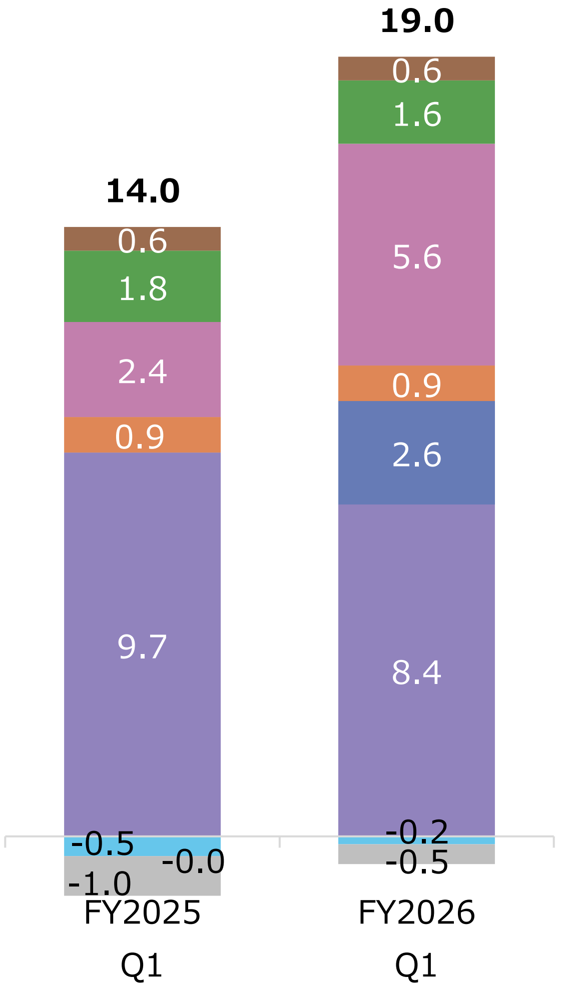
- FY2026Q1 ordinary income amounted to 19.0bn yen, achieving 33% of the full-year forecast of 57.0bn yen.
- The full-year forecast remained unchanged.

(billions of yen)	FY2025 1Q	FY2026 1Q	YoY change	FY2026 Forecast	Progress
Net Sales	639.8	718.5	+78.7 (+12%)	3,000.0	24%
Gross Profit	34.1	42.9	+8.7 (+26%)	–	–
Operating Income	14.5	20.5	+5.9 (+41%)	62.5	33%
Ordinary Income	14.0	19.0	+4.9 (+36%)	57.0	33%
Net Income Attributable to Owners of the Company	9.9	11.4	+1.5 (+15%)	40.0	29%
Consolidated Steel Transaction Volume (million metric tons)	3.57	3.52	-0.04 (- 1%)	–	–

* Consolidated Trading volume is the simple sum of the weight of steel handled by the Company and its consolidated subsidiaries.

Ordinary Income (by Segment)



Business Segments	FY2025 1Q	FY2026 1Q	YoY Change (YoY Rate)	Main Factors
Steel	9.7	8.4	-1.3 (-14%)	Decreased in the progress of large construction projects.
Primary Metal	-0.5	-0.2	+0.3 (－)	Loss narrowed as the share of loss of entities accounted for using the equity method from SAMANCOR CHROME HOLDINGS PROPRIETARY LTD. decreased.
Metal Recycling	-0.0	2.6	+2.7 (－)	Increased due to stable transaction volumes secured despite changes in supply-demand conditions for major products.
Foods	0.9	0.9	-0.0 (-3%)	Decreased due to the postponement of sales at some overseas subsidiaries.
Energy & Living Materials	2.4	5.6	+3.1 (+127%)	Increased due to stable transaction volumes for petroleum products and chemical products despite an unstable supply-demand environment.
Overseas Sales Subsidiaries	1.8	1.6	-0.1 (-10%)	Decreased due to the impact of the trade environment on some subsidiaries.
Other	0.6	0.6	-0.0 (-7%)	Housing Materials: Decreased due to the deterioration in the profitability of European lumber. Machinery: Decreased due to a decrease in completed projects in the industrial machinery field.
Adjustment	-1.0	-0.5	+0.4 (－)	
Total	14.0	19.0	+4.9 (+36%)	

Ordinary Income compared to Forecast

Business Segments	FY2026 Forecast	FY2026 Q1 Result	Progress Rate	Main Factors
Steel	34.0	8.4	**25%**	Despite lower sales and ordinary income in the domestic construction sector due to sluggish project progress, results were largely in line with the plan, as increased ordinary income from flat products and certain domestic subsidiaries offset the impact amid signs of a bottoming-out in the domestic steel market.
Primary Metal	4.5	-0.2	**–**	Decreased due to lower equity method earnings from SAMANCOR CHROME HOLDINGS PROPRIETARY LTD.
Metal Recycling	3.5	2.6	**75%**	Increased due to the capture of profit opportunities in the aluminum business arising from supply concerns driven by the Middle East situation, as well as improved margins in the minor metals business amid tighter supply-demand conditions caused by trade-related issues.
Foods	3.5	0.9	**27%**	Supported by steady transactions with the food service industry, results were largely in line with the plan.
Energy & Living Materials	10.0	5.6	**56%**	Results exceeded the plan due to stable transaction volumes despite an unstable supply environment.
Overseas Sales Subsidiaries	6.5	1.6	**26%**	Although the downturn in the ASEAN steel market persisted, results were largely in line with the plan.
Other	3.5	0.6	**17%**	Although earnings fluctuated due to the timing of revenue recognition for completed projects, results were largely in line with the plan.
Adjustment	-8.5	-0.5	**–**	
Total	57.0	19.0	**33%**	

Quarterly Ordinary Income (by Segment)

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Business Segments	FY2025					FY2026					YoY Change
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	
Steel	9.7	7.8	10.6	10.4	**38.7**	8.4				**8.4**	-1.3
Primary Metal	-0.5	-0.6	1.5	-0.4	**-0.1**	-0.2				**-0.2**	+0.3
Metal Recycling	-0.0	0.3	-2.3	3.3	**1.3**	2.5				**2.6**	+2.7
Foods	0.9	0.8	1.4	-0.2	**3.0**	0.9				**0.9**	-0.0
Energy & Living Materials	2.4	1.4	1.7	2.8	**8.5**	5.6				**5.6**	+3.1
Overseas Sales Subsidiaries	1.8	0.8	1.3	1.4	**5.5**	1.6				**1.6**	-0.1
Other	0.6	0.4	0.4	0.6	**2.1**	0.6				**0.6**	-0.0
Adjustment	-1.0	-1.3	-2.2	-2.2	**-6.8**	-0.5				**-0.5**	+0.4
Total	**14.0**	**9.8**	**12.5**	**15.8**	**52.2**	**19.0**				**19.0**	**+4.9**

Consolidated Financial Position

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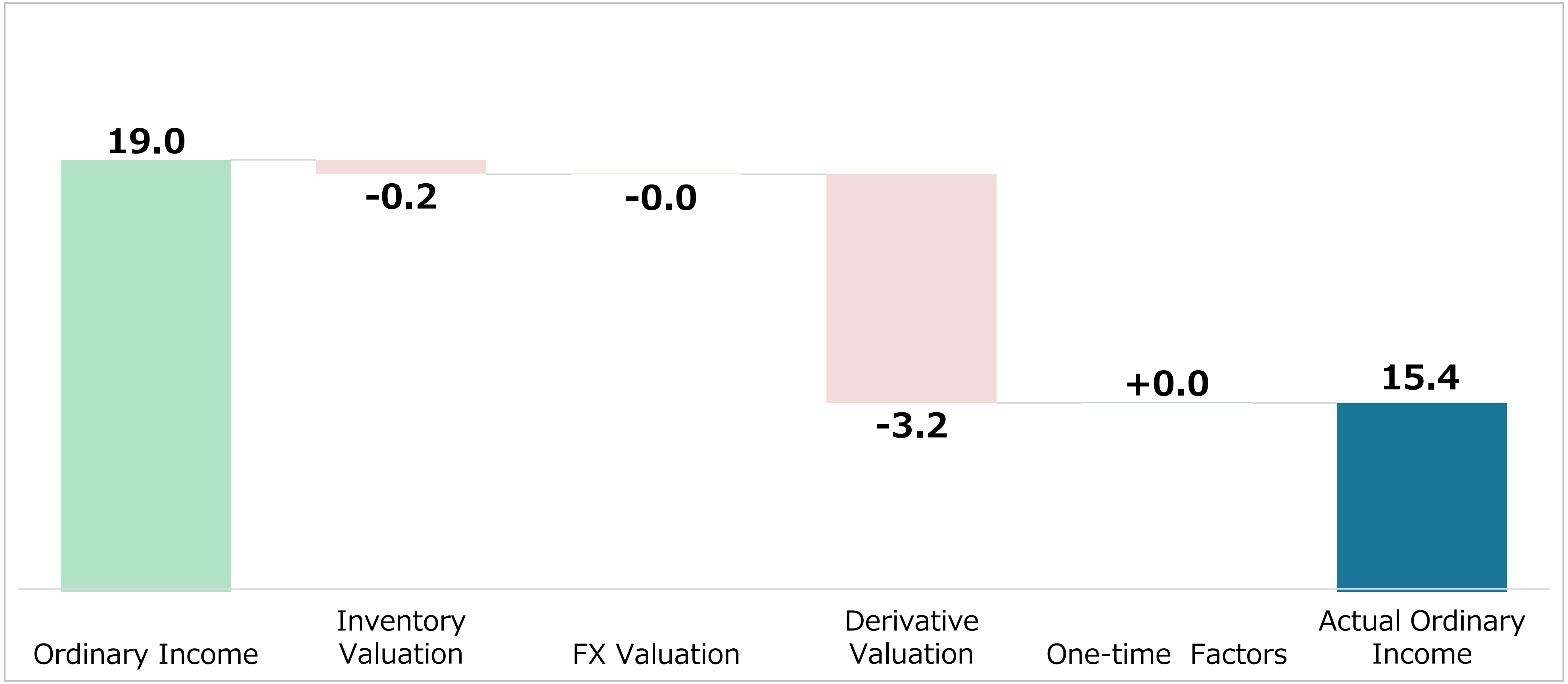
(billions of yen)	Mar. 2026	Jun.2026	Change (Rate)
Total Assets	1,212.6	1,236.0	+23.3 (+2%)
Shareholder's Equity	360.2	363.3	+3.1 (+1%)
Owner's Equity	427.4	436.5	+9.0 (+2%)
Owner's equity ratio (taking account of hybrid loan)	35.3% (37.3%)	35.3% (37.3%)	–
Interest-bearing Debt	357.0	371.0	+14.0 (+4%)
Net Interest-bearing Debt	271.4	280.3	+8.9 (+3%)
Net D/E Ratio (taking account of hybrid loan)	63% (54%)	64% (55%)	+0.7pt

Main Factors
Increased due to an increase in trade receivables and land, among other factors.
Owner's Equity increased due to the accumulation of retained earnings from net income attributable to owners of the company and changes in foreign currency translation adjustments.
Interest-bearing debt increased due to an increase in commercial paper and short-term borrowings.

Impacts of Profits/Losses from Market Value Accounting and Temporary Factors

■ Actual ordinary income amounted to JPY 15.4bn—27% of the forecast—after excluding valuation and temporary items. (See p.18.)



Major Disclosed Investments

User Issue-Solving Business

Consolidation of Associated Steel Group, LLC in the United States

Hanwa, together with the Development Bank of Japan Inc. ("DBJ"), plans to acquire all equity interests in Associated Steel Group, LLC ("ASG"), a U.S.-based company.

ASG is a steel structures manufacturing group that provides Pre-Engineered Metal Building (PEMB) systems, primarily for non-residential buildings in the southern United States, in which steel components designed and fabricated at factories are assembled on-site.

Through the consolidation of ASG, Hanwa will acquire a business platform in the PEMB sector in the Americas. Leveraging ASG as a foundation, Hanwa aims to maximize synergies by not only strengthening its downstream operations but also building and reinforcing an integrated supply chain covering the entire value chain, including upstream North American steel manufacturers.

Investment structure	: Co-investment by HANWA AMERICAN CORP. and DBJ
Closing date	: FY2026
Purchase price	: US$347 million
Business	: Manufacturing and sales of custom-designed steel structures and related products for non-residential use in the United States

Major Projects of ASG and Its Group Companies

Social Issue-Solving Business

Participation in Nickel-Cobalt Intermediate Material (MHP) Production Project in Indonesia

Participated in a nickel-cobalt mixed hydroxide precipitate ("MHP") production project operated by PT. Teluk Metal Industry ("TMI") in the Republic of Indonesia.

The project is an international joint venture involving an Australian mining company, a Singapore-based investment company, and a Japan-Korea consortium including Hanwa, aimed at strengthening the nickel supply chain serving growth sectors such as electric vehicles, semiconductors, and aerospace.

The project will strengthen Hanwa's nickel supply base through MHP production while advancing the metal raw materials supply chain for a broad range of applications beyond battery materials. It will also contribute to the stable procurement of critical minerals in Japan and support the development of industrial infrastructure.

Investment structure	: Investment by HANWA SINGAPORE (PRIVATE) LTD.
Closing date	: November 2026
Business	: MHP production
Expected Start of Production	: In 2027

Image of TMI's Plant Upon Completion

MHP

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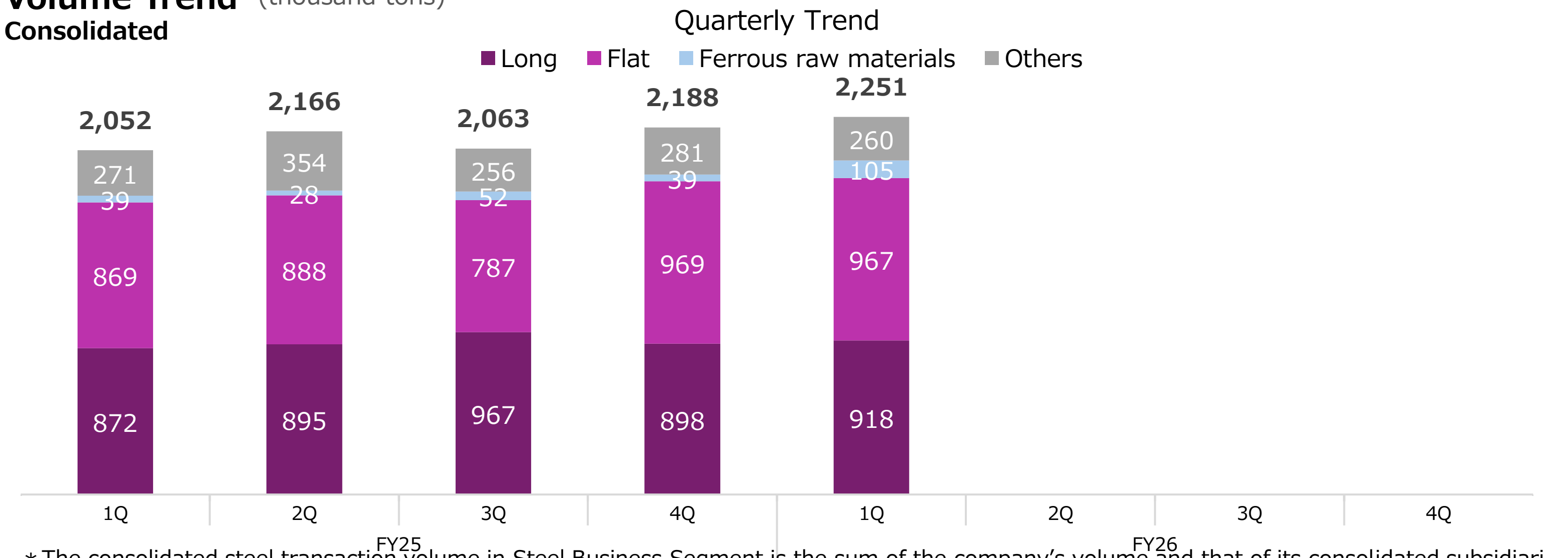
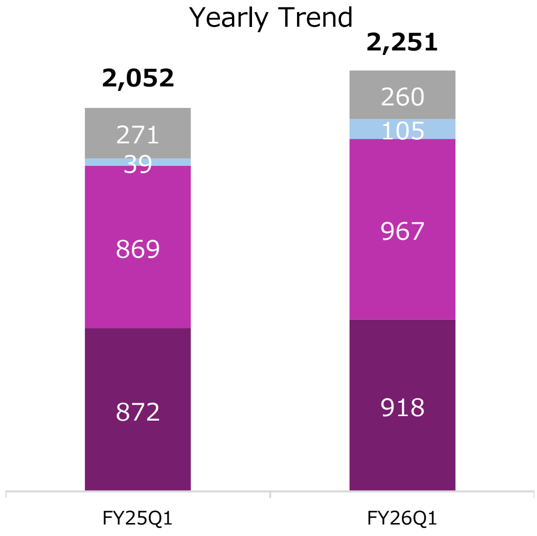
Steel Business Segment

(billions of yen)	FY2025 Q1	FY2025 Q2	FY2025 Q3	FY2025 Q4	FY2025 Total	FY2026 Q1	FY2026 Q2	FY2026 Q3	FY2026 Q4	FY2026 Total	YoY Change (YoY Rate)
Net Sales	270.0	270.6	266.1	265.1	1,071.9	272.4				272.4	+2.4 (+1%)
Ordinary income	9.7	7.8	10.6	10.4	**38.7**	8.4				**8.4**	-1.3 (-14%)
Parent only	8.5	6.6	8.6	6.4	**30.4**	7.1				**7.1**	-1.4 (-17%)
Domestic consolidated subsidiaries	0.7	0.9	1.0	1.1	**3.9**	1.8				**1.8**	+1.1 (+149%)
Overseas consolidated subsidiaries	0.8	0.8	1.0	0.7	**3.4**	0.7				**0.7**	-0.1 (-17%)
Equity in earnings of affiliates	0.5	-0.1	0.0	2.2	**2.6**	0.2				**0.2**	-0.2 (-53%)
Adjustment	-0.9	-0.5	-0.1	-0.1	**-1.7**	-1.5				**-1.5**	-0.5 (－)

Volume Trend (thousand tons)

Consolidated





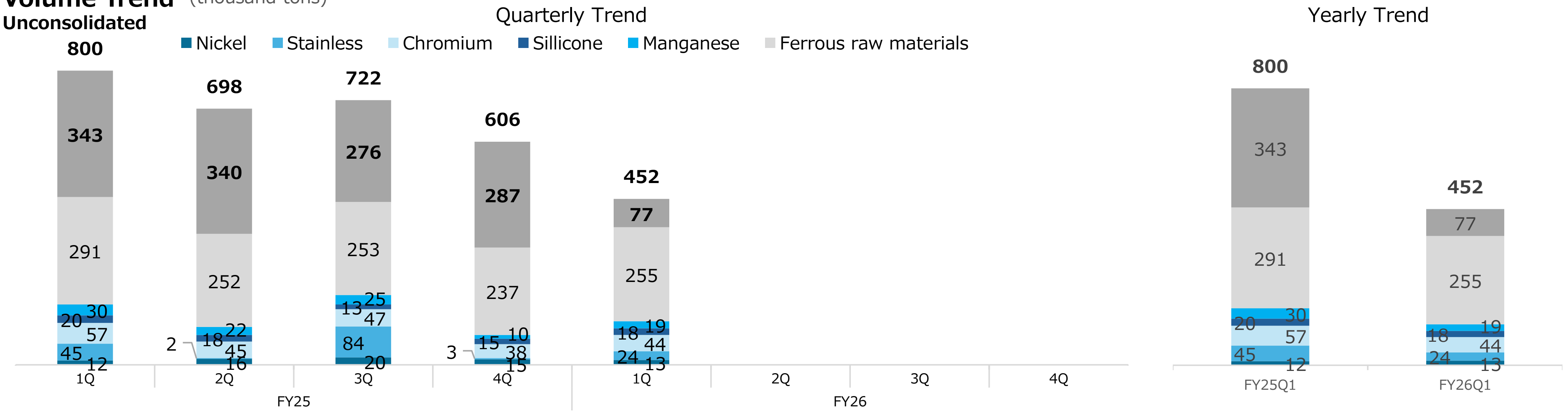
＊The consolidated steel transaction volume in Steel Business Segment is the sum of the company's volume and that of its consolidated subsidiaries which is classified in Steel Business Segment. Please refer to p.3 for the total volume of steel handled in all business segments.

Primary Metal Business Segment

(billions of yen)	FY2025 Q1	Q2	Q3	Q4	Total	FY2026 Q1	Q2	Q3	Q4	Total	YoY Change (YoY Rate)
Net Sales	55.1	53.9	67.3	67.6	244.1	62.5				62.5	+7.4 (+13%)
Ordinary income	-0.5	-0.6	1.5	-0.4	**-0.1**	-0.2				**-0.2**	+0.3 (－)
Parent only	1.2	0.2	1.5	0.8	**3.8**	1.0				**1.0**	-0.2 (-17%)
of which Dividend Income	0.0	0.0	0.8	0.0	**0.8**	0.0				**0.0**	+0.0 (+157%)
Domestic consolidated subsidiaries	-0.0	-0.0	-0.0	-0.0	**-0.0**	-0.0				**-0.0**	+0.0 (－)
Overseas consolidated subsidiaries	－	－	－	－	**－**	－				**－**	－ (－)
Equity in earnings of affiliates	-1.8	-0.8	-0.0	-1.2	**-4.0**	-1.2				**-1.2**	+0.5 (－)
Adjustment	-0.0	－	0.0	－	**－**	－				**－**	+0.0 (－)

Volume Trend (thousand tons)

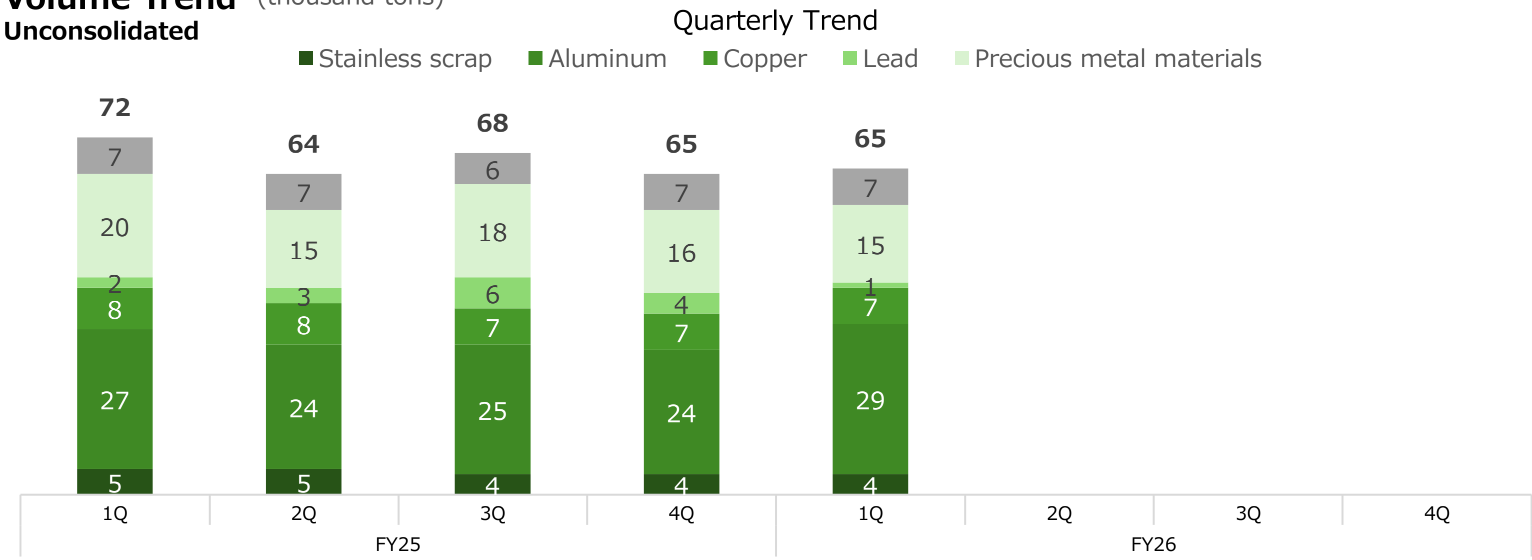
Unconsolidated

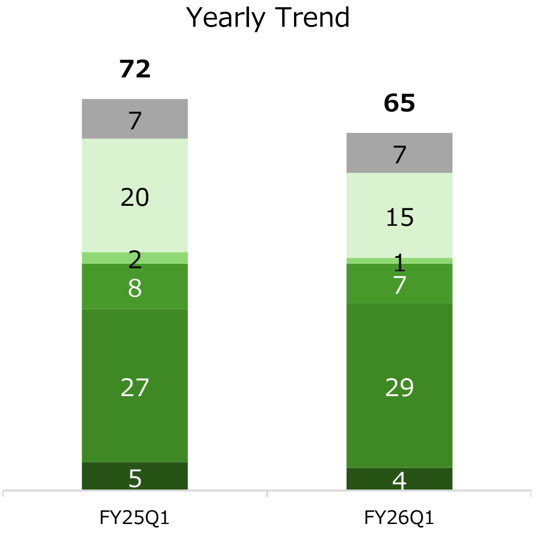


Metal Recycling Business Segment

(billions of yen)	FY2025 Q1	FY2025 Q2	FY2025 Q3	FY2025 Q4	FY2025 Total	FY2026 Q1	FY2026 Q2	FY2026 Q3	FY2026 Q4	FY2026 Total	YoY Change (YoY Rate)
Net Sales	64.0	63.3	69.3	87.4	284.2	87.4				87.4	+23.3 (+36%)
Ordinary income	-0.0	0.3	-2.3	3.3	**1.3**	2.6				**2.6**	+2.7 (−)
Parent only	-0.2	0.2	-2.3	2.9	**0.6**	2.3				**2.3**	+2.5 (−)
Domestic consolidated subsidiaries	0.1	0.0	0.0	0.4	**0.6**	0.3				**0.3**	+0.2 (+209%)
Overseas consolidated subsidiaries	-0.0	-0.0	-0.0	-0.0	**-0.0**	0.0				**0.0**	+0.0 (−)
Equity in earnings of affiliates	0.0	0.0	0.0	0.0	**0.1**	0.0				**0.0**	-0.0 (-95%)
Adjustment	-0.0	0.0	0.0	-0.0	**0.0**	-0.1				**-0.1**	-0.0 (−)

Volume Trend (thousand tons)
Unconsolidated



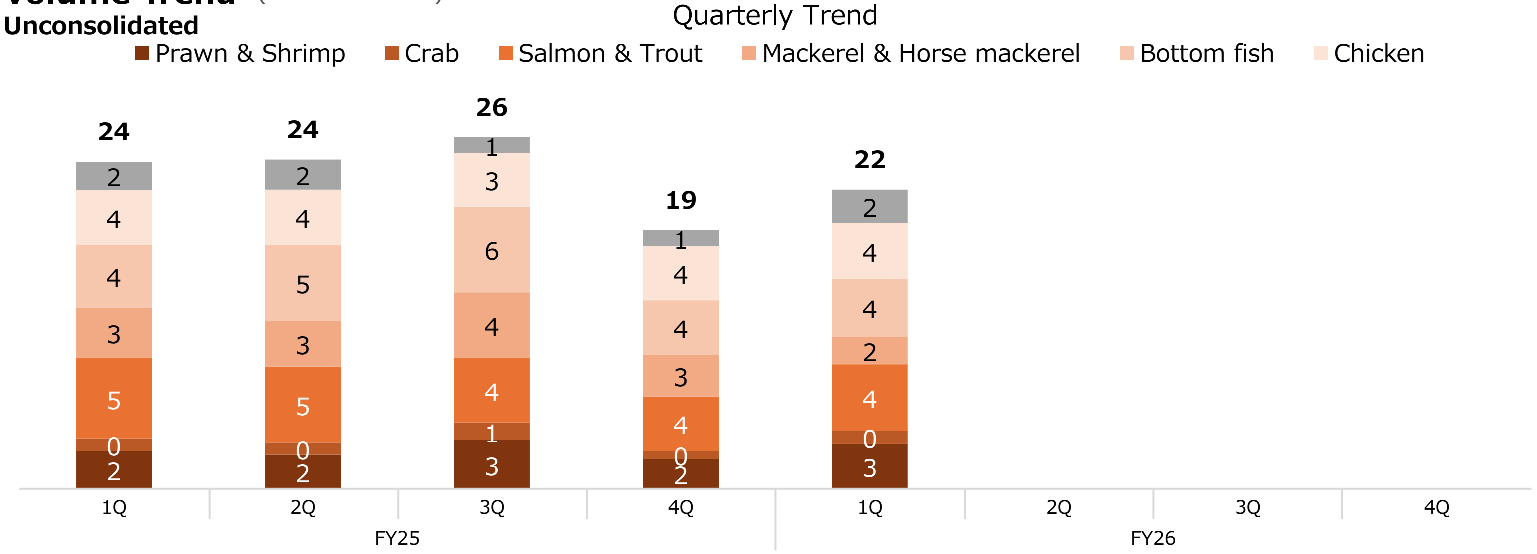


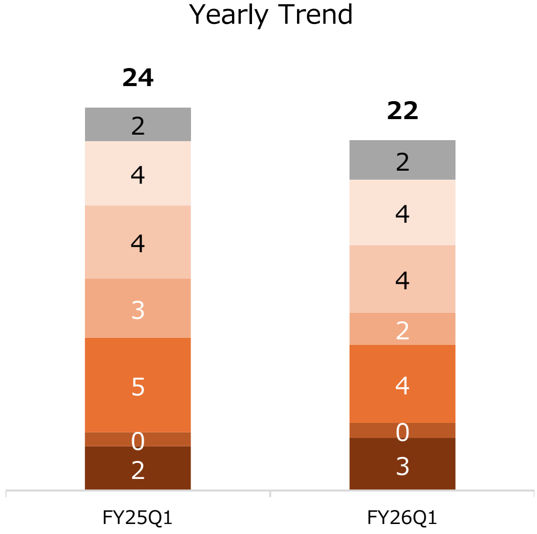
Food Business Segment

(billions of yen)	FY2025 Q1	FY2025 Q2	FY2025 Q3	FY2025 Q4	FY2025 Total	FY2026 Q1	FY2026 Q2	FY2026 Q3	FY2026 Q4	FY2026 Total	YoY Change (YoY Rate)
Net Sales	35.6	35.9	46.9	31.9	150.5	39.3				39.3	+3.7 (+10%)
Ordinary income	0.9	0.8	1.4	-0.2	**3.0**	0.9				**0.9**	-0.0 (-3%)
Parent only	0.1	0.3	0.7	-0.5	**0.7**	0.5				**0.5**	+0.3 (+166%)
Domestic consolidated subsidiaries	0.5	0.4	0.6	0.2	**1.8**	0.6				**0.6**	+0.0 (+7%)
Overseas consolidated subsidiaries	0.2	0.1	-0.0	-0.0	**0.3**	0.0				**0.0**	-0.1 (-72%)
Equity in earnings of affiliates	–	–	–	–	**–**	–				**–**	– (–)
Adjustment	-0.0	-0.0	0.1	0.0	**0.0**	-0.2				**-0.2**	-0.2 (–)

Volume Trend (thousand tons)

Unconsolidated

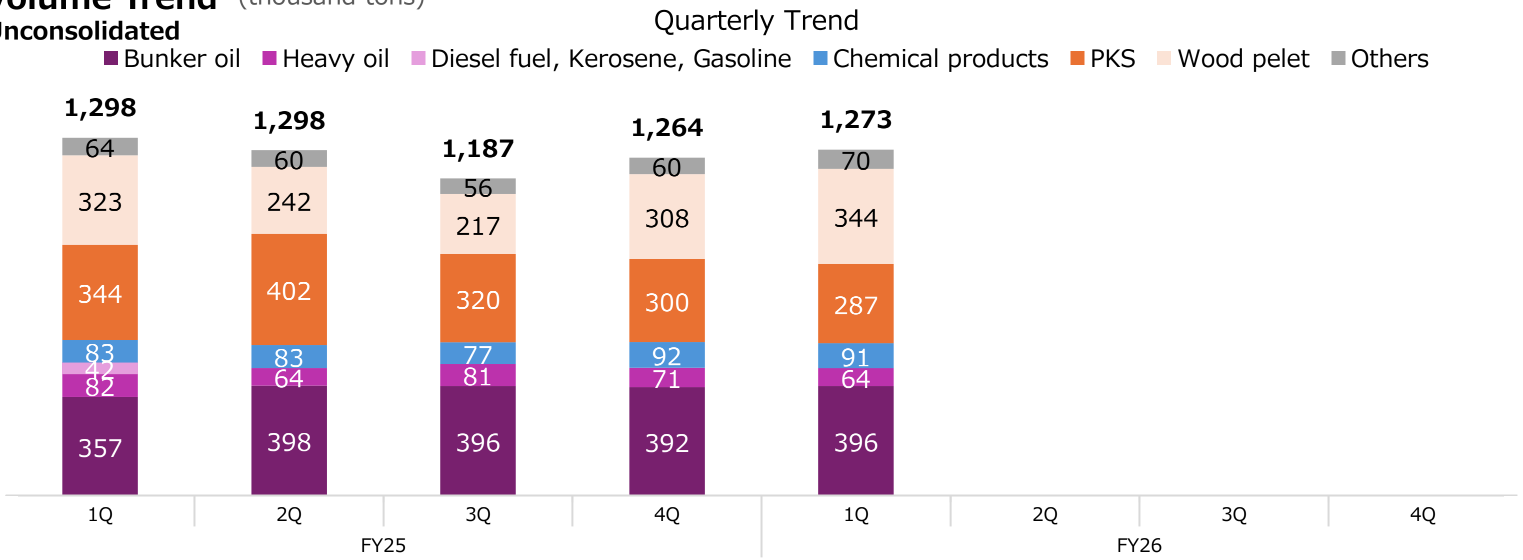


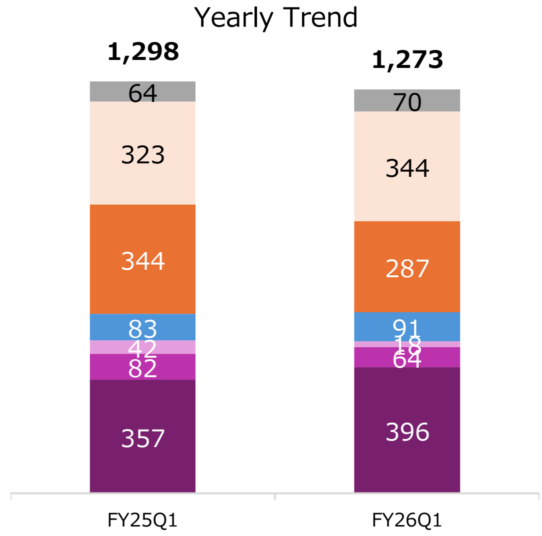


Energy & Living Materials Business Segment

(billions of yen)	FY2025 Q1	FY2025 Q2	FY2025 Q3	FY2025 Q4	FY2025 Total	FY2026 Q1	FY2026 Q2	FY2026 Q3	FY2026 Q4	FY2026 Total	YoY Change (YoY Rate)
Net Sales	93.6	92.3	93.4	104.2	383.7	123.7				123.7	+30.1 (+32%)
Ordinary income	2.4	1.4	1.7	2.8	**8.5**	5.6				**5.6**	+3.1 (+127%)
Parent only	2.6	1.3	1.9	1.8	**7.7**	5.1				**5.1**	+2.4 (+92%)
Domestic consolidated subsidiaries	0.3	0.0	-0.2	1.0	**1.1**	1.0				**1.0**	+0.7 (+214%)
Overseas consolidated subsidiaries	–	–	–	–	**–**	–				**–**	– (–)
Equity in earnings of affiliates	0.0	0.0	0.0	-0.0	**0.0**	0.0				**0.0**	+0.0 (+46%)
Adjustment	-0.5	-0.0	0.0	0.0	**-0.5**	-0.5				**-0.5**	-0.0 (–)

Volume Trend (thousand tons)
Unconsolidated



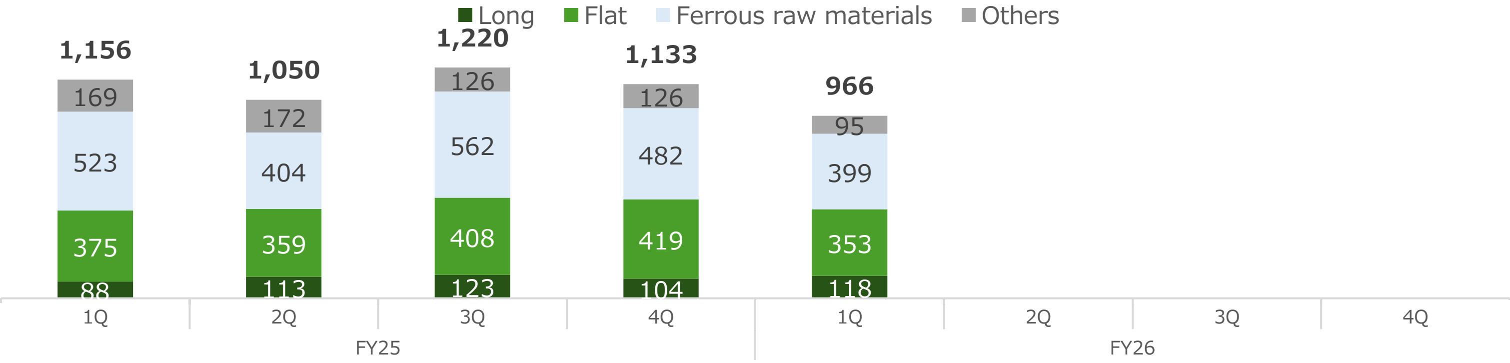


Oversea Sales Subsidiaries Segment

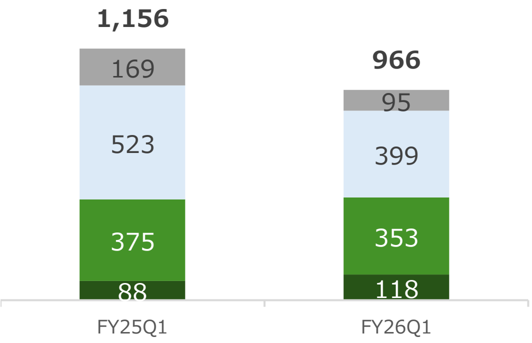
(billions of yen)	FY2025 Q1	FY2025 Q2	FY2025 Q3	FY2025 Q4	FY2025 Total	FY2026 Q1	FY2026 Q2	FY2026 Q3	FY2026 Q4	FY2026 Total	YoY Change (YoY Rate)
Net Sales	118.4	126.9	135.8	136.4	517.7	141.4				141.4	+22.9 (+19%)
Ordinary income	1.8	0.8	1.3	1.4	**5.5**	1.6				**1.6**	-0.1 (-10%)
ASEAN	1.2	0.3	0.9	0.9	**3.5**	1.0				**1.0**	-0.1 (-15%)
Singapore	0.4	-0.3	0.2	0.3	**0.6**	0.1				**0.1**	-0.3 (-74%)
Indonesia	0.3	0.3	0.6	0.4	**1.7**	0.4				**0.4**	+0.0 (+13%)
Thailand	0.3	0.1	0.0	0.1	**0.6**	0.4				**0.4**	+0.0 (+19%)
East Asia	0.1	0.1	0.2	0.2	**0.7**	0.2				**0.2**	+0.1 (+81%)
North America	0.3	0.3	0.1	0.2	**0.9**	0.3				**0.3**	+0.0 (+24%)
Others	0.1	0.0	0.0	0.0	**0.2**	-0.0				**-0.0**	-0.1 (−)
Adjustment	0.0	0.0	-0.0	-0.0	**0.0**	-0.0				**-0.0**	-0.0 (−)

Volume Trend (thousand tons)
Sum of Overseas Sales Subsidiaries

Quarterly Trend



Yearly Trend



Other Business Segment

(billions of yen)	FY2025 Q1	Q2	Q3	Q4	Total	FY2026 Q1	Q2	Q3	Q4	Total	YoY Change (YoY Rate)
Net Sales	31.2	31.8	34.5	36.2	133.9	33.2				33.2	+1.9 (+6%)
Ordinary income	0.6	0.4	0.4	0.6	**2.1**	0.6				**0.6**	-0.0 (-7%)
Parent only	0.6	0.2	0.4	0.5	**1.8**	0.2				**0.2**	-0.3 (-57%)
Domestic consolidated subsidiaries	0.2	0.3	0.1	0.2	**0.8**	0.1				**0.1**	-0.0 (-10%)
Overseas consolidated subsidiaries	–	–	–	–	**–**	–				**–**	– (–)
Equity in earnings of affiliates	–	–	–	–	**–**	–				**–**	– (–)
Adjustment	-0.2	-0.1	-0.1	-0.1	**-0.6**	0.1				**0.1**	+0.3 (–)

Actual Ordinary Income by Segment

		Steel 1Q	Steel 2Q	Steel 3Q	Steel 4Q	Steel Total	Primary Metal 1Q	Primary Metal 2Q	Primary Metal 3Q	Primary Metal 4Q	Primary Metal Total	Metal Recycling 1Q	Metal Recycling 2Q	Metal Recycling 3Q	Metal Recycling 4Q	Metal Recycling Total
Sales		272.4				272.4	62.5				62.5	87.4				87.4
Ordinary Income		8.4				8.4	▲0.2				▲0.2	2.6				2.6
Valuations	Inventory	0.2				0.2	▲0.0				▲0.0	0.0				0.0
	Foreign Exchange	–				–	–				–	–				–
	Derivative	–				–	▲0.1				▲0.1	1.4				1.4
	One-time Factors	0.0				0.0	–				–	–				–
Actual Ordinary Income		8.1				8.1	▲0.1				▲0.1	1.1				1.1
Progress rate						24%					-					31%

		Food 1Q	Food 2Q	Food 3Q	Food 4Q	Food Total	Energy & Living Materials 1Q	Energy & Living Materials 2Q	Energy & Living Materials 3Q	Energy & Living Materials 4Q	Energy & Living Materials Total	Overseas Sales Subsidiaries 1Q	Overseas Sales Subsidiaries 2Q	Overseas Sales Subsidiaries 3Q	Overseas Sales Subsidiaries 4Q	Overseas Sales Subsidiaries Total
Sales		39.3				39.3	123.7				123.7	141.4				141.4
Ordinary Income		0.9				0.9	5.6				5.6	1.6				1.6
Valuations	Inventory	0.0				0.0	▲0.1				▲0.1	0.0				0.0
	Foreign Exchange	–				–	–				–	–				–
	Derivative	–				–	1.1				1.1	0.7				0.7
	One-time Factors	–				–	▲0.0				▲0.0	–				–
Actual Ordinary Income		0.8				0.8	4.5				4.5	0.9				0.9
Progress rate						26%					46%					14%

		Other 1Q	Other 2Q	Other 3Q	Other 4Q	Other Total	Adjustments 1Q	Adjustments 2Q	Adjustments 3Q	Adjustments 4Q	Adjustments Total	Total 1Q	Total 2Q	Total 3Q	Total 4Q	Total Total
Sales		33.2				33.2	▲41.6				▲41.6	718.5				718.5
Ordinary Income		0.6				0.6	▲0.5				▲0.5	19.0				19.0
Valuations	Inventory	0.0				0.0	–				–	0.2				0.2
	Foreign Exchange	–				–	0.0				0.0	0.0				0.0
	Derivative	–				–	–				–	3.2				3.2
	One-time Factors	–				–	–				–	▲0.0				▲0.0
Actual Ordinary Income		0.5				0.5	▲0.6				▲0.6	15.4				15.4
Progress rate						16%					–					27%

HANWA

Connecting All Wants and Needs

Forward-Looking Statement

- The performance outlook and other data disclosed in this material are prepared based on information available at the time of publication of this material and involve risks and uncertainties. They do not guarantee the achievement of any targets or forecasts, nor future performance.
- Such information may be changed without notice. Accordingly, readers are advised not to place undue reliance solely on these forecasts or forward-looking statements.
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