

Outline of Financial Results for the Nine months ended December 31, 2025

February 2026
HANWA CO., LTD.

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.

- 1. Summary of FY2025 Q3 Financial Results and Progress**
- 2. Progress on Medium-Term Business Plan 2025**
- 3. Details by Business Segment**

1. Summary of FY2025 Q3 Financial Results and Progress

Summary of Consolidated Financial Results

- Ordinary income for the cumulative Q3 of FY2025 was 36.4bn yen, making 66% progress toward the full-year forecast of 55bn yen. Actual ordinary income amounted to 42.9bn yen—78% of the forecast—after excluding valuation and temporary items. (See p.26.)
- The full-year forecast remains unchanged (The segment breakdown has been updated).

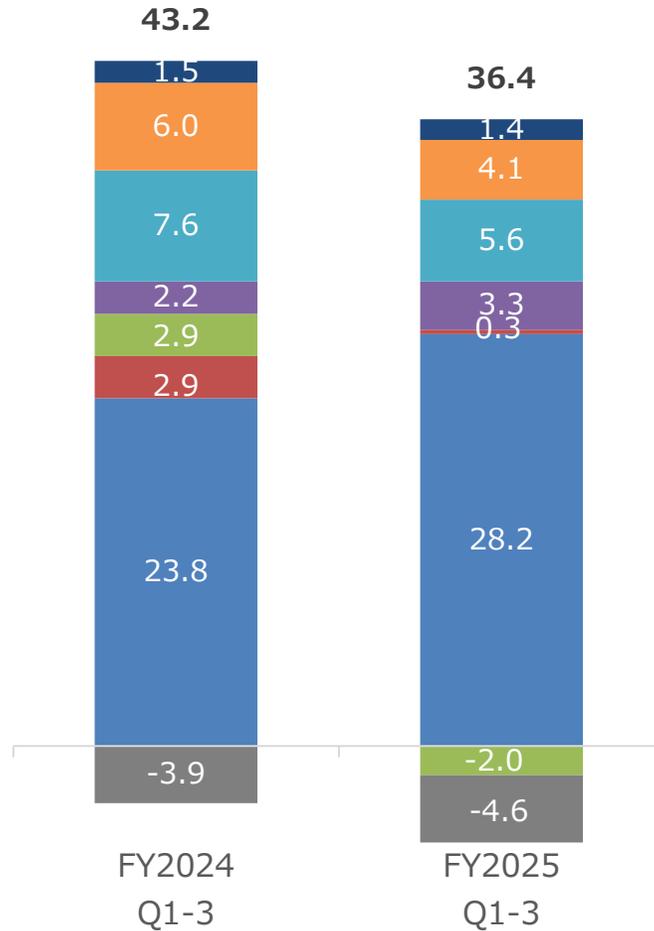
(billions of yen)	FY2024 Q1-3	FY2025 Q1-3	YoY change	FY2025 Forecast	Progress
Net Sales	1,919.5	1,965.4	+45.8 (+2%)	2,600	76%
Gross Profit	103.8	102.3	-1.5 (-1%)	—	—
Operating Income	47.3	41.4	-5.9 (-12%)	55	75%
Ordinary Income	43.2	36.4	-6.7 (-16%)	55	66%
Net Income Attributable to Owners of the Company	31.7	25.6	-6.1 (-19%)	40	64%
Consolidated Steel Transaction Volume (million metric tons) *	9.86	10.73	+0.87 (+9%)	—	—

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

Segment Information (Consolidated)

(billions of yen)

Ordinary Income by Segment



Business Segment	FY2024 Q1-3	FY2025 Q1-3	YoY Change (YoY Rate)
Steel	23.8	28.2	+4.4 (+19%)
Primary Metal	2.9	0.3	-2.6 (-90%)
Metal Recycling	2.9	-2.0	-5.0 (-)
Foods	2.2	3.3	+1.0 (+49%)
Energy & Living Materials	7.6	5.6	-1.9 (-25%)
Overseas Sales Subsidiaries	6.0	4.1	-1.9 (-32%)
Other	1.5	1.4	-0.0 (-3%)
Adjustment	-3.9	-4.6	-0.6 (-)
Total	43.2	36.4	-6.7 (-16%)

Main Factors

Increased due to steady sales of construction materials, and improved profitability in some overseas subsidiaries.

Decreased due to equity in losses from SAMANCOR CHROME HOLDINGS PROPRIETARY LTD.

Due to valuation losses on derivative transactions used to hedge inventory price fluctuation risks, accounting ordinary income decreased by 5.0bn yen. However, on actual ordinary income, the impact was limited to a 0.2bn yen decrease(FY24 3Q cumulative 2.3bn yen → FY25 3Q cumulative 2.1bn yen).

Increased due to the sales growth to food service industry in a US subsidiary and the contribution from a newly consolidated subsidiary.

Decreased due to sluggish crude oil prices and deteriorating profitability in the chemicals business.

Decreased due to the deterioration mainly in the profitability of steel products.

Housing Materials: Decreased due to the sluggish European lumber market.
Machinery: The number of completed projects in the industrial machinery sector increased.

Quarterly Ordinary Income by Segment: Actual Results and Full-Year Forecast

(billions of yen)

Business Segments	FY2025 Full Year Forecast		FY2025 Results				Progress Against the Revised Forecast c/b	Changes from Initial Forecast b-a	Progress and Reasons for the Revised Forecast
	Initial a	as of Feb. '26 b	Q1	Q2	Q3	Q1-3 c			
Steel	29.0	37.0	9.7	7.8	10.6	28.2	76%	+8.0	The forecast was revised upward, reflecting profit contributions from steady sales of construction materials.
Primary Metal	3.5	2.5	-0.5	-0.6	1.5	0.3	12%	-1.0	The forecast was revised downward, taking into account the decline in equity-method earnings resulting from SAMANCOR's deteriorating performance.
Metal Recycling	3.5	3.5	-0.0	0.3	-2.3	-2.0	–	–	The forecast remained unchanged, despite the recognition of a temporary derivative valuation loss, as trading in precious metal materials remained firm.
Foods	3.0	3.0	0.9	0.8	1.4	3.3	110%	–	The forecast remained unchanged, as the upcoming fourth quarter is a slow season, even though sales to mass retailers have remained stable.
Energy & Living Materials	12.0	8.0	2.4	1.4	1.7	5.6	71%	-4.0	The forecast was revised downward, taking into account the prolonged profit margin compression in petroleum products.
Overseas Sales Subsidiaries	7.5	5.5	1.8	0.8	1.3	4.1	75%	-2.0	The forecast was revised downward, taking into account the deterioration in supply-demand conditions for steels and other products, particularly in ASEAN, caused by trade disputes.
Other	2.5	2.5	0.6	0.4	0.4	1.4	58%	–	The forecast remained unchanged.
Adjustment	-6.0	-7.0	-1.0	-1.3	-2.2	-4.6	–	-1.0	
Total	55.0	55.0	14.0	9.8	12.5	36.4	66%	–	

Quarterly Ordinary Income by Segment

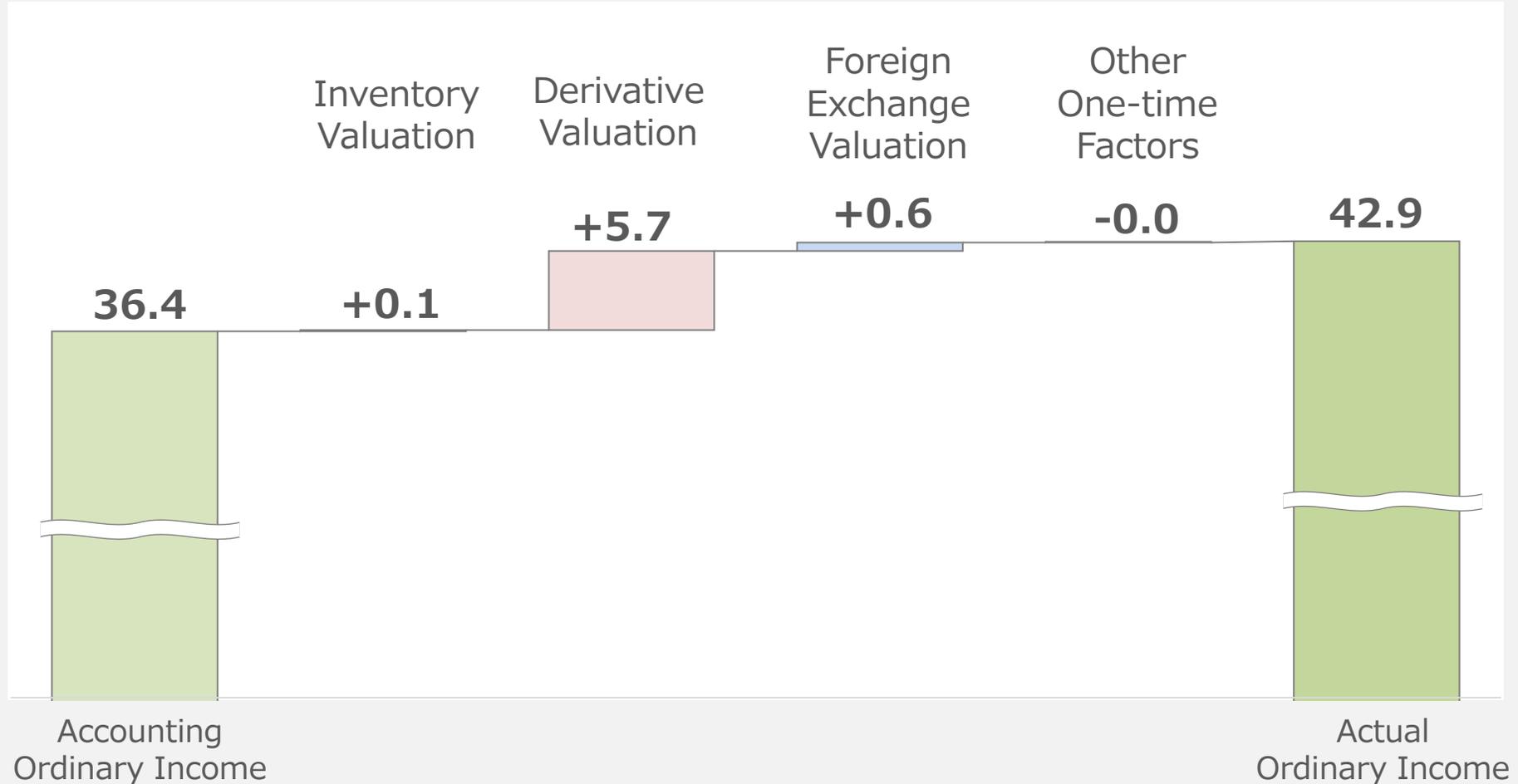
(billions of yen)

Business Segment	FY2024					FY2025					YoY Change
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	YTD	
Steel	7.7	6.4	9.6	9.3	33.1	9.7	7.8	10.6	–	28.2	+4.4
Primary Metal	1.1	2.2	-0.4	3.0	6.0	-0.5	-0.6	1.5	–	0.3	-2.6
Metal Recycling	0.7	0.7	1.4	0.1	3.0	-0.0	0.3	-2.3	–	-2.0	-5.0
Foods	0.3	0.4	1.4	0.0	2.3	0.9	0.8	1.4	–	3.3	+1.0
Energy & Living Materials	1.4	3.6	2.4	2.7	10.4	2.4	1.4	1.7	–	5.6	-1.9
Overseas Sales Subsidiaries	1.6	2.0	2.3	2.1	8.2	1.8	0.8	1.3	–	4.1	-1.9
Other	0.9	0.1	0.4	0.8	2.4	0.6	0.4	0.4	–	1.4	-0.0
Adjustment	-1.8	0.1	-2.3	-1.9	-5.9	-1.0	-1.3	-2.2	–	-4.6	-0.6
Total	12.3	15.7	15.0	16.5	59.7	14.0	9.8	12.5	–	36.4	-6.7

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

■ Actual ordinary income was **42.9bn yen** while accounting ordinary income was **36.4bn yen**.

(billions of yen)



Financial Position (Consolidated)

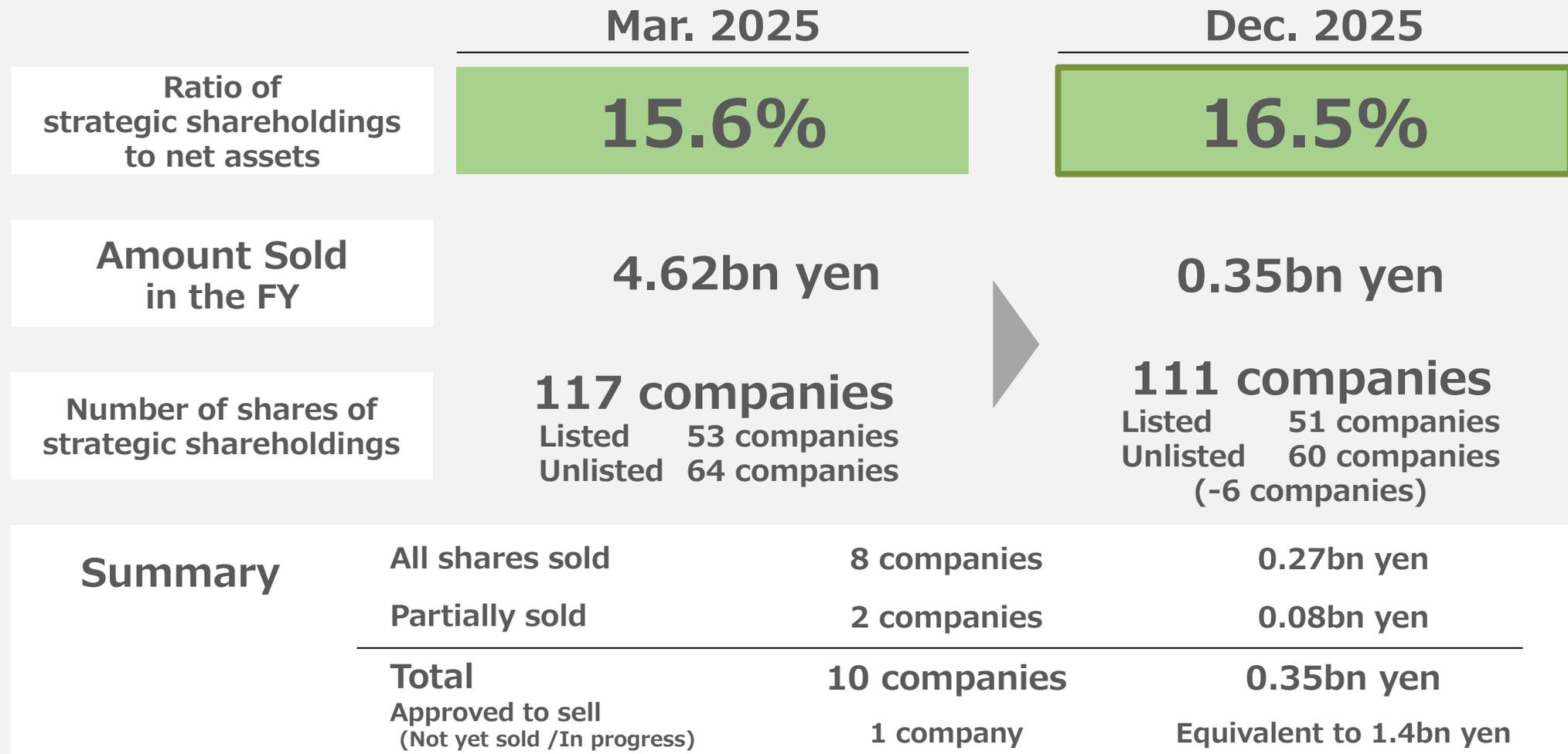
(billions of yen)

	Mar. 2025	Dec.2025	Change (Rate)	Main Factors
Total Assets	1,165.8	1,145.6	-20.1 (-2%)	Decreased due to reductions in cash and deposits as well as inventories.
Shareholder's Equity	339.6	349.3	+9.6 (+3%)	Owner's Equity increased mainly due to the accumulation of retained earnings from net income attributable to owners of the company, as well as an increase in valuation differences on available-for-sale securities.
Owner's Equity	383.0	399.7	+16.7 (+4%)	
Owner's equity ratio (taking account of hybrid loan)	32.9% (35.0%)	34.9% (37.1%)	+2.0pt	
Interest-bearing Debt	382.3	346.7	-35.5 (-9%)	Interest-bearing debt decreased due to a decline in working capital requirements.
Net Interest-bearing Debt	317.0	303.7	-13.2 (-4%)	
Net DER (taking account of hybrid loan)	83% (72%)	76% (66%)	-7pt	

2. Progress on Medium-Term Business Plan 2025

Reducing Strategic Shareholdings

- Sold shares of 10 companies for a total of 0.35bn yen through Q1-3 FY2025.
- Continue divestments to achieve a further reduction in terms of capital efficiency and asset replacement.



*We have acquired two unlisted stocks in Q1-3 FY2025.

Investments Updates FY2025 Q3

Segments	Amounts FY2025 Q1-3	Major Projects (during Mid-Term Business Plan 2025)	Cumulative amounts through MTP 2025 (Target: Total of 80bn yen)
Steel	5.6bn yen	<ul style="list-style-type: none"> Establishment of new factories at overseas coil center subsidiaries. Acquisition of Shares in Kanematsu Trading Corporation. 	20.6bn yen
Primary Metal	-	<ul style="list-style-type: none"> Investment in PMB TECHNOLOGY BERHAD etc. 	2.3bn yen
Metal Recycling	0.4bn yen	<ul style="list-style-type: none"> Capacity expansion of domestic consolidated subsidiaries etc. 	1.8bn yen
Foods	0.4bn yen	<ul style="list-style-type: none"> Incorporation of Marugo Fukuyama Suisan Co., Ltd. into the group etc. 	2.1bn yen
Energy & Living Materials	0.0bn yen	<ul style="list-style-type: none"> Capacity expansion of domestic consolidated subsidiaries etc. 	2.2bn yen
Overseas Sales Subsidiaries	2.4bn yen	<ul style="list-style-type: none"> Joint investment with Yamato Kogyo Group in Indonesia etc. Investment in GREEN ESTEEL PTE. LTD etc. 	16.0bn yen
Other	0.4bn yen	<ul style="list-style-type: none"> Acquisition of 100% of shares in Shinx Corporation etc. 	5.8bn yen
Whole Company	1.9bn yen	Construction/enhancement of new core system, acquisition of new land etc.	8.1bn yen
Total Amount	11.5bn yen		Cumulative Total 59.3bn yen

■ Environmentally Responsible Resources
 ■ Secondary Battery
 ■ High-Value-added processed products
 ■ Local business(Overseas)
 ■ Existing Business in Japan

Progress **74.2%**

3. Details by Business Segment

Steel Business Segment

- Decrease in transaction volume of flat products and falling prices of various steel products exerted downward pressure on sales.
- Profits increased due to steady sales of construction materials, solid performance in the domestic construction sector. sales at some overseas subsidiaries improved.

(billions of yen)	FY2024					FY2025					YoY Change
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	(YoY Rate)
Net Sales	293.9	290.0	289.3	281.8	1,155.2	270.0	270.6	266.1	–	806.8	-66.5 (-8%)
Ordinary income	7.7	6.4	9.6	9.3	33.1	9.7	7.8	10.6	–	28.2	+4.4 (+19%)
Parent only	7.1	6.2	7.8	7.7	29.0	8.5	6.6	8.6	–	23.9	+2.6 (+12%)
Domestic consolidated subsidiaries	0.9	1.0	1.1	0.7	3.8	0.7	0.9	1.0	–	2.7	-0.3 (-10%)
Overseas consolidated subsidiaries	0.3	-0.4	0.6	1.1	1.6	0.8	0.8	1.0	–	2.7	+2.1 (+393%)
Equity in earnings of affiliates	0.3	-0.0	-0.0	-0.1	0.0	0.5	-0.1	0.0	–	0.4	+0.2 (+91%)
Adjustment	-1.0	-0.3	-0.0	-0.1	-1.4	-0.9	-0.5	-0.1	–	-1.6	-0.2 (–)

* From Q3 FY2025, COSMOSTEEL HOLDINGS LTD. (equity-method affiliate) has been reclassified from the Steel Business Segment to the Overseas Sales Subsidiaries Segment. Prior-period figures have been restated accordingly.

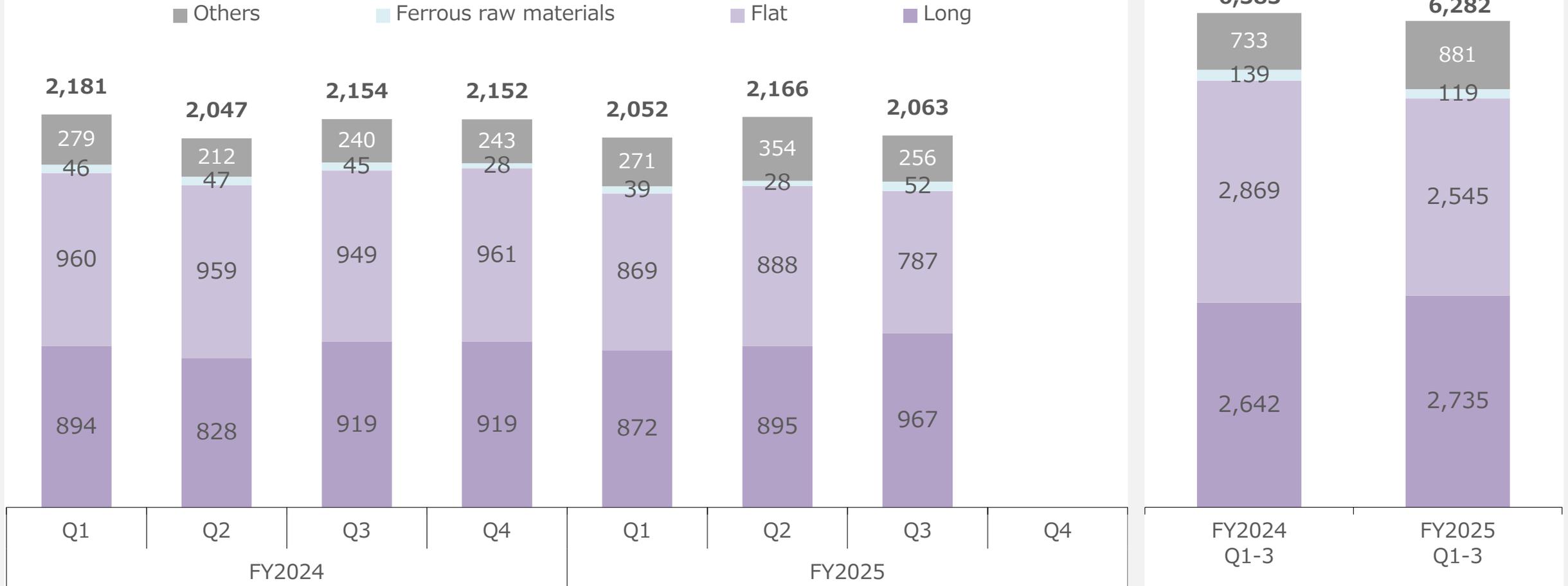
Steel Business Segment

Trend of Transaction Volume*
(Consolidated)

(thousand tons)

Quarterly Changes

Q1-3 Total



* 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

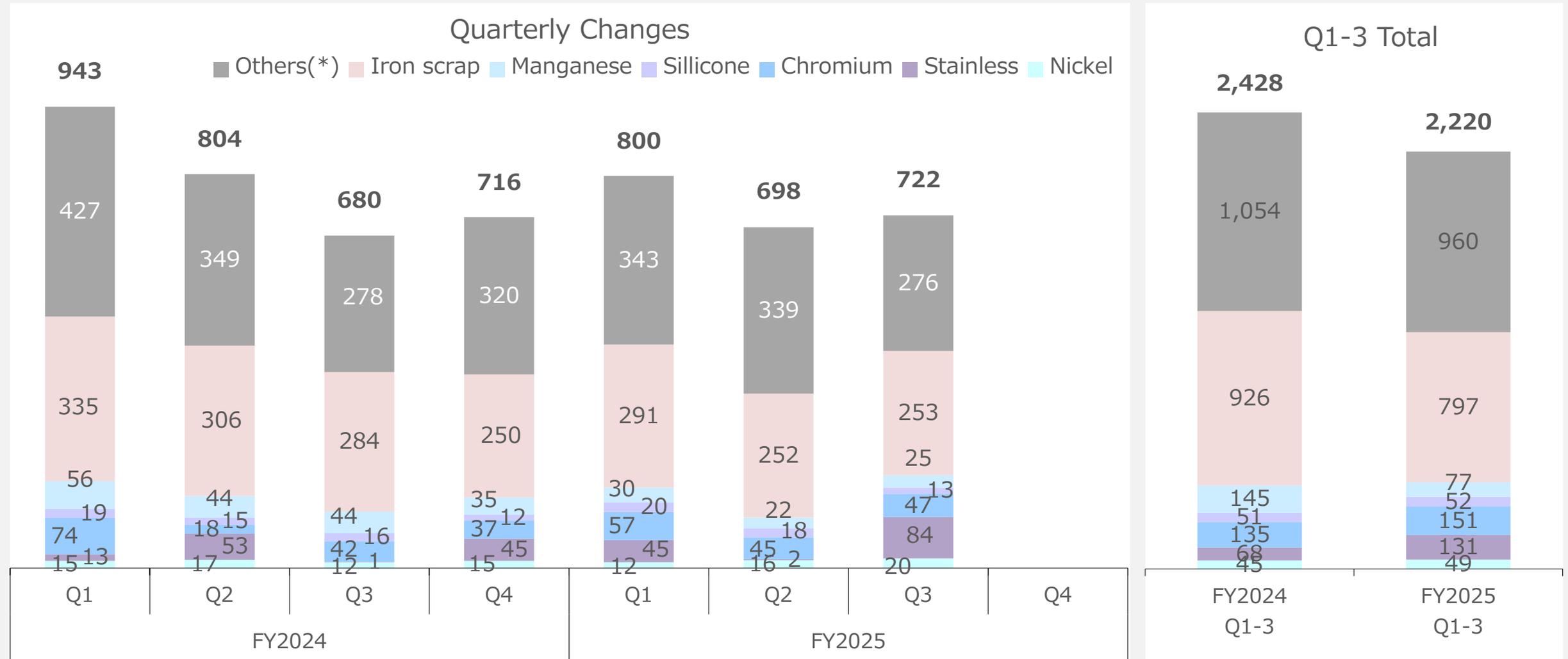
- Net sales were driven by the steady sales of certain auxiliary materials.
- Profits declined due to equity in losses from SAMANCOR CHROME HOLDINGS PROPRIETARY LTD.

(billions of yen)	FY2024					FY2025					YoY Change
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	(YoY Rate)
Net Sales	45.8	53.8	43.0	41.4	184.2	55.1	53.9	67.3	–	176.4	+33.6 (+24%)
Ordinary income	1.1	2.2	-0.4	3.0	6.0	-0.5	-0.6	1.5	–	0.3	-2.6 (-90%)
Parent only	0.8	1.6	1.2	0.5	4.3	1.2	0.2	1.5	–	3.0	-0.7 (-20%)
Domestic consolidated subsidiaries	-0.0	-0.0	0.0	-0.0	-0.0	-0.0	-0.0	-0.0	–	-0.0	-0.0 (–)
Overseas consolidated subsidiaries	–	–	–	–	–	–	–	–	–	–	– (–)
Equity in earnings of affiliates	0.2	0.5	-1.6	2.5	1.7	-1.8	-0.8	-0.0	–	-2.7	-1.9 (–)
Adjustment	-0.0	-0.0	–	0.0	-0.0	-0.0	–	0.0	–	–	+0.0 (-100%)

Primary Metal Business Segment

Trend of Transaction Volume
(Unconsolidated)

(thousand tons)



(*) 'Others' includes auxiliary materials such as sulfur, sulfuric acid, and coal etc.

Metal Recycling Business Segment

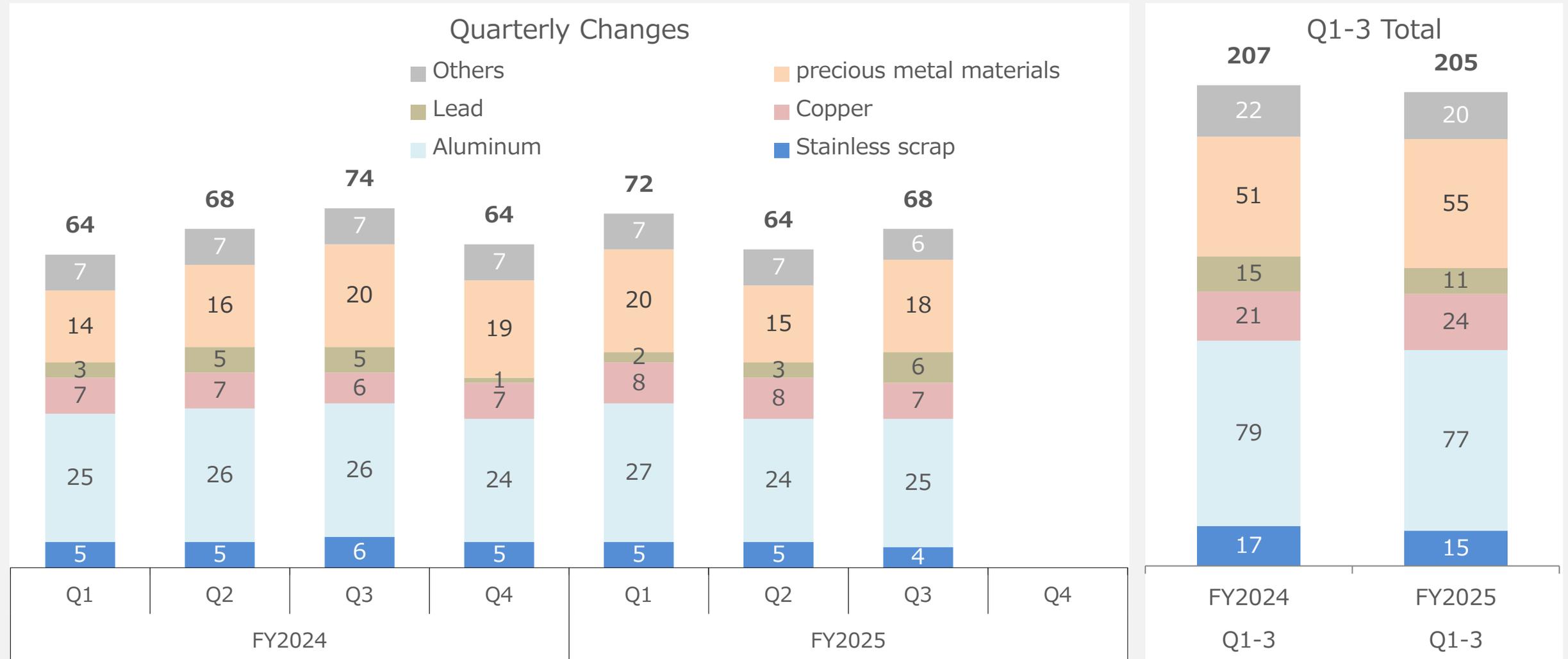
- Net sales were driven by an increase in transaction volume of precious metal materials.
- Profits decreased due to the recognition of derivative valuation losses arising from hedging transactions, which were triggered by soaring market prices for a wide range of metals such as aluminum, copper, and specialty metals.

(billions of yen)	FY2024					FY2025					YoY Change
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	(YoY Rate)
Net Sales	54.0	55.0	69.4	48.2	226.8	64.0	63.3	69.3	–	196.7	+18.0 (+10%)
Ordinary income	0.7	0.7	1.4	0.1	3.0	-0.0	0.3	-2.3	–	-2.0	-5.0 (–)
Parent only	0.5	0.6	1.3	0.0	2.5	-0.2	0.2	-2.3	–	-2.3	-4.9 (–)
Domestic consolidated subsidiaries	0.2	-0.0	0.0	0.1	0.5	0.1	0.0	0.0	–	0.2	-0.1 (-36%)
Overseas consolidated subsidiaries	-0.0	-0.0	0.0	-0.0	-0.1	-0.0	-0.0	-0.0	–	-0.0	+0.0 (–)
Equity in earnings of affiliates	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	–	0.0	+0.0 (+49%)
Adjustment	-0.0	0.0	-0.0	0.0	0.0	-0.0	0.0	0.0	–	0.0	+0.0 (+2%)

Metal Recycling Business Segment

**Trend of Transaction Volume
(Unconsolidated)**

(thousand tons)



※From this fiscal year, part of the transaction volume classification has been reorganized. The term "E-scrap" has been reclassified as "precious metal materials," and relevant materials previously categorized under "E-scrap," "others," and "copper" are currently being aggregated.

Foods Business Segment

- Net sales and profit increased due to the sales growth to food service industry in an US subsidiary and the contribution from the newly included subsidiary.

(billions of yen)	FY2024					FY2025					YoY Change
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	(YoY Rate)
Net Sales	29.3	36.5	42.1	32.4	140.4	35.6	35.9	46.9	–	118.5	+10.5 (+10%)
Ordinary income	0.3	0.4	1.4	0.0	2.3	0.9	0.8	1.4	–	3.3	+1.0 (+49%)
Parent only	0.5	0.1	1.0	0.1	1.8	0.1	0.3	0.7	–	1.2	-0.4 (-24%)
Domestic consolidated subsidiaries	0.0	0.0	0.3	-0.0	0.3	0.5	0.4	0.6	–	1.6	+1.2 (+278%)
Overseas consolidated subsidiaries	0.0	0.1	-0.0	0.1	0.3	0.2	0.1	-0.0	–	0.3	+0.1 (+76%)
Equity in earnings of affiliates	–	–	–	–	–	–	–	–	–	–	– (–)
Adjustment	-0.2	0.1	0.0	-0.1	-0.2	-0.0	-0.0	0.1	–	0.0	+0.1 (–)

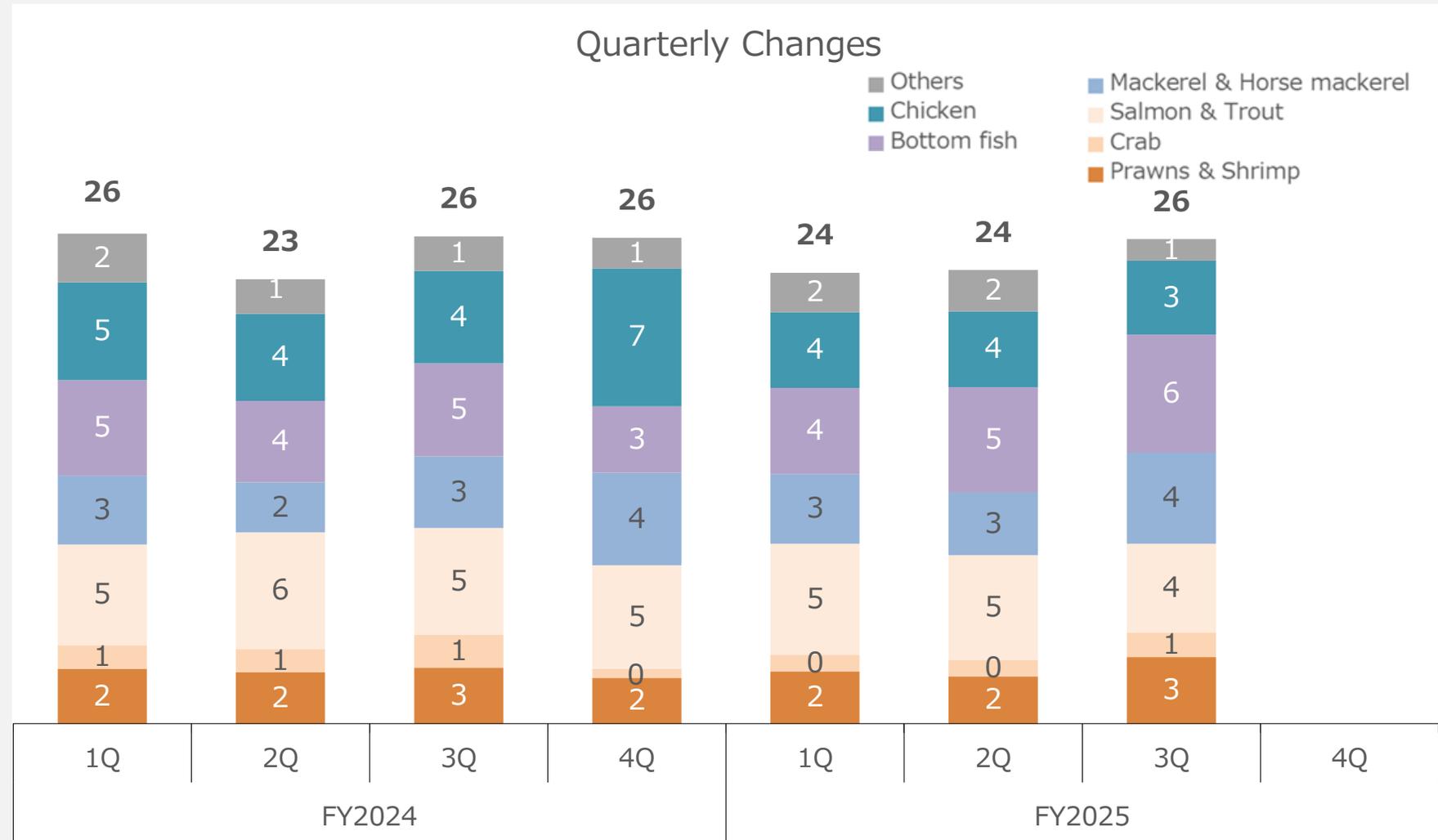
Foods Business Segment

Trend of Transaction Volume
(Unconsolidated)

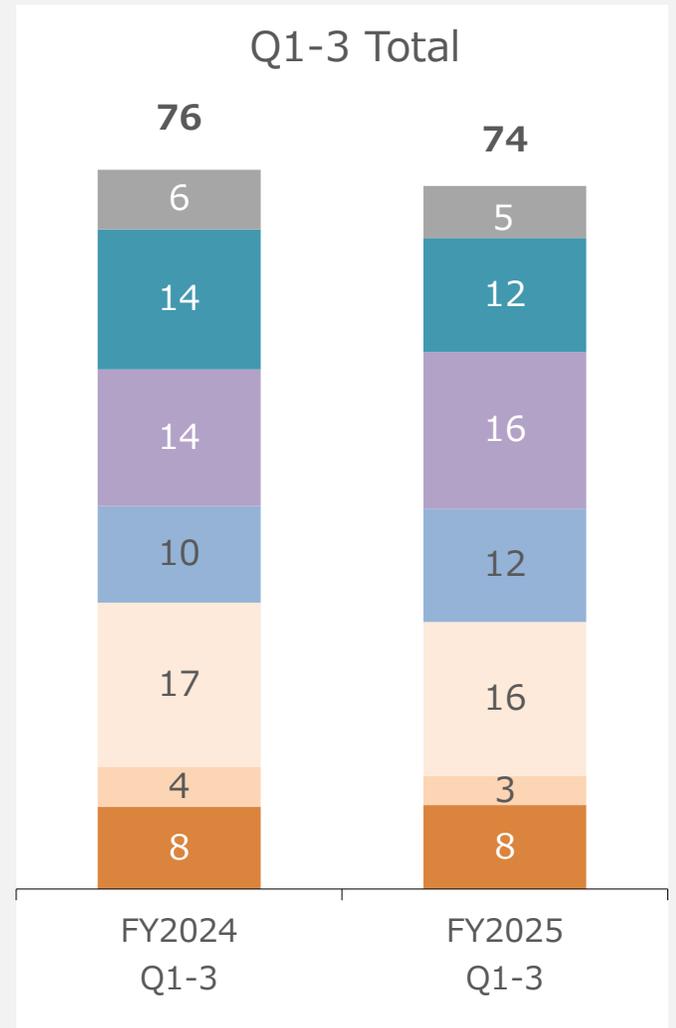
(thousand tons)

Quarterly Changes

- Others
- Chicken
- Bottom fish
- Mackerel & Horse mackerel
- Salmon & Trout
- Crab
- Prawns & Shrimp



Q1-3 Total



Energy & Living Materials Business Segment

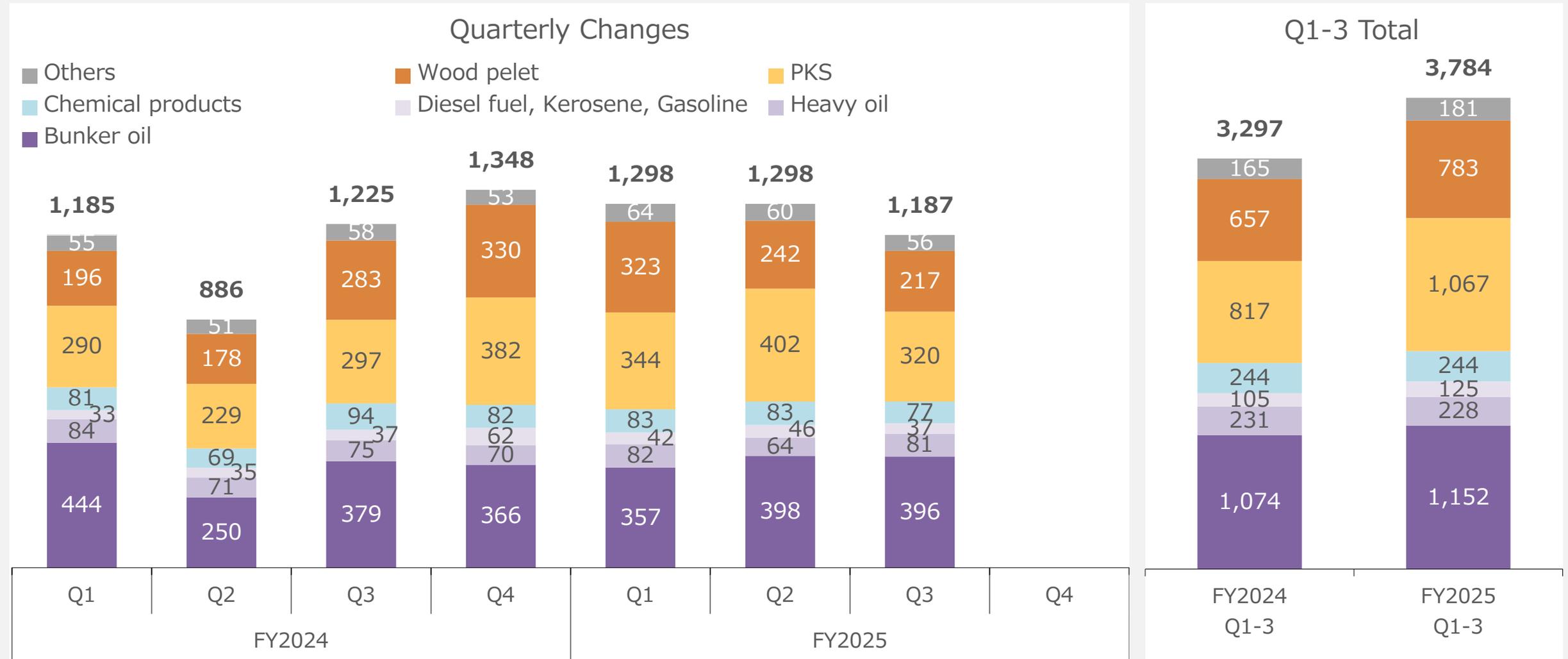
■ Net sales and profits decreased due to sluggish crude oil prices and deteriorating profitability in the chemicals business.

(billions of yen)	FY2024					FY2025					YoY Change
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	(YoY Rate)
Net Sales	93.6	90.9	99.8	107.3	391.6	93.6	92.3	93.4	–	279.4	-4.9 (-2%)
Ordinary income	1.4	3.6	2.4	2.7	10.4	2.4	1.4	1.7	–	5.6	-1.9 (-25%)
Parent only	1.9	2.6	2.6	1.8	9.0	2.6	1.3	1.9	–	5.9	-1.2 (-18%)
Domestic consolidated subsidiaries	-0.3	0.9	-0.1	0.8	1.4	0.3	0.0	-0.2	–	0.1	-0.3 (-66%)
Overseas consolidated subsidiaries	–	–	–	–	–	–	–	–	–	–	– (–)
Equity in earnings of affiliates	0.0	0.0	0.0	-0.0	0.0	0.0	0.0	0.0	–	0.1	+0.0 (+17%)
Adjustment	-0.1	-0.0	-0.0	0.0	-0.1	-0.5	-0.0	0.0	–	-0.5	-0.3 (–)

Energy & Living Materials Business Segment

Trend of Transaction Volume
(Unconsolidated)

(thousand tons)



Overseas Sales Subsidiaries Segment

- Scrap trading expanded in Southeast Asia, and the performance of newly consolidated subsidiaries boosted net sales.
- Profit decreased due to the deterioration mainly in the profitability of steel products.

(billions of yen)	FY2024					FY2025					YoY Change
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	(YoY Rate)
Net Sales	97.5	108.4	116.2	119.1	441.3	118.4	126.9	135.8	–	381.2	+59.0 (+18%)
Ordinary income	1.6	2.0	2.3	2.1	8.2	1.8	0.8	1.3	–	4.1	-1.9 (-32%)
ASEAN	1.1	1.3	1.6	1.5	5.6	1.2	0.3	0.9	–	2.5	-1.4 (-37%)
East Asia	0.1	0.1	0.2	0.3	0.8	0.1	0.1	0.2	–	0.5	+0.0 (+12%)
North America	0.3	0.4	0.5	0.4	1.7	0.3	0.3	0.1	–	0.7	-0.5 (-43%)
Others	0.0	0.1	0.0	-0.1	0.0	0.1	0.0	0.0	–	0.1	-0.0 (-3%)
Adjustment	0.0	-0.0	-0.0	-0.0	-0.0	0.0	0.0	-0.0	–	0.0	+0.0 (–)

* From Q3 FY2025, COSMOSTEEL HOLDINGS LTD. (equity-method affiliate) has been reclassified from the Steel Business Segment to the Overseas Sales Subsidiaries Segment. Prior-period figures have been restated accordingly.

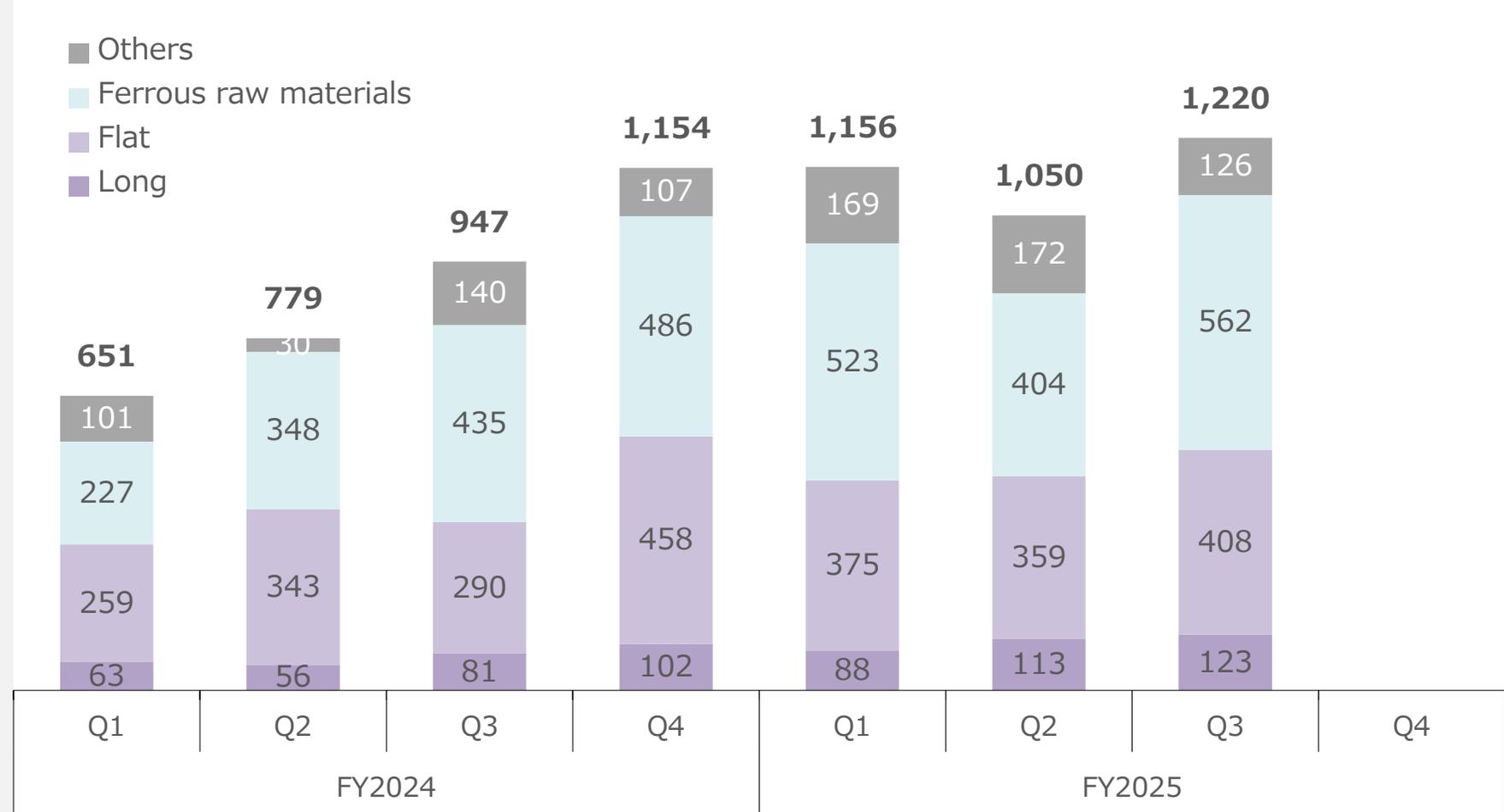
Overseas Sales Subsidiaries Segment

Trend of Steel Transaction Volume
(Sum of Overseas Sales Subsidiaries)

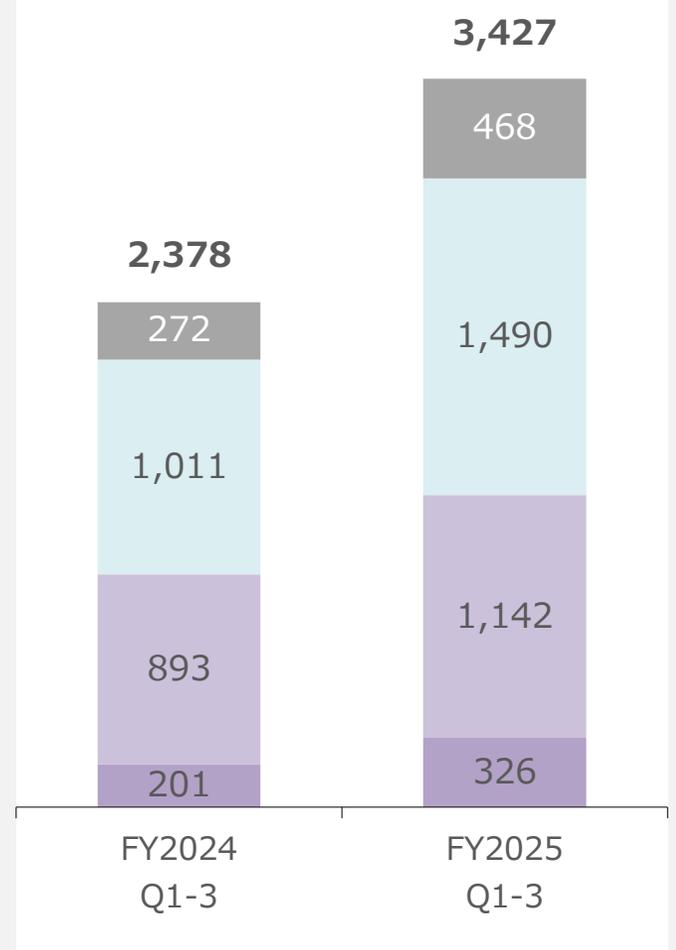
(thousand tons)

Quarterly Changes

- Others
- Ferrous raw materials
- Flat
- Long



Q1-3 Total



Other Segment

- Housing Materials: Profit decreased mainly due to the sluggish European lumber market.
- Machinery: The number of completed projects in the industrial machinery sector increased.

(billions of yen)	FY2024					FY2025					YoY Change
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	(YoY Rate)
Net Sales	32.0	33.3	34.2	34.0	133.7	31.2	31.8	34.5	–	97.7	-1.9 (-2%)
Ordinary income	0.9	0.1	0.4	0.8	2.4	0.6	0.4	0.4	–	1.4	-0.0 (-3%)
Parent only	0.8	-0.1	0.3	0.5	1.6	0.6	0.2	0.4	–	1.3	+0.2 (+27%)
Domestic consolidated subsidiaries	0.1	0.2	0.2	0.4	1.0	0.2	0.3	0.1	–	0.6	+0.0 (+2%)
Overseas consolidated subsidiaries	–	–	–	–	–	–	–	–	–	–	– (–)
Equity in earnings of affiliates	–	–	–	–	–	–	–	–	–	–	– (–)
Adjustment	–	-0.0	-0.1	-0.1	-0.2	-0.2	-0.1	-0.1	–	-0.4	-0.3 (–)

Actual Ordinary Income by Segment

(billions of yen)

Business Segments	Net Sales	Accounting Ordinary Income	Valuation and Temporary Items				Actual Ordinary Income	Rate against FY2025 Full Year Forecast (revised)
			Inventory Valuation	Derivative Valuation	Foreign Exchange Valuation	One-time Factors		
Steel	806.8	28.2	0.2	–	–	-0.0	28.0	76%
Primary Metal	176.4	0.3	0.0	-0.1	–	–	0.4	17%
Metal Recycling	196.7	-2.0	0.0	-4.2	–	–	2.1	63%
Foods	118.5	3.3	-0.0	–	–	–	3.4	114%
Energy & Living Materials	279.4	5.6	-0.2	-0.0	–	–	6.0	76%
Overseas Sales Subsidiaries	381.2	4.1	-0.0	-1.3	–	0.2	5.1	94%
Other	97.7	1.4	-0.0	–	–	–	1.4	60%
Adjustment	-91.3	-4.6	–	–	-0.6	-0.1	-3.8	–
Total	1,965.4	36.4	-0.1	-5.7	-0.6	0.0	42.9	78%

Run Up to HANWA 2030

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This presentation contains forward-looking statements concerning future results, performance and achievements that are subject to risk and uncertainties and reflect management's views and assumptions formed by available information. Consequently, due to a range of possible factors, actual results may materially differ from the forecasts.