

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended June 30, 2025 (Based on Japanese GAAP)

August 4, 2025

Company name: T. HASEGAWA CO., LTD.
 Stock exchange listing: Tokyo
 Stock code: 4958 URL <https://www.t-hasegawa.co.jp/>
 Representative: President & COO Kenji Hasegawa
 Inquiries: Senior Vice President Jun Takizawa TEL 03-3241-1151
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on financial results: No
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended June 30, 2025 (from October 1, 2024 to June 30, 2025)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended June 30, 2025	54,548	3.5	7,247	(3.3)	7,779	(2.8)	5,378	(4.3)
Nine months ended June 30, 2024	52,705	9.4	7,493	26.0	8,003	25.1	5,617	4.9

Note: Comprehensive income Nine months ended June 30, 2025 ¥4,880 million [(50.5)%]
 Nine months ended June 30, 2024 ¥9,854 million [99.1 %]

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended June 30, 2025	131.46	130.79
Nine months ended June 30, 2024	136.53	135.95

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2025	143,564	120,510	83.7
As of September 30, 2024	144,504	119,681	82.6

Reference: Equity As of June 30, 2025 ¥120,109 million
 As of September 30, 2024 ¥119,319 million

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended September 30, 2024	–	31.00	–	39.00	70.00
Year ending September 30, 2025	–	37.00	–		
Year ending September 30, 2025 (Forecast)				37.00	74.00

Note: Revision of cash dividend forecast most recently announced: No

3. Forecast of consolidated financial results for the year ending September 30, 2025 (from October 1, 2024 to September 30, 2025)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
Full year	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
	74,300	3.7	9,970	6.4	10,450	7.5	7,580	5.2	185.27

Note: Revision of consolidated financial results forecast most recently announced: No

4. Notes

(1) Significant changes in the scope of consolidation during the nine months ended June 30, 2025 Yes

Newly included: 1 company [Company name] T. HASEGAWA FLAVOURS (PINGHU) CO., LTD.

(2) Application of special accounting methods for preparing quarterly consolidated financial statements: Yes

Note: For details, please refer to “Application of special accounting methods for preparing quarterly consolidated financial statements” under “2. Quarterly consolidated financial statements and significant notes thereto, (3) Notes to quarterly consolidated financial statements” on page 8 of the Attached Material.

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

Changes in accounting policies due to revisions to accounting standards and other regulations: Yes

Changes in accounting policies due to other reasons: No

Changes in accounting estimates: No

Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

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

As of June 30, 2025	42,708,154 shares	As of September 30, 2024	42,708,154 shares
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Number of treasury shares at the end of the period

As of June 30, 2025	1,858,828 shares	As of September 30, 2024	1,563,008 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended June 30, 2025	40,912,574 shares	Nine months ended June 30, 2024	41,145,272 shares
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* Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an audit corporation: No

* Proper use of the forecast of financial results, and other special matters

(Caution regarding forward-looking statements and others)

The forward-looking statements, including the earnings forecast, shown in this document are based on information currently available to the Company and on certain assumptions deemed to be reasonable. These statements do not purport that the Company pledges to realize such statements. Actual results may differ substantially due to various factors. For the suppositions that form the assumptions for financial results forecast and cautions concerning the use thereof, please refer to “1. Qualitative information on financial results for the period, (3) Explanation of consolidated financial results forecast and other forward-looking statements” on page 3 of the Attached Material.

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1. Qualitative information on financial results for the period

(1) Explanation of operating results

The Japanese economy in the nine months ended June 30, 2025 continued its gradual recovery, under the improving employment and income environment. On the other hand, amid the unstable international situation centered on the USA and China, and unstable raw material and resource prices, there were continuing concerns over the impacts of rising commodity prices and strong fluctuations in foreign exchange rates, etc. on domestic and overseas economic activities. Thus, the outlook for the economy remained uncertain.

The flavor and fragrance industry remained in a severe situation due largely to maturation of the domestic market, fiercer competition among peers, and growing demand for quality assurance.

In this environment, giving primary consideration to quality control of products and securing of safety, the Group worked to further improve research and technology development capabilities and focused on development of the Company's unique high quality and high value-added products.

In the nine months ended June 30, 2025, net sales increased by ¥1,842 million (3.5%) year on year, amounting to ¥54,548 million. The Company's non-consolidated net sales increased by 1.2% year on year. As for net sales of major overseas consolidated subsidiaries, net sales of subsidiaries in the USA increased by 3.6% year on year (up 4.2% on a local currency basis), those of subsidiaries in China increased by 9.8% year on year (up 10.6% on a local currency basis), and those of a subsidiary in Malaysia increased by 13.6% year on year (up 6.2% on a local currency basis).

By division, net sales of the Flavor Division increased by 4.4% year on year, amounting to ¥48,724 million, due mainly to increased net sales of subsidiaries in China, the Company on a non-consolidated basis and subsidiaries in the USA.

Net sales of the Fragrance Division decreased by 3.3% year on year, amounting to ¥5,823 million due mainly to decreases in non-consolidated sales of the Company and net sales of subsidiaries in China.

As for profit, although gross profit increased resulting from higher sales and improved cost-of-sales ratio, operating profit decreased by ¥245 million (3.3%) year on year to ¥7,247 million due largely to an increase in selling, general and administrative expenses increased in line with increases in personnel expenses and amortization of goodwill. Ordinary profit decreased by ¥224 million (2.8%) year on year to ¥7,779 million due largely to decreases in operating profit and foreign exchange gains. Profit attributable to owners of parent decreased by ¥239 million (4.3%) year on year to ¥5,378 million, due mainly to a decrease in ordinary profit and an increase in extraordinary losses resulting from the recording of a loss on valuation of investment securities.

Furthermore, the yen exchange rates for major currencies (average rate for the period) applied for translation in the statements of income for the nine months ended June 30, 2025 are as follows.

1 USD=149.88 JPY (150.79 JPY in the previous fiscal year, 0.6% yen appreciation YoY)

1 RMB=20.70 JPY (20.85 JPY in the previous fiscal year, 0.7% yen appreciation YoY)

1 RM=34.20 JPY (31.98 JPY in the previous fiscal year, 6.9% yen depreciation YoY)

Operating results by segment are as follows. Furthermore, operating results by segment include inter-segment sales, etc.

(Japan)

Net sales were ¥31,662 million (up 1.2% year on year), and segment profit was ¥3,697 million (down 11.8% year on year).

(Asia)

Net sales were ¥13,583 million (up 9.6% year on year), and segment profit was ¥3,837 million (up 28.2% year on year).

(USA)

Net sales were ¥11,715 million (up 2.9% year on year), and segment loss was ¥372 million (segment profit of ¥235 million in the same period of the previous fiscal year).

(2) Explanation of financial position

(Current assets)

Current assets increased by ¥1,061 million compared to the end of the fiscal year ended September 30, 2024 to ¥73,303 million, due largely to increases in cash and deposits, merchandise and finished goods and raw materials and supplies of ¥5,417 million, ¥1,232 million and ¥200 million, respectively, and a decrease in securities of ¥5,998 million, compared to the end of the fiscal year ended September 30, 2024.

(Non-current assets)

While software in progress included in other under intangible assets increased by ¥821 million compared to the end of the fiscal year ended September 30, 2024, non-current assets decreased by ¥2,002 million compared to the end of the fiscal year ended September 30, 2024 to ¥70,260 million due largely to decreases in property, plant and equipment of ¥302 million, goodwill of ¥808 million, customer relationship included in other under intangible assets of ¥365 million and investment securities of ¥1,097 million.

(Current liabilities)

Current liabilities decreased by ¥1,738 million compared to the end of the fiscal year ended September 30, 2024 to ¥13,032 million due largely to decreases in income taxes payable and provision for bonuses of ¥870 million and ¥1,165 million, respectively, but an increase of ¥522 million in accounts payable - trade.

(Non-current liabilities)

While retirement benefit liability increased by ¥19 million compared to the end of the fiscal year ended September 30, 2024, non-current liabilities decreased by ¥29 million compared to the end of the fiscal year ended September 30, 2024 to ¥10,021 million due largely to a decrease in long-term lease liabilities included in other under non-current liabilities of ¥70 million.

(Net assets)

While retained earnings increased by ¥2,262 million compared to the end of the fiscal year ended September 30, 2024, total net assets increased by ¥828 million compared to the end of the fiscal year ended September 30, 2024 to ¥120,510 million due largely to an increase in treasury shares by ¥979 million (net assets decreased).

Furthermore, the yen exchange rates for major currencies (at the end of the period) applied for translation in the balance sheets at the end of the nine months ended June 30, 2025 are as follows.

1 USD=144.81 JPY (142.73 JPY at the end of the previous fiscal year, 1.5% yen depreciation YoY)

1 RMB=20.19 JPY (20.46 JPY at the end of the previous fiscal year, 1.3% yen appreciation YoY)

1 RM=34.29 JPY (34.79 JPY at the end of the previous fiscal year, 1.4% yen appreciation YoY)

In addition, allocation of acquisition cost related to the business combination involving the acquisition of ABELEI, INC. in the previous fiscal year was accounted for on a provisional basis at the end of the nine months ended June 30, 2025.

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

No revisions have been made to the consolidated financial results forecast announced on November 8, 2024.

2. Quarterly consolidated financial statements and significant notes thereto

(1) Consolidated balance sheets

(Millions of yen)

	As of September 30, 2024	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	27,396	32,814
Notes and accounts receivable - trade	20,473	20,138
Securities	6,997	998
Merchandise and finished goods	8,053	9,286
Work in process	161	162
Raw materials and supplies	8,200	8,400
Other	989	1,529
Allowance for doubtful accounts	(30)	(26)
Total current assets	72,241	73,303
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	21,463	20,889
Other, net	14,903	15,174
Total property, plant and equipment	36,367	36,064
Intangible assets		
Goodwill	9,855	9,046
Other	12,868	13,262
Total intangible assets	22,723	22,308
Investments and other assets		
Investment securities	11,997	10,899
Retirement benefit asset	18	18
Other	1,223	1,038
Allowance for doubtful accounts	(67)	(68)
Total investments and other assets	13,171	11,887
Total non-current assets	72,262	70,260
Total assets	144,504	143,564
Liabilities		
Current liabilities		
Accounts payable - trade	6,324	6,846
Income taxes payable	1,498	627
Provision for bonuses	2,004	839
Provision for bonuses for directors (and other officers)	85	-
Provision for removal cost	204	204
Other	4,654	4,514
Total current liabilities	14,771	13,032
Non-current liabilities		
Deferred tax liabilities	840	845
Retirement benefit liability	7,480	7,499
Asset retirement obligations	69	69
Long-term accounts payable - other	178	169
Other	1,481	1,438
Total non-current liabilities	10,051	10,021
Total liabilities	24,822	23,054

(Millions of yen)

	As of September 30, 2024	As of June 30, 2025
Net assets		
Shareholders' equity		
Share capital	5,364	5,364
Capital surplus	7,513	7,518
Retained earnings	90,670	92,932
Treasury shares	(2,556)	(3,536)
Total shareholders' equity	100,991	102,279
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	6,304	5,524
Foreign currency translation adjustment	12,171	12,432
Remeasurements of defined benefit plans	(148)	(127)
Total accumulated other comprehensive income	18,327	17,829
Share acquisition rights	362	400
Total net assets	119,681	120,510
Total liabilities and net assets	144,504	143,564

(2) Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended June 30, 2024	Nine months ended June 30, 2025
Net sales	52,705	54,548
Cost of sales	30,632	31,474
Gross profit	22,073	23,073
Selling, general and administrative expenses	14,579	15,825
Operating profit	7,493	7,247
Non-operating income		
Interest income	192	248
Dividend income	166	169
Foreign exchange gains	113	53
Other	78	137
Total non-operating income	550	608
Non-operating expenses		
Interest expenses	18	16
Other	21	59
Total non-operating expenses	40	76
Ordinary profit	8,003	7,779
Extraordinary income		
Gain on sale of investment securities	2	—
Total extraordinary income	2	—
Extraordinary losses		
Loss on abandonment of non-current assets	32	37
Loss on valuation of investment securities	—	100
Total extraordinary losses	32	137
Profit before income taxes	7,974	7,641
Income taxes	2,356	2,263
Profit	5,617	5,378
Profit attributable to owners of parent	5,617	5,378

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended June 30, 2024	Nine months ended June 30, 2025
Profit	5,617	5,378
Other comprehensive income		
Valuation difference on available-for-sale securities	72	(779)
Foreign currency translation adjustment	4,119	260
Remeasurements of defined benefit plans, net of tax	44	20
Total other comprehensive income	4,237	(498)
Comprehensive income	9,854	4,880
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	9,854	4,880
Comprehensive income attributable to non-controlling interests	—	—

(3) Notes to quarterly consolidated financial statements

(Significant change in scope of consolidation or equity method application)

T. HASEGAWA FLAVOURS (PINGHU) CO., LTD. was newly included in the scope of consolidation from the second quarter ended March 31, 2025.

(Notes on changes in accounting policies)

(Application of the Accounting Standard for Current Income Taxes)

The Company has applied the “Accounting Standard for Current Income Taxes” (Accounting Standards Board of Japan (ASBJ) Statement No. 27, October 28, 2022; the “Revised Accounting Standard of 2022”), etc. from the beginning of the first quarter of the current fiscal year. Revisions to categories for recording current income taxes (taxation on other comprehensive income) conform to the transitional treatment in the proviso of paragraph 20-3 of the Revised Accounting Standard of 2022 and to the transitional treatment in the proviso of paragraph 65-2 (2) of the “Guidance on Accounting Standard for Tax Effect Accounting” (ASBJ Guidance No. 28, October 28, 2022; the “Revised Guidance of 2022”). There is no impact as a result of this change in accounting policy.

In addition, for changes related to the revised treatment in consolidated financial statements when a gain or loss on sale arising from the sale of shares of subsidiaries, etc. among consolidated companies is deferred for tax purposes, the Revised Guidance of 2022 has been applied from the beginning of the first quarter of the current fiscal year. This change in accounting policies has been applied retrospectively, and is reflected after retrospective application in the quarterly consolidated financial statements for the same period of the previous fiscal year and the consolidated financial statements for the previous fiscal year. This change in accounting policies has no impact on the quarterly consolidated financial statements for the same period of the previous fiscal year and the consolidated financial statements for the previous fiscal year.

(Uncertainties of entity’s ability to continue as going concern)

Not applicable.

(Notes when there are significant changes in amounts of equity)

In accordance with the resolution at a Board of Directors meeting held on November 8, 2024, the Company purchased 306,400 treasury shares. Accordingly, treasury shares increased by ¥979 million in the nine months ended June 30, 2025, resulting in treasury shares of ¥3,536 million as of June 30, 2025.

(Application of special accounting methods for preparing quarterly consolidated financial statements)

(Calculation of income tax expense)

Tax expense is calculated by multiplying the profit before income taxes by the reasonably estimated effective tax rates after the application of tax effect accounting to the profit before income taxes for the fiscal year including the third quarter ended June 30, 2025.

(Additional information)

(Impact of changes in tax rate of current taxes)

Due to the enactment of the “Act for Partial Revision of the Income Tax Act, etc.” (Act No. 13 of 2025) in the Japanese Diet on March 31, 2025, the “Special Corporation Tax for National Defense” will be imposed from the fiscal years beginning on or after April 1, 2026.

Accordingly, regarding deferred tax assets and deferred tax liabilities related to temporary differences expected to be reversed in the fiscal years beginning on or after October 1, 2026, the statutory effective tax rate is revised from 30.5% to 31.4%.

The impact of such a change in tax rate is immaterial.

(Notes to quarterly consolidated statements of cash flows)

The Company has not prepared quarterly consolidated statements of cash flows for the nine months ended June 30, 2025. Depreciation (including amortization related to intangible assets excluding goodwill) and amortization of goodwill for the nine months ended June 30, 2024 and 2025 are as follows.

	(Millions of yen)	
	Nine months ended June 30, 2024	Nine months ended June 30, 2025
Depreciation	2,985	3,058
Amortization of goodwill	736	982

(Notes to segment information, etc.)

[Segment information]

I. Nine months ended June 30, 2024 (from October 1, 2023 to June 30, 2024)

1. Information on net sales and profit or loss for each reportable segment and information on disaggregation of revenue

(Millions of yen)

	Reportable segment				Adjustment (Note 1)	Consolidated (Note 2)
	Japan	Asia	USA	Total		
Net sales						
Flavor and fragrance business (Note 3)	29,235	12,264	11,206	52,705	–	52,705
Revenue from contracts with customers	29,235	12,264	11,206	52,705	–	52,705
Sales to external customers	29,235	12,264	11,206	52,705	–	52,705
Inter-segment sales or transfers	2,052	134	179	2,366	(2,366)	–
Total	31,287	12,398	11,385	55,072	(2,366)	52,705
Segment profit	4,193	2,992	235	7,421	72	7,493

- Notes: 1. The adjustments on segment profit of ¥72 million include ¥97 million of adjustments for intra-group transactions related to inter-segment transactions, negative ¥24 million of adjustments for inventories related to inter-segment transactions, and negative ¥0 million for others.
2. Segment profit is adjusted to operating profit in the consolidated statements of income (cumulative).
3. The Flavor and fragrance business is composed mainly of the manufacturing and sales of flavors and fragrances, and the net sales of the Flavor and fragrance business are composed mainly of revenue from goods transferred to customers at a specific point in time.

II. Nine months ended June 30, 2025 (from October 1, 2024 to June 30, 2025)

1. Information on net sales and profit or loss for each reportable segment and information on disaggregation of revenue

(Millions of yen)

	Reportable segment				Adjustment (Note 1)	Consolidated (Note 2)
	Japan	Asia	USA	Total		
Net sales						
Flavor and fragrance business (Note 3)	29,499	13,439	11,609	54,548	–	54,548
Revenue from contracts with customers	29,499	13,439	11,609	54,548	–	54,548
Sales to external customers	29,499	13,439	11,609	54,548	–	54,548
Inter-segment sales or transfers	2,162	144	106	2,413	(2,413)	–
Total	31,662	13,583	11,715	56,962	(2,413)	54,548
Segment profit or loss	3,697	3,837	(372)	7,163	84	7,247

- Notes: 1. The adjustments on segment profit or loss of ¥84 million include ¥99 million of adjustments for intra-group transactions related to inter-segment transactions, negative ¥12 million of adjustments for inventories related to inter-segment transactions, and negative ¥1 million for others.
2. Segment profit or loss is adjusted to operating profit in the consolidated statements of income (cumulative).
3. The Flavor and fragrance business is composed mainly of the manufacturing and sales of flavors and fragrances, and the net sales of the Flavor and fragrance business are composed mainly of revenue from goods transferred to customers at a specific point in time.

(Significant subsequent event)

Purchase of treasury shares

The Company resolved at a Board of Directors meeting held on August 4, 2025, to carry out a purchase of treasury shares, pursuant to the provisions of Article 156 of the Companies Act of Japan, as applied with a replacement of the terms pursuant to the provisions of Article 165, paragraph (3) of the Companies Act.

(1) Reasons for purchase of treasury shares

The purpose of the purchase is to raise capital efficiency and enhance shareholder returns.

(2) Details of matters related to the purchase of treasury shares

- | | |
|--|---|
| (i) Type of shares to be purchased: | Common shares of the Company |
| (ii) Total number of shares to be purchased: | 400,000 shares (upper limit) (1.0% of the total number of issued shares (excluding treasury shares)) |
| (iii) Total purchase cost for the shares: | The amount obtained by multiplying the number in (ii) above by closing price of the Company's stock on the Tokyo Stock Exchange on August 4, 2025 (upper limit) |
| (iv) Purchase period: | August 5, 2025 |
| (v) Purchase method: | Purchase through off-auction own share repurchase trading system (ToSTNeT-3) of the Tokyo Stock Exchange |